

FINANCIAL LITERACY, ACUMEN, AND RETIREMENT PREPAREDNESS OF PUBLIC SCHOOL TEACHERS IN REGION 1: BASIS FOR PROJECT CARE

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ABSTRACT

This study investigated the relationship between the level of financial acumen and the financial and retirement preparedness of public-school teachers in Region I, Philippines. Utilizing a descriptive- correlational research design, the study surveyed four hundred (400) respondents across four Schools Division Offices. Data were collected through a comprehensive 94 - statement questionnaire covering capital health, health financing, retirement risk, and protection risk. The findings revealed a demographic profile predominantly composed of married females (78.0%) in their mid-career stages (31–40 years old). A critical discovery was the "Survival vs. Wealth Paradox": while teachers demonstrated a High level of Financial Acumen (Overall Mean = 3.56), particularly in short-term capital management and budgeting, their actual Financial and Retirement Preparedness was only Moderate (Overall Mean = 3.37). Alarming, 83.1% of the respondents are ensnared in a debt-dependency cycle, holding three to four concurrent loan portfolios. Furthermore, pre-retirement preparation was found to be Moderate (Mean = 2.95), with a significant deficiency noted in Psychosocial and Legacy Transition (Low, Mean = 2.37). Statistical analysis using Spearman's rho and Eta coefficients confirmed a highly significant positive relationship ($p = 0.000$) between financial acumen and retirement preparedness, specifically highlighting that advanced retirement knowledge is the strongest predictor of investment behavior. The study concluded that despite high educational attainment, educators remain structurally vulnerable to economic shocks due to systemic informational gaps and the "Action-Knowledge Gap." To address these vulnerabilities, the study developed Project CARE (Capital, Assets, and Retirement Empowerment), a localized intervention program. It recommends the institutionalization of early-career financial onboarding, debt-consolidation advisory services, and psychosocial retreats to transform teachers from debt-dependent employees into asset-building professionals, ensuring a dignified and self-sustaining retirement.

Keywords: Financial Literacy, Acumen, Retirement, Preparedness, Public School Teachers, Project CARE, Region I Philippines

INTRODUCTION

The pursuit of financial literacy and strategic investment behavior is widely recognized as a cornerstone of professional well-being and long-term security. Around the world, financial unpreparedness often leads to critical behavioral mistakes, where individuals fluctuate between

fear and overconfidence, complicating the ability to make sound investment choices (Schrott, 2024). This issue is particularly acute for educators, whose financial stability is a prerequisite for their effectiveness in the classroom. Without a strong foundation in risk management and portfolio diversification, professionals risk missing opportunities to build resilience and prepare for life after service (Blessie & Shreevarsha, 2025; Sengupta et al., 2023). Educators' capacity to sustain effective performance is often constrained by increased workload, socio-economic pressures, and contextual challenges, which collectively limit their ability to engage in long-term planning and sound decision-making (Soriano et al., 2025). The financial landscape for educators in Asia is defined by a paradoxical shift: while the region remains a global engine of economic growth, its teaching workforce is increasingly besieged by record-level private debt and systemic instability. As of 2025-2026, household debt-to-GDP ratios in nations like South Korea and Thailand have reached alarming heights, revealing a crisis rooted in deep-seated socio-cultural behaviors rather than simple personal mismanagement. In East Asian contexts, such as South Korea and Vietnam, the pervasive "Face" culture (Chem-myeon or Sĩ diện) exerts significant pressure to maintain a high-status public persona, often leading to "lifestyle creep" and "social investments" in luxury goods that stifle long-term wealth accumulation (Nguyen & Nguyen, 2024; Krungsri Research, 2025).

Conversely, in emerging Southeast Asian economies like the Philippines and Indonesia, financial struggles are frequently tied to predatory informal lending. Systems like the "5-6" method and unregulated fintech "payday" apps trap low-to-middle income earners in cycles of debt with annualized interest rates exceeding 240% (Rajkonwar, 2024; Respicio & Co., 2025; Digidito, 2024). These structural traps are further complicated by cultural values such as *Utang na Loob* (Debt of Gratitude), which acts as a "black tax," compelling professionals to prioritize extended family needs over their own emergency funds and personal equity (Dizon et al., 2024; Jumalon et al., 2023). The repercussions of these financial burdens extend into organizational productivity. In Singapore, 61% of workers report exhaustion, with financial stress cited as a primary source of anxiety, leading to "professional presenteeism"—a state where employees are physically present but cognitively disengaged (Employment Hero, 2024). This cognitive load is intensified in China's "4-2-1" family structure, where the "only-child" generation faces an irreplaceable obligation to support six dependents, often resulting in "burnout syndrome" where salary increases are immediately absorbed by medical and educational costs for relatives (Jiang & Sánchez-Barricarte, 2025; Qi & Guo, 2025). In the Philippines, public school teachers are hailed as the "backbone of the nation," yet they remain among the most indebted government employees. This systemic indebtedness has birthed the colloquial "London" culture (loan dito, loan doon), where educators cycle through loans to maintain liquidity (Casingal & Ancho, 2021). Despite legal mandates for a minimum Net Take-Home Pay (NTHP), many teachers regularly hit this floor, leaving zero disposable income for capital accumulation.

Furthermore, the Second Congressional Commission on Education (EDCOM II) identified that financial distress is intrinsically linked to overwhelming administrative workloads. Burdened with approximately 50 non-teaching tasks, educators suffer from a "cognitive bandwidth tax" that leaves little mental energy for personal financial planning (EDCOM II, 2023; IDinsight, 2024). While the Department of Education institutionalized financial education through DepEd Order No. 22, s. 2021, research suggests that high awareness does not automatically translate to sustainable habits (De Guzman & Reginalde,

2022). Implementation often remains superficial, failing to address the psychological transition required to move from theoretical knowledge to actual execution. Local findings in the Ilocos Region indicate that while teachers may be proficient in daily transactions, they remain critically unprepared for future investment risks (Jala, 2004).

Given these challenges, this study introduces the Project CARE (Capital, Assets, and Retirement Empowerment) framework. By examining the intersections of financial literacy, investment habits, and retirement planning, this research aims to identify specific gaps and propose practical, school-based solutions. The study proceeds on the premise that financial well-being is a fundamental requirement for professional success; educators who are financially secure are better positioned to lead, teach, and serve as role models for the next generation.

Statement of the Problem

The general problem of this study was to analyze the Financial Literacy, Acumen, and Retirement Preparedness of Public School Teachers in Region 1: Basis for Project CARE. Specifically, this study sought to answer the following questions:

1. What is the profile of teachers in public schools in Region 1 in terms of: age; gender; marital status; highest educational attainment; position; length of service; Schools Division Office; number of seminars and training attended related to financial literacy; monthly net take-home (NTHP); and existing loan portfolio (GSIS, PLIS, Cooperatives)?
2. What is the level of financial acumen of the teachers in public schools in Region 1 in terms of: capital management; health financing; retirement; and protection risk?
3. What is the level of financial and retirement preparedness of the teachers in public schools in Region 1, in terms of: goal setting and planning; saving and investment behavior; budgeting and spending habits; and contingency readiness?
4. What is the level of pre- retirement preparation of public-school teachers across the following domains: administrative & documentary compliance; digital literacy & system integration; financial exit strategy & debt management; psychosocial & professional transition; health & lifestyle safeguards?
5. What is the level of seriousness of the challenges encountered by the teachers in achieving economic acumen and financial stability, in terms of: individual and behavioral obstacles; structural and economic constraints; information and educational gaps; and socio-environmental pressures?
6. Is there a significant relationship between the level of financial acumen and the level of financial and retirement preparedness of the teachers in public schools in Region 1?
7. Is there a significant relationship between the level of financial acumen of the teachers in public schools in Region 1 and their profile variables?
8. Is there a significant relationship between the level of financial and retirement preparedness of the teachers in public schools in Region 1 and their profile variables?

9. Based on the findings, what localized financial intervention program can be proposed to enhance the financial wellness and retirement readiness of public-school teachers in Region 1?

Scope and Delimitations

This investigation evaluated the financial literacy, behavioral patterns, and long-term planning strategies of public-school educators within DepEd Region I to establish an empirical foundation for Project CARE. The scope of the research is strictly defined by two primary domains: Capital Health, which assesses immediate-to-medium-term behaviors such as cash flow management, debt dependency within APDS portfolios, and asset acquisition; and Retirement Preparedness, which measures the educators' grasp of pension systems, digital integration via platforms like GSIS Touch, and their psychosocial readiness for the transition out of service. Geographically and demographically, the study is localized to active-duty teachers, ranging from Teacher I to Master Teacher ranks, across the Schools Division Offices of Ilocos Norte, Ilocos Sur, La Union, and Pangasinan for the 2025–2026 academic year. This precise targeting ensures that the findings accurately reflect the regional socio-economic landscape and unique cultural pressures, such as the *Ilocano* saving culture vis-à-vis the *pasikat* and *utang na loob* phenomena.

To maintain internal validity, the research excludes private school teachers, state university instructors, non-teaching personnel, and already-retired educators due to their distinct compensation structures and retirement paradigms. Methodologically, the investigation is delimited to a descriptive-correlational design relying on self-reported quantitative survey data. Consequently, the research does not perform forensic audits of bank statements or GSIS ledgers, nor does it attempt to solve macro-economic issues like global inflation. Instead, it focuses exclusively on how individual teachers behaviorally respond to and prepare for these economic factors within their localized professional context.

Review of Related Literatures

The pursuit of financial literacy and strategic investment behavior is widely recognized as a foundational cornerstone for professional well-being and long-term security, yet a staggering number of individuals globally remain financially unprepared, frequently falling prey to behavioral mistakes driven by a volatile mix of fear, overconfidence, and a lack of risk management knowledge. According to Schrott (2024), this lack of robust financial literacy complicates sound investment choices, a problem that is particularly acute for educators whose personal financial stability is a prerequisite for their effectiveness in the classroom.

In the Asian context, these challenges are deepened by cultural expectations and economic systems, most notably the "Sandwich Generation" dynamic where teachers are squeezed between supporting aging parents and providing for dependent children, a burden that siphons off capital intended for their own futures. This struggle is further defined by a paradoxical shift: while Asia serves as an engine for global economic growth, its teaching workforce is increasingly besieged by record-level private debt and systemic instability rooted in deep-seated socio-cultural behaviors such as the East Asian "Face" culture (Chem-myeon or Sĩ diện) which necessitates high-status public personas and leads to "lifestyle creep," where luxury items are viewed as "social investments" rather than discretionary spending. In

emerging Southeast Asian economies like the Philippines, these struggles are tied to predatory informal lending like the "5-6" system and unregulated fintech apps, compounded by the cultural value of *Utang na Loob* (Debt of Gratitude) which acts as a "black tax," compelling professionals to prioritize extended family needs over their own equity accumulation.

Within the Philippines, public school teachers—the architects of the nation's future—find themselves caught in a cycle of systemic indebtedness colloquially known as "London" culture (loan dito, loan doon), where cumulative debts through the Automatic Payroll Deduction System reach hundreds of billions of pesos, often leaving educators with zero disposable income despite the legally mandated Net Take-Home Pay (NTHP) floor. This financial anxiety manifests as "professional presenteeism," where teachers are physically present but cognitively disengaged due to the "cognitive bandwidth tax" of overwhelming administrative workloads, leaving little mental energy for personal financial planning. To address these systemic gaps, this research introduces the Project CARE (Capital, Assets, and Retirement Empowerment) framework, building upon a review of related literature that distinguishes between simple literacy and true Economic Acumen. As Stanley and Danko (2016) established, high-status professionals often become "Under Accumulators of Wealth" (UAWs) because they consume income on immediate status symbols rather than compounding assets, a failure of behavioral control and emotional regulation that Housel (2020) argues is the root of financial fragility. Consequently, Capital Health is redefined here as a measure of "retained earnings" rather than salary, requiring a strategic shift from "cash-draining liabilities" to "cash-flowing assets" as posited by Kiyosaki (2017). The preservation of this health is hindered in the Philippines by the "Abono" culture, where teachers self-fund classroom needs, a practice that Republic Act No. 11997 (the "Kabalikat sa Pagtuturo Act") seeks to mitigate by institutionalizing a teaching supplies allowance. Furthermore, the Life Cycle Hypothesis (Mankiw, 2021) suggests that rational actors should "smooth" consumption over their lifetime, yet the literature reveals a stark "Action-Knowledge Gap" where even highly literate teachers fail to prepare for the "pension gap" and "medical inflation" that threaten their post-service years.

Effective retirement, therefore, is operationalized as a triad of Financial, Health, and Psychosocial Readiness, encompassing not only stable pensions and voluntary savings like the Personal Equity and Retirement Account (PERA Act) but also the proactive cultivation of a post-work identity to prevent "retirement anxiety" and the "identity shock" identified by Schwenck (2020). Despite institutional efforts like DepEd Order No. 22, s. 2021, high awareness has not translated into sustainable habits, highlighting the need for "entry-phase" interventions that leverage the time value of money and digital systems like GSIS Touch to protect against information isolation. Ultimately, this study synthesizes these global and local findings to justify a multi-pronged intervention that transforms educators from debt-dependent employees into asset-building professionals, ensuring that those who dedicate their lives to shaping the next generation can transition into a retirement defined by dignity, security, and a high "Return on Life."

Theoretical Framework

This section presents the theoretical foundation that underpins the study, offering a structured lens through which the research problem is examined. By anchoring the investigation in established theories and models, the framework guides the formulation of research questions, the interpretation of findings, and the overall direction of the study. It identifies key concepts, explains their interrelationships, and justifies their relevance to the research context.

Human Capital Theory, rooted in the seminal works of Gary Becker (1964) and Theodore Schultz (1961), posits that education, training, and knowledge are forms of capital that yield economic returns much like physical assets. In this study, financial literacy is conceptualized as a critical component of human capital. This theory underpins the variable of "Economic Acumen." It suggests that a teacher's ability to accumulate wealth (Capital) is not merely a function of their salary (Net Take-Home Pay) but is significantly determined by their level of financial knowledge and skill. If teachers invest in their financial education—understanding investment vehicles, debt management, and compound interest—they enhance their "allocative efficiency," allowing them to maximize limited resources and secure better economic outcomes.

While Human Capital provides the skill, the Theory of Planned Behavior (TPB) by Icek Ajzen explains the "missing link" between a teacher's knowledge and their actual behavior. TPB suggests that "saving for retirement" is determined by Intention, which is shaped by three factors: Attitude (the teacher's evaluation of retirement planning), Subjective Norms (social pressure from family or peers), and Perceived Behavioral Control (the teacher's belief in their power to manage debt). This theory is essential for explaining why a teacher may have high acumen but low preparedness due to overwhelming social obligations or a perceived lack of control over their loans.

Proposed by Franco Modigliani and Richard Brumberg (1954), the Life-Cycle Hypothesis serves as the foundational model for understanding savings behavior over time. The theory assumes that rational individuals plan their consumption and savings behavior across their entire lifespan to "smooth" consumption—saving during productive working years to support consumption during retirement. This theory is directly linked to the "Retirement" dimension of the Project CARE framework. It provides the standard against which teachers' behaviors are measured. Since public-school teachers have a predictable income stream and a fixed retirement age, LCH predicts they should be accumulating assets during their mid-career peak. Deviations from this model—such as the lack of voluntary savings or over-indebtedness late in their career—highlight the "preparedness gap" that this study seeks to measure.

While standard economic theories assume individuals are rational, Behavioral Economics and Finance—drawing from Daniel Kahneman and Amos Tversky's (1979) Prospect Theory and Richard Thaler's (1985) Mental Accounting—acknowledges that psychological influences and cognitive biases often lead to irrational financial decisions. This theory is crucial for explaining the "Health" dimension, particularly the "knowing-doing gap." It offers a theoretical explanation for the London (loan) culture and the prevalence of over-indebtedness among teachers. Concepts such as Hyperbolic Discounting (preferring immediate consumption via loans over future stability) and Herding Behavior (succumbing to peer

pressure/lifestyle inflation) help explain why teachers with adequate income still struggle with liquidity. It moves the analysis beyond "lack of money" to "behavioral management of money."

Developed by Amartya Sen (1985), the Capability Approach shifts the focus of wellbeing from merely possessing resources (income) to the actual freedom to achieve valued "functionings" (what a person can actually do and be). This theory broadens the scope of "Effective Retirement." It argues that specific economic acumen is only valuable if it translates into the capability to live a dignified life post-service. It frames retirement preparedness not just as a financial metric (how much money is in the bank), but as a holistic measure of well-being—encompassing health security, social participation, and the freedom from economic anxiety.

Conceptual Framework

Anchored on the premise that financial literacy, investment literacy, and retirement preparedness are essential components of a teacher's economic acumen, the conceptual framework illustrates the variables in this study which introduces the Project CARE. The project focuses on three core dimensions: capital health (savings, debt, and investments), financial literacy, and retirement planning. To systematically visualize the flow of the research, the study utilizes the Input-Process-Output (IPO) model, which provides a clear blueprint of how the respondents' baseline data were gathered, analyzed, and translated into an actionable program.

Input. The Input block represents the baseline data, independent variables, and dependent variables required to assess the financial landscape of the educators. It primarily consists of the demographic profile of the respondents, which includes personal and professional characteristics such as age, gender, marital status, highest educational attainment, position, length of service, Schools Division Office (SDO), number of financial seminars attended, monthly Net Take-Home Pay (NTHP), and existing loan portfolios. Furthermore, the input encompasses the core financial dimensions to be assessed, specifically the teachers' level of financial acumen across capital management, health financing, and retirement and protection risks; their level of financial and retirement preparedness regarding goal setting, saving behaviors, budgeting, and contingency readiness; and their pre-retirement preparation covering administrative compliance, digital proficiency, financial exit strategies, psychosocial transition, and health safeguards. Lastly, this block accounts for the specific challenges encountered by the teachers, categorized into individual or behavioral obstacles, structural and economic constraints, informational gaps, and socio-environmental pressures.

Process. The Process block encapsulates the systematic methodological and analytical procedures employed to bridge the gap between respondent data and the resulting intervention program. This stage initiates with the rigorous validation of the researcher-made instrument by subject matter experts, followed by the securing of administrative clearances from the Pangasinan State University and DepEd Region I. A hybrid data collection strategy—utilizing both digital platforms and physical distribution—is implemented to ensure comprehensive reach while maintaining strict ethical and data privacy protocols. The phase proceeds to statistical processing, utilizing descriptive tools (Frequency, Percentage, and Weighted Mean) and inferential analysis (Spearman Rank Order Correlation, Chi-Square, and T-tests) to establish relationships between economic acumen and preparedness. Finally, these results are

synthesized to identify critical gaps, serving as the empirical basis for the development of a Localized Financial Intervention Program.

Output. Finally, the Output block represents the ultimate objective and tangible product of the research. Driven by the synthesized findings from the process stage, the expected output is the development of a Localized Financial Intervention Program. This leadership-driven initiative is specifically designed to address the unique vulnerabilities identified in Region I. The program aims to enhance institutional support by establishing Financial Wellness Learning Action Cells (LACs) and forging strategic partnerships with financial institutions. Ultimately, this output seeks to empower public-school teachers to successfully transition from a state of debt- dependency to sustained capital health and holistic retirement readiness

METHODOLOGY

This part explains how the research problems were addressed. It covers the research design, procedures, participants, tools used, and how the data was analyzed.

Research Design

This study employed a descriptive- correlational research design, which, according to Polit and Beck (2004), is used to “examine the relationship between two or more variables without attempting to determine a causal connection.” This design is appropriate for the present study as it aims to both describe the level of economic acumen—including financial literacy, financial management practices, and retirement preparedness—among public-school teachers, and to analyze the relationships among these variables. By using this design, the study seeks to identify patterns and associations between teachers’ financial literacy, their capital health, and their retirement readiness, without manipulating any variables. It allows for a comprehensive understanding of how these constructs interact in real-world settings, particularly within the context of public education in the Philippines.

The data for this study were gathered from the public- school teachers from Region 1.

Respondents of the Study

The respondents of this study comprised 400 public elementary and secondary school teachers currently employed under the Department of Education (DepEd) in Region I. To ensure a balanced and geographically representative dataset, the sample was equitably distributed across the region’s four provinces, specifically involving 100 participants each from the Schools Divisions of Ilocos Norte, Ilocos Sur, La Union, and Pangasinan. This selection process was designed to capture a comprehensive demographic profile, encompassing a diverse range of age groups, teaching ranks, and years of professional service. By utilizing this structured distribution, the study ensured that the findings accurately reflect the varied socio-economic and professional circumstances of educators throughout the entire Ilocos Region.

Data Gathering Instruments

The data gathering procedure commenced with the researcher securing a formal endorsement from the Dean of the Pangasinan State University Open University Systems (PSU OUS). Upon receiving this institutional approval, an official letter of request was drafted and forwarded to the Office of the Regional Director of the Department of Education (DepEd) Region 1. This letter formally sought permission to conduct the study and distribute the research instrument among public-school teachers across the selected Schools Division Offices (SDOs) of Ilocos Norte, Ilocos Sur, La Union, and Pangasinan.

Following the approval and issuance of the endorsement from DepEd Region 1, the researcher coordinated directly with the respective Schools Division Superintendents and School Heads to respectfully seek their consent and logistical assistance in deploying the survey.

Once the administrative protocols were cleared, the researcher distributed the validated survey questionnaires to the target respondents. To ensure maximum participation and accommodate the varying geographical and technological circumstances of the teachers, a hybrid data collection method was employed. Data were gathered concurrently through digital and physical means: online surveys were deployed via Google Forms (disseminated through email and Messenger), while printed, hardcopy questionnaires were personally distributed and retrieved for respondents who preferred or required physical formats.

Prior to answering, all participants were provided with an informed consent form detailing the purpose of the study. The respondents were given ample time to complete the survey at their convenience to prevent disruption of their teaching duties. Throughout the entire process, strict adherence to data privacy protocols was maintained; respondents were assured that their participation was entirely voluntary and that all personal, financial, and demographic information collected would be treated with the utmost confidentiality and used exclusively for academic purposes. Upon the completion of the data gathering phase, all responses were systematically retrieved, collated, tallied, and prepared for statistical treatment and analysis.

Before the actual conduct of the study, the research instrument underwent a rigorous validation process to ensure its reliability and content validity. The questionnaire was submitted to five (5) subject matter experts in the fields of educational management and research. These experts evaluated the instrument based on its clarity, relevance, and alignment with the study's objectives. Their constructive feedback and suggestions were meticulously incorporated into the final version of the survey, ensuring that the items were appropriate for the target respondents.

Statistical Treatment of Data

The data collected in this study were analyzed using both descriptive and inferential statistical techniques to address the research questions effectively. To determine the levels of financial literacy, investment literacy, and retirement preparedness among the respondents, the weighted mean and frequency distributions were computed. These variables were measured using a Likert scale, which facilitated the systematic categorization and interpretation of the respondents' levels of knowledge and readiness.

Descriptive statistics, such as frequency and percentage distributions, were used to summarize the demographic profile of public-school teacher respondents in Region I, including age, sex, civil status, teaching rank, length of service, educational attainment, and monthly income.

The mean and frequency distributions were computed to determine the levels of financial literacy, investment literacy, and retirement preparedness among the respondents. The researcher were used a Likert scale.

All statistical analyses were conducted using appropriate software such as SPSS or Microsoft Excel, depending on the complexity and nature of the data.

SOP 1: Demographic and Socioeconomic Profile

To describe the personal and professional characteristics of the respondents (Age, Civil Status, SDO, Rank, etc.), Frequency and Percentage Distribution were utilized. This tool organizes raw data into a clear summary, illustrating the "count" of respondents per category and their relative proportion to the total population. For socioeconomic variables such as Monthly NTHP and Loan Portfolios, this distribution was highlighted the concentration of teachers across specific liquidity brackets.

SOP 2, 3 and 4: Level of Economic Acumen, Preparedness, and Pre- retirement Preparation

The Weighted Mean were utilized to determine the central tendency of the respondents' levels of acumen and preparedness. The results were be interpreted using a 5-point Likert Scale. To ensure the reliability of the mean scores, the Standard Deviation (SD) were computed to measure the dispersion or consistency of the responses. The results were interpreted using the 5-Point Likert Scale provided below. To interpret the Weighted Mean results for SOP 2 and 3, the following arbitrary scale were used. This scale translates numerical averages into qualitative descriptions of the teachers' financial status.

Table 1
The 5-Point Likert Scale Interpretation Guide

4.51-5.00	5	Strongly Agree	Very High (Highly Competent / Fully Prepared)
3.51-4.50	4	Agree	High (Competent / Prepared)
2.51-3.50	3	Moderately Agree	Moderate (Developing / Fairly Prepared)
1.51-2.50	2	Disagree	Low (Limited Competence / Underprepared)
1.00-1.50	1	Strongly Disagree	Very Low (Incompetent / Not Prepared)

SOP 5: Challenges Encountered in Financial Stability

To identify and prioritize the obstacles educators face, Ranking were used. This involves ordering the identified challenges (Individual, Structural, Informational, and Socio-environmental) by their selection frequency or mean scores. This provides a hierarchy of the most significant barriers to financial wellness.

SOP 6: Economic Acumen and Financial Preparedness

To determine by treating both as continuous variables—derived from the weighted means of their respective Likert scales—and applying the Spearman Rank Order Correlation. To answer this, you must analyze the resulting r-coefficient to determine the strength and direction of the relationship; for instance, a strong positive correlation would suggest that as a teacher's "Capital Management" knowledge increases, their "Saving and Investment Behavior" improves proportionally. The statistical significance is then tested at the 0.05 level. If $p < 0.05$,

the null hypothesis is rejected, providing empirical evidence that financial literacy is a significant predictor of retirement readiness. Conversely, if $p > 0.05$, the study may conclude that despite having high economic acumen, external pressures or behavioral biases prevent teachers from translating that knowledge into actual preparedness.

SOP 7 and 8: Relationship between Profile Variables and the Study's Core Constructs

Which focus on the relationship between profile variables and the study's core constructs, a sophisticated inferential approach is required to capture the interplay between multiple financial dimensions. For continuous profile variables such as Age, Length of Service, and Monthly Net Take-Home Pay (NTHP), the Spearman Rank Order Correlation, Point Biserial Correlation and Chi-Square Test for Independence is used to determine whether maturity, career longevity, or liquidity levels predict financial success. For categorical variables with only two groups, such as Gender, an Independent Samples T-test is applied to compare mean scores across the financial domains.

SOP 9: Proposed Localized Financial Intervention Program

Serves as the synthesis of the entire study, in which the statistical gaps identified in the previous questions are translated into a Localized Financial Intervention Program. This is not a mere list of recommendations but a structured framework—often presented as a Synthesis Table—that maps every significant "low mean" or "significant challenge" to a specific, actionable strategy. If the data shows a significant digital literacy gap in pre-retirement (SOP 4b) and a high debt portfolio in cooperatives (SOP 1j), the intervention program would specifically propose "Digital Financial Integration Workshops" and "Debt Consolidation and Restructuring Schemes" tailored for Region I. This ensures the proposed program is data-driven, addressing the unique socio-economic landscape of the teachers in the region rather than relying on generic financial advice.

RESULTS AND DISCUSSION

SOP #1: What is the profile of teachers in public schools in Region 1?

The demographic profile of public-school teachers in Region I reveals a predominantly female (78.0%) and married (61.5%) workforce, with 65.0% situated in their early-to-mid career stages, often facing the socio-economic pressures of the "Sandwich Generation." Despite a strong commitment to professional development—evidenced by the 67.8% who have pursued graduate studies—a systemic disconnect persists as 80.0% of the workforce remains in Teacher I-III positions regardless of their advanced units or tenure. Financial stability is severely compromised by a pervasive "London" culture of indebtedness, with 96% of respondents servicing at least one loan and 83.1% managing multiple concurrent portfolios, a cycle that frequently pushes monthly net take-home pay toward or below the statutory floor due to aggressive salary deductions. This vulnerability is further exacerbated by a significant "Knowledge-Action Gap," as 43.0% of educators have never attended financial literacy training, and even those with limited exposure continue to struggle with translating theoretical awareness into the behavioral discipline and economic acumen required to resist lifestyle inflation and escape long-term debt traps.

SOP #2: What is the level of financial acumen of the teachers in public schools in Region 1 in terms of: a. capital management; b. health financing; c. retirement; and d. protection risk?

Public school teachers in Region I exhibit a High Financial Acumen (Overall Mean: 3.56), characterizing a "Survival vs. Wealth Paradox". Educators demonstrate high proficiency in immediate, survival-oriented domains such as Capital Management (3.96) and Health Financing (3.81), effectively resisting the predatory "London" (loan dito, loan doon) debt culture and proactively building healthcare buffers. However, this acumen drops to Moderate regarding Retirement Risk (3.34) and Protection Risk (3.15), revealing a significant "Investment Literacy" gap. Driven by Hyperbolic Discounting, many teachers prioritize immediate debt relief over future insurance benefits, leaving their accumulated capital vulnerable to catastrophic loss. This "Action-Knowledge Gap"—the struggle to translate intellectual capacity into long-term strategic vehicles—serves as the primary empirical justification for the specialized modules of Project CARE.

SOP #3: What is the level of financial and retirement preparedness of the teachers in public schools in Region 1, in terms of: a. goal setting and planning; b. saving and investment behavior; c. budgeting and spending habits; and d. contingency readiness?

The assessment of financial and retirement preparedness among public-school teachers in Region I reveals an overall Moderate level of preparedness (Mean: 3.37), signaling a critical "Action-Knowledge Gap" between cognitive understanding and behavioral execution. While educators excel in Budgeting and Spending Habits (Mean: 3.71)—the only domain to achieve a High rating—their tactical success in managing daily cash flow is frequently threatened by "lifestyle inflation" and social posturing. Conversely, Savings and Investment Behavior (Mean: 3.06) represents the lowest level of preparedness, characterized by a "pension reliance" mindset where teachers hoard cash rather than acquiring the productive assets necessary to become wealth-builders. This vulnerability is further compounded by "Planning Stagnation" in goal setting (Mean: 3.43) and "Defensive Fragility" in contingency readiness (Mean: 3.29), leaving many without a documented roadmap or the emergency funds required to withstand liquidity shocks and "Sandwich Generation" obligations. Ultimately, this paradox of "surviving the present while neglecting the future" justifies the need for Project CARE to translate high acumen into the behavioral discipline required for a dignified retirement.

SOP #4: What is the level of pre- retirement preparation of public-school teachers across the following domains: a. administrative and documentary compliance; b. digital literacy and system integration; c. financial exit strategy and debt management; d. psychosocial and professional transition; e. health and lifestyle safeguards?

The assessment of pre-retirement preparation among public school teachers in Region I reveals a workforce navigating a complex transition with an overall Moderate preparation level (Mean: 2.95), indicating that while educators are bureaucratically capable, they remain strategically and psychologically unready for post-work life. Teachers exhibit their highest readiness in Administrative and Documentary Compliance (Mean: 3.36), reflecting a strong "Compliance Culture" in maintaining service records; however, a "compliance bottleneck" often emerges regarding time-sensitive requirements, such as formal letters of intent to retire. This effort is shadowed by "Digital Fragility" (Mean: 3.16), where most teachers possess basic credentials for platforms like GSIS Touch but lack the functional mastery to independently

compute benefits or monitor transactions, leaving them vulnerable to information isolation. The most critical vulnerabilities are found in Financial Exit Strategy and Debt Management (Mean: 2.71), which yielded the lowest quantitative score and exposed a state of "debt-blindness" where unresolved liabilities from the "London" culture risk a catastrophic "pension shock" upon exit.

Preparation in Health and Lifestyle Safeguards remains reactive (Mean: 3.13), with many teachers unaware of PhilHealth Lifetime Member status or failing to establish dedicated medical funds. Most alarmingly, Psychosocial and Legacy Transition recorded the lowest overall preparation (Mean: 2.37), reflecting a state of "Transition Paralysis" where educators fail to plan for the emotional "identity shock" of leaving the classroom. Collectively, these findings portray a workforce in need of "Actualized Freedom," providing the empirical justification for the specialized, localized interventions of Project CARE.

SOP #5: What is the level of seriousness of the challenges encountered by the teachers in achieving economic acumen and financial stability, in terms of: a. individual and behavioral obstacles; b. structural and economic constraints; c. information and educational gaps; and d. socio-environmental pressures?

The hurdles facing public school teachers in Region I represent a "perfect storm" of interconnected challenges with an overall seriousness rating of Moderately Serious (Mean: 3.09). This systemic barrier results from an "Action-Knowledge Gap," where educators prioritize immediate gratification over long-term security due to Hyperbolic Discounting. This behavioral inertia is compounded by a "Technical Literacy Void" and "Pension Blindness," leaving many uncertain about their post-service purchasing power. These individual obstacles are locked in by Structural Constraints—specifically the Automatic Payroll Deduction System (APDS) and easy access to high-interest credit—creating a persistent "Debt Trap". Finally, socio-environmental pressures, such as "Sandwich Generation" obligations and cultural norms like *Utang na Loob* and *Pasikat*, treat teacher salaries as communal resources, acting as a "hidden tax" on personal equity. Together, these forces create a "Structural Ceiling" that necessitates the localized, targeted interventions of Project CARE to address the psychological and systemic roots of educators' economic lives.

SOP #6: Is there a significant relationship between the level of financial acumen and the level of financial and retirement preparedness of the teachers in public schools in Region 1?

The study identifies a highly significant positive relationship between financial acumen and retirement preparedness (Mean Correlation: $r_s = .797$), providing empirical validation of Human Capital Theory. The most profound connection exists between retirement knowledge and actual Saving and Investment Behavior ($r_s = .792$), suggesting that overcoming "pension blindness" is key to closing the Action-Knowledge Gap. While a strong relationship also links health literacy to Contingency Readiness ($r_s = .652$ to $.701$), correlations in Capital Management ($r_s = .403$ to $.465$) and Protection Risk ($r_s = .283$ to $.542$) remain moderate to weak. These lower scores reveal a "Safety Trap" of risk aversion that necessitates specialized technical training. Ultimately, the data proves that financial readiness is a learned capability rather than a result of income or luck, justifying Project CARE as a critical intervention to disrupt the "London" culture and ensure a self-sufficient retirement.

SOP #7: Is there a significant relationship between the level of financial acumen of the teachers in public schools in Region 1 and their profile variables?

The analysis of teachers' profile variables indicates that financial acumen is a learned capability rather than a byproduct of demographic status or geographical location. The study reveals that deliberate exposure to structured training is the single most effective catalyst for elevating economic intelligence across all domains, proving that financial skill is a professional competency that can be systematically developed. While professional maturity—characterized by higher age, administrative rank, and advanced educational attainment—selectively improves retirement and risk knowledge through heightened "allocative efficiency," these variables show no significant relationship with daily capital management or health financing. Critically, the research debunks the "income-acumen myth" by proving that Monthly Net Take-Home Pay (NTHP) and marital status have no correlation with financial intelligence, suggesting that a higher salary does not inherently guarantee better money management skills.

Furthermore, the finding that a teacher's Schools Division Office (SDO) and existing loan portfolio have minimal influence on cognitive capacity emphasizes the systemic, profession-wide nature of financial challenges within the Department of Education. Ultimately, these results provide the empirical foundation for Project CARE, establishing a clear mandate to transition from generic seminars to an institutionalized professional development program that closes the "Technical Literacy Void" regardless of an educator's current career stage or financial standing.

SOP #8: Is there a significant relationship between the level of financial and retirement preparedness of the teachers in public schools in Region 1 and their profile variables?

The examination of profile variables reveals that actualized financial behavior is driven primarily by professional maturity and intentional education rather than geographical location or absolute income levels. The number of financial literacy seminars attended serves as the most consistent predictor of preparedness, proving that financial readiness is a learned professional competency that must be intentionally cultivated. While age and rank align with the Life-Cycle Hypothesis—showing increased saving and investment as careers progress—older educators often exhibit a decline in daily budgeting rigor, suggesting a "wealth illusion" or increased reliance on fixed benefits. Significantly, the study debunks the link between income and readiness; the lack of correlation with Monthly Net Take-Home Pay (NTHP) confirms a "Survival vs. Wealth Paradox," proving that financial stability is a behavioral and educational issue rather than an income deficit. Because these behavioral bottlenecks are systemic across all Schools Division Offices (SDOs), the findings justify a unified regional intervention through Project CARE.

SOP #9: Based on the findings, what localized financial intervention program can be proposed to enhance the financial wellness and retirement readiness of public-school teachers in Region 1?

Project CARE (Capital, Assets, and Retirement Empowerment) is a comprehensive strategic framework designed to transform the financial trajectory of public-school teachers in Region I from a state of systemic debt-dependency into one of sustainable asset empowerment. Recognizing that many educators are currently caught in a cycle of "survival finance"—evidenced by a staggering 83.1% loan prevalence and a heavy reliance on fixed government

pensions—the project moves beyond traditional financial literacy to focus on wealth architecture and administrative agency. This transition is achieved through localized, career-stage-specific interventions that address the specific economic and psychosocial gaps identified within the teaching workforce.

The framework is built upon several core strategic pillars, starting with "Debt-Cure" push-in sessions integrated into school-based Learning Action Cell (LAC) meetings to offer one-on-one debt consolidation coaching and ensure Net Take-Home Pay remains above mandatory thresholds. To prevent future cycles of indebtedness, the "First Check" onboarding program institutionalizes investment ethics and automated savings for newly hired personnel within their first month of service. Furthermore, the project addresses the "survival vs. wealth paradox" through Advanced Asset Management workshops, encouraging teachers to transition from passive savers to active investors by utilizing high-yield vehicles such as the Personal Equity and Retirement Account (PERA), mutual funds, and cooperatives. Beyond purely fiscal metrics, Project CARE prioritizes holistic well-being through "Beyond GSIS" retreats for psychosocial support and Digital Mastery Workshops to mitigate "technostress" using platforms like GSIS Touch. By enabling real-time benefit computations and record monitoring, the project effectively eliminates administrative friction and information isolation. The long-term viability of the initiative is secured through a proposed Regional Memorandum to integrate financial wellness into the official Individual Performance Commitment and Review Form (IPCRF) and a decentralized "Training of Trainers" model involving Master Teachers as district-level Wellness Leads. Ultimately, Project CARE seeks to institutionalize a permanent culture of financial resilience, ensuring a dignified and self-sufficient retirement for the region's educators.

SUMMARY

The analysis of the gathered data reveals a profound narrative concerning the financial lives of public-school teachers in Region I, characterized by a complex interplay between high academic attainment and systemic economic vulnerability. The profile of the 400 respondents depicts a predominantly female (78.0%) and married (61.5%) workforce, with a significant majority situated in the early-to-mid career stages. While these educators are intellectually driven—with nearly 68% possessing graduate-level units or degrees—this academic excellence has not yet translated into financial freedom. Instead, a pervasive "debt-dependency" culture defines the landscape, with a staggering 83.1% of teachers maintaining multiple concurrent loan portfolios, often leaving them with limited disposable income despite the fact that 36% earn above ₱20,000 monthly. A critical "Survival vs. Wealth Paradox" emerges from the assessment of financial acumen. Teachers demonstrate a High level of acumen (3.56) in immediate, survival-oriented domains, such as Capital Management and Health Financing. They are cognitively adept at distinguishing between assets and liabilities and show a robust defense against predatory lending. However, this confidence dissipates when addressing long-term strategic variables; acumen levels drop to Moderate regarding retirement and protection risks.

This suggests that while educators are skilled at surviving the present, they remain structurally and cognitively exposed to the "pension shocks" and wealth erosion that can occur post-service. This cognitive gap is further reflected in the teachers' actual behaviors. While they

exhibit High preparedness in Budgeting and Spending Habits (3.71), their overall preparedness is only Moderate (3.37). The lowest scores are found in Savings and Investment Behavior (3.06), highlighting a persistent "Action-Knowledge Gap" where teachers are proficient "savers" but fail to become "wealth-builders." This lack of preparation is most acute in the pre-retirement phase, where Psychosocial and Legacy Transition recorded a Low score of 2.37. This indicates that educators are so deeply entrenched in their professional identities that they lack the "exit bandwidth" to plan for the emotional and social shifts required after leaving the classroom.

The study identifies that the hurdles to financial stability are "Moderately Serious," driven primarily by Information and Educational Gaps and Structural Constraints. Statistical analysis proves that financial readiness is a learned capability rather than a result of income or marital status; the number of financial literacy seminars attended is the most consistent predictor of both acumen and preparedness. Interestingly, as teachers age, their theoretical knowledge of retirement grows, but their daily budgeting discipline tends to decline, suggesting a "wealth illusion" as they near the end of their service. Ultimately, these findings serve as the empirical justification for Project CARE (Capital, Assets, and Retirement Empowerment). By targeting the identified gaps—specifically the high debt density, moderate investment habits, and low psychosocial readiness—this localized intervention seeks to transform the educator's journey. Through strategic debt consolidation, proactive financial onboarding for new hires, and psychosocial retreats for retirees, Project CARE aims to ensure that those who dedicate their lives to shaping the nation's future can transition into a retirement defined by dignity, security, and a high Return on Life.

CONCLUSIONS

The economic landscape of public-school teachers in Region I is defined by a "Survival vs. Wealth Paradox," where educators with stable careers and advanced degrees remain entrenched in systemic over-indebtedness. While they possess the tactical discipline for daily budgeting and short-term survival, this proficiency has not translated into cumulative wealth, leaving the workforce financially fragile and vulnerable to long-term retirement and protection risks.

Beyond fiscal metrics, a critical psychosocial vacuum exists as teachers often lack the emotional and social preparation required to navigate the loss of professional identity during retirement. Because these barriers are primarily systemic—rooted in a lack of specialized knowledge regarding complex investments and pension mechanics—financial stability must be treated as a learned skill cultivated through deliberate, localized professional development. Ultimately, targeted interventions are necessary to successfully shift educators from a state of debt-dependency toward sustained, long-term asset building.

RECOMMENDATIONS

To transform the financial trajectory of educators in Region I, the Department of Education must transition from sporadic advice to institutionalizing a comprehensive economic ecosystem. This evolution begins by integrating Early-Career Financial Onboarding into the Teacher Induction Program to disrupt debt normalization from the start of service, reinforced

by professional development credits for financial wellness certifications. At the school level, the gap between survival and wealth is bridged through Financial Wellness Learning Action Cells (LACs), providing a peer-supported environment that facilitates a mindset shift from mere budgeting toward active asset accumulation and protection.

The strategy further advocates for a Continuous Financial Curriculum delivered through strategic banking partnerships to provide objective debt consolidation and secure investment platforms. These interventions are age-segmented, focusing on aggressive debt management for new hires and capital preservation for senior educators. Finally, the retirement process requires a profound overhaul through Psychosocial Transition Programs that address the emotional "identity shock" of leaving the service. The formal adoption of Project CARE serves as the localized roadmap for this entire evolution, transitioning the teaching force from debt-dependency to a state of sustained, long-term asset building and a dignified post-service life.

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