

Financial Literacy on the Socio-Economic Stability of Families in San Pedro Laguna

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Abstract— *The main purpose of this study was to determine the relationship between financial literacy and living condition and economic stability of the selected families in San Pedro, Laguna. Specifically, this study aimed to measure the level of financial literacy, the level of living condition, and the level of economic stability, also, to determine whether financial literacy of the respondents has a significant relationship to their living condition and economic stability. The descriptive method was used in the study to determine the relationship of financial literacy to the living condition and economic stability of the selected families. The sampling technique employed by the researcher in this study is a Quota sampling technique, the respondents in total were two-hundred and 10 (210) residents from the selected seven (7) barangays in San Pedro, Laguna. The instruments that were utilized for the study was a set of self-made survey questionnaires. The questionnaires were used to gather important and valid information that is crucial to the study. Based on the data analyzed, it was revealed that the respondents have a high level of financial literacy. It also showed that the respondents have a high level of living condition. In addition, it also showed that the respondents' level of their economic stability is High. Furthermore, financial literacy has a significant relationship with the living condition and economic stability of the families in San Pedro, Laguna. In the view of meticulous findings, the study had drawn the following conclusions: Both the living condition and economic stability of the families has a significant relationship with financial literacy based on the gathered data resulting in rejection of both null hypotheses, this concludes that the families in San Pedro are knowledgeable about managing their living condition in terms of income, health finances and more properly that leads to experiencing a better quality of life. Moreover, the families with better financial understanding and skills are more likely to maintain steady savings, manage debts effectively, and prepare for future financial needs. Strengthening financial literacy could therefore be a key strategy in promoting economic resilience and long-term security among households. Based on the findings and conclusions drawn from this study, the researcher would like to recommend the following: educational institutions may advocate for the inclusion of financial literacy in curricula making it a mandatory subject. Officials may advocate for living wage laws that guarantee all workers earn a minimum income sufficient to stay above the poverty line. Government entities may advocate for more straightforward health insurance options. Barangays may partner with financial institutions to offer savings plans with tax breaks or subsidies to encourage residents to save for healthcare needs. Barangays may provide investment education fit to help them understand how to raise capital for their businesses. Future researchers may use this study for further enrichment of their readings of a similar nature and further findings.*

Keywords— *Finance, Savings, Investment, Stability, Savings.*

I. INTRODUCTION

Each individual, especially those who want a steady and pleasant existence, tends to discover different methods for achieving that. Most, if not all, people desire a high-paying job to provide for their families, personal needs, and recreation, among other things, but various factors affects this kind of vision, still, even individuals who has a stable work life continuous to struggle managing their finances due to lack of knowledge in financial literacy.

Financial literacy is described in the research titled "Impact of financial literacy on financial well-being: a mediational role of financial self-efficacy" by Lone et al. (2022) as the capacity to comprehend fundamental economic and financial concepts necessary for the effective management of financial resources in order to attain financial well-being. To be financially stable is a life dreamt by many. Having money but not literate enough to use it creates a stagnant kind of life, though you may continue to live day by day, you miss out on improving it by not being financially literate.

Being financially illiterate paves the way for economic conflicts, such as insurmountable debt which leads people to do inappropriate or heinous acts which not only affects certain people in certain places but in a city wide, if not, nationwide scale, financially and politically speaking.

According to Corporate finance Institute Team (2023), our country is considered as a "third world" country due to reasons such as: (1) High rates of poverty, (2) economic/political instability, and (3) high mortality rates. According to The Philippine Statistics Authority (PSA), they provided a full set of report that was released with regards to the full year poverty statistics of 2023, the national poverty incidence in families was recorded at 10.9 percent which falls around 2.99 million families. Furthermore, in the same report, a family, consisting of five members, needs at least thirteen thousand, eight-hundred and seventy pesos per month to be able to buy themselves their essentials.

However, workers, specifically, minimum wage earners, earn, considering provincial rates, an average of four-hundred pesos daily (different provinces may differ in terms of the rates) in a month, that is approximately nine-thousand and six hundred pesos only, roughly four-thousand pesos short on the proposed income for some that may consider what a "stable life" is. Thus, the researcher wants to investigate the relationship of financial literacy with the living condition and economic stability of selected families in San Pedro, Laguna.

This research stands crucial for identifying the factors that constitute to the living condition and economic stability of families which can help create a more evident and transparent view of the livelihood and financial lives of individuals in San Pedro, Laguna, respectively.

1.1 Statement of the Problem

Problem/s which were addressed by the research

The purpose of this study was to find the relationship of financial literacy to the living condition and financial stability of selected families in San Pedro, Laguna.

Specifically, this sought to answer the following questions:

1. What is the level of financial literacy of the families in terms of:
 - 1.1 Financial awareness;
 - 1.2 Financial attitude;
 - 1.3 Financial skills; and
 - 1.4 Financial culture?
2. What is the level of living condition of the families in terms of:
 - 2.1 Education;
 - 2.2 Income;
 - 2.3 Health; and
 - 2.4 Environment quality?
3. What is the level of economic stability of the families in terms of:
 - 3.1 Budgeting;
 - 3.2 Personal Savings;
 - 3.3 Employment status;
 - 3.4 Debt management; and
 - 3.5 Investment knowledge?
4. Is there a significant relationship between financial literacy and the living condition of the families in San Pedro, Laguna?
5. Is there a significant relationship between financial literacy and economic condition of the families in San Pedro, Laguna?

II. METHODOLOGY

The descriptive method was used in the study to determine the relationship of financial literacy to the living condition and economic stability of the selected families. The sampling technique employed by the researcher in this study is a Quota sampling technique, the respondents in total were two-hundred and 10 (210) residents from the selected seven (7) barangays in San Pedro, Laguna. The instruments that were utilized for the study was a set of self-made survey questionnaires. The questionnaires were used to gather important and valid information that is crucial to the study.

III. RESULTS AND DISCUSSION

This part presents, analyzes, and interprets the data collected, highlighting a significant relationship between financial literacy on living condition and economic condition of the selected families in San Pedro Laguna.

Level of the Families' Financial Literacy

Understanding how money operates, including budgeting and investing, is part of financial literacy, which also involves making sound financial choices in order to meet your financial objectives. In this study family's financial literacy includes variables such as financial awareness, financial attitude, financial skills, and financial culture was treated statistically using mean and standard deviation.

TABLE 1. Level of Financial Literacy of the families in Terms of Financial Awareness

STATEMENT	MEAN	SD	REMARKS
I feel confident in my understanding of basic financial concepts (e.g., budgeting, saving, investing).	4.31	0.88	Strongly Agree
I believe that I received enough education on personal finance during my formal schooling.	3.88	0.98	Agree
I have a clear financial plan or budget that I follow regularly.	4.00	0.98	Agree
I feel comfortable making informed decisions regarding my personal finances.	4.13	0.75	Agree
I frequently use financial tools (e.g., budgeting apps, investment calculators) to manage my finances.	3.36	1.14	Agree
Weighted Mean	3.94		
SD	1.00		
Verbal Interpretation	High		

The data in table 1 shows an assessment of families' financial literacy, specifically in terms of financial awareness. The results are based on the mean and standard deviation.

With a weighted mean of 3.94 and a standard deviation of 1.00, the results indicate that families generally have a high level of financial awareness. They exhibit confidence in financial concepts, engage in financial planning, and feel comfortable making financial decisions. However, the relatively lower score on the use of financial tools demonstrates an area where financial literacy programs could focus to further strengthen financial awareness and management skills.

Results imply that there is a need for initiatives that encourage the adoption of digital financial tools to further enhance their financial literacy and decision-making effectiveness.

According to Holik et al. (2019), financial awareness isn't solely dependent on having significant wealth or a high income. No matter how much money a person earns, if they don't possess the skills to manage their finances properly, they'll struggle to meet their financial obligations and needs. Effective money management is crucial for financial stability, regardless of one's income level. One can manage their money by studying both the simple and complex methods of money management through various resources, such as books, financial coaches, and investors. Additionally, tools like stock traders and forex exchange platforms can provide opportunities to learn advanced strategies for wealth-building. Even basic financial hacks offered by content creators, who share tips on budgeting, saving, and reducing debt, can be immensely valuable for people looking to make smarter financial choices. By combining a variety of learning methods and staying informed, anyone—regardless of income—can

improve their financial literacy and set themselves up for long-term success.

TABLE 2. Level of Financial Literacy of the families in terms of Financial Attitude

STATEMENT	MEAN	SD	REMARKS
I believe that creating and sticking to a budget is essential for financial stability.	4.52	0.81	Strongly Agree
I value becoming financially independent and prefer managing my own finances rather than relying on others.	4.34	0.97	Strongly Agree
I sometimes make unplanned purchases, even if it slightly exceeds my budget.	3.65	1.09	Agree
I believe it is my personal responsibility to stay informed about my financial situation and manage my money wisely.	4.40	0.81	Strongly Agree
I believe setting long-term financial goals is crucial for achieving financial security.	4.33	0.80	Strongly Agree
Weighted Mean	4.25		
SD	0.95		
Verbal Interpretation	Very High		

The data in table 2 shows an assessment of families' financial literacy, specifically in terms of financial attitude. The results are based on the mean and standard deviation.

With a weighted mean of 4.25 and a standard deviation of 0.95 the results indicate that families generally have a very high level of financial attitude. The families generally show a strong and positive approach to managing their finances, with most demonstrating good habits like budgeting, saving, and planning. While the majority share this positive outlook, there are still some differences in how families handle their finances. These differences could be influenced by factors such as income, education, job stability, or where they live. Overall, the findings suggest that many families are on the right track financially.

From the studies of Anggraini et al. (2022) they suggest that individuals with a positive financial attitude are more likely to demonstrate responsible financial behavior, while those with a negative financial attitude often adopt poor financial habits. People with a strong financial mindset are typically more engaged in financial planning, including saving and managing their money effectively. In essence, a higher financial attitude generally leads to better financial behavior.

TABLE 3. Level of Financial Literacy of the families in Terms of Financial Skills

STATEMENT	MEAN	SD	REMARKS
I am skilled at setting financial goals and developing a clear plan to achieve them.	4.02	0.86	Agree
I am able to manage my credit score and use credit responsibly (e.g., paying bills on time, avoiding excessive debt).	3.86	1.06	Agree
I am able to prioritize my essential expenses based on my financial goals and needs.	4.04	1.06	Agree
I am skilled at controlling my spending and avoiding unnecessary purchases.	4.19	0.80	Agree
I am skilled at maintaining an emergency fund that can cover unexpected expenses or financial setbacks.	3.85	0.94	Agree
Weighted Mean	3.99		
SD	0.96		
Verbal Interpretation	High		

The data in table 3 shows an assessment of families' financial literacy, specifically in terms of financial attitude. The results are based on the mean and standard deviation.

With a weighted mean of 3.99 and a standard deviation of 0.96 the results indicate that families generally have a high level of financial Skills. It's very important that individuals, even families understand the concept of having skills in managing their finances, families aim for a long-term goal which is to being able to afford all their necessities and somehow, their wants for spoils.

Mishra (2019) explains that having strong financial skills not only helps people feel more confident in making decisions about their money, but it also enhances their ability to navigate financial challenges. This newfound confidence empowers individuals to focus more effectively on their financial well-being, allowing them to set and achieve long-term goals.

TABLE 4. Level of Financial Literacy of the families in Terms of Financial Culture

STATEMENT	MEAN	SD	REMARKS
My family has significantly influenced how I manage and think about money.	4.15	0.91	Agree
My friends and companions in various aspects influence my spending decisions, especially in social situations like celebrations.	3.32	1.13	Agree
Over time, financial matters have openly been discussed in our family, which has helped shape my knowledge about money	4.00	0.92	Agree
It is common in my culture for older generations to teach younger generations about managing money and financial responsibilities.	4.16	0.86	Agree
There are sufficient community resources (e.g., workshops, financial counseling) available to help people improve their financial literacy.	3.58	1.00	Agree
Weighted Mean	3.84		
SD	1.02		
Verbal Interpretation	High		

The data in table 4 shows an assessment of families' financial literacy, specifically in terms of financial attitude. The results are based on the mean and standard deviation.

With a weighted mean of 3.84 and a standard deviation of 1.02, the results indicate that families in San Pedro generally have a high level of financial Skills. However, it is noticeable that both utilizing money for celebration and having sufficient community resources to manage their finances falls short on result.

This is supported by Major (2021) in which he highlights that our financial culture and spending habits play a big role in our lives, since the choices we make with money impact everything from our future to our overall quality of life. It's important for both individuals and organizations to improve financial culture because those with better financial knowledge are more likely to avoid tough financial situations. However, for financial literacy programs to be effective, we need to understand the factors that shape how people manage money and make financial decisions. For financial literacy programs to be truly effective, it is essential to understand the various factors that shape how people manage their money and make financial decisions. People's financial behaviors are

influenced by a combination of personal, social, and environmental factors, such as their upbringing, education, cultural values, and even peer influences.

For example, individuals who grow up in households where financial discussions are common may be more comfortable with managing their own finances as adults. Conversely, individuals who have limited exposure to financial education may face challenges in understanding concepts like budgeting, saving, and investing. Additionally, broader societal norms and economic conditions—such as access to credit, the cost of living, and even social media trends—can also play a significant role in shaping an individual’s financial mindset and choices. These external factors often influence how people prioritize financial goals, approach saving, or justify spending behaviors, further reinforcing the dynamics of their financial culture.

Level of the Families’ Living Condition

Families living condition is the overall quality of life experienced by families. In this study families living condition includes variables such as education, income, health, and environment quality and was treated statistically using mean and standard deviation.

TABLE 5. Level of Living Condition of the Families in Terms of Education

STATEMENT	MEAN	SD	REMARKS
I have finished my studies from elementary to college	3.60	1.29	Agree
I was taught back in school, some lessons about financial literacy	3.89	1.02	Agree
I’ve learned back in school some topics about financial literacy	3.88	1.01	Agree
I have gained knowledge about financial literacy through different means like watching videos on the internet about financial literacy.	3.87	0.96	Agree
I obtained financial knowledge from the programs of our barangay.	3.26	1.23	Moderately Agree
Weighted Mean	3.70		
SD	1.14		
Verbal Interpretation	High		

The data in table 5 shows an assessment of families' living condition, specifically in terms of education. The results are based on the mean and standard deviation.

The findings shows that families maintain a strong educational background in financial literacy, as shown by a weighted mean of 3.70 and a standard deviation of 1.14. Respondents agree that they have completed formal education and received financial literacy instruction during their schooling, and they also report acquiring financial knowledge through alternative sources like online videos. However, the lower score for community-based programs indicates that local initiatives may need to be bolstered. This implies that while families have a solid foundation in financial literacy through formal and digital channels, enhancing community-level financial education could further improve their financial awareness. It’s very important for students to learn the very basics of handling finances for they will, in the future, be the ones who would be majorly involved in this kind of matter. Students would then grow and have families of their own, if equipped with the appropriate literacy in finance would have

much favorable life compared to people who had no opportunity to learn.

As Lusardi (2019) points out that financial education is crucial for improving financial literacy and preparing future generations. While many countries have started offering these programs in schools, colleges, and workplaces, global financial literacy is still low, which means something is missing. One important factor is that financial education needs to be customized for different groups, as a one-size-fits-all approach just doesn’t work. The most effective programs should understand the specific needs of their audience, focus on vulnerable groups, set clear goals, and use strong methods to evaluate how well they’re working. By evaluating progress through measurable goals, such as improved credit scores, the program can ensure it meets the specific needs of its audience effectively. For instance, a program designed for young adults may focus on building credit and student loan management, while a program targeting retirees could emphasize retirement planning and managing fixed incomes. Tailoring financial education in this way ensures that participants gain the most relevant skills for their current financial situations, enhancing the likelihood of lasting success. Regular assessments, such as participant surveys and financial outcome tracking, further refine these programs to better align with the evolving needs of different groups.

TABLE 6. Level of Living Condition of the Families in Terms of Income

STATEMENT	MEAN	SD	REMARKS
My income is enough to support my offspring/relatives in terms of education.	3.61	1.14	Agree
My income is enough to provide my family’s daily necessary needs.	3.65	1.08	Agree
My income is enough to buy nutritious food to keep me and my family healthy.	3.77	1.08	Agree
My income is enough, and it enables me to save up money for various purposes such as unplanned illness and more.	3.59	1.11	Agree
My income is sufficient to help me make investments.	3.39	1.19	Moderately Agree
Weighted Mean	3.60		
SD	1.13		
Verbal Interpretation	High		

The data presented in table 6 provides an assessment of families' living condition, specifically in terms of income. The results are based on the mean and standard deviation.

The findings show that families have a stable and sufficient income, as shown by a weighted mean of 3.60 and a standard deviation of 1.13. The respondents agree that they have enough income that enables them to acquire all their necessities like nutritious food, water, and many more. However, while their income is sufficient, it is not truly enough for them to make investments in various aspects such as business, insurance, stocks and more that would have allowed them to have the so-called passive income.

Gishkaeva et al. (2021) highlighted that solving one problem often means tackling another. Simply raising salaries for doctors and teachers, along with investing in equipment and other expenses, isn’t enough to improve education and healthcare services. While better pay is important, the overall efficiency of institutions plays a crucial role. Without

meaningful structural reforms, increased funding might backfire—for instance, higher wages could end up keeping unqualified staff in place rather than attracting fresh talent.

TABLE 7. Level of Living Condition of the families in Terms of Health

STATEMENT	MEAN	SD	REMARKS
I am financially prepared for medical emergencies.	3.62	1.09	Agree
I prioritize buying healthy food even if it is more expensive.	3.86	0.98	Agree
I have experienced financial difficulties due to unexpected medical expenses.	4.05	1.07	Agree
I sometimes delay medical check-ups or treatments due to financial constraints.	3.42	1.23	Agree
I have an insurance in case of health problems.	3.23	1.34	Moderately Agree
Weighted Mean	3.63		
SD	1.18		
Verbal Interpretation	High		

The data in table 7 shows an assessment of families' living condition, specifically, in terms of health. The results are based on the mean and standard deviation.

The findings show that families have a stable and sufficient income, as shown by a weighted mean of 3.63 and a standard deviation of 1.18. The respondents understand the value of health and that it shouldn't be considered as a least priority. The results showed that the families prioritize buying food that is good for their health regardless if it's expensive understanding that by eating healthier, they can prevent health-related concerns.

The writings of Asebedo (2017) shows that financial strain can be understood in two ways: objective realities and subjective perceptions. Interestingly, how individuals feel about their economic pressure tends to be a stronger indicator of declining mental health than their actual financial situation.

TABLE 8. Level of Living Condition of the families in Terms of Environment Quality

STATEMENT	MEAN	SD	REMARKS
My local environment provides sufficient access to financial education resources (e.g., workshops, seminars, online courses).	3.41	1.10	Agree
The economic conditions of my community have influenced how I manage and think about money.	3.59	0.90	Agree
Living in a low-income or high-income area can influence a person's financial literacy	3.90	0.95	Agree
The cost of living in my area has influenced my financial planning and decision-making.	3.55	0.94	Agree
With the rise of digital financial services like mobile banking and online investments, people in rural areas now have more access to financial tools that were once available only in cities.	3.83	0.98	Agree
Weighted Mean	3.65		
SD	0.99		
Verbal Interpretation	High		

The data in table 8 shows an assessment of families' living condition, specifically in terms of health. The results are based on the mean and standard deviation.

The findings show that families have a stable and sufficient income, as shown by a weighted mean of 3.65 and a standard deviation of 0.99. The respondents understand that

the environment where they reside also plays a crucial role in their financial lives.

Living in a well-developed area increases the chances of finding well-paying and stable job while areas such as underdeveloped towns and squatter areas lessens the chances of finding one. Still, one must manage his/her financial means to create a stable life, not only for himself or herself, but also for their families and relatives. Given that San Pedro resides near NCR and is considered as a city, bountiful jobs are up for grabs by the residents of San Pedro. Most stores and establishments that provide needs and wants in San Pedro utilizes digital payments for most transactions, emphasizing that the city continuous to develop both economically and technologically.

Heliani et al. (2022) emphasized that the environment is made up of various conditions and external factors that shape an organization's development. These elements influence behavior, growth, and overall life processes. In the context of this study, attention is given to both family and university environments.

The family setting plays a crucial role in shaping a child's early experiences, while the university environment provides a space for learning and personal growth. When considering environmental quality, factors such as access to green spaces, air quality, and overall living conditions can further impact an individual's well-being, cognitive development, and ability to reach their full potential.

Level of the Families' Economic Stability

Economic Stability is a situation where an economy is growing steadily without experiencing significant fluctuations or disruptions. In this study family's economic stability that includes variables such as budgeting, personal savings, statistically measured using mean and standard deviation.

TABLE 9. Level of Economic Stability of the families in Terms of Budgeting

STATEMENT	MEAN	SD	REMARKS
I understand the importance of creating and following a budget to ensure my family's financial stability.	4.44	0.69	Strongly Agree
I am confident in my ability to create a realistic budget that aligns with my financial goals.	4.11	0.85	Agree
I regularly create a budget to track my income and expenses.	4.01	0.84	Agree
I consistently follow my budget to avoid unnecessary expenses.	4.00	0.86	Agree
I find it challenging to stick to a budget due to unexpected expenses.	3.83	0.96	Agree
Weighted Mean	4.08		
SD	0.87		
Verbal Interpretation	High		

The data in table 9 shows an assessment of families' economic stability specifically in terms of budgeting. The results are based on the mean and standard deviation.

The results indicate that families exhibit a high level of economic stability in terms of budgeting, with a weighted mean of 4.08 and a standard deviation of 0.87. Respondents strongly agree on the importance of creating and following a budget for financial stability, demonstrating strong awareness of financial planning. They also express confidence in their

ability to create a realistic budget and regularly track their income and expenses. Additionally, they agree that they follow their budget to avoid unnecessary spending, though challenges arise due to unexpected expenses. The results imply that families are highly disciplined when it comes to budgeting, demonstrating a strong grasp of its importance for financial stability. However, the noted challenge of managing unexpected expenses emphasized a need to incorporate more flexible budgeting practices or establish emergency funds.

This aligns with the works of Peralta et al. (2024), they suggest that budgeting is a valuable tool for families to manage expenses and ensure financial stability. Keeping track of spending helps households determine whether they are living within their means and allows them to plan for future needs. For families, creating a budget can provide a clear picture of where their money is going each month, making it easier to prioritize essential expenses like housing, food, and education.

In today's economic climate, families often face difficult financial decisions, and understanding the long-term impact of these choices is crucial. In today's economic climate, families are often forced to make tough decisions about spending, saving, and investing, with limited resources. Understanding the long-term impact of these choices, such as how taking on debt or neglecting savings can affect future financial stability, is crucial for ensuring that families can build a secure and sustainable future.

Various budgeting methods, such as Zero-based and Incremental budgeting, are widely available and can be adapted to meet a family's unique financial situation, helping them maintain financial security and plan for unexpected expenses. For example, Zero-based budgeting encourages families to allocate every dollar to a specific expense.

TABLE 10. Level of Economic Stability of the Families in Terms of Personal Savings

STATEMENT	MEAN	SD	REMARKS
I know the proper way of saving money from what we earn.	4.06	0.89	Agree
My savings will allow me and my family to afford the things that I need even if I don't receive any income for a couple of months.	3.75	1.03	Agree
I am prepared to use my savings for investing on businesses that could make me money.	3.75	1.04	Agree
I save my money in banks because I believe that it is much safer.	3.51	1.19	Agree
Saving has a big impact on my life and my family's.	4.20	0.90	Agree
Weighted Mean	3.85		
SD	1.04		
Verbal Interpretation	High		

The data in table 10 shows an assessment of families' economic stability specifically in terms of personal savings. The results are based on the mean and standard deviation.

The results indicate that families exhibit a high level of economic stability in terms of personal savings, with a weighted mean of 3.85 and a standard deviation of 1.04. Respondents without a doubt agree that savings is a vital aspect of a family's economic life, it is imperative that as

parents, they must have savings for when it deems it necessary.

Base on the result by means of data gathering, most families in San Pedro are prepared for unexpected circumstances like the pandemic back in 2020 given that they have savings to support their daily needs. However, in terms of saving in physical banks, the results showed that most are reluctant and save their money through their own way.

According to Brochado's (2021) study, saving is seen as a wise financial habit that enhances the financial well-being of both individuals and households. While emergency or short-term savings help maintain purchasing power during economic disruptions, long-term savings enable individuals to sustain consistent spending over the course of their lives.

TABLE 11. Level of Economic Stability of the Families in Terms of Employment Status

STATEMENT	MEAN	SD	REMARKS
I feel financially secure given my current employment status.	3.70	1.06	Agree
I feel that having a stable job improves financial literacy and decision-making.	4.07	0.97	Agree
I actively budget my income based on my current employment status.	3.81	1.00	Agree
My ability to invest and grow wealth is affected by my job stability.	3.61	0.95	Agree
My employment benefits influence my long-term financial planning.	3.59	1.04	Agree
Weighted Mean	3.76		
SD	1.02		
Verbal Interpretation	High		

The data in table 11 shows an assessment of families' economic stability, specifically, in terms of employment status. The results are based on the mean and standard deviation.

The results indicate that families exhibit a high level of economic stability in terms of personal savings, with a weighted mean of 3.76 and a standard deviation of 1.02. Respondents believe that having a stable and well-paying job plus benefits allows them to develop their lives financially, having this kind of status creates a conducive and well-organized way of living, with not worrying about income, since having a job is a mean of active income, contrary to passive income, having confidence that you'll still have a job tomorrow puts their mind at ease.

In the case of the families, they know how to budget their money wisely to prevent economical conflicts such as debt and excessive loaning. Base on the result by means of data gathering, most families in San Pedro are prepared for unexpected circumstances like the pandemic back in 2020 given that they have savings to support their daily needs. However, in terms of saving in physical banks, the results showed that most are reluctant and save their money through their own way.

This is supported by the study of Simpson (2020). He highlighted that unemployment brings significant costs, impacting not just individuals but society and the country. The effects extend beyond financial challenges. A sustained period of unemployment might eventually result in rising disillusionment and mistrust. As this persists, unemployed

individuals may start to question the value of education and training, leading to a diminished belief in its benefits and at the same time creating a dilemma. This erosion of confidence can discourage future participation in skill development programs. It may also foster feelings of helplessness and a sense of being left behind by society. This attitude may lower overall motivation to return to the labor force in the long run. The cumulative effect can hinder not only personal growth but also broader economic recovery efforts.

TABLE 12. Level of the Families' Economic Stability in Terms of Debt management

STATEMENT	MEAN	SD	REMARKS
I am aware of how much to borrow/take a loan from people/banks.	4.08	0.88	Agree
I can pay our debt within the time agreed upon.	4.00	0.90	Agree
I can properly manage all my debt from different people/bank.	3.92	0.98	Agree
I am knowledgeable about the limitations of loaning money to people to manage my life to be stable.	4.01	0.85	Agree
Debt has caused me to be extremely depressed.	3.52	1.26	Agree
Weighted Mean	3.91		
SD	1.00		
Verbal Interpretation	High		

The data in table 12 shows an assessment of families' economic stability specifically in terms of debt management. The results are based on the mean and standard deviation.

The results indicate that families exhibit a high level of economic stability in terms of debt management, with a weighted mean of 3.91 and a standard deviation of 1.00. Respondents are aware of the pros and cons of loaning or borrowing money from certain entities. Parents knowing the limitations of when to make a loan or borrow money from certain entities allows them to handle their economic life and their families positively, them also, being able to pay off their debt within the agreed upon time of payment builds trust that gives way to more opportunities of borrowing or loaning.

According to a study by Bahovec et al. (2015), being deeply in debt can seriously jeopardize an individual's financial well-being, presenting a major challenge. High levels of debt are one of the factors that can influence financial behavior and lead to even more indebtedness. Similarly, Kotze and Smit (2008) found that when individuals face high debt and low personal savings, it becomes harder to create new opportunities for themselves.

The data in table 13 shows an assessment of families' economic stability specifically in terms of investment knowledge. The results are based on the mean and standard deviation.

The results indicate that families exhibit a high level of economic stability in terms of investment knowledge, with a weighted mean of 3.66 and a standard deviation of 1.05. Most respondents are very knowledgeable about the idea of investment as a mean of livelihood and financial security, the idea of investment secures not only their lives but also their families for the near future. Most of the respondents are also aware of the different ways of investing, for example, the MP2

savings of Pag-Ibig which provides members with the idea of saving their money and at the same time, earn high dividends. Given that San Pedro city resides in the first district, there are so many opportunities for them to choose from for their investing journey. However, it is noticeable that they might be knowledgeable about the idea of investment and are aware of different investment procedures and practices, the results show that it is not easy for them to invest in some businesses, factors like lack of financial resources risk tolerance, interest rates, inflation and many more continuously hinders them to do so.

TABLE 13. Level of Economic Stability of the Families in Terms of Investment Knowledge

STATEMENT	MEAN	SD	REMARKS
I know the proper way of investing our money from what we earn.	4.06	0.87	Agree
There are a lot of business and opportunities near us for us to invest in.	3.69	0.93	Agree
I already have an investment on a certain business/source of income.	3.37	1.20	Agree
It is easy for me to invest in businesses available for investing and the likes.	3.48	1.07	Agree
I am aware of the different investment strategies in the Philippines like the MP2 of Pag-ibig, Real estate and stocks.	3.71	1.03	Agree
Weighted Mean	3.66		
SD	1.05		
Verbal Interpretation	High		

TABLE 14. Test of Relationship Between Financial Literacy and The Living Condition of Families in San Pedro, Laguna

Financial Literacy		Living Condition of the Family			
		Education	Income	Health	Environment Quality
Financial Awareness	Pearson Correlation	.506***	.396***	.445***	.444***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001
	N	210	210	210	210
Financial Attitude	Pearson Correlation	.392***	.310***	.345***	.365***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001
	N	210	210	210	210
Financial Skills	Pearson Correlation	.404***	.489***	.513***	.548***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001
	N	210	210	210	210
Financial Culture	Pearson Correlation	.556***	.365***	.504***	.576***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001
	N	210	210	210	210

Note: *p<.05, **p<.01, ***p<.001

According to Awais et al. (2016), the investment decision-making process is highly significant and influenced by various factors that differ among individuals. People approach decision-making in distinct ways—some rely solely on personal judgment, while others consider multiple external influences. A comprehensive understanding of these influencing factors enables investors to make more informed choices, ultimately reducing uncertainty and mitigating potential losses. This highlights the importance of financial awareness and strategic decision-making in achieving optimal investment outcomes. Factors such as risk tolerance, market

conditions, and past experiences can shape an individual's investment approach, leading to diverse strategies even in similar market environments. Additionally, the growing availability of financial tools and resources, such as investment apps and educational platforms, allows investors to enhance their knowledge and refine their decision-making process, improving their chances of long-term success.

The results indicate that all dimensions of financial literacy such as awareness, attitude, skills, and culture are significantly and positively correlated with various aspects of living conditions including education, income, health, and environment quality since the ($p < .001$) for all relationship. This emphasize that families with higher financial literacy tend to enjoy better living conditions. Notably, the strongest relationships are seen between financial culture and both education and environment quality, implying that ingrained financial cultural practices might be especially influential in enhancing overall living standards. Additionally, robust correlations between financial skills and both income and health indicate that practical financial management plays a key role in promoting economic and personal well-being. Overall, these findings imply that initiatives aimed at improving financial literacy could have far-reaching benefits for the quality of life among families.

TABLE 15. Test of Relationship Between Financial Literacy and Economic Condition of Families in San Pedro, Laguna

Financial Literacy		Economic Condition				
		B	PS	ES	DM	IK
Financial Awareness	Pearson Correlation	.407***	.470***	.498***	.392***	.475***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	210	210	210	210	210
Financial Attitude	Pearson Correlation	.517***	.405***	.384***	.419***	.325***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	210	210	210	210	210
Financial Skills	Pearson Correlation	.596***	.567***	.569***	.502***	.542***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	210	210	210	210	210
Financial Culture	Pearson Correlation	.578***	.579***	.475***	.495***	.546***
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001
	N	210	210	210	210	210

Note: * $p < .05$, ** $p < .01$, *** $p < .001$

The results indicate that all dimensions of financial literacy such as awareness, attitude, skills, and culture are significantly and positively correlated with various aspects of economic condition including budgeting, personal savings, employment status, debt management and investment knowledge since the ($p < .001$) for all relationship.

Stronger correlations are particularly observed between financial skills and key economic practices such as budgeting, savings, and debt management. Additionally, a positive financial attitude and financial culture also contribute to improved economic conditions. These findings emphasize that enhancing financial literacy, especially practical financial

skills and fostering a strong financial culture, can significantly improve families' economic outcomes.

Overall, these findings imply that higher levels of financial literacy are closely linked to improved economic conditions. Specifically, enhancing practical financial skills and nurturing a positive financial culture could be particularly effective strategies for improving budgeting practices, increasing savings, ensuring stable employment, managing debt, and expanding investment knowledge among families.

IV. CONCLUSION AND RECOMMENDATIONS

In view of the aforementioned findings, the study has drawn the following conclusions: As families become more financially literate, they are better equipped to make wise financial decisions that support their daily needs, well-being, and overall stability. Promoting financial literacy, therefore, is essential for fostering healthier, more secure households, hence, proving that there is a significant relationship between financial literacy and living condition, leading to the rejection of the first hypothesis.

Moreover, families with better financial understanding and skills are more likely to maintain steady savings, manage debts effectively, and prepare for future financial needs. Strengthening financial literacy could therefore be a key strategy in promoting economic resilience and long-term security among households, thus, financial literacy has a significant relationship with economic stability, leading to the rejection of the second hypothesis.

Based on the findings and conclusions drawn from this study, the researcher would like to recommend the following:

Schools and Educational institutions may advocate for the inclusion of financial literacy in curricula starting at an early age, potentially making it a mandatory subject. This would equip young people with the necessary skills to manage their personal finances before they enter the workforce.

Government entities may advocate for more straightforward health insurance like Maxicare, Medicare EastWest healthcare as options and offer financial literacy resources to help individuals navigate these systems, ensuring they understand premiums, deductibles, and co-pays.

Government officials may advocate for sufficient wage laws that guarantees all workers earn a minimum income to stabilize their and alleviate the poverty line and help the poor families with regards to their financial situation. As to the local government units they may establish partnership with financial institutions to offer savings plan(s) with tax breaks or subsidies to encourage residents to save for healthcare needs. They may also create simple seminars with topics like the "50/30/20 rule of budgeting" and establish investment education programs that enables individuals to properly budget their supposed income/salary.

Future researchers may use this study for further enrichment of their readings of a similar nature and thus may strengthen further the findings of the present research undertaking. Furthermore, they may also utilize the variables that were used considering that all indicators and predictors were proven to provide a satisfying outcome for this study.

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