

REVIEW ARTICLE

ASSESSING FINANCIAL LITERACY IMPACT ON THE FINANCIAL BEHAVIOR OF GRADE 12 ABM STUDENTS OF A NATIONAL HIGH SCHOOL IN THE PHILIPPINES

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ARTICLE DETAILS

Article History:

Received 29 July 2024
Revised 26 August 2024
Accepted 18 September 2024
Available online 05 October 2024

ABSTRACT

This quantitative study assessed the impact of financial literacy on the financial behavior of Grade 12 ABM students of a National High School in the Philippines. The respondents of the study were 100 Grade 12 ABM students, selected based on a simple random sampling method. Financial literacy serves several crucial purposes like budgeting, investing, and debt management. Based on the findings, show that since the Department of Education institutionalizes and intensifies the integration of Financial Education in the K to 12 Basic Education Curriculum, it helps the students become more equipped when it comes to financial dealings. Grade 12 ABM students have a very high level of financial literacy. Financial literacy is a foundational knowledge base where practical skills are incorporated. Also, it was found that financial literacy can enhance student's skills and abilities to make more informed choices and ultimately lead to a very high level of financial behavior. As recommended, Grade 12 ABM students must continue gaining knowledge in financial literacy. They must enhance their capabilities to become more proficient, expand their competency, and improve their skills and knowledge which will result in positive financial behavior. Thus, the result of this study shows that Grade 12 ABM students have a reasonable level of financial literacy which impacts their financial behavior.

KEYWORDS

Financial Literacy, Financial Behavior, Financial Education, Impact

1. INTRODUCTION

Financial literacy is a crucial element in fostering a society of financially informed and responsible individuals, enabling them to make wise financial decisions, capitalize on financial opportunities, and attain financial well-being. The Office of Instruction has launched a comprehensive program to integrate financial literacy into the K to 12 curricula, in accordance with the provisions of RA No. 10922 and RA No. 10679, and in support of national and international development objectives. The primary objective of this initiative is to enhance learners' financial literacy and capability to make sound financial decisions, ultimately leading to financial well-being and financial responsibility (Siddiqui and Imtiaz, 2022). To achieve this, the program establishes standards and guidelines for effective teaching and learning of financial literacy concepts and core messages, aligned with relevant learning competencies across different learning regions and review levels. The program employs a range of teaching approaches, including constructivist, inquiry-based, intelligent, collaborative, and integrative learning methods, to cater to diverse learning needs. Moreover, it encourages teachers to be innovative, adaptable, creative, and inventive in their instruction and learning strategies, making financial literacy an integral part of lesson planning, classroom activities, school programs, and professional development.

For learners, this program aims to instill the value of money and resources with prudence and responsibility through real-life scenario-based examinations. It also seeks to develop learners' knowledge and capability to apply financial literacy concepts and core messages in practical circumstances through simulated real-life monetary settings. Financial

literacy is the knowledge of various aspects of personal finance and the ability to make smart money decisions. It includes preparing a budget, knowing how much to save, recognizing favorable loan terms, understanding what impacts credit, and distinguishing different investment options that can be used to save for retirement. The financial skills that come from financial literacy can help individuals handle their finances responsibly which, in turn, can help them protect the well-being of their financial futures.

Moreover, learners will be taught key financial concepts and skills on earning, saving, spending, budgeting, donating, investing, planning, consumer protection and entrepreneurship (Malipot, 2021). They will also learn and understand the value of money and resources, how they are acquired, how to plan and manage assets, and how to save and share (Llego, 2017). Learners will also be taught how to open a savings account and help manage their resources prudently, which helps them apply these concepts in real life – which is one of the policy's key objectives. When you are financially literate, you have the essential foundation for a smart relationship with money. This can help start a lifelong journey of learning about the financial aspects of your life. The earlier you start to become financially literate, the better off you'll be because education is the key to a successful financial future.

However, financial literacy has a crucial role on the financial behavior of individual. Financial behavior is an essential component of everyone's daily reality. Indeed, individuals must have sufficient and appropriate financial knowledge and skills to make well-informed financial decisions in both the short and long-term, such as executing financial transactions, borrowing, saving, investing and planning for retirement. The objective of

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DOI:

[10.26480/mmhj.03.2024.39.44](https://doi.org/10.26480/mmhj.03.2024.39.44)

this study is to assess the financial literacy impact on the financial behavior of Grade 12 ABM students. The level between financial literacy of Grade 12 ABM students in terms of budgeting, investing and debt management is studied as well as the level of their financial behavior. Although several studies have been conducted in the subject of financial literacy but not many have considered impact of financial literacy on financial behaviour. This paper helps to fill this gap.

2. LITERATURE REVIEW

This literature review synthesizes research on financial literacy and its relationship with financial behavior and well-being. Financial literacy and financial behavior are closely related among students. Financial literacy refers to the knowledge and understanding of personal finance concepts, including budgeting, saving, investing, and managing debt. Financial behavior, on the other hand, refers to the actions individuals take with their money, such as spending, saving, and investing.

When it comes to managing our finances, we often think we're being rational and logical. We make a budget, track our expenses, and try to save for the future. But despite our best efforts, we often find ourselves making the same financial mistakes repeatedly. Why is this? The answer lies in our brains. Financial behavior is deeply rooted in psychology, and understanding how our minds work can help us make better decisions when it comes to our money. Emotions play a significant role in our financial decisions. We often make choices based on how we feel, rather than on cold, hard logic. For example, when the stock market is volatile, we may sell our investments because we feel anxious or scared. Or, when we receive a bonus or inheritance, we may splurge on a luxury item because we feel happy and celebratory. This emotional connection to our money can lead to poor financial decisions. When we're not thinking clearly, we may overspend, undervalue assets, or neglect to save for the future.

Research has consistently demonstrated that financial literacy is a significant predictor of healthy financial behaviors among students. Studies have found that students who possess higher levels of financial literacy are more likely to engage in responsible financial practices. Financial literacy is defined as the knowledge, skills, attitudes, and behaviors necessary to make informed financial decisions and achieve individual financial well-being (OECD, 2020a). The concept of literacy has evolved over time, with information literacy becoming increasingly important in the digital age (Döring, 2020). Financial literacy empowers individuals with the information, skills, attitudes, and behaviors required to manage their finances effectively and reach their goals (Jayanthi and Rau, 2019). It provides education on financial concepts, risks, and decisions (Susanto et al., 2022).

Financial self-efficacy and financial literacy have been found to positively influence financial well-being by mediating financial behavior (Younas et al., 2019). However, research has also highlighted the alarming lack of financial literacy among millennials, the largest share of the American workforce, leaving them unprepared for a severe financial crisis (Bolognesi et al., 2020). In fact, even among those who reported having a high knowledge of personal finance, only 19% answered questions about fundamental financial concepts correctly. On a global scale, a study by Standard & Poor's (S&P Global Ratings) found that the Philippines ranked in the bottom 30 out of 144 countries surveyed, scoring only 25% in terms of financial literacy (Marquez, 2023). These findings underscore the importance of promoting financial literacy to ensure individuals make informed decisions and achieve financial stability.

Regardless of the amount of income one earns, effective management is crucial to achieving financial well-being. It is equally important to manage one's finances efficiently as it is to earn a sufficient income. However, making informed financial decisions and practicing effective management requires a certain level of financial literacy. Financial literacy, which encompasses knowledge and awareness about financial matters, significantly influences an individual's financial practices and decisions. In light of this, numerous studies have been conducted to investigate the relationship between financial literacy and various aspects of personal financial management, such as savings patterns, investment decisions, retirement preparedness, and estate planning, with the aim of promoting financial wellness among individuals (Meghana and Sarala 2020).

Financial decisions have a significant impact on an individual's quality of life, as every aspect of their daily activities is influenced by financial considerations. As a result, financial literacy is a concept that affects every person living in society, as it empowers individuals to make informed decisions about investments and consumption. Financial literacy involves having access to accurate information about financial matters and being able to make informed choices that align with one's goals and values

(Burku, 2020). It is a vital life skill that plays a crucial role in achieving financial security and individual well-being, economic growth, and sustainable development (Zaimovic et al., 2023).

Recent studies have highlighted the significance of financial literacy in promoting individual well-being and economic development. Research has consistently shown that Indians, in particular, exhibit low to moderate levels of financial literacy, underscoring the need for policy changes to improve education at all levels (Rani and Siwach, 2023). Financial literacy education is crucial from an early age and should be sustained throughout life, as it yields benefits not only for individuals but also for the public and students (Burku Özdemir, 2020).

A comprehensive conceptual framework has identified various predictors of financial literacy, including education, gender, and age, while also highlighting its effects on retirement planning and financial inclusion (Zaimovic et al., 2023). The growing body of empirical literature has demonstrated the impact of financial literacy on financial behaviors and outcomes, with randomized controlled trials evaluating the causal effects of financial education programs (Kaiser and Lusardi, 2024).

Collectively, these studies underscore the importance of financial literacy in enhancing individual financial decision-making and achieving broader economic goals. A vast and expanding literature corpus documents the significance of financial literacy and financial education. Over 7,000 publications in peer-reviewed academic journals have been indexed in the Social Science Citation Index (Clarivate Analytics) over the past fifteen years. In 2022 alone, there have been over 1,300 publications attracting more than twenty thousand citations.

The world of finance is intricate, yet it is crucial to develop a fundamental understanding of the significant role money plays in our daily lives, including work, social interactions, health, education, and more. Money management is a vital skill that should be introduced to students at an early age, as the knowledge they acquire may have a lasting impact. As noted by Barr and McClellan, life in higher education institutions and current financial needs are highly demanding (Barr and McClellan, 2018). Fortunately, recent studies have demonstrated the substantial impact of financial education in schools. For instance, Portugal made financial education mandatory in its civic education curriculum in 2018. Similarly, several states in the US have introduced legislation to incorporate financial education into high school curricula.

Research has consistently shown that financial education in schools is effective in improving financial knowledge and behavior, regardless of age group or country. A meta-analysis covering 33 countries across six continents found that financial education programs have a positive impact on both financial knowledge and behavior, with similar effects observed among young and old individuals (Urban et al., 2020). Moreover, studies have found that young adults who received financial education in high school are less likely to experience debt problems as they transition to adulthood (Urban et al., 2020). This highlights the importance of introducing financial education from an early age to familiarize students with financial management behaviors. The implication is that improving financial literacy among students requires collaboration and synergy from various stakeholders to make it a reality (Damayanti et al., 2021). Therefore, it is essential to prioritize financial education in schools to empower students with the skills they need to manage their finances effectively.

According to a comprehensive survey conducted by the World Bank in 2018, titled "World Bank Annual Report 2017", financial inclusion remains a pressing concern globally, with approximately half of adults worldwide lacking a bank account (Demircuc-Kunt et al., 2018). Furthermore, the survey revealed that only 48% of the population correctly answered 70% of financial knowledge questions, indicating a significant gap in financial literacy. The report highlighted that only three countries, China, Canada, and France, scored above average in terms of financial literacy. These countries demonstrated exceptional performance in individual tests, which were combined to form a composite score. In contrast, three other countries, Japan, Germany, and the United States, scored just above average, with Japan's high score attributed to its involvement with personal credit contracts and mortgages. Germany's high score was due to its high level of investment in stocks, while the US received high results due to its widespread use of formal financial products such as pensions, life insurance contracts, and stocks.

Despite this involvement in financial services, most households remain excluded from accessing these services. The importance of financial literacy has been extensively explored in studies on household financial decisions. Research has shown that connecting household finances to

psychology, economics, finance, and other disciplines is crucial for understanding consumer behavior. Many studies have focused on the circular income sources used by households, including employment, investments, pensions, and sales. Reviews of financial literacy construction and measurement often take a narrative approach due to the limited number of scientific studies on this topic. However, researchers have begun to explore specific themes and theories to better understand financial literacy and its impact on household financial decision-making. Any attempt to measure financial literacy must be done in a specific context, such as one specific theory or worldview.

Research has consistently shown that financial literacy is influenced by a range of factors, including financial situation, education level, and workplace activity (Smyczek, 2017). Additionally, language awareness, particularly in the context of multilingualism, has been identified as a crucial factor in literacy learning (Francis, 2019). A recent study by a group researcher found that approximately 1.4 billion adults worldwide, or 24% of adults, remain unbanked or without access to a financial account as of 2021 (Ansar et al., 2023). Notably, the demographics of these unbanked individuals closely mirror those with low financial literacy, as highlighted (Ansar et al., 2023). Specifically, women, poor adults, less educated adults, young adults, and those living in rural areas are more likely to be unbanked or have low financial literacy.

Furthermore, research has demonstrated that mental budgeting plays a vital role in improving financial well-being by positively influencing personal financial management and consumer budgeting behavior (Hoque, 2017; Chun, 2021). By adopting mental budgeting strategies, individuals can better manage their finances and make more informed financial decisions. Mental budgeting is also crucial to financial health, as individuals and households use cognitive operations to arrange and control their finances (Xiao, et al., 2018).

Investment decisions are essential for financial well-being, and financial literacy plays a critical role in individuals' decision-making process. Existing studies have shown that a lower level of financial literacy can lead to irrational financial decisions on investments, pension funds, savings, and debts (Xiao, 2020). While financial literacy is challenging to measure due to its qualitative nature, constructing appropriate measurement for financial literacy is vital for both market professionals and policymakers. Investment decision-making is a crucial factor in bridging the gap between mental budgeting and financial well-being, as highlighted (Chun and Johnson, 2021). Furthermore, financial literacy is essential for making informed investment decisions by enabling individuals to understand and analyze information (Ratnawati, 2022).

Research has identified several key elements that contribute to financial well-being through investment decision-making. One of the most significant factors is financial literacy, as demonstrated by who found that financially literate individuals tend to make better investment decisions and ultimately enjoy higher financial stability and well-being (Kamakia et al., 2018). Moreover, the importance of savings for households emphasizes the need for proper financial behavior in this field, which is influenced by the level of financial knowledge, proper financial skills, and financial awareness related to premises for and results of saving or lack thereof (Frączek, 2017). Financial knowledge and skills, as well as consciousness, experiences, and good habits, all favor making conscious (and often right) financial decisions in the field of saving and on proper financial behavior.

Studies have consistently shown that financially educated families are more likely to avoid problems such as excessive indebtedness and default, and accumulate more returns and wealth (Van Rooij et al., 2012; Deuffhard et al., 2019). Furthermore, financially educated entrepreneurs possess a broader understanding of financial instruments, accounting, and risks, enabling them to effectively communicate with prospective investors, thereby increasing business survival (OECD, 2018). Moreover, financial education can also assist investors in comprehending the real value of advice (Chauhan and Dey, 2020). Governments in both developed and emerging countries are concerned about the level of financial knowledge among young people and adults due to the growing complexity of the financial market. This concern is driven by the recognition that efforts are needed to improve financial knowledge levels to support economic growth and expand financial well-being (OECD, 2018).

According to recent studies, financial inclusion has been found to have a positive impact on financial resilience (Moore et al., 2019; Hussain et al., 2019; Swamy, 2019). Furthermore, research by suggests that individuals with higher financial knowledge scores tend to have more favorable financial attitudes and exhibit more desirable financial behaviors (Aydin and Akben, 2019). Notably, the study found that financial attitude is positively related to financial behavior. A critical examination of financial

education's impact on well-being suggests that it is crucial to shift focus from directional changes in financial behavior to welfare assessments and the quality of decision-making. Research by a most of researcher has shown that financial education does not necessarily improve choices in hypothetical choice experiments, while studies by have developed methods to evaluate the success of financial education interventions by considering choice errors in framed decision situations and welfare loss in hypothetical choice experiments, respectively (De Beckker et al., 2023; Ambuehl et al., 2022; Boyer et al., 2022).

This approach is appealing as it does not rely on normative assumptions about the optimality of consumer behavior change. Theoretical work by suggests that it may be optimal for consumers to do nothing, highlighting the need for approaches that evaluate treatment effects on heterogeneous consumers within a theoretical framework (Lusardi et al., 2017; 2020). However, there is a lack of connection between theoretical work and empirical impact evaluations, and no evidence on likely general equilibrium effects of financial literacy expansion. For instance, financial markets with shrouded add-on pricing may lead to financial education shifting markets to an equilibrium in which financial institutions discriminate between consumer types, resulting in consumers who remained financially illiterate paying higher prices (Ambuehl et al., 2022).

Theoretical arguments suggest that the welfare effects of education can be ambiguous or negative due to negative externality on naïve consumers (Lusardi et al., 2017; 2020). Moreover, there is limited research investigating the issue of spillover to untreated peers, and much remains to be learned about the impact of financial education on supply-side decisions (Hamdan et al., 2021). Research has consistently shown that financial literacy has a substantial direct impact on financial well-being, and it affects financial well-being by influencing financial behavior. According to a group researcher, financial literacy is a key factor in achieving prosperity and sustainable development, and it plays a crucial role in ensuring the financial sustainability of individuals, families, enterprises, and national economies (Swiecka et al., 2020).

Previous studies have also found that higher levels of financial literacy are associated with better financial behavior, which in turn leads to higher financial well-being (Delafronz and Paim, 2011). Furthermore, research has established that financial behavior, including financial decision-making and investment decisions, has a positive influence on financial well-being. Some researcher concluded that financial behavior is the link between expectations and financial well-being and that better financial behavior translates to better financial well-being (Delafronz and Paim, 2011). In summary, financial literacy is a critical determinant of financial well-being, as it influences financial behavior, which in turn affects financial well-being. By adopting good financial behavior and making informed financial decisions, individuals can improve their financial well-being and achieve long-term prosperity.

3. METHODS

The study assesses the financial literacy impact on the financial behavior of ABM students. It utilized a quantitative research approach, focusing on Grade 12 ABM students of a National High School in the Philippines. The independent variable was financial literacy and financial behavior, while the dependent variable was the grade 12 ABM students. Random sampling was used to select 100 respondents from ABM students of a National High School. The survey method was used utilizing a survey questionnaire as the primary data-gathering instrument. Overall, the study seeks to provide valuable insights into the experiences, perceptions, and engagement of Grade 12 ABM students regarding financial literacy and financial behavior.

4. THE DATA ANALYSIS

Data analysis provides the presentation of statistical data. The corresponding results and discussion of data are incorporated in this portion of the study.

Table 1 displays respondents' level of financial literacy in terms of budgeting, with an overall average mean value of 4.43. This shows and supports a very high level of financial literacy of grade 12 ABM students in terms of budgeting. As seen in an article, Financial Literacy: Impact on Budgeting financial literacy significantly impacts students when it comes to budgeting their money (Ania Mercadejas, 2023). It gives individuals the knowledge, skills, and confidence to make informed decisions about managing their finances effectively.

Table 1: Level of Financial Literacy Among Grade 12 Students in Terms of Budgeting

Statement	Mean	Description	Interpretation
1. I take an alternative route or mode of transportation that is less expensive.	4.70	Always	Very High Level
2. I bring pack lunch of food to save allowance.	4.13	Often	High Level
3. I compare prices before I spend money on food.	4.57	Always	Very High Level
4. I compare prices before I buy school supplies.	4.48	Always	Very High Level
5. I save 10% of my allowance every week.	4.26	Always	Very High Level
Overall	4.43	Always	Very High Level

Key to interpretation 4.21-5.00 (Very High Level) 3.41-4.20 (High Level) 2.61-3.40 (Moderate Level) 1.81-2.60 (Low Level) 1.00-1.80 (Very Low Level)

Students who take an alternate route or mode of transportation that is less expensive got the highest average mean of 4.70 with the description of "Always" and with a verbal interpretation of "Very High Level" financial literacy. Agunoy's research indicates that despite the acknowledged sustainability issues with public transportation, students find it more convenient and cost-effective compared to school-provided transportation services, which emphasize safety (Agunoy's, 2020).

While students who bring pack lunch of food to save allowance got the lowest average mean of 4.13 with the description of "Often" and with a

verbal interpretation of "High Level" financial literacy. Students did not bring packed lunches due to several factors. For some, it demands time and effort from parents or students, which can be overwhelming for those with tight schedules or limited resources. Others may miss out on social interactions during lunch, as they cannot join classmates buying food from the cafeteria. Additionally, students without access to refrigeration or microwaves struggle to keep their food fresh and warm, making it less convenient.

Comparing prices before spending money on food and buying school supplies got an average mean of 4.57 and 4.48 respectively with a verbal interpretation of "Very High Level" of financial literacy. Saving 10% of their allowances got an average mean of 4.26 with a verbal interpretation of "Very High Level" of financial literacy.

Table 2: Level of Financial Literacy Among Grade 12 Students in Terms of Investing

Statement	Mean	Description	Verbal Interpretation
1. I know why it is important to invest.	4.76	Always	Very High Level
2. I know the risks associated with my investment.	4.55	Always	Very High Level
3. I am knowledgeable on what are the returns of my investment.	4.51	Always	Very High Level
4. I consider myself a good investor.	4.10	Often	High Level
5. I can foresee what are the benefits that will add to my investment.	4.44	Always	Very High Level
Average	4.47	Always	Very High Level

Key to verbal interpretation 4.21-5.00 (Very High Level) 3.41-4.20 (High Level) 2.61-3.40 (Moderate Level) 1.81-2.60 (Low Level) 1.00-1.80 (Very Low Level)

Table 2 shows the highest mean response in the assessment of respondents' level of financial literacy in terms of investing stated in statement 1, with an average mean of 4.76. Since the statement got a "Very High Level" of financial literacy, this indicates that the students know why it is important to invest. On the other hand, considering themselves as good investors were rated lowest at an average mean of 4.10 with a verbal interpretation of "High Level". This implies that though students know the reason why it is important to invest, they do not consider themselves good investors. But, according to a study, you do not need to be a great investor to make lots of money (Brennan and Woerth, 2021). You just need to be a

good-enough investor. Once you're good enough you'll be able to ride an almost constant tailwind toward financial independence. Further, you will learn to no longer blow yourself up and lose all your progress.

Statement 2, which is knowing the risks associated with investment got an average mean of 4.55. While statement 3, stating that students are knowledgeable on what are the returns of their investment followed with an average mean of 4.51. Lastly, statement 5 stating that students foresee the benefits that will add to their investment got an average mean of 4.44. A verbal interpretation of "Very High" level of financial literacy in terms of investment was applied. Overall, the average mean score of 4.47 shows that grade 12 ABM students have a very high level of financial literacy in terms of investment.

Table 3: Level of Financial Literacy Among Grade 12 Students in Terms of Debt Management

Statement	Mean	Description	Verbal Interpretation
1. I know the commitment to lending money.	4.60	Always	Very High Level
2. I prefer a one-time payment rather than an instalment basis.	4.51	Always	Very High Level
3. I pay my borrowed money on time.	4.50	Always	Very High Level
4. I avoid lending money to my classmates.	4.15	Often	High Level
5. I believe that lending money is not a good practice.	4.11	Often	High Level
Average	4.37	Always	Very High Level

Key to verbal interpretation 4.21-5.00 (Very High Level) 3.41-4.20 (High Level) 2.61-3.40 (Moderate Level) 1.81-2.60 (Low Level) 1.00-1.80 (Very Low Level)

Table 3 displays respondents' level of financial literacy in terms of debt management with an overall average mean value of 4.37, with a description of "Always" and with a verbal interpretation of "Very High" level of financial literacy of grade 12 ABM students. Statement 1, indicating

that students know the commitment in lending money got the highest mean of 4.60 and with a verbal interpretation of "Very High" level of financial literacy. Statement 2, states that students prefer one-time payment rather than installment basis got an average mean of 4.51. Then, statement 3 which states that students pay borrowed money on time got an average mean of 4.50. On the "high level" of financial literacy falls statements 4 and 5. Statement 4 states that students avoid lending money with an average mean of 4.15. Statement 5 states that students believe that

lending money is not a good practice. In addition, statement 5 also got the lowest mean.

Table 4: Level of Financial Behavior Among Grade 12 Students

Statement	Mean	Description	Verbal Interpretation
1. Money is there to be spent.	4.17	Agree	High Level
2. I tend to live for today and let tomorrow take care of itself.	3.86	Agree	High Level
3. I am willing to risk my money.	3.69	Agree	High Level
4. I set long term financial goals and strive to achieve them.	4.69	Strongly Agree	Very High Level
5. Before I buy something, I carefully consider whether I can afford it.	4.60	Strongly Agree	Very High Level
6. I think I need to give the best of me so my family could have a better life someday.	4.81	Strongly Agree	Very High Level
Overall	4.30	Strongly Agree	Very High Level

Key to verbal interpretation 4.21-5.00 (Very High Level) 3.41-4.20 (High Level) 2.61-3.40 (Moderate Level) 1.81-2.60 (Low Level) 1.00-1.80 (Very Low Level)

Table 4 displays respondents' level of financial behavior, with an overall average mean value of 4.30, showing that grade 12 ABM students have a very high level of financial behavior. This supports the study, Financial Behavior of Abm Students as Indication of Their Financial Literacy (March 2022). ABM students are recognized as having relatively good to excellent financial behavior which likewise suggests a moderate to high financial literacy.

Statement 6, states that students strongly agree doing their best so that their family could achieve a better life in the future. This statement got the highest average mean of 4.81. This simply shows that students value their families. Students also strongly agreed that they set long-term financial goals and strive to achieve them. This results to an average mean of 4.69 and with a verbal interpretation of "Very High Level" of financial literacy. Statements 1, 2, and 3 got an average mean of 4.17, 3.86 and 3.69 respectively. It states a description that students agreed and with a verbal interpretation of the "High Level" of financial literacy. Statement 3 got the lowest mean of 3.69.

5. CONCLUSION

Based on the study, it is evident that financial literacy has a positive and significant impact on financial behavior. The study concluded that respondents had a very high level of financial literacy in terms of budgeting, investing, and debt management. A comprehensive understanding of financial concepts, including budgeting, investing, and debt management, is essential for improving financial behavior, ultimately leading to enhanced financial well-being. The study recommends that curriculum developers, educational supervisors, and school administrators should continue the Financial Education set by the Department of Education. Students must continue gaining knowledge in financial literacy. To achieve financial well-being, individuals are encouraged to prioritize the development of their financial literacy, cultivate effective mental budgeting habits, and exercise self-control in their financial decision-making processes. Thus, the result of this study shows that Grade 12 ABM students have a reasonable level of financial literacy which impacts their financial behavior.

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