# Financial Literacy and Its Influence on the Financial Stability of Public School Teachers in District 2, North Cotabato

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***Abstract*— This study examined the influence of financial literacy on the financial stability of 250 public school teachers in District 2, North Cotabato, Philippines, during the School Year 2023–2024. Employing a mixed-methods design, the study investigated how financial literacy factors namely financial knowledge, financial behavior, financial attitude, and financial training relate to and predict teachers' financial stability in terms of supplemental income, benefits and insurance, and savings and emergency funds. Findings revealed that teachers demonstrated generally high levels of financial literacy and satisfactory financial stability. Demographic variables particularly age and marital status significantly influenced supplemental income, though their effects on benefits, insurance, and savings were limited. Spearman correlation analyses showed significant positive relationships between all financial literacy factors and supplemental income. Regression analyses confirmed that financial training (β = .463) and financial knowledge (β = .435) were the strongest predictors of supplemental income, while financial knowledge and training also significantly predicted benefits and insurance. None of the financial literacy factors individually predicted savings and emergency funds at statistically significant levels. The study concludes that continuous financial training and strengthening financial knowledge are essential interventions to enhance teachers' financial stability, particularly in supplemental income generation.**

***Index Terms* —financial literacy, financial stability, teachers, supplemental income, financial training, North Cotabato, Philippines**

## I. INTRODUCTION

Financial literacy has become an increasingly important life skill in today's complex economic environment, where individuals are required to make informed decisions regarding budgeting, saving, investing, borrowing, and long-term financial planning. Adequate financial literacy enables individuals to manage financial resources effectively, avoid excessive debt, and maintain financial stability.

In the Philippines and in many developing countries, teachers often rely on fixed incomes that may be insufficient to meet rising living costs and unexpected financial demands. As a result, many educators resort to loans, supplemental income activities, or delayed savings and retirement preparation. Previous studies have shown that financial instability among teachers is often associated with limited financial knowledge, poor financial behavior, lack of financial training, and inadequate utilization of benefits and insurance programs (Lusardi & Mitchell, 2014; Atkinson & Messy, 2012).

This study, therefore, examined the factors that influence financial literacy and its effect on teachers' levels of financial stability. Specifically, the study investigated how demographic characteristics such as age, gender, marital status, and years of service along with financial knowledge, financial behavior, financial attitude, and financial training influence teachers' financial literacy. Furthermore, it explored how financial literacy affects teachers' financial stability in terms of supplemental income opportunities, benefits and insurance, and savings and emergency funds.

By understanding these relationships, the study aims to provide empirical evidence that may guide school administrators, policymakers, and educational institutions in developing targeted financial literacy programs and interventions to improve teachers' financial stability and well-being.

1.1 Research Questions

This study addressed the following research questions:

1. What is the demographic profile of the respondents in terms of age, gender, marital status, and years of service?
2. What are the levels of financial literacy factors (knowledge, behavior, attitude, and training) among the respondents?
3. What is the level of financial stability in terms of supplemental income, benefits and insurance, and savings and emergency funds?
4. Is there a significant relationship between teachers' demographic profile and their level of financial stability?
5. Is there a significant influence of teachers' demographic profile on their level of financial stability?
6. Is there a significant relationship between financial literacy factors and the level of financial stability?
7. Is there a significant influence of financial literacy factors on the level of financial stability?

## II. METHODOLOGY

2.1 Research Design

This study employed a mixed-methods research design, integrating both quantitative (survey) and qualitative (interview) approaches to provide a comprehensive understanding of the factors influencing financial literacy and their effects on the financial stability of public-school teachers. The quantitative strand used a descriptive-correlational design to measure relationships and predictive influences among variables, while the qualitative strand captured teachers lived experiences and perceptions through semi-structured interviews.

2.2 Locale and Respondents

The study was conducted in District 2, North Cotabato, covering twenty-nine (29) public elementary and secondary schools in the municipalities of Antipas, Arakan, President Roxas, and Magpet. A total of 250 public school teachers were selected as respondents through purposive sampling, representing the entire teacher population of the district who met the inclusion criteria for the School Year 2023–2024.

2.3 Research Instrument

A validated and reliability-tested questionnaire composed of three parts was used: (1) socio-demographic profile, (2) financial literacy factors measured on a five-point Likert scale, and (3) financial stability indicators measured on the same scale. The internal consistency of the instrument was assessed using Cronbach's alpha prior to data collection. The Likert scale descriptors ranged from 1 (Strongly Disagree / not observed) to 5 (Strongly Agree / extensively observed).

2.4 Data Analysis

Descriptive statistics (frequency, percentage, mean) were used to profile the respondents and describe levels of financial literacy and stability. Spearman's rank-order correlation was used to test the significance of relationships between variables. Multiple linear regression analysis was employed to determine the predictive influence of demographic characteristics and financial literacy factors on financial stability. Statistical significance was set at $p < .05$.

## III. RESULTS AND DISCUSSION

3.1 Socio-Demographic Profile of the Respondents Age.

The majority of respondents (61.20%, n = 153) belonged to the 26–35 age group, indicating a predominantly young to early-career teaching workforce. This was followed by those aged 36–45 (29.20%, n = 73), while only 7.60% (n = 19) were in the 46–55 range and 2.00% (n = 5) were 25 years old and below.

Table 1 Demographic Profile of Respondents in Terms of Age

| Age Group | Frequency (f) | Percentage (%) |
|---|---|---|
| 25 years old and below | 5 | 2.00 |
| 26–35 years old | 153 | 61.20 |
| 36–45 years old | 73 | 29.20 |
| 46–55 years old | 19 | 7.60 |
| Total | 250 | 100.00 |

Note. n = 250.

This age distribution aligns with the relatively young structure of the Philippine public school teaching force. Literature suggests that younger teachers are often more receptive to financial literacy programs and are more likely to engage in supplemental income-generating activities (Atkinson & Messy, 2012).

Gender

Female teachers constituted 74.80% (n = 187) of the respondents, while male teachers accounted for 25.20% (n = 63). This gender composition reflects the widely documented feminization of the Philippine basic education teaching profession.

Table 2Demographic Profile of Respondents in Terms of Gender

| Gender | Frequency (f) | Percentage (%) |
|---|---|---|
| Male | 63 | 25.20 |
| Female | 187 | 74.80 |
| Total | 250 | 100.00 |

Note. n = 250.

Marital Status

The majority of respondents (75.20%, n = 188) were married, followed by single teachers (22.00%, n = 55) and widowed individuals (2.80%, n = 7). The predominance of married respondents is significant, as marital status has been consistently identified as a key factor influencing financial responsibilities and stability (Garman & Forgue, 2015).

Table 3 Demographic Profile of Respondents in Terms of Marital Status

| Marital Status | Frequency (f) | Percentage (%) |
|---|---|---|
| Single | 55 | 22.00 |
| Married | 188 | 75.20 |
| Widowed | 7 | 2.80 |
| Total | 250 | 100.00 |

Note. n = 250.

Years in Service

More than half of the respondents (52.00%, n = 130) had 6–10 years of teaching experience, followed by those with 3–5 years (29.60%, n = 74). Only 3.20% (n = 8) had more than 15 years of service. This mid-career concentration has implications for financial literacy interventions, as this cohort has sufficient work experience to appreciate the value of financial planning but may not yet have maximized their benefit entitlements.

Table 4 Demographic Profile of Respondents in Terms of Years in Service

| Years in Service | Frequency (f) | Percentage (%) |
|---|---|---|
| Less than 3 years | 17 | 6.80 |
| 3–5 years | 74 | 29.60 |
| 6–10 years | 130 | 52.00 |
| 11–15 years | 21 | 8.40 |
| More than 15 years | 8 | 3.20 |
| Total | 250 | 100.00 |

Note. n = 250.

Position

Teacher III was the most common position (52.00%, n = 130), followed by Teacher II (29.60%, n = 74). Master Teacher I and II comprised a combined 11.60% of respondents. The concentration in the Teacher III rank suggests a workforce with moderate career advancement, which is associated with a moderate salary grade and corresponding benefits access.

Table 5 Demographic Profile of Respondents in Terms of Position

| Position | Frequency (f) | Percentage (%) |
|---|---|---|
| Teacher I | 17 | 6.80 |
| Teacher II | 74 | 29.60 |
| Teacher III | 130 | 52.00 |
| Master Teacher I | 21 | 8.40 |
| Master Teacher II | 8 | 3.20 |
| Total | 250 | 100.00 |

Note. n = 250.

3.2 Financial Literacy Factors

All four financial literacy factors obtained mean ratings interpreted as Agree, indicating a generally high level of financial literacy among the respondents. Financial attitude obtained the highest overall mean, suggesting that teachers hold positive financial perspectives and value responsible financial planning. This was followed by financial training, financial knowledge, and financial behavior, respectively. The results indicate that while teachers demonstrate positive attitudes toward financial management, translating these attitudes into consistent financial behaviors remains an area for further development.

3.3 Level of Financial Stability

Teachers exhibited satisfactory levels of financial stability across all three dimensions measured: supplemental income, benefits and insurance, and savings and emergency funds all interpreted as Agree on the Likert scale. These findings suggest that while teachers generally manage their financial affairs adequately, there remains considerable room for improvement, particularly in savings accumulation and emergency fund preparedness, which recorded the

lowest mean scores among the financial stability indicators.

3.4 Relationship Between Demographic Profile and Financial Stability

Spearman correlation analyses revealed that age ($r = .312$, $p < .001$), marital status ($r = .284$, $p < .001$), years in service ($r = .295$, $p < .001$), and position ($r = .301$, $p < .001$) were significantly related to supplemental income. However, these demographic variables showed limited or no significant relationships with benefits and insurance and savings and emergency funds. These findings suggest that demographic characteristics primarily influence teachers' capacity to generate additional income rather than their utilization of institutionalized financial benefits or savings behavior.

3.5 Influence of Demographic Profile on Financial Stability

Multiple regression analysis for supplemental income ($R^2 = 0.107$, $F = 7.402$, $p < .001$) revealed that age ($\beta = .212$, $p = .003$) and marital status ($\beta = .176$, $p = .019$) were the only significant demographic predictors. For benefits and insurance ($R^2 = 0.029$, $F = 1.850$, $p = .120$) and savings and emergency funds ($R^2 = 0.029$, $F = 1.850$, $p = .120$), the regression models were not statistically significant, confirming that demographic variables have minimal predictive power over these dimensions of financial stability.

3.6 Relationship Between Financial Literacy Factors and Financial Stability

All four financial literacy factors showed significant positive correlations with supplemental income: financial knowledge ($r = .391$, $p < .001$), financial behavior ($r = .486$, $p < .001$), financial attitude ($r = .506$, $p < .001$), and financial training ($r = .588$, $p < .001$). Financial training demonstrated the strongest correlation, underscoring the importance of structured financial education in enhancing income management. For benefits and insurance, financial knowledge ($r = .146$, $p = .021$) and financial training ($r = .130$, $p = .040$) showed significant but weaker correlations. Regarding savings and emergency funds, financial behavior ($r = .185$, $p = .003$), financial attitude ($r = .197$, $p = .002$), and financial training ($r = .201$, $p = .001$) were significantly correlated.

Table 6 Relationship Between Financial Literacy Factors and Financial Stability (Spearman's rho)

| Variables | Supplemental Income | Benefits & Insurance | Savings & Emergency Funds |
|---|---|---|---|
| Financial Knowledge | .391** | .146* | .115 |
| Financial Behavior | .486** | .052 | .185** |
| Financial Attitude | .506** | .092 | .197** |
| Financial Training | .588** | .130* | .201** |

Note. ** $p < .001$; * $p < .05$.

3.7 Influence of Financial Literacy Factors on Financial Stability

Supplemental Income.

The regression model for supplemental income was highly significant ($R^2 = 0.489$, $F = 58.612$, $p < .001$), indicating that financial literacy factors collectively explain 48.9% of the variance in supplemental income. Financial training ($\beta = .463$, $p < .001$) and financial knowledge ($\beta = .435$, $p < .001$) emerged as the strongest positive predictors. Financial attitude also showed a significant positive influence ($\beta = .253$, $p = .001$). Notably, financial behavior demonstrated a significant inverse relationship ($\beta = -.301$, $p < .001$) when controlling for the other predictors, potentially reflecting multicollinearity effects or complex compensatory mechanisms among the literacy dimensions.

Table 7 Regression Analysis: Financial Literacy Factors Predicting Supplemental Income

| Predictor | B | SE | β | t | p |
|---|---|---|---|---|---|
| (Constant) | −.124 | .265 | | −.469 | .639 |
| Financial Knowledge | .452 | .060 | .435 | 7.514 | <.001 |
| Financial Behavior | −.279 | .067 | −.301 | −4.174 | <.001 |
| Financial Attitude | .282 | .084 | .253 | 3.360 | <.001 |
| Financial Training | .549 | .077 | .463 | 7.111 | <.001 |

Note. $R^2 = .489$; $F(4,245) = 58.612$, $p < .001$. ** $p < .001$; * $p < .05$.

Benefits and Insurance

The regression model for benefits and insurance was statistically significant ($R^2 = 0.065$, $F = 4.268$, $p =$

.002), though it explained only 6.5% of the variance, indicating that financial literacy factors have a modest but meaningful influence on this dimension. Financial knowledge (β = .191, p = .015) and financial training (β = .194, p = .029) were the only significant individual predictors.

Table 8 Regression Analysis: Financial Literacy Factors Predicting Benefits and Insurance

| Predictor | B | SE | β | t | p |
|---|---|---|---|---|---|
| (Constant) | 2.498 | .371 | | 6.739 | <.001 |
| Financial Knowledge | .205 | .084 | .191 | 2.439 | .015 |
| Financial Behavior | −.170 | .093 | −.177 | −1.822 | .070 |
| Financial Attitude | .084 | .117 | .073 | .720 | .472 |
| Financial Training | .237 | .108 | .194 | 2.197 | .029 |

Note. $R^2$ = .065; F (4,245) = 4.268, p = .002. * p < .05.

Savings and Emergency Funds

For savings and emergency funds, the overall regression model was statistically significant ($R^2$ = 0.088, F = 5.943, p < .001), yet none of the individual financial literacy predictors reached significance at p < .05. Financial training (B = .186, p = .057) approached but did not reach significance, suggesting a potential trend that warrants further investigation with larger samples. These results imply that other factors not captured in this study such as income level, financial obligations, and economic conditions may exert stronger influences on teachers' savings behavior.

Table 9Regression Analysis: Financial Literacy Factors Predicting Savings and Emergency Funds

| Predictor | B | SE | β | t | p |
|---|---|---|---|---|---|
| (Constant) | 2.429 | .333 | | 7.284 | <.001 |
| Financial Knowledge | .048 | .076 | .049 | .630 | .529 |
| Financial Behavior | .042 | .084 | .048 | .502 | .616 |
| Financial Attitude | .104 | .106 | .099 | .988 | .324 |
| Financial Training | .186 | .097 | .166 | 1.911 | .057 |

Note. $R^2$ = .088; F (4,245) = 5.943, p < .001. No individual predictor reached p < .05.

## IV. CONCLUSIONS

This study concludes that public school teachers in District 2, North Cotabato generally possess satisfactory levels of financial literacy and financial stability. Among the financial literacy dimensions, financial attitude and financial training were the most prominent, indicating that teachers are positively disposed toward financial planning and actively engage in financial education.

Demographic variables, particularly age and marital status, significantly influence supplemental income but show limited effects on benefits and insurance utilization and savings behavior. In contrast, financial literacy factors especially financial training and financial knowledge demonstrate stronger and more consistent predictive power over financial stability, particularly in supplemental income generation and benefits utilization.

The finding that none of the financial literacy factors individually predicted savings and emergency funds at significant levels points to the multi-dimensional and context-dependent nature of savings behavior, which is likely shaped by income constraints, financial obligations, and broader economic factors beyond financial literacy alone.

## V. RECOMMENDATIONS

Based on the findings, the following recommendations are offered:

1. School administrators and DepEd Division Offices in North Cotabato should design and institutionalize continuous financial literacy programs for teachers, with emphasis on practical financial management, investment planning, and retirement preparation. Structured seminars and in-service training on financial management in partnership with GSIS, PhilHealth, Pag-IBIG, and private financial institutions should be regularly conducted.
2. Teachers should be encouraged to actively participate in financial development programs and peer-sharing sessions within their schools to exchange practical financial strategies and build collective financial literacy.
3. Policymakers may consider integrating financial wellness programs as a core component of teacher support services, with tailored guidance

programs addressing the distinct financial needs of teachers at different career stages and life situations.

4. Future researchers are encouraged to expand the scope of inquiry on savings and emergency fund determinants by including income level, financial obligations, lifestyle variables, and broader economic conditions. Longitudinal and qualitative designs are recommended to capture causal dynamics and lived financial experiences of teachers.

## VI. DECLARATIONS

Funding
This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Conflict of Interest
The author declares no conflict of interest.

## ACKNOWLEDGMENTS

The author expresses sincere gratitude to the school principals and teachers of District 2, North Cotabato for their participation and cooperation in this study.

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