

FINANCIAL INTELLIGENCE AMONG GRADUATE SCHOOL STUDENTS**Manzo, Jesus Adrian A. ¹****Abing, Angel Grace C. ²****Mendoza, William Jr. G. ³****Cabarrubias, Pia Marie ⁴****Vitor, Shannen Kirsten C. ⁵****Diaz, Jet Roy B. ⁶**

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ABSTRACT

The study was conducted to identify the level of financial intelligence among graduate school students in USEP-CDM, Mintal Campus, Davao City. The study made use of the descriptive-comparative method. Survey questionnaires were used as the research instrument to gather data. There were 50 graduate school students who participated in the study. Data were analyzed using statistical tools such as mean and independent sample t-tests. Findings revealed that graduate school students' level of financial intelligence is moderate. Graduate school students showed moderate levels of financial intelligence across all components except for the control of money, which appeared to be high. There is a significant difference in financial intelligence among graduate school students when grouped by sex, specifically on tax assessment, and marital status concerning resource utilization. However, no significant difference was found in the financial intelligence of the graduate school students when grouped by employment sector.

Keywords:

Financial Intelligence, graduate school students, Davao City, descriptive-comparative method

INTRODUCTION

The inability to make sound finances results in lower savings and investments, higher debt and bankruptcy rates, and a more comprehensive wealth gap between the rich and the poor. People who make poor financial decisions inevitably experience a far lower standard of living than what was otherwise achievable. In this regard, the whole economic society is affected, not just the individuals (Lach & Nzorubara, 2023).

In 2014, the Global Financial Literacy Survey, conducted by Standard & Poor's Ratings Services, showed that only one in three adults are financially literate worldwide. The survey quantified financial literacy in terms of basic knowledge of risk diversification, inflation, numeracy, and interest compounding. The same study also shows that only one in four adults is financially literate in the Philippines – ranking our country in the bottom 30 of 144 countries (Klapper et al., 2015).

Akinnibi (2023) defined financial intelligence as skills, knowledge, and attitudes that enable individuals to understand and manage their financial affairs. It is a vital aspect of personal finance and allows individuals to make intelligent decisions about their financial resources for a lifetime of financial well-being. It is not innate in people, which would otherwise make it a talent that some may or may not have. It can be learned through studies, research, experience, and immersion through school, work, and everyday life. Various sources interchangeably define financial intelligence and financial literacy. For this study, financial intelligence is the culmination of its core components elaborated further.

According to Hung et al. (2009), financial literacy is a core component of financial intelligence, defined as the knowledge and skills required so that individuals can manage their financial resources effectively. It involves financial education, such as understanding financial concepts, services, and products. Financially literate people can take actions that deter financial pitfalls and improve their present financial status. This tackles a) Control of Money or the act of saving and budgeting income and other financial resources for use in the future and living within one's financial means, as well as the monitoring and control of payables and expenses; b) Financial Activities such as being engaged in financial products and services on health, death, and accident insurances,

among others, and taking part in financial activities that would promote more income in the future, c) Resource Utilization or the ability to generate more income using various resources, talents, and skills, d) Financial Information which is being actively educated in financial matters such as reading books, joining financial classes and seminars, as well as gathering information about publicly-listed companies in the stock market.

Concerning financial intelligence, numeracy is understanding, interpreting, communicating, and using mathematical information and ideas. There is a strong correlation between numeracy and financial intelligence. Although numeracy is a general ability that affects many other decisions in life, it is an essential support in attaining financial knowledge. Numeracy is evident in a) Wealth Management, which is the ability to use assets and available wealth to create more wealth – such as investing in the stock market or real estate properties, and b) Tax Assessment, which talks about knowing relevant income and property taxes so that one can competently compute and re-compute them (Darriet et al., 2021).

A study conducted by Ferraren and Tamayo (2016), which examined the financial intelligence of Business Process Outsourcing (BPO) professionals in Davao City, Philippines, determined seven components: control of money, wealth management, financial activities, resource utilization, financial information, emotional spending, and tax assessment. These seven components represent an underlying measurement of the financial intelligence of Davao City BPO employees. These parameters were then employed by Fabillar (2021) to examine the financial intelligence and financial behavior of non-teaching personnel in public schools.

OBJECTIVES

This study intends to assess the financial intelligence among graduate school students at the University of Southeastern Philippines – College of Development Management (USEP-CDM). Specifically, it aims to determine if there is a significant difference between the graduate school students' level of financial intelligence in the following areas, viz: a) Control of Money; b) Wealth Management; c) Financial Activities; d) Resource Utilization, e) Financial Information; f) Emotional Spending; and g) Tax Assessment. Moreover, it determines the identified group's level of financial intelligence when grouped and compared based on their demographic profile, particularly in sex, marital status, and employment sector.

METHODOLOGY

The respondents are graduate students pursuing a master's degree program in the College of Development Management at the USEP-CDM in Davao City. There were 50 respondents who were asked to complete a questionnaire, which served as the study's research instrument. The survey was constructed and based on the studies conducted by Ferraren & Tamayo (2016) and Fabillar (2021) and evaluated and validated by an examiner before its distribution.

In this study, the researchers explored a descriptive-comparative method on the level of financial intelligence among the identified respondents. A descriptive-comparative research design uses quantitative data to describe and determine significant differences between independent groups without using any manipulation procedures in research (Cantrell, 2011). Moreover, an Independent Sample T-test was operated through the SPSS statistical software to analyze the data gathered. An independent sample t-test is a type of statistical test that is used to compare the means of two groups that are independent of each other (Kim, 2015).

RESULTS AND DISCUSSION

Presented in this section is the analysis and interpretation of the consolidated data.

Table 1. Level of Financial Intelligence among Graduate School Students

Financial Intelligence	SD	Mean	Descriptive Level
Control of Money	.70	4.00	High
Wealth Management	.96	2.83	Moderate
Financial Activities	.89	3.08	Moderate
Resource Utilization	.88	3.49	Moderate
Financial Information	.85	2.90	Moderate
Emotional Spending	.59	2.89	Moderate
Tax Assessment	1.04	2.61	Moderate
Overall	0.52	3.11	Moderate

Table 1 shows the level of financial intelligence among graduate school students in USEP-CDM. The results showed that the graduate students of USEP-CDM have a "Moderate" level of financial intelligence, as indicated by the overall mean of 3.11 and a variability of 0.52. The level of financial intelligence of graduate school students in USEP-CDM may be elaborated based on the identified components.

Regarding Control of Money, respondents were found to have a "High," as indicated by the mean of 4.00 and a variability of 0.70. This means they can forego their desire to buy and save a portion of their earnings, budget their money, and monitor and control their payables and expenses. Among other financial intelligence components, this is the only one that exhibited "High" levels.

The results on Wealth Management, which showed a mean of 2.83 and a variability of 0.96, revealed that participants "moderately" invest to make more money, retain a passive income source, and even invest in real estate properties. This is also true of their Financial Activities, which have a mean of 3.08 and a variability of 0.89. Respondents were found to be "moderately" interested in purchasing various life and death insurance policies, engaging in money-earning activities, and spending more than they can earn.

According to their Resource Utilization, with a mean of 3.49 and a variability of 0.88, graduate students only "moderately" discover ways to produce earnings to pay their debts and use assets, skills, abilities, and resources to generate extra income. On Financial Information, quantified by a mean of 2.90 and a variability of 0.85, participants expressed "moderate" interest in taking financial classes, reading financial books to develop financial awareness, reading stock market analysis, attending financial management seminars, and acquiring investment information.

According to the findings, graduate students also exhibit "moderate" levels of Emotional Spending. This component has a calculated mean of 2.89 and a variability of 0.59. This implies they are not always fixated on bargains and can assess their necessities and wants rationally. While on Tax Assessment, participants are found to have a "moderate" attitude in computing and paying their taxes. This component produced a mean of 2.61 and a variability of 1.04.

In brief, graduate students at USEP-CDM exhibit a strong interest in saving and budgeting but only a moderate interest in investments, insurance, passive income, and developing financial management skills. Furthermore, the participants balance being frugal and treating themselves well by purchasing what they enjoy. Finally, they were determined to be adequate in assessing their taxes. A study on the financial management literacy of graduate students and professionals conducted by Banagan et al., (2021) also determined that graduate students were mindful and financially intelligent regarding saving and spending money.

Table 2. Difference in the Level of Financial Intelligence among Graduate School Students when grouped by Sex

Financial Intelligence	Mean		t-value	p-value
	Male	Female		
Control of Money	3.89	4.15	1.345	.185
Wealth Management	2.84	2.82	.052	.959
Financial Activities	3.10	3.05	.219	.828
Resource Utilization	3.38	3.65	1.081	.285
Financial Information	2.80	2.86	.211	.833
Emotional Spending	2.76	3.06	1.845	.071
Tax Assessment	2.30	3.03	2.600	.012
Overall	3.01	3.23	1.522	.135

Table 2 presents the results on the level of financial intelligence components of USEP-CDM graduate school students when compared by sex. The results showed a significant difference between male and female graduate school students regarding tax assessment, as reflected in the t-value of 2.600, with a p-value of 0.012, which is less than the significant level of 0.05. This means that the null hypothesis that there is no significant difference in the levels of financial intelligence among graduate school students when grouped by sex, specifically under tax assessment, is rejected.

The same is valid with the study conducted by Hasseldine (2002), where it was found that women exhibit higher levels of adherence in terms of both compliance behavior and attitude toward tax payment. It was further discussed

that this could be explained by the fact that women respond better to an appeal based on their conscience than to the prospect of penalty, both intended to boost tax compliance.

Table 3. Difference in the Level of Financial Intelligence among Graduate School Students when grouped by Employment Sector

Financial Intelligence	Mean		t-value	p-value
	Public	Private		
Control of Money	4.09	3.75	1.521	.135
Wealth Management	2.83	2.84	.049	.961
Financial Activities	3.10	3.03	.252	.802
Resource Utilization	3.40	3.77	1.330	.190
Financial Information	2.96	2.44	1.895	.064
Emotional Spending	2.86	2.95	.633	.530
Tax Assessment	2.67	2.44	.686	.496
Overall	3.13	3.03	.588	.559

Table 3 presents the results on the level of financial intelligence components of USEP-CDM graduate school students compared to their employment sector. The results showed no significant difference between public and private sector-employed graduate school students among all the financial intelligence components, given that no p-value among the said indicators was found to be less than the 0.05 significance level. This means the null hypothesis that there is no significant difference in the levels of financial intelligence among graduate school students when grouped by employment sector is accepted. This result parallels the study by Rajna & Anthony (2011), where no significant difference was found in the financial management patterns of medical professionals working in Malaysia's public and private sectors.

Table 4. Difference in the Level of Financial Intelligence among Graduate School Students when grouped by Marital Status

Financial Intelligence	Mean		t-value	p-value
	Single	Married		
Control of Money	4.06	3.91	.720	.475
Wealth Management	2.68	3.07	1.408	.166
Financial Activities	3.02	3.17	.564	.575
Resource Utilization	3.27	3.83	2.342	.023
Financial Information	2.87	2.77	.386	.701
Emotional Spending	2.82	2.98	.945	.349
Tax Assessment	2.56	2.68	.422	.675
Overall	3.04	3.20	1.100	.277

Shown in Table 4 are the results on the level of financial intelligence components of USEP-CDM graduate school students compared by marital status. Results showed a significant difference between single and married graduate school students regarding resource utilization, as reflected in the t-value of 2.342, with a p-value of 0.023, which is less than the 0.05 significance level. This means that the null hypothesis that there is no significant difference in the levels of financial intelligence among graduate school students when grouped by marital status, specifically under resource utilization, is rejected.

Comparable to the results from Mejía et al. (2022), where the impact of marital status is also highlighted, results showed that married people possess higher financial intelligence than single individuals. The same study further discussed that married subjects particularly have higher knowledge of financial management due to their experience and financial requirements.

CONCLUSION

Based on the findings, the researchers concluded that the USEP-CDM graduate school students have a moderate level of financial intelligence. They showed moderate levels of financial intelligence among the indicators such

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as wealth management, financial activities, resource utilization, financial information, emotional spending, and tax assessment. Only the component control of money revealed high levels among the identified group. Furthermore, results showed a significant difference between the single and married participants' financial intelligence on resource utilization. It may be concluded that single and married graduate school students in USEP-CDM have different perceptions and pursuits on generating more income using various resources, talents, and skills, which may be attributed to experience and financial need. No significant difference was found in the level of financial intelligence among all components when the participants were grouped by their employment sector. Lastly, there is a significant difference between male and female participants' financial intelligence regarding tax assessment. It may be concluded that male and female graduate school students in USEP-CDM have different knowledge of relevant taxes and different tax computation and remittance practices and compliance attitudes or behavior.

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