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THE FINANCIAL LITERACY OF BALIUAG UNIVERSITY COLLEGE OF BUSINESS ADMINISTRATION AND ACCOUNTING STUDENTS: ITS IMPACT ON FINANCIAL ATTITUDES AND PRACTICES

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Abstract

Being financially literate is a big challenge among many Filipinos. The Philippines ranked second lowest among ASEAN countries in a survey on financial literacy (Mendez, 2015). Thus, this study aims to measure the influence of financial literacy in terms of students' attitudes and practices in handling their personal finances. It was conducted among eighty-three (83) respondents from the College of Business Administration and Accountancy (CBAA) of Baliuag University. A self-report questionnaire was administered to measure their knowledge and familiarity with financial concepts, as well as their attitudes and practices in handling personal finances. To test the hypotheses stating that financial literacy does not significantly predict financial attitudes and financial practices, two separate simple linear regressions were run using financial behaviors under two categories—financial attitudes and financial practices—as criterion variables. Findings of the study indicate moderate levels on measures of financial literacy, financial attitudes, and financial practices. The predictive impact of financial literacy on financial attitudes was found to have a significant result. Financial literacy strongly influences attitudes pertaining to managing one's finances.

Keywords: financial literacy, financial attitudes, financial practices, financial behavior

The development and breakthroughs in financial services is an advent to the so-called financial literacy (FL). There are numerous definitions of financial literacy. Mandell (2009) describes it as an application of both what a person knows and the skills he/she acquired in effectively handling the financial resources for financial security. In its simplest term, online search engine defined financial literacy as the possession of knowledge and understanding of financial matters in connection with personal finance matters. It often entails the knowledge of appropriately making decisions pertaining to certain personal finance areas like real estate, insurance, investment, saving methods (especially for college), tax planning, and retirement. It also involves intimate knowledge of financial concepts like compound interest, financial planning, mechanics of a credit card, advantageous savings methods, consumer rights, time value of money, etc. (Investopedia, n.d.).

Financial literacy is a long-time discussion in the US and in other advanced countries. It is seriously considered as an important policy objective in many countries. Organization for Economic Cooperation and Development (OECD), in fact, even made a claim that they did the first major study of financial education at the international level having an objective of "contributing to the development of consumer financial literacy by providing information to policymakers on effective financial education programs and by facilitating the exchange of views and sharing of experience in the field of financial education and awareness" (OECD, 2005). OECD member countries like Australia, Canada, France, Mexico, United Kingdom, United States, and others are already in the process of analyzing and formulating policies of financial education.

On the other hand, in a third world country like the Philippines, this concept is still at its infancy. The Asian Development Bank (2015) study revealed that on the national level, the country does not provide a framework for financial education and financial literacy (Go, 2017). This is further supported by a report made by MasterCard Financial Literacy Index in 2015. According to the study, the Philippines ranked second worst among ASEAN countries in terms of financial literacy, ahead only of Indonesia (Mendez, 2015).

The investor guru Randell Tiongson, in his column published at @Inquirerdotnet entitled 'Why do Filipinos not Invest' shared his observation that only 8% of the Filipinos have an investment like stocks, mutual funds, or insurance. However, he believed that the low investing number of many Filipinos is due to the lack of spare cash. He still searched for those who are able and better earning individuals who belong to the middle class. According to his research, about 25.2% of Filipino families belong to the middle class and 0.1% belong to the 'upper class' with a total of 25.3%. Only 8% have investments (Tiongson, 2017) which shows that most Filipinos are still financially illiterate.

Actually, there are several attempts to put financial literacy in the main stream of discussion. In a forum of the 10th Financial Literacy Summit, Undersecretary Gil Beltran emphasized that Financial Literacy should be part of the curriculum and that everyone from ages 5 to 100 should be included. Consequently, among the topics that he thinks that must be included in the program are stocks, bonds, insurance, and mutual funds (Beltran, 2016).

Moreover, the topic proposal mentioned by Usec. Beltran is basically part of the curriculum being taken by students, not only by the College of Business Administration and Accountancy (CBAA) of Baliuag University but also by other colleges and universities that offer bachelor's degree in Business. Hence, this is a good opportunity to examine the association between financial literacy and corresponding financial behaviors. In fact, this research is unique because it will not only explore the financial literacy of the respondents but also attitudes and practices in handling personal finance and the interconnection between them.

Eventually, the framing of a question is both localized and relevant to the respondents. It is based on day-to-day experiences as a student rather than as an investor.

Review of Related Literature

Mandell and Klein (2009) found that those who took Personal Financial Management Course in senior high school and those who do not, found that there is no significant change in financial behavior after they graduated from high school. The authors formulated a hypothesis stating "some of what is learned in high school on financial education classes may lie dormant in the minds of the students until much later in life when they have sufficient resource to utilize what they have learned." Further, they added that "personal financial management or personal finance may not have an immediate impact on financial literacy until the knowledge is actually applied" (p.18).

National Endowment for Financial Education studied how literacy and interventions affect financial behaviors. Their analysis shows that the amount and timing of financial education matters. According to the study, shaping behavior through financial literacy can have a greater impact when education closely precedes a financial decision (Lynch et al., 2013).

The Financial Literacy Survey in 2016 by Japan is the first large scale questionnaire survey study with 25,000 respondents, with ages ranging from 18 to 79. Through online survey, the study covers financial knowledge test and financial decision-making skills. Based on the results, the percentage of the correct answer in true/false questions was 7% lower in Japan, compared with the United States, Germany, and United Kingdom.

European Commission funded a study entitled "Money Master's Financial Literacy Survey." The assessment on financial literacy covered 200 participants from age 12 to 18, coming from schools and universities in Turkey, Portugal, Lithuania, Austria, and Spain. They believed that these particular groups are in transition from childhood to adulthood and looked forward that they will take a new responsibility to get access to financial services including credits, savings, and insurances (Commission, April 2013).

Statement of the Problem

This study would like to examine how financial literacy could impact the attitudes and practices relating to finances among selected graduating students of Baliuag University College of Business Administration and Accountancy (CBAA). It aims to measure the influence of financial literacy in terms of students' attitudes and practices in handling their personal finance. Particularly, this study aims to answer the following questions:

1. What is the level of financial literacy of CBAA students?

2. What is the level of financial attitude of CBAA students?

3. To what extent do CBAA students observe the application of financial literacy in practice? (What is the extent of CBAA students' financial practice?)

4. Is there a significant relationship among financial literacy, attitudes, and practices of student respondents?

5. Does financial literacy determine the following financial behaviors of the respondents:
   a. Financial attitudes
   b. Financial practices

Hypotheses:

Ho1: Financial literacy does not significantly predict financial attitude.

Ho2: Financial literacy does not significantly predict financial practice.

Conceptual Framework

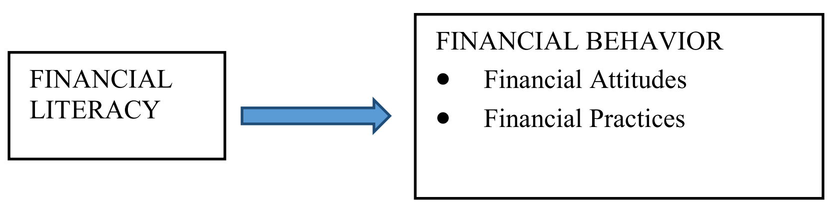

Figure 1. Schematic diagram of the influence of financial literacy on financial behaviors.

As the diagram in Figure 1 shows, financial literacy strongly determines behaviors pertaining to financial matters, which include attitudes and financial practices. For this study, financial literacy is defined according to Huston's proposed conceptual framework (2010) (See Figure 2). Accordingly, financial literacy could be conceptualized as having two dimensions—understanding (personal finance knowledge) and use (personal finance application). It is thus a measure of how well an individual can understand and use personal finance-related information. It consists of both knowledge and application of human capital specific to personal finance. The two dependent variables in this study, under the general category on financial behaviors, are financial attitude and financial practice. These factors are hypothesized to be influenced by how financially literate one is. Financial attitude is defined as a state of mind, opinion, and judgment of a person about finances (Pankow, 2012, as cited in Ameliawati & Setiyan, 2018). Financial practice refers to all actions and behaviors in daily typical life that directly or indirectly involves expenditures, financial decisions, and consumption. It is the extent by which knowledge and understanding of finances are applied in actual practice as observed in everyday life.

This study proposes that financial literacy should strongly determine the attitudes pertaining to finances. One's knowledge and ability on financial matters influences what judgments one has on financial matters. In addition to the influence of financial literacy on attitudes, one's actual practices of financial decisions are as well strongly determined by how much one knows and understands financial matters. As hypothesized, one's level of financial literacy applies to our practices of financial matters. What knowledge on financial matters one understands is expected to reflect on everyday activities involving finances.

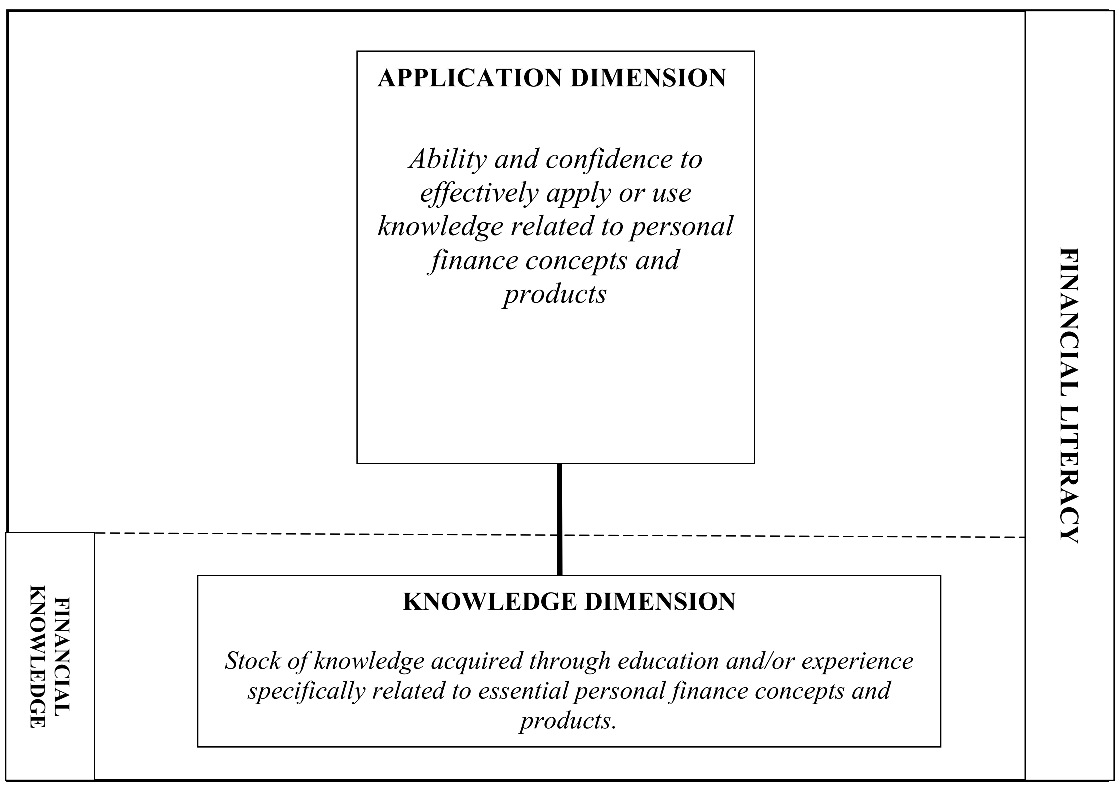

Figure 2. Conceptual framework of financial literacy (Huston, 2018).

Significance of the Study

The study focuses on financial literacy and its influence in determining attitudes and practices pertaining to finances. Globally, discussions on financial literacy and its role on the national economies, as well as personal life goals have been long underway. Local studies have documented how Filipinos lag behind critically, as a nation, and as individuals on matters that support and foster financial well-being and status. Living standards for the majority of the Filipinos fall within poverty level. There is urgency in the call for the inclusion of financial literacy in our educational curriculum now more than ever. Studies such as this would be useful in the revision of our educational curriculum, not only for the field of Business and Finance but also for the general education of all.

Method

Research Design

This study used a quantitative approach known as the hypothetico-deductive design. Hypotheses that state relationships between two or more variables are presented at the outset for validation of the statistical significance of proposed relationships—in this case, the predictive association between the predictor variable (financial literacy) and two criterion variables, financial attitude and financial practice.

Participants

A total of eighty three (83) participants were recruited from the Baliuag University's CBAA. The university's registrar record of graduating CBAA students from five departments, namely, Bachelor of Science in Accountancy (BSA) and Management Accounting (MA), Bachelor of Business Administration Major in Financial Management (FM), Marketting (MM), and Human Resource (HR), provided the sampling frame for this study. Using the formula below for calculating sample size (Tabachnik & Fidell, 2007) as guide, twenty (20) participants were randomly selected from each department except Human Resource where only 3 graduating students participated, due to limited number of graduating students.

$N > 50 + 8m$, where: N= number of participants; m = number of independent variables.

Instruments

The survey method was used in data gathering. It is composed of three sets of questions that measured the level of financial literacy, attitude in personal finance, and actual practice of the participants in handling finances. Financial literacy was measured by participants' familiarity in terms and concept of financial parlance. It is a 4-point Likert scale that rates the familiarity with financial concept using the following values: 1=limited; 2=moderate; 3=above moderate; 4=extensive.

Part II of the questionnaire measured the attitude of the participants in handling personal finances. Participants manifest their agreements or disagreement on the said statements. Likewise, it used 4-point Likert scale with the following values: 1=strongly disagree; 2=disagree; 3=agree; 4=strongly agree. High scores are interpreted as positive attitude. One with highly positive attitude on finances strongly agree to behaviors that lead to and foster financial growth and security, such as valuing the importance of delaying or controlling impulse buying, living for the present but planning for the future, and the like.

Part III of the questionnaire measures practices in handling personal finances with the use of statements about their actual practices and experiences toward handling finances. Through 4-point Likert scale, the participants provide responses using the following values: 1=very rare; 2=rare; 3=often; 4=very often.

Initially, the questionnaire was inspired by OECD Financial Literacy Questionaire developed by International Network on Financial Education (2011). However, due to complication and contextual difference of several items, questions were modified adopting the Filipino setting.

Results

The table below summarizes the findings on levels of the respondents' financial literacy, financial attitude, and degree of financial practice, as well as the influence of financial literacy on the attitudes and practices of CBAA students relating to their personal finances.

Level of Financial Literacy

Table 1. Descriptive statistics of FL, FA, and FP

	Mean	**Std. Deviation**	**Verbal Interpretation**
Financial Literacy (FL)	2.23	.53	Moderate
Financial Attitudes (FA)	2.76	.34	Moderate
Financial Practices (FP)	2.55	.48	Moderate

N=83

The participants were asked to rate their level of financial literacy. Table 1 above shows that generally, the respondents have a moderate working knowledge (M=2.23). The level of financial literacy of selected CBAA students is at moderate level.

To examine the relative knowledge on the different financial concepts indicating financial literacy, Table 2 is presented below showing the different areas of financial literacy as shown in each item below with the corresponding means.

Table 2. Level of financial literacy per item

	Subject	Mean	Interpretation
1.	Pension Fund	2.03	Low Moderate
2.	Investment Account	2.32	Moderate
3.	Mortgage	2.16	Moderate
4.	Unsecured Bank Loan	1.98	Moderate
5.	Credit Card	2.43	Moderate
6.	Current Account	2.44	Moderate
7.	Savings Account	2.63	Moderate
8.	Microfinance Loan	1.97	Moderate
9.	Insurance	2.44	Moderate
10.	Stocks and Share	2.45	Moderate
11.	Bonds	2.39	Moderate
12.	Mobile Phone Payment	2.38	Moderate
13.	Income Tax	2.38	Moderate
14.	Mutual Fund	2.12	Moderate
15.	Blue Chips	2.08	Moderate
16.	Prepaid Payment Account	2.20	Moderate
17.	Derivatives	1.92	Moderate
18.	Hedge Fund	1.91	Moderate
19.	Budgeting	2.45	Moderate
20.	Foreign Account Tax Compliance Act	1.87	Moderate
21.	Anti-Money Laundering	2.19	Moderate
	Overall Mean	2.23	Moderate

As shown in Table 2, item #7 or Savings got the highest mean (M=2.63), interpreted as moderate level. Considering that the respondents are fourth year Business major students, the mean of 2.63 is not as high as can be expected.

Other financial concepts with higher means next to savings were concepts of stocks and share (M=2.45), budgeting (M=2.45), current account (M=2.44), and insurance (M=2.44). Concepts mentioned can be presumed to be well discussed across all the courses. The least familiar concepts with respondents were foreign account tax compliance act (fatca) (M=1.87), hedge fund (M=1.91), and derivatives (M=1.92). FATCA is a 5-year-old law which is a mandatory document in opening a bank account and other financial transactions. Under the concept of FATCA, one has to affirm that the client is not a US Citizen, or has US linkages (US address, birthplace). These three financial concepts: FATCA, hedge fund, and derivatives are jargons often used in financial concepts. However, the concepts are quite technical or for advanced financial literacy discussion.

Table 3. Financial literacy across departments

Subject	BSA	MA	MM	FM	HR	Mean	Interpretation
Overall Mean	2.15	2.35	2.19	2.22	2.31	2.23	Moderate

Note. BSA - Bachelor of Science in Accounting, MA- Management Accounting, MM-Marketing Management, FM-Financial Management, HR- Human Resource

A comparison of financial literacy across the CBAA departments was done. Table 3 shows that Management Accounting (MA) posted the highest level of financial literacy whereas Bachelor of Science in Accounting (BSA) have the lowest mean of 2.15.

Level of Financial Attitude

Table 4. Level of financial attitude across items

	Items	Mean	Interpretation
1.	Before I buy something, I carefully consider whether I can afford it.	3.51	Strong Positive
2.	I keep close personal watch on my financial affairs.	3.27	Strong Positive
3.	I find it more satisfying to spend than save money for medium-long term.	2.60	Positive
4.	I tend to live for today and let tomorrow take care of itself.	2.85	Positive
5.	Money is to be spent.	2.65	Positive

continued

Table 4. Continuation

6.	Most of the time, I have something left for my baon.	3.15	Positive
7.	I want to start saving.	3.44	Strong Positive
8.	I'd rather want to have Iphone 8 than owning stocks that will give 12% return after a year.	2.97	Positive
9.	Having debt is not ok.	2.86	Positive
10.	I am willing to pay P1,500/month for one year, for 3 days and 2 nights of Hong Kong travel, rather than paying P13,000 in full.	2.73	Positive
11.	I want to know more about insurance, mutual funds, stocks outside the classroom.	3.26	Strong Positive
12.	I lack financial discipline.	2.53	Positive
	Overall Mean	2.99	Positive

Note. 1.00 -1.75 = Strongly Negative
1.76-2.50 = Negative
2.51-3.25 = Positive
3.26 - 4.0 =Strong positive

From Table 4, the overall mean of the respondents on financial attitude is 2.99, indicating a positive attitude with the handling of personal finances. On further examination of individual items under financial attitude, the table shows that respondents strongly agree on the attitude of 'before buying something, one must carefully consider whether he/she can afford it'. This attitude got the highest score (M=3.51) among all the12 listed attitude items.

Another attitude in handling personal finance of the respondents is that they are looking forward to start their savings. Respondents strongly agree at (mean=3.44) this statement. Respondents also admitted that they lack financial discipline (mean=2.53). Similarly, respondents agree and prefer to have Iphone 8, than owning stocks that will give them a 12% return after a year (mean=2.97) and are willing to pay P1,500/month or a total of P18,000 than paying P13,000 in full for Hong Kong trip (mean=2.73)

Table 5. Financial attitude on mean comparison across departments

Department	BSA	MA	MM	FM	HR	Mean
Mean	3.03	3.09	3.00	2.82	3.19	2.99
Interpretation	Moderately Positive	Moderately Positive	Moderately Positive	Moderately Positive	Moderately Positive	Moderately Positive

Table 5 shows that the overall mean of Financial Management (FM) students has the lowest (Mean=2.82) in terms of attitude in handling personal finances, compared to non-financial related course of Human Resource (HR) with Mean=3.19, although the researcher considered the number of sample size of HR which is only 3. Next to HR in terms of mean average is Management Accounting (MA) course with Mean=3.09. Overall, respondents have a positive attitude with self-assessment in handling personal finances gathering Mean=2.99.

Extent of Financial Practices in Daily Life

The overall extent of the respondents' financial literacy-related practices is shown in Table 6, with *M*=2.54, interpreted as moderate extent.

Table 6. Mean comparison of financial practices across items

	Practices	Mean	Interpretation
1.	I share tricycle ride to save on fare.	2.72	Moderate
2.	I buy food and stuff at convenient store (i.e 7-11) *	2.54	Moderate
3.	I make savings from my baon.	3.20	Moderate
4.	I bring 'home cooked food' to school rather than eating outside.	2.54	Moderate
5.	I go to bank for deposits.	2.39	Low
6.	I read news on economics and investments.	2.34	Low
7.	I have sidelines and part-time jobs (i.e. online selling, selling crispy mushroom, etc.).	1.96	Low
8.	I go to market for my dress rather than department store.	2.51	Moderate
9.	I set and follow my budget.	2.81	Moderate
10.	I always eat in fast food chain.*	2.47	Low
	Overall Mean	2.54	Moderate

Table 6 shows that among the several practices, the most frequently applied is item no. 3: "Saving from one's baon" (*M*=3.20). Related to 'saving from one's baon'; the second highest mean with 2.81 is item no.9 which is "setting and following budget."

Table 7. Mean comparison of financial practices across departments

Practices	BSA	MA	MM	FM	HR
Mean	2.64	2.43	2.36	2.67	3.22
Verbal Interpretation	moderate	low	low	moderate	moderate

Table 7 presents financial literacy-related practices among the respondents. Based on the said table, the best practitioner of financial literacy among courses are HR (M=3.22), followed by FM (M=2.67). MM scored the lowest (M= 2.36).

Correlation Among Financial Literacy, Financial Attitudes, and Financial Practices

Table 8. Correlations

		Financial Literacy	Financial Attitudes	Financial Practices
Financial Literacy (FL)	Pearson Correlation	1	.954**	.018
	Sig. (2-tailed)		.000	.870
	N	83	83	83
Financial Attitudes (FA)	Pearson Correlation	.954**	1	.102
	Sig. (2-tailed)	.000		.358
	N	83	83	83
Financial Practices (FP)	Pearson Correlation	.018	.102	1
	Sig. (2-tailed)	.870	.358	
	N	83	83	83

**. Correlation is significant at the 0.01 level (2-tailed).

Pearson correlation was run to examine the relationship between financial literacy, financial attitude, and financial practice. As shown in Table 8, there is a strong positive correlation between FL and FA (r=0.95, p<0.05; 2-tailed), with statistical significance. Large extent of knowledge and understanding on finances comes with enhanced attitudes on financial matters. No other significant correlation has been found present between FL and FA (r= 0.018; p>0.05) and FA and FP (r= 0.10; p>0.05).

The Impact of Financial Literacy on Financial Attitude

To determine the influence of financial literacy on financial attitude, simple regression analysis was computed yielding the result shown in the table below. A significant model emerged, $F2$, 80=3.5, $p < 0.05$. Table 8 indicates that the role of financial literacy in predicting financial attitude is strongly significant. Financial literacy is a strong predictor and accounts for 91% of the variability in financial attitude (Adjusted R square =0.91). The very large proportion (0.91) that is explained by financial literacy indicates that an extensive understanding and ability on finances largely matter and would dictate the kind of attitude we hold pertaining to financial matters.

Table 9. Simple linear regression analysis

Model	R	$R2$	Adjusted $R2$	SE of the Estimate	F	Sig
	0.954	0.91	0.90	0.102	823.5	0.0035
Predictor Variable	Standardized	Beta	T		Sig	
Financial Literacy	0.608			28.69		0.00

Dependent Variable: Financial Attitudes

Discussion

Three interrelated financial concepts were examined in this study. The objectives include determining the level and extent of financial literacy, attitudes, and practices of selected respondents from BU CBAA as well as to test the predictive influence of financial literacy to attitudes and practices relating to finances. The result yielded moderate level on the three finance variables. On the main research objective which is to determine how financial literacy affects financial behaviors—attitudes and practices in particular—this study has provided evidence to reject hypothesis 1, and infer that financial literacy does significantly predict financial attitude. This effect was not achieved for the influence of financial literacy on the practice aspect of financial behavior.

The main findings indicating a strong predictive value of financial literacy on financial attitude does bring to fore the merits of Beltran's call (2016) on the importance and urgency of addressing the current knowledge gap pertaining to financial literacy in the Philippines. He stated that there is a need for the inclusion of financial literacy in the educational curriculum. As well, this proposed curricular inclusion for financial literacy must cover everyone from all ages starting the first year of school. The findings emphasize how the kind of attitudes we hold begins with acquiring knowledge and abilities. The value of specific educational training in molding the mind towards certain attitudes, beliefs, and opinions cannot be overemphasized. Knowledge acquired from educational training is the building block for the development of our attitude and belief system from which we view the world around us and our experiences.

The second hypothesis, to test the predictive effect of financial literacy on financial practice, was not supported in this study, and not in agreement with similar past studies (Lynch et al., 2013). The contrary is true of financial literacy's impact on financial attitude which was found to be strongly supported. Such discrepancy leads us to look at the characteristics of the respondents where evidence showed that financial literacy exerted significant influence on attitude, but not on practice. This study was done with college students from CBAA. Those on this age group are still financially dependent on their parents and/or guardians; hence, their financial resources are limited in amount and how it should be dispensed. If their moderate level of financial literacy was responsible for having the kind and level of attitudes that foster and promote ability to plan, save, and accumulate wealth, but not the same on actual financial practices, it could be because of their status dictated by age—being adolescent and student. Definitely, investing in stocks and accumulating more wealth is not highly practical for students for now. They do not appreciate it, since they do not have enough money to invest. Mandell and Klein (2009), in their study, found that those who took Personal Financial Management Course in senior high school and those who did not, found that there was no significant change in financial behavior after they graduated from high school. The authors formulated a hypothesis stating 'some of what is learned in high school on financial education classes may lie dormant in the minds of the students until much later in life when they have sufficient resource to utilize what they have learned.' However the good thing is that they practice the basics of financial literacy: budgeting and saving within the limited resources available to them.

Another plausible reason from the disjoint between financial literacy and financial practice has to do with the generational character of this study's sample. The millennial generation to which they belong is characterized, among other descriptions, to be highly conditioned with consumerism and socially dictated by materialist values associated with consumerism. The perks and conveniences of digital technology and modernism of the recent generation which propelled the modern lifestyle permeated with convenience, speed, and ease of effort required of tasks, instant gratification, hedonism, materially derived satisfaction, and status are not promotive or facilitative of highly literate financial practices. There is no better demonstration of this than is seen in their current financial behaviors and practices. Buying food and stuff at convenient stores like 7-11 is a highly frequent practice of the respondents. Despite paying an extra price for convenient store, it is still preferred by the respondents due to its convenience. According to the study of Kantar Worldpanel, there is a 45% increase in convenient store purchases from January 2014 to January 2015. From 16.1% in 2014, the research shows that 18.5% of Filipino homes are now buying in convenience stores. This can be translated to 566,991 new families purchasing at convenience stores. Hence, the fast paced and more demanding lifestyle of consumers is one of the main reasons for this trend (ABS-CBN News, 2015). Respondents also admitted that they lack financial discipline. It is supported by their own assessment that they have the tendency to live for today and let tomorrow take care of itself. Another indicator is their agreement and preference to have Iphone 8, than owning stocks that will give them a 12% return after a year. Actually, technology, along with travel, is one important factor for millenials. In a study conducted by Alcasid et al. (2016), they reported that in a survey conducted by Rapper, a typical millennial usually spends 3.2 hours online on mobile phone and 5.2 hours on either desktop and laptop.

It was found that financial literacy was a strongly valuable influence to attitudes held related to finances, but this relationship does not follow when predicting financial practices. The pattern that is found to exist in attitude is different when it comes to actions, to actual practice. While empowerment from knowledge translates to the corresponding attitude, such is not always true where concrete actions are involved. Knowledge does not always translate to corresponding practice. Leon Festinger, a psychologist, explained this on his Theory of Cognitive Dissonance, where cognitive dissonance is a situation involving conflicting attitudes, beliefs, or behaviors (McLeod, 2014). When it comes to application seen in practice, other factors may play in that it could buffer the influence of financial literacy on financial practice. Huston (2010, p.310) concurs that “other characteristics such as impulsiveness, behavioral biases, unusual preference or external circumstances can also contribute to what may appear poor financial decision making” as basis for action.

Recommendations

This study provides a modest contribution to provide evidence-based knowledge and principles that can support policies in curricular innovation. A solid educational training on financial literacy as part of general education can provide us with views and beliefs that support sound financial decisions and practices. However, the limitations of this study would be better addressed and provide the bases for the following recommendations:

1. After five years, conduct the same study with the same group, if possible, since their financial status may be different by that time. One can see how their maturity in handling personal finance develops.

2. Conduct the same study with other non-business related courses such as engineering, allied health courses, information technology, liberal arts, education, and others just to see if there are variances on outcomes in financial knowledge, attitudes, and practices.

3. The same study can also be run with other age groups to see their point of view in financial literacy as well as their priority in personal finance.

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