

Structural Equation Modelling on Direct and Indirect Effects Among Factors Affecting Financial Literacy and Behaviour of Public School Teachers in the Province of Capiz

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Abstract: Financial literacy among teachers is vital for achieving a stable and financially secure life. In today's complex financial landscape, financial literacy empowers individuals to make informed decisions regarding savings, investments, protection, spending, and borrowing. This study employs a quantitative, cross-sectional design using Structural Equation Modeling (SEM), specifically, the Diagonally Weighted Least Squares (DWLS) model, to examine both direct and indirect effects among factors influencing financial literacy and financial behaviors of public school teachers in the Province of Capiz. A sample of 378 teachers was selected via cluster random sampling, determined using Yamane's formula. Confirmatory Factor Analysis (CFA) reveals significant relationships between teachers' demographic profiles and their behaviors across debt management, loan behavior, credit repayment, money management, and personal financial practices. These findings underscore the importance of implementing tailored financial education programs to enhance teachers' financial literacy, improving their decision-making and long-term financial security.

Keywords: *Financial Literacy, Personal Financial Management, Debt Management.*

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I. INTRODUCTION

Financial literacy is a widely recognized vital tool for economic progress and the survival of individuals (Pangestu et al., 2020). Teachers have an important role in societal development and contribute significantly to nation-building. Former DedEd Secretary Leonor Briones' financial literacy is vital for educators to serve as models and facilitators of financial education. Teachers' financial literacy is crucial, as their behavior and knowledge can significantly influence their students' understanding of economic concepts and practices (Baker, 2021)

Financial literacy is essential for making wise financial decisions and promoting personal and national stability (OECD, 2020). According to Sujaini (2021), financial literacy is the comprehension and utilization of financial skills, including budgeting, savings, and personal financial management. According to financial literacy surveys, almost all Filipinos need to have an adequate knowledge of money management.

Twenty-five percent (25%) of Filipino adults are deemed financially literate, much lower than the area average (Xiao, et al. 2020). The Philippines was ranked in the bottom 30 out of 144 nations in the Standard & Poor's Global Financial Literacy Survey. The Bangko Sentral ng Pilipinas' Financial Inclusion Survey from 2021 found that financial literacy remains a serious problem in the Philippines. A survey showed that only two (2) percent of Filipino adults successfully answered all six fundamental financial literacy questions, whereas 69% correctly answered at least half.

According to Reyes (2019), the total debt owed by Public school teachers across the country has surpassed P320 billion. As of May 2019, public school teachers owed the Government Service Insurance System (GSIS) PHP 157.4 billion; as of June 2019, they owed PHP 162 billion to accredited private lenders (Cruz 2019). According to the Philippine Regulatory Commission report, this led to over 500 legal proceedings against credit union teachers. According to Magbinay et al. (2022), around 23,000 teachers retired in 2016 without getting a pension due to unpaid obligations.

Teachers' indebtedness has an unavoidable impact on their work performance, social respect, professional standards, and the growth of the teaching profession. Over-indebtedness, unable to pay all payments on time, which can lead to feelings of anxiety, worry, and panic (National Credit Regulator, 2019). Insufficient financial literacy led to problems such as fund deficit mismanagement, which hampered the successful execution of educational programs and plans (Casingal and Ancho 2021).

Teachers are essential to a nation's development and progress. Many teachers in public schools have debt and struggle to make ends meet. This study focuses on direct and indirect effects among factors affecting financial literacy and behavior of public teacher, which is essential in designing research-based policies, programs, interventions, and activities to help them enhance their financial health and stability.

II. REVIEW AND RELATED LITERATURE

Demographic variables, including gender, level of education, age, and income, demonstrate distinct levels of financial literacy (Klapper & Lusardi, 2020); Nursjanti, F., Amaliawiati, L. (2024). Demographic factors significantly influence financial literacy and management practices, such as age, gender, marital status, and income (Maribao et al. 2025; Köylüoğlu and Gümrah 2023). Individual and professional characteristics, e.g., educational background, length of employment, and positions, may affect their financial decisions and views. (Francisco and Mariano, 2020)

According to Abdullah et al. (2019), gender differences in financial affairs between men and women affect economic well-being. Women develop an interest in teaching earlier than men (Davids & Wagnid, 2020). Women tend to participate in more cautious and prudent financial habits, such as spending and saving for unexpected expenses, retirement, and education; primary financial providers prioritize stability (Atkinson et al., 2020).

Gender is one of the variables that determines a person's financial attitudes. Standard & Poor's Rating Services' Global Financial Literacy Survey (S&P Global FinLit Survey 2015) highlights that 35% of males are financially literate, while 30% of women are. Men are more financially literate than women (Bottazzi & Lusardi, 2020), but have fewer financial abilities. While it comes to debt analysis, organizing invoices and receipts, and consistently conserving money, women perform better than men. (V.I. Dewi 2022). According to Herjono and Septarini (2018), men who often increase their income to improve their standard of living, women handle their finances efficiently and according to economic principles. Men score higher on measures of financial well-being and possess greater financial literacy than women.

According to Potrich et al. (2015), Bucher-Koenen et al. (2021), and Klapper & Lusardi (2020), women have less financial literacy than men. Rink et al. (2021) revealed that women have less financial literacy than men because women tend to be more consumptive. However, financially savvy

women who can plan and manage their money typically choose financial items like stocks, real estate investments, savings accounts, and insurance policies that provide future rewards and economic security. Furthermore, Kaur and Maheshwary's (2020) study on paid women found a strong correlation between the factors influencing their investing choices and financial literacy.

Understanding how gender influences financial decisions and choices, it's important to comprehend how a person's attitudes and ideas about money are influenced by their gender, whether biologically or psychologically (Sahi 2023). According to Ying 2017, budgeting and saving decisions are women's responsibilities. However, Rothwell and Wu (2019) discovered that adult women perform more poorly in financial literacy and have less confidence in their ability to handle their finances. However, Wilson (2021) reveals that women and older persons are more competent to manage their finances. The findings indicate that gender and age are significant indicators of financial aptitude, with women being more capable of managing their budgets than men.

Age. Kadoya and Khan (2020) found that age is a significant demographic component that affects financial literacy. Age influences a person's ability to earn money, and diversity within a profession may affect how well employees interact in terms of effort and cooperation. Age may influence short-term financial behavior (money management, expenditure, savings for emergencies, and insurance) and long-term financial behavior (investing and retirement).

Individuals of all ages demonstrate a lack of financial literacy (Bawre and Kar, 2019). Multiple studies show that one's level of financial literacy is related to their age (Mändmaa, 2020; Lotto, 2020; Gunartin et al., 2020; Kadoya and Khan, 2020; Alkan et al., 2020; and Sharma, 2023). Young and senior persons have low levels of financial literacy (Bajo et al. 2015). Younger age groups have more short-term financial goals and show positive financial behaviors, compared to older adults, who focus on long-term financial behavior and rely more on their objective financial knowledge when making decisions (Henager and Cude 2018). Younger or less experienced teachers tend to have worse financial management abilities, such as budgeting, saving, and investing, than their more mature peers (Capisonda-Porteza, 2023; Importance and Practices of Financial Management, 2022).

Financial literacy exhibits an inverted U-shaped trend across age groups; it is lowest among younger adults (18–29) and older adults (60+), and peaks among middle-aged individuals (30–59) (OECD/INFE, 2020), middle-age corresponds to a life stage when teachers demonstrate balanced financial responsibility (Johnson & Smith, 2020; Peterson & Lee, 2021). According to the S&P Global Financial Literacy Survey (2015), only about 33% of adults worldwide are financially literate.

Bangko Sentral ng Pilipinas (BSP 2024) Young adults (ages 18-39) have financial literacy compared to the middle-

aged (ages 40-59) and senior (ages 60 and above) cohorts. Those who are middle-aged or old age appear to be less likely than the younger group to spend less than or equal to their income. Older individuals may spend more on essentials like food, children's education, medications, and other necessities.

Educational attainment. Financial literacy has a significant positive relationship with educational attainment (Düzakın 2021; Nugroho 2021; Siegfried and Wuttke, 2021; Arofah, 2021; Tavares et al., 2022; Gupta and Hanagandi, 2022; Twumasi et al., 2022; Kasi et al., 2022; Köylüoğlu, 2023; and Ndou, 2023). According to research, people who have a higher level of education have better financial literacy (Soejono et al., 2022; Loke et al., 2022; Galizzi et al., 2023; Singh and Singh, 2023; Potrich et al., 2015).

Higher levels of education lead to improved awareness, which has a favorable impact on savings (Azmi 2018). Investors' awareness of financial literacy and how it affects their investing decisions is influenced by their educational background, according to Bainhaqqy et al. (2020). Higher levels of education are associated with better investment comprehension, greater financial literacy, and increased participation in saving for retirement and diverse investments.

Obtaining a bachelor's degree in the teaching profession is a significant accomplishment and serves as the initial step toward greater academic achievements. Educated people understand how to manage their income and resources more effectively (Bengi and Njenje 2016). They tend to plan well for how to spend their money and meet their family's future needs, and they make investments that will ensure returns and ongoing income in the future.

According to Bangko Sentral Pilipinas (2023), educational attainment has a significant positive relationship with financial literacy. When it comes to financial literacy, master's degree holders typically score higher than bachelor's degree holders. Consequently, those teachers with doctorate degrees have a higher financial literacy index than those with bachelor's degrees.

Civil Status. The civil status of a person significantly affects their financial capacity. Marital status influences financial literacy levels (Mireku et al. 2023; Mirzaei, 2022). In the Bangko Sentral ng Pilipinas (BSP)'s Financial Inclusion Survey (FIS) 2019, married Filipinos are more apt to save and invest than single or separated people. Married people are also more inclined to plan for retirement and adopt budgeting and saving practices.

Conversely, single and annulment individuals may face more financial stress and lower levels of financial literacy, possibly due to fewer economic resources and supports (Klapper, Lusardi, & Van Oudheusden, 2015). Widows are likely to have lower capacity because they are left with their children and occasionally no longer receive support from their estranged spouse (Ging 2021). According to the OECD/International Network Financial Education 2020

International Survey of Adult Financial Literacy, married people are more financially literate than unmarried, annulled, or widowed. Women, in particular, report lower confidence in managing money, which can reduce involvement in financial decisions before the change in marital status.

Marrying is now considered a tradition in the teaching profession, particularly for those who have taught for a long time (Tilan & Cabal, 2021). Because teaching is a job that requires dedication and commitment, instructors prefer to focus more on their work and either marry or lead happy single lives (Equia & Caunceran, 2019). Financial decisions are influenced by one's marital status, according to Aren and Zengin (2016). They asserted that single women incur greater risks because they are responsible and do not have dependents.

Net income. According to Jufrizen et al. (2022), income is the amount acquired for work performance during a specific period, whether daily, weekly, monthly, or yearly. Income is a result obtained from a person's endeavors assessed at a certain level or value (Mansor et al., 2022; Muttalib et al., 2022). A person's monthly salary determines their purchasing power and has a significant impact on their spending habits (Amari et al., 2020). Teachers with strong financial literacy skills tend to engage in additional income-generating activities and demonstrate better financial planning (Zerna, 2024).

To attract and retain competent educators, increase compensation, and improve working conditions (UNESCO). A successful existence requires financial knowledge. Their standard of living will improve with sound financial management, which is a consequence of having strong financial literacy. According to Awais et al. (2016), this is true for all income levels; even with higher incomes, financial success will be difficult without effective management.

Income has been thoroughly examined to understand its impact on personal and corporate financial literacy levels (Bawre & Kar, 2019; Lee et al., 2021). Financial literacy correlates positively with income level (Arofah and Maharani, 2021; Dundure, 2021; Gupta and Hanagandi, 2022; Köylüoğlu, 2023; Castro-Valencia et al., 2024; and Sharma, 2023). High-income individuals have higher levels of financial literacy (Castañeda et al., 2022). Income levels had a significant relationship with financial knowledge (Lusardi, 2019). A middle-income category may encounter various financial issues and opportunities, affecting their literacy and behavior (Lusardi, 2019); practice cautious and growth-oriented financial behaviors but often struggle with debt management (Zhang et al., 2021; Ramirez & White, 2022; Davis & Patel, 2021); balancing savings and financial responsibilities (Zhang et al. (2021).

Income has significant effects on financial literacy and investing decisions (Ingale & Paluri, 2022; V & Joshi, 2023). People with high levels of income are more financially literate; moreover, they should be more financially literate to be able to earn more and make their money grow (Ghaffar

and Sharif, 2016). Individuals with higher incomes have more resources, which gives them more freedom and opportunity when it comes to investing. This financial flexibility enables individuals to capitalize on investment opportunities, diversify their portfolios, and lead to better economic outcomes (Jogish & Divya, 2023; Lone & Bhat, 2022).

Individuals with lower earnings are less likely to have financial literacy (Mauldin et al., 2016; Jayanthi and Rau, 2019; He and Ahunov, 2022). Families who lack financial literacy may struggle to manage their daily spending and financial resources (Singh and Singh, 2023). People living in poverty are more likely to have long-term financial difficulties, which increases the problem. Low-income households are less likely to invest (Perculeza et al., 2016), also have a shortage of financial knowledge, and an impediment behavior when it comes to savings (Amari et al., 2020); hinder saving (Mauldin et al., 2016). Debt is one of the options that every person must make due to their low income and expanding needs. According to Shohib (2017), individuals decide to borrow money to meet both urgent and planned needs.

According to Macdon and Merlin (2023), one of the lowest-paying occupations in the Philippines is teaching. Almost all public school teachers considered themselves minimum-wage workers (Tagupa, 2018). According to the Global Report on the Status of Teachers 2021, most concerns are that teachers are underpaid, while circumstances are worsening, the infrastructure that supports teaching and learning is not an essential focus of investment by the government, and teachers' work conditions have deteriorated over the last three years. Low teacher salaries were a key factor in the high turnover rate among public school teachers in the Philippines (Dela Cruz and Bautista 2023).

Teachers' basic salary is lower than the national living wage for their work. Starting level public schools in Teacher I under the Republic Act No. 11466 receive a monthly salary of P30,024.00. According to the National Economic Development Authority, 93.3% of the Department of Education's total teaching professionals receive below a P33,000 family living salary and a monthly expenses of living of P42,000. According to Kim and Gaman (2020), many educators struggle to cover their needs due to low salaries and a lack of financial resources. Filipino public-school teachers as frequent borrowers, often resort to loans due to limited income and financial pressures (Jabar & Delayco 2021; Montalbo et al., 2017). This economic strain not only impacts teachers' well-being but also affects their job satisfaction and performance in the classroom (Dolton & Marcenar-Guitierrez, 2021).

Teacher turnover is a global and complex phenomenon influenced by interconnected factors like compensation, working conditions, and organizational support (Seybert, 2023). According to the 2023 audit report, low salaries in the Philippines caused more than 30,000 teachers and staff to leave DepEd between 2022 and 2023. The Philippine Overseas Employment Administration reports that between

the years 2013 and 2017, approximately 1,500 teachers departed per year on average. Thousands of Filipino teachers are attracted to work abroad due to receiving higher pay, from USD 2,000 to USD 6,000 per month. Teachers left the country, and one of the effects on our own country is that intelligent teachers left seeking higher pay. A United Nations report found that teachers may be in short supply worldwide by 2030.

According to the Department of Education, Region 6, 235 public school teachers in Western Visayas resigned between January 1 and September 11, 2024, to explore possibilities that would allow them to progress personally and provide a more comfortable life for their families: 184 teachers have chosen to work abroad as teachers, while 51 transfer to other government agencies. Focusing on the Province of Capiz, the Capiz Division recorded 15, and in Roxas City, 11, 26 were recorded to have resigned within 8 months.

Financial literacy is crucial for teachers, as it has broader economic implications. When teachers are financially literate, they not only benefit personally but also positively influence their communities and contribute to national economic stability and growth. Financial literacy fosters economic development, promotes financial inclusion, enhances resilience, and reduces poverty (World Bank, 2022). It is linked to wealth accumulation (Sekita et al., 2022). However, studies in the Philippines report that both public and private instructors often lack sufficient financial literacy (Montalbo et al., 2017). Although research shows that public school teachers may demonstrate knowledge in saving, spending, and investing, their financial practices remain weak (De Guzman, 2022). A lack of financial literacy among teachers can create ripple effects that hinder economic progress and widen economic inequality.

The OECD defines financial literacy as attaining financial security through various skills and competencies (Nguyen et al., 2024). Every member of society is involved in financial and wise investing and expenditure decisions (Ozdemir, 2022). It benefits individuals and contributes to the overall development of a nation (Murugesan & Manohar, 2020). Financial knowledge is a comprehension of the significance of cash and how to optimize the benefits of its use (Khan 2020). According to the Penn State Financial Literacy Series, there are six core principles of financial focus: earning, saving, investing, spending, borrowing, and protecting. As an individual makes a financial decision, one or more of these principles will be applied to manage and grow their money.

Financial literacy highlights the importance of being acknowledged as both a basic right and a universal need (Lusardi 2019). According to Garg and Singh (2023), being financially literate enables people to make prudent money decisions, which is vital for dealing with life's events, creating a household budget, purchasing a home, and saving for retirement. Individuals with strong financial literacy can avoid financial troubles, manage their money successfully, and cope with depression (Yuesti et al., 2020). Improving

financial literacy can lead to a more stable and equitable financial system (Sharma, 2023). Financially literate people can make intelligent choices regarding their income and savings (European Commission 2023). Proficient financial literacy enables individuals to circumvent financial difficulties, effectively manage money, and mitigate depressive states (Yuesti et al., 2020); leads to simple debt repayment, and sound financial management skills correlate with healthy debt payment behavior (Hamid & Loke, 2021); better equipped to support economic growth through prudent saving, responsible borrowing, and informed investing, fostering resilience (Ouachani et al., 2021).

People with a higher level of knowledge about finances make smarter decisions and earn more money by investing in assets and accumulating wealth (Asaad, 2015); better at budgeting, investing, and avoiding high-cost debt (Lusardi and Mitchell, 2015); and improved comprehension leads to improved investment decisions (Li, Li, & Wei, 2020). According to Hamid and Loke (2021) individuals with more financial literacy are better at managing credit card debt, reviewing financial statements, paying bills on time, and remaining under budget. These skills result in lower borrowing costs, debt levels, and improved financial habits (Fan & Henager, 2022; Mahendru, 2021; Singh & Malik, 2022). Similarly, Delmo et al. (2023) discovered that increasing financial literacy among teachers can help them to make informed financial decisions, such as debt management, retirement planning, and investment strategies, fostering a positive mindset and gaining more influence over their finances. According to Kawamura et al. (2020), individuals with inadequate financial literacy are less likely to invest in the stock market.

Financial literacy has also been shown to lower stress and anxiety while increasing resilience to macroeconomic shocks (Zhang and Chatterjee, 2023; Hasler et al., 2021). Its capacity to manage personal positions, such as repaying debts, investing in businesses, and paying installments, indicates financial literacy (Mishra et al., 2021). Financial literacy is an vital component of any relationship with cash, and it is a continuous learning process. The earlier one begins, the better, because knowledge is the key to economic success (Fernando 2022).

Financial literacy can be attained through implementing policies that integrate appropriate financial education throughout an individual's life. This highlights the notion that sufficient financial knowledge plays a key role in shaping an individual's retirement planning and the management of future savings (Garling and Noline, 2020). Financial inclusion is a component of poverty reduction and economic prosperity (World Bank 2018). Financial inclusion is a multi-faceted journey that requires dedication, innovation, and collaboration (DSWD Secretary Rex Gatchalian, 2023).

DepEd Order No. 022 S. 2021 Financial Literacy is crucial for establishing a financially educated citizenry, allowing them to make sound judgments, capitalize on economic opportunities, and achieve financial success. If teachers are economically literate, they could share and

integrate into the lessons so that learners can learn. Therefore, the necessity for financial literacy increases along with the complexity of the financial world, especially for DepEd teachers who act as educators and role models for future generations (Song et al., 2023).

The lack of financial literacy programs in schools has resulted in a lack of financial comprehension, decision-making abilities, and information. Government agencies or schools must innovate a better, more efficient, and carefully thought-out financial literacy curriculum for educators (Casinal & Ancho, 2021). The teachers are educators of the importance of financial literacy and planning, but they are affected by their limited income and the need to meet their household's daily necessities

Financially literate people can make wise decisions, save for old age, manage investments, and manage personal and household finances. An individual's financial literacy is vital in creating a wealth balance (Andersari & Ningtyas, 2019). Baker et al. (2024) precise financial management can lead to increased wealth and better personal finances; it is valuable for Filipino teachers, not only for educators but for the betterment of the country.

Personal Financial Management. A comprehensive and proactive approach that individuals undertake to organize, effectively control, and optimize their monetary resources (Magli et al., 2022). According to Griffin et al. (2022) and Indiana et al. (2022), personal financial management is an individual capability to manage various aspects, including starting planning, budgeting, checking, managing, controlling, funding, and earned. It involves managing earnings and allocating spending according to a thorough financial plan. Given its capacity for influence, it is a critical variable in the relationship between financial literacy and investing decisions (Kumari, 2020). Personal finance management is a critical skill that empowers individuals to achieve financial independence, security, and life goals. In today's complex economic environment, understanding and managing personal finances is more important than ever. Personal financial management includes saving, investing, earning, spending, and protecting, which are critical components for achieving financial soundness and being debt-free. (Alabi 2025).

According to Tymkiw (2022), prudent financial management reduces the chance of debt accumulation and challenges with on-time bill payment by promoting prudent spending and saving. Tymkiw (2022) also highlights that prudent financial management reduces the possibility of borrowing increases and is responsive to payment issues by promoting wise spending and saving. Poor personal financial management can lead to challenges in obtaining financing obligations and bankruptcy (Ansar et al. 2019). The teacher, if poor financial management or lack of information concerning personal financial management, might have unanticipated effects, such as personal credit default. Financially savvy citizens will effectively contribute to real economic growth and poverty reduction.

Savings. According to Turner (2022), savings are the amount of money that remains after deducting an individual's expenses over a specific period. The Bangko Sentral ng Pilipinas (BSP) 2023 survey reports that, out of 77.2 million adults, only 37 percent, approximately 28.9 million Filipinos, have savings, while 63 percent (around 48.3 million) do not. The poor savings behavior of Filipinos is not helping the economy. Research shows that deposits significantly impact economic growth since savings vitalize investments, production, and employment, leading to sustainable economic development (Rebaj et al. 2021). With this savings trend in the Philippines, coupled with the constraints of the pandemic, the economy is at risk of volatility (Diokni 2021).

Capital One highlights that saving is one of the most vital components of financial literacy. As Kagan (2022) explains, after individuals or households cover their expenses and obligations, the remaining funds are considered savings. People may save for various goals, such as retirement, their children's college tuition, a down payment on a home or vehicle, or a vacation, among other objectives.

Saving money is also vital to building wealth and ensuring a secure financial future. Various reasons motivate people to manage their finances carefully and lay aside funds for the future (Hench, 2022). Families can suffer if they do not have enough savings to cover even minor shocks, let alone economic disasters (Demertzis, Dominguez-Jimenez, and Lusardi, 2020).

Savings help to achieve goals and objectives, including developing financial discipline, setting up an emergency fund for unforeseen circumstances, and reaching long-term financial ambitions. To achieve sound savings, proper monitoring of expenditure patterns must be done (Bashiri, 2022). Blue and Grootenboer (2019) assert that literate potential accumulates and maintains long-term savings.

Saving is not exclusive to money saving. Savings through other means, by cutting expenses, may be applied to this, for example, cutting down costs on electricity, water, gas, and food. The study by Wang & Lin 2021, suggested that energy-saving can translate to money-saving, positively affecting the individual, economy, and environment. Households can increase their savings by reducing expenses.

Saving money regularly is an effective way to build wealth and achieve financial goals. A well-structured savings plan helps prevent debt and fosters economic stability, all while gradually increasing personal wealth (D. Denk, 2023). Saving doesn't mean sacrificing necessities; it embodies a mindful, frugal lifestyle. The initial steps, saving money and reducing wasteful spending, are crucial. While saving might seem simple, putting it into practice can be challenging (B. Sokunbi, 2023).

Moreover, a higher national savings rate supports rapid economic growth, making it vital for individual and collective financial well-being (Peiries, 2021). Economically speaking, when individuals set aside income, banks and financial institutions can channel those funds into

investments, leading to job creation, infrastructure development, and overall economic growth.

Investing. Proper investment and savings are essential for every human life (Amarjothi and Velmurugan, 2020). According to The Bangko Sentral ng Pilipinas 2021 (BSP) Financial Inclusion Survey, only 36% of Filipino adults own investment products. According to a recent survey by Bangko Sentral ng Pilipinas (BSP), 2023, the ownership of financial investments is 10% of Filipinos. The most common type of investment owned in the Philippines in 2021 was on contribution in SSS and GSIS, the pension schemes, at 96%, followed by placement in Pag-big (e.g., MP2) at 23%, time deposits at 2%, stocks 1%, Business 1%, and PERA at 1%.

There is a dearth of knowledge of basic financial ideas such as the stock market, bonds, interest, and investing (Changwasha & Muteza, 2023; Yang et al., 2023). Moreover, Llanto and Rosellon (2017) revealed a lack of awareness and understanding of financial instruments such as Mutual Funds, UITF (Unit Investment Trust Fund), and stocks hold their potential to obtain differentiated acquisition earnings, build wealth, and secure a comfortable retirement life in the future.

Turner (2022) views investments as purchases that allow you to earn future income or savings. Allocating resources, often capital (money), in the hope of obtaining money, gains, or earnings is a vital aspect of an individual's financial plan. One can engage in several activities (directly or indirectly), such as using cash to start a business or purchasing assets like real estate to rent out or sell at a profit in the future (Picardo, 2022).

Furthermore, many invest to grow their money over time. The underlying premise of investing is the expectation of a statistically significant positive income or price return. There is a wide variety of assets to invest in and get a return. Individuals invest to build their future riches (Jayantial, 2017). Investment is the expansion of capital that guides the production of income. According to Raaji (2016), investment behavior is risky since it projects the unforeseeable future.

Financial literacy is recognized as a vital determinant of effective financial decision-making and investment behavior (Chaudhary, 2022). Asif et al. (2023) discovered that individuals with greater financial understanding are more inclined to diversify their investment portfolios and trade stocks. Financially literate people are better equipped to make wise financial decisions, such as investing in stocks and building wealth (Chan et al., 2022). In the Department of Education, educators' financial literacy is vital in shaping their investment behavior (Belgavi, Shayan, & Dey et al., 2022). However, research shows that teachers' financial literacy levels can vary greatly, influencing their investment decisions and financial well-being (Kumar et al., 2023; Nenavath & Misra, 2023).

Spending. Making a budget is the simplest way to stand out. We can use a budget to determine how much we need to spend each month on essentials like food and rent, decide

how we want to save, and pay for other utilities. According to Abokyi et al. (2024), responsible spending and sound money management influence families' and individuals' ability to consume healthily. Individuals can successfully keep money and enhance their financial stability by analyzing their spending habits, establishing goals, and looking into less costly solutions or replacement products (W. Hoyte, 2023).

A spending plan, to put it simply, is a schedule created to help with spending and managing expenses while avoiding impulsive buying. Leaks can be prevented with an appropriate spending plan. It can help ensure there is money to make on-time loan payments, even if monthly income and expenses change (University of Wisconsin-Madison, 2023). Cautious or controlled approach to expenditures, which indicating individuals practices mental budgeting, self-control, and consciously limit discretionary expenses to spend less, avoid impulsive purchases and greater financial well-being (Bai, 2023; Strömbäck et al., 2020; Drever et al., 2015).

According to Spending 101, one must first budget for essentials before deciding what to buy, such as rent, food, utilities, and toiletries. One should save aside a little bit more money than one anticipates using; having more cash at the end of the month is preferable to having not enough. Once monthly expenses have been covered, one might want to set aside 15 to 20% of their income for savings. In addition to being utilized in an emergency, savings can be invested to achieve financial security (Yale Un, 2022).

According to the World Bank's 2015 Financial Inclusion and Capability Survey in the Philippines, 59% of Filipino adults reported planning how they spend the cash they earn. Among those who plan their expenditures, 86% follow their spending plans. Furthermore, 57% of individuals who budget their expenses reported having money left after covering basic expenditures, compared to 42% who do not plan their spending. 55% of adult Filipinos, or 23 million people, report that their households struggle to pay for food and other necessities. Those individuals making above PhP 50,000, 23% report insufficient money for essentials. Households with adequate cash for necessities almost always use credit—94% borrow to cover expenses.

According to the Philippine Statistics Authority (PSA) Family and Income Expenditure Survey, food accounted for the immense expenditure for Filipino families in 2021, representing 43% of their total spending on housing, water, electricity, gas, and other fuel, followed by 24%, with transport making up 6%. Bangko Sentral ng Pilipinas (BSP) 2023 survey, Filipinos meet regular spending needs: 41% borrow, 24% use their savings, and 28% use regular income. For natural calamities, 43% borrowed, 26% used savings, and 28% used income. For sickness, death, or job loss in the family, 45% borrowed, 28% used savings, and 28% used income. Teachers who have trouble managing their finances are getting significant debt to cover their fundamental necessities and desires, which raises their cost of living, according to Abaya et al. (2021).

On the other hand, some teachers allocate their funds to school materials and other essential needs. The research found that educators spend their funds on vital items like cleaning materials, classroom decorations, books, writing materials, and markers to keep the classroom functioning and conducive to learning. Educators live their dedication to students every day, and they deserve far more than the dwindling support and continuous criticism they receive from lawmakers (Michigan Education Association, 2017).

Subaru of America 2021 teachers spend more out of pocket on school supplies than ever. Not having enough resources and not being able to manage their funds also their behavior causes teachers to accumulate debt. Loans come with several concerns, including high interest rates, early pay-off penalties, huge advance fees, the inability to make payments, becoming overly indebted, and harming your future borrowing ability (Parker, 2021; Bieber, 2021). Teachers continue to make the financial decision to take out loans regardless of these risks.

In the Philippines, many teachers face financial challenges due to low salaries and rising cost of living. With the current economic situation and available technologies, credit card use, internet shopping access, and advertisement can all lead to shopping addiction, which can emotionally stress their financial situation. E-commerce (Balderaz & Campos, 2020) and digital payments (Chen & Lai, 2023) are gaining popularity in many nations due to their utility and convenience. Although there are benefits to employing these technologies, there are drawbacks, one of which is that they require debt to purchase. The acquisition of these technologies may influence teachers' purchasing and spending behaviors. Many teachers struggle to manage their finances due to inadequate financial planning, which includes debts and other loans.

Earning. The amount of money you make from working at a job, profession, real estate, collectibles, or investments. Receive monetary bonuses, commissions, tips, and net earnings from self-employment. It may include permanent disablement, union strike compensation, and compensation arrangements (Kagan, 2024). According to Bechly 2018, earnings are obtained through different means, such as investments, employment, or commercial ventures. Other ways of earning income include deposit accounts such as savings accounts, rental income, interest, and owning stock that entitles shareholders to returns. Earning is the cornerstone of establishing a financial foundation and providing the funds needed for investing, saving, and reaching financial objectives.

Financial literacy significantly affects an individual's ability to earn, handle income, and make informed financial decisions. Higher financial literacy correlates with an increased likelihood of investing in higher education, managing debt efficiently, and making sound career decisions that enhance earnings (TIAA Institute & GFLEC, 2024). OECD 2020 also stated that investment in education is associated with higher earnings and employment rates. The impact of financial literacy on investment choices and the

stock market involves higher economic levels leading to more informed investment choices, which can contribute to wealth accumulation and increased earnings over time (Baveja and Verma 2024).

Financial literacy positively influences financial behaviors linked to financial health and stability. Improved financial behaviors such as savings and budgeting can contribute to financial success, including increased earnings and reduced financial stress (Callis et al., 2023). Literacy in financial ideas, e.g., inflation, compound interest, and investment returns, is crucial for empowering wage earners to maximize income potential (SEC, 2024).

Income influences how people behave and react to various situations; the greater the income, the more financial management behavior is noticed (Acedillo 2018). Income influences a person's behavior and reaction to different events; the higher the income, the more financial management behavior is observed. Monthly income significantly impacts spending habits and indicates financial ability to secure. Individuals with low earnings lack financial knowledge and struggle with financial behavior related to savings (Amari et al., 2020). This may be because having money or other sources of income is more important than having the ability to make money. Nowadays, having a job is not enough. Others must participate in side hustles such as business or part-time jobs to boost their income (Ferguson 2020). Simply balancing spending and revenue constitutes budgeting. It guarantees that people will always have sufficient money for their needs and priorities (Kagan 2021).

Failure to live within one's means can significantly hinder financial growth. Although adjusting your lifestyle to spend less than you earn may be challenging at first, it becomes sustainable with practice. According to Ryan Guina (2023), this technique fosters stress-free living, enabling individuals to fully enjoy life. Spending below your income also reduces financial difficulties and allows you to invest and save for a more secure future. According to J. Fernando (2023), financial planning and saving are critical to ensuring a consistent retirement income while avoiding excessive debt that could lead to insolvency, default, or foreclosure.

Insurance is intended to safeguard us (Grange Insurance, 2020). The backbone of risk protection from unexpected events offers a variety of risk protection packages to ensure financial stability. It can assist in times of need and ensure the family has resources if something unfavorable happens (ICIC Prudential Life Insurance). In the Bangko Sentral ng Pilipinas survey 2023, Filipino adults' insurance fell to 17% in 2021, and penetration in the Philippines remains very low at 1.75%. The inadequate level of Filipino financial literacy is a reason for the slow insurance growth in the Philippines.

The Philippine Statistics Authority (PSA) reports that 20% of the 7.6 million Filipinos who are 60 years old or above are members of the Social Security System (SSS) and Government Service Insurance System (GSIS). In the Bangko Sentral ng Pilipinas (BSP) survey in 2023, Phil

Health was the usual type of insurance owned, accounting for 81% of adults who reported having insurance coverage. Followed by Life insurance 16%, micro-insurance 13%, non-life accident 5%, combination of life and non-life 2%, Non-life-vehicle 2%, and non-life-fire 1%.

According to Cordero (2020), Manulife Philippines reports that 1.5 million Filipino households are thrown into poverty each year owing to unanticipated health bills. The simplest solution is to get insurance. Insurance can protect a family in the event of an unfortunate incident (Villafuerte, 2018). The insurance process alleviates the financial load resulting from detrimental accidents by shifting the loss to an insurance company. Weedige et al. (2019) stated that uninsured risks have the potential to push households back into poverty and have an impact on humans.

Research by Lusardi and Mitchell (2020) highlighted that individuals with superior financial literacy effectively organize retirement plans, handle unexpected financial shocks, and avoid high-cost financial products. For teachers, achieving personal stability improves their quality of life and reduces financial stress, which could positively impact their professional performance and job satisfaction.

Teachers recognize the importance of conserving money and investing in life insurance (Abaya et al., 2021). According to Yiing (2017), most employees don't have emergency cash reserves. Protection takes precautions about the financial situation, accumulates emergency savings, and has the right insurance. Insurance can give financial security or protection from unexpected financial costs (Turner, 2022). According to Lin 2017, every member of society faces potential threats to their life and finances from factors such as natural disasters, other dangers, and both their own and others' activities. These dangers can result in physical harm, disease, death, or loss or damage to property. These risks may cause revenue to fluctuate both now and in the future, which could result in an effect on long-term budgeting.

One of the top priorities for ensuring that students learn is the health of the educators. Teachers are often unaware of the various types of health insurance available, the coverage opportunities, and the benefits of health insurance. Inadequate training programs, a lack of knowledge, and the complexity of health insurance policies are some factors causing this low awareness (Jones and Johnson, 2018). Another study shows that teachers might have unfavorable opinions because of the high expenses, inadequate coverage, and advantages in comprehending the terms and conditions of the policy (Jones and Johnson, 2018). Furthermore, Belbase et al. (2015) found that people struggle to choose the appropriate amortization life insurance coverage.

Loan Behavior. Loan behavior often arises from the urgency to meet immediate needs. Debt activities include borrowing, installment payments, and credit behavior (Amalia 2019). When deciding to take on debt, individuals must possess good debt literacy skills, including an understanding of interest rates and the value of time related to debt. Borrower behavior is a crucial aspect of financial

behavior, influencing planning, management, and control of economic resources from individual and broader perspectives (Rahman et al., 2021). Behavioral factors such as impulsive purchases and poor financial management can elevate debt levels (Alvarez, 2017). Those who overspend or struggle to save are more likely to rely on debt for their lifestyles.

In the Philippines, many Filipinos have low incomes. According to the Bangko Sentral ng Pilipinas (BSP), up to 47.1% of Filipinos borrow funds, while only 19% of adults do not borrow at all (Loan Statistics in the Philippines 2023). In its 2021 study, the BSP found that Filipino individuals prefer to borrow from informal sources such as friends, family, and relatives (14%), informal loan providers (“5-6” lenders) (5–6%), and employer advances (2%). Formal sources include microfinance NGOs (23%), government institutions (12%), cooperatives (8%), lending/financial institutions (7%), banks (4%), and pawnshops (3%).

The World Bank categorizes the Philippines as lower middle class in 2024. Insufficient financial literacy is one of the reasons why poor Filipinos remain in poverty. According to Mateo and Fernandez (2015), research shows that 8 out of 10 teachers from public schools in the Philippines have financial obligations, with some borrowing from loan sharks or pawning personal belongings to cover their daily requirements. According to data from the Philippine Institute for Developmental Studies (PIDS), teachers from public schools earn 50% more than other government workers.

Most teachers are in serious debt (Ferrer 2017), which makes their financial status more unstable. Many teachers practice informal borrowing; borrowing from friends, co-workers, and family lending companies (Ferrer 2018) with no co-maker, 2 to 3 days processing, and longer payment terms. This practice makes more teachers vulnerable to unconscionable lenders, which causes them to face debt traps. Lusardi et al. (2015) found that individuals who fail to comprehend the concept of interest compounding spend more on transaction fees, develop more significant debts, and pay higher interest rates on loans. They, like teachers, end up borrowing more and saving less money, accumulating greater debt, and encountering financial difficulties.

As individual needs increase, Robson (2021) notes that personal loans are used for large purchases, debt consolidation, and emergency expenses, among other purposes, and many of these loans are repaid in monthly installments over time.

Financial troubles are usual among public school teachers, and the reliance on numerous borrowing sources increases (Zarate, 2015). Furthermore, teachers' indebtedness may be related to the ease of obtaining loans, which are typically not collateralized and do not impose any group pressure to pay, as is the case with some microfinance credit programs. Former Secretary Briones stated that one teacher borrowed from seven banking institutions.

In public schools, teachers do get paid less than other professionals. Even though they often borrow more than

other government workers, Pabiona's (2023) research revealed that they are not underpaid. According to Fausto (2019), the teacher's problem is not the amount of salary; the environment makes it easy to take a loan. Mencias-Tabernilla (2023) and Jordan (2022) identified several factors that contribute to their debt accumulation.

Another reason why educators take out loans is a shortage of instructional materials (Hanushek, 2019). Teachers consider teaching to be an unpleasant career choice. Furthermore, most teachers spend money in their classrooms to make them more attractive and child-friendly. Laptops, printers, ink, bond paper, pencils, markers, and cleaning supplies such as trash cans, floor wax, and brooms are frequent items they purchase. Furthermore, there is a culture in the Philippines that emphasizes being the breadwinner. If the teacher is the breadwinner, he or she is expected to provide for the family's needs, including the education of siblings and financial support for the parents.

Many teachers borrow to cover expenses, and increasingly take loans for vacations, personal purchases (e.g., accessories or multimedia appliances), or family gatherings. Their lack of financial knowledge and the ease of borrowing often lead to excessive debt. When juggling multiple loans, teachers may end up with only PHP 5,000 in net take-home pay, DepEd's minimum threshold under DepEd Order No. 05, s.2018. One teacher might start borrowing, learn about lending institutions and contacts, and then share this information with colleagues—soon, everyone is borrowing. According to Picazo (2017), this trend of keeping up with spending norms (“Juanios”) degrades society, even as it creates a more burdensome middle-class lifestyle.

Dr. Leonor M. Briones, the former DepEd Secretary, points to the lack of discipline, poor personal financial management, and reliance on loan sharks as significant contributors to teacher indebtedness. Typical sources of borrowing include GSIS, 5-6 loan sharks, and Sangla-ATM (pawn ATM). Borrowing from loan sharks can complicate financial situations further (Dasmarinas et al. 2019). The culture and habits related to borrowing also play a role in this dynamic (Sitepu 2020), with the spending patterns of teachers often leading to excessive debt (Gulf News, 2019).

Debt or credit, as well as investment, are commonplace in modern society. When debt is properly managed, it becomes a stepping stone that allows us to improve our lives and achieve our goals; however, if it is mismanagement will become a stumbling block, hindering rather than furthering our development. But ensure you don't accumulate a new debt on your paid-off cards or salary deductions. Otherwise, you'll be stuck with paying off your new loans and your old debt, too. Debt is harmful to consumers when it spirals out of control, causing financial troubles and, in some cases, bankruptcy (Pace & Lown, 2016). Debt makes people suffer from both physical and emotional problems (Bialowolski et al. 2019); stress from debt is associated with poor mental health (Richardson et al. 2017).

Debt management. According to Elliyana et al. (2024), debt management literacy significantly affects loan repayment. It is the ability to successfully manage their debt, taking into account obligations such as rent, insurance, premiums, energy, credit cards, and so on, then requires creditors to pay interest at a set period in the future. Understanding the terms and conditions of products or services before availing them, enabling access to various financial sources, understanding inflation and interest rates, and determining the total position of a business (Lusimbo & Muturi, 2016). Effective debt management involves planning and controlling debt liabilities and repayments, a critical aspect of personal financial management and overall financial well-being (Investopedia, n.d.; 4 Pillars, n.d.).

According to Lusardi and Tufano (2015), the Philippines is the most financially stressed country in managing household finances, one-third (1/3) of the population seems to comprehend basic financial concepts, and seven (7) out of ten (10) Filipino consumers are currently in debt. Individuals with low debt literacy are more likely to rely on high-cost borrowing and engage in expensive transactions, resulting in greater fees.

Credit management is essential, and it requires, in addition to timely repayment of loans, a good understanding of the terms and conditions of financial services, knowledge of various funding sources, precautions against interest rates and inflation, and general evaluation. Research consistently revealed a positive relationship between debt management and improved financial health, highlighting the critical role of this relationship in economic development.

Individuals who are proficient in debt management make timely debt payments, demonstrating their resourcefulness in repaying debt (Tuyisenge et al., 2015); debt management literacy influences loan repayment (Rackshit & Bardhan, 2023); understanding the terms of loans, managing credit responsibly, and developing strategies to pay off debts systematically (Mohd et al., 2022). If someone possesses a solid understanding of debt management, they are more likely to incur only beneficial debts. Good debts can enhance income and improve a person's net worth and family finances; examples include loans for education, purchasing real estate, or starting a business (Smith, 2019). In contrast, bad debts can lead to insolvency or bankruptcy.

According to Mohta et al. 2020, individuals with higher financial literacy tend to excel at budgeting, planning debt repayments, and comprehending loans and their conditions. Such individuals are significantly more likely to have a debt repayment strategy and are less prone to missing payments. Lusardi, Mitchell, and Oggero (2020) can manage their debt. According to Lusardi and Tufano (2015), individuals with higher financial literacy are less likely to own credit cards and more likely to pay off their amortizations each month rather than just the minimum due. Furthermore, a person with greater financial literacy often avoids risky financial behaviors, refrains from unnecessary borrowing, and adopts

more sophisticated approaches to money management (Kuwamura et al., 2021).

Vijay et al. (2015) found that individuals with limited financial knowledge are more prone to accumulating excessive debt and experiencing financial insecurity, often leading to an increasing indebtedness. Debt-illiterate borrowers typically struggle with high-cost transactions, such as fees and high interest rates, resulting in higher borrowing and lower saving rates (Galariotis & Monne, 2023). Similarly, Lusardi and Tufano (2015) note that individuals with inadequate financial literacy are more likely to struggle with debt, primarily because they incur higher transaction costs, resulting in elevated fees and reliance on expensive borrowing options. Moreover, less financially knowledgeable individuals report feeling overwhelmed by their debt and unable to manage it effectively.

When individuals face financial burdens such as debt, their ability to save diminishes, negatively impacting their financial well-being and job satisfaction (Campana et al., 2021). Moreover, in the workplace, financial problems could hinder productivity as poor financial management leads to incompetence (Remis, 2023). Mouna and Anis (2022) emphasize how debt management difficulties can lead to stress and anxiety among educators, affecting their financial health stability.

Financial literacy influences short- and long-term financial decisions, which can impact individuals and society. Lower financial literacy can lead to costly borrowing and debt management, unproductive spending and financial planning, and inefficient borrowing. Given the severe consequences of poor financial literacy worldwide, immediate intervention is vital to prepare teachers to be financially capable. These arguments are also crucial for practitioners and policymakers; financial illiteracy has an impact on society as the decisions that individuals make for themselves (Swiss J Economics Statistics 155, 2019). Therefore, financial literacy is vital and linked with individuals, whether it concerns payment systems, savings, or debt (Klapper & Lusardi, 2020).

Money management. Money management is an essential and primary aspect of financial control, including personal spending habits, budgeting, saving, and investing. Individuals, the community, and the nation all benefit directly from effective money management. Money management involves coping with excessive spending, avoiding financial errors, and dealing with financial debt (Banforth et al., 2018). Money management is an individual's ability to comprehend, appraise, manage, and discuss their finances to achieve financial well-being (Devi et al., 2016); money is a powerful motivator for behavior (Ridhayani Johann, 2020). It significantly affects individuals' mental health, social interactions, and quality of life (Bamforth et al., 2017).

Globally, only one-third (1/3) of persons possess financial literacy. 33% of adults worldwide are financially literate. According to Kpapper et al. (2015), 3.5 billion

individuals, the majority of whom are from developing countries, need a basic understanding of financial principles. According to studies and polls on financial literacy in the Philippines, most Filipinos need a basic awareness of money management. Since financial literacy is crucial to the Philippine economy's survival, it is usually cause for concern.

Inadequate financial literacy has a significant impact on people's everyday money management and long-term savings capacity (Tahir et al., 2021). Chronic debt, nonpayment of bills or bankruptcy, and poor mental health for both individuals and households can result from poor money management (Topa et al., 2018).

Higher financial literacy, enhanced money-management skills, and less impulsive financial behavior all help to lessen your financial risk. Economic behavior is related to how individuals manage, deal with, and utilize their available financial resources. Individuals are often good at planning, saving, spending, and investing (Dwiastanti, 2015; Klimontowicz, 2015).

Financial literacy and money management abilities have a significant effect on repayment behavior (Hamid et al. 2020). Improving financial literacy among teachers can enable them to make sound financial choices, such as managing debt, retirement planning, and investment strategies, encouraging a positive attitude and increased control over their finances (Delmo et al., 2023). Less impulsively financial behavior, improved money-management abilities, and higher financial literacy contribute to lower financial risk (Mohta 2020 et al).

Credit Repayment. Credit repayment involves settling the amount borrowed from the lender, including any applicable interest. Typically, this repayment occurs through a scheduled process consisting of installments that cover both principal and interest, with payment within a set time frame. Loan repayment also creates issues with a history of credit, amortization period, and area variances. Credit history describes the long-term relationship between creditors and debtors. The duration of loan experience enhances the possibility of timely repayment of loan installments (Mohammed & Wobe, 2023; Nitani & Legendre, 2021). The consistency of loan payments reflects their competence to manage financing funds (Peterson et al., 2020).

In the Philippines, the issue of indebtedness, and even excessive debts, among public school teachers has long plagued the country's education system (Ferrer, 2017). National Credit Regulator (2019) states that over-indebtedness includes failure to pay all bills promptly, resulting in panic, stress, and feeling overwhelmed by unpaid obligations. According to Cruz (2017), 75% of the 800,000 teachers working in public schools were in debt, while a GSIS 2017 evaluation found that Department of Education (DepEd) borrowers have a nearly 40% default rate. Consistent failure to repay personal loans can lead to substantial penalties, including late fees imposed by financial regulators, which ultimately exacerbate the borrower's overall debt burden (Shy & Stavins, 2024).

Choosing a large loan tenor has an impact on the loan repayment rate, as well as education and age (Baidoo et al., 2020; Johnston, 2021). The size of the loan, low interest rates, repayment method, and duration also significantly influence loan repayment performance (Abimbola, 2021). High financial literacy contributes to easy debt repayment, and solid financial management skills correspond to healthy debt payment behavior (Hamid & Loke, 2021).

Labrador et al. (2020) teachers maintain timely repayment through the Automatic Payroll Deduction System (APDS) in formal lending institutions, which can mask the actual financial distress faced by teachers, in many forms, to re-borrowing. This behavior negatively affects overall credit status and increases the risk of over-indebtedness. Domingo (2017) teachers borrow new funds to pay off old debts or loan cycling, leading to financial instability. According to the World Bank Survey on Financial Inclusion and Capability in the Philippines 2015, 56% of individuals report that they borrow to repay debt.

Teachers who understand interest, budgeting, and long-term financial planning exhibit sound repayment behavior. Teachers financially literate have better credit ratings and fewer defaults. Those with poor financial planning skills often fall into debt traps, relying on short-term loans with high interest rates (Agbisit & Reyes, 2021). Higher financial literacy are more likely to adopt positive debt repayment behaviors, including timely payments and avoiding excessive borrowing, thereby reducing financial risks and enhancing economic stability (Jumady et al., 2024). Understanding debt management literacy among credit users is essential, as it influences their financial decisions and overall financial health (4 Pillars, n.d.).

Insufficient financial literacy can lead to a lack of savings and a high reliance on credit, increasing financial risks (Hidajat & Hamdani, 2017), negatively impacting loan repayment performance (Alemu, 2018).

Income may contribute to higher loan repayment rates (Afolabi 2017). A thorough track improves loan repayment rates. Furthermore, regular monitoring and visits to lending institutions lower the chances of being defaulters (Alemu 2018).

Financial literacy strengthening teachers manage their financial records, which improves their loan repayment performance and understanding of credit policy (Cheruiyot 2015). Financial literacy significantly influences loan repayment, enhancing the sustainability of financial institutions (Baidoo et al., 2020). It also supports informed decision-making, which is essential for promoting overall welfare. Acquiring information about financial responsibilities and obligations is a crucial component of financial literacy (Ahad et al., 2017; Letkiewicz et al., 2019). Moreover, well-structured training for borrowers reduces the likelihood of default (Jote, 2018).

Enhancing teachers' financial literacy and well-being can lead to interventions that meet their financial needs, improve their job performance, and improve student learning results (Richardson and Watt, 2018; Mahinay, 2020; Erno, 2022). (Hauff, Carlander, Garling, & Nicolini, 2020) discovered that financial education in a person's life enhances financial literacy, which influences retirement planning, savings, and management. Improving financial literacy can reduce stress while increasing individual teacher effectiveness and efficiency (Mohny, 2019). Resources can enhance teachers' economic well-being, resulting in job satisfaction and performance (Alvarado, 2020; Gutter & Hsieh, 2018).

Financial behavior is associated with behavioral nudges, financial awareness, savings patterns, and financial habits (Hwang & Park, 2023), influencing decisions about managing, saving, and planning to build financial well-being (Asmin et al., 2021). Individuals are more concerned with conserving, maintaining, or enhancing their living standards throughout time (Sabri and Zakara, 2015). Proper financial education training led to improved financial behavior, including greater savings, borrowing, decreased default rates, and a greater chance of starting new, profitable businesses (Delmo, Sarmienti, & Bugador, 2023).

Increasing the impact of financial literacy on educators' financial behavior, such as saving, shopping, and short-term and long-term planning. Thus, financial literacy leads to sensible and efficient financial decisions (Sri Zulaihati et al., 2019). The education program boosted financial literacy, which could positively affect financial behavior.

➤ *Theoretical Background*

According to the theory of personal financial management by Munohsamy (2015), each person needs to plan and handle their finances to live a fulfilling life. Each person requires a specific strategy to assist them in retiring comfortably, achieving financial stability, making realistic financial choices, and capitalizing on beneficial financial opportunities (Sattan et al., 2020).

One advantage of personal financial management and budgeting is avoiding excessive debt due to monthly payments and interest. Furthermore, if a person learns to save, invest, and watch their money for the future, it will increase over time, and peace of mind and feelings of security will become more essential goals than acquiring wealth to reach self-worth. Budgeting enables you to reassess what is genuinely valued, improving your quality of life.

Financial literacy is the capacity to help those who possess it in making wise, well-informed decisions consistent with their long-term financial interests (Barbic, Licic, and Chin 2019). By making wise choices about what to spend, save, invest, or handle other financial matters like debt management, someone who is financially literate is equipped to manage and control their finances (Dwastante 2015). Individual financial behavior can be expounded and explained using planned behavior theory.

The Theory of Planned Behavior states that normative, subjective, and behavioral control beliefs influence human behavior (Ajzen, 1991). It is the behavioral beliefs that have shaped people's attitudes regarding financial decisions. Normative views are associated with an individual's perceptions of how others in society would evaluate their behavior. Normative views can influence people's readiness to express themselves and get knowledge by word of mouth (Amaron et al., 2020).

Personality influences financial behavior (Cude et al., 2020). Subjective norms are recognized to influence intentions (Shneor & Munim, 2019). Subjective norms refer to how much a person can trust, believe, and carry out specific acts according to what others have done and what is considered significant. Subjective norms motivate individuals to engage with financial institutions (Banaka et al., 2020). Subjective norms can be affected by friends, family, and organizations (Ankrah Twumansi et al., 2020), connections with others (Saunders, 2021; Krige, 2019), and lifestyle and values Baño et al., 2020). The control beliefs that people hold have influenced how they see their ability to regulate conduct (financial behavior), including how easy or difficult they believe it will be to control their behavior.

TPB was used to analyze and predict debt-related behaviors, including loan sharks (Kamal et al. 2024), housing loans (Jeffrey et al. 2024), loan facilities (Widaninggar et al. 2023), credit cards (Ahamed & Limbu, 2018; Cloutier & Roy, 2020), and internet credit services (Ma & Yao, 2023). However, its application has been limited in understanding and predicting repayment intentions for credit cards (Fuentelba et al., 2024) and payday loans (Herremans et al., 2023).

In light of this, normative, subjective, and behavioral control all have a significant impact on people's financial behavior. As a result, the theory of planned behavior can help us understand how financial literacy influences the behavior of teachers who have a positive attitude toward financial literacy and recognize its importance in positively affecting their financial conduct.

The Life Cycle Theory of Consumption and Saving is an economic concept that describes how humans make decisions to maximize utility. Although this theory focuses on consumption and saving behavior, some explanations cover loan application behavior, which is the cause of indebtedness behavior, namely: a) When people have more earnings than consumption expenses, the difference is saved; however, when earnings are less than expenses, people will apply for a loan to have enough money for consumption. b) There is a bell curve for both age and income. Due to these relationships, people earn less money while they are younger, more when they are older, and less money once more when they are older. c) The level of personal or household consumption will be stated clearly by income, both current and projected. The amount of these projected earnings will be taken into account when determining the proper level of spending, which creates the loaner-debtor market and procedure.

➤ *Conceptual Framework*

The hypothesized models comprised two types of latent constructs: exogenous and endogenous factors. The

exogenous variables in this research were demographic profile, debt management, and loan behavior. However, personal financial management is an endogenous variable.

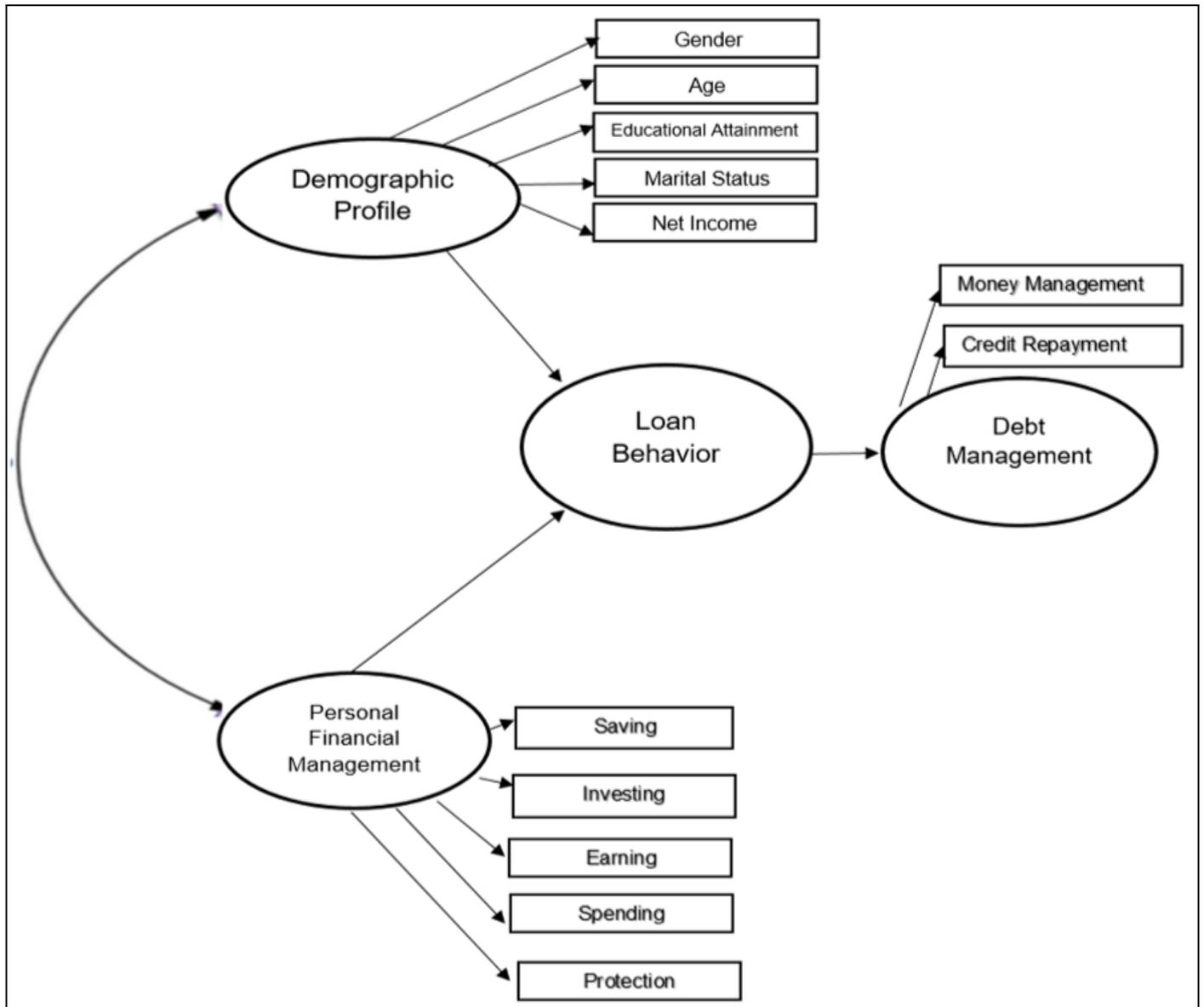


Fig 1 Conceptual Framework

➤ *Statement of the Problem*

The study intends to investigate the financial literacy and behavior of Public School Teachers in the province of Capiz for the School Year 2023-2024.

Specifically, this study seeks to answer the following questions:

- *What is the Demographic Profile of the Public School Teachers in Terms of:*

- ✓ Gender;
- ✓ Age;
- ✓ Educational Attainment;
- ✓ Civil Status; and
- ✓ Net Income.

- *What is the Level of Personal Financial Management of the Public School Teachers in the Province of Capiz in Terms of:*

- ✓ Saving;
- ✓ Investing;
- ✓ Spending;
- ✓ Earning, and
- ✓ Protection.

- *What is the loan behavior of Public School Teachers in the province of Capiz?*

- *What is the debt management of Public School Teachers in the province of Capiz manifested through the following?*

- ✓ Money management; and
- ✓ Credit repayment
- *Does demographic profile affect loan behavior, personal financial management, and debt management?*
- *Does personal financial management affect loan behavior, and debt management?*
- *Does loan behavior affect debt management?*
- *Does loan behavior mediate the effect of personal financial management on debt management?*
- *Does loan behavior mediate the effect of demographic profile on debt management?*
- *Does personal financial management mediate the effect of demographic profile on debt management?*
- *Based on the findings of the study, what proposals and recommendations can be proposed?*

➤ *Hypotheses:*

- Demographic profile does not affect loan behavior, personal financial management, and debt management.
- Personal financial management does not affect loan behavior and debt management.
- Loan behavior does not affect debt management.
- Loan behavior does not mediate the effect of personal financial management on debt management.
- Loan behavior does not mediate the effect of demographic profile on debt management.
- Personal financial management does not mediate the effect of demographic profile on debt management.

III. METHODOLOGY

The methodology of this research is both exploratory and descriptive. Quantitative research focuses on data collection and analysis, following a logical method aimed at testing theory; it is influenced by empiricist and positivist ideologies (Bryman, 2016). This research employed a cross-sectional design, which is commonly used for multivariable analysis and descriptive studies (Raimundo et al. 2018). Cross-sectional surveys are observational studies where data is collected from a sample of the target group at a specific time. Participants in these surveys are similar in all characteristics except those under study. By conducting a cross-sectional survey, multiple samples can be analyzed and compared (Ghanad 2023).

Due to its proficiency in behavioral and social sciences (Bustani et al., 2021; Hair et al., 2017), this study employs a quantitative methodology with causality categories to understand the relationship between variables and their influences on change (Spriyati & Bahri, 2020) based on covariance matrix structural equations. The JASP (Jefferys's Amazing Statistics Program) is used in the study to explore the financial literacy and behavior of teachers in the Province of Capiz to analyze personal financial management, loan behavior, and debt management. Structural equation modeling (SEM) is a type of causal modeling that uses a variety of mathematical models, computer algorithms, and

statistical methods to fit the network of concepts to data (Kaplan). The primary data analysis technique used to ascertain the viability of the research model is structural equation modeling (SEM). A popular multivariate approach for analyzing interactions between latent and observable variables, both directly and indirectly, is structural equation modeling (SEM). SEM (Kline, R., 2011) includes path analysis, partial least squares path modeling, latent growth modeling, and confirmatory composite analysis. Latent variables, which are unobserved and difficult to quantify directly, are made up of directly measured observed variables. Through path modeling or analysis, SEM simplifies complicated interactions between variables and clarifies cause-and-effect links. The approach seeks to evaluate how latent variables affect one another, building upon a confirmatory factor analysis (CFA) model (Rhodes, 2014).

The SEM identifies a linear structural connection between the measurement of Confirmatory Factor Analysis (CFA) and the structural model. The measurement model prioritizes collecting data to explain a phenomenon across a sizable population, enabling the summarization of features across groups or relationships (Rhodes 2014).

Unobservable latent variables are frequently measured using structural equation models. As a measurement model that specifies how the latent variables are defined using one or more observed variables, and a structural model that imputes the connection between latent variables, they often appeal (Kaplan, 2008, & Kline 2011). The path and measurement models are the two essential elements of Structural Equation Modeling (SEM).

Data was gathered from 378 teachers in public elementary, junior high, and high schools chosen randomly from the Capiz Schools Division database. This database includes 6,887 teachers at the Master Teacher II, Master Teacher I, III, II, and I levels as of 2023. A 1-7 Likert scale (1 = strongly disagree, 7 = strongly agree) was employed to measure respondents' perceptions of these factors.

The data for this study were gathered using a survey (Lo et al., 2020). The survey was administered to several schools using a paper questionnaire.

IV. RESULTS AND DISCUSSION

This section discusses the results and main findings regarding the demographic profile of public-school teachers in the Province of Capiz and analyzes their relevance in influencing their financial literacy. Demographic variables such as gender, level of education, age, and income demonstrate distinct levels of financial literacy (Klapper & Lusardi, 2020); thus, it is essential to understand them. This study seeks to offer insights into how these demographic factors relate to financial literacy rates among public school teachers, thus informing focused actions to improve financial well-being in this group.

Table 1 Demographic Profile of the Public School Teachers in the Province of Capiz

Gender	Frequency	Percentage
Male	95	25.13
Female	283	74.87
Total	378	100.00
Age	Frequency	Percentage
46 years old and older	112	29.63
31 to 45 years old	156	41.27
30 years old and younger	110	29.10
Total	378	100.00
Educational Attainment	Frequency	Percentage
Bachelor's Degree	88	23.28
Master's Degree with Units	176	46.56
Master's Degree Holder	73	19.31
PhD/EdD with Units	33	8.73
PhD/EdD Holder	8	2.11
Total	378	100.00
Marital Status	Frequency	Percentage
Single	108	28.57
Married	251	66.40
Widow	13	3.44
Widower	6	1.59
Separated	0	0
Total	378	100.00
Monthly Net Income	Frequency	Percentage
Below Php 10,000	54	14.29
Php 10,001-Php 20,000	72	19.05
Php 20,001-Php 30,000	142	37.57
Php 30,001-Php 40,000	93	24.60
Php 40,001-Php 50,000	9	2.38
Php 50,000 and Above	8	2.12
Total	378	100.00

The demographic profile of the study participants reveals vital insights into the financial literacy and behavior landscape. The predominance of female respondents (74.87%) suggests that women may be more engaged or accessible in financial literacy research, which aligns with prior studies, women tend to participate in more cautious and prudent financial habits, such as spending and saving for unexpected expenses, retirement, and education; primary financial providers prioritize stability (Atkinson et al., 2020). The age distribution, with the majority between 31 and 45 years old (41.27%), corresponds to a life stage when teachers demonstrate balanced financial responsibility (Johnson & Smith, 2020; Peterson & Lee, 2021). Educational attainment is notably high, with 46.56% holding master's degree units and 19.31% possessing a master's degree, suggesting a higher level of education is associated with improved investment understanding, more financial literacy, and increased involvement in retirement savings and diversified portfolios. (Lusardi & Mitchell, 2020). Marital status data, showing a majority married (66.40%), is relevant given that marital status influences financial literacy levels (Mireku et al. 2023; Mirzaei and Buer 2022). Income distribution indicates most respondents earn between Php 20,001 and Php 40,000, highlighting a middle-income category may encounter various financial issues and opportunities, affecting their literacy and behavior (Lusardi, 2019); practice

cautious and growth-oriented financial behaviors but often struggle with debt management (Zhang et al., 2021; Ramirez & White, 2022; Davis & Patel, 2021); balancing savings and financial responsibilities (Zhang et al. (2021). Demographic factors significantly influence financial literacy and management practices, such as age, gender, marital status, and income (Maribao et al. 2025). This profile underscores the need for tailored financial education programs that consider these demographic factors to improve financial literacy and promote sound financial behaviors effectively.

The assessment of personal financial management among public school teachers—focusing on saving, investing, earning, spending, and protection—provides critical insights into their financial literacy and overall economic well-being. According to the European Commission (2023), financially literate people can make intelligent choices regarding their income and savings. Proficient financial literacy enables individuals to circumvent financial difficulties, effectively manage money, and mitigate depressive states (Yuesti et al., 2020). Studies show that public school teachers have a high level of financial literacy, such as saving, spending habits, and investing, but a low level of financial practices (De Guzman 2022). Personal finance management is a critical skill that empowers individuals to achieve financial independence, security, and

life goals. In today’s complex economic environment, understanding and managing personal finances is more important than ever (Alabi, 2025). This section thus

explores the current state of financial management practices among public school teachers in the province of Capiz and the implications for advancing their financial literacy.

Table 2 Level of Personal Financial Management of the Public School Teachers in the Province of Capiz

Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
S1	5.469	1.343	Agree	Agree most of the Time.
S2	5.329	1.340	Agree	Agree most of the Time
S3	4.966	1.595	Somewhat Agree	Frequently
S4	5.247	1.497	Somewhat Agree	Frequently
S5	5.284	1.433	Somewhat Agree	Frequently
Saving	5.259	0.184	Somewhat Agree	Frequently
Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
I1	5.958	1.233	Agree	Agree most of the Time
I2	5.542	1.249	Agree	Agree most of the Time
I3	5.270	1.576	Somewhat Agree	Frequently
I4	4.987	1.606	Somewhat Agree	Frequently
I5	5.611	1.384	Agree	Agree most of the Time
I6	4.712	1.725	Somewhat Agree	Frequently
Investing	5.347	0.452	Agree	Agree most of the Time
Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
E1	5.550	1.360	Agree	Agree most of the Time
E2	4.921	1.494	Somewhat Agree	Frequently
E3	5.468	1.411	Agree	Agree most of the Time
E4	5.288	1.352	Somewhat Agree	Frequently
E5	5.122	1.539	Somewhat Agree	Frequently
Earning	5.270	0.256	Somewhat Agree	Frequently
Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
Sp1	4.627	0.636	Somewhat Agree	Frequently
Sp2	5.423	0.828	Agree	Agree most of the Time
Sp3	5.280	0.892	Somewhat Agree	Frequently
Sp4	4.979	1.055	Somewhat Agree	Frequently
Sp5	4.378	0.851	Neither Agree Nor Disagree	Neutral
Sp6	4.373	0.792	Neither Agree Nor Disagree	Neutral
Sp7	5.111	0.987	Somewhat Agree	Frequently
Spending	4.882	0.426	Somewhat Agree	Frequently
Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
P1	5.243	1.764	Somewhat Agree	Frequently
P2	5.698	1.305	Agree	Agree most of the Time.
P3	5.693	1.313	Agree	Agree most of the Time
P4	5.950	1.128	Agree	Agree most of the Time
P5	5.167	1.702	Somewhat Agree	Frequently
Protection	5.550	0.333	Agree	Agree most of the Time

➤ Legend:

Hypothetical Mean Range	Description	Interpretation
6.16 – 7.00	Strongly Agree	Agree all the time
5.30 – 6.15	Agree	Agree most of the Time
4.44 – 5.29	Somewhat Agree	Frequently
3.58 – 4.43	Neither Agree Nor Disagree	Neutral
2.72 – 3.57	Somewhat Disagree	Occasionally True
1.86 – 2.71	Disagree	Rarely True
1.00 – 1.85	Strongly Disagree	Never True

➤ Legend:

Observed Variables	Survey Questionnaire
<i>Saving- S1, S2, S3, S4, S5</i>	<i>Savings Survey Question no. 1, 2,3,4,5</i>
<i>Investing- I1, I2, I3, I4, I5</i>	<i>Investing Survey Question no. 1, 2,3,4,5</i>
<i>Earning- E1, E2, E3, E4, E5</i>	<i>Earning Survey Question no. 1, 2,3,4,5</i>
<i>Spending- Sp1, Sp2, Sp3, Sp4, Sp5</i>	<i>Spending Survey Question no. 1, 2,3,4,5</i>
<i>Protection- P1, P2, P3, P4, P5</i>	<i>Protection Survey Question no. 1, 2,3,4,5</i>

The results indicate that public-school teachers demonstrate a generally positive approach to various aspects of personal financial management, with mean scores ranging from approximately 4.88 to 5.55 on a scale reflecting frequency or agreement. Specifically, teachers reported frequent engagement in saving behaviors (M = 5.259, SD = 0.184) and investing activities (M = 5.347, SD = 0.452), suggesting a proactive stance toward building financial security and wealth accumulation. The somewhat lower mean in spending (M = 4.882, SD = 0.426) may reflect a more cautious or controlled approach to expenditures, which indicating individuals practices mental budgeting, self-control, and consciously limit discretionary expenses to spend less, avoid impulsive purchases and greater financial well-being (Bai, 2023; Strömbäck et al., 2020; Drever et al., 2015). Earnings also showed frequent positive engagement (M = 5.270, SD = 0.256), indicating that teachers are actively involved in income-generating or career development activities that enhance their financial resources. Notably, the highest mean score was observed in the protection domain (M = 5.550, SD = 0.333), highlighting a strong tendency among teachers to safeguard their financial well-being through insurance or risk management strategies, which is accordance with findings that teachers recognize the importance of conserving money and investing in life insurance (Abaya et al., 2021). The relatively low standard

deviations across all dimensions suggest consistency in responses, reflecting a shared pattern of financial behavior among the sample. These findings are supported by literature emphasizing that personal financial management includes saving, investing, earning, spending, and protecting, which are critical components for achieving financial soundness and being debt-free (Alabi 2025).

The loan behavior of public-school teachers is a critical area of study, particularly in regions such as the province of Capiz, where financial decision-making can significantly impact personal and professional well-being. Understanding how these educators manage borrowing, including the types, frequency, and purposes of debt, offers insight into their financial literacy and economic resilience. Previous research has shown that financial literacy improves budgeting, investing, and avoiding high-interest debt (Lusardi and Mitchell, 2015). Furthermore, financial literacy expands with understanding the financial world, particularly among DepEd teachers who serve as educators and role models for future generations (Song et al., 2023). This section explores the loan behavior of public-school teachers in the province of Capiz and examines how these patterns reflect their financial literacy levels, aiming to inform targeted financial education programs and policy interventions that can enhance their financial well-being.

Table 3 Extent of Loan Behavior of Public School Teachers in the Province of Capiz

Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
LB1	5.743	1.272	Agree	Agree most of the Time
LB2	6.218	1.021	Strongly Agree	Agree all the time
LB3	5.876	1.259	Agree	Agree most of the Time
LB4	6.119	1.037	Agree	Agree most of the Time
LB5	5.852	1.249	Agree	Agree most of the Time
LB6	5.971	1.277	Agree	Agree most of the Time
Loan Behavior	5.963	0.178	Agree	Agree most of the Time

Legend: Loan Behavior –LB
LB1, LB1, LB3, LB4, LB5 LB6
Survey Questionnaire
Loan Behavior- 1,2,3,4,5, 6

The results reveal that public-school teachers' loan behavior is generally "agreeable" or "most of the time," with a mean of 5.963 and a low standard deviation of 0.178, suggesting a consistent tendency among teachers to engage in borrowing activities. This finding aligns with existing literature that portrays Filipino public-school teachers as frequent borrowers, often resorting to loans due to limited income and financial pressures (Jabar & Delayco, 2021; Montalbo et al., 2017). The relatively high mean implies that

borrowing is a common and somewhat accepted behavior, which may reflect necessity and financial coping mechanisms. However, this loan behavior also signals potential gaps in financial literacy, particularly in managing debt and making prudent financial decisions. Studies have shown that despite teachers' awareness of financial matters, their financial literacy—especially record keeping, budgeting, and debt management—is often insufficient, contributing to problematic borrowing patterns and financial

distress (Jabar & Delayco, 2021; Zarate, 2015). The implications for financial literacy are significant: enhancing teachers' financial education could improve their loan behavior by promoting better debt management, reducing reliance on informal or high-interest loans, and fostering more sustainable financial practices. Financial literacy interventions focusing on practical skills such as budgeting, saving, and responsible borrowing are critical to helping teachers avoid debt traps and improve their financial health and stability. (Ferrer, 2017; Priyadharshini, 2017). Thus, the observed loan behavior emphasizes the importance of targeted financial literacy programs suited to the specific financial constraints that public-school teachers experience.

This section explores the level of debt management by focusing on money management and credit repayment, highlighting its implications for financial literacy. Effective

debt management involves planning and controlling debt liabilities and repayments, a critical aspect of personal financial management and overall financial well-being (Investopedia, n.d.; 4 Pillars, n.d.). Financial literacy, defined as the ability to understand and use financial concepts to make informed decisions, plays a crucial role in equipping individuals with the skills to manage their debts responsibly, avoid over-indebtedness, and improve credit repayment behavior (Mrnjavac et al., 2025). Research shows that people with higher financial literacy are more likely to adopt positive debt repayment behaviors, including timely payments and avoiding excessive borrowing, thereby reducing financial risks and enhancing economic stability (Jumady et al., 2024). Understanding debt management literacy among credit users is essential, as it influences their financial decisions and overall financial health (4 Pillars, n.d.).

Table 4 Level of Debt Management of Public School Teachers in the Province of Capiz

Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
MM1	6.423	0.821	Strongly Agree	Agree all the time
MM2	6.257	0.827	Strongly Agree	Agree all the time
MM3	6.288	0.870	Strongly Agree	Agree all the time
MM4	6.323	0.919	Strongly Agree	Agree all the time
MM5	6.328	0.780	Strongly Agree	Agree all the time
MM6	6.103	0.926	Agree	Agree most of the Time
Money Management	6.287	0.106	Strongly Agree	Agree all the time
Observed Variables	Mean	SD	Categorical Equivalent	Interpretation
CR1	6.381	0.891	Strongly Agree	Agree all the time
CR2	6.437	0.806	Strongly Agree	Agree all the time
CR3	6.243	0.977	Strongly Agree	Agree all the time
CR4	5.942	1.046	Agree	Agree most of the Time
CR5	6.008	1.148	Agree	Agree most of the Time
Credit Repayment	6.202	0.220	Strongly Agree	Agree all the time

Legend:

Money Management–MM

MM1, MM2, MM3, MM4, MM5 MM6

Credit Repayment- CR1, CR2, CR3, CR4, CR5

Survey Questionnaire

Money Management 1, 2, 3, 4, 5, 6

Credit Repayment 1, 2, 3, 4, 5

The results posit that public-school teachers in the province of Capiz exhibit a strongly agreeable level of debt management in both money management (M = 6.287, SD = 0.106) and credit repayment (M = 6.202, SD = 0.220), suggesting a high degree of financial discipline and awareness among this group. Such findings align with a prior study that highlighted the positive role of financial literacy in promoting effective debt management behaviours. For example, Hamid and Loke (2021) suggest that those individuals with more financial literacy are better at managing credit card debt, reviewing financial statements, paying bills on time, and remaining under budget. These skills result in lower borrowing costs, debt levels, and improved financial habits (Fan & Henager, 2022; Mahendru, 2021; Singh & Malik, 2022). Similarly, Delmo et al. (2023) discovered that increasing financial literacy among teachers can help them to make informed financial decisions, such as debt management, retirement planning, and investment strategies, fostering a positive mindset and gaining more influence over their finances. The relatively

low standard deviations further indicate consistency in these behaviors among the public-school teachers surveyed, suggesting that financial education initiatives or professional development programs in Capiz may be effectively fostering sound financial habits. These results highlight the significance of continuing financial literacy programs designed specifically for educators to assist them in comprehending the issue and make informed decisions about their own money (Sarpong-Danquah et al. 2018). Overall, the strong agreement levels reflect a commendable standard of debt management likely rooted in adequate financial knowledge and responsible financial attitudes.

➤ *Structural Equation Modelling on Direct and Indirect Effects among Factors Affecting the Financial Literacy and Behaviour of Public School Teachers in the Province of Capiz*

Structural Equation Modeling (SEM) has been utilized to examine the stated hypothesis. It is a technique that allows numerous regression equations to be estimated

simultaneously in a single framework (Hair et al., 2010). The model was estimated using Diagonally Weighted Least Squares (DWLS), an estimation method in Structural Equation Modeling (SEM) particularly suited for business and business administration research involving ordinal or non-normally distributed data. Unlike Maximum Likelihood estimation, which assumes continuous and normally distributed variables, DWLS uses polychoric correlations and focuses on the diagonal elements of the weight matrix, making it more robust and computationally efficient when analyzing ordinal survey responses common in business and business administration (Yanuar et al., 2022). This method

improves the accuracy of parameter estimates, standard errors, and test statistics when data violate normality assumptions (Yanuar et al., 2022). DWLS facilitates rigorous modeling of latent constructs by accounting for measurement error and non-normality, thereby enhancing the validity of complex theoretical models (Zheng, 2025).

In this study, SEM and DWLS estimation technique were used in modelling the direct and indirect effects of direct and indirect effects among factors affecting public school teachers' financial literacy and behaviour in the Province of Capiz.

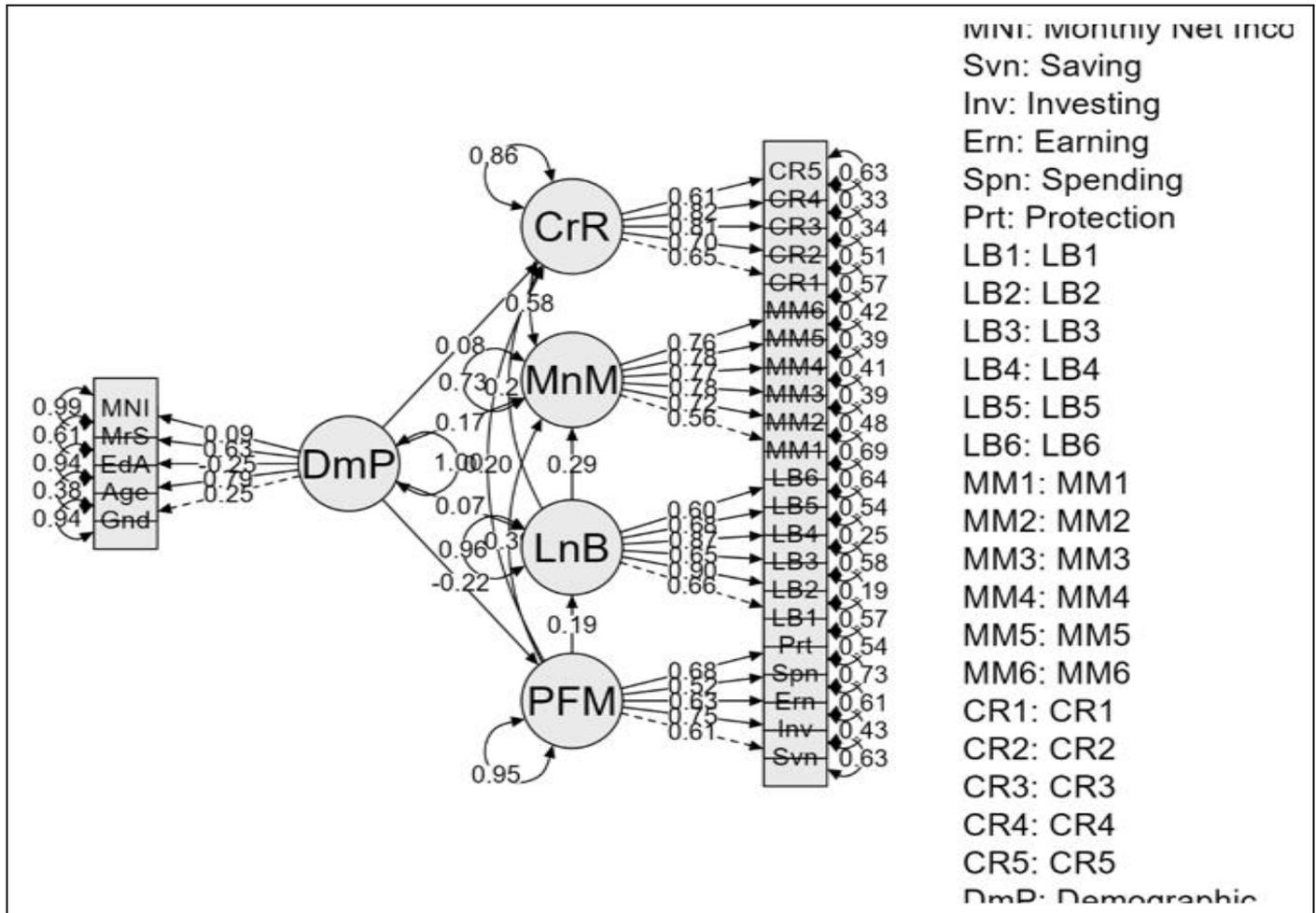


Fig 2 Structural Equation Model on Direct and Indirect Effects of Factors Affecting the Financial Literacy and Behavior of Public School Teachers in the Province of Capiz

Legend:

- DmP* – Demographic profile
- Gnd* – Gender
- EdA* – Educational Attainment
- MNI* – Monthly Net Income
- MrS* – Marital Status
- CR* – Credit Repayment
- PFM* – Personal Financial Management
- Inv* – Investment
- Spn* – Spending
- Svn* – Savings
- Prt* – Protection
- LB* – Loan Behavior
- MnM* – Money Management

The CFA results provide overall fit indices with a normed chi-square = 1.693, root mean square error of approximation (RMSEA) = 0.043. According to Bentler and Bonett (1980), χ^2/df should not be more than 3 for a good fit. The GFI=0.939 and CFI=0.956 indicate that the measurement model is of good fit since it exceeds 0.90 (Hair et. al, 2010). The SRMR, which measures discrepancies between the empirical and implied variance of covariance

matrices, was 0.071. Since lower SRMR values indicate a closer model fit and values under 0.08 are generally considered acceptable, our result falls within the recommended threshold (Afthanorhan et al., 2019). Therefore, given that all model-fit indices are within acceptable or tolerable ranges, the SEM model can be a good fit.

Table 5 Factor Loadings from the Confirmatory Factor Analysis: Direct and Indirect Effects of Among Factors Affecting the Financial Literacy and Behavior of Public School Teachers in the Province of Capiz

<i>Regression coefficients</i>							
Outcome	Predictor	Std. estimate	Std. Error	z-value	p	95% Confidence interval	
						Lower	Upper
Credit Repayment	Loan Behavior	0.274	0.023	11.706	< .001	0.228	0.319
	Demographic Profile	0.080	0.034	2.368	0.018	0.014	0.147
	Personal Financial Management	0.202	0.028	7.091	< .001	0.146	0.258
Loan Behavior	Demographic Profile	0.074	0.030	2.435	0.015	0.014	0.133
	Personal Financial Management	0.189	0.023	8.286	< .001	0.144	0.234
Money Management	Loan Behavior	0.288	0.022	12.837	< .001	0.244	0.332
	Demographic Profile	0.167	0.035	4.835	< .001	0.099	0.235
	Personal Financial Management	0.388	0.030	13.025	< .001	0.330	0.446
Personal Financial Management	Demographic Profile	-0.222	0.033	-6.639	< .001	0.288	0.156

• *Model Fit Indices*

Goodness of Fit Index (GFI)=0.939

Root Mean Square Error of Approximation (RMSEA)=0.043

$$\chi^2(377, 314) = 531.547, \frac{\chi^2}{df} = 1.$$

Comparative Fit Index (CFI)=0.956

Standardized Root Mean Square Residual (SRMR)=0.071

Table 6 Modelling Direct Effects of Among Factors Affecting the Financial Literacy and Behavior of Public School Teachers in the Province of Capiz

Factor Loadings		Std. estimate	Std. error	z-value	p	95% Confidence interval	
Latent	Indicator					Lower	Upper
Credit Repayment	CR1	0.652	0.056	11.583	< .001	0.542	0.762
	CR2	0.701	0.056	12.623	< .001	0.592	0.810
	CR3	0.812	0.054	15.036	< .001	0.706	0.918
	CR4	0.817	0.054	15.144	< .001	0.712	0.923
	CR5	0.605	0.049	12.226	< .001	0.508	0.702
Demographic Profile	Gender	0.253	0.049	5.145	< .001	0.157	0.349
	Age	0.786	0.090	8.729	< .001	0.609	0.962
	Educational Attainment	-0.254	0.047	-5.397	< .001	0.346	0.162
	Marital Status	0.628	0.079	7.973	< .001	0.474	0.782
	Monthly Net Income	0.087	0.049	1.752	0.080	0.010	0.183
Loan Behavior	LB1	0.657	0.052	12.613	< .001	0.555	0.759
	LB2	0.901	0.075	12.044	< .001	0.754	1.047
	LB3	0.651	0.056	11.680	< .001	0.541	0.760
	LB4	0.869	0.074	11.663	< .001	0.723	1.014
	LB5	0.676	0.060	11.290	< .001	0.559	0.794
	LB6	0.597	0.052	11.412	< .001	0.494	0.700
Money Management	MM1	0.557	0.055	10.219	< .001	0.450	0.664
	MM2	0.723	0.041	17.439	< .001	0.642	0.805
	MM3	0.783	0.050	15.640	< .001	0.685	0.881
	MM4	0.771	0.071	10.888	< .001	0.632	0.910
	MM5	0.778	0.039	19.926	< .001	0.702	0.855
	MM6	0.761	0.040	18.883	< .001	0.682	0.840
Personal Financial Management	Saving	0.612	0.042	14.450	< .001	0.529	0.695
	Investing	0.753	0.053	14.274	< .001	0.650	0.856
	Earning	0.628	0.046	13.556	< .001	0.538	0.719
	Spending	0.518	0.053	9.787	< .001	0.414	0.621
	Protection	0.677	0.050	13.432	< .001	0.578	0.776

Legend: p -value < 0.01 *** (Very Highly Significant), p -value < 0.05 ** (Highly Significant), p -value < 0.1 * (Significant), p -value > 0.1^{ns} (Not Significant)

Based on the results, a teacher's debt management is significantly impacted by their loan behavior, demographic profile, and personal financial management, notably regarding credit repayment. Among these variables, loan behavior has the greatest impact ($\beta=0.274$, $p=0.000$), suggesting that teachers' attitudes toward borrowing and repaying loans play a crucial role in their capacity to manage debt successfully. This is consistent with studies that underscore the significance of borrowing habits and repayment discipline in effective debt management (Brown & Taylor, 2016). Debt repayment is significantly influenced by personal financial management ($\beta=0.202$, $p<0.001$), Individuals with higher financial literacy excel at budgeting, organizing debt repayments, and understanding loans and terms (Mohta et al. 2020). The demographic profile has the least impact, despite being statistically significant ($\beta=0.080$, $p=0.018$), indicating age, income, and education have been shown to affect financial behavior, but generally less so than personal financial skills (Xiao et al., 2015). Combined, these findings underscore the necessity of targeted strategies to enhance public school teachers' financial-management skills and borrowing behaviors, thereby strengthening their capacity for debt repayment.

On the other hand, with standardized coefficients (β) of 0.074 and 0.189, respectively, and p -values of 0.015 and 0.000, which indicate high statistical significance, the findings demonstrate that a public school teacher's loan behavior is significantly influenced by both their demographic profile and their financial management. Demographic factors have less impact on loan behavior than personal financial management. Previous research has emphasized that financial literacy and strong financial management skills are critical for making smart borrowing decisions (Lusardi et al. 2023) and this is consistent with that. Demographic variables like age, income, and education have been shown to affect financial behavior, but generally less so than personal financial skills (Xiao et al., 2015). Interventions aiming at improving teachers' financial literacy and budgeting skills may be more helpful in controlling their borrowing behaviors, since teachers' understanding of budgeting and debt significantly influenced reported financial well-being (Eciija, 2020). The study emphasizes the need for targeted financial education initiatives to address gaps and improve teachers' financial stability (Miller and Thomson 2020).

On the other hand, with standardized coefficients (β) of 0.074 and 0.189, respectively, and p-values of 0.015 and 0.000, which indicate high statistical significance, the findings demonstrate that a public school teacher's loan behavior is significantly influenced by both their demographic profile and their financial management. Demographic factors have less impact on loan behavior than personal financial management. Previous research has emphasized that financial literacy and strong financial management skills are critical for making smart borrowing decisions (Lusardi et al. 2023) and this is consistent with that. Demographic variables like age, income, and education have been shown to affect financial behavior, but generally less so than personal financial skills (Xiao et al., 2015). Interventions aiming at improving teachers' financial literacy and budgeting skills may be more helpful in controlling their borrowing behaviors, since teachers' understanding of budgeting and debt significantly influenced reported financial well-being (Ecija, 2020). The study emphasizes the need for targeted financial education initiatives to address gaps and improve teachers' financial stability (Miller and Thomson 2020).

Meanwhile, the findings further indicate that loan behavior, demographic profile, and personal financial management significantly influence debt management among public school teachers, specifically in the domain of money management. The standardized coefficients ($\beta=0.288, 0.167, 0.388$) alongside highly significant p-values ($p=0.000$) suggest that all three variables are essential predictors, with personal financial management exerting the strongest effect. Tymkiw (2022) emphasizes the need for sound financial management in smart savings and intelligent spending, which reduces the possibility of debt accumulation and difficulty paying payments on time. Meanwhile, loan behavior's moderate influence corroborates studies highlighting how borrowing patterns impact debt sustainability (Brown et al., 2016). This aligns with existing literature emphasizing financial literacy connected to borrowing (Banco et al. 2020); financial literacy and strong financial management skills are critical for making smart borrowing decisions (Lusardi et al. 2023); the positive and significant relations between financial literacy and loan repayment (Baidoo et al, 2020). For example, Tymkiw (2022) revealed that effective

personal financial management decreases the likelihood of debt accumulation and responds to payment concerns by encouraging judicious spending and saving. Meanwhile, loan behavior's moderate influence corroborates studies highlighting how borrowing patterns impact debt sustainability (Brown et al., 2016). The demographic profile's smaller yet significant effect is consistent with research demonstrating that age, income, marital status, and education significantly affect loan successful repayment, yet the problem still persists and is getting worse (Baidoo et al. 2020). Collectively, these results underscore the necessity of targeted financial education programs for teachers, focusing on enhancing personal financial management skills to promote healthier debt management practices.

Consequently, the result suggests that the demographic profile has a substantial negative impact on public school teachers' personal financial management ($\beta = -0.222, p = 0.000$), suggesting that some demographic factors may impede this group's ability to manage their finances effectively. This adverse correlation implies that changes in certain demographic variables lead to a decline in personal financial management behaviors. Age, marital status, years of experience, and income level are just a few of the demographic factors that affect how teachers manage their finances and conduct their lives, according to the literature. For example, research has revealed that younger or less experienced teachers tend to have worse financial management abilities, such as budgeting, saving, and investing, than their more mature peers (Capisonda-Porteza, 2023; Importance and Practices of Financial Management, 2022). Furthermore, financial stress, which negatively affects effective money management, is associated with demographic variables such as income stability and civil status (Spending Behavior of Public School Teachers, 2025). On the other hand, some studies highlight the complexity of demographic effects by implying that gender may not have a major impact on financial management conduct (Kurniasari et al., 2023). To enhance the stability of the financial health of public school teachers, the negative beta coefficient in the current result supports these inferences and emphasizes the necessity for targeted financial literacy and management programs that take into account the demographic diversity of this group.

Table 7 The Mediating Effect of Loan Behavior on the Effect of Personal Financial Management on Debt Management in Terms of Credit Repayment as Perceived by Public School Teachers in the Province of Capiz

Regression coefficients								
Outcome	Predictor		Std. estimate	Std. Error	z-value	p	95% Confidence interval	
							Lower	Upper
Credit Repayment	Personal Financial Management	direct	0.604	0.036	16.692	< .001	0.533	0.675
	Loan Behavior	beta	0.084	0.031	2.747	0.006	0.024	0.145
Loan Behavior	Personal Financial Management	alpha	0.377	0.021	17.665	< .001	0.335	0.418

Defined parameters						
Name	Std. estimate	Std. Error	z-value	p	95% Confidence interval	
					Lower	Upper
Indirect	0.032	0.011	2.933	0.003	0.011	0.053
Total	0.636	0.030	20.866	< .001	0.576	0.695
proportion	0.050	0.018	2.757	0.006	0.014	0.086

Legend: p -value < 0.01 *** (Very Highly Significant), p -value < 0.05 ** (Highly Significant), p -value < 0.1 * (Significant), p -value > 0.1^{ns} (Not Significant)

The results, indicating that loan behavior significantly mediates the relationship between personal financial management and debt management, specifically in the context of credit repayment among public school teachers ($\beta = 0.032, p = 0.003$), highlight the pivotal role of behavioral factors in financial outcomes. This suggests that personal financial management alone does not directly lead to improved debt management; rather, it influences loan behavior, which in turn affects credit repayment effectiveness. Such mediation aligns with prior research, which has shown that high financial literacy leads to simple debt repayment, and sound financial management skills correlate with healthy debt payment behavior (Hamid & Loke, 2021). Moreover, studies have shown that financially literate individuals are better equipped to support economic growth through prudent saving, responsible borrowing, and

informed investing, fostering resilience (Ouachani et al., 2021). In the specific context of public school teachers, who often face fixed incomes and limited financial flexibility, fostering positive loan behavior is essential to enhance credit repayment. Financial literacy and money management abilities have a significant effect on repayment behavior (Hamid et al. 2020). Improving financial literacy among teachers can enable them to make sound financial choices, such as managing debt, retirement planning, and investment strategies, encouraging a positive attitude and increased control over their finances (Delmo et al., 2023). Therefore, interventions aimed at improving debt management should not only focus on enhancing financial knowledge but also on promoting constructive loan behaviors to optimize credit repayment outcomes.

Table 8 The Mediating Effect of Personal Financial Management on the Effect of Demographic Profile on Debt Management in Terms of Money Management as Perceived by Public School Teachers in the Province of Capiz

Regression coefficients								
Outcome	Predictor		Std. estimate	Std. Error	z-value	p	95% Confidence interval	
							Lower	Upper
Money Management	Demographic Profile	direct	0.168	0.062	2.716	0.007	0.047	0.289
	Personal Financial Management	beta	0.372	0.055	6.717	< .001	0.263	0.480
Personal Financial Management	Demographic Profile	alpha	-0.215	0.064	3.355	< .001	0.341	0.089

Defined parameters						
Name	Std. estimate	Std. Error	z-value	P	95% Confidence interval	
					Lower	Upper
indirect	-0.080	0.028	-2.865	0.004	-0.135	-0.025
Total	0.088	0.063	1.406	0.160	-0.035	0.211
proportion	-0.907	0.787	-1.153	0.249	-2.449	0.635

Legend: p -value < 0.01 *** (Very Highly Significant), p -value < 0.05 ** (Highly Significant), p -value < 0.1 * (Significant), p -value > 0.1^{ns} (Not Significant)

The results show that personal financial management is a vital mediator in the correlation between demographic characteristics and debt management, particularly in money management ($\beta = -0.080, p = 0.004$). This implies that people's demographic factors—as well as their personal financial management habits—indirectly influence how they handle debt. Despite its small value, the positive beta coefficient demonstrates that, regardless of demographic differences, successful personal financial management improves one's capacity to handle debt responsibly. This supports earlier studies that highlight the people who are more financially literate are typically better at understanding loans and terms, creating budgets, and scheduling debt

repayments. These people are much less likely to miss payments and are much more likely to have a debt repayment plan. Less impulsively financial behavior, improved money-management abilities, and higher financial literacy contribute to lower financial risk (Mohta et al. 2020). Age, gender, socioeconomic status, and cultural influences are some demographic factors that greatly influence financial literacy levels, making targeted and inclusive education initiatives necessary (Białowolski et al., 2020). As a result, strategies aimed at enhancing debt management should concentrate on improving personal financial management skills to achieve better debt outcomes. This may involve customizing financial education programs to specific demographic groups.

Table 9 The Mediating Effect of Demographic Profile on the Effect of Personal Financial Management on Debt Management in Terms of Money Management as Perceived by Public School Teachers in the Province of Capiz

Regression coefficients								
Outcome	Predictor		Std. estimate	Std. Error	z-value	p	95% Confidence interval	
							Lower	Upper
Demographic Profile	Personal Financial Management	alpha	-0.087	0.033	-2.676	0.007	0.151	0.023
	Money Management	direct	0.938	0.039	24.135	< .001	0.862	1.014
	Demographic Profile	beta	0.179	0.043	4.187	< .001	0.095	0.262

Defined parameters							
Name	Std. estimate	Std. Error	z-value	p	95% Confidence interval		
					Lower	Upper	
indirect	-0.016	0.009	-1.737	0.082	-0.033	0.002	
total	0.922	0.037	24.892	< .001	0.850	0.995	
proportion	-0.017	0.010	-1.743	0.081	-0.036	0.002	

Legend: p -value < 0.01 *** (Very Highly Significant), p -value < 0.05 ** (Highly Significant), p -value < 0.1 * (Significant), p -value > 0.1^{ns} (Not Significant)

The findings at a 10% significance level ($\beta = -0.016, p = 0.082$) suggest a complex relationship in which demographic factors somewhat reduce the beneficial effect of personal financial management on effective debt management among public school teachers, as the demographic profile considerably and negatively mediates the impact of personal financial management on money management. This negative mediation suggests that the connection between individual financial management and debt management outcomes may be influenced by certain demographic factors, such as age, income, educational level, or marital status, which might make the relationship more complex or less effective. Demographic factors frequently

have a significant impact on teachers' financial behaviors, as the literature suggests. For example, studies have found that personal financial management habits are greatly influenced by age, marital status, and years of experience, while gender and income are not always significant (Capisonda-Porteza, 2023; Mencias-Tabernilla, 2023). Additionally, demographic factors have been shown to influence financial well-being and management behaviors across different groups, suggesting that financial literacy and management interventions may be more effective if they are customized to demographic profiles (Prakash, Alagarsamy, & Hawaldar, 2022; Kurniasari, Rachmansyah, & Sutanto, 2023). Given the marginal significance ($p = 0.082$) at the 10% level, there is a

trend worth further investigation, as demographic variables may have a subtle but significant impact on how personal financial management skills affect debt control, particularly in the case of public school teachers who frequently experience specific financial challenges such as low income and numerous debts (Porteza, 2025; Mencias-Tabernilla, 2023). These findings highlight the need to take demographic diversity into account when developing debt management and financial education programs for teachers to improve their money management skills.

V. CONCLUSION

This study offers a thorough insight into financial literacy and behaviours of public school teachers in the Philippines, province of Capiz, highlighting important demographic and behavioural factors that affect how they handle money and debt. The majority of married, middle-aged, well-educated, and middle-income individuals create a demographic context that influences respondents' financial literacy and behaviors. Along with a careful attitude toward spending, public school teachers generally show good personal financial management in areas like saving, investing, and safeguarding their financial well-being. With evident financial discipline in credit repayment and money management, their borrowing patterns are consistently and positively related to good debt management. Although demographic factors still play a statistically significant but lesser role, behavioral factors in debt management, such as loan behavior and personal financial management, have a far greater impact than demographic characteristics. The adverse effect of certain demographic factors on personal financial management emphasizes possible obstacles that could impede ideal financial conduct. Additionally, the mediating effects of personal financial management and loan behavior highlight the intricacy of teachers' financial decision-making. These findings demonstrate the necessity of tailored financial education initiatives that take behavioral factors and demographic barriers into account to raise financial literacy, promote responsible financial practices, and improve debt management outcomes for this group of people. Teachers can be empowered to manage their financial obligations more effectively through such focused interventions, which will eventually promote their overall well-being and long-term financial security.

RECOMMENDATIONS

- Implementing tailored financial education programs to enhance teachers' financial literacy, improving their decision-making and long-term financial security.
- The Department of Education must incorporate financial literacy into its training and seminars to appropriately advise teachers in their financial management.
- The connection between financial institutions and the Department of Education must be strengthened to establish a strong relationship, allowing open access to seminars.
- Implementation of Republic Act 1092. An Act recognizing every second week of November as Economic and Financial Literacy Week.

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APPENDICES



University of San Jose-Recoletos
Recoletos Ethics Review Office

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Date: August 26, 2025

CERTIFICATE OF COMPLETED RESEARCH

SUMMARY OF STUDY PROTOCOL INFORMATION	
RERO Reference Number	GS-SBM-2024-075
School/Department	Graduate School of Business and Management
Principal Investigator Name(s)	ANGELIE V. ARGONCILLO
Adviser	Mary Joy C. Teodosio
Study Title	Structural Equation Modelling on Direct and Indirect Effects among Factors Affecting Financial Literacy and Behaviour of Public School Teachers in the Province of Capiz
Protocol Number	GS-SBM-2024-075

The study mentioned in the above information followed both international and national ethical guidelines for research in conducting their research protocol. The research protocol was successfully completed and concluded on **July 29, 2025**.

The Recoletos Ethics Review Office (RERO) confirmed receiving the completed research manuscript via email on **August 26, 2025**. Furthermore, the researchers have met all the additional requirements set by the office to obtain their clearance.

This certification confirms that the names of the Principal Investigator/s listed above have obtained clearance from the Recoletos Ethics Review Office

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CERTIFICATION

The manuscript entitled **"Structural Equation Modelling on Direct and Indirect Effects among Factors Affecting Financial Literacy and Behaviour of Public School Teachers in the Province of Capiz"** has undergone Similarity and/or grammar tests using Turnitin and/or Grammarly software.

AUTHOR/s

ANGELIE V. ARGONCILLO

ADVISER

MARY JOY C. TEODOSIO

SIMILARITY INDEX: 9%

GRAMMARLY RESULT: 96/100

Given this 8/26/2025 9:12:19 at the Quality Assurance Unit of the Center for Policy, Research and Development Studies, University of San Jose-Recoletos, Cebu City. This certification is issued for **Revised Final Paper** purposes.

MR. ENGLEVERT P. REYES, LPT, M.Ed, PhD(c)

CPRDS Director

OR #: 250816000016

This certification is **NOT** VALID WITHOUT the Latest PDF RESULTS

AFFIDAVIT OF ORIGINALITY

I, ANGELIE V. ARGONCILLO, Filipino, of legal age, married, and residing at Bangon Bangon, Sigma, Capiz, after having been duly sworn in accordance with law, hereby depose and state that:

1. I am a student of the Graduate School of the University of San Jose-Recoletos (USJ-R), enrolled in the Doctor in Business Administration program.

2. I certify that the thesis/dissertation I am submitting is my original and authentic work, in full compliance with the University's academic policies, rules, and regulations.

3. I affirm that my work does not contain any material previously published or written by another person, nor does it include any falsified or fabricated content. Should it be necessary to incorporate any of my previously published studies, I will ensure that my work remains substantially original and that proper citations are made in accordance with the school's academic standards, policies and guidelines.

4. I further certify that all sources, references, and citations used in my work are properly acknowledged and referenced to avoid plagiarism. I fully understand that plagiarism, in any form, is a serious academic offense and that I am solely responsible for ensuring the integrity of my research.

5. I also certify that no part of this work has been previously submitted for a degree or diploma at any university or institution of higher learning or published for other purposes.

6. I acknowledge and accept the University's authority to impose appropriate sanctions, including but not limited to the denial or revocation of my degree, should any violation of academic integrity be found.

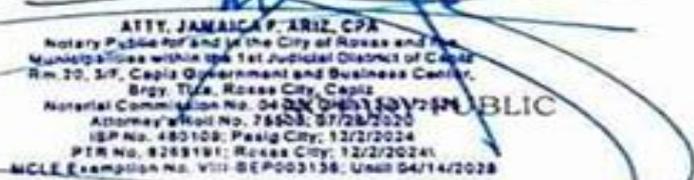
7. I am executing this affidavit freely and voluntarily to attest to the truthfulness of the foregoing statements.

IN WITNESS WHEREOF, I have hereunto affixed my signature this APR 21 2025 day of _____, 2025, in the City of Roxas, Philippines.


ANGELIE V. ARGONCILLO
(Signature over Printed Name)

APR 21 2025
SUBSCRIBED AND SWORN TO before me this ___ day of ____, 2025, in the City of Roxas, Philippines, affiant exhibiting to me his/her Pag-IBIG Loyalty Card Plus with ID No. 1211-3529-0388 issued on September 16, 2020 at Pag-ibig, Roxas City Branch.

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Series of 2025.


ATTY. JAMAICA P. ARIZ, CPA
Notary Public for and of the City of Roxas and the
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Notarial Commission No. 04-001-00137-2016 PUBLIC
Attorney's Roll No. 76508; 07/28/2020
ISP No. 480108; Pasig City; 12/2/2024
PTR No. 8289191; Roxas City; 12/2/2024
MCLE Exemption No. VIII-SEP003138; Until 04/14/2028

Respondent No. _____



Republic of the Philippines
University of San Jose – Recoletos
Magallanes Street, 6000, Cebu City, Philippines



SURVEY QUESTIONNAIRES

On Respondent's Information Profile

Part I. Demographic Profile

Instruction: Complete the following demographic information. Please put a checkmark (✓) in your answer.

1. Gender

Male Female

2. Age _____

30 years and younger 31 to 45 years old 46 years and older

3. Educational Attainment

Bachelor's Degree Master's Degree with units

Master's Degree Holder PhD/EdD with units PhD/EdD Holder

4. Marital Status

Single Married Widow Widower Separated

5. Monthly Income

- () below ₱10,000 () ₱10,001-20,000 () ₱20,001-30,000
 () ₱30,001-40,000 () ₱40,001-50,000 () ₱50,000& above

Part II. Personal Financial Management

The attitude toward judgment and decisions regarding how to manage finances in terms of saving, earning, investing, protection, and borrowing is known as personal financial management. To assess your attitude about financial literacy and behavior, score each item (by checking the corresponding cell) on a 7-point rating scale, where 1 represents the least interest and 7 represents the greatest interest in each financial literacy and behaviour item.

Weight	Description	Interpretation
7	Strongly Agree	Agree all the time
6	Agree	Agree most of the time
5	Somewhat Agree	Frequently
4	Neither Agree Nor Disagree	Neutral
3	Somewhat Disagree (SD)	Occasionally True
2	Disagree (D)	Rarely True
1	Strongly Disagree (SD)	Never True

A. On Saving	7	6	5	4	3	2	1
1. I save some amount from my monthly income.							
2. I set aside funds for emergencies (calamities/disasters and hospitalizations).							
3. I save money specifically to invest in new opportunities (e.g., business ventures, real estate, stocks, bonds, and mutual funds).							
4. I set aside cash to cope with my expenses in the future in case of job loss, career changes, unexpected expenditures, and economic downturn/crisis (e.g., inflation rates and the COVID-19 pandemic).							
5. I save for my future retirement, tuition fees, and projects (e.g., purchase properties, build commercial buildings, and home improvement).							
B. On Investing							
1. I believe investing is important for building wealth.							
2. I comprehend the length of investment, risks and its associated interest (e.g., cooperative, MP2, stocks)							
3. I invest in real property (e.g., house, land, commercial building).							
4. I invest my money in a reliable business to earn additional income.							

5. I invest in items that will have a higher value in the future. (e.g., jewelry, gold, and land).						
6. I invest my money in the stock market, bonds, cryptocurrency, trust, and mutual funds (Pag-ibig MP2).						
C. On spending						
1. I prioritize spending money on family essential needs.						
2. I prefer to buy cheaper products but with quality.						
3. I spend based on my priorities, either urgent or essential.						
4. I avoid unnecessary personal spending (luxury items, eating out frequently, vacations, and lucrative celebrations).						
5. I regularly check the price before purchasing the products/services.						
6. I make budget allocations for the payment of utility bills. (e.g., electricity, water, internet/telephone, and gas)						
7. I avoid impulsive buying.						
D. On Earning						
1. Investing in mutual funds (MP2), cooperatives, and stocks is a good way to earn extra income.						
2. My current salary is sufficient to cover my living expenses and debt payments.						

<p>3. I am interested in engaging in business and other sources of passive income (e.g., rental income like apartments, houses, commercial spaces, cars, and online business etc.).</p>							
<p>4. I seek secure and stable sources of income (e.g., mutual funds, savings accounts, dividends from cooperatives, and stocks).</p>							
<p>5. I will use my skills to earn extra income (event organizer, tutoring, coaching, and NC II/NC III trainer).</p>							
<p>E. On Protection</p>							
<p>I have an insurance policy/plan besides the Government Service Insurance System (e.g., car insurance, accidental death insurance, life insurance, education insurance, health insurance, and disability insurance).</p>							
<p>2. I understand the basic principles of insurance (e.g., risk, premiums, and deductibles).</p>							
<p>3. I recognized the different types of insurance policies available to teachers (e.g., health, pensions, life, property, and disability).</p>							
<p>4. I believe having insurance coverage is essential for financial security.</p>							

5. I allocate a certain percentage of my salary for my insurance plans (aside from government-mandated deductions).							
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➤ *Part III. Loan Behavior*

Loan behaviour	7	6	5	4	3	2	1
1. I availed of loans to cover expenses and needs.							
2. I always ensure that I understand the terms and conditions of any loan I take.							
3. I believe a loan can help with my financial problems.							
4. I secure a loan due to emergencies (e.g., calamity loan, emergencies/ hospitalization, disasters/calamities, etc.)							
5. I believe taking a loan helps to manage huge expenses (purchase of land, vehicle, business ventures, house construction, personal loan, car loan, and housing loan, etc.).							
6. I believe borrowing money, when managed wisely, can be a strategic tool for building wealth.							

➤ *Part IV. Debt Management*

Money Management	7	6	5	4	3	2	1
1. I prioritize paying off my debts over non-essential expenses.							
2. I have a budget allocation for the debt maturity to avoid unnecessary interest and penalties.							
3. I have a clear timeline and regular, strict monitoring for debt payments.							
4. I have set specific goals for paying off my debt.							
5. I regularly review my financial status and adjust my budget accordingly.							
6. I strive for ways to increase my income to manage debt and essential needs.							
B. Credit Repayment							
1. I pay my loan on time.							
2. I willingly pay my loans without any inducement.							
3. I pay owe in full to avoid financial charges.							
4. I pay more than the monthly amortization of debts to lessen accumulated interest.							
5. I use any extra income to pay my debt (bonuses/incentives).							

Thank you for your cooperation, and God bless!