The Mediating Role of Financial Distress in the Career Alignment of Customer Service Representatives

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ABSTRACT

Despite extensive research on stress, burnout, and health issues among customer service representatives (CSRs) in the Philippine BPO industry, limited scholarly attention has been given to the financial struggles experienced by CSRs and how these financial pressures influence their long-term career fit. Existing studies often position financial challenges as secondary concerns, leaving a gap in understanding how Financial Distress directly shapes career decisions, job commitment, or transitions toward higher-value career pathways. This study aligns with Sustainable Development Goals (SDGs): SDG 1 (No Poverty), SDG 8 (Decent Work and Economic Growth), and SDG 3 (Good Health and Well-Being). These SDG connections demonstrate that improving Employer Financial Support mechanisms can strengthen Career Alignment and reduce economic strain experienced by CSRs. Using quantitative research design employing a combined purposive-snowball sampling, the researcher surveyed 200 CSRs working in Muntinlupa City, ensuring that all respondents met inclusion criteria despite the absence of a centralized CSR database. Descriptive analyses showed that CSRs generally agreed that they experience moderate levels of Employer Financial Support, Financial Distress, and Career Alignment. Regression and mediation analyses revealed that Employer Financial Support significantly predicted Financial Distress ($B = 1.095$, $p < .001$), and Financial Distress strongly predicted Career Alignment ($B = 0.895$, $p < .001$). Mediation testing confirmed that Financial Distress fully mediated the relationship between Employer Financial Support and Career Alignment, supported by a significant indirect effect ($B = 0.982$; 95% CI [0.893, 1.063]) and a Variance Accounted For (VAF) of 91.4%. Moderation effects of monthly income and dependents were not significant. The findings demonstrate that Employer Financial Support enhances long-term Career Alignment primarily through lowering Financial Distress among CSRs. This highlights the strategic value of financial wellness initiatives in strengthening retention and supporting sustainable career development within the BPO sector.

Keywords: Financial Distress, Career Alignment, BPO Industry, Customer Service Representatives, Conservation of Resources (COR) Theory, Mediation Analysis

INTRODUCTION

Background of the Study

Macro-economic realities compel employees to reassess how their careers align with financial stability and personal priorities. Rising inflation, wage stagnation, and urban cost pressures intensify the challenge of maintaining a sustainable lifestyle. Compensation, whether in the form of wages, salaries, or benefits, is intended to secure their ability to meet fundamental needs such as housing, healthcare, and education. The International Labour Organization (2023) underscores how wage stagnation and declining purchasing power in the post-pandemic era intensify this challenge, forcing employees to reconsider how their careers align with financial stability and personal priorities.

In the Philippine BPO industry, customer service representatives (CSRs) constitute the backbone of organizational operations, providing essential services that enable firms to function and compete globally. However, existing studies have largely emphasized health concerns, irregular schedules due to international

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time differences, and workplace stress as primary challenges. For instance, Dale (2021) concluded that burnout significantly affects the psychological well-being of CSRs. While these findings are valuable, they leave a critical gap: the financial struggles of employees remain underexplored, particularly in relation to how these struggles influence Career Alignment.

CSR salaries are marketed as “competitive” compared to minimum wage jobs, but more like a mask than a reality. Behind the night differential pay and performance incentives lie hidden financial struggles including debt reliance and health costs from emotional stress. According to Santhini, S. (2024), salaries in BPO roles frequently fail to meet the financial demands or compensate for job complexity, resulting in financial stress for workers. When income fails to keep pace with rising living costs, employees, particularly (CSRs) experience financial strain that erodes both personal well-being and professional performance.

Financial Distress, defined as the inability to adequately cover financial obligations, emerges as a critical mediating factor in the employment experience. Within customer service environments, this distress manifests in absenteeism, diminished motivation, and heightened turnover intentions. The World Bank (2024) highlights how compensation freeze and productivity challenges in service industries exacerbate these outcomes, compelling employees to evaluate whether their current roles are aligned with long-term financial and professional objectives. Importantly, CSRs possess transferable skills such as digital literacy, communication, and client engagement that can be leveraged to realign careers toward higher-value roles such as remote support, digital marketing, or online client relations.

The Human Resource Management Review (2022) identifies compensation structures and financial insecurity as mediating mechanisms that directly influence Career Alignment. For CSRs, whose pay is often tied to hourly rates, performance metrics, or client satisfaction scores, financial volatility amplifies stress and undermines morale. This dynamic not only reduces productivity but also fosters workplace conflict and attrition. The IT & Business Process Association of the Philippines (2024) further illustrates how financial insecurity within the IT-BPM sector drives employees to pursue career paths that better align with financial sustainability, often leveraging technology platforms and entrepreneurial ventures to transform personal passions into viable livelihoods. Taken together, current literature establishes that Financial Distress transcends income levels and operates as a pivotal determinant of organizational outcomes. The combination of high emotional labor for CSRs are limited pay progression and economic volatility magnifies the impact of financial stress, making Career Alignment a rational strategic response. This study therefore addresses the gap by positioning Financial Distress as a mediating variable that explains how socio-economic pressures and Employer Financial Support shape the Career Alignment of customer service representatives.

Most existing studies on the BPO sector focus on operational stressors such as call volume, customer interactions, and performance pressures, there is a clear research gap regarding CSRs’ personal financial health as a predictor of Career Alignment and retention. While BPO work is widely perceived as “high paying” compared with other entry-level jobs, this reputation obscures how rising living costs in Metro Manila have eroded the real value of wages for many employees. Simeon (2024), writing for PhilStar Global, notes that Metro Manila wages have not kept up with rising prices of goods and commodities, highlighting a growing disconnect between pay and basic expenses. Return-to-office policies have further increased daily transportation and food expenses for CSRs, reducing disposable income compared with earlier work-from-home arrangements. Briones (2025) in Outsource Accelerator reports that entry-level BPO salaries often remain below PHP 30,000 per month, which falls short of the roughly PHP 1,200 daily living wage estimated for Metro Manila. Complementing these sector-specific concerns, a 2024 article in the International Journal of Social Science and Economic Research shows that recent high inflation in the Philippines has forced minimum-wage earners to adopt coping strategies such as stricter budgeting, prioritizing essentials, and more “thrifty” consumption, suggesting that financial strain may be a critical but underexplored factor shaping employees, specifically CSRs, career decisions. However, far less is known about how CSRs’ personal Financial Distress such as difficulty meeting monthly expenses, reliance on debt, or the need for multiple income sources shapes their sense of career fit and long-term commitment to the industry. This study addresses this gap by examining the relationship between CSRs’ Financial Distress and their perceived Career Alignment and intention to remain in the BPO sector.

Statement of the Problem

This study examines whether Financial Distress mediates the relationship between socio-economic factors and organizational factors and CSR's perceived long-term Career Alignment.

1. How may the socio-economic profile of the respondents currently employed as customer service representatives (CSRs) be described in terms of:

1.1 Monthly Income

1.2 No. of Dependents

2. Does Employer Financial Support significantly influence Financial Distress and Career Alignment?

3. Does Financial Distress significantly influence Career Alignment of the CSRs?

4. Does Financial Distress significantly mediate the relationship between Employer Financial Support and Career Alignment?

5. Do monthly income and number of dependents moderate the relationship between Employer Financial Support and Career Alignment?

Objectives

- To describe the socio-economic profile of customer service representatives (CSRs) in terms of Monthly income and Number of dependents.
- To determine whether Employer Financial Support significantly influences Financial Distress and Career Alignment among CSRs.
- To examine whether Financial Distress significantly influences the perceived long-term Career Alignment of CSRs.
- To analyze whether Financial Distress significantly mediates the relationship between Employer Financial Support and Career Alignment.
- To assess whether monthly income and number of dependents moderate the relationship between Employer Financial Support and Career Alignment.

Significance of the Study

This study offers awareness to employers about the importance of prioritizing employees' welfare, recognizing that Financial Distress directly influences organizational health and sustainability. For employees, particularly customer service representatives (CSRs), the findings provide insight into potential career pathways that may improve financial stability, work-life balance, and opportunities for upskilling in digital or remote environments. By strengthening their Career Alignment, CSRs can better recognize how their existing transferable skills fit within their current roles, allowing them to build greater professional stability, explore meaningful growth opportunities, and maintain long-term resilience within the customer service field. This study contributes to three relevant Sustainable Development Goals (SDGs) such as SDG 1 (No Poverty): Financial well-being helps individuals escape extreme poverty by enabling them to meet basic needs like food, housing, and healthcare. Improving financial literacy and behavior empowers the poor to improve their financial condition and reduces extreme poverty. Second, SDG 8 (Decent Work and Economic Growth): Promoting employee well-being through decent work conditions and financial security drives economic growth and sustained productivity. Ensuring fair wages and sustainable career pathways for CSRs aligns with these goals by improving their financial resilience and reducing turnover rates. Last is the SDG 3 (Good Health and Well-Being) which reduces Financial Distress and workplace stress supports healthier lifestyles, lowers the risk of burnout, and enhances psychological resilience.

Scope and Limitations

The primary concern of this study is the relationship between socio-economic factors and Employer Financial Support as determinants of Financial Distress among CSRs in the Philippine BPO industry. Specifically, it examines how income levels, household expenses, and dependent responsibilities with employer-provided financial support mechanisms such as incentives or benefits, contribute to financial instability. Within this framework, Financial Distress is treated as the mediating variable that explains how these pressures influence Career Alignment, reflecting the behavioral and strategic responses of employees to their financial realities.

The scope of this study is intentionally centered to the financial dimension of employee experience. It does not address other non-financial influences such as organizational culture, mental health concerns, or personal career aspirations. Emotional and health-related stressors are acknowledged in existing literature but are not the primary focus here; instead, the study emphasizes how financial burdens shape employees' decisions regarding their long-term Career Alignment.

The focus on CSRs is significant because this group frequently encounters recurring financial pressure due to modest wages, performance-based pay structures, and limited upward mobility within organizations. These conditions make CSRs particularly vulnerable to Financial Distress, which in turn influences their career perspectives and alignment with long-term professional goals. By concentrating on socio-economic factors and Employer Financial Support, this study aims to clarify the mechanisms through which Financial Distress mediates Career Alignment among CSRs. The scope is focus on the BPO context, and the limitations reflect this boundary: the study does not include other occupational groups outside the sector, nor does it account for broader macroeconomic disruptions beyond price surge and flatlining pay. As such, the conclusions are most applicable to CSRs within the Philippine BPO industry, where financial insecurity and fluctuating economic conditions consistently shape employee experiences and career outlooks.

REVIEW OF RELATED LITERATURE

Managing financial needs during difficult times enables individuals to pursue careers outside their current profession. Navigating job transitions is a challenging decision but offers the potential to transform one's lifestyle. Society places a high value on finance, and personal well-being is impacted by economic stability. Berill (2020) in Dublin found that financial worries and debts worsen overall health and life satisfaction. Employee satisfaction with earnings and workload enhances their performance and leadership effectiveness. In organizations, leadership takes a big part of management skills that promotes a positive work culture.

Career Alignment refers to how well employees' current roles match their skills, goals, and long-term professional aspirations. Among customer service representatives, this concept is especially important, as high workloads, irregular schedules, and financial pressures often prompt them to evaluate whether their present positions truly align with their long-term career goals. Instead of shifting careers entirely, CSRs may assess how their existing role supports their development, stability, and future aspirations within the customer service field. A study by Paman et al.

(2025) examined work-stress creators and inhibitors among millennial employees in BPO firms. It found that workload intensity, irregular schedules, and performance demands were primary stressors that negatively impacted job performance and weakened employees' sense of Career Alignment, making them question whether their current roles matched their long-term goals and aspirations. It involves a valuable change in their professional path by moving from one job to another.

The sense of morality in careers encourages employees to reconsider their professional choices, particularly when their current positions do not contribute to advancement. Employees use exploration to expand their opportunities and objectives beyond their current job in order to align more closely with their personal values, interests, or passions.

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External and Environmental Factors

Macroeconomic Factors Influence Career Decisions

Autor D. (2024) stated that macroeconomic conditions during young adulthood shape career priorities: during a recession and economic downturn, employees give higher importance to income over job purpose, while in booms or among older generations, more meaningful work takes stronger priority. Understanding how macroeconomic influences interact with individual psychological factors is essential, as these dynamics can either amplify or buffer shifts in career priorities. Monetary and non-monetary rewards serve as tokens of appreciation, raising morale and job satisfaction, and projects that recognize employee contributions foster commitment and organizational performance.

In the current Philippine economy, characterized by high-cost escalation and rising living costs, income has become the overriding priority for employees, particularly in the business process outsourcing (BPO) sector. The IT & Business Process Association of the Philippines (2024) highlights that financial pressures in the industry have intensified employees' focus on compensation, with many prioritizing financial stabilities over purpose in their career decisions. For customer service representatives (CSRs), who often face irregular schedules and limited advancement opportunities, macroeconomic shocks magnify turnover intentions and reinforce the need to align careers with financial sustainability.

Macroeconomic conditions experienced between ages 18 and 25 strongly influence career choices, with younger employees placing greater emphasis on financial stability, while older cohorts often value meaningful work more highly. Acknowledging and supporting senior employees can positively impact organizational success, as their experience contributes to resilience in times of economic hardship. Ultimately, long-term career choices are significantly shaped by financial circumstances, which are closely tied to broader macroeconomic environments.

Career Environments and Preferences for Organizational Mobility

Finances play a significant role in shaping how employees from low socio-economic backgrounds perceive their Career Alignment. Lack of family financial support makes sustaining career trajectories more difficult for underprivileged employees. Financial constraints negatively affect career decision-making and increase indecision. Coping strategies and social support can reduce the negative impact on career choices, but socio-economic status largely determines the level of financial stress, which in turn influences Career Alignment. Paluch et al. (2022) show that employees from lower socio-economic backgrounds experience higher Financial Distress, which strongly influences their well-being and their ability to remain aligned with careers that can sustain their financial needs. Erickcek (2019), in *Economic Development Quarterly*, examined earnings and career advancement possibilities for low-wage workers and found that millions remain stuck in low-wage occupations with minimal opportunities for upward mobility. This mirrors the situation of many CSRs who enter customer service roles due to financial necessity rather than long-term career aspirations, with financial stress shaping their sense of Career Alignment.

Historically, studies have recognized since the mid-20th century that parental education and family income impact children's career choices. Higher-income families' children are more likely to pursue professional careers and higher education, while children from lower-income families are more likely to enter vocational training or immediate employment.

This pattern persists for many CSRs as financial necessity often dictates entry into customer service roles rather than alignment with long-term career goals.

Throughout the late 20th century, research revealed that social and economic conditions limited options for education and career opportunities. Theories such as Social Reproduction and Developmental-Contextual Models highlight how social origins and family background events, such as early parenthood, influence occupational acquisition and career paths. More recent research emphasizes that socio-economic status determines the extent to which reasoning and reflection are involved in career decision-making. The World Economic Forum (2020) highlighted that pandemic-induced economic downturns increased career shifts, with financial hardships driving workers toward reskilling and seeking new career pathways. Technological advancements, economic uncertainties, and demographic changes are transforming labor markets, disproportionately affecting employees from lower socio-economic backgrounds. These dynamics intensify Financial Distress and weaken Career Alignment, particularly among CSRs who often face instability in customer service roles.

Economic Predictors and Financial Stress

Simonse (2024) identified key economic predictors of financial stress, including debt levels, savings, and income irregularity, which often compel individuals to reconsider their career pathways. The study highlights that lower-income households are more vulnerable to financial stress, though it does not fully explain the relative contributions of these factors or the dynamic mechanisms through which they interact to shape career outcomes.

Aggarwal (2025) further observed that CSRs frequently struggle with income unpredictability due to fluctuating shifts and overtime, which strains already tight budgets and can lead to financial crises such as medical bills or rent increases. These pressures are magnified for employees with multiple dependents, as family responsibilities increase the urgency of securing stable income and amplify the impact of financial hardship on career decisions. Thus, socio-economic position—including income level and number of dependents—plays a decisive role in determining how Financial Distress influences Career Alignment.

Organizations that recognize these socio-economic realities can mitigate financial stress by offering competitive compensation, family-support programs, and opportunities for skill development. When employees feel valued and supported, their engagement strengthens, driving improvements in performance and collaboration. This not only enhances organizational productivity but also fosters a positive work environment that sustains Career Alignment.

Ultimately, economic predictors such as debts, savings, income irregularity, and family responsibilities are essential in understanding how Financial Distress mediates Career Alignment. ForCSRs, Financial Distress is not simply an individual challenge, but a socio-economic condition shaped by both income stability and dependent obligations, making it a critical factor in long-term career outcomes.

The Financial Effects of Changing Careers

Customer service representatives (CSRs) operate in environments characterized by heavy workloads, emotional labor, and limited opportunities for advancement. These conditions, when combined with modest compensation, intensify Financial Distress and influence how employees align their careers with long-term stability. Research highlights that financial insecurity not only undermines motivation and job satisfaction but also mediates the relationship between workplace pressures and career decisions. The Human Resource Management Review (2022) further emphasizes that compensation structures and Financial Distress act as critical mediating mechanisms, shaping whether employees can successfully align their careers with roles that provide stability and growth.

Financial Distress manifests in multiple ways—absenteeism, reduced engagement, and heightened turnover intentions—while also shaping the quality of job search outcomes. Employees often weigh the financial consequences of leaving a steady income against the costs of retraining or pursuing new opportunities. For CSRs, transferable skills such as digital literacy and communication provide pathways to align careers with roles that offer greater financial sustainability, including remote support or digital marketing.

Macroeconomic conditions further amplify these dynamics. Periods of rising prices or economic downturn push employees to prioritize income over passion, reinforcing the need for Career Alignment with financial stability. Younger workers tend to emphasize financial security, while older cohorts often value meaningful work more highly. Supervisor support during financial crises also plays a critical role: leaders who provide empathy, recognition, and growth opportunities help employees sustain alignment with their current roles, whereas controlling or unsupportive leadership accelerates disengagement.

Ultimately, Financial Distress serves as a mediating factor that links compensation structures, macroeconomic pressures, and organizational support to Career Alignment. By understanding this process, organizations can design interventions—such as competitive pay, skill development programs, and supportive leadership—that enable CSRs to align their careers with opportunities that balance financial stability and professional growth.

Organizational and Interpersonal Predictors

Perceived Supervisor Support during Financial Crisis

Financial Distress still affects leaders and CSRs, but the emphasis is on how supervisor support mediates whether CSRs stay aligned with their current roles or disengage. Perceived supervisor support plays a critical role in shaping employee outcomes during periods of financial crisis. While financial instability can create stress across organizational hierarchies, the way leaders respond to employees' concerns often determines whether teams remain cohesive and effective. Spoelma et al. (2024) highlight that Financial Distress can lead to controlling behaviors among leaders; however, when supervisors instead demonstrate empathy, fairness, and support, employees are more likely to sustain motivation and align their careers with organizational goals. CSRs who frequently face financial insecurity due to modest wages and fluctuating compensation structures, supervisor support becomes a decisive factor in whether they remain engaged in their roles. Evidence from Frontiers in Psychology shows that financial insecurity during the COVID-19 pandemic intensified burnout and reduced performance among frontline service employees, underscoring how stress spills over into team dynamics and customer outcomes. In such contexts, supportive leadership—through recognition, transparent communication, and access to professional development—can buffer the negative effects of Financial Distress and foster stronger alignment between employees' personal priorities and organizational objectives.

Cultural norms and leadership approaches further shape this dynamic. Leaders who adopt controlling or punitive measures under financial strain risk impairing team performance and accelerating turnover. Conversely, supervisors who provide reassurance, demonstrate respect, and offer pathways for growth enhance organizational stability by encouraging employees to align their careers with existing roles rather than seeking alternatives. Thus, perceived supervisor support during financial crises functions as a mediating mechanism: it influences whether CSRs disengage or instead find renewed alignment with their work, ultimately determining both individual well-being and organizational resilience.

Career Behavior Under Stress

Job Search Under Stress and Career Alignment

Gerards (2022) examined how financial hardship affects job search effectiveness, finding unemployment lowers the quality of search activities, which often become unsystematic and lead to poorer labor market outcomes. However, the study did not fully explore how the severity of financial hardship influences variations in job search effectiveness, leaving room for further research to inform tailored interventions for employees facing different levels of Financial Distress. Financialhardship thus operates as both a driver and a barrier: while it can motivate employees to intensify their efforts to secure income for essential needs, it simultaneously undermines the quality of those efforts.

Wang et al. (2024) demonstrated that customer mistreatment and emotional exhaustion significantly increase turnover intentions among frontline service employees. When compounded by financial hardship, this exhaustion leads to rushed or poorly planned job searches, further diminishing the quality of labor market outcomes for customer service representatives (CSRs). In this context, Financial Distress mediates the relationship between workplace pressures and Career Alignment, influencing whether employees can effectively align their skills and opportunities with roles that provide stability and growth.

The number of dependents that CSR employees support further intensifies this dynamic. Employees with greater family responsibilities face heightened financial pressure, which amplifies the urgency of securing stable income. Providing opportunities for skill development and advancement can help these employees adapt to economic challenges, reducing turnover rates and minimizing recruitment and training costs for organizations. Ultimately, Financial Distress—magnified by the burden of dependents—shapes the quality of job search outcomes and plays a central role in determining how CSRs align their careers with positions that meet both financial and professional priorities.

Career Goal Setting and Financial Distress

Creed et al. (2020) found that Financial Distress intensifies the negative associations between career indecision, effort, and perceived employability, while strengthening the positive associations between career indecision and stress. Their study highlights how Financial Distress undermines career decision-making, particularly among young adults, though it does not fully capture its impact across diverse populations. This evidence demonstrates that Financial Distress can significantly impair the ability to make effective career choices.

For customer service representatives (CSRs), who often face low wages, irregular schedules, and limited advancement opportunities, these dynamics are especially pronounced. Wang et al. (2024) reported that customer mistreatment and emotional exhaustion increase turnover intentions among frontline service employees, and when compounded by financial hardship, CSRs are more likely to engage in rushed or poorly planned career decisions. Similarly, Al Sulti (2025) observed that burnout in service-based firms reduces job satisfaction and employability perceptions, reinforcing the link between Financial Distress and career indecision.

Organizational practices can either exacerbate or mitigate these effects. Employees who feel undervalued or overburdened often experience burnout and dissatisfaction, which diminishes both motivation and performance. Regular feedback sessions, recognition systems, and balanced workloads can help sustain morale and encourage employees to maintain high standards. By making their efforts feel worthwhile, organizations can reduce the negative impact of Financial Distress on Career Alignment.

Overall, Financial Distress diminishes the value of effort during periods of career indecision, lowering aspirations and complicating alignment with long-term career goals. Addressing these challenges through supportive leadership and fair compensation structures is essential to help CSRs align their careers with opportunities that balance financial stability and professional growth.

The Research Gap

Existing literature establishes that Financial Distress is driven by macroeconomic pressures like the inflation in Metro Manila connecting the wages of the employees as explored by Simeon, 2024 and Briones, 2025 that serve as a critical mediator between environmental stressors and career misalignment among CSRs in the BPO sector. Studies on operational demands (Paman et al., 2025; Wang et al., 2024) point out how heavy workloads, irregular shifts, and emotional labor reduce job satisfaction and increase turnover intentions. However, they do not explore how financial health affects long-term career fit. CSRs' entry-level salaries, often below PHP 30,000 per month, do not meet living costs, which average around PHP 1,200 a day. Macroeconomic shocks put income ahead of purpose (Autor, 2024), worsening the situation for lower-income employees facing debt, unstable earnings, and family responsibilities (Simonse, 2024; Paluch et al., 2022; Erickcek, 2019). This leads to hurried job searches, uncertainty, and decreased employability (Gerards, 2022; Creed et al., 2020). Organizational factors, such as perceived support from supervisors, can help cushion these effects during tough times (Spoelma et al., 2024). Supportive leadership can encourage retention through empathy and development options, while lack of support can speed up disengagement. This situation uncovers a clear gap on the current exploration. While Financial Distress connects to well-being (Berill, 2020) and barriers to mobility (Human Resource Management Review, 2022), few studies look into its role as a predictor of CSR Career Alignment in price swelling settings like the Philippines. The return-to-office mandates also add pressure to disposable income that creates tension for another responsibility aside from family obligations. This study examines how CSRs' Financial Distress interacts with these predictors to influence professional goals.

Application of COR Theory to the Study

To address this research gap, the study applies the Conservation of Resources (COR) Theory, which views stress as a response to the loss of valuable resources, the threat of losing them, or the failure to acquire additional resources. In this study, COR Theory helps explain how CSRs develop Financial Distress when key resources that are personal resources (skills and coping capabilities), social resources (Employer Financial Support), and structural resources (monthly income and number of dependents) are depleted or become insufficient. The preservation of these resources shapes their ability to align their professional goals with organizational realities. Thus, COR Theory offers a comprehensive lens to interpret how financial and occupational pressures converge to influence Career Alignment among BPO employees in the Philippine context.

Theoretical Framework

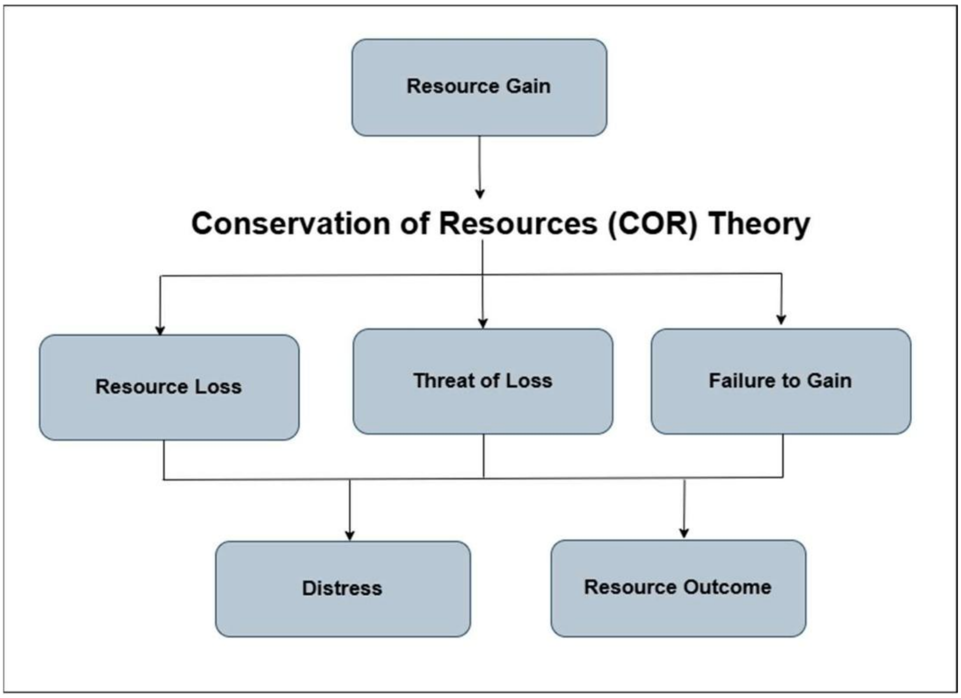

Figure 1. Theoretical Framework

This study underlies with the Conservation of Resources (COR) Theory proposed by Dr. Stevan E. Hobfoll in 1989. This theory explains how individuals experience stress based on the **loss of resources**, the **threat of losing resources**, or the **failure to gain resources** after investing effort. COR theory categorizes these resources into three major domains: *personal resources*, social resources, and structural resources. In the context of this study, threatened financial and organizational resources increase the resource loss, which leads to Financial Distress that becomes the mediating mechanism that links resource availability, influencing **career-related outcomes** decisions. Thus, this theory supports that resource loss and resource threat disrupt career stability, while resource gain strengthens CSR's sense of Career Alignment and long-term role fit.

Personal Resources

These describe the internal assets such as financial stability, skills, and coping capacity that CSRs rely on to manage financial and career challenges. When income is adequate, CSRs experience *resource gain* that contributes to stability. However, insufficient income and accumulating expenses represent *resource loss* or *threat of loss*. When financial improvement does not occur despite effort, this reflects *failure to gain resources*. These conditions anticipate Financial Distress that cam weaken CSRs' ability to concentrate on work and result lead to *career-related outcomes* like lower career focus and reduced alignment with their job roles.

Social Resources

These are the organizational support systems that reduce CSRs' Financial Distress. Reliable Employer Financial Support serves as a *resource gain*, reducing financial pressure enabling CSRs to view their current roles align with their long-term career goals. Insufficient or uncertain support from employers represents a *threat of loss or failure to gain* social resources. Stronger organizational support contributes to positive *career-related outcomes* such as heightened work commitments and perceived alignment with their current roles. Thus, Employer Financial Support acts as a buffer that protects against resource loss and strengthens resource gain.

Structural Resources

Structural resources refer to external condition of the CSRs access to stability, particularly monthly income and number of dependents. CSRs with higher incomes of fewer dependents experience *resource gain* and may feel more secure in managing financial responsibilities. In contrast, modest wages or having more dependents can intensify financial pressure, creating *resource loss* and *threat of loss*. When no improvement in income occurs despite growing responsibilities, this reflects *failure to gain* structural resources. These pressures intensify Financial Distress which in turn affects *career-related outcomes* including how strongly Employer Financial Support contributes to Career Alignment.

Conceptual Framework

This framework illustrates the relationships among key variables as shown below, specific to customer service representatives (CSRs), visualizing the coherent perspective of the researcher within a structured model.

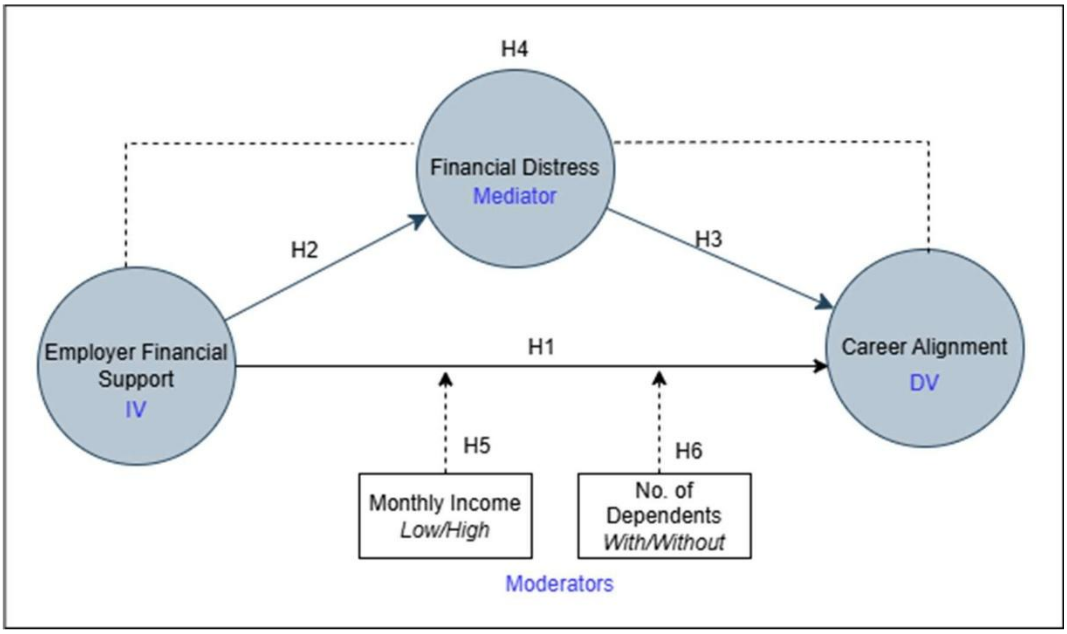

Figure 2. Conceptual Framework

Employer Financial Support is the *independent variable* that influences the level of Financial Distress experienced by CSRs. It relates to **Financial Distress** which serves as *mediator or intervening variable* explaining how financial pressures shape CSRs' perceptions of their work. **Career Alignment** is the *dependent variable*, reflecting how well CSRs perceived the compatibility of their current role with their long-term goals. The *moderating variables* that may strengthen or weaken the effect of Employer Financial Support on Career Alignment are the **monthly income** and **number of dependents**. This framework illustrates the direct, mediating, and moderating pathways affecting CSRs' Career Alignment outcomes.

Employer Financial Support

This refers to organizational assistance provided to CSRs like monetary benefits, allowances, incentives, or support programs that help ease financial burdens. It plays a crucial role in mitigating negative effects of

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economic situation and unexpected expenses by reducing their financial pressure. Bhandari (2023) found that employers who invest in reskilling and financial support for training helpemployees align their career paths with industry needs. Financial backing for upskilling increases employee motivation to pursue aligned roles. Adequate Employer Financial Support can help stabilize and lessen the impact of socio-economic challenges. It is positioned as a critical organizational lever that influences the level of Financial Distress CSRs experience in the framework.

Career Alignment

Career Alignment reflects the extent to which CSRs' skills, abilities, and competencies are appropriately matched with their job roles. It is deeply tied to financial well-being, not just professional compatibility. Employees who receive employer support are more likely to align their career paths with organizational and industry priorities.

However, when employees face Financial Distress, career paths are often chosen based on immediate financial survival rather than long-term alignment with skills, education, or aspirations. Among financially distressed CSRs, Cable & DeRue (2002) highlight that poor demand-abilities fit where the match between job demands and personal skills feels inadequate that mediates the relationship between socio-economic strain and career misalignment. Income instability exacerbates perceived role incompatibility, and Financial Distress systematically biases CSRs toward negative fit perceptions. Thus, Career Alignment is not shaped directly by socio-economic or employer factors but rather through the level of distress CSRs experience.

Mediating Role of Financial Distress

Financial Distress acts as the mechanism through which these factors affect career decisions and alignment. CSRs often adjust career paths to stabilize income when faced with financial burdens. Monetary challenges create distractions and reduce work productivity, which may compel CSRs to doubt their career paths. Pressures arising from providing for dependents amid economic uncertainty intensify financial difficulties. Bangko Sentral ng Pilipinas (2024) identified Financial Distress as a mediator: socio-economic pressures such as expenses and dependents influence organizational engagement (employment choices, training participation) through financial strain, which then determines Career Alignment. As a result, CSRs may pursue better alignment of their skills with roles that offer greater financial stability as a coping strategy. In this way, Financial Distress explains how external financial realities translate into career-related consequences. It serves as the intervening variable that connects socio-economic conditions and employer support to the alignment of CSRs' skills with their roles.

Moderating Variables

This study examines two moderating variables that act a boundary condition capable of amplifying or weakening the influence of the independent variable on the outcome. These moderators relate to the financial work-related circumstances of CSRs' specifically monthly income and number of dependents. These variables collectively influence their overall economic stability. CSRs' ability to meet financial obligations indicates their current economic condition, shaping their sense of security and well-being. and ultimately how strongly Employer Financial Support influences their Career Alignment.

According to Monsura (2021), low or unstable income and high expenses related to education, health, and daily living increase vulnerability to downward mobility. Similarly, larger households with more dependents face greater financial strain due to higher expenses, which heightens their risk of financial instability. Pajarillo and Rabago (2025) further emphasize that families with many dependents often struggle to stretch limited income to cover basic needs such as food, education, and healthcare. These circumstances contribute to varying levels of financial strain and play a vital role in shaping the Financial Distress experienced by CSRs, subsequently affecting their career-related decisions.

Hypotheses

The following hypotheses were developed by the researcher in the construction of the capstone questionnaires

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and objectives.

H1: Employer Financial Support has a significant direct effect on Career Alignment. H2: Employer Financial Support has a significant direct effect on Financial

Distress.

H3: Financial Distress has a significant direct effect on Career Alignment.

H4: Financial Distress significantly mediates the relationship between Employer Financial Support and Career Alignment.

H5: Monthly income significantly moderates the relationship between Employer Financial Support and Career Alignment.

H6: The number of dependents significantly moderates the relationship between Employer Financial Support and Career Alignment.

Synthesis

From a theoretical standpoint, career shifting among customer service representatives underscores the importance of understanding how financial conditions shape workers' long-term career decisions. The nature of customer service roles often associated with modest compensation, emotional labor, and limited pathways for advancement positions financial considerations as central influences on career thinking. This perspective contributes to career development theories by highlighting how individuals navigate non-linear transitions and boundary-crossing movements in response to financial realities. Such conditions may also prompt workers to cultivate new competencies and adapt to evolving labor demands, particularly as organizations increasingly adopt digital tools and automated systems. Ethical and motivational dimensions also emerge, as financial pressures may intersect with personal values, perceptions of meaningful work, and evolving identities shaped by technological change. These dynamics point to the need for theoretical models that more fully integrate financial, psychological, and contextual influences on career behavior.

From a managerial perspective, insights drawn from CSR experiences suggest the necessity for organizations to adopt more flexible and responsive career development practices. Customer service environments are characterized by high emotional demands, performance metrics, and limited upward mobility, which may heighten vulnerability to financial and role-related pressures. These conditions highlight opportunities for leaders and human resource practitioners to design support systems that better acknowledge the complexities of frontline roles. Contemporary workplace shifts—including digitalization and automation—further underscore the importance of preparing employees for new expectations and emerging job categories. Recognizing financially influenced career decisions as legitimate career choices may also encourage more empathetic and adaptive management approaches.

In summary, there is a need to emphasize the alignment between employees' work preferences and their financial and professional growth aspirations. Customer service representatives often navigate repetitive tasks, restricted advancement opportunities, and economic pressures that shape their motivation and career direction. As workplace technologies evolve rapidly, employees must also adjust to changing skill demands and new forms of career engagement. Expanding career development frameworks to acknowledge lateral movement, boundary-spanning transitions, and non-traditional career paths is particularly relevant for CSRs who may seek roles in areas such as digital communication, remote engagement, or administrative work. Understanding how these workers reconstruct their professional identities as they pursue opportunities aligned with their values and long-term goals offers valuable implications for both organizations and the broader labor market.

Definitions of Terms

The following are the definitions of the terms used in the study:

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1. Customer Service Representatives (CSRs) - Frontline employees in the BPO industry who handle inquiries, complaints, and service interactions through phone, chat, or email channels. CSRs represent the population experiencing financial pressures and evaluating long-term career fit in this study.

2. Financial Distress – A condition in which individuals struggle to pay their financial obligations, such as monthly expenses, loan payments, and emergency savings. According to this study, it refers to the CSRs' level of financial strain caused by modest income, dependent responsibilities, and fluctuating household costs, which may affect their work performance and career decisions.

3. Career Alignment - The extent to which an employee perceives their current role as compatible with their long-term career goals, values, skills, and aspirations that describes as how CSRs assess whether their present customer service positions advance their long-term professional path.

4. Employer Financial Support - Organizational assistance provided through monetary incentives, benefits, allowances, financial wellness programs, and other forms of support intended to reduce employees' financial burdens. This phrase describes the CSRs' perception of how much their employer helps alleviate financial challenges in this study.

5. Socio-Economic Factors - These factors are examined for their influence on Financial Distress among CSRs. Personal and financial attributes that describe an individual's demographic and economic conditions include gender, age group, monthly income, number of dependents.

6. Dependents – refers to individuals who rely on the CSR for financial support. For this study, one important socio-economic factor is the number of dependents that significantly predict Financial Distress among CSRs.

7. Mediation/Mediating Variable - A statistical process wherein a variable explains the mechanism or channel by which an independent variable affects a dependent variable. Financial Distress was tested in this study as a mediating variable between socio-economic factors, Employer Financial Support, and Career Alignment.

8. Conservation of Resources (COR) Theory – According to this stress theory, individuals strive to obtain, protect, and maintain resources, and stress occurs when these resources are threatened or disappear. In this study, COR Theory describes how financial strain depletes CSRs' personal, social, and structural resources, influencing their career decisions.

METHODOLOGY

The study discusses the importance of and will accumulate specific information considering their ac. It comprises research design, tools used, data collection, data analysis and procedures and research ethics.

Research Design

This study employed a quantitative research design to systematically collect and analyze numerical data that reveal patterns and relationships among the study variables. A quantitative approach is appropriate for this investigation because it allows the researcher to statistically examine how socio-economic factors, Employer Financial Support, and Financial Distress influence CSR's perceived long-term Career Alignment. The design supports generalization of findings to a broader CSR population, as it emphasizes objectivity, measurable indicators, and statistical inference.

Research Instrumentation

A 5-Point Likert scale questionnaire was used as the primary research instrument to quantify the attitudes and perceptions of CSRs in Muntinlupa City. The Likert Scale ranged from Strongly Disagree (1) to Strongly Agree (5), allowing respondents to express varying levels of agreement towards Financial Distress, Career Alignment, and Employer Financial Support. This instrument effectively converted subjective opinions

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into measurable numerical data. The internal consistency of the instrument was assessed using Cronbach's alpha as part of validation process. The reliability coefficients indicated good scale reliability with values of 0.829 for Financial Distress, 0.824 for Career Alignment, and 0.737 for Employer Financial Support. The questionnaire items were structured to obtain clear and standardized responses from participants. These reliability results confirm that the scales were internally consistent for the 200-person sample, demonstrating that the responses were stable across items and that the constructs were measured sufficiently reliable to support further statistical analysis.

Sampling Strategy

A total of 200 CSRs participated in the survey, which was conducted to examine the proposed mediation framework. The achieved sample size provides high statistical power for detecting small to medium effects in mediation models, thereby ensuring reliable quantitative results. The study employed a combined purposive-snowball sampling strategy. Purposive sampling was initially used to ensure that all participants strictly met the inclusion criteria which specifically CSRs currently employed within Muntinlupa City. Because there is no publicly available or centralized listing of CSRs, accessingthe target population presented inherent limitations. To address this, snowball sampling was implemented to expand the pool of respondents, wherein initial participants referred additional CSRs who also met the eligibility requirements. This approach is supported by Saunders et al. (2019), who note that snowball sampling is appropriate when sampling frames are unavailable or incomplete. Similarly, Creswell (2014) emphasizes that researchers may rely on chain-referral methods when studying groups that are not easily identifiable or when organizational access is restricted. Therefore, the combined use of purposive and snowball sampling ensured both eligibility control and adequate reach, making it a methodologically appropriate strategy for this study. While chain-referral methods allowed access to a dispersed CSR population, they may have introduced bias by excluding less-networked employees, limiting generalizability.

Data Collection Methods

Data was collected through an online survey distributed via Google Forms. The instrument was designed to obtain demographic information, socio-economic details, and respondents' perceptions regarding financial conditions that may influence career decisions. The questionnaire included items measuring employment status, career intentions, and Financial Distress levels. Google form was selected as the primary data collection platform that administered in an online form due to its accessibility and compatibility with the target demographic of tech-savvy CSRs, who routinely work with digital tools and online systems.

Data Analysis Methods

Analyzing data was conducted using IBM SPSS Statistics version 23 for all descriptive and regression procedures, while JASP version 0.96 SEM Module with 5,000 bootstrap resamples and 95% confidence intervals was utilized for mediation and moderation analysis. Results were cross-validated using the seminr package (PLS-SEM in R). Descriptive Statistics include frequencies and percentages for demographic profiles and means, and standard deviation. For the inferential analyses, multiple linear regression was performed to assess the influence of socio-economic factors and employer support on Financial Distress. A simple linear regression was also used to examine the relationship between Financial Distress and Career Alignment. Mediation effects were analyzed using JASP's SEM module. All statistical tests were carried out using established and widely accepted analytical tools that support comprehensive quantitative procedures.

Ethical Consideration

Informed Consent Form (ICF) was indicated on the first page of the Google Form. The respondents were guaranteed confidentiality and data gathering will be collected for academic purposes only. Ethical protocols of Data Privacy Act 2012 (Republic Act No. 10173) were cited to protect participant privacy and data security.

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Limitations

The study relies on quantitative data that focuses on measurable indicators and may not fully capture the deeper narratives behind CSRs' financial experiences or career perspectives. This approach assumes that respondents are willing to accurately disclose information related to their financial well-being. Because financial issues are sensitive in nature, participants may respond cautiously due to perceived concerns about confidentiality, company image, or fear of judgment, which may affect the depth and accuracy of the information shared, even though the method enables efficient and structured data collection.

The study also concentrates on a specific group of CSRs within one organizational context. While this strengthens internal relevance and ensures that responses accurately represent their working conditions, different CSR environments may have varying support systems, compensation structures, or operational requirements. These contextual differences may influence Financial Distress and Career Alignment in ways not captured within the current setting.

Additionally, the financial circumstances of CSRs can be influenced by broader economic and industry trends such as inflation, shifts in client demand, or technological changes. These external conditions may further shape how Financial Distress and Career Alignment are experienced, suggesting opportunities for deeper investigation in future research.

Despite these limitations, the study offers meaningful insights into the relationship between CSRs' perceptions of long-term career fit, employer support, and Financial Distress—providing useful information for employers, researchers, and professionals in the customer service sector.

Results

Respondent Demographics

Table 4.1 Frequency Distribution of the Respondents' Profile

Variable	Levels	Frequency	Percentage
Monthly Income	Low (15,000–35,000)	149	74.50%
	High (36,000–above)	51	25.50%
Dependents	Without (None)	78	39.00%
	With (1 or more)	122	61.00%
Total		200	100.00%

Table 1 shows the frequency distribution of the respondents' profile who participated in the survey. It presents the foundational context for analyzing socio-economic factors such as range of monthly income and number of dependents relating to Financial Distress and long-term Career Alignment. It presents the frequency distribution of the respondents' profile.

The majority (74.50%) fall within the low-income category, earning between 15,000 to 35,000 with 149 respondents. Meanwhile, 51 respondents or 25.50% reported earnings between 36,000 and above belong to high-income group. In terms of dependents, the largest proportion of respondents had 1 or more dependents with 122 respondents or 61.00%. This was followed by respondents without dependents, accounting for 78 or 39.00% of the sample.

These results indicate that most respondents belong to the lower income bracket and commonly support one or more dependents.

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Financial Distress, Career Alignment, and Employer Financial Support of Respondents

Table 4.2.1 Descriptive Summary of the Financial Distress of the CSRs

Statements	Mean	Standard Deviation	Verbal Description
I find it difficult to cover my basic monthly expenses (rent, groceries, transportation, or utilities) with my current CSR salary.	3.83	0.80	Agree
I often feel anxious or stressed when thinking about my upcoming bills or loan payments, or daily expenses.	3.75	0.83	Agree
I am unable to set aside any savings for emergencies or future goals because of my current financial situation.	3.72	0.79	Agree
My financial struggles limit my ability to spend quality time or join gatherings with family and friends, affecting my overall well-being.	3.77	0.85	Agree
I feel that financial worries often distract me from focusing on my work tasks and affect my performance.	3.78	0.83	Agree
Overall	**3.77**	**0.82**	**Agree**

Range: 1.00-1.80 strongly disagree; 1.81-2.60 disagree; 2.61-3.40 neutral; 3.41-4.20 agree; 4.21-5.00 strongly agree

Table 4.2. presents the descriptives of the CSRs that underscores the financial challenges experienced and examines how Financial Distress mediates the relationship between socio-economic conditions, Employer Financial Support, and Career Alignment within customer service sector. It shows a descriptive summary of the Financial Distress of the customer service representatives. The statement with the highest mean is “I find it difficult to cover my basic monthly expenses (rent, groceries, transportation, or utilities) with my current CSR salary” with a mean of3.83 and a standard deviation of 0.80, interpreted as agree. This indicates that many respondents experience difficulty meeting their basic financial needs.

On the other hand, the statement with the lowest mean is “I am unable to set aside any savings for emergencies or future goals because of my current financial situation” with a mean of 3.72 and a standard deviation of 0.79, which is still interpreted as agree.

Overall, Financial Distress among CSRs obtained a mean of 3.77 with a standard deviation of 0.82, indicating that respondents generally agree that they experience Financial Distress. This implies that respondents were more likely to perceive that their financial condition strongly affected their social life and well-being.

Table 4.2.2Descriptive Summary of the Perceived Long-term Career Fit and Alignment of the CSRs

Statements	Mean	Standard Deviation	Verbal Description
My current customer service job matches the kind of career I want for myself in the long term.	3.76	0.80	Agree
I feel that my skills and strengths are well used in my current customer service role.	3.78	0.87	Agree

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I am committed to staying in my current customer service job because it is well-aligned with my long-term goals and interests.	3.73	0.81	Agree
I believe that staying in customer service will help me achieve my long-term career goals.	3.68	0.77	Agree
I find my current role to be a perfect match for the type of work I want to do, and I am satisfied with my career path.	3.78	0.81	Agree
Overall	**3.75**	**0.81**	**Agree**

Range: 1.00-1.80 strongly disagree; 1.81-2.60 disagree; 2.61-3.40 neutral; 3.41-4.20 agree; 4.21- 5.00 strongly agree

Table 4.2.2 provides valuable insights into how CSRs evaluate their long-term fit within customer service field. Career Alignment is related to job satisfaction in terms of matching their skills and effectiveness, as well as encompassing the sense of purpose they derive from performing their duties in the chosen role. It indicates the descriptive summary of the perceived long-term career fit and alignment of the customer service representatives. The statements with the highest mean are “I feel that my skills and strengths are well used in my current customer service role” and “I find my current role to be a perfect match for the type of work I want to do, and I am satisfied with my career path,” both obtaining a mean of 3.78 with standard deviations of 0.87 and 0.81, respectively, interpreted as agree. This indicates that respondents generally perceive their current roles as aligned with their skills and preferred career paths. Conversely, the statement with the lowest mean is “I believe that staying in customer service will help me achieve my long-term career goals,” which obtained a mean of 3.68 and a standard deviation of 0.77, still interpreted as agree. This implies that respondents were certain that their current job fits their long-term career plans.

Table 4.2.3 Descriptive Summary of the Employer’s Financial Support of the CSRs

Statements	**Mean**	**Standard Deviation**	**Verbal Description**
I feel that my employer generally cares about my financial well-being and provides support that helps reduce my financial stress.	3.81	0.74	Agree
My employer's benefits package is effective in helping me reduce my Financial Distress.	3.73	0.77	Agree
My employer provides access to financial education or planning resources that help me manage my financial situation.	3.70	0.74	Agree
I feel confident that my employer offers adequate support for unexpected financial hardships.	3.72	0.82	Agree
My employer helps me feel more secure about building emergency savings or managing debt through workplace programs.	3.84	0.77	Agree
Overall	**3.76**	**0.77**	**Agree**

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Range: 1.00-1.80 strongly disagree; 1.81-2.60 disagree; 2.61-3.40 neutral; 3.41-4.20 agree; 4.21-5.00 strongly agree

Table 4.2.3. measures different forms of financial assistance that the organizations may provide, such as incentives, allowances, educational programs, or financial benefits that help lessen personal expenses of employees. It illustrates how employer's financial support influence CSRs' long-term career perspective. This is a descriptive summary of the employer's financial support for the customer service representatives. The statement with the highest mean is "My employer helps me feel more secure about building emergency savings or managing debt through workplace programs," which obtained a mean of 3.84 with a standard deviation of 0.77, interpreted as agree. This suggests that respondents generally perceive that their employer provides programs that help improve their financial security.

On the other hand, the statement with the lowest mean is "My employer provides access to financial education or planning resources that help me manage my financial situation," which obtained a mean of 3.70 with a standard deviation of 0.74, still interpreted as agree. Thus, the construct obtained a mean of 3.76 with a standard deviation of 0.77, indicating that respondents generally agree that their employer provides financial support that helps address their financial concerns.

Reliability Assessment of the Constructs

Table 4.3 Cronbach's Alpha Values

Variables	Cronbach's Alpha	Interpretation
Employer's Financial Support	0.737	Acceptable
Financial Distress	0.829	Good
Career Alignment	0.824	Good

A reliability analysis was conducted to evaluate the internal consistency of the constructs used in the study, namely Employer's Financial Support, Financial Distress, and Career Alignment. Cronbach's Alpha values ranged from 0.737 to 0.829, indicating acceptable to good reliability based on the recommended threshold of $\alpha \geq 0.70$.

Monthly Income and Number of Dependents as Predictor of Financial Distress

Table 4.4 Regression Analysis of the Monthly Income and Dependents on the Financial Distress of CSRs

Variable	Unstandardized Coefficients (B)	Std. Error	t	p-value	Remarks
(Constant)	4.045	0.078	51.81	< .001	—
Monthly Income (2)	-0.308	0.095	-3.252	0.001	Significant
Monthly Income (3)	-0.751	0.131	-5.794	< .001	Significant
Dependents (2)	0.034	0.087	0.388	0.698	Not Significant
Dependents (3)	-0.103	0.122	-0.840	0.402	Not Significant

Dependent Variable: Financial Distress

Monthly Income: 2=15,000-35,000; 3=36,000-above Dependents: 2=1-2 dependents; 3=3 or more dependents

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R-squared = 0.870; F-value = 216.1; p<0.001

Table 4.4 presents the regression analysis examining whether Financial Distress can be a predictor of Career Alignment among CSRs, focusing on its potential role in shaping employees' long-term career development. It is the regression analysis of Financial Distress as a predictor of Career Alignment among the CSRs. Among the predictors, monthly income shows significant effects on Financial Distress. Specifically, respondents earning ₱15,000–₱35,000 ($B = -0.308$, p = 0.001), ₱36,000-above and ($B = -0.751$, $p < .001$) all demonstrate significant negative relationships with Financial Distress. This indicates that higher income levels are associated with lower Financial Distress among CSRs. In contrast, the number of dependents does not significantly influence Financial Distress. Employees with one to two dependents ($B = 0.034$, p = 0.698) and those with three or more dependents ($B = -0.103$, $p = 0.402$) both show non-significant results, suggesting that household dependency level does not substantially affect the respondents' Financial Distress in this sample. The regression model explains a large proportion of the variance in Financial Distress ($R^2 = 0.870$) and is statistically significant ($F = 216.1$, $p < .001$), indicating that the included socioeconomic variables collectively provide a strong explanation of Financial Distress among CSRs, with income emerging as the primary significant factor among the respondents.

Employer Financial Support as Predictor of Financial Distress

Table 4.5 Regression Analysis of the Employer's Financial Support to the Financial Distress of the CSRs

Variable	**Unstandardized Coefficients (B)**	**Std. Error**	**Standardized Coefficients (Beta)**	**t**	**p-value**	**Remarks**
(Constant)	-0.351	0.121	—	-2.911	0.004	—
Employer's Financial Support	1.095	0.032	0.926	34.50	< .001	Significant

Dependent Variable: Financial Distress R-squared = 0.857; F-value = 1190; p<0.001

Table 4.5 presents the regression analysis examining the influence of employer's financial support on the Financial Distress of Customer Service Representatives (CSRs). The results indicate that employer's financial support significantly predicts Financial Distress ($B = 1.095$, $\beta = 0.926$, $t = 34.50$, $p < .001$). This suggests that variations in the level of perceived financial support from employers are strongly associated with changes in the level of Financial Distress experienced by the respondents. The model explains a substantial proportion of the variance in Financial Distress, with an R^2 value of 0.857, indicating that approximately 85.7% of the variability in Financial Distress can be accounted for by employer's financial support. The overall regression model is statistically significant ($F = 1190$, p <

.001), demonstrating that employer-provided financial support plays a significant role in explaining the Financial Distress experienced by CSRs.

Financial Distress as Predictor of Career Alignment

Table 4.6 Regression Analysis of the Financial Distress to the Career Alignment of the CSRs

Variable	**Unstandardized Coefficients (B)**	**Std. Error**	**Standardized Coefficients (Beta)**	**t**	**p-value**	**Remarks**
(Constant)	0.097	0.044	—	2.203	0.029	—

Financial Distress	0.969	0.012	0.986	83.652	< .001	Significant

Dependent Variable: Career Alignment

R-squared = 0.972; F-value = 6998; p<0.001

Table 4.6 presents the regression analysis of Financial Distress on the Career Alignment of Customer Service Representatives (CSRs). The results indicate that Financial Distress has a significant positive effect on Career Alignment (B = 0.969, β = 0.986, t = 83.652, p < .001), suggesting that as Financial Distress increases, the perceived Career Alignment also increases among respondents. The

model explains a very high proportion of the variance in Career Alignment, with an R^2 value of 0.972, indicating that 97.2% of the variability in Career Alignment is accounted for by Financial Distress. The overall regression model is statistically significant (F = 6998, p < .001), confirming the strong predictive relationship between Financial Distress and Career Alignment among the CSRs.

Mediating Role of Financial Distress in the effect Monthly Income and Number of Dependents on Career Alignment

Monthly Income Table 4.7.1

Regression Coefficients for Monthly Income Predicting Financial Distress

Predictor	B	SE	t	p-value	95% CI
Constant	4.04	0.059	68.00	< .001	[3.923, 4.157]
Monthly Income (X1)	-0.301	0.094	-3.19	0.002	[-0.487, -0.115]
Monthly Income (X2)	-0.739	0.129	-5.74	< .001	[-0.994, -0.484]

Note. R^2 = .218, F(3,196) = 18.20, p < .001.

Reference category: Monthly Income =15000-25000 X1=15000-35000; X2=36000-above

Table 4.7.2 Regression Analysis Predicting Career Alignment

Predictor	B	SE	t	p-value	95% CI
Constant	0.097	0.054	1.79	0.075	[-0.010, 0.204]
Monthly Income (X1)	0.014	0.018	0.76	0.450	[-0.022, 0.049]
Monthly Income (X2)	0.018	0.026	0.66	0.517	[-0.057, 0.045]
Financial Distress	0.968	0.013	73.76	< .001	[0.942, 0.994]

Note. $R^2 = .973, F(4,195) = 1742.19, p < .001$ *X1=15000-35000; X2=36000-above*

Table 4.7.3 ***Total Effects of Monthly Income on Career Alignment***

Comparison	B	SE	t	p-value	95% CI
Monthly Income (X1)	-0.278	0.093	-2.99	0.003	[-0.461, -0.095]
Monthly Income (X2)	-0.722	0.127	-5.68	< .001	[-0.972, -0.470]

Note. R^2 = .213, F(3,196) = 17.72, p < .001. X1=15000-35000; X2=36000-above

Table 4.7.4 Bootstrapped Indirect Effects of Monthly Income on Career Alignment through Financial Distress

Comparison	Indirect Effect	Boot SE	95% Boot CI
MI (X1) → FD → CA	-0.291	0.082	[-0.451, -0.128]
MI (X2) → FD → CA	-0.715	0.150	[-0.996, -0.411]

Note. Bootstrap samples = 5,000. Indirect effects are significant when the confidence interval does not include zero. MI=monthly income; FD=Financial Distress; CA=Career Alignment

X1=15000-35000; X2=36000-above

Table 4 presents the direct, indirect, and mediating effects among the variables – Financial Distress, employer's support, Career Alignment, showing how each relates to one another. Standardized coefficients, standard errors, p-values, and effect sizes were computed using JASP's bootstrapped mediation framework aligned with the proposed conceptual model. This reflects the direct, indirect, and mediating effects of Employer Financial Support, Financial Distress, and Career Alignment.

A mediation analysis was conducted using the PROCESS macro (Model 4) in IBM SPSS Statistics to examine whether financial discipline mediates the relationship between monthly income and Career Alignment. Monthly income was treated as a categorical variable with three dummy variables relative to the reference group.

Results indicated that monthly income significantly predicted Financial Distress (R^2 = .218,

F(3,196) = 18.20, p < .001). Specifically, X1 (B = −0.301, p = .002) and X2 (B = −0.739, p < .001), were

associated with significantly lower Financial Distress compared with the reference group.

Financial Distress significantly predicted Career Alignment (B = 0.968, p < .001). While the total effects of monthly income on Career Alignment were significant; the direct effects became non-significant after including the mediator.

Bootstrapped mediation analysis using 5,000 samples showed that the indirect effects were significant for all comparisons, as the confidence intervals did not include zero (X1: 95% CI [−0.451,

−0.128] and X2: 95% CI [−0.996, −0.411]. These findings indicate that financial discipline fully mediates the relationship between monthly income and Career Alignment.

Number of Dependents

Table 4.7.5 *Regression Analysis Predicting Financial Distress (Mediator)*

Predictor	B	SE	t	p-value	95% CI
Constant	3.761	0.072	52.27	< .001	[3.620, 3.904]
Dependents (X1)	0.017	0.098	0.17	0.864	[-0.176, 0.210]
Dependents (X2)	-0.022	0.137	-0.16	0.875	[-0.291, 0.248]

Note. $R^2 = .0004$, $F(2,197) = 0.044$, $p = .957$.

Reference category: Dependents = none.

X1 = 1 to 2 dependents; X2 = 3 or more dependents.

Table 4.7.6 ***Regression Analysis Predicting Career Alignment***

Predictor	B	SE	t	p-value	95% CI
Constant	0.108	0.045	2.40	0.017	[0.020, 0.197]
Dependents (X1)	-0.013	0.016	-0.83	0.410	[-0.045, 0.018]
Dependents (X2)	-0.030	0.022	-1.37	0.172	[-0.074, 0.013]
Financial Distress	0.968	0.012	83.62	< .001	[0.946, 0.991]

Note. $R^2 = .973$, $F(3,196) = 2333.01$, $p < .001$.

X1 = 1 to 2 dependents; X2 = 3 or more dependents.

Table 4.7.7 Bootstrapped Indirect Effects of Dependents on Career Alignment Through Financial Distress

Comparison	Indirect Effect	Boot SE	95% Boot CI
D (X1) → FD → CA	0.016	0.094	[-0.171, 0.199]
D (X2) → FD → CA	-0.021	0.128	[-0.272, 0.226]

Note. Bootstrap samples = 5,000. Indirect effects are significant when the confidence interval does not include zero. D = dependents; FD = Financial Distress; CA = Career Alignment.

X1 = 1 to 2 dependents; X2 = 3 or more dependents.

A mediation analysis was conducted using the PROCESS macro (Model 4) in IBM SPSS Statistics to examine whether financial discipline mediated the relationship between dependents and Career Alignment. The number of dependents was treated as a categorical variable with two dummy variables relative to the reference group.

Results showed that the number of dependents did not significantly predict Financial Distress, X1: $B = 0.017$, $p = .864$; X2: $B = -0.022$, $p = .875$. However, Financial Distress significantly predicted Career

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Alignment (B = 0.968, $p < .001$).

Bootstrapped mediation results using 5,000 samples indicated that the indirect effects of dependents on Career Alignment through Financial Distress were not significant for either comparison

group, as the confidence intervals included zero (X1: 95% CI [−0.171, 0.199]; X2: 95% CI [−0.272, 0.226]). These findings suggest that Financial Distress does not mediate the relationship between number of dependents and Career Alignment.

Mediation of Financial Distress Between Employer Financial Support and Career Alignment

Table 4.8.1 Regression Analysis Predicting Financial Distress

Predictor	**B**	**SE**	**t**	**p**	**95% CI**
Constant	-0.351	0.121	-2.91	0.004	[-0.589, -0.113]
Employer's Financial Support	1.095	0.032	34.50	< .001	[1.033, 1.158]

Note. R^2 = .857, $F(1,198)$ = 1190.23, $p < .001$.

Table 4.8.2 Regression Analysis Predicting Career Alignment

Predictor	**B**	**SE**	**t**	**p**	**95% CI**
Constant	0.023	0.052	0.43	0.664	[-0.081, 0.126]
Employer's Financial Support	0.092	0.036	2.57	0.011	[0.022, 0.163]
Financial Distress	0.897	0.030	29.65	< .001	[0.837, 0.956]

Note. R^2 = .973, $F(2,197)$ = 3601.62, $p < .001$.

Table 4.8.3 Total, Direct, and Indirect Effects of Employer's Financial Support on Career Alignment

Effect	**B**	**SE**	**t**	**p**	**95% CI**	**VAF**
Total Effect	1.074	0.032	34.11	< .001	[1.012, 1.136]	—
Direct Effect	0.092	0.036	2.57	0.011	[0.022, 0.163]	91.4%

Note. VAF = Variance Accounted For. Values above 80% indicate full mediation.

T**able 4.8.4 Bootstrapped Indirect Effect**

Mediator	**Indirect Effect**	**Boot SE**	**95% Boot CI**
Financial Distress	0.982	0.044	[0.893, 1.063]

Note. Bootstrap samples = 5,000. Indirect effects are significant when the confidence interval does not include zero.

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A mediation analysis was conducted using Model 4 of the PROCESS macro for SPSS to examine whether Financial Distress mediates the relationship between Employer Financial Support and Career Alignment. Results indicated that employer's financial support significantly predicted Financial

Distress $B = 1.095$, SE = 0.032, $t(198) = 34.50$, $p < .001$, explaining 85.7% of the variance. Financial Distress significantly predicted Career Alignment, $B = 0.897$, SE = 0.030, $t(197) = 29.65$, $p < .001$. The total

effect of employer's financial support on Career Alignment was significant ($B = 1.074$, $p < .001$). When Financial Distress was included in the model, the direct effect remained significant ($B = 0.092$,

$p = .011$). Bootstrapping with 5,000 samples indicated a significant indirect effect through financial distress ($B = 0.982$, 95% CI [0.893, 1.063]).

Mediation and Moderated Mediation Effects

Table 4.9.1 Conditional Effects of Employer Support on Career Alignment at Low vs. High Monthly Income

Moderator Level	ES Value	Estimated CA	Interpretation
Low Income	Low ES = 3.0	0.373	Weak positive effect
	High ES = 4.5	0.506	Slight increase
High Income	Low ES = 3.0	0.407	Slightly stronger
	High ES = 4.5	0.557	Slight increase

Note. The differences between slopes are very small, reflecting the nonsignificant interaction ($\beta = 0.020$, $p = .536$).

Table 4.9.2 Simple Slope Estimates for the Moderation of Monthly Income

Condition	Slope (Effect of ES on CA)	Interpretation
Low Monthly Income	0.092	Baseline slope
High Monthly Income	0.092 + 0.020 = 0.112	Slightly steeper but not significant

Table 4.9.3 Conditional Effects of Employer Support on Career Alignment at Low vs. High Dependents

Moderator Level	ES Value	Predicted CA	Interpretation
No Dependents	Low ES = 3.0	0.384	Positive effect
	High ES = 4.5	0.524	Increase in CA
With Dependents	Low ES = 3.0	0.371	Slightly lower
	High ES = 4.5	0.502	Increase in CA

Note. Differences between slopes are minimal, consistent with the nonsignificant interaction ($\beta = –0.012$, $p = .665$).

Table 4.9.4 Simple Slope Estimates for the Moderation of Dependents

Condition	**Slope (Effect of ES on CA)**	**Interpretation**
Without Dependents	0.092	Baseline slope
With Dependents	0.092 – 0.012 = **0.080**	Slightly weaker, but not significant

The simple slope estimates show minimal differences across income levels and dependent groups. For Monthly Income, the slope increased only from 0.092 to 0.112, indicating no

meaningful moderation (p = .536). Similarly, for Dependents, the slope decreased slightly from 0.092 to 0.080 (p = .665). Therefore, both moderators do not significantly influence the relationship between Employer Financial Support and Career Alignment.

Table 4.9.5 Path Coefficients for the Structural Model Predicting Career Alignment and Financial Distress

Path	*B*	*SE*	*z*	*p*	*95% CI*
Financial Distress → Career Alignment	0.895	0.030	29.95	< .001	[0.836, 0.953]
Employer Support → Career Alignment	0.092	0.041	2.23	0.026	[0.011, 0.173]
Employer Support→ Financial Distress	1.095	0.032	34.67	< .001	[1.033, 1.157]
Employer Support × MI (High) → CA	0.020	0.033	0.62	0.536	[-0.044, 0.084]
Employer Support × Dep (With) → CA	-0.012	0.028	-0.43	0.665	[-0.066, 0.042]

Note. Dep = dependents; MI = monthly income; CA = Career Alignment.

Table 4.9.6 Direct and Indirect Effects of Employer Support on Career Alignment

Condition	**B**	**SE**	**z**	**p**	**95% CI**
ES → CA (MI = 0, Dep = 0)	0.092	0.041	2.23	0.026	[0.011, 0.173]
ES → CA (MI = 1, Dep = 0)	0.112	0.044	2.53	0.011	[0.025, 0.199]
ES → CA (MI = 0, Dep = 1)	0.080	0.038	2.10	0.036	[0.005, 0.154]
ES → CA (MI = 1, Dep = 1)	0.100	0.045	2.21	0.027	[0.011, 0.189]

Note. ES = employer support; CA = Career Alignment; Dep = dependents; MI = monthly income.

A moderated mediation analysis was conducted to examine whether Financial Distress mediates the

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relationship between employer support and Career Alignment and whether this relationship varies across MI level and no. of dependents. Results indicated that employer support significantly predicted Financial Distress ($B = 1.095$, $p < .001$). Financial Distress, in turn, significantly predicted Career Alignment ($B = 0.895$, $p < .001$). Employer support also had a significant direct effect on Career Alignment ($B = 0.092$, $p = .026$). However, the moderation effects between employer support and MI level ($B = 0.020$, $p = .536$) between employer support and dependents ($B = -0.012$, $p = .665$) were not significant, indicating that these variables did not significantly moderate the relationship between employer support and Career Alignment.

Hypotheses Testing

Table 4.10. Summary of Hypothesis Results

Hypotheses	Relationship	β	t / z	p-value	Supported?
H1	ES → CA	0.092	2.23	0.026	Supported
H2	ES → FD	1.095	34.67	< .001	Supported
H3	FD → CA	0.895	29.95	< .001	Supported
H4	ES → FD → CA	0.982	CI excludes 0	—	Supported
H5	ES × MI → CA	0.020	0.62	0.536	Not Supported
H6	ES × Dependents → CA	–0.012	–0.43	0.665	Not Supported

This presents a summary of hypotheses testing which demonstrates relationships for each constructs. Four hypotheses (H1-H4) were supported by indicating significant direct

and indirect paths. However, the moderation hypotheses (H5-H6) were not supported, as the interaction terms were non-significant.

ANALYSIS AND DISCUSSION

Income-Linked Career Decisions

These findings align with the macroeconomic factors that influence career decisions, particularly in the Philippine BPO sector where rising living costs and persistent purchasing power erosion heighten employees' prioritization of income stability over ideal Career Alignment. This pattern is consistent with Autor (2024), who reported that younger generations are focused on income security rather than pursuing job purpose that aligns with their future goals during periods of economic uncertainty.

Monthly income emerged as a significant predictor of Financial Distress and shaped employees' perceptions of Career Alignment more strongly than the number of dependents. It is highlighted in Monsura (2021) study that household income mobility depends heavily on economic pressure experienced by families, indicating that income remains a dominant determinant of welfare in which employees experiencing financial strain are more compelled with reliable income streams and robust employer support systems. The vulnerability of an employee increases with the family size that depends on them. Sobrejuanite et al. (2024) found a positive correlation between financial stress levels and negative financial well-being, with stress linked to poor budgeting and debt implicitly tied to family obligations but not quantified by dependent count. Similarly, Pajarillo and Rabago (2025) demonstrate that Filipino families frequently face financial instability so relying on consistent income sources to support essential needs. These findings support the respondents' agreement that their employer provides

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financial support that helps address their financial concerns, as employer-backed assistance reduces the burden of financial strain and contributes to a sense of stability. As a result, CSRs tend to remain in or choose positions that offer sufficient pay that may align to their career pathways as well. This also explains why respondents generally agree that their current customer service roles align with their long-term career goals and aspirations, as financial stability reinforces their sense of career direction even in the presence of Financial Distress. These patterns illustrate how income considerations and Financial Distress influence and diversify employees' career choices, making financial stability a primary factor in shaping career-related decisions in the BPO industry.

Career Alignment amid Financial Strain

Since all indicators related to Financial Distress, perceived long-term career fit, and Employer Financial Support fall within the agreed score range, this means that CSRs generally feel secure in their career even when they experience Financial Distress. Their sense of security is supported by employer-provided financial assistance, which helps reduce the burden of financial pressures and prevents these pressures from fully disrupting their career direction. CSRs acknowledge that their current income is not fully adequate for meeting their financial obligations. When salaries do not match the rising cost of living, Financial Distress becomes a common burden in the BPO sector, even with employer support. This financial strain intensifies during economic shocks and mirrors CSRs' reported difficulties in covering expenses. Such pressures contribute to financial worries that can distract employees at work and undermine job performance due to reduced available resources, which is aligned with the Conservation of Resources Theory.

Simonse (2024) found that BPO employees commonly face income irregularity, lack of savings, and recurring expenses—factors that correspond to indicators such as bill payments, emergency savings, and monthly cost pressures. These findings support literature showing that Financial Distress can influence career clarity and decision-making. However, the financial support that employers provide helps ease these expenses, enabling CSRs to maintain stability. In this context, CSRs still view their current roles as relevant to their long-term career aspirations. Creed et al. (2020) found that financial strain contributes to career indecision and reduced confidence in long-term planning, which may explain respondents' agreed perceptions of long-term career fit. Respondents also feel that their skills are adequately utilized alongside the benefits they receive. Overall, the results indicate that CSRs define their employment as stable, reinforcing their perception of having an aligned career within the BPO industry.

Mediation Pathways of Financial Distress

Taking into consideration the results, the mediation analysis in this study is strongly supported based on the CSRs' perspective. The findings show that Financial Distress has a strong and significant direct relationship with Career Alignment ($B = 0.895$, $p < .001$) while Employer Financial Support significantly predicts Financial Distress ($B = 1.095$, $p < .001$. This aligns with Creed et al. (2020) who noted that Financial Distress affects career clarity and confidence. The mediation effect is further supported by the significant indirect effect (B = 0.982, 95% CI [0.893, 1.063]), with a Variance Accounted For (VAF) of 91.4%, indicating full mediation. This means that even when Financial Distress exists, employer-provided support stabilizes CSRs' sense of security and strengthens their Career Alignment. The results reinforce the pathway a clear mechanism whereby Employer Financial Support reduces Financial Distress, which in turn enhances Career Alignment.

Moderation Effect of Income and Dependents

The moderation analysis showed that monthly income and number of dependents did not significantly influence the relationship between Employer Financial Support and Career Alignment. This indicates that employer support benefits employees similarly across different conditions of CSRs. Previous methodological research shows that non-significant moderation effects may still provide informative findings as Cheung & Aguiar (2025) highlight that moderation analysis helps reveal stability or uniformity of effects across groups. A non-significant moderator means the relationship is consistent and robust, which is still an important research outcome. This suggests that Employer Financial Support consistently promotes Career Alignment regardless of income level or dependent status.

A possible explanation for the non-significant role of dependents lies in the collectivist nature of Filipino family structures. Unlike Western nuclear-family models, where household size often directly amplifies financial strain, Filipino CSRs may benefit from extended familial support networks that distribute caregiving and financial responsibilities more broadly. This cultural dynamic may buffer individual employees from the direct financial pressures typically associated with dependents, thereby weakening the moderating effect observed in other contexts.

These results highlight that Employer Financial Support exerts a consistent positive influence on Career Alignment, independent of income or family size. This reinforces the importance of institutional financial wellness initiatives as universally beneficial interventions, capable of supporting diverse employee groups within the BPO sector.

SUMMARY OF FINDINGS

The findings of the study reveal that monthly income is the primary socioeconomic factor that significantly predicts Financial Distress among CSRs, while the number of dependents does not show a significant effect. Respondents generally agreed that they experience Financial Distress, indicating that income constraints and rising living costs contribute to their financial pressures. The results further show that employer-provided financial support plays a significant role in Financial Distress and directly contributes to stronger Career Alignment. Respondents agreed that their employers provide financial support that helps them manage their financial concerns, reinforcing the importance of organizational assistance in maintaining stability. Additionally, respondents generally agreed that their current customer service roles align with their long-term career goals and aspirations, demonstrating that Career Alignment remains positive even in the presence of Financial Distress.

Regression analysis confirms that Financial Distress has a strong and significant direct influence on Career Alignment, while Employer Financial Support independently strengthens this alignment. The mediation analysis indicates that Financial Distress functions as a meaningful and significant mediating factor, supported by a high VAF value (91.4%), showing that Employer Financial Support improves Career Alignment primarily through its effect on Financial Distress. In contrast, the moderation analysis showed that neither monthly income nor number of dependents significantly moderated the relationship between employer support and Career Alignment. This suggests that the positive association between Employer Financial Support and Career Alignment remains consistent across different income levels and household responsibilities.

Overall, the results demonstrate the combined influence of income and employer support on Financial Distress and Career Alignment, highlighting financial stability and organizational assistance as central drivers of CSR career experiences.

In line with the empirical findings, the initial conceptual framework was revised to accurately represent the supported pathways in the study.

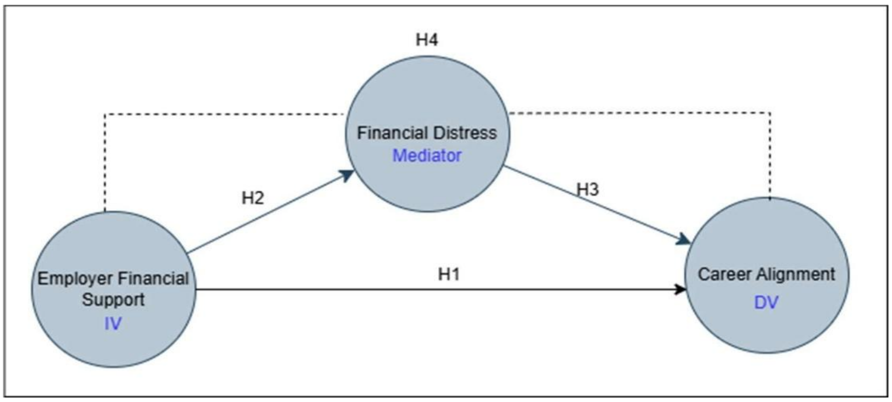

Figure 3. Final Conceptual Framework

CONCLUSIONS

These overall conclusions of the study summarize the key findings in relation to the purpose and the specific statements of the problem.

Summary of Respondent Profile and Key Constructs

The socio-economic profile of CSRs shows that most respondents earn modest monthly incomes and support one to two dependents. However, the number of dependents did not significantly influence Financial Distress, indicating that family size was not a strong predictor of financial strain in this study. CSRs generally agreed that they experience Financial Distress, feel supported by their employers, and perceive their current roles as aligned with their long-term career aspirations. These insights reflect how financial pressure, income constraints, and workplace support interact to shape CSRs' perceptions of their current job and long-term career direction.

Influence of Socio-Economic Conditions and Employer Financial Support

The study found that socio-economic factors only partially influence Financial Distress. Even though the number of dependents was insignificant, income levels did significantly predict Financial Distress. It suggests that financial obligations exert stronger pressure than family size. The combination of modest income and living costs amplifies financial strain among CSRs. Moreover, the results revealed that Employer Financial Support significantly predicts Financial Distress, implying that existing company programs may be sufficient to offset everyday economic pressures. This clarifies that well-structured employer support programs are effective in mitigating financial pressures and improving employees' financial stability.

Role of Financial Distress in Career Alignment

Financial Distress significantly predicts Career Alignment among CSRs and plays a meaningful role in shaping how employees interpret their long-term career fit. The results show that stronger Financial Distress is associated with lower Career Alignment, indicating that financial pressures directly affect how CSRs view their career direction. Employer Financial Support also demonstrated a significant direct effect on perceived Career Alignment, underscoring the importance of organizational care and support systems. These findings suggest that career perceptions are strengthened when financial strain is reduced, and CSRs evaluate employer support as part of their long-term career decision-making.

Mediation Relationships

This study clarifies the nature of mediation within the context of the Philippine customer service sector. Financial Distress demonstrates conceptual mediating relevance as it shapes underlying attitudes and behaviors highlighted in the mediation model. However, the findings indicate that Financial Distress served as a significant mediator, as shown by the strong indirect effect and high VAF value that indicates that much of the influence of Employer Financial Support operates through its ability to reduce Financial Distress. Although Employer Financial Support also exerted a significant direct effect on Career Alignment, the mediation results highlight that financial well-being is a central pathway shaping CSRs' career perceptions. Enhancing financial support programs, compensation systems, and career pathways can help mitigate financial pressure and motivate long-term commitment. Creating supportive, growth-oriented environments while alleviating key socio-economic stressors can help cultivate a stable, engaged, and career-oriented customer service workforce.

Moderation Effects

The interaction terms representing moderation by monthly income and number of dependents were non-significant, suggesting that the mediated and direct relationships do not vary across income levels or dependent status. Although no moderation was detected, this indicates that Employer Financial Support benefits CSRs consistently regardless of their socio-economic differences. Thus, both moderation hypotheses were rejected.

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Final Strategic Implication

Given the high financial cost of employee turnover in the BPO industry, strengthening Employer Financial Support offers a clear Return on Investment (ROI) by reducing Financial Distress, improving Career Alignment and ultimately lowering attrition-related expenses. The findings highlight that Employer Financial Support should not be viewed as a form of charity or discretionary generosity to CSRs, but as

a core Strategic Human Resource Management (SHRM) investment instead. It enhances retention and reinforces Career Alignment to sustain long-term career engagement in their current roles. This can be a purposeful strategy that benefits both employees and organization by promoting continuity, commitment, and improved work outcomes.

Recommendations

At **operational level**, team leaders play a critical role in shaping day-to-day work experience of CSRs. Below recommended strategies will create a more humane and supportive work environment despite the stress inherent in customer service roles.

a. Managers may improve scheduling practices by ensuring fair distribution of shifts, providing adequate break times, and minimizing unpredictable schedule changes. Fair scheduling reduces stress and burnout, supporting healthier lifestyles.

b. Establish safe communication channels between employees and supervisors. Many CSRs avoid raising concerns about stress, workload, or financial difficulties because due to fear of metric penalties or negative evaluation. Open communication fosters decent work conditions and strengthens organizational trust.

c. Implement micro-incentive programs such as vouchers, bonus points to reward CSRs and reinforce motivation and career engagement. Incentives enhance productivity and career satisfaction, contributing to sustained economic growth.

For **institutional level**, the findings strongly indicate that Financial Distress is a key driver of Career Alignment which directly affects retention – a major cost in the BPO industry. Therefore, institutional programs must address financial well-being as a strategic priority.

a. Improve and standardize career pathing frameworks of CSRs that can clearly determine their advancement opportunities. It reinforces the strong link between financial stability and Career Alignment. Transparent career pathways promote fair opportunities and long-term professional stability.

b. Implement financial wellness programs since Employer Financial Support significantly reduces Financial Distress, HR can consider earned wage access or salary on demand, low-interest emergency loans, debt consultation support. Financial wellness initiatives reduce vulnerability to poverty by ensuring employees can meet basic needs.

c. Introduce an income-based financial support model which HR may tailor support according to employee needs such as lower-income or high-dependent CSRS with liquidity support like cash allowances while higher-income CSRs with long-term development support like scholarships or certifications to ensure benefits are equitable and cost-efficient. Equitable support ensures financial resilience across diverse employee groups.

d. Provide digital upskilling and certification support, building on CSRs' developing competencies and supporting stronger long-term alignment in a digitalizing industry. Upskilling enhances employability and supports sustainable career development.

For **future research**, additional pathways and contextual factors should be explored to clarify the complexities of Financial Distress and Career Alignment among CSRs:

a. Integrate organizational-level predictors such as automation exposure, workload systems, and team climate may also offer a more comprehensive understanding of the dynamics to uncover alternative pathways influencing Financial Distress. Understanding organizational predictors helps design fairer and more sustainable work systems.

a. Using mixed-method research design is highly recommended to capture the depth and complexity of their work experiences. Quantitative surveys could identify patterns and relationships while qualitative interviews could interpret the nuanced circumstances of CSRs that are related to emotional labor, job demands, and financial pressures. Mixed-method insights can inform interventions that reduce stress and improve well-being.

b. Investigate direct impact of Financial Distress on other work-related variables. Exploring these additional pathways may reveal alternative mechanisms where Financial Distress plays a more prominent role. Identifying broader impacts ensures that poverty reduction and decent work initiatives are comprehensive.

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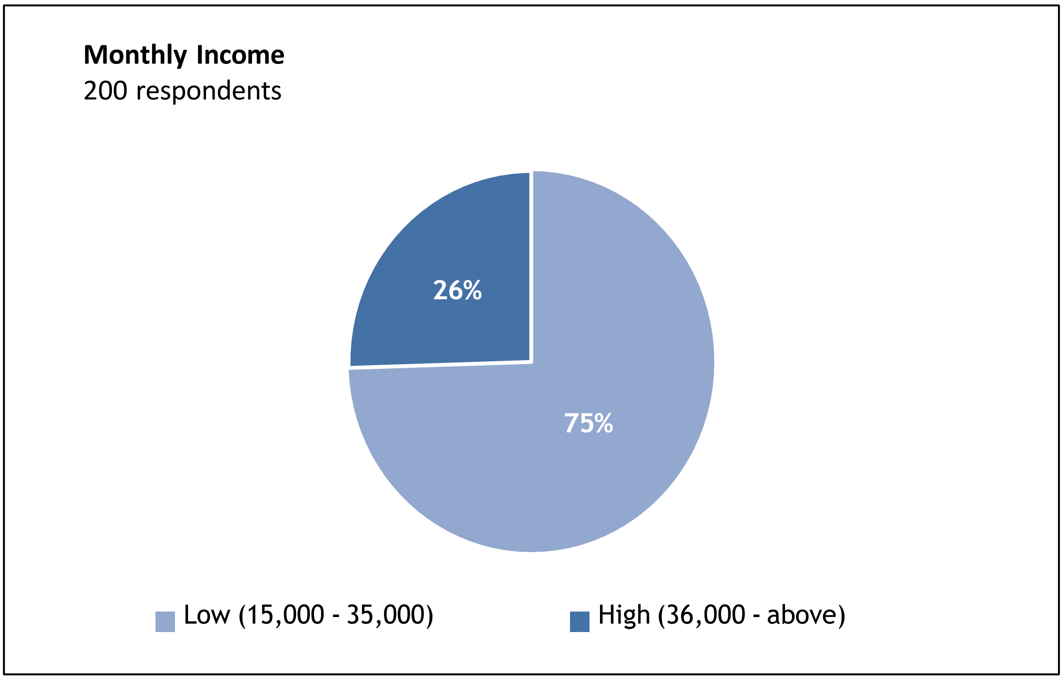
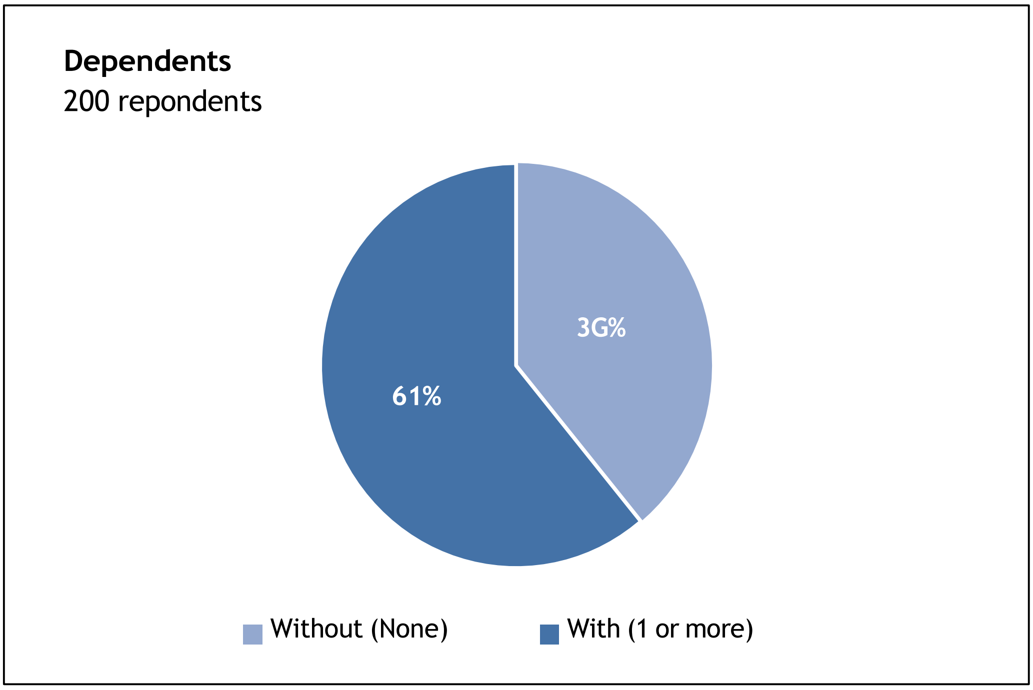
Appendices

Survey Responses

PART 1: DEMOGRAPHIC PROFILE





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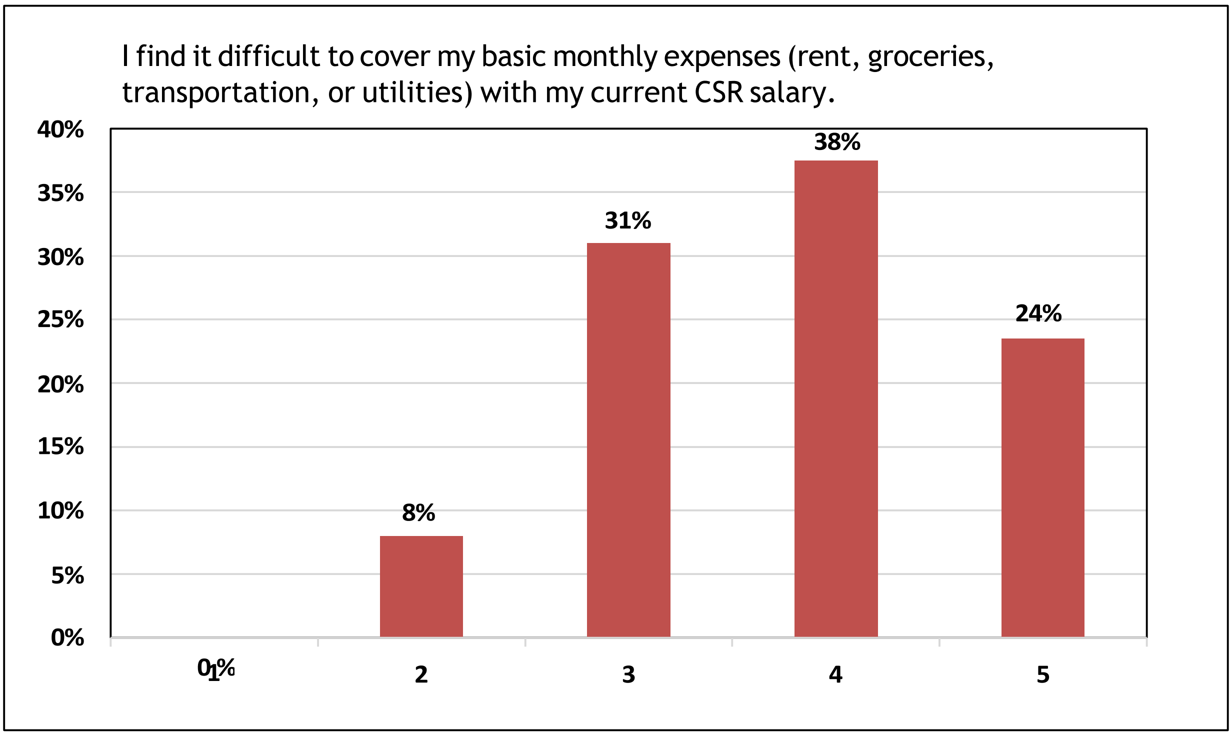
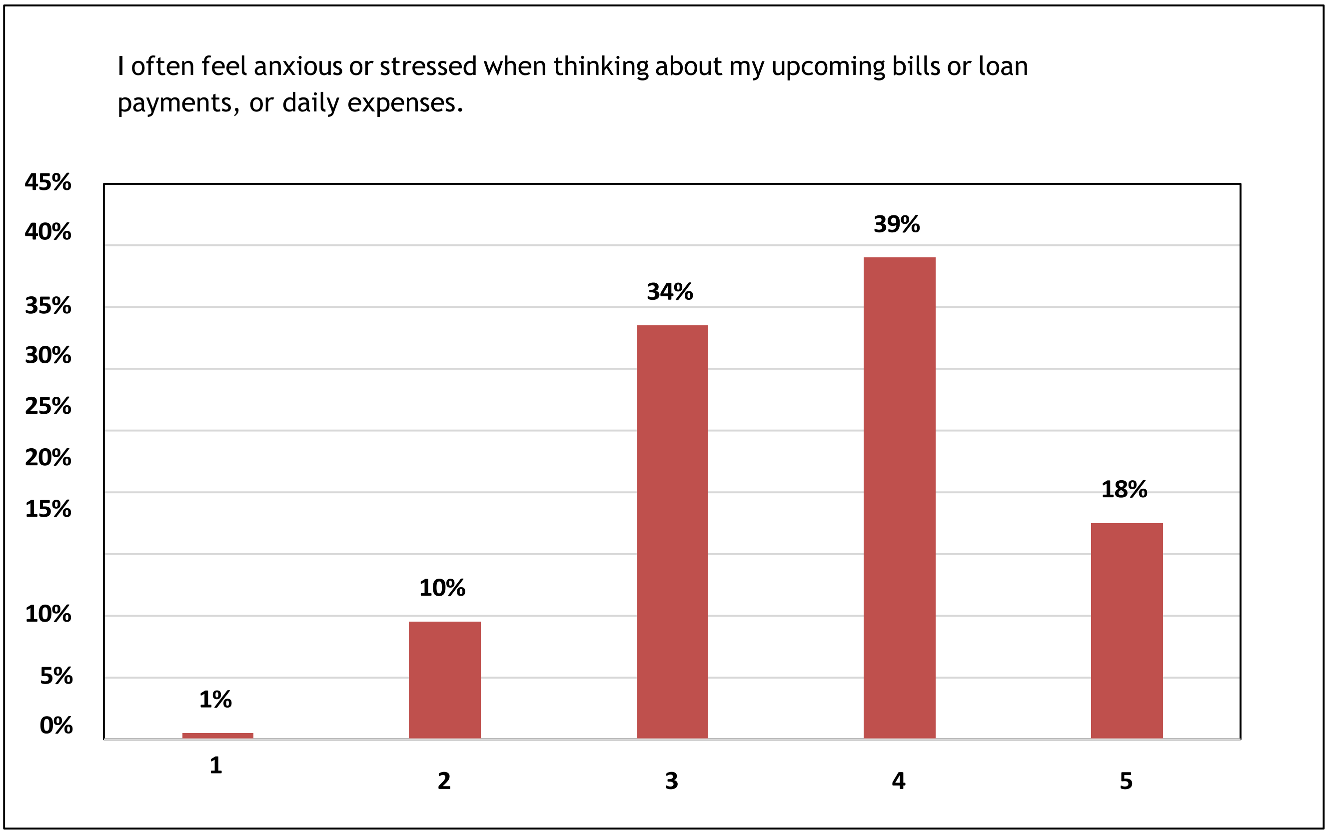
PART 2. FINANCIAL AND CAREER MEASURES

Financial Distress





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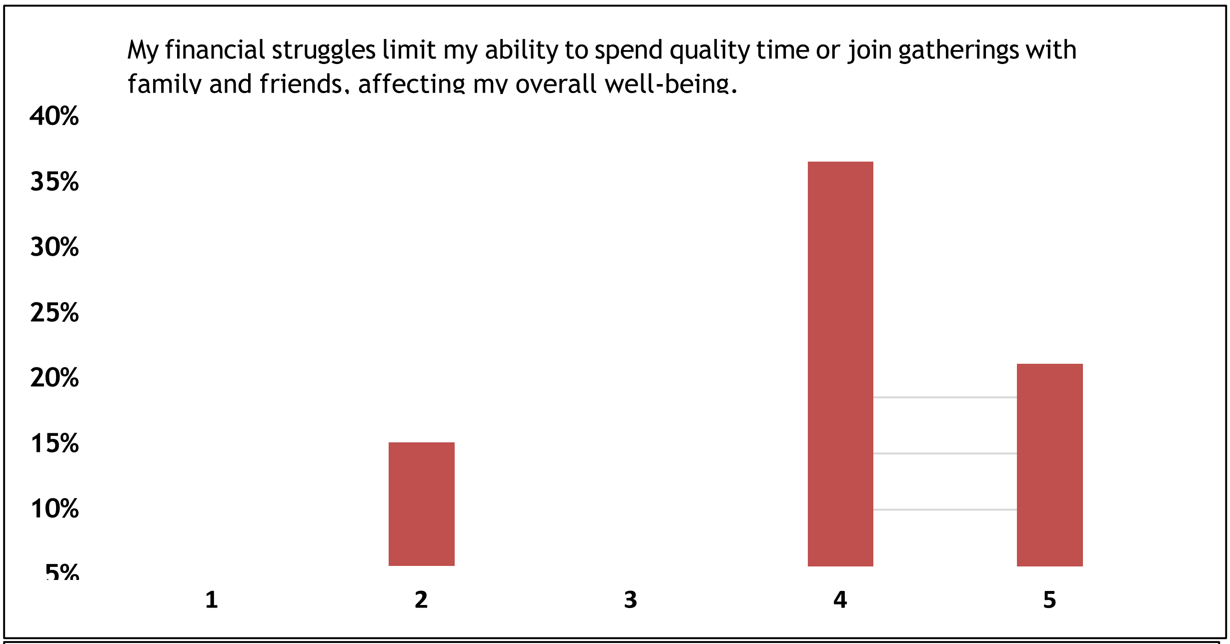

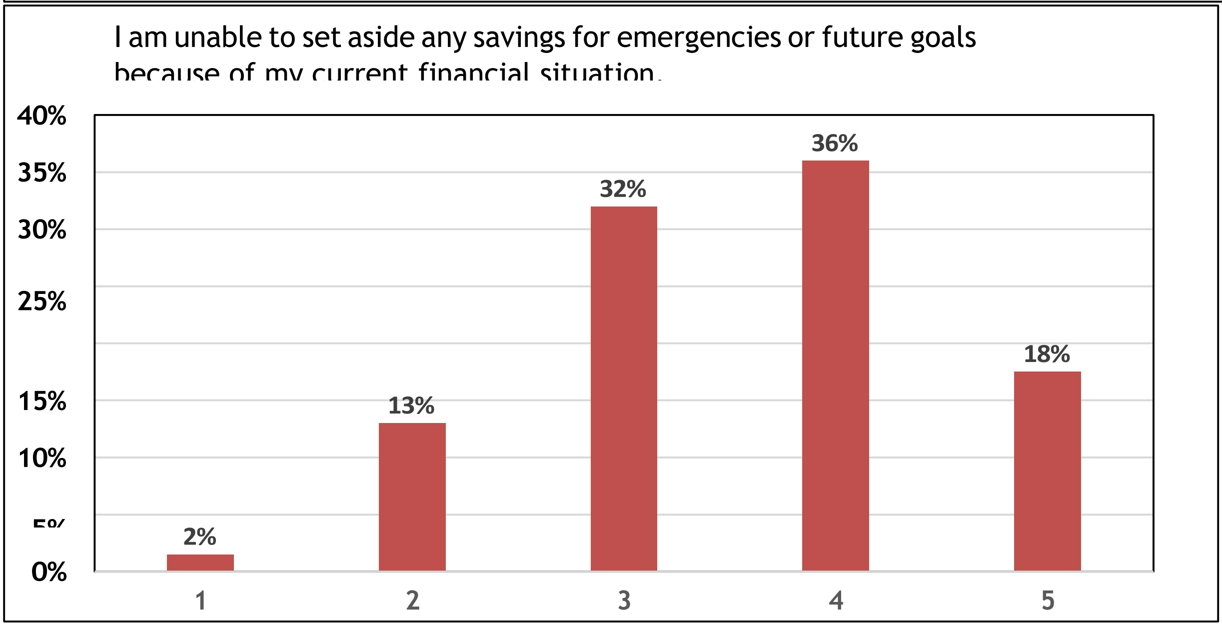

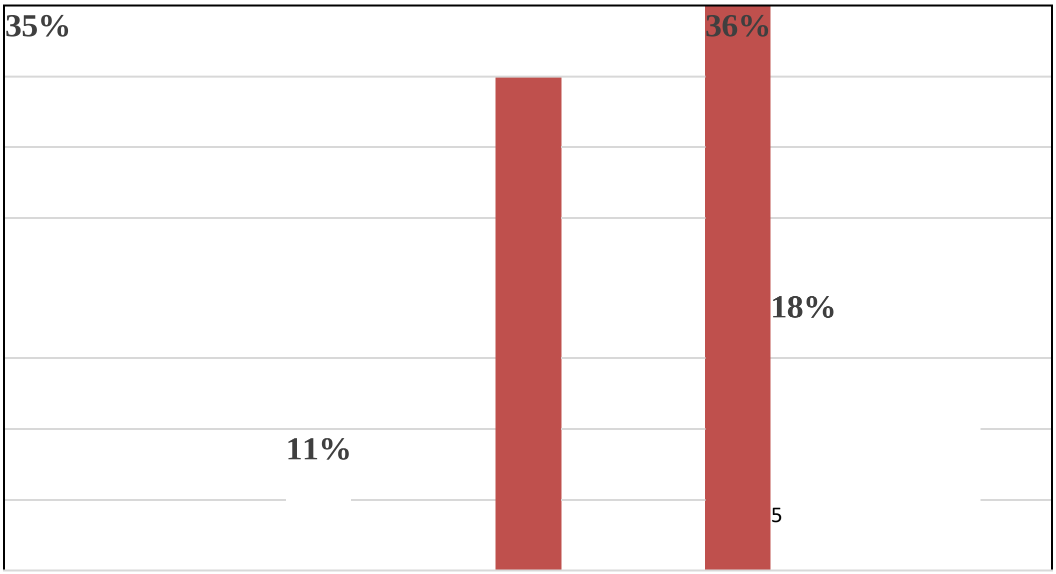

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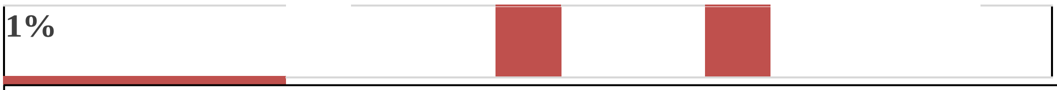
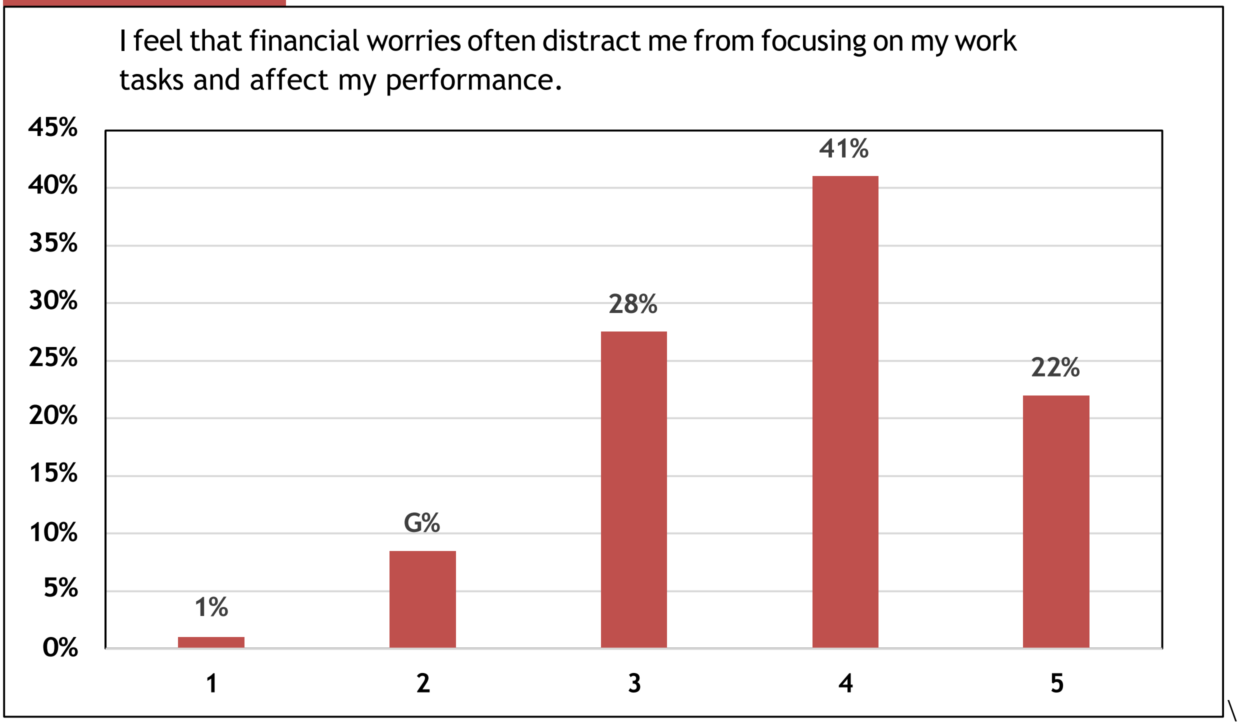
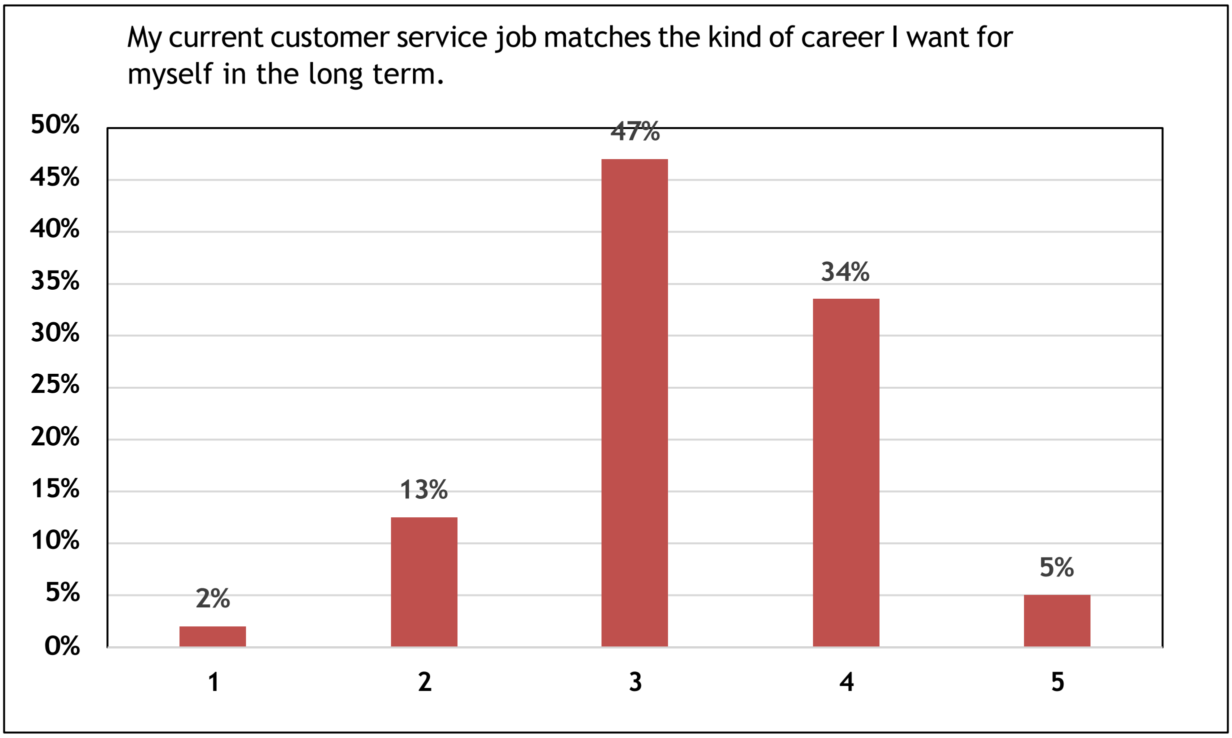




Career Alignment



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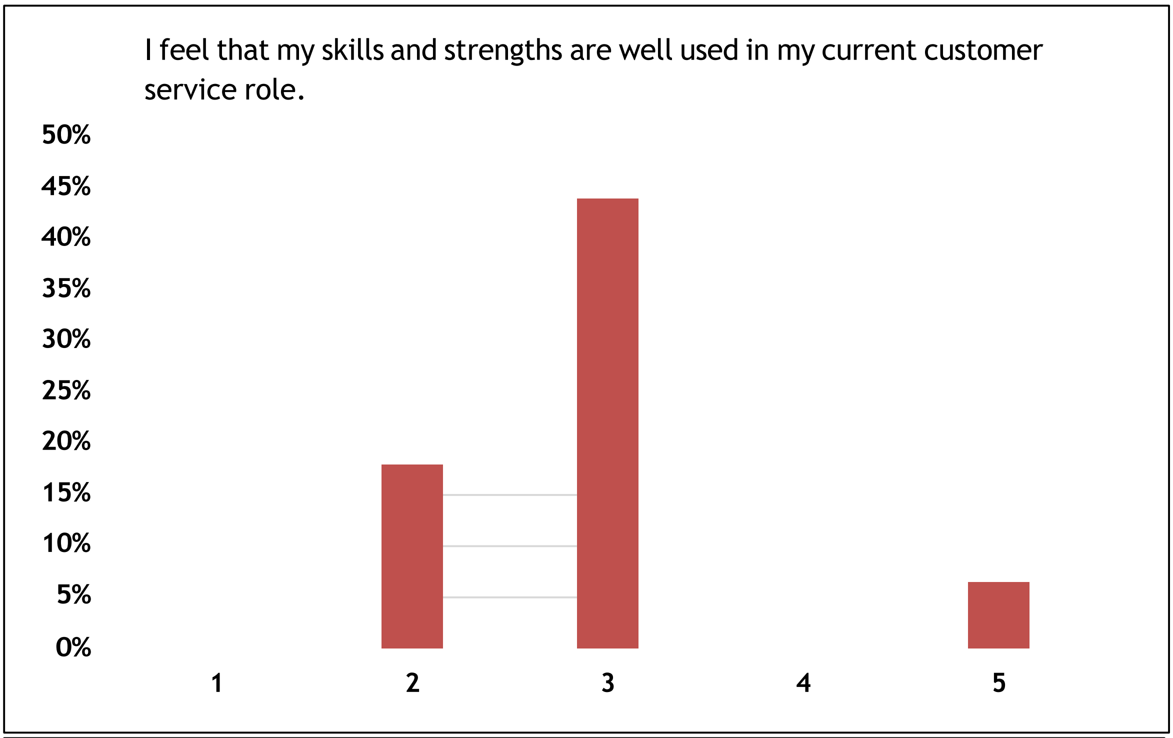

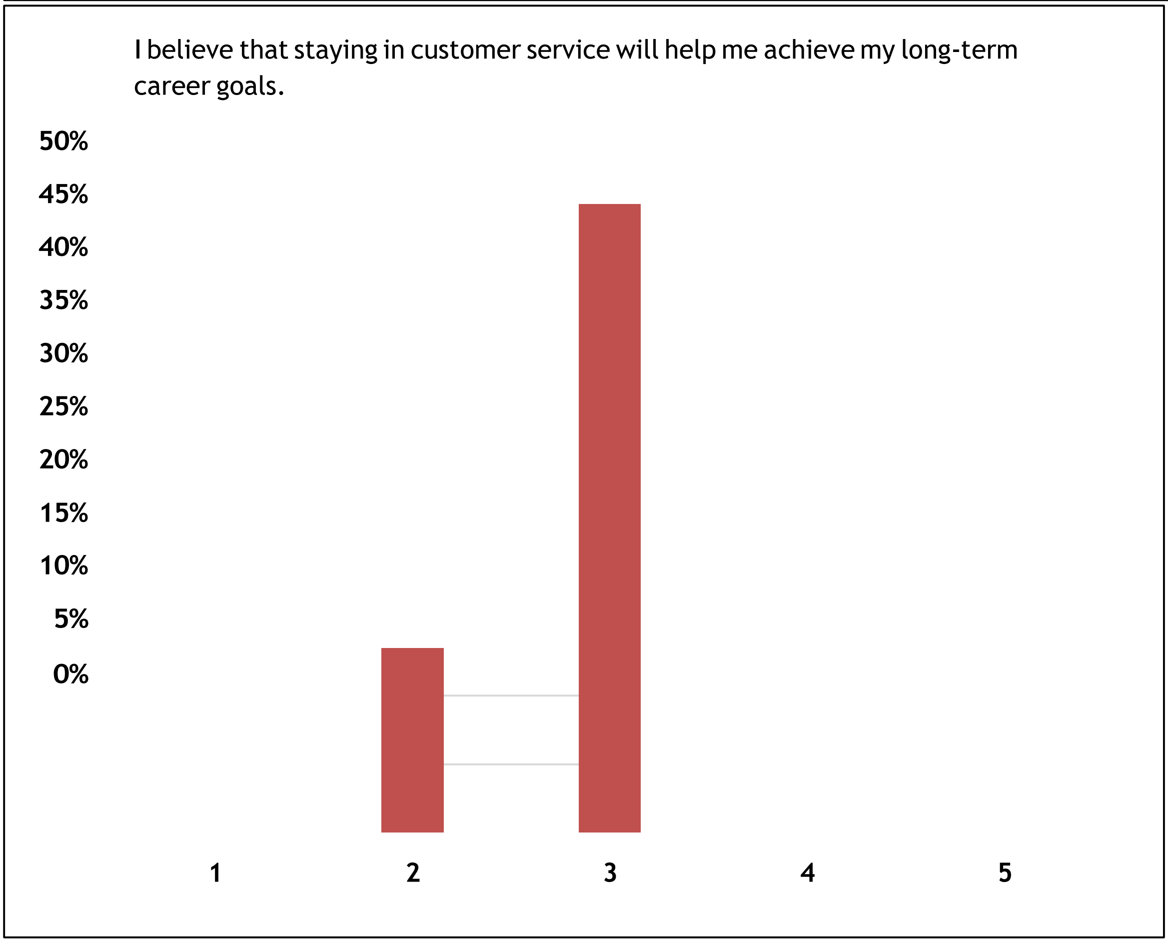

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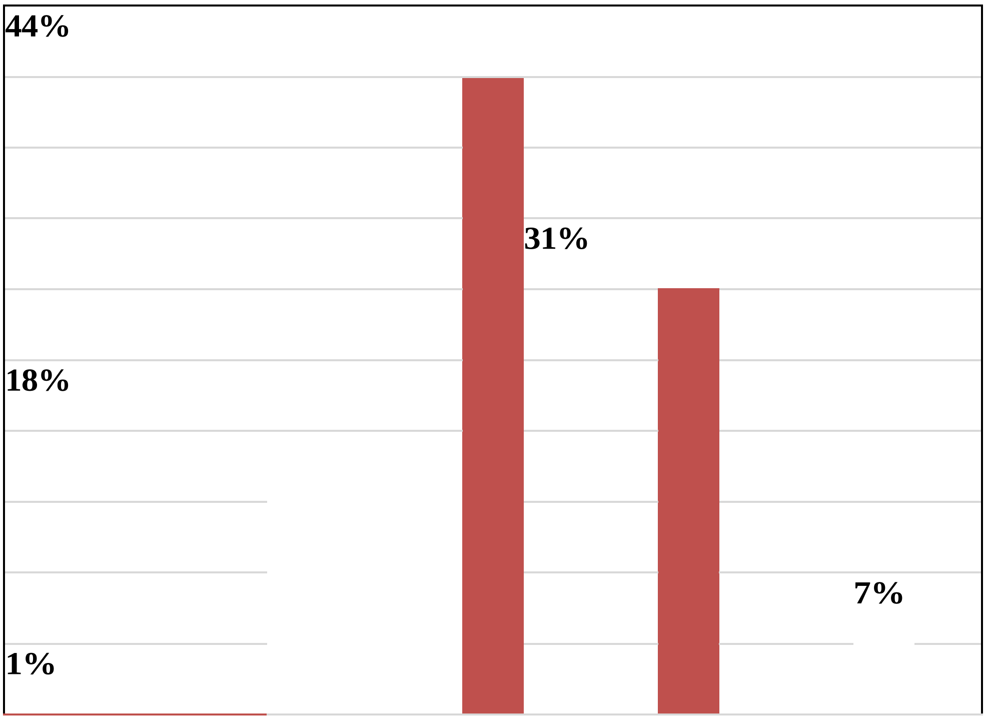

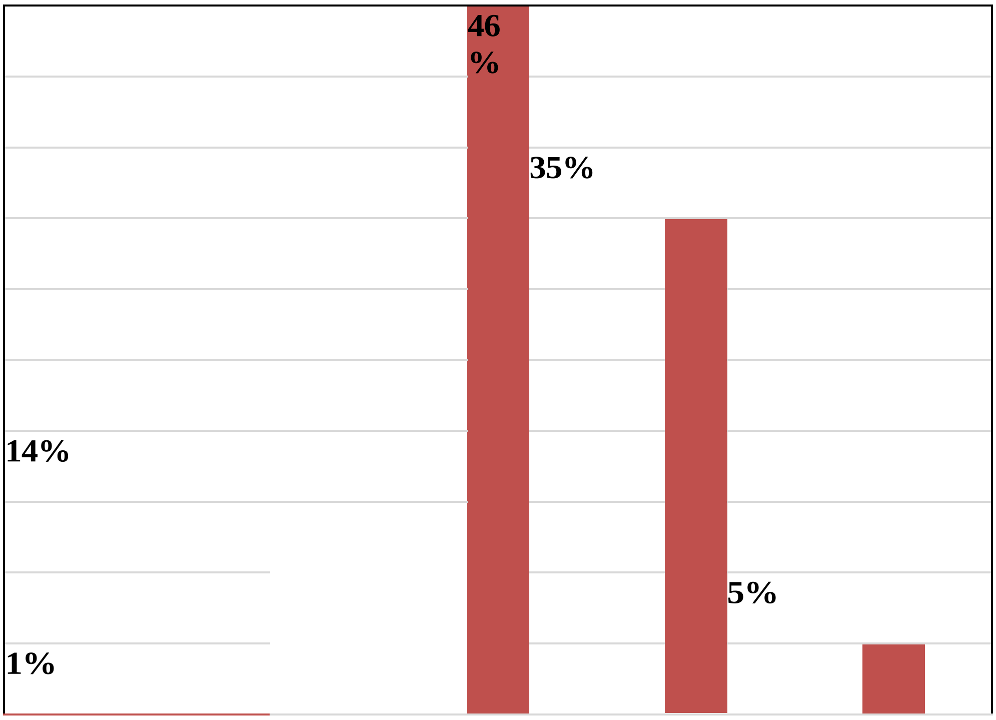

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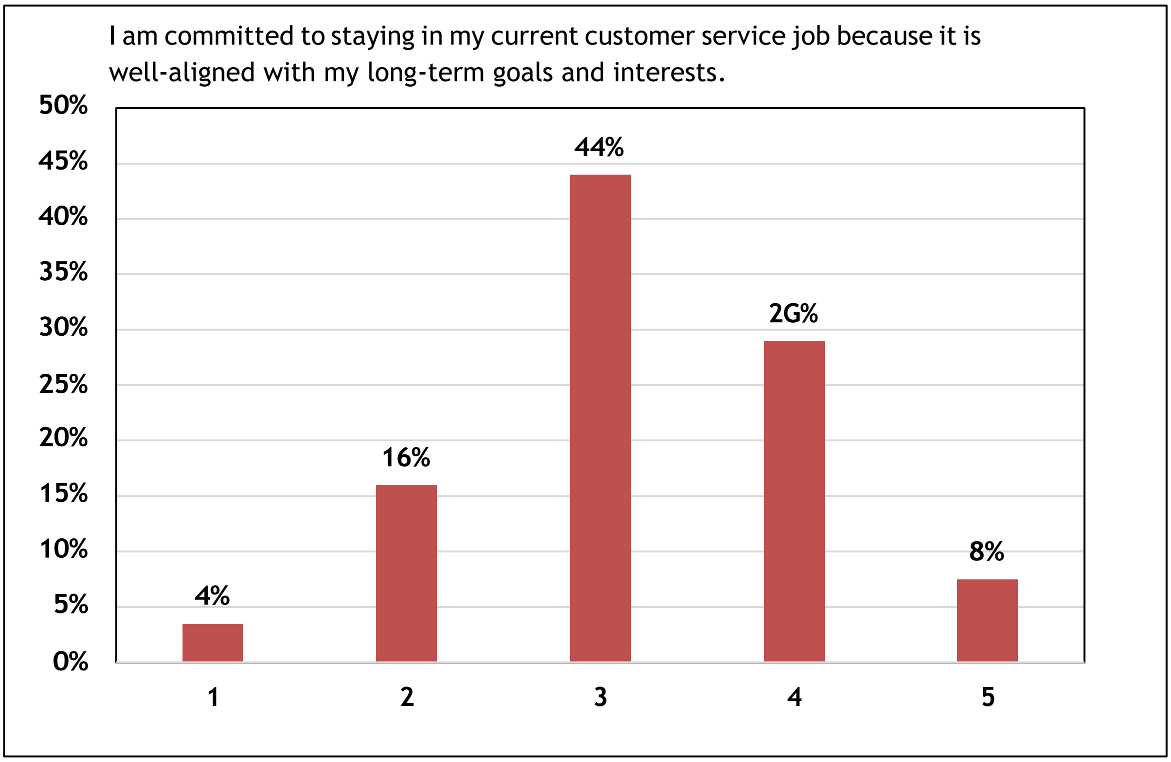
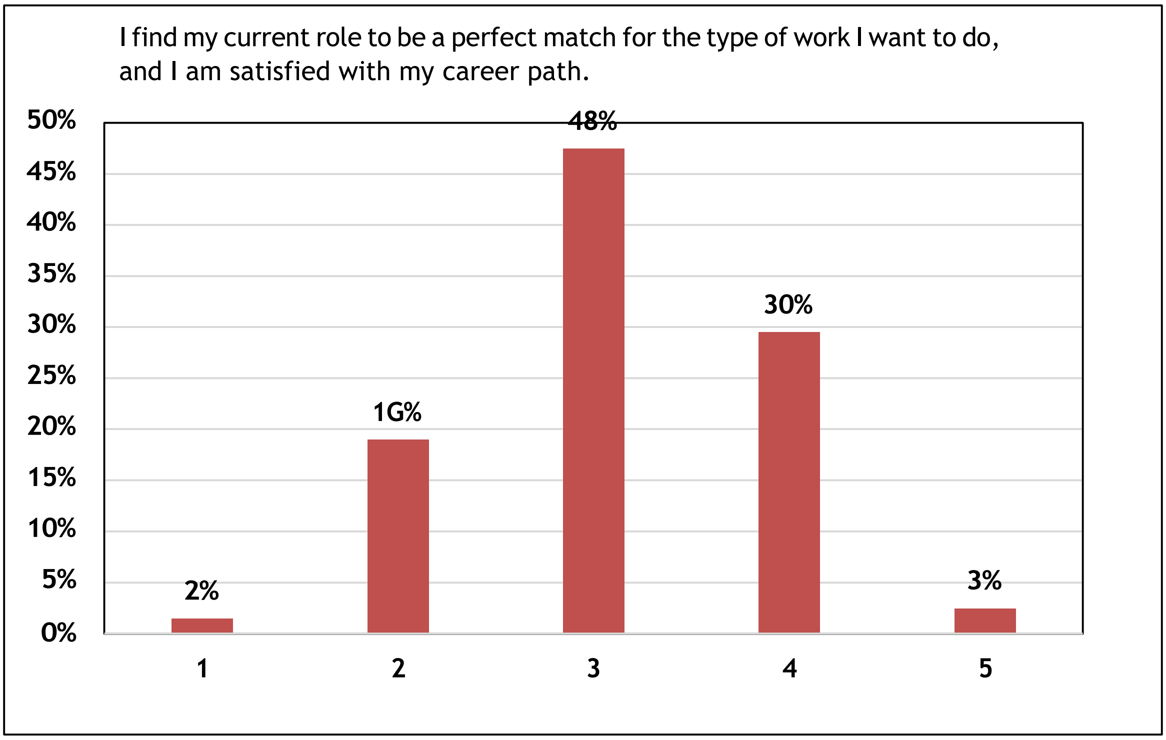
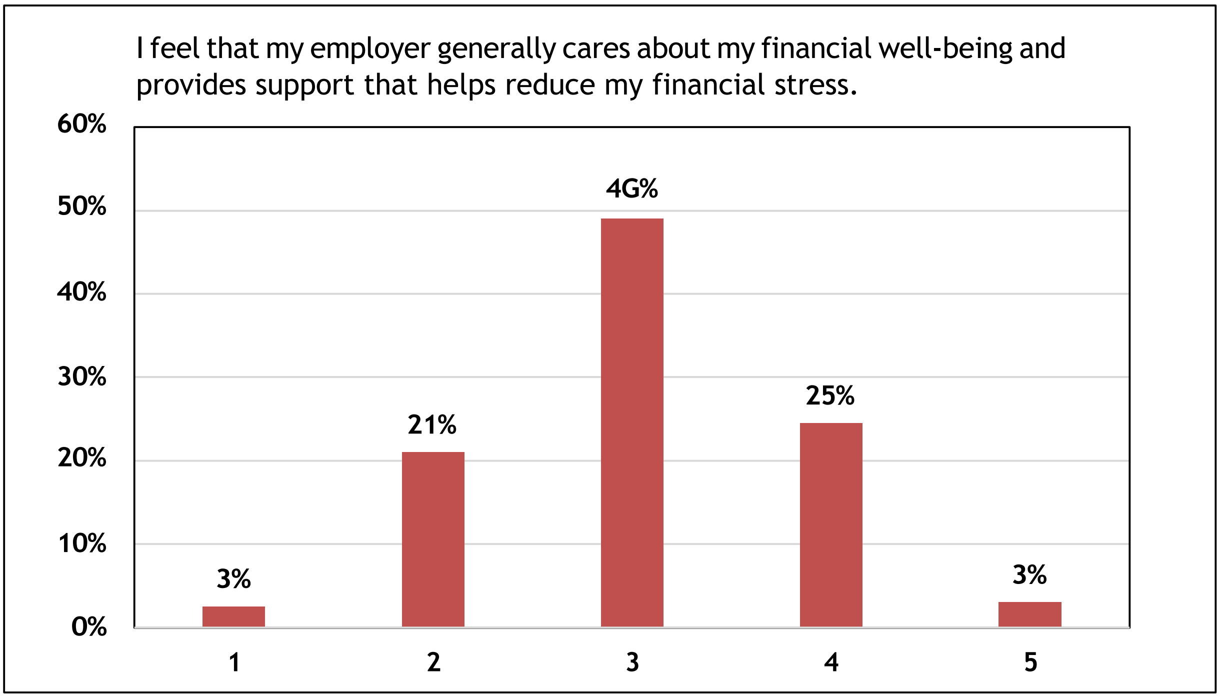
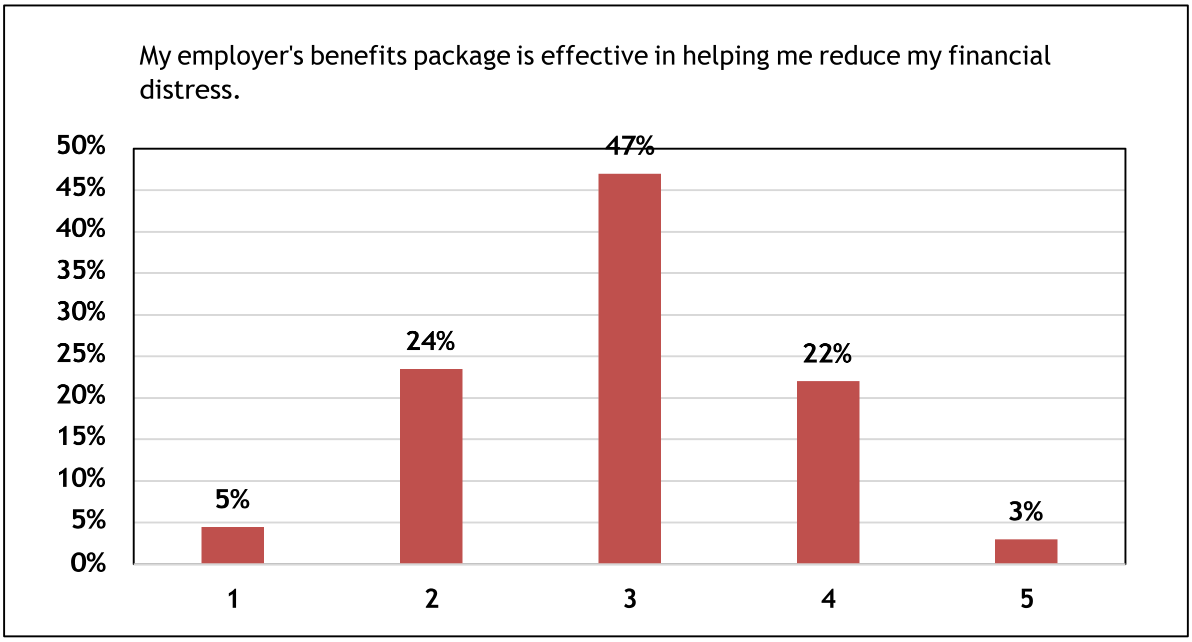




Employer Financial Support





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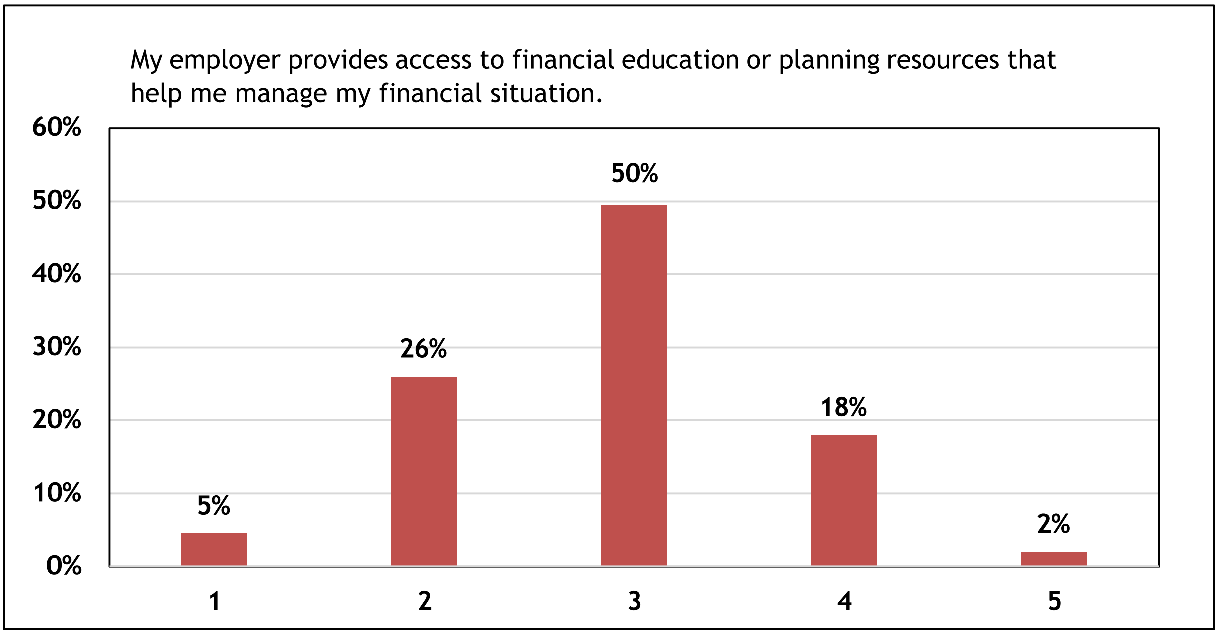

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