FINANCIAL READINESS OF RETIRABLE TEACHERS: INSIGHTS FROM PUBLIC SCHOOLS IN KABACAN SOUTH DISTRICT

Elthone Loreto G. Bermudez[1], Romelyn S. Lebrilla[2], Allan D. Maglinte[3], Michelle Joy F. Graza-Soquita[4], Jerald C. Soquita[5], Airelyn B. Velarde[6]

ABSTRACT :

Retirement is inevitable. Employees separate from their jobs after long years of selfless services. This quantitative study employing the descriptive-correlational aimed to determine the financial readiness of the retiring teachers. There was a total of 37 teachers who served as the respondents who were purposively chosen. Results revealed that majority of the respondents are on the age bracket of 50-55, female, Teacher III, married, and with a monthly income of 25,001-30,000. The level of their financial readiness in terms of saving is described as a little, investment as not at all, and neutral for physical well-being. Teaching position and monthly income are the best predictors of financial readiness because of their strong relationship. It was concluded that only a few of the respondents are financially ready upon retirement. This can be attributed that majority of them are still in lower rank. Hence, they have a less income. It can also be noted that these teachers have no other passive income which can augment their needs.

Introduction :

Rationale

Retirement is one of the awaited moments in the lives of an employee. It is the fulfillment of their selfless service in an organization that they loved for how many years. However, the readiness is still a challenge that needs to be given an in-depth response through research especially among the those who are employed by the Department of Education.

The study of Bacal et al. (2019), those who are in the verge of retirement already had the feelings of stress. This can be associated by the mere fact that they have to leave the portal of the work that they served. In the like manner, the management of their financial portfolios could be one of the risks that posed in the horizon (Ehrlich & Yin, 2022).

However, saving strategies as well as the politics of social security compelled individuals to retire as a lifelong goal. Hence, personal readiness is a factor that has to be considered for later life (Ekerdt, 2004). For Garcia (2013) that those who retired in the Philippines are more prepared for retirement. They considered their financial capability, social support, and work after retirement.

Though there were similar studies relative to financial readiness (Garcia, 2013; Delos Santos et al., 2020), but these did not directly tackle the financial readiness of retriable public-school teachers especially in the contexts of the present study. Similarly, it is beyond the idea of financial literacy which is the focus of Lusardi and Mitchell (2017) study. Hence, the research gap of this paper.

The aforesaid ground motivated the researchers to conduct this endeavor to look into their profile, their financial readiness, and the relationship of these two variables. In the like manner, this study compels the readers and those in the retiring age to have an in-depth realization of making their finances stable.

Research Questions

This quantitative study employing the descriptive-correlational aimed identifying the profile and the financial readiness of public-school teachers. Specifically, it answered the following research questions:

1. What is the profile of the respondents in terms of age, gender, civil status, teaching position, and monthly income;
2. What is the level of financial readiness of the respondents in terms of savings, investments, and physical well-being?
3. Is there a significant relationship with between the profile and the financial readiness of the respondents?

Scope and Limitation of the Study

The central focus of this study was to determine the financial readiness of public-school teachers in Kabacan South District-Schools Division of Cotabato. It was conducted during the First Semester of School Year 2022-2023. Only those teachers who are on the retiring age were included in the study.

Methodology :

Research Design

This quantitative study employed the descriptive-correlational research design. It is quantitative since it employed statistical tools in the interpretation of the data (Sukamolson, 2007). Meanwhile, descriptive is a non-experimental type where variables are measured using numerical values. However, it is not manipulated by the researcher (Depp & Jeste, 2006).

Correlation used to look relationship between variables. It showed the strength and direction of the relationship. Through this, the researchers could provide insights relative to the relationships as well as in making predictions (Gogtay & Thatte, 2017).

Correspondingly, this paper employed descriptive since it first provided data on the profile of the respondents. This was followed by the level of their financial readiness. The correlation was taken by testing the relationship between the profile and latter variable.

Respondents

The respondents of this study were purposely chosen. There was a total of 32 teachers who participated in this study.

Data Gathering Procedure

The researchers followed the following research protocols. First, they developed the research questionnaire. This was followed by the administration of the pilot test in order to determine the value of the Cronbach Alpha. After this process, the researchers wrote a letter to the District Supervisor of Kabacan South District on the purpose of this research endeavor. Upon approval, the researchers identified the respondents based on their age bracket as set in this study.

Moreover, prior to the distribution of the questionnaire, the researchers explained the purpose of the study. After they responded, the researchers immediately retrieved, tallied and tabulated the results. However, in order to analyze the data, the statistician interpreted relationship of the variables.

More importantly, the researchers discussed the findings of the study. Implications were drawn and supported by relevant literatures. Results were all presented in tabular forms.

Statistical Treatment

The following statistical tools were used in the interpretation of the data:

- o **Frequency Counts**. This was used to determine the profile of the respondents.
- o **Weighted Mean**. This was used to determine the level of financial readiness of the respondents.
- o **Pearson r Correlation**. This was used to test the relationship between the profile and the financial readiness of the respondents.

Results and Discussions :

Profile of the Respondents :

The first research question determined the profile of the respondents in terms of age. It can be gleaned that 59.38% of the respondents are in the age bracket of 50-55, followed by those aging 56-60 that comprised 37.50%, and the least with 3.13% who are 61 years old and above.

Table 1. The profile of the respondents in terms of Age
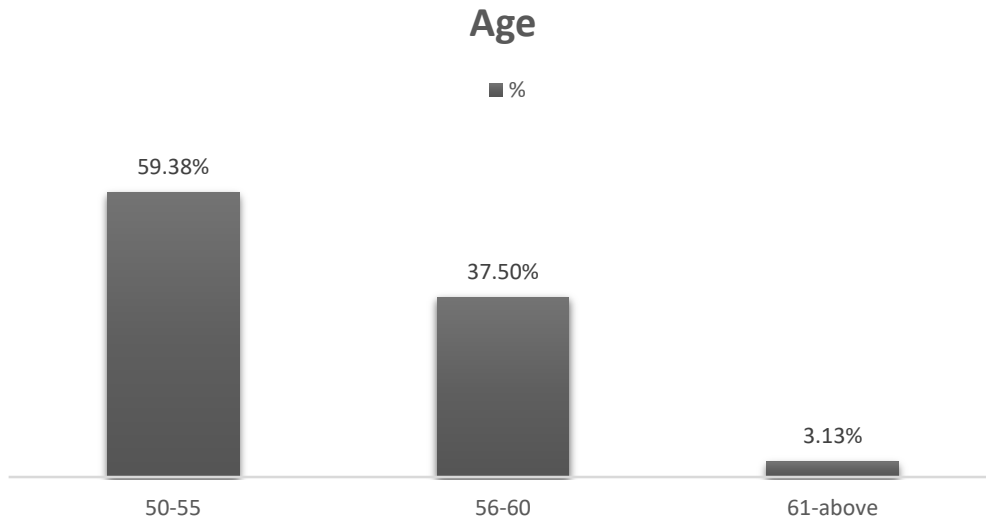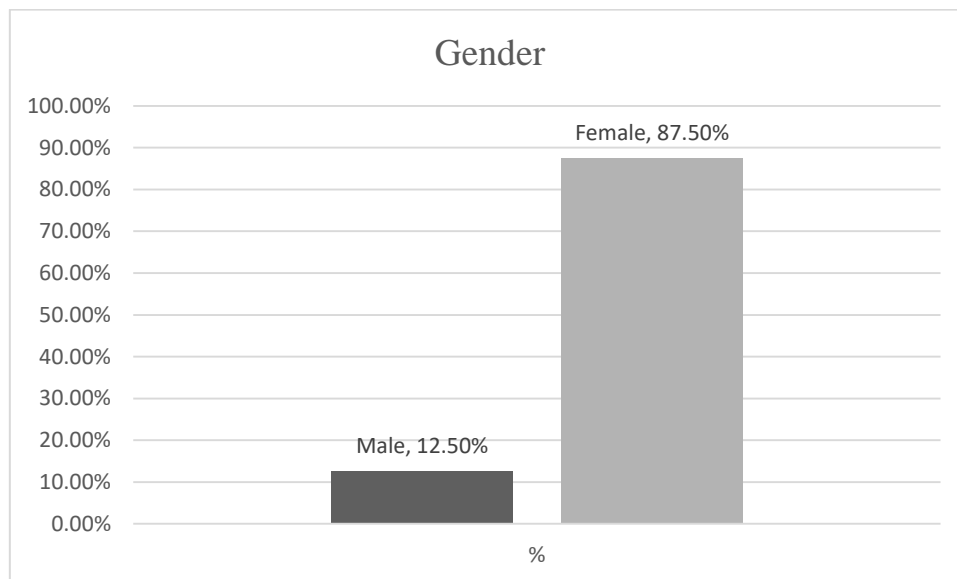
Age

■ %

Table 2 reveals the profile of the respondents in terms of gender. Female respondents made up 87.50% while 12.50% are males.

Table 2. The profile of the respondents in terms of Gender

The profile of the respondents in terms of teaching position is presented on table 3. It shows that 53.13% belonging to Teacher III. Following this is 15.63% that holds the Teacher-I item, Master Teacher I and Teacher II comprise the 12.50%. Teachers holding the Master II (6.25%) is the least in the number of the respondents.

Table 3. Profile of the respondents in terms of Teaching Position

Teaching Position

(Teacher-I: 15.63%, Teacher-II: 12.50%, Teacher-III: 53.13%, Master Teacher-I: 12.50%, Master Teacher-II: 6.25%)
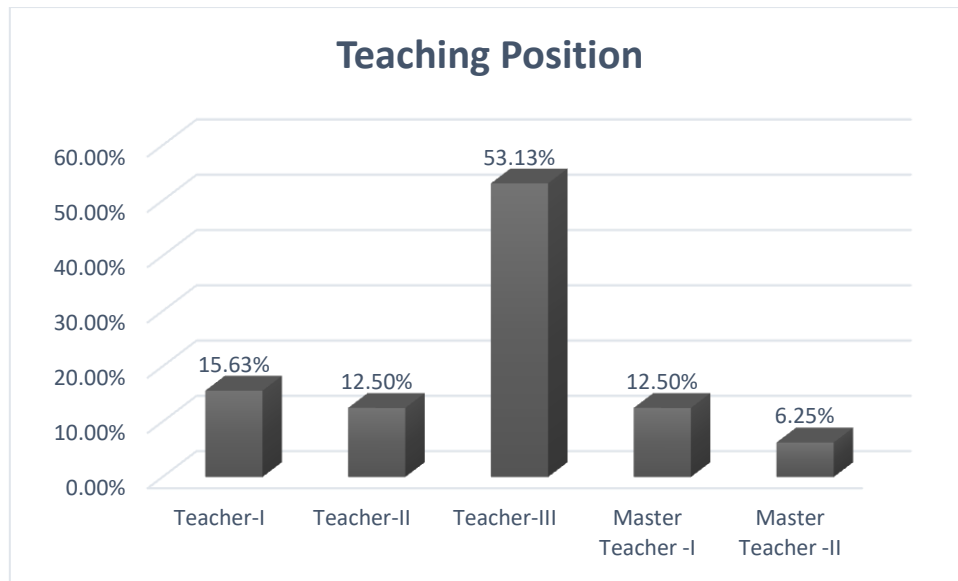
Table 4 provides information on the profile of the respondents in terms of civil status. The result divulges that 81.25% are married, 15.63% widowed, and 3.13% single.

Table 4. Profile of the respondents in terms of Civil Status

Civil Status

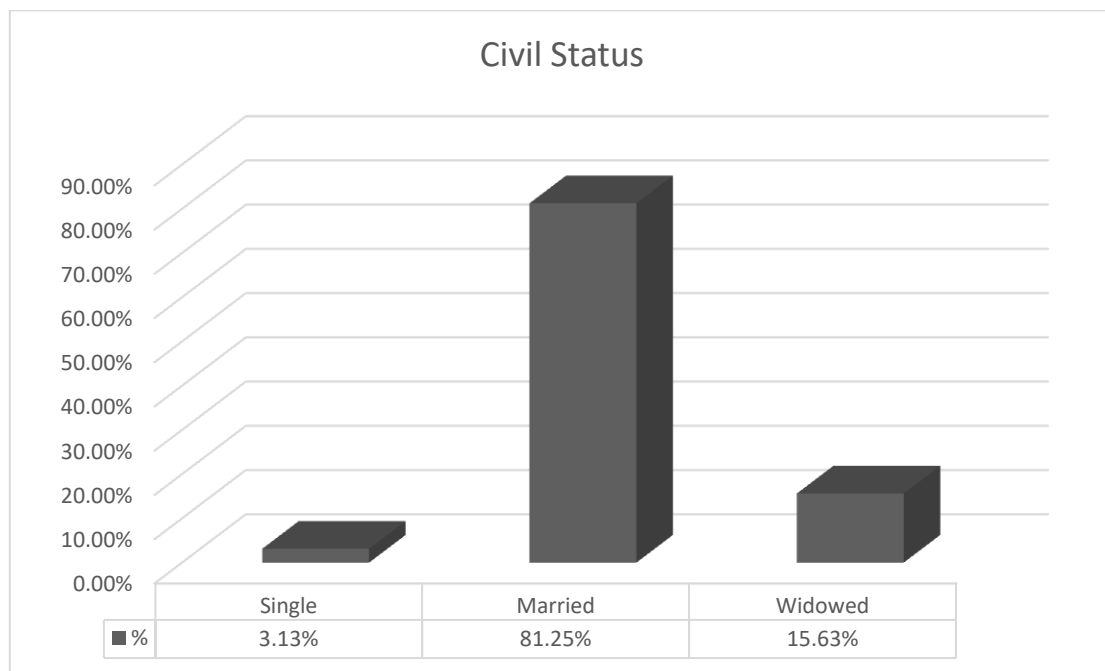|	Single	Married	Widowed
%	3.13%	81.25%	15.63%

Table 5 shows the profile of the respondents in terms of monthly income. The data discloses that 37.50% of the respondents have a monthly income of 25,001-30,000. At one hand, 28.13% earns 30,001-35,000. On the other hand, 15.60% earns 40,000 above in a month. More so, 9.38% belonging to a monthly bracket of 20,001-25,000. The remaining respondents earn 5,000-15,000 which made 3.13%.

Table 5. Profile of the respondents in terms of Monthly Income
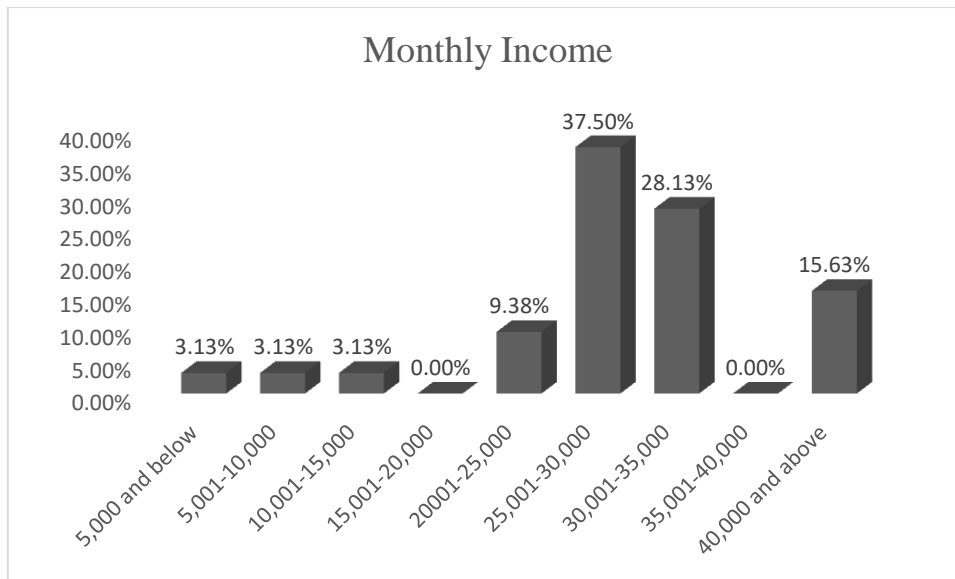
Financial Readiness

Table 6 presents the financial readiness of the respondents in terms of saving. It has a weighted mean of 1.95 and described as a little. This means that they have a small interest in saving.

The result implies that only a few of the respondents saved their money in the financial institution like a bank. This can be attributed by the mere fact that majority of the teachers received a meager salary. As well, teachers have to spend their own money for the restructuring of their classrooms and in providing the needs of their family and students.

Indeed, the findings of Imelda et al. (2017) supported that Filipino teachers lacked the ability in terms of financial literacy. In which one of its components is saving. Thus, it has detrimental effects in when they are on the stage of retiring from their jobs (Ferrer, 2018).

Table 6. Financial readiness of the respondents in terms of saving.

Statements		SD	Mean	Description
I keep my savings in safe vault.		1.36	1.74	Not at all
I have a time deposit account/s.		1.23	1.87	A little
I have an online deposit account/s		0.96	1.48	Not at all
I have made a regular savings for my retirement.		1.41	2.45	A little
I entrusted my savings to my family and other trusted relatives		1.49	2.19	A little
Weighted Mean	1.95	A Little		

The financial readiness of the respondents in terms of investment is revealed on Table 7 with a weighted mean of 1.59 and described as not at all. This means that not all teachers practice the sense of investing.

This explains that a little of them have a passive income by engaging into business. Hence, they always face difficulties in their finances. It can also be gleaned that they do not showed interest in investing to gold. In fact, its value appreciates as compared to other items. Truly, this provided an idea that teachers will have the difficulties upon retirement.

As Hanna et al. (2016) stated that employees should have other means of income in preparation to their retirement. It was supported by the study of Aka et al. (2015) that having the passive income could lessen the burden during retirement. It is just easy for them to augment their needs without asking for any help from their children and relatives.

Table 7. Financial readiness of the respondents in terms of investment

Statements	SD	Mean	Description
I invested in golds.	0.94	1.66	Not at all
I invested in business.	1.51	2.18	A little
I invested in a real state.	1.12	1.97	A little
I lend money with interest.	0.84	1.41	Not at all
I have annuity savings plan.	1.18	1.69	Not at all

I bought insurance retirement plan.	1.28	1.61	Not at all
I have investments in cryptocurrencies.	0.65	1.19	Not at all
I invested in bank through time deposit.	1.03	1.48	Not at all
I invested in a risky investment scheme.	0.52	1.16	Not at all
I have shared a capital with annual earnings.	1.12	1.58	Not at all
Weighted Mean		1.59	Not at all

Table 8 presents the financial readiness of the respondents in terms of physical well-being. With a weighted mean of 2.85, it is described as neutral. This means that they either observed the statements.

This implies that often, they eat a balanced diet. By observing this, the respondents can be assured of a good life upon leaving the government service. On the contrary, not all of them get plenty of rest because of the complexities of their job. Generally, teachers extend their job even at home. As such, affected their resting hours.

Teachers have been bombarded with ancillary services. It means that they worked beyond the teaching hours. Because of this, the level of stress is very high among Filipino teachers (Sarabia & Collantes, 2020). Demands from their immediate supervisor is also the cause of stress (Alson, 2019).

Table 8. Financial readiness of the respondents in terms of physical-well being

Statement	SD	Mean	Description
I get plenty of rest.	1.40	3.19	Neutral
I eat a balanced diet.	1.15	3.66	Often
I have a routine exercise.	1.31	3.06	Neutral
I join in sports activities.	1.09	1.94	Rarely
I join in dance exercises.	1.10	2.00	Rarely
I join in civic activities.	1.45	2.88	Neutral
I have a regular medical check-up.	0.99	3.23	Neutral
Weighted Mean		2.85	Neutral

Significant relationship between profile and the financial
readiness of the respondents

Table 9 presents the significant relationship between profile and the financial readiness of the respondents. Among the variables, age shows no relationship with their financial readiness since its P-value is higher that 0.05 level of significance. However, gender and civil status have moderate relationship. Meanwhile, a very strong relationship in the aspects of teaching position and monthly income.

This means that age is not a predictor of financial readiness among the respondents. Further, this explains that regardless of age teachers should have to save their money or find other means of sources of living. A moderate relationship with gender and civil status connotes that there could be or no direct association with the readiness. Contrary to this, the higher the teaching position of teachers helped them to have a higher monthly earning. Thus, they could have the ability to save money.

Garcia (2013) stresses that readiness for retirements depends on the financial capability of teachers. But teachers need to be cautious of their spending behavior so that they could have savings for future needs. Indeed, researchers reiterate the importance of financial literacy (de Guzman & Reginalde, 2022).

Table 9. Significant relationship between profile and the financial readiness of the respondents

Variables	p-value	r-coefficient	Description
Age	0.28	0.196	Very weak relationship
Gender	0.00**	0.580	Moderate relationship
Civil status	0.00**	0.464	Moderate Relationship
Teaching position	0.00**	0.902	Very Strong Relationship
Monthly income	0.00**	0.836	Very Strong Relationship

Values of rQuantitative Interpretation

± 1	Perfect Relationship
± 0.81 to ± 0.99	Very Strong Relationship
± 0.61 to ± 0.80	Strong Relationship
± 0.41 to ± 0.60	Moderate Relationship

± 0.21 to ± 0.40   Weak Relationship

± 0.01 to ± 0.20   Very weak Relationship

No Relationship

Summary of Findings :

Summary of Findings

1. The following are the findings of the study:
2. Majority of the respondents are on the age bracket of 50-55, female,
3. Teacher III, married, and with a monthly income of 25,001-30,000.
   The level of their financial readiness in terms of saving is described as a
   little, investment as not at all, and neutral for physical well-being.
   Teaching position and monthly income are the best predictors of financial readiness because of their strong relationship.

Conclusions :

Based on the foregoing findings, the following conclusions are drawn. Only a few of the respondents are financially ready upon retirement. This can be attributed that majority of them are still in lower rank. Hence, they have a less income. It can also be noted that these teachers have no other passive income which can augment their needs.

Recommendations :

This study recommends the following:

1. The Department of Education should help the respondents in enhancing their financial literacy;
2. The respondents should have to invest in gold because of its value;
3. The respondents should have to engage into physical activities to make their mind and body healthy;
4. Future researcher should conduct the same study by exploring a different methodology; and
5. Development of intervention plan for retriable is hereby encouraged.

REFERENCES :

1. Alson, J. (2019). Stress among public school teachers. *Journal of Research*
2. *Initiatives*, *4*(2), 3.
3. Bacal, H. L. D., Patupat, R. L. L., & Manibo, J. (2019). Anticipatory Stress and
4. Psychological Well-Being among Retirable Employees.
5. Ekerdt, D. J. (2004). Born to retire: The foreshortened life course. *The*
6. *Gerontologist*, *44*(1), 3-9.
7. Depp, C. A., & Jeste, D. V. (2006). Definitions and predictors of successful aging:
8. a comprehensive review of larger quantitative studies. *The American Journal of Geriatric Psychiatry*, *14*(1), 6-20.
9. de Guzman, J. J. L. A., & Reginalde, C. R. (2022). Financial Literacy, Perspectives, and Practices of Public Secondary Teachers in Urban Municipalities of Nueva Vizcaya. *Financial Literacy, Perspectives, and Practices of Public Secondary Teachers in Urban Municipalities of Nueva Vizcaya*.
10. Ehrlich, I., & Yin, Y. (2022). A Cross-Country Comparison of Old-Age Financial
11. Readiness in Asian Countries versus the United States: The Case of Japan and the Republic of Korea. *Asian Development Review*, *39*(01), 5-49.
12. Ferrer, J. C. (2018). Financial capability of public school teachers in the
13. Philippines. *EDUCARE*, *11*(1).
14. Gogtay, N. J., & Thatte, U. M. (2017). Principles of correlation analysis. *Journal*
15. *of the Association of Physicians of India*, *65*(3), 78-81.
16. Lusardi, A., & Mitchell, O. S. (2017). How ordinary consumers make complex
17. economic decisions: Financial literacy and retirement readiness. *Quarterly Journal of Finance*, *7*(03), 1750008.
18. Sarabia, A., & Collantes, l. M. (2020). Work-related stress and teaching
19. performance of teachers in selected school in the Philippines. *Indonesian Research Journal in Education| IRJE|*, 6-27.
20. Sukamolson, S. (2007). Fundamentals of quantitative research. *Language*
21. *Institute Chulalongkorn University*, *1*(3), 1-20.