

## Financial Dimension: A Tool for Teachers Financial Literacy



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**ABSTRACT:** Teachers, as compared to the majority of the employed sectors in the country, are receiving salaries above the minimum wage set by law. This above the minimum salary, supposedly, places the average teacher above the poverty line as this is paramount to the demand of the job. But as can be observed around, many teachers experience financial struggles.

With an end-view of improving financial literacy, this study was conducted to determine the level of financial literacy of the faculty of Isabela State University City of Ilagan Campus. A survey questionnaire was used to obtain the data needed to answer the objectives of the study. The results indicate that majority of the respondents are not financially literate to make critical decisions on financial concerns. The female respondents are more involved in the identified financial products compared to the male respondents. Included in the study was the respondents' demographic profile as significant factor in their current financial literacy state. The results indicate that the demographic profile based on sex is not a significant factor that may spell a difference in the level of financial literacy among the respondents, while age, academic rank, and educational attainment are significant factors. The study also tested the relationship between the level of financial literacy of the respondents and their involvement on financial products. The data shows that there is a weak relationship between the two variables.

Based on the findings of this study, there is a need to increase the financial literacy level of the respondents. To increase the financial literacy level of the faculty, the Isabela State University may resolve to implement intervention approaches such as to: integrate financial literacy in the faculty development program of the Institution; conduct seminars and programs on financial literacy early on in the career of the faculty in order for them to fully maximize the benefits of being financially literate individuals; enhance the Finance Units of the Institution in the provision of assistance to faculty in their personal financial management; and institutionalize advocacy drive on the importance of financial literacy to the financial stability of the faculty.

**KEYWORDS:** financial literacy, financial products, personal financial management

### INTRODUCTION

Money has always been regarded as an important component in every person's economic decision such as how much to save, spend and invest. Financial literacy is knowledge and understanding of financial concepts and risks. This may also improve the financial wellbeing of individuals and society that would spell active participation in the economic life. Mishandled financial resource could break its potential to increase its value and could result to financial problems. Sporakowski, as cited in Delafrooz and Pain

(2011), argued that financial problems cause stress and crisis that influences a person's daily life functions.

There are reasons to believe that Filipino teachers may not be financially literate or financially capable of achieving their financial goals. Increased applications of loans by teachers are reflections of poor financial management of some of its members. Based on the 2010 Annual Report of both the Government Service Insurance System and Social Security System, there is an increase in loan applications of its members. Members who mostly apply for loans, whether be for good investment or not, are teachers. An increase in revenue of these financial institution may very well speak of the increase in the number of borrowers, leaving a possibility that somewhere along this line, teachers are not practicing sound financial management. Similarly, a significant amount of withdrawals of capital contribution in the cooperative can be seen in both reports. Lastly, organizational misdemeanors are results of financial mismanagement and lack of appreciation for the value of money. Money as a basic requirement to pay services and goods, is an important factor in the teacher's daily life. The lack and inadequacy of it would have disturbing affect to his/her readiness as a teacher. Arising problem on financial matter would degrade someone's judgment and focus in life.

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Appreciating the value of hard-earned money would more likely lead to a better judgment prior to spending. The above-mentioned arguments supports the fact that teachers need to be financially literate. Likewise, there are also other reasons why a teacher has to be financially literate but basically it leads to a common understanding that a teacher that is financially secure is a teacher that can be relied on to do his/her duty effectively. It simply says that the financial wellbeing of a teacher affects his/her readiness to teach. However, besides all the negative inputs undermining the financial literacy and capability of the Filipino teachers, there is still reason to believe that teachers may be financially literate after all. They may have the understanding on the basic fundamentals of economics and their financial literacy skills maybe acquired through earlier studies and experiences prior to joining the academe. Nevertheless, the level of financial literacy of the respondents was determined in this study.

### STATEMENT OF THE PROBLEM

The following research questions were posed for this study:

1. What is the level of personal financial literacy of the respondents using the following domains as measuring tools:
  - 1.1 General personal financial knowledge
  - 1.2 Savings and borrowing
  - 1.3 Insurance
  - 1.4 Investment
2. What is the financial behavior of the respondents on the different financial products?
3. Is there a significant difference in the personal financial literacy of the respondents based on the following demographic factors:
  - 3.1 sex
  - 3.2 age
  - 3.3 academic rank
  - 3.4 educational attainment
4. Is there a relationship between the financial literacy of the respondents and their financial behavior with the different financial products?

### REVIEW OF RELATED LITERATURE

Financial literacy is a basic knowledge that people need in order to survive in a modern society. People should know and understand credit card and mortgage interest, insurance, and saving and investing for the future. Gaman and Forgue (2000) defines financial literacy as knowing the facts and vocabulary necessary to manage one's personal finances successfully. Having knowledge of personal financial management and the marketplace is indicative of a greater ability to manage the family's financial resources (Godwin, 1994). People are more likely to achieve their financial goals with appropriate knowledge. Lack of personal financial knowledge limits personal financial management and may cause financial problems, resulting in lower financial well-being. Financial literacy is characterized as individual's capacity to handle economic information and settle on educated decisions about financial planning, wealth collection, debt, and pensions (Lusardi and Mitchell2014) Being financially literate is vital for people to settle to make wise decisions. Financial literacy gives the vital information, capacities and apparatus for people to settle on educated financial decisions with certainty, to oversee personal riches with proficiency and to increase financial skill to request better financial (Ali,2013). Expanding financial literacy and capability advances better financial decision improving and along these lines empowering planning and administration of life occasions, for example, instruction, house purchase or retirement (Mahdzan and Tabiani, 2013)

Many researches have asserted the need for workplace financial education (Atchley, 1998; Berheim & Garret, 1996). Financial education is a process that involves the learning to manage financial resources and make financial decisions that affect financial well-being. Anderson (1982) suggested a process approach to personal finance education that involves people learning how to a) set goals, b) recognize their income base, c) adjust the plan, and f) assess their goals, values, and progress. Financial education can enhance financial literacy and reduce financial problems.

There has been lots of study made on financial literacy, most of which were done by Western nations such as the UK, US and Australia as early as 2003 have introduced financial literacy in their national strategy and policy and major learning activity of their educational system (FSA 2008). In the study of financial literacy there has been a variety of meaning to define the subject and likewise various measurements were also used to assess the level of financial literacy of a particular group in a specific society. Some of the term commonly used to denote financial literacy are all but the same as such terms, like financial knowledge, financial

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education, financial literacy are all but the same. De Bassa and Scheresberg (2013) clarified that the individuals who are less financially proficient are discovered to be less inclined to amass riches and more averse to take an interest in the stock market. Bruhn and Zia (2011). The level of knowledge in finance can be associated with many variables, for example, age, gender, level of education, sources of education on money matter, work environment among others.

Capuano and Ramsay (2011) enumerated a number of benefits associated with financial literacy to consumers (individuals), community and the broader economy. A financially educated consumer will be surer when settling on choices about finance. Financial proficiency can impact the sorts of items chosen, and the sorts of investment made. The quick moving nature of financial markets implies that people who comprehend product components and business environments are best situated to settle on an educated decision about their financial needs. This likewise prompts consumers and keeps them away from unnecessary costs. An enhanced comprehension of financial products and administrations grows more noteworthy financial trust in buyers, who select the most fitting products and arrange those products (Holzmann, 2010). Researchers are trying to link financial literacy and economic behavior. Lusardi and Mitchell (2003) suggest that those who are more educated are much more likely to answer the question correctly. They furthered showed that financial literacy is highly correlated with school exposure to economics. Those who studied economics in high school, college or at higher levels were much more likely to display higher levels of financial literacy later in life, Van, Lusardi, Alessie (2007).

### Significance of the Study

This study is of great benefits to the faculty of Isabela State University City Ilagan Campus. Basically, this paper gives primary importance on the need for financial literacy education in the academe. It would further enhance the current financial literacy level of the faculty in order to promote proper personal financial behavior as a vital aspect of attaining financial goal and stability towards securing a better future. This study may help identify the weak points in the financial education of the faculty, thus provide information on how to improve their education on financial matters. This study likewise has a direct benefit to the organization in so far as minimizing organizational problems and misdemeanors somehow related to financial problems. On the more strategic view, the study may bring organizational change as far as improving the current perceptions of the respondents on their financial literacy, their financial behavior, and their financial capability, thus, equipping them with the knowledge in making sound financial decisions. The rippling effects could be financial selfreliance.

### Scope and Delimitation

The study generally focuses on the financial literacy of the faculty of Isabela State University City of Ilagan Campus. It was based on the following thematic areas: general personal financial knowledge, savings and borrowings, insurance, and investment. It also aims to determine the factors that may have a significant effect to the current state and financial behavior of the faculty. The study was limited to selected personal demographic factors like sex, age, academic rank, and educational attainment. The study was conducted during the Second Semester of Academic Year 2019-2020.

### METHODOLOGY

The study made use of descriptive quantitative research approaches. This was employed to establish how variables such as sex, age, academic rank, and educational attainment affect the respondents' financial knowledge and help them to make financial quantitative decisions. Saunders, et al. (2012), point out that descriptive method establishes the casual relationship between variables.

A survey questionnaire was used as an instrument in this study. It was based on the study made by the Philippines' prime mover for financial literacy, the Colayco Foundation for Education(CFE). Minor revisions were made on the actual questions to suit the requirement of the present study.

Part I consist of demographic questions needed to establish identity and characteristic of the respondent such as sex, age, civil status and educational attainment.

Part II is the financial literacy portion which has four (4) financial domains: general personal financial knowledge; savings and borrowing, insurance, and investment. Each domain has specific number of a closed ended type of question with five (5) multiple choice type of answer.

Part III of the survey questionnaire was on the financial involvement on the different financial products that were the subject of choice and it uses the Likert scale to signify the extent of the respondents' participation on the various financial products.

The respondents of this study were the faculty members of Isabela State University Ilagan Campus, City of Ilagan, Isabela. The respondents were source out from the three (3) colleges using total enumeration, the College of Engineering and Architecture, College of Education and College of Health and Sciences. Based on the actual survey returns, the authors were able to retrieved a total number of 85 which represents 81% of the total population of 104. The actual number of respondents is shown in Figure 1.

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**Figure 1. Population of Respondents by College**

College	Population	Sample
College of Engineering, Architecture and Technology	44	35
College of Education	43	38
College of Health and Sciences	18	12
Total	104	85

Results of the survey were computed and tabulated based on the requirement of the research questions. On research question number 1, the data was derived from twenty (20) questions of Part II of the survey questionnaire. In analyzing the data collected, raw score gathered from the survey was converted to percentages for better comparison. The mean was computed to help determine the level of literacy of the respondents. To interpret the mean percentage, a present criteria based on the study made by Chen & Volpe (1998) was used for as shown in Figure 2.

**Figure 2. Financial Literacy Rating Scale**

Mean Percentage	Level of Financial Literacy
Below 60%	Low
60-79%	Medium
80 % and above	High

The standard deviation was also computed to determine the average difference from the mean, it measures the variability of the scores. The higher the SD, the more dispersed the distribution of the scores of the respondents. Also skewness was also computed to determine the shape of the distribution. A positively skewed distribution indicates the population had a generally low scores, while a negatively skewed distribution indicates the population had a generally high scores. For research question number 2, a simple computation of mean was done to determine extent of involvement of respondents to financial product based on the verbal frequency scale used on the questionnaire. For question number 3, the data from the variable was subjected to Analysis of Variance (ANOVA) to compare the mean scores and in order to determine the differences in their financial literacy. The F value was computed to established extent of difference. The respondents were group according to sex, age, academic rank, and educational attainment. For the profile on sex, the t- test for two independent groups was employed to determine the differences between the identified items in the demographic profile in terms of mean scores. And for question number 4. Co-efficient of correlation was used to determine the relationship.

## RESULT AND DISCUSSIONS

### 1. The Level of Personal Financial Literacy of the Respondents Using Four Selected Domains as Measuring Tools

#### 1.1. General Personal Financial Knowledge

General personal financial knowledge is the foundation of financial literacy as it represents the very basic of financial knowledge, which would mean understanding the basic concept of economics, simple computation, time value, money computation, asset valuation and risk management. There are six (6) questions that was included in the survey questionnaire to measure the general personal financial knowledge level of the teacher. The table below shows the result of survey under this particular domain.

**Table 1. Level of Personal Financial Literacy of the Respondents on General Personal Financial Knowledge**

Domain	Mean Percentage	Standard Deviation	Skewness	Interpretation
General Personal Financial Knowledge	38.24	23.62	0.437	Low

The table above shows the results of the survey on general personal financial literacy domain. The data indicates that the mean is 38.24 percent, which implies that most of the given answers to the indicators that measures the level of literacy of the respondents on this domain did not coincide with the right answers. The standard deviation is 23.62, which means that the scores have little variability and relatively the same. Likewise, the skewness is 0.437, which indicates that most of the respondents belong to the low scoring group. The results corroborate with the findings of Lusardi (2008) that most people cannot perform simple economic calculations such as working on interest compounding and risk aversion, thus, are poor in basic financial concepts. Indeed, most people are not familiar with common concepts of economics. A strong foundation on financial literacy is important. The data is

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encouraging the idea that financial education may be integrated in the educational system in the early stage of training or learning. This may better equip the students in the real world when eventually they would be tested on matters that require optimum personal financial knowledge.

### 1.2. Savings and Borrowings

Under this domain, the respondents are tested on their basic understanding about the banking system; basic concept saving; and appreciation of right saving and borrowing. There were six (6) questions related to savings and borrowing that were included in the survey questionnaire. The table below shows the result of the survey under this particular domain.

**Table 2. Level of Personal Financial Literacy of the Respondents on Savings and Borrowing**

Domain	Mean Percentage	Standard Deviation	Skewness	Interpretation
Savings and Borrowing	32.70	19.63	.417	Low

The table above represented the average correct answers which is 32.70 percent. Likewise, the standard deviation is 19.63, which means the variability of the scores are close to the average score earned by all respondents. More over the result of the skewness indicates that majority of the respondents belongs to the low scoring group.

This result corroborates with the study of Chen and Volpe (1998), that people with less knowledge on financial literacy holds wrong opinion and answers on the savings survey test. The result of the saving and borrowing domain reflects the low personal financial literacy of the respondents on this area. This means that many are still having difficulty understanding the mechanics and policies of savings in the Philippine setting. Although, Bell et al (2009) suggest in their findings that financial literacy does not automatically improves the person's idea on savings, the test in the present study shows that 42 respondents have scores which suggest that they may not have the full grasped of what is proper saving and borrowing. This results can be also related to their low performance in the general personal financial knowledge domain.

### 1.3. Insurance

The insurance domain tested the respondent's basic understanding about insurance; the benefits; and policy governing the Philippine insurance system. The table below shows the result of survey under this particular domain.

**Table 3. Level of Personal Financial Literacy of the Respondents on Insurance**

Domain	Mean Percentage	Standard Deviation	Skewness	Interpretation
Insurance	23.46	22.05	.640	Low

The above table on insurance domain reflects the mean score of 23.26 percent which is just about 0.94 correct answers on the listed indicators related to insurance. This means that some of the respondents were not able to get any correct answer on the said domain at all. Under this domain, the standard deviation is 22.05, which means that there is an average of plus or minus 0.88 score based on the resulting mean. This data indicates that the variability of the scores are close to the average score earned by all respondents. More over the result of the skewness is 0.640, which means that most of the respondents have garnered a very low score on this test.

A reflection of a financially literate person according to Colayco (2008) is engaging into insurance. The results on this domain elaborates the premise that if a respondent is not knowledgeable in insurance, he or she may not be at all engaging in them, which is basically the point. The respondents may not be financially literate which gives the reason for a low result on their level of literacy on insurance domain.

### 1.4. Investment

Knowledge of investment is an important domain in financial literacy. It is more of the application of financial literacy. A person is said to be financially literate if he/she demonstrates a good appreciation on what is investment. Under this domain, the respondents are tested on their basic knowledge in various investment and investment procedures in the Philippines as well as the concept of investment. The table below shows the result of survey under this particular domain.

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**Table 4. Level of Personal Financial Literacy of the Respondents on Investment**

Domain	Mean Percentage	Standard Deviation	Skewness	Interpretation
Investment	13.23	15.52	.743	Low

A poor financial knowledge on saving would also end up having poor understanding about investment. The result just corroborates with the early findings that respondents with low financial knowledge may well be low on savings domain, thus, may be also low on the investment domain.

### 2. The Financial Behavior of the Respondents on the Different Financial Products

The second objective of the study was to measure the participation of the respondents in availing the different financial products existing in the Philippines today. There were eleven (11) financial product-indicators presented to the respondents and the results are shown on the table

**Table 5. Financial Behavior of the Respondents on Different Financial Products**

Involvements/Engagements on Financial Products	Mean	Interpretation
Savings	3.05	Often
Time Deposit	1.47	Never
Treasury Bills/ Bonds	1.28	Never
Mutual Funds	1.66	Never
Trust Fund	1.41	Never
Stock market	1.38	Never
Life Insurance	2.44	Seldom
Non-Life Insurance	2.01	Seldom
Loans	2.86	Often
Engage in Business	2.28	Seldom
Member of a Cooperative	2.92	Often

It can be gleaned from the table that the respondents were very much active on loans with a mean value of 3.21 and less active in engaging themselves into Stock Market and Treasury Bills/Corporate Papers with a mean value of 1.46 and 1.57 respectively. Likewise, the table shows minimum participation on Non Life Insurance, Business and Mutual Funds but fairly good or high involvement on Savings/Time Deposit and Cooperative Membership

The result further illustrates that the respondents mostly do not engage themselves on financial products after 5 out of 11 financial product-indicators have a low and very low involvement. Only 1 of the 4 most notable financial products have a very high involvement, which is loans.

Results corroborates with the study of Willis (2008) and Lusardi (2008), that a low financial literacy level can be linked to poor financial decision making. This could explain well why most of the respondents were low in participating in income generating financial products and would likely engage more on loans. The study implies that the respondents often engage themselves on financial products that are most likely familiar to them brought about by the proximity and availability of the said products, such as savings and loans. It can be said that the establishment of financial institution such as GSIS, cooperatives, banks, and other similar saving/lending entities heighten the involvements of government employees to these financial products. However, the study shows that savings, which got a lower values compared to loans, implies that some of the respondents may not actively participate in savings or they do not have the capacity to save at the moment. Loans got a very high mark, which implies that the respondents' involvement with loans can be caused by other factors not covered by this study. The high participation on loans is quite understandable, especially when there is limited financial capability of the respondents versus the need for money to spend. Active information drive on loans application and other loans promo may also contribute to the very high participation on loan application, which may or may not be termed as good loans. Membership to cooperative and life insurance are seen to be on high mark which imply that the existence of this financial products in the academe may have contributed to this rating, but again, they are not that too active to warrant a very high participation of the majority of the respondents. The weak participation of the respondents on stock market, treasury bills, business, and non-life insurance can be attributed to the lack of information on these

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financial products or basically the lack of interest on the part of the respondents to engage themselves on these products for various reason not covered by this study.

### 3. The Significant Difference in the Personal Financial Literacy of the Respondents Based on Demographic Factors.

#### 3.1. Sex

Table 6. Test of Difference on the Level of Financial Literacy of the Respondents Based on Sex

Domain	Mean percentage of correct answers (Mean/question-items)		t value	Remarks
	Male	Female		
General personal financial knowledge	38% (2.25 / 6)	47% (2.81 / 6)	-2.057	Significant
Savings and barrowing	33% (1.95 / 6)	38% (2.27 / 6)	-1.320	Significant
Insurance	23% (0.92 / 4)	30% (1.19 / 4)	-1.528	Significant
Investments	13% (0.53 / 4)	12% (1.19 / 4)	0.556	Not Significant
Total personal financial literacy	28% (5.65 / 20)	34% (6.73 / 20)	-1.993	Significant

**Note:** Sum of scores were rounded to nearest whole number

In the above table, the t-test shows that the female-respondents have greater scores than male-respondents, except for the Investment domain where the females got 12 percent of the correct answer against the 13 percent of the males. Nevertheless, the total result shows that the females got 34 percent correct answers over the 28 percent average correct answers of the males. The table also shows that there is significant difference in the financial literacy between male and female faculty after having gained a high value of 47 percent on General Personal Financial

Knowledge domain. Data shows that female-respondents are lesser keen or lesser interested on investment matters. The advantage of the female respondents over the male-respondents in terms of financial literacy can be attributed on the frequent exposure of females in doing the marketing and financial transactions. The experience in financial transactions may have given female-respondents the financial literacy rating above the male respondents. The male-respondents whose finances are mostly being handled by their spouse tend to pay less particular interest in the daily expenses. Hence, the alternative hypothesis of this study that there is significant difference in the financial literacy of male and female respondents is confirmed.

#### 3.2. Age

Table 7. Analysis of Variance on the Level of Financial Literacy of the Respondents Based on Age

Domain	Age Groups	Sum of Squares	df	Mean Square	F	Sig.	Remarks
General personal financial knowledge	Between (Combined) Groups	1.973	8	.247	1.045	.410	Not Significant
	Within Groups	17.931	76	.236	.659		
	Total	19.904	84				
Savings and borrowing	Between (Combined) Groups	2.285	8	.286		.726	Not Significant
	Within Groups	32.949	76	.434			
	Total	35.234	84				
Insurance	Between (Combined) Groups	1.432	8	.179	.270	.974	Not Significant
	Within Groups	50.345	76	.662			

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Investment	Total	51.776	84	.463	.642	.740	Not Significant
	Between (Combined) Groups	3.702	8				
	Within Groups	54.750	76				
	Total	58.451	84				

From the table above, the financial literacy of the respondents along the four domains do not significantly differ based on their age. Hence, there is no significant difference of personal financial literacy of the respondents based on the demographic factor age.

### 3.3. Academic Rank

**Table 8. Analysis of Variance on the Level of Financial Literacy of the Respondents Based on Academic Rank.**

Domain	Academic Rank Groups	Sum of Squares	df	Mean Square	F	Sig.	Remarks
General and financial knowledge (1-6)	Between (Combined) Groups	.382	4	.095	.391	.814	Not Significant
	Within Groups	19.522	80	.244			
	Total	19.904	84				
Savings and borrowing (7-12)	Between (Combined) Groups	.305	4	.076	.175	.951	Not Significant
	Within Groups	34.929	80	.437			
	Total	35.234	84				
Insurance (13-16)	Between (Combined) Groups	2.993	4	.748	1.227	.306	Not Significant
	Within Groups	48.783	80	.610			
	Total	51.776	84				
Investment (17-20)	Between (Combined) Groups	.194	4	.048	.066	.992	Not Significant
	Within Groups	58.258	80	.728			
	Total	58.451	84				

The survey questionnaires were given across the different academic ranks to determine the differences in the financial literacy based on the four domains that were used as measuring tools. Likewise, the One Way Analysis of Variance (ANOVA) was employed to compare differences in mean scores across ranks and the table shows that the significant value p is greater than 0.05, the level of financial literacy of the respondents does not significantly differ based on academic ranks.

### 3.4. Educational Attainment

**Table 9. Analysis of Variance on the Level of Financial Literacy of the Respondents Based on Educational Attainment**

Domain	Educational Attainment Groups	Sum of Squares	df	Mean Square	F	Sig.	Remarks
General personal financial knowledge (1-6)	Between (Combine Groups d)	.216	2	.108	.450	.639	Not Significant
	Within Groups	19.688	82	.240			



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	Within Groups						
	Total	19.904	84				
Savings and borrowing (7-12)	Between (Combine Groups d)	.131	2	.066	.153	.858	Not Significant
	Within Groups	35.103	82	.428			
	Total	35.234	84				
Insurance (13-16)	Between (Combine Groups d)	.350	2	.175	.279	.757	Not Significant
	Within Groups	51.426	82	.627			
	Total	51.776	84				
Investment (17-20)	Between (Combine Groups d)	.743	2	.372	.528	.592	Not Significant
	Within Groups	57.708	82	.704			
	Total	58.451	84				

From the ANOVA table above, the significant difference in the financial literacy of the respondents along the four domains do not significantly differ based on their educational attainment. Most of the financial domains has a significant value p higher than 0.05 and therefore, statistically, there is no significant difference in the financial literacy of the group. Hence, educational attainment is a variable that do not affect the personal financial literacy of the respondents on the four domains mentioned in the table.

#### 4. Financial Literacy of the Respondents and Their Financial Behavior with the Different Financial Products

Table 10. Results of Correlation of Coefficient on the Level of Financial Literacy and Financial Product

Financial Products	General Financial Letiracy	Savings and Barrowing	Insurance	Investments	Total
Savings / Time Deposit	.074	-.014	.073	-.064	.044
Bonds and	No data				
Corporate Papers	-.117(*)	-.152(*)	-.147(*)	-.017	.181(**)
Mutual Funds Unit Investment	No data				
Trust Fund (UITF)	-.039	-.093	-.029	.030	-.063
Stock Market	-.001	-.097	-.073	.037	-.057
Life Insurance	.051	.094	-.002	-.071	.051
Non-Life Insurance	.056	.022	.071	-.049	.052
Loans	.020	.091	.031	-.057	.047
Engage in Business	-.003	-.091	-.055	-.003	-.060
Member of a Cooperative	.046	.050	.044	-.067	.046

\* Correlation is significant at the 0.01 level (2-tailed). \*

Correlation is significant at the 0.05 level (2-tailed).

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In general, the study implies that financial literacy has a weak correlation on the actual behavior of teachers on engaging in the different financial products. It can be seen that financial literacy does not have an effect as to how respondents chooses to engage themselves on the various financial products. There may be other factors that may tend to influence their decisions in availing or not availing other financial products (i.e. family situation and individual character), which does not point exactly to financial literacy. The results nullify the hypothesis made earlier that there is a relationship between the financial literacy and involvement into financial products. As many as the readings done on this study suggest the relationship between the two.

Findings on the correlation points to two different direction. First is that a financial literacy rating has the direction with that of some of the financial products, meaning if financial literacy goes up, the involvement also goes high. The second one is that the results is inverse, which supports some of the behavior of the teacher who have engaged themselves on other financial products despite the low financial literacy rating. For instance, teachers tend to involve themselves high on life insurance, savings/time deposit and cooperative membership. Explanation for such relationship lies probably on other factors not covered by these study such as individual character and family situation. The low financial literacy rating gained by the teachers also suggest that their participation with other financial products maybe limited only to the ones that they are familiar with or well informed, such as savings and loans being espouse by the GSIS and other same entities. Nevertheless, although the results of correlation points to two varying directions, neither of the two have strong relationship with the financial literacy of the respondents. The actions or decisions of the respondents to engage in some financial products were influenced by other factors.

### CONCLUSION

The survey result has indeed shed information to answer the questions brought up for this study. It can be concluded that there is a need to enhance the financial literacy of the respondents on the four domains presented in the study to determine their level of financial literacy. The findings suggest that the respondents may not have the proper knowledge and education on financial literacy to make informed financial decisions to achieve financial stability.

Based on the findings, the female-respondents are more involved in the identified financial products compared to the male-respondents which indicate a small percentage of involvement. However, majority of the respondents are keen to borrow and spend money rather than engaging in revenue earning activities to improve their financial state. This could be due to several reasons such as: erroneous financial decisions on the part of the respondents; the limited information on other financial products; or the lack of opportunity for the respondents to be actively involve on these financial products, hence, there is a need to enhance the financial literacy awareness of the respondents to help them make thorough financial decisions.

Included in the study was the respondents' demographic profile as significant factor in their current financial literacy state. The results indicate that the demographic profile based on sex is not a significant factor that may spell a difference in the level of financial literacy among respondents, while age, academic rank, and educational attainment are significant factors.

The study also tested the relationship between the level of financial literacy of the respondents and their involvement on financial products. It could be concluded that other socio demographic factors may have significant effects on the financial behavior of the respondents. The data gathered shows a weak relationship between the current level of financial literacy of the respondents and their involvement with the various financial products. This conclusion suggest that financial literacy is not the major driving force for the respondents to engage themselves on certain financial products. This could be due to several factors which were not within the scope of the research study and may be a subject for further study in the future. The findings somehow does not confirm the hypothesis that there is a relationship between financial literacy and teacher involvement with financial products.

### RECOMMENDATION

Based on the aforementioned conclusions, the following recommendations are suggested:

1. The Isabela State University may need to integrate financial literacy subjects as options in the selection of institutional subjects.
2. Enhance financial literacy through advocacy to increase the awareness of the teachers. In line with other advocacies being espouse by the administration, such as "no to corruption" and "ethical standard", there is also a need to promote and advocate financial literacy to the teachers and personnel as a way to improve financial well-being of the employees and eliminate some of the financial related organizational problems.
3. To develop the financial literacy skills of teachers and personnel of Isabela State University, there is a need to enhance the Finance Services Office of the institution to provide personal financial management assistance, financial advice and other forms of financial related services to respondents other than their usual task and mission. The office should serve as connections to other financial institution for easier access to financial products other than those being provided by the Isabela State University accredited savings and loans associations.

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4. Accredited financial institutions of the Isabela State University may engage and diversify more on other financial products to be able to provide other services to the respondents. Such as the function of other banks that provides other investment opportunities to its clients. Isabela State University accredited financial institution should be able entice the teachers to have better personal financial management and have wider selection of financial products.
5. Conduct a similar study that focuses on other factors not covered in this study such as personal behavior, family situation and attitude that may have a relationship on the financial behavior of the teachers and may affect their financial decision and financial behavior.

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