



# **American Journal of Economics and Business Innovation (AJEBI)**

ISSN: 2831-5588 (ONLINE), 2832-4862 (PRINT)

**VOLUME 5 ISSUE 1 (2026)**

**PUBLISHED BY  
E-PALLI PUBLISHERS, DELAWARE, USA**

## Level of Financial Literacy of Minimum Wage Earners of Selected Establishment in Digos City

Eugine M. Antoque<sup>1</sup>, Cyrin D. Cabrillos<sup>1</sup>, Angelique Diane G. Florentino<sup>1</sup>, Kathelene Mae B. Geloca<sup>\*</sup>

### Article Information

**Received:** July 25, 2025

**Accepted:** August 31, 2025

**Published:** January 19, 2026

### Keywords

*Digos City, Financial Attitude,  
Financial Behavior, Financial  
Knowledge, Financial Literacy*

### ABSTRACT

Financial literacy plays a crucial role in helping individuals manages limited resources, yet minimum wage earners often face challenges in making informed financial decisions. Despite its importance, limited research has been conducted to assess the financial literacy levels of minimum wage earners in Digos city. This study aimed to determine the level of financial literacy of minimum wage earners in selected establishments in Digos city, focusing on financial knowledge, behavior, and attitude. A quantitative research design was employed using random sampling, with 308 respondents completing a structured survey questionnaire. Finding revealed that respondents demonstrated a generally high level of financial literacy, with financial knowledge and financial behavior scoring higher than financial attitude, which emerge as the weakest dimension. Significant differences were observed in financial literacy levels based on gender and educational attainment, but no significant differences were found across age, civil status, and employment status. This results suggest the strengthen financial attitude through targeted interventions that build confidence and long-term planning skills. The findings provide valuable insights for policy makers, employers, and financial educators in designing programs to improve the financial well-being of minimum wage earners.

### INTRODUCTION

Low-income earners often face challenges due to rising inflation and economic uncertainty, leading to poor financial decisions for low-income earners with low financial literacy. A study conducted by O'Connor *et al.* (2019) stated that in most cases, people lacking financial literacy and capabilities tend to misbehave when making financial decisions. The significant inflation rise and anticipated lack of economic movement in a few years might make individuals susceptible to financial vulnerability. Low-income households must make more difficult daily financial decisions, especially when dealing with uncertain income. KaraKurum-ozdemir *et al.* (2019) claim in their study that individuals who do not know how to read and write have lower financial literacy, especially women and young adults. Furthermore, it is of considerable importance that the impact of financial literacy on the financial status and wellbeing of low-income individuals is worth investigating (Chetioui *et al.*, 2024). A study by Kadoya and Khan (2020) claimed that in Japan, the degree of financial literacy is highly influenced by the demographic factors of age, gender, and education; the same applies to the socioeconomic factors of income and occupation. Compared to other age groups, people who lack financial knowledge are young and older adults (Bawre & Kar, 2019). A vulnerability shown within a particular population segment amplifies the average low financial literacy, as this implies that, throughout the globe, financial literacy is poor (Lusardi, 2019). Okamoto and Komamura (2021) stated that the outcome of the financial literacy gender gaps and financial behavior and

attitude is different between men and women; this implies that 2 there is a gender gap when it comes to financial literacy and its behavior. Women often weigh in on the more desirable financial actions. In general, low income earners, less educated people, and other demographic factors perform worse on financial literacy (Sarpong-Kumankoma, 2023). Locally, financial literacy is an essential life skill that empowers individuals to manage their finances, and minimum wage earners face unique challenges in achieving financial stability due to limited income and lack of financial education. One such study by Conoman *et al.* (2024) examined the financial literacy of Pantawid Pamilyang Pilipino Program (4ps) mother-beneficiaries in Digos City, revealing high financial awareness but significant gaps

management and investment, which can still lead to poor financial management. Those who earn the minimum wage find it hard to achieve financial stability because of low 3 salaries, rising cost of living, and unfamiliarity with financial management. Financial literacy continues to be an issue in the lives of minimum wage workers in Digos City, as most cannot raise their money management skills amidst the rising cost of living and continued financial stress, given the increasing cost of living just enough to cover necessities of the outpaced the wage growth of minimum wage earners.

The result of this study significantly helped the researchers and the minimum wage earners improve their awareness and knowledge further regarding their financial literacy. This also reveals how the level of financial literacy cannot be influenced by demographic profile. We can also

<sup>1</sup> University of Mindanao Digos College, Roxas Extension, Digos City, Davao Del Sur, Philippines

<sup>\*</sup> Corresponding author's e-mail: [kathlenemaegeloca@umindanao.edu.ph](mailto:kathlenemaegeloca@umindanao.edu.ph)

determine whether minimum wage earners in Digos City are consistently proactive regarding financial education, which can benefit financial decisions. Consequently, it promotes greater openness, better public financial governance, and great financial well-being. Lastly, the result of this study will impart critical insights that can be utilized by other researchers who wish to examine and explore the same study but in a different setting with a larger scope.

### Research Objectives

1. To determine the demographic profile of the respondents in terms of:
  - 1.1. Age;
  - 1.2. Gender;
  - 1.3. Educational Attainment;
  - 1.4. Civil status; and
  - 1.5. Employment status.
2. To assess the level of financial literacy of the minimum wage earner in terms of:
  - 2.1. Financial Knowledge
  - 2.2. Financial behaviour, and
  - 2.3. Financial attitude.
3. To determine if there is a significant difference in financial literacy, minimum wage earners when grouped according to demographic profile.

## LITERATURE REVIEW

### Financial Literacy

Recent studies reaffirm that financial literacy is a critical determinant of financial outcomes, shaping both individual decision-making and long-term financial well-being. In a multi-country study during the COVID-19 pandemic, Sabri *et al.* (2022) demonstrated that financial literacy directly influences financial well-being and indirectly through financial behavior, suggesting its role as both a knowledge base and an enabler of resilient practices. Among young adults, Potrich *et al.* (2020) found that higher financial literacy significantly enhances financial control, saving, and investment, while also moderating the impact of financial attitudes on behavior. Similarly, in Indonesia, Rahayu *et al.* (2020) highlighted that financial literacy combined with self-control positively predicts financial management among students, underlining the interaction between knowledge and psychological factors. More recently, in the digital context, Vieira *et al.* (2024) validated a Digital Financial Knowledge Scale, emphasizing the importance of integrating technological competencies into contemporary literacy measures. Collectively, these findings emphasize that financial literacy is multidimensional encompassing traditional knowledge, behavioral application, and digital skills and remains a cornerstone of improving financial behavior and overall financial health.

### Financial Knowledge

Recent studies underscore the pivotal role of financial knowledge defined as the understanding and application of financial concepts in shaping economic behaviors and

outcomes. Research by Zhang *et al.* (2024) highlights its direct impact on investment decisions and stock market participation, with financially knowledgeable individuals demonstrating greater confidence and strategic asset allocation. In retirement planning, Waga *et al.* (2021) found that enhanced financial knowledge correlates with proactive savings behaviors and diversified retirement portfolios, particularly among pension scheme members. Effective debt management is similarly linked to financial knowledge, as evidenced by Chen *et al.* (2020), who emphasize its role in reducing reliance on high-interest loans and fostering sustainable repayment strategies. Vulnerable populations, including women and low-income groups, benefit disproportionately from targeted financial education, as noted by Gallo *et al.* (2020), who link improved financial knowledge to increased empowerment and rational decision-making. Collectively, these studies advocate for policy and educational interventions to bridge knowledge gaps, particularly in underserved communities, to promote long-term financial resilience.

### Financial Attitude

Recent research underscores that financial attitude individuals' outlook and disposition toward personal finance plays a pivotal role in shaping financial behaviors across diverse populations. For example, Khalisharani *et al.* (2022) conducted a cross-country study with Indonesian and Malaysian undergraduates, revealing that financial attitude had a significant positive effect on financial behavior, even as financial literacy showed mixed impacts. Similarly, in Generation Z, Griffin and Sibilang (2022) found that financial attitude positively and significantly influenced financial management behavior, with external locus of control moderating the relationship between financial knowledge and behavior. In a family context, Pebraezen and Hidayati (2023) demonstrated that financial attitude, along with financial knowledge and self-efficacy, had a positive and significant effect on family financial management in Pekanbaru, Indonesia. Together, these studies consistently highlight that financial attitude is a robust predictor of positive financial behavior across different demographic groups and settings, reinforcing the importance of cultivating constructive financial attitudes in educational and policy interventions.

### Financial Behavior

Recent work consistently shows that day-to-day financial behavior such as budgeting, monitoring balances, paying bills on time, and building buffers plays a central, proximal role in shaping financial well-being, while also being influenced by attitudes, literacy, and stress. In a large Malaysian B40 (low-income) sample, financial behavior emerged as the strongest predictor of financial well-being, above financial literacy and financial stress, and it partially mediated the adverse effects of stress on well-being (Rahman *et al.*, 2021). Evidence from over-indebted versus non-indebted consumers further indicates that money attitudes (the tendency to care about and keep track of money) explain differences in specific

management behaviors especially balance monitoring beyond income and education controls (de Almeida *et al.*, 2021). Among university students, both cross-national and national studies converge on the idea that positive financial attitudes and higher literacy translate into better financial management behavior (e.g., saving and expenditure control), although the relative weight of parental socialization versus literacy can differ by context (Khalisharani *et al.*, 2022). Complementing these patterns, a multi-country investigation during COVID-19 found that financial literacy and behavior jointly bolster financial well-being, with behavior acting as a key capability mechanism (Sabri *et al.*, 2022). Altogether, recent studies since 2020 portray financial behavior as the actionable conduit linking knowledge and attitudes to outcomes, and as a buffer against stressors making it a prime target for interventions that combine skills training (budgeting, balance monitoring) with attitude shaping and supportive socialization. (Rahman *et al.*, 2021; de Almeida *et al.*, 2021; Sabri *et al.*, 2022; Khalisharani *et al.*, 2022.)

### Theory of Planned Behaviour

This study was anchored in the Theory of Planned Behavior (TPB), which was proposed by Icek Ajzen in 1991, who suggests a person's decision is affected by three main factors: their attitude, subjective norms, and perceived behavioral control (Ajzen, 2020). Sulistianingsih and Santi (2023) claimed that regardless of a person's degree of financial literacy, their management is impacted by their assessments of the results or effects of a particular decision, whether positive or negative. The individual psychological aspects of attitude, subjective norms, and a person's perceived behavioral controls show how these factors affect decision-making (Shih *et al.*, 2022). Further, experiencing trial and error leads to a poor situation, resulting in inadequate financial behavior. Also, good financial behavior is a basic need for everyone (Andarsari & Ningtyas, 2019).

## MATERIALS AND METHODS

### Respondents

In this study, a total of 308 respondents were selected from different establishments in Digos City. During the selection process, establishments of varying sizes, from the largest to the smallest, are selected without consideration of their operational nature. The study's participants are limited to 5 employed individuals earning minimum wage, who may be contractual, regular, and working in an establishment. Respondents can be male, female, or a member of the LGBTQIA+ community aged 18 years and above, currently residing in Digos City. However, respondents who did not pass the criteria were those below 18, unemployed or on on-call duty, currently not working in an establishment, a person currently not working in an establishment, a person generating above minimum wage, and those living outside of Digos City are excluded in the study. Also, participation in the study was 100% voluntary, allowing the respondents to stop at any time.

### Sampling Method

This study utilized a simple random sampling technique to choose the respondents, which is the most suitable sampling technique for this study. As Noor *et al.* (2022) emphasized, the population is considered when determining the appropriate sample size. Additionally, this technique is used to select a smaller sample of people from an established population and give them an equal opportunity to be part of the represented sample to achieve the objectives of the study (Shafiq *et al.*, 2024). Stratton's study (2021) also stated that the risk of bias is less when using the random sampling technique.

### Design and Procedures

In this study, survey research is used with the help of a descriptive comparative non-experimental research design. A descriptive study looks into the characteristics of a population and finds problems that might exist within the organization or population or explores different characteristics or practices of a specific factor. It compares two or more groups or populations on one or more variables and identifies similarities and differences between groups. Descriptive research aims to narrate an individual's events or situations since the researcher does not change the variables (Siedlecki, 2020). Additionally, Innienger and Emem (2020) stated that research design aims to identify the variables and their relationship with one another. It is used to gather large amounts of data from many people through survey questionnaires.

### Statistical Treatment of Data

The research used statistical techniques to analyze and interpret the data. The frequency was first used to profile the extent of financial literacy of the minimum wage earners. The mean was subsequently used to ascertain the significant difference in the respondents' levels of financial literacy. In addition, the Mann-Whitney U test was employed to explain whether there was any statistical difference when financial literacy was analyzed by employment status presented in the demographic profile. Finally, the Kruskal-Wallis test was employed to determine the significant difference in the level of financial literacy among minimum wage earners when considered by gender, age, educational attainment, and civil status.

### Instruments

This study utilized a structured questionnaire to gather data. The questionnaire is divided into two main sections: the first section focuses on collecting the demographic information of the respondents, such as age, gender, civil status, and educational attainment. The second section is to assess the financial literacy of minimum wage earners. The questionnaire was adopted from Sahid (2022) and was entitled "Exploratory factor and 6 reliability analysis of financial literacy instrument to assess low-income group in Malaysia." This examines key areas such as financial knowledge, behavior, and attitude. This study applied a

5-point rating system of Strongly Agree (5), Agree (4), Neutral (3), Disagree (2), and Strongly Disagree (1) that served as a basis for assessing the minimum wage earners' level of financial literacy

**Table 1:** Level of financial literacy

Numerical Scale	Range of Means	Descriptive Rating	Descriptive Interpretation
5	4.20-5.00	Very High	Minimum wage earners demonstrate a very high level of financial literacy, exhibiting exceptional knowledge, positive attitudes, and effective financial behaviors.
4	3.40-4.19	High	Minimum wage earners display a high level of financial literacy, indicating solid financial knowledge and generally positive attitudes and behaviors toward financial management.
3	2.60-3.39	Moderate	Minimum wage earners show a satisfactory level of financial literacy, suggesting a need for further development in knowledge, attitudes, or behaviors.
2	1.80-2.59	Low	Minimum wage earners exhibit an inconsistent application of financial literacy, indicating significant gaps in knowledge, attitudes, or financial management practices.
1	1.00-1.79	Very Low	Minimum wage earners demonstrate a negligible level of financial literacy, highlighting a critical need for comprehensive financial education and support.

## RESULTS AND DISCUSSION

### Demographic Profile of Minimum Wage Earners

Table 2 revealed the outcome of the respondents' demographic profile of the minimum wage earners in selected establishments in terms of sex, age, 10 educational attainment, civil status, and employment status. In terms of sex, the majority of the respondents were female, with a frequency of 185, or 60.1% of the total respondents. On the other hand, the male group only consists of 120 respondents or 39%. Meanwhile, the number of respondents in the LGBTQIA+ category is only 3 or 1% of the total respondents. With regard to the age bracket, the one with the highest frequency, which consists of 145 or 47.1% of the respondents, is age 18 to 29, followed by age 30 to 39 with a frequency of 123 or 39.9%. Meanwhile, the second lowest frequency is in the age bracket of 50 to 59, with 27 or 8.8 %, and the age bracket that obtains the lowest frequency, with only 13 or 4.2% of the total population, is aged 40 to 49

In terms of educational attainment, the majority of the respondents had a bachelor's degree, with 157 or 51.0%, followed by a frequency of 83 or 26.9%. This frequency is achieved by the respondents who attain a high school level education. The respondents who achieved the least frequency were 68 or 22.1% of those who graduated from vocational schools. When it comes to their civil status, the single person becomes more dominant with 154 or 50% of the responses, and the respondents who are married are about 128 or 41.6%, separated with 23 or 7.5%, lastly 3 or 1%, which is equivalent to the number of widowed respondents. Lastly, 277 or 89.9% of respondents were regular; meanwhile, the contractual employees are only about 31 or 10.1%

**Table 2:** Demographic profile of minimum wage earners (n=308)

Profile	f	%
<b>Sex</b>		
Male	120	39.0
Female	185	60.1
LGBTQIA+	3	1.0
<b>Age</b>		
18 – 29 yrs. old		
145		
47.1		
30 – 39 yrs. old	123	39.9
40 – 49 yrs. old	13	4.2
50 – 59 yrs. old	27	8.8
<b>Educational Attainment</b>		
High School Level	83	26.9
Vocational	68	22.1
Bachelor's Degree	157	51.0
<b>Civil Status</b>		
Single	154	50.0
Married	128	41.6
Widow	3	1.0
Separated	23	7.5
<b>Employment Status</b>		
Regular	277	89.9
Contractual	31	10.1

### Level of Financial Literacy of the Minimum Wage Earners

Table 3 gives out the level of financial literacy of minimum wage earners, resulting in an overall mean of 4.17 (SD=0.35), which is considered high. This indicates that the measures relating to the financial literacy of minimum wage earners are considered to be at a high level. This study employs three primary indicators to assess financial literacy: financial knowledge, financial behaviour, and financial attitude. In financial knowledge, the questions include their knowledge about savings, income, how to prepare a budget, or even how to invest. The financial behaviour section focused more on purchasing habits, paying bills on time, financial planning, and saving strategies. As for the financial attitude examined individuals' beliefs about money management, their approach to financial decision-making, their confidence in handling finances, and their willingness to plan for the future. This study employs three primary indicators to assess financial literacy: financial knowledge, financial behaviour, and financial attitude.

**Table 3:** Level of financial literacy of the minimum wage earners, n = 308

Indicators	$\bar{x}$	SD
Financial Knowledge	4.23	0.40
Financial Behavior	4.31	0.41
Financial Attitude	3.97	0.56
Overall	4.17	0.35

Out of these three indicators, financial behavior obtained the highest mean of 4.31 (SD = 0.41), and after it is financial knowledge with a mean of 4.23 (SD = 0.40); both are classified as very high. Compared to others, the financial attitude achieves a mean of 3.97 (SD = 0.56), which is revealed to be high. Since financial behavior is the highest frequency among the other indicators in the study, the respondents perceive this indicator as the most relevant. Kadoya and Khan (2020) state that people's saving habits and money management are influenced by their future perspectives. Therefore, this also impacts how they learn about finance implying that those who are more financially knowledgeable are the ones who place more importance on the future rather than the past or present. It also reflected their perception and understanding of risk, return, and inflation and their influence on short-term and long-term financial planning (Zulaihati *et al.* 2020). According to the final result, respondents demonstrate a better understanding of financial concepts regarding debt management, savings, and budgeting and tend to showcase more prudent financial practices (Hilgert & Luttrell, 2023).

The next indicator is financial knowledge, which obtained the second highest mean and was determined to be very high. Financial knowledge has a significant impact on financial literacy. Among individuals whose age is about 18 to 24, their financial literacy level is closely

related to their exposure to financial education in their college years (Thomas & Subhashree, 2020). The study's findings showed that the respondents have a firm grasp of financial knowledge; therefore, they know the concept of saving and how to manage their finances properly. Banthia and Dey (2022) cited that an individual can assist the economy by stirring up healthy competition and encouraging service providers to raise their level of competitiveness. They also stated that it fosters the process of teaching the basic budgeting tools and the practices of saving discipline, which guarantees that people can earn profit and lead fulfilling lives. Financial knowledge is now essential because it aids in lessening the chances of being misled while making an investment or financial decision. Additionally, Dewi *et al.* (2020) claimed that financial knowledge had a positive effect on knowing their financial capabilities. As it shows, awareness and experience are significant in their financial knowledge.

The last indicator is a financial attitude, which was deemed high. As the respondents display a high attitude towards finance, they have a positive mindset toward managing money, are responsible when it comes to their finances and future goals, and make considerate decisions regarding finance. As stated by Akbar and Sutrisno (2024), having a positive attitude toward finance means an individual is concerned about the importance of sound money management. This also increases their confidence and independence and plays a significant role in their long-term financial goals and well-being in their family and community. This encourages them to think carefully when making decisions because having a good financial attitude can lead to healthy and responsible financial habits. A study by Khalisharani *et al.* (2022) highlighted that many factors, such as motivation, locus of control, media, lifestyle, and peer group, influence an individual's financial attitude. Therefore, a strong attitude plays a crucial role in shaping how an individual views their 14 finances as it reflects their mindset, financial opinion, and perspective on money. Understanding one's financial attitude helps in recognizing one's approach when it comes to saving, spending, and investing (Agustina & Mardiana, 2020). As a result, the overall level of financial literacy of minimum wage earners is high, with a result of 4.17 and a standard deviation of 0.35. This indicates that minimum wage earners display a high level of financial literacy, indicating good knowledge and generally positive attitudes and behaviors toward financial management. Therefore, minimum wage earners are well aware of their saving and spending habits, as seen in the results. This also implies that the minimum wage earners are "confident" in their knowledge, behavior, and attitude. Additionally, an individual's intentions are influenced by their attitude toward behavior, perceived behavior, and subjective norms (Rehman & Mia, 2024). This is highly connected to the Theory of Planned Behaviour, in which an individual's financial planning is influenced by their attitude toward money, debt, financial goals, and social influence (Koe & Yeoh, 2021). This implies that

their confidence plays a role in their finances because of the experiences and awareness they have encountered. As explained by Blaschke (2022), an individual with low confidence in their financial literacy indicates a lower experience with it when it comes to financial matters. Therefore, they become easily affected when it comes to financial risk. Those individuals with a high level of confidence and much experience in financial decisions are more likely to be exposed to risk-related losses. Moreover, an individual introduced to the basics of financial concepts, such as saving and spending money at a young age, shows significant development in their financial literacy. Understanding financial management is very important; it is a skill that could influence them for the rest of their lives (Susanti & Kemala, 2023).

**Significant Differences in Financial Literacy of Minimum Wage Earners When Analyzed by Gender**

Table 4 discusses the financial literacy differences among minimum wage earners based on gender (male, female,

LGBTQIA+). The result revealed no statistically significant difference in financial knowledge across gender groups. The mean rank was not statistically significant, although it was highest among female respondents, followed by male and LGBTQIA+ respondents; the differences were not statistically significant. This implies that financial knowledge levels between genders are equivalent, with variations observed due to such factors as confidence levels instead of fundamental knowledge differences. The result contradicts Bucher-Koenen *et al.*'s (2021) study, which stated that social and cultural factors can significantly explain gender differences in financial literacy. Women get fewer chances to make financial decisions independently, leading to lower financial literacy levels than men. This inequality is driven by gender roles and social expectations that restrict women's exposure to financial issues. This result supports Grohmann *et al.*'s (2021) study, which stated that women also show the same level of financial literacy as men. Therefore, the result indicates that regardless of gender, financial literacy can be achieved.

**Table 4:** Significant Differences in Financial Literacy of the Minimum Wage Earners when Analyzed by Gender

Indicators	Groups	N	Mean Rank	Chi-Square	df	Asymp. Sig.
Financial Knowledge	Male	120	150.08	3.962	2	.138
	Female	185	158.86			
	LGBTQIA+	3	62.33			
	Total	308				
Financial Behavior	Male	120	174.50	13.842*	2	.001
	Female	185	143.37			
	LGBTQIA+	3	41.00			
	Total	308				
Financial Attitude	Male	120	149.71	.626	2	.731
	Female	185	157.75			
	LGBTQIA+	3	145.33			
	Total	308				
Overall	Male	120	155.51	3.910	2	.142
	Female	185	155.49			
	LGBTQIA+	3	53.33			
	Total	308				

Instead, factors such as educational background, resource accessibility, and broader socioeconomic conditions likely exert a greater influence. Bağcı and Kahraman (2020) stated that the claim that women have always been less knowledgeable than men based on gender differences in financial literacy is inaccurate. As shown in their study, they also concluded that financial literacy has no significant differences when grouped according to gender. Therefore, the gender gap in financial literacy of the minimum wage earners is not evident.

**Significant Differences in Financial Literacy of Minimum Wage Earners When Analyzed by Age**

Table 5 examined variations in financial literacy among

minimum wage earners across different age groups. Financial literacy was evaluated through three key indicators: financial knowledge, financial behaviour, and financial attitude, along with an overall financial literacy score. The analysis categorized respondents into four age significant variation in financial knowledge across the different age groups. Although individuals aged 40-49 had highest mean rank (M=163.58), groups: 18-29 years old, 30-39 years old, 40-49 years old, and 50-59 years old. Test results showed no statistically while those aged 18-29 had the lowest, these differences were insignificant. This result aligns with Lusardi *et al.* (2023), which indicates that although financial knowledge may improve as one grows older due to the experience accumulated over time, age

is not a predictor of financial literacy. Instead, financial knowledge depends more on education, experience with finance, and the availability of learning opportunities. In the same vein, Farrell *et al.* (2022) contend that differences in financial literacy across generations are usually

alleviated by formal education and financial experience instead of age itself. The study revealed no statistically significant differences in financial behavior, knowledge, attitude, or overall financial literacy across age groups among minimum wage earners.

**Table 5:** Significant Differences of Financial Literacy of the Minimum Wage Earners when Analyzed by Age

Indicators	Groups	N	Mean Rank	Chi-Square	df	Asymp. Sig.
Financial Knowledge	18 – 29 yrs. old	145	147.71	1.844	3	.605
	30 – 39 yrs. old	123	162.03			
	40 – 49 yrs. old	13	162.58			
	50 – 59 yrs. old	27	152.74			
	Total	308				
Financial Behavior	18 – 29 yrs. old	145	153.49	5.488	3	.139
	30 – 39 yrs. old	123	163.74			
	40 – 49 yrs. old	13	150.50			
	50 – 59 yrs. old	27	119.76			
	Total	308				
Financial Attitude	18 – 29 yrs. old	145	145.08	4.064	3	.255
	30 – 39 yrs. old	123	159.74			
	40 – 49 yrs. old	13	160.27			
	50 – 59 yrs. old	27	178.46			
	Total	308				
Overall	18 – 29 yrs. old	145	144.93	3.256	3	.354
	30 – 39 yrs. old	123	163.85			
	40 – 49 yrs. old	13	164.96			
	50 – 59 yrs. old	27	158.24			
	Total	308				

Although participants aged 30-39 and 40-49 exhibited the highest mean ranks, and those aged 50-59 and 18-29 had the highest, these variations were not statistically meaningful. These findings support the view that age alone does not significantly affect financial literacy or behavior. Instead, financial behavior is more strongly shaped by factors such as financial education, socioeconomic background, and financial socialization (Xiao & O’Neill, 2022). Similarly, Remund *et al.* (2021) noted that younger individuals may engage more with 18 digital financial tools, while older individuals may display more conservative habits. However, such behavioral differences do not always result in measurable gaps.

**Significant Differences in Financial Literacy of Minimum Wage Earners When Analyzed by Educational Attainment**

Table 6 reveals differences across educational levels, assessing financial knowledge, behavior, and attitude. The analysis compared mean ranks 19 across three educational levels: high school level, vocational, and bachelor’s degree, in terms of overall financial literacy. According to the findings, participants with a bachelor’s degree had more positive financial views than those with only a high school diploma (M=140.74) and vocational education, indicating

a statistically significant difference in financial attitudes depending on educational attainment groups.

For financial knowledge, a test revealed no statistically significant difference among educational attainment groups, with the highest mean rank (M=157.15) in high school level education and the lowest(M=145.25) in vocational education. Regarding financial behavior, there was also no difference among educational groups. Wagner and Walstad (2019) concluded that financial education empowers individuals to make sensible financial decisions and change behaviors, positively improving household finances’ well-being. This suggests that the moderating role of the effect of financial literacy on behavior can vary between institutions of education. From a psychological perspective, income groups interact with “attitudes” or “risk preferences,” which emphasizes the importance of financial literacy, which can vary based on individual risk attitudes or financial choices. Selvia *et al.* (2021) highlighted that more responsible financial conduct facilitates improved financial planning and decision-making, resulting in a greater grasp of finance. Financial literacy can boost people’s confidence in their ability to make personal financial decisions, which can raise their level of living. According to the research, the elements that influence financial literacy are financial

behavior, financial attitude, and financial knowledge. behavior, knowledge, or general financial literacy among  
 However, there were no appreciable variations in financial educational levels

**Table 6:** Significant Differences in Financial Literacy of the Minimum Wage Earners When Analyzed by Educational Attainment

Indicators	Groups	N	Mean Rank	Chi-Square	df	Asymp. Sig.
Financial Knowledge	High School Level	83	157.15	.944	2	.624
	Vocational	68	145.25			
	Bachelor's Degree	157	157.11			
	Total	308				
Financial Behavior	High School Level	83	151.11	4.103	2	.129
	Vocational	68	173.63			
	Bachelor's Degree	157	148.00			
	Total	308				
Financial Attitude	High School Level	83	135.30	10.517	2	.005
	Vocational	68	140.97			
	Bachelor's Degree	157	170.51			
	Total	308				
Overall	High School Level	83	140.72	4.445	2	.108
	Vocational	68	147.74			
	Bachelor's Degree	157	164.71			
	Total	308				

This implies that among minimum wage earners, educational achievement may have a greater impact on attitudes toward financial issues than financial understanding or conduct. Dube and Asthana (2023). A study of Indian higher education students found a strong link between financial knowledge, attitude, and behavior. Financial awareness was found to have a considerable impact on financial literacy, implying that education is essential for developing all aspects of financial literacy.

**Significant Differences in Financial Literacy of Minimum Wage Earners When Analyzed by Civil Status**

Table 7 The test indicated no statistically significant difference in overall financial literacy between civil status groups. The mean rank of married people was the highest (M=165.96), followed by separated people (M=145.33) and 21 single people (M=147.75). The mean rank of widowed people was the lowest (M=82.17). The data show no statistically significant variations in financial knowledge, with the test indicating the civil status group regarding behavior and attitude or general financial literacy based on civil status. However, the differences were not statistically significant.

This suggests that civil status may not efficiently predict financial literacy among minimum-wage individuals. This underscores the importance of controlling for various aspects to understand financial literacy's direct influence better. Consumer behavior awareness and consideration of these control factors are important in determining a more detailed study of the direct impact of financial literacy on consumer financial behavior (Khawar & Sarwar, 2021). This study found that family financial socialization and in-house financial knowledge had a greater influence on financial behavior than any specific demographic component, such as marital status or age. Employees' financial knowledge and what they have gained via family socialization will assist them in making solid financial decisions for themselves and their families. Family is a structure where two often differing attitudes, values, and beliefs about money come together as individuals connect with their life partners and make decisions about shared resources. Financial satisfaction and discontentment are deeply personal emotions, making them relatable to all individuals within the family home—decisions about shared resources. Financial satisfaction and discontent are deeply personal emotions, making them relatable to all individuals within the family home.

**Table 7:** Significant Differences in Financial Literacy of Minimum Wage Earners When Analyzed by Civil Status

Indicators	Groups	N	Mean Rank	Chi-Square	df	Asymp. Sig.
Financial Knowledge	Single	154	145.04	3.737	3	.291
	Married	128	164.79			
	Widow	3	139.17			
	Separated	23	162.59			
	Total	308				
Financial Behavior	Single	154	151.37	4.586	3	.205
	Married	128	158.18			
	Widow	3	56.17			
	Separated	23	167.76			
	Total	308				
Financial Attitude	Single	154	153.50	3.014	3	.389
	Married	128	160.63			
	Widow	3	97.67			
	Separated	23	134.48			
	Total	308				
Overall	Single	154	147.75	5.229	3	.156
	Married	128	165.96			
	Widow	3	82.17			
	Separated	23	145.33			
	Total	308				

consistently higher than those of single and widowed people on all the indices, these differences were not statistically significant. Mawad *et al.* (2022) asserted that marital status did not significantly affect their financial crises. Therefore, the ability of an individual to conduct themselves responsibly with their money, as informed by the financial knowledge they have acquired, assists in counteracting their exposure to financial difficulties or distress (Mahdzan *et al.*, 2019).

**Significant Differences in Financial Literacy of Minimum Wage Earners When Analyzed by Employment Status**

Table 8 examines the overall financial literacy; no significant difference was found between regular and contractual employees,  $U = 4204.000$ ,  $Z = -0.190$ ,  $p = .849$ . This result indicates that the level of financial literacy of minimum wage earners is considered to be at a high level. This concerns the study of Lestari *et al.*

**Table 8:** Significant differences in financial literacy of minimum wage earners when analyzed by employment status

Variables	Group	n	Mean Rank	Sum of Ranks	Mann-Whitney U	Z	Asymp. Sig.
Financial Knowledge	Regular	277	155.15	42975.50	4114.500	-.381	.703
	Contractual	31	148.73	4610.50			
	Total	308					
Financial Behavior	Regular	277	154.86	42897.00	4193.000	-.214	.831
	Contractual	31	151.26	4689.00			
	Total	308					
Financial Attitude	Regular	277	152.23	42168.00	3665.000	-1.337	.181
	Contractual	31	174.77	5418.00			
	Total	308					
Overall	Regular	277	154.18	42707.00	4204.000	-.190	.849
	Contractual	31	157.39	4879.00			
	Total	308					

(2024), where financial literacy appears to be a crucial skill for employees to properly handle their finances

effectively, as this also reduces financial stress. It was also cited by Rahman *et al.* (2021) that an individual's

financial security can be achieved if an individual has a fundamental understanding of income, expenditure, and saving patterns.

Although contractual employees exhibited slightly higher ranks in financial attitude and overall literacy, these differences did not reach statistical significance. This is likely because of their status, as they value the importance of money more because they do not have permanent work. Moreover, employers highly encourage employees to open a bank account to transfer their wages directly to their ATM. This is highly consistent with Bekele's (2023) study, which stated that an employed individual has a high financial literacy because they are exposed to financial 24 inclusion compared to the unemployed individual. Being employed enables an understanding of financial literacy via financial institutions. When their employers give wages to their employees, they make them open a bank account, which increases their financial literacy. As Desello and Agner (2023) stated, an individual's level of financial literacy significantly influences their financial decision-making role within the household, which affects their likelihood of using financial services such as savings accounts, insurance, or investments. The primary decision-makers will likely actively manage their finances, demonstrating a deeper understanding of financial literacy and responsible behaviors.

## CONCLUSION

The study revealed that minimum wage earners in Digos City demonstrate a high overall level of financial literacy. Among its core dimensions, financial behavior (e.g., savings practices, budgeting, and responsible decision-making) and financial knowledge were assessed as "very high." In contrast, financial attitude was categorized as "high," indicating robust fiscal habits and comprehension despite socioeconomic constraints. A cross-sectional analysis identified statistically significant variations in financial literacy levels based on gender and educational attainment, suggesting these variables may serve as critical determinants of financial competency. Conversely, no significant differences emerged when analyzed against age, civil status, or employment status, implying limited influence of these factors. While the findings underscore a generally strong financial literacy baseline, they highlight the potential utility of targeted educational programs to address disparities linked to gender and educational divides. These results advocate for nuanced 25 policy interventions reinforcing financial resilience among vulnerable demographic subgroups.

## Recommendations

This study recommends collaborative strategies to enhance financial resilience among minimum wage earners. Key proposals include promoting accessible financial literacy programs sustained through institutional support and regular updates to educate workers on managing loans, investments, and predatory risks. Employers, local governments, and financial institutions should partner to

integrate financial education into workplace training and community initiatives, fostering economic empowerment and resource management. Additionally, establishing localized Financial Empowerment programs could create infrastructure for income growth and financial stability. Future research should explore psychological drivers behind financial decisions to address behavioral barriers, enabling tailored interventions that combine education with emotional and cognitive support.

## REFERENCES

- Agarwal, S., Driscoll, J. C., Gabaix, X., & Laibson, D. (2021). 'The Age of Reason: Financial Decisions Over the Life-Cycle & Implications for Regulation', *Brookings Papers on Economic Activity*, 52(2), 179- 220.
- Agustina, N. R., & Mardiana, M. (2020). The effect of financial knowledge & financial attitude on financial management behavior mediated with locus of control. *MEC-J (Management & Economics Journal)*, 4(3), 273-284.
- Akbar, R. A., & Sutrisno, S. (2024). The Effect of Financial Knowledge & Financial Attitude on Financial Management Behavior of Yogyakarta Students With Financial Self Efficacy as Mediation Variable. *International Journal of Economics Business & Management Research*, 08(09), 01-17.
- Andarsari, P. R., & Ningtyas, M. N. (2019). The role of financial literacy on financial behavior. *Journal of Accounting & Business Education*, 4(1), 24-33.
- Atkinson, A., & Messy, F. (2021). 'Measuring Financial Literacy Across Age Groups: A Global Perspective', *OECD Working Papers on Finance, Insurance & Private Pensions*, 42,75-100.
- Ajzen, I. (2020). The theory of planned behavior: Frequently asked questions. *Human behavior & emerging technologies*, 2(4), 314-324.
- Bağcı, H., & Kahraman, Y. E. (2020). The effect of gender on financial literacy. *Finans Ekonomi ve Sosyal Araştırmalar Dergisi*, 4(4), 492-503.
- Bangko Sentral ng Pilipinas. (2022). *National Strategy for Financial Inclusion 2022-2028*, 1-40.
- Banthia, D., & Dey, S. K. (2022). Impact of financial knowledge, financial attitude & financial behaviour on financial literacy: Structural equation modeling approach. *Universal Journal of Accounting & Finance*, 10(1), 327-337.
- Bawre, S. & Kar, S. (2019). An investigation of the demographic factors affecting financial literacy & its components among urban Indians. *International Journal of Education Economics & Development*, 10(4), 398-426.
- Bekele, W. D. (2023). Determinants of financial inclusion: A comparative study of Kenya & Ethiopia. *Journal of African Business*, 24(2), 301-319.
- Blaschke, J. (2022). Gender differences in financial literacy among teenagers- Can confidence bridge the gap?. *Cogent Economics & Finance*, 10(1), 01-23.
- Bucher-Koenen, T., Alessie, R., Lusardi, A., & van Rooij, M. (2021). 'Women, Confidence, & Financial Literacy', *Journal of Pension Economics & Finance*, 20(1), 89-110.

- Bureau of the Treasury., 2022. *Financial Standing of Filipinos*. 1-47.
- Chetioui, H., El Bouchikhi, Y., Makhtari, M., Sahli, M., & Lebdaoui, H. (2024). An investigation of the impact of financial literacy on households' financial well-being: An emerging market study. *International Journal of Economics & Financial Issues*, 14(3), 97-105.
- Chen, H. (2020). Identifying factors of a financial literacy scale used among vulnerable populations. *Journal of Consumer Affairs*, 54(3), 1162–1187. <https://doi.org/10.1111/joca.12345>
- Conoman, B. R., Macias, L., Te, S. M., & Sam, E. M. (2024). Financial literacy of Pantawid Pamilyang Pilipino Program (4Ps) mother-beneficiaries in Digos City. *Business & Organization Studies e-Journal*, 2(1), 21-38.
- De Almeida, R. C., Ferreira, V. R., Soro, M. P., & Silva, S. (2021). Financial behavior: Differences between indebted and non-indebted consumers. *International Journal of Consumer Studies*, 45(5), 1045–1058. <https://doi.org/10.1111/ijcs.12671>
- Dela Cruz, J. M. (2022). CSC to provide financial literacy to government workers. *Business Mirror*, 1 - 166.
- Desello, J. M. U., & Agner, M. G. R. (2023). Financial Inclusion & the Role of Financial Literacy in the Philippines. *International Journal of Economics & Finance*, 15(6), 27.
- Dewi, V. I., Febrian, E., Effendi, N., Anwar, M., & Nidar, S. R. (2020). Financial Literacy And Its Variables: The Evidence From Indonesia. *Economics & Sociology*, 13(3), 133-154.
- Dube, V. S., & Asthana, P. K. (2023). Financial knowledge, attitude & behaviour components of financial literacy: A study of Indian higher education students. *International Journal of Indian Culture & Business Management*, 28(1), 124–143. Available at: <https://doi.org/10.1504/IJICBM.2023.128488>
- Farrell, L., Fry, T. R. L., & Risse, L. (2022). The Age Factor in Financial Literacy: Does Experience Outweigh Education? *Economic Modelling*, 104, 85-102.
- Fernandes, D., Lynch, J. G., & Netemeyer, R. G. (2022). Financial Literacy, Financial Education, & Downstream Financial Behaviors. *Management Science*, 68(3), 1032-1054.
- Gallo, A. (2020). Financial knowledge, confidence, and sustainable financial behavior. *Sustainability*, 12(20), 1–18. <https://doi.org/10.3390/su12208484>
- Griffin, S. A., & Sibilang, N. P. (2022). The influence of financial attitude and financial knowledge on financial management behavior moderated by locus of control in Generation Z. *Jurnal Multidisiplin Madani*, 2(12), 4141–4150.
- Grohmann, A., Hübler, O., Kouwenberg, R., & Menkhoff, L. (2021). Financial literacy: Thai middle-class women do not lag behind. *Journal of Behavioral & Experimental Finance*, 31, 01-53.
- Hilgert, R. K., & Luttrell, M. (2023). Investigating the Impact of Financial Literacy & Income on Financial Behaviors Among Millennials. *Indonesia Accounting Research Journal*, 11(1), 37–50. doi: 10.35335/iacrj.v11i1.211.
- Inienger Chia, C., & Emem, U. (2020). *The Determinants of Survey Design In A Research Undertaking*, 29 - 37.
- Kadoya, Y., & Khan, M. S. R. (2020). Financial literacy in Japan: New evidence using financial knowledge, behavior, & attitude. *Sustainability*, 12(9), 2-15.
- Kadoya, Y., & Khan, M. S. R. (2020). What determines financial literacy in Japan? *Journal of Pension Economics & Finance*, 19(3), 353- 371.
- Karakurum-Ozdemir, K., Kokkizil, M. & Uysal, G. (2019). Financial literacy in developing countries. *Social Indicators Research*, 19(3), 325-353.
- Khalisharani, H., Johan, I. R., & Sabri, M. F. (2022). The Influence of Financial Literacy & Attitude Towards Financial Behaviour Amongst Undergraduate Students: A Cross-Country Evidence. *Pertanika Journal of Social Sciences & Humanities*, 30(2), 449–474.
- Khawar, A., & Sarwar, B. (2021). Financial Literacy & Behavior: The Role of Family Financial Socialization. *Future Business Journal*, 7(1), 1–12.
- Koe, J. H. N., & Yeoh, K. K. (2021). Factors influencing financial planning for marriage amongst young Malaysian couples. *International Journal of Business & Society*, 22(1), 33-54.
- Lestari, S. D., Muhdaliha, E., Firdaus, P. M., Suhendra, E. S., & Brabo, N. A. (2024). Financial Literacy at Work: Enhancing Organizational Performance through Employee Training Investments. *Atestasi: Jurnal Ilmiah Akuntansi*, 7(2), 721-741
- Lusardi, A. (2019). Financial literacy & the need for financial education: evidence & implications. *Swiss journal of economics & statistics*, 155(1), 1-8.
- Lusardi, A., Michaud, P. C., & Mitchell, O. S. (2023). The Role of Age in Financial Literacy & Decision-Making. *Journal of Economic Behavior & Organization*, 201, 130-150.
- Mahdzan, N. S., Zainudin, R., Sukor, M. E. A., Zainir, F., & Ahmad, W. M. W. (2019). Determinants of financial well-being across three different household income groups in Malaysia. *Social Indicators Research*, 146, 699–726.
- Mawad, J. L., Athari, S. A., Khalife, D., & Mawad, N. (2022). Examining the Impact of Financial Literacy, Financial Self-Control, & Demographic Determinants on Individual Financial Performance & Behavior: An Insight from the Lebanese Crisis Period. *International Journal of Business & Management*, 17(4), 11-13.
- Noor, S., Tajik, O., & Golzar, J. (2022). Simple random sampling. *International Journal of Education & Language Studies*, 1(2), 78-82.
- O'Connor, G. E., Newmeyer, C. E., Wong, N. Y. C., Bayuk, J. B., Cook, L. A., Komarova, Y., Loibl, C., Ong, L. L., & Warmath, D. (2019). Conceptualizing the multiple dimensions of consumer financial vulnerability. *Journal of Business Research*, 100, 421-430.
- Okamoto, S., & Komamura, K. (2021). Age, gender, & financial literacy in Japan. *PLoS One*, 16(12-13), 1-20.
- Pebraezen, P., & Hidayati, F. (2023). The influence of

- financial knowledge, financial attitude, financial self-efficacy, locus of control, and income on family financial management in Tuah Madani Pekanbaru City. *International Conference on Economic and Social Sciences Proceedings*.
- Potrich, A. C. G., Vieira, K. M., & Mendes-Da-Silva, W. (2020). Development of a financial literacy scale for adults. *Journal of Behavioral and Experimental Finance*, 27, 100339. <https://doi.org/10.1016/j.jbef.2020.100339>
- Rahayu, S. A., Herawati, N. T., & Dewi, R. P. (2020). The effect of financial literacy and self-control on student financial management behavior. *International Journal of Economics, Business and Accounting Research*, 4(1), 236–243. <https://doi.org/10.29040/ijeb.v4i01.952>
- Rahman, M. M., Isa, C. R., Masud, M. A. K., Sarker, M. N. I., & Chowdhury, S. (2021). Financial well-being of B40 households in Malaysia: The role of financial behavior, financial stress, and financial literacy. *International Journal of Consumer Studies*, 45(5), 1174–1187. <https://doi.org/10.1111/ijcs.12659>
- Rahman, M., Isa, C. R., Masud, M. M., Sarker, M., & Chowdhury, N. T. (2021). The role of financial behaviour, financial literacy, & financial stress in explaining the financial well-being of B40 group in Malaysia. *Future Business Journal*, 7, 1-18.
- Rehman, K., & Mia, M. A. (2024). Determinants of financial literacy: a systematic review & future research directions. *Future Business Journal*, 10(1), 75.
- Remund, D. L., Huston, S. J., & Heckman, S. (2021). Generational Trends in Financial Decision-Making: The Role of Digital Finance & Experience. *Journal of Financial Counseling & Planning*, 32(1), 50-70.
- Sabri, M. F., Cook, C. C., Rahim, H. A., & Anwar, F. A. (2022). Financial literacy, financial behaviour and financial well-being: A comparative study of Malaysia, New Zealand and the United Kingdom during COVID-19 pandemic. *Journal of Risk and Financial Management*, 15(10), 459. <https://doi.org/10.3390/jrfm15100459>
- Sahid, S. (2022). Exploratory factor & reliability analysis of financial literacy instrument to assess low-income groups in Malaysia. *Journal of Social Economics Research*, 9(1), 39-51.
- Sarpong-Kumankoma, E. (2023). Financial literacy & retirement planning in Ghana. *Review of Behavioral Finance*, 15(1), 103-118.
- Selvia, G., Rahmayanti, D., Afandy, C., & Zoraya, I. (2021). The Effect of Financial Knowledge, Financial Behavior & Financial Inclusion on Financial Well-being. *International Journal of Finance & Banking Studies*, 10(2), 592-593.
- Siedlecki, S. L. (2020). Understanding descriptive research designs & methods. *Clinical Nurse Specialist*, 34(1), 8-12.
- Shafiq, A., Sindhu, T. N., Riaz, M. B., Hassan, M. K. H., & Abushal, T.A. (2024). A statistical framework for a new Kavya-Manoharan Bilal distribution using ranked set sampling & simple random sampling. *Heliyon*, 10(9), 1-17.
- Shih, H. M., Chen, B. H., Chen, M. H., Wang, C. H., & Wang, L. F. (2022). A study of the financial behavior based on the theory of planned behavior. *International Journal of Marketing Studies*, 14(2), 1.
- Stratton, S. J. (2021). Population Research: Convenience Sampling Strategies. *Prehospital & Disaster Medicine*, 36(4), 373-374.
- Susanti, I., & Kemala, R. (2023). The role of financial literacy in developing financial management skills in early children. *Kompartemen: Kumpulan Orientasi Pasar Konsumen*, 1(2), 85-89.
- Sulistianingsih, H., & Santi, F. (2023). Does SME's financing decisions follow pecking order pattern? The role of financial literacy, risk preference, & home bias in SME financing decisions. *Cogent Business & Management*, 10(1), 3.
- Thomas, B., & Subhashree, P. (2020). Factors that influence the financial literacy among engineering students. *Procedia Computer Science*, 172, 480-487.
- Vieira, K. M., Potrich, A. C. G., & Coronel, D. A. (2024). Digital financial knowledge scale: A proposal and empirical assessment of measurement properties. *Financial Innovation*, 10, Article 30. <https://doi.org/10.1186/s40854-024-00679-8>
- Waga, K. (2021). Financial knowledge and retirement planning among pension scheme members in Kenya. *Journal of Aging Studies*, 58, 100945. <https://doi.org/10.1016/j.jaging.2021.100945>
- Wagner, J., & Walstad, W. B. (2019). The effects of financial education on short-term & long-term financial behaviors. *Journal of Consumer Affairs*, 53(1), 234–259.
- Xiao, J. J., & O'Neill, B. (2022). 'Financial Education & Behavior Across the Life Cycle', *Journal of Consumer Affairs*, 56(1), 100-125.
- Zhang, Y. (2024). Impact of financial literacy on investment decisions and stock market participation using extreme learning machines. *Finance Research Letters*, 60, 104987. <https://doi.org/10.1016/j.frl.2023.104987>
- Zulaihati, S., Susanti, S., & Widyastuti, U. (2020). Teachers' financial literacy: Does it impact on financial behaviour. *Management Science Letters*, 10(3), 653-658.