



RESEARCH ARTICLE

ASSOCIATION BETWEEN FINANCIAL LITERACY AND LIFE SATISFACTION AMONG TEACHING AND NON-TEACHING PERSONNEL OF ESSU SALCEDO CAMPUS

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ABSTRACT

The study aimed to determine the financial behaviour, attitude and fitness of the faculty members and Non-teaching personnel of Eastern Samar State University Salcedo Campus during the school year 2015-2016. Descriptive-correlation survey method of research was used in the study to determine the association of financial behaviour, financial attitudes and financial fitness of the employees in ESSU Salcedo Campus. Using descriptive statistics and correlation coefficient set at 0.05 level of significance, the study revealed the following: Majority of the faculty in ESSU Salcedo Campus were married with the age bracket of 40 years old and above (36.7%), with monthly family income of Php 16,000-25,000. Most of them have earned a master's degree (30%), with academic rank as instructors (50%) and served for 21 years and above in teaching experience (40%). As to the financial behaviour of the faculty in ESSU - Salcedo Campus, it was noted that most of the faculty have moderate financial behaviour comprising of 13 or 43.3%. Likewise, the faculty has moderately favourable financial attitude comprising of 11 or 36.7 percent. In addition, the respondents were considered financially healthy (43.3%). Furthermore, as to life satisfaction, the faculty found to be highly satisfied with their lives with 46.7%. With regards to the relationship between the respondents' demographic profile in terms of age, sex, marital status, highest educational and educational attainment, academic rank, monthly family income and length of teaching experience, financial literacy to life satisfaction, it was found out that the demographic profile were not significantly correlated to life satisfaction with the indices of 0.390, 0.299, 0.320, 0.394, 0.452, 0.470, 0.441 and with a *p*- values of 0.570, 0.750, 0.804, 0.543, 0.267, 0.150 and 0.275, respectively. As to the relationship between financial literacy and life satisfaction of the faculty in ESSU-Salcedo Campus, it could be noted that financial behaviour, financial attitudes and financial fitness of the faculty were not significantly correlated to life satisfaction. These are shown with indices of correlation of 0.439, 0.390, 0.444 and *p*-values of 0.283, 0.550 and 0.297, respectively. Based on the findings, the following conclusions were drawn: Most of the faculty members of ESSU Salcedo Campus were dominated by married female in their middle age with moderately low family income, highly experienced and masters' degree holder. The demographic profile of the respondents, financial behaviour, financial attitudes and financial fitness do not have significant relationship with life satisfaction. The members of the faculty have moderate behaviour, favourable attitude and financially healthy towards financial aspects. Furthermore, they were considered as highly satisfied with their life situations. Based on the findings and conclusions, the following are recommended: Faculty members have to grab the opportunities in applying for scholarship grants in order to upgrade their academic rank and increase their monthly family income. Financial literacy program or awareness dissemination related to financial literacy should be conducted to the faculty. Further studies should be conducted correlating the demographic profile of the respondents to financial literacy of the faculty. A wide scope of research involving other faculty from the different universities in Region VIII should be conducted to compare with and validate the findings of the study.

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INTRODUCTION

Financial aspect is one of the factors in order for a person to sustain his basic needs in life. In all walks of life, regardless of what kind of life status he has, finances are very much necessary. Even in a large sense of agencies, companies and organization either in public and private sectors, financial matters count most in their respective work places.

Basically, it is a fact for some that an individual who is financially stable or unstable satisfy one's life positively or negatively. Thus, a person who is financially matured can take charge of his finances satisfying the needs of his constituents. Likewise, once finances of an individual do not meet his basic needs, there is a possibility to experience poverty which becomes a problem to the society. National Statistics Coordination Board (2013) cited that during the 1st six months 2013, the poverty incidence was estimated at 24.9 % slightly better than the 27.9% in 2012. In addition, poverty incidence of families by province, Region VIII particularly in Eastern Samar is 47.3%.

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This information gives awareness to the people concerned to be more updated especially on financial decisions. Increasingly, individuals are in charge of their own financial security and are confronted with ever more complex financial instruments. However, there is evidence that many individuals are not well-equipped to make sound saving decision (Lusardi, 2011). Since the global marketplace is an increasingly risky and can be unpredictable. It affects the nations and the societies. One of its main implications include rising costs of goods and services that push people to be able to make well informed financial decisions (Lusardi & Mitchell, 2011). This phenomenon requires individuals to be equipped with some knowledge and skills relating to personal financing, or simply financial literacy. People are becoming increasingly aware that we need financial education courses to be delivered to our children. Recent literacy surveys have indicated that children have a dismal understanding of basic money management skills, a finding that has raised the concern of our government and education officials (Yates, 2014). In other words, the issue of lacking financial literacy knowledge and skills is now a global phenomenon, so much it is referred as financial education or financial literacy programs. Financial literacy generally improves as people age (Chen & Volpe, 1998; Volpe, Kotel, & Chen, 2002, updated May 2015). With these concepts, the researcher was able to conceive this study on financial literacy to further determine how this relate to life satisfaction of the employees of ESSU Salcedo Campus.

CONCEPTUAL/THEORETICAL FRAMEWORK

The study is anchored on the theory developed by Skinner, The theory of Behaviorism. According to Skinner (1994), behaviour is shaped and maintained by its consequences of similar previous behaviour. If a person obtains reinforcement for the certain behaviour, they tend to repeat the vigor. If they did not obtain reinforcement, they tend not to be interested and their performance suffers. In like manner, once the financial status of a person is positively increasing, it is likely that his life is satisfying. On the other hand, if the financial status of the person is decreasing, possibilities that his life is unsatisfying regardless of some factors that may positively nor negatively influenced one's life. Figure 1 shows the schematic diagram consisting two variables. The independent variables will be the demographic profile of the employees of ESSU Salcedo Campus faculty such as age, sex, marital status, highest educational attainment, household family members academic rank, monthly family income and length of working experience and the financial literacy of the employees which includes financial behaviour, financial attitudes and financial fitness. Dependent variable includes the life satisfaction of the respondents.

STATEMENT OF THE PROBLEM

The study aimed to determine the financial behaviour, attitude and fitness of the employees of ESSU- Salcedo

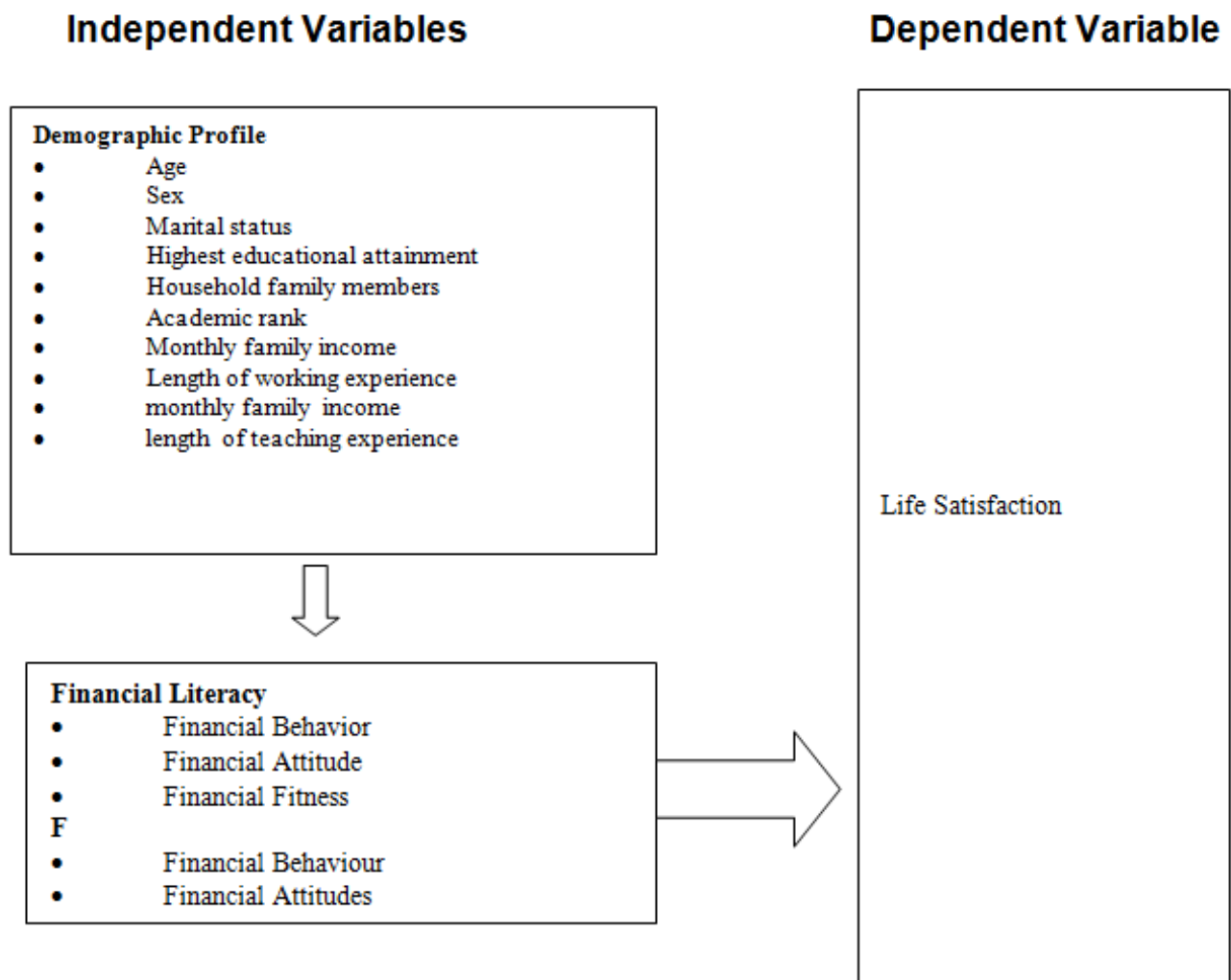


Figure 1. Schematic Diagram Depicting the Relationship between the Independent and Dependent Variables

campus during the first semester school year 2015 - 2016. Specifically, it sought to answer the following questions:

1. What is the demographic profile of the respondents in terms of:

- 1.1 Age
- 1.2 Sex
- 1.3 Marital status
- 1.4 Highest educational attainment
- 1.5 Household family members
- 1.6 Academic rank
- 1.7 Monthly family income
- 1.8 Length of working experience

2. What is the financial literacy of the respondents indicated by the following:

- 2.1 Financial behavior
- 2.2 Financial attitude
- 2.3 Financial fitness?

3. What is the level of life satisfaction of the respondents?
4. Is there a significant relationship between the respondent's demographic profile and financial literacy?
5. Is there a significant relationship between the respondent's financial literacy and life satisfaction?

HYPOTHESES

Based from the problems set, the following hypotheses were formulated:

1. There is no significant relationship between the respondent's demographic profile and financial literacy
2. There is no significant relationship between the respondent's financial literacy and life satisfaction

METHODOLOGY

Research Design

This study employed descriptive-correlation design method or research wherein survey questionnaire was used to gather the data needed. This design was chosen because it helps to ascertain how much variation is caused by one variable in relation with the variation of another variable. Calmorin and Calmorin (2000) stipulated that this is a research design that determines the relationship of two variables.

Research Locale

The study was conducted in Eastern Samar State University-Salcedo Campus, school year, 2015-2016.

Respondents of the Study

The respondents of the study composed of 30 faculty from Eastern Samar State University- Salcedo Campus, school year, 2014-2015.

Sampling Procedure

Simple random sampling was used to get the target population of the study.

Instrumentation

The researcher used a survey questionnaire to gather information from the respondents. The instrument composed of three parts: Part I was the demographic profile of the respondents.

Part II tackled on the financial behaviour, attitudes and fitness of the respondents. Part III pertained to life satisfaction of the respondents.

Instrument Validation

Prior to the conduct of the study, dry run of the questionnaire was conducted to 20 non Faculty of the university to determine the administrability, usability and validity of the questionnaire. The feedback from the dry run was used for the improvement of the questionnaire.

Data Gathering Procedure

A letter request asking permission for the researchers to gather data from the respondents was prepared and signed by the College Administrator, Once the letter was approved, the researchers personally administered the questionnaires to the respondents.

RESULTS AND DISCUSSION

Demographic Profile of Faculty

Age. Table 1 reflects the age of the employees in ESSU-Salcedo Campus during the first semester 2015-2016. It can be noted that out of 60 respondents, 3 or 36% of the employees age ranged from 41 years old and above; 12 or 20% ranged from 36-40 years old; 6 or 10.0% constituted the age of 31-35 years old; 4 or 6.7%, 26-30 years old and 3 or 5.0%, 20-25 years old. This implies that most of the employees are in their middle age.

Table 1. Age of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015-2016

Age	Frequency	Percent
20-25 years old	3	5.0
26-30 years old	4	6.7
31-35 years old	6	10.0
36-40 years old	12	20.0
41 years old and above	36	58.3
Total	60	100.0

Sex: As depicted in Table 2, most of the employees of ESSU-Salcedo Campus were composed of females with 31 or 51% and 29 or 48.3% for males. This means that the working force of ESSU Salcedo Campus is dominated by female employees.

Table 2. Sex of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015-2016

Sex	Frequency	Percent
Male	29	49.3
Female	31	51.7
Total	60	100.0

Marital status: Table 3 displays the marital status of the respondents. It is reflected that 51 or 85.0% were married, followed by 6 or 10%, single and 3 or 5.0% widow/widower.

Table 3. Marital Status of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015-2016

Marital Status	Frequency	Percent
Single	6	10.0
Married	51	85.0
Widow/Widower	3	5.0
Total	60	100.0

Highest educational attainment: It can be noted in Table 4 that 30.0% of the employees were baccalaureate degree holders and 26.7% were non-degree holders. About 16.7% have both earned masters units and were master's degree holder. In addition, 6.7% have earned doctoral units and 3.3% finished doctorate degree. About 26.7% of the employees were either high school graduates or college level.

This implies that most of the employees are master's degree holder. This is consistent with the report from the Occupational Outlook Handbook (2011) as cited by Tabulao, *et al.* (2013) that most education administrators begin with their career as a teacher and prepare for advancement education administration by completing masters or doctoral degree. Thus, by continuing their studies they were able to learn more knowledge for the betterment of their teaching and coping up problems encountered in life.

Table 4. Highest Educational Attainment of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015-2016

Highest Educational Attainment	Frequency	Percent
Baccalaureate Degree Holder	18	30.0
With Masteral Units	10	16.7
Master's Degree Holder	10	16.7
With Doctoral Units	4	6.7
Doctorate Degree	2	3.3
Others	16	26.7
Total	60	100.0

Academic Rank: It can be gleaned in Table 5, that out of 60 respondents, 20 or 33.3% were instructors; 15 or 25.0% were assistant professors; 8 or 13.3%, administrative aide; 4 or 6.7%, assistant professors; 2 or 3.3% were professor, administrative officer, administrative assistant, security guard, and farm worker, respectively. 8 or 13.3% were administrative aide and 1 or 1.7%, guidance counselor, librarian and nurse, respectively.

Table 5. Academic Rank of the Employees in ESSU- Salcedo Campus, First Semester, SY 2015-2016

Academic Rank	Frequency	Percent
Instructor	20	33.3
Assistant Professor	15	25.0
Associate Professor	4	6.7
Professor	2	3.3
Guidance Counselor	1	1.7
Librarian	1	1.7
Nurse	1	1.7
Administrative Officer	2	3.3
Administrative Assistant	2	3.3
Security Guard	2	3.3
Administrative Aide	8	13.3
Total	60	100.0

Monthly family income: Table 6 presents the family income of the respondents. It is reflected that 26 or 43.3% have monthly family income of Php16,000 to Php 25,000; 16 or 26.7% ; Php 26,000 to Php 35,000; 12 or 20.0%, Php15,000 and below ; 4 or 6.7%, and 2 or 3.3%; Php 46,000 and above.

This implied that the family income of the employees is just enough to sustain their family needs.

Table 6. Monthly Family Income of the Employees in ESSU-Salcedo Campus, First Semester SY 2015-2016

Monthly Family Income	Frequency	Percent
Php15,000 and below	12	20.0
Php16,000 to Php25,000	26	43.3
Php26,000 to Php35,000	16	26.7
Php36,000 to Php45, 000	4	6.7
Php46,000 and above	2	3.3
Total	60	100.0

Length of working experience: With regards to the length of working experience of the employees it could be noted that the highest percentage was 21 years and above which constituted 30.0%. About 26.7% rendered working service for 1 to 5 years; 20.0% worked for 11 to 15 years, 11 or 18.4% have been in the service for 6 to 10 years and 50.0% of the employees have been in the government service for about 16 to 20 years. These results revealed that most of the respondents were highly experienced.

Table 7. Length of Working Experience of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015-2016

Length of Working Experience	Frequency	Percent
1 to 5 years	16	26.7
6 to 10 years	11	18.3
11 to 15 years	12	20.0
16 to 20 years	3	5.0
21 years and above	18	30.0
Total	60	100.0

Household family members: It was noted in Table 8 that majority of employees constituting of 53.3% is composed of 2-5 household family members; 43.3% have 6-9 family members; 1.7% belonged to a family of 10-13 and 14 family members and above, respectively.

Table 8. Household Family Members of the Employees in ESSU-Salcedo Campus , First Semester, SY 2015-2016

Household Family Members	Frequency	Percent
2-5 household family members	32	53.3
6-9 household family members	26	43.3
10-13 household family members	1	1.7
14 household family members and above	1	1.7
Total	60	100.0

Financial Literacy

Financial: behavior .Reflected in Table 9 is the financial behavior of the employees in ESSU Salcedo Campus. It could be noted that most of the employees have moderate financial behavior comprising of 22 or 36.7%. Likewise, there were about 33.3% who have high financial behaviour. Similarly, 14 or 23.3% have very high financial behaviour and only 5.0% have low financial behaviour. Only 1 or 1.7% of the employees have very low financial behaviour.

Table 9. Financial Behavior of the Employees in ESSU- Salcedo Campus, First Semester, SY 2015-2016

Financial Behavior	Frequency	Percent
Very Low	1	1.7
Low	3	5.0
Moderate	22	36.7
High	20	33.3
Very High	14	23.3
Total	60	100.0

Table 10. Financial Attitude of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015-2016

Financial Attitude	Frequency	Percent
Not Favorable	5	8.3
Less Favorable	15	25.0
Moderately Favorable	22	36.7
Favorable	8	13.3
Highly Favorable	10	16.7
Total	60	100.0

Table 11. Financial Fitness of Employees in ESSU- Salcedo Campus, First Semester, SY 2015-2016

Financial Fitness	Frequency	Percent
Financially unhealthy	21	35.0
Financially healthy	17	28.3
Financially independent	22	36.7
Total	60	100.0

Table 12. Life Satisfaction of the Employees in ESSU-Salcedo Campus, School Year 2014-2015

Financial Satisfaction	Frequency	Percent
Extremely Dissatisfied	2	3.3
Slightly Satisfied	5	8.3
Moderately Satisfied	19	31.7
Highly Satisfied	7	23.3
Extremely satisfied	18	30.0
Total	60	100.0

Table 13. Relationship between Demographic Profile and Financial Literacy of the Employees in ESSU-Salcedo Campus, First Semester, SY 2014 - 2015

Variables Correlated		Index of Correlation	p-value	Interpretation
Independent Variable	Dependent Variable			
Age	Financial Behavior	0.140	0.570	Not Significant
	Financial Attitude	0.125	0.336	Not Significant
	Financial Fitness	0.381	0.367	Not Significant
Sex	Financial Behavior	0.179	0.170	Not Significant
	Financial Attitude	0.126	0.336	Not Significant
	Financial Fitness	0.134	0.584	Not Significant
Marital Status	Financial Behavior	0.035	0.792	Not Significant
	Financial Attitude	0.104	0.431	Not Significant
	Financial Fitness	0.192	0.698	Not Significant
Highest Educational Attainment	Financial Behavior	0.215	0.099	Not Significant
	Financial Attitude	0.066	0.619	Not Significant
	Financial Fitness	0.314	0.159	Not Significant
Household Family Members	Financial Behavior	0.114	0.385	Not Significant
	Financial Attitude	0.33	0.801	Not Significant
	Financial Fitness	0.204	0.542	Not Significant
Academic Rank	Financial Behavior	0.179	0.172	Not Significant
	Financial Attitude	0.024	0.855	Not Significant
	Financial Fitness	0.448	0.342	Not Significant
Monthly Family Income	Financial Behavior	0.163	0.218	Not Significant
	Financial Attitude	0.009	0.943	Not Significant
	Financial Fitness	0.323	0.138	Not Significant
Length of Working Experience	Financial Behavior	0.122	0.354	Not Significant
	Financial Attitude	0.119	0.367	Not Significant
	Financial Fitness	0.254	0.457	Not Significant

Table 14. Relationship between Life Satisfaction and Financial Literacy of the Employees in ESSU-Salcedo Campus, First Semester, SY 2015 – 2016

Variables Correlated		Index of Correlation	p-value	Description
Independent Variable	Dependent Variable			
Life Satisfaction	Financial Behavior	0.228	0.080	Significant
	Financial Attitudes	0.056	0.673	Not Significant
	Financial Fitness	0.403	0.284	Not Significant

Financial attitude: Presented in Table 10 is the financial attitude of the respondents in ESSU Salcedo Campus. It could be noted that most of the employees have moderately favourable financial attitude comprising of 36.7%; 15 or 25.0% have less favourable financial attitude; 10 or 16.7% for highly favourable; 8 or 13.3% favourable and 5 or 8.3% not favourable.

This further implies that most of the respondents have moderately favorable attitudes towards finances. This simply means that the respondents find more satisfying of spending money than saving it for a long time. Likewise, they enjoy living for today rather than thinking for tomorrow's needs.

Financial fitness: It can be gleaned from Table 11 that 36.7% of the employees were financially independent, but 35.0% of the employees were found to be financially unhealthy. Likewise, 28.3% of the employees have been financially healthy. This further implies that the employees have to improve their financial plan and determine the personal net worth they want to have when they retire. This conforms to Colayco's (2012) idea that once an individual is financially independent, one has to choose the lifestyle he wants to maintain and estimate how much he will need every year to sustain his lifestyle.

Life satisfaction: As shown in Table 12, there were 31.7% employees who were moderately satisfied with their lives, 30.0% extremely satisfied, and 23.3% moderately satisfied. A small percentage of 8.3% of the employees was found to be slightly satisfied and only 3.3% was extremely satisfied with life. This study conforms to the citations of Diener (2012) that those who are highly satisfied love their lives and feel that things are going very well. Their lives are not perfect, but they feel that things are about as good as lives get. Further, he stated that with their high scores, life is enjoyable and the major domains of life are going well –work, school, family, friends, leisure and personal development.

Relationship between the Demographic Profile and Financial Literacy of the Employees

Table 13 reflects the relationship between demographic profile and financial literacy of the employees in ESSU Salcedo Campus. It was found out that the demographic profile such as age, sex, marital status, highest educational attainment, household family members, academic rank, monthly family income and length of working experience were not significantly correlated to financial literacy. Thus, the null hypothesis that there is no significant relationship between demographic profile and financial literacy was accepted. Results have shown that the demographic profile of the respondents has nothing to do with the financial literacy of the respondents. This indicates that Filipinos are not yet fully aware on the importance of financial aspect.

Relationship between Financial Literacy and Life Satisfaction

Table 14 depicts the relationship between financial literacy and life satisfaction of the employees. It could be noted that financial behaviour, of the employees were significantly correlated to life satisfaction with index of correlation of 0.228 and p-value of 0.080. Therefore, the null hypothesis formulated along this area is rejected Likewise, financial

attitude and financial fitness were not significantly correlated with the indices of 0.56 and 0.403 and with p-values of 0.673 and 0.284, respectively. Additionally, it implies that financial behavior, financial attitude and financial fitness have nothing to do with life satisfaction of the respondents.

Conclusion

Based on the findings revealed, the following conclusions were drawn:

Most of the employees of ESSU Salcedo Campus were dominated by married female in their middle age with low family income, highly experienced and masters degree holder. The demographic profile of the respondents, financial behaviour, financial attitudes and financial fitness have nothing to do with life satisfaction. The faculty have moderate behaviour, favourable attitude and financially healthy towards financial aspects. Furthermore, they were considered as highly satisfied with their life situations.

Recommendation

Based on the findings and conclusions, the following are recommended:

- Employees have to grab the opportunities in applying for scholarship grants in order to upgrade his academic rank and increase his monthly family income.
- Financial literacy program or awareness dissemination related to financial literacy be conducted to the employees.
- A wide scope of research involving other faculty from the different universities in Region VIII should be conducted to compare with and validate the findings of the study.

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