

## **EFFECTS OF SALARY LOANS TO FINANCIAL WELLNESS OF PANACAN NATIONAL HIGH SCHOOL TEACHERS**

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### **ABSTRACT:**

The overall goal of this study is to look into the existing effects of salary loans on teachers' financial wellness at Panacan National High School. Teachers may be saved from their debts if the Department of Education implements institutional changes. This research followed a descriptive design and utilized online survey questionnaire as its method. Frequencies and percentages were computed to measures and examine the encountered problems of the respondent-teachers. The survey was conducted in Panacan National High School Teachers at Panacan, Narra, Palawan. Results shows that the financial capability of public-school teachers is far from what is desired and merely reflects the negative trend on financial capability nationally and all over the world. Contributing to this finding are the respondent-teachers' deficient money management skills, low incidence of financial planning, and inadequate knowledge on basic financial concepts as reflected in their dismal performance in the financial literacy. Integrating financial education in the teacher education curriculum and in-service training of public-school teachers can be an effective means not only to enrich the academic training of future teachers, but also to empower them

to secure a wealthier and prosperous future for themselves and for their family. While the current study provided server insights on the current level of financial capability of the public-school teachers in terms of its Financial Wellness. further research is necessary to validate these findings.

**Keywords:** financial wellness; financial literacy; financial management; public school teachers.

### **INTRODUCTION:**

#### **Background of the Study:**

Teachers are flexible, adaptive, and well-rounded individuals who are well-equipped in cultivating and molding learners to become a productive and successful citizen in the future. Senator Meriam Santiago once said, "A true teacher does not terrorize ignorant students. A true teacher knows that it his job to cure ignorance." These remarkable words of the late senator Miriam Santiago had been shown beyond doubt by all teachers whose duty is to cure the ignorance of the learners. This is evident given the height of sleepless nights, hardships and even sacrifice to the extent of neglecting their own personal interest just to perform their mandates to be an effective and efficient teacher.

However, teachers are facing difficulties when it comes to financial aspect which has led

them to be resourceful to rise from the problem that they are encountering. In the Philippines, it is said that public school teachers are well-paid off profession. Nevertheless, when teachers are associated with huge salary loan, it implies that the teachers are underrated profession because of the bulk school paper works, taking care the children, protecting the welfare of their family especially supervising the different backgrounds of their learners. These principles and ethical works of the teachers have become their identity as brave and modern heroes. Thus, being financially fit is what a teacher probably wants to achieve. But due to the reasons of having a salary loan have a huge effect to become financially unwell.

As a matter of fact, teachers who are associated with salary loan are experiencing difficulties for their monthly budget, it also affects their performance at work and even add stress to their physical aspect. These must be the reason why some teachers deal with other sources of income, they become engaged in small business, farming and online selling. Indeed, a teacher who is financially stable is a person who is effectively good in managing their economic life. Perhaps, they will not become adaptive to the changes on how to survive their daily life having a low monthly income, they are more responsive with their mandates, they are confident to give their best in performing their task thereby reducing their stress at work.

According to DepEd Secretary Leonor Magtolis- Briones, it is alarming to know that public schools in the Philippines have been plagued by borrowings over the past decades. Most notable was in 2016 when more than 26,000 teachers failed to avail of their retirement benefits due to unpaid loans. There could probably be many factors driving public school teachers to borrow.

Whatever the reasons are, loans have continued to be a go-to-solution amongst

teachers. However, it has to be stopped and be addressed with urgency. "Since they are mandated to teach financial literacy, they can be a reliable and potent source of financial information and they can really be effective in teaching this to their students when they themselves have difficulty managing their personal finances." Secretary Leonor Briones of DepEd stated.

It is high time for the government to start working seriously to uphold this cause by supporting the Department of Education's call to promote financial literacy. This study focuses on the effects of Salary Loan to Financial wellness of Secondary Teachers of Panacan National High School". It is hoped that teachers can be rescued from their indebtedness through DepEd's implementation of institutional reforms.

#### **Statement of the Problem:**

The study aimed to determine the effect of salary loan of teachers to their financial wellness.

Specifically, it sought to answer the following questions:

1. What is the demographic Profile of Panacan National High School teachers in terms of:
  - a. Sex,
  - b. Age,
  - c. Civil status,
  - d. No. Of years in teaching,
  - e. Highest educational attainment,
  - f. Teaching load(hrs./week),
  - g. Academic rank,
  - h. Salary grade,
  - i. Net income?
2. What are reasons for having salary loans of teachers and:
3. What are the effects of salary loan to Panacan National High School Teachers in terms of:
  - a. Financial wellness; and,
  - a. Teaching Performances?

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### **Significance of the Study:**

The findings of this study may significantly benefit the Teachers from Panacan National High School who are associated with salary loans and their effects on their financial wellness, performance at work, and monthly budget. Thus, this study was to determine the effects of the salary loan on the financial wellness of Teachers of Panacan National High School.

### **Scope and Limitations:**

The study included the profile of the teachers and to determine the effects of the salary loan on the financial wellness of Panacan National High School Teachers. The respondents of the study were selected Teachers of Panacan National High School, Panacan, Narra, Palawan. Purposive sampling was used to determine the respondents. Purposive sampling is a technique in which the researcher relies on his/her judgment when choosing members of a population to participate in the study.

This study was conducted on December 2021 using the purposive sampling method through a google form survey questionnaire.

### **LITERATURE REVIEW:**

The whole health of your financial life is referred to as financial wellness. It is the state of your financial health, but it also includes the ways in which your financial health intersects with your physical, emotional, and social well-being. According to Hayhoe et al., (2000; & Joo, 2008), Financial well-being is directly related to the overall satisfaction a person feels regarding his financial status. They both described financial wellness as an active state of financial health evidenced by low debt level, active savings and/or retirement plan(s), and a good spending plan.

Another study presented by (Godfrey, 2006; & Van Praag et al., 2003) stated that low

financial well-being or the presence of financial distress is shown to have detrimental effect on the psychological and physical health, reduce confidence and productivity in the workplace and increase absenteeism, delays, as well as lack of concentration. (Joo, 1998) further stated that debt is also seen as contributing to lower financial well-being (Norvilitis et al. 2006) and is identified as an “unfavorable financial condition” that cause of financial stress.

(O’Neill, 1995; Joo, 1998; Joo and Garman, 1998) stressed that financial wellness is a key component to financial health. As the prominence of individuals’ financial health continues to grow, people often use the term financial wellness to describe the level of a person’s financial health. Financial satisfaction does not necessarily mean good financial health. Sometimes, people can be satisfied with their financial status, even though they have large debts. Therefore, an objective assessment of a person’s financial situation is an important component of personal financial wellness. In addition to subjective financial satisfaction and objective measures, individual attitude and financial behaviors are also important components because they measure the potential of change in personal financial wellness

DepEd Researcher (Cabaddu 2019). Many researchers have argued that financial attitudes and knowledge play an important role in determining a person’s financial wellness. They concluded that there appears to be a common psychological profile among individuals with more financial knowledge that allows them to make different financial decisions, which often lead to greater attained levels of financial wellness. While the literature suggests that demographics, financial behaviors, financial knowledge, and financial stress level have impacts on financial wellness, results from previous studies have not been consistent with their findings. Much of past

inconsistency appears to be the result of misspecification of measurements and the assumption that each determinant factor has a direct influence on financial wellness (Porter and Garman, 1993). This assumption may, in fact, be incorrect. Joo (1998) suggested that in many cases, demographics and financial behaviors have an indirect effect on financial wellness, which has not been tested in previous studies.

Based on the foregoing research reviewed, teachers really play a big part in molding a country's citizens and because of this, the government must make sure that their well-being is taken care of in order to achieve a prosperous nation. However, the current status of public-school teachers is financially shaken. Teachers are in tight financial situations of not being able to make both ends meet. It is deemed necessary to look into their financial wellness and provide the assistance they need in order for them to cope up with their financial status.

#### **Definition of Terms:**

The following terms are operationally defined based on their uses for better understanding of the current study.

**Salary loan:** It refers to a monetary loan provided to teachers that must be paid in monthly instalments that are automatically deducted from their monthly salary.

**Teacher:** In this study, it refers to a person who is teaching at public school and is paid by the government for the services rendered.

**Financial wellness:** In this study, it refers to teachers overall financial health and the absence of money-related stress.

#### **Theoretical Framework of the Study:**

The Theory of Human Motivation and the Theory of Planned Behavior were used in

this investigation. Abraham Maslow's Theory of Human Motivation is a motivational theory in psychology that consists of a five-tier model of human needs, generally portrayed as hierarchical tiers within a pyramid. Maslow wanted to know what inspires humans. He argued that humans had a set of incentive mechanisms that are independent to rewards or unconscious wants.

Maslow (1943) stated that people are motivated to achieve certain needs and that some needs take precedence over others. Our most basic need is for physical survival, and this will be the first thing that motivates our behavior. Once that level is fulfilled the next level up is what motivates us, and so on.

This five-stage approach is separated into two parts: deficiency needs and growth needs. The first four levels are known as deficiency needs (D-needs), whereas the top level is known as growth or being needs (B-needs). When people's deficient requirements go unsatisfied, they are said to motivate them. Furthermore, the urge to meet such wants will grow greater the longer they are ignored. For instance, the longer a person goes without eating, the hungrier they grow.

Lower-level deficit needs must be met before moving on to higher level growth demands. When a deficiency need is met, it will disappear. Our efforts become routinely focused toward addressing the next set of unsatisfied demands. These then become our most pressing requirements. Growth requirements, on the other hand, continue to be felt and may even get stronger once they have been addressed. Once these growth demands are sufficiently met, one may be able to achieve the greatest degree known as self-actualization.

Every person is competent and desires to advance up the ladder toward self-actualization. Unfortunately, failing to address lower-level demands frequently stymies

growth. Divorce and job loss are two examples of life events that might lead an individual to move up and down the ladder. As a result, not everyone will go through the hierarchy in a single direction but may alternate between different sorts of requirements.

Furthermore, intentions to perform some acts do not always culminate in this behavior. Perceived behavioral control is partly, but not absolutely, related to actual behavioral control (Armitage & Conner, 2001), which in turn affects the extent to which intentions are associated with the corresponding behaviors.

When people are unaware of things that hinder or help their desired action, their perceived and real behavioral control might vary. The idea is consistent with instructors' borrowing habits. They must exercise control over this behavior, especially when the need for money is not urgent, to become financially literate. The schematic diagram is presented to grasp the explanation in relation to the aforementioned ideas.

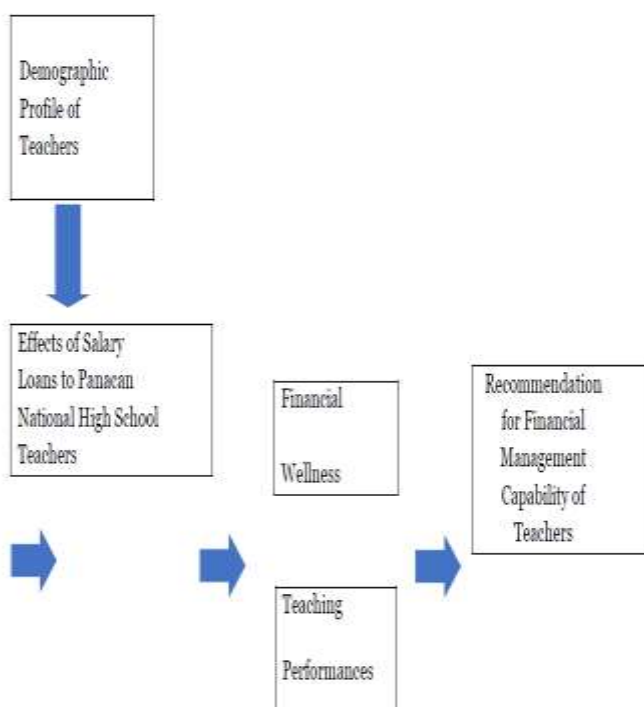


Figure 1. Research Paradigm

## METHODOLOGY

This chapter presents the locale of the study, research design respondents of the study, sampling procedure, instrumentation, data collection procedure and treatment of data.

### Locale of the Study:

This study was conducted in Panacan National High School, Panacan, Narra, Palawan on December 2021. From Panacan National High School Teachers.

### Research Design:

The descriptive survey research design was used to describe the profile of Panacan National High School teachers in terms of Age, Sex, Civil status, No. of years in teaching, Highest Educational attainment, teaching load(hrs./week), Academic rank, Salary grade, Net income and teachers' performance based on Individual Performance Commitment and Review form (IPCRF). It also describes reasons of having salary loans of teachers and the effects of salary loan to financial wellness of Panacan National High School teachers. The research investigation was likewise a survey because of the use of the questionnaire.

### Respondents of the Study:

The respondents of the study were Panacan National High School teachers.

### Sampling Procedure:

The researchers used the purposive sampling in choosing respondents of this study. It is a non-probability sampling in which researchers rely on their own judgment when choosing members of the population to participate in their surveys.

### Instrumentation:

The researcher-made questionnaire will be used in this study. Personal experience and

observation of different Panacan National High School teachers will serve as basis in formulating the questionnaire. The questionnaires will determine the Effects of Salary Loan to the Teacher's Financial Wellness and Their Teaching Performances.

#### **Data Collection Procedure:**

Researchers will ask permission from the School Head of Panacan National High School to conduct a study.

An indirect or questionnaires method will be used in the google form and it will be sent to all the respondents. Each respondent receives a link to access the questionnaire about the Effects of the Salary Loan to Financial Wellness of Pandacan National High School teachers and will be given ample time to answer the survey instrument. The response is automatically collected in the google form. Directions are carefully explained to them, and the respondents will rest assured that their responses will be kept confidential. Specifically, teachers' data about their salary loans. Moreover, some data and references were derived from relevant laws, DepEd Orders, and other publications related to salary loans and financial wellness of teachers.

#### **Treatment of Data:**

Frequency counts, means, percentages and ranges were used to describe the demographic profile of Panacan National High School teachers. To determine Effects of Salary Loan to the Teacher's Financial Wellness and Their Teaching Performances. weighted mean and regression analysis were used.

#### **RESULTS AND DISCUSSION:**

This chapter presents the demographic profile of the Panacan National High School teachers which serve as the respondents of this study. It also discusses the salary grade and net income of the respondents; the number of

working and non-working family members; total monthly income of the family; other sources of income; residential type; a number of current and frequently salary loans; performance rating of the school year 2020 to 2021; the reasons for having a salary loan; lastly, the effects of salary loans to financial wellness and to the teaching performances of the respondents.

#### **Demographic Profile of the Respondents:**

Table 1 The first research question looks into the demographic profile of Panacan National High School teachers in terms of position, age, sex, civil status, number of years in teaching, highest educational attainment, teaching load(hrs./week), academic rank.

Results revealed that majority (90.90%) of the respondents were female and 2 (9.09%) were male. In terms of age of the respondents, it can be noted that many of them (31.82%) were 36 to 40 years old; 5 (22.73%) were 31 to 35 years old; 3 (13.64%) were 41 to 45 years old; two for each (9.09%) were 26 to 30 years old, 56 to 60 years old, and 61 to 65 years old; and only one (4.55%) were 21 to 25 years old, while none of them were 46 to 50 and 51 to 55 years old. The mean age was 40 years old. This further implies that most of the selected teachers were in their middle ages.

As gleaned from the survey, most of the teachers (81.82%) were already married. It further suggests that since these teachers were already married, they already had bigger financial needs. These might include basic needs such as food, clothing, education for children, health, medicine, and acquiring real properties. Thus, they required higher financial allocation.

As to the number of years in teaching, most (31.82%) served for 5 to 9 years; 5 (22.73%) served for 10 to 14 years; three for each (13.64%) served for 20 to 24 years and 30 to 34 years; and two for each (9.09%) served for

0 to 4 years and 15 to 19 years, while there are no respondents served for 25 to 29 years. The mean number of years in the teaching of the respondents was 14 years which implies that the respondents have little long years in teaching.

As for the highest educational attainment, the majority (68.18%) of the respondents were master's degrees with units; and 7 (31.82%) were bachelor's degrees while none of them were master's degree holders, Ph.D. with units and Ph.D. holder. In terms of the academic rank of the respondents, many of them 14 (63.64%) were teacher 1; 5 (22.73%) were teacher 3; and 3 (13.64%) were teacher 2, while there is no higher academic rank than teacher 3. This further implies that most of the selected teachers in Panacan National High School were young and moderately experienced in the service.

The table also shows the teaching load (hours per week) of the respondents. It is shown that half for each (50%) were teaching 6 to 8 hours and 9 to 11 hours per week, while there are no respondents who were teaching more than those hours. The mean teaching load (hours per week) of the respondents is 9, this implies that the respondents teaching load (hours per week) exceeds on working hours under the DepEd Memorandum No. 291, s. 2008.

Table 1. Demographic profile of Panacan National High School teachers.

Characteristics	Frequency (n=22)	Percentage (%)
<b>Sex</b>		
Male	2	9.09
Female	20	90.90
<b>Age</b>		
21 - 25	1	4.55
26 - 30	2	9.09
31 - 35	5	22.73
36 - 40	7	31.82
41 - 45	3	13.64
46 - 50	0	0.00
51 - 55	0	0.00
56 - 60	2	9.09
61 - 65	2	9.09
Mean	40 years old	

<b>Civil Status</b>		
Single	2	9.09
Married	18	81.82
Widow/Widower	2	9.09
Separated	0	0.00
<b>No. of Years in Teaching</b>		
0 - 4	2	9.09
5 - 9	7	31.82
10 - 14	5	22.73
15 - 19	2	9.09
20 - 24	3	13.64
25 - 29	0	0.00
30 - 34	3	13.64
<b>Highest Educational Attainment</b>		
Bachelor's Degree	7	31.82
Master's Degree Holder	15	68.18
Master's Degree with units	0	0.00
PhD with units	0	0.00
PhD Holder	14	63.64
<b>Academic Rank</b>		
Teacher I	3	13.64
Teacher II	5	22.73
Teacher III	0	0.00
Master Teacher I	0	0.00
Master Teacher II	0	0.00
Master Teacher III	0	0.00
Master Teacher IV	11	50.00
<b>Teaching Load (hours per week)</b>		
6 - 8	11	50.00
9 - 11	0	0.00
12 - 14	0	0.00
15 - 17	9 hours per week	0.00
Mean		

### Salary Grade and Net Income of the Respondents:

Table 2 presents the salary grade and net income of Panacan National High School Teachers.

Teachers were paid according to their position which tantamount to their salary grade level. Results revealed that most, (59.09%) of the respondents were salary grade 11; 5 (22.73%) were salary grade 13; and 4 (18.18%) were salary grade 12, while there is none of them got a higher salary grade than salary grade 13.

In response to the queries on the net of Panacan National High School teachers, data show that most (36.36%) were on the net income bracket of P20,000 to 24,000; 6

(27.27%) are on the net income bracket of below P5,000 to P9,000; 5 (22.73%) were on P25,000 to P29,000; and only 3 (13.64%) were on the income bracket of P10,000 to P14,000. The mean net income of the respondents was P17,682 These show that majority of the respondents are considered to have higher income based on the indicative monthly income of less than P7,890.00 for a family size of five members according to Profile and Determinants of the Middle-Income Class in the Philippines Statistics Authority (PSA)2018.

**Table 2. Salary Grade and Net Income of the Respondents**

Characteristics	Frequency (n=22)	Percentage (%)
<b>Salary Grade</b>		
11	13	59.09
12	4	18.18
13	5	22.73
<b>Monthly Net Income</b>		
5,000 - 9,000	6	27.27
10,000 - 14,000	3	13.64
15,000 - 19,000	0	0.00
20,000 - 24,000	8	36.36
25,000 - 29,000	5	22.73

### Number of Working and Non-working Family Member/s:

Table 3 shows the number of working and non-working family members of Panacan National High School teachers.

The majority (59.09%) had two working family members; 6 (27.27%) had only one working family member, and 3 (13.64%) had had four working family members.

As for the non-working family members, most (40.91%) had only one non-working family member; 5 (22.73%) had two non-working family members; 4 (18.18%) had three non-working family members; and 2 (9.09%) had five non-working family members, while one for each (4.55%) had 4 and 6 non-working family members.

The results to the findings, the majority of the respondents' family members were non-

working, maybe because they were still unmarried and under the age of 18. As a result, they were still reliant on others for a living.

**Table 3. Number of Working and Non-working Family Member/s**

Characteristics	Frequency (n=22)	Percentage (%)
<b>No. of Working Family Member</b>		
1	6	27.27
2	13	59.09
3	0	0.00
4	3	13.64
5	0	0.00
<b>No. of Non-working Family Member</b>		
1	9	40.91
2	5	22.73
3	4	18.18
4	1	4.55
5	2	9.09
6	1	4.55

### Total Monthly Income of the Family:

Table 4 shows the total monthly income of the family of Panacan National High School teachers.

As gleaned from the Table, it shows that the average (72.73%) monthly income of the respondents was P15,000 to P19,000 total monthly income of the family and three for each (13.64%) had P5,000 to P9,000 and P10,000 to P14,000 total monthly income of the family. The mean total monthly income of the family of the respondents was P14,954.5

They said that the amount was just sufficient if budgeted wisely for a small family, however, it was not enough to cater the needs of a big family.

**Table 4. Total monthly income of the family**

Characteristics	Frequency (n=22)	Percentage (%)
Total monthly income of the family	0	0.00
Below - 5,000	3	13.64
5,000 - 9,000	3	13.64
10,000 - 14,000	16	72.73
15,000 - 19,000	-	-
19,000	-	-



**Other Sources of Family Income:**

Table 5 shows the other sources of family income of Panacan National High School teachers.

To augment teachers' income, teachers engaged themselves to other sources of income. But results revealed that the majority (36.36%) of the respondents do not engage into other sources of income; 5 (22.73%) were have a business; 2 (9.09%) also answered they have an online business, while (4.55%) have other sources of income such as direct online, dried fish, buy and sell of rice, e-loading, husband salary, dry goods and sari-sari store. Data shows that teachers were into different kinds of businesses as other sources of income.

**Table 5. Other sources of family income**

Characteristics	Frequency (n=22)	Percentage (%)
Other sources of family income		
None	8	36.36
Business	5	22.73
Direct Online	1	4.55
Dried Fish	1	4.55
Buy and Sell of Rice	1	4.55
E-loading	1	4.55
Husband Salary	1	4.55
Online Business	2	9.09
Dry Goods	1	4.55
Sari-sari Store	1	4.55

**Residential Type of the Respondents:**

Table 6 shows the residential type of Panacan National High School teachers.

The majority (86.36) of the teachers were occupying their own house. and 3 (13.64%) of them rented.

This implies that most of the respondents have their own residential houses. Constructing one's own property like a house needs more resources

**Table 6. Residential type of the respondents**

Characteristics	Frequency (n=22)	Percentage (%)
Residential type		
Owned	19	86.36
Rented	3	13.64

**Salary Loans of the Respondents:**

Table 7 shows the number of salary loans and frequently salary loans of the respondents.

The results show that the number of a current salary loan of the respondents, the majority (36.36%) currently has 3 salary loans; 5 (22.73%) have only one loan; 4 (18.18%) have two loans; and 3 (13.64%) have four or more loans, while 2 (9.09%) have no loan. Table purports that the average number of salary loans of teachers was three. This premise is indeed true because lending institutions usually offer teachers with a higher amount of salary loans with unlimited accounts or amounts.

As to the frequency of salary loan most (63.64%) of the respondents loaned once a year; three for each (13.64%) thrice a year and fourth or more per year; and 2 (9.09%) has no loan.

Showcases how often teachers borrowed money from lending institutions. The result shows that majority of the teachers borrowed money once a year. This further conveys those teachers' borrowed money for varied personal purposes.

**Table 7. Salary loan of the respondents**

Characteristics	Frequency (n=22)	Percentage (%)
No. of Current Salary Loan	2	9.09
No loan	5	22.73
1	4	18.18
2	8	36.36
3	3	13.64
4 or more		
Frequently of Salary Loan	2	9.09
No loan	14	63.64
Once a year	3	13.64
Twice a year		
Thrice a year and more		

**Performance Rating School Year 2020 to 2021 of the respondents:**

Table 8 presented the performance rating as of the school year 2020 to 2021 of the Panacan National High School teachers.

Based on the Individual Performance Commitment and Review Form (IPCRF) the average performance rating of the Panacan National High School Teachers was (77.27%) of very satisfactory, and 3 (13.64%) are satisfactory while 2 (9.09%) were outstanding.

This further testifies that majority of the teachers in the Panacan National High School gained a very satisfactory rating at the end of the school year 2020-2021

Table 8. Performance rating school year 2020 to 2021 of the respondents

Characteristics	Frequency (n=22)	Percentage (%)
Performance Rating	3	13.64
Satisfactory	17	77.27
Very Satisfactory	2	9.09
Satisfactory		
Outstanding		

**Reasons for Salary Loan of the Respondents:**

Table 9 shows the different reasons for the salary loan of the Panacan National High School teachers.

It is clearly shown that the education, capital for business and payment for debt/s was the number one reasons of having salary loans with the average of (45.45%). This was followed by loans for basic needs for shelter with the average of (40.91%). Number three was loans for health with (31.82%). Number four was loans for travel with (22.73%). Number five was loans for basic needs for food and leisure/vacation with (13.64%). Next was loans for financial illiteracy with (9.09%), then loans for gadgets and appliances with (4.55%), Other reasons were not favored by the

respondents which mean that they were not so important.

Table 9. Reasons for salary loan of the respondents

Characteristics	Frequency (n=22)	Percentage (%)
Reasons for Salary Loan	10	45.45
Education	7	31.82
Health	3	13.64
Basic Needs for Food	9	40.91
Basic Needs for Shelter	3	13.64
Basic Needs for Leisure/Vacation	5	22.73
Travel	0	0.00
Wedding	0	0.00
Baptism	1	4.55
Gadgets	1	4.55
Appliances	2	9.09
Financial Capital for Business Payment for Debt/s	10	45.45
	10	45.45

\*Multiple Response

**Effects of Salary Loan to Financial Wellness and to Teaching Performances of the Respondents:**

Table 10 presented the effects of salary loans on financial wellness and teaching performances of Panacan National High School teachers.

According to the results, the highest effects of salary loan to the respondents were decreased of net pay (63.64%); (50%) answered that it solved day to day problems; and 8 (36.36%) answered that it is able to support education. This means that their loans benefited positively since the family members finished education. Then (31.82%) answered that it helps financial instability and improved lifestyle; and (22.73%) maintained total well-being. 3 (13.64) answered that they experienced difficulty in coping with monthly loan payments; and 2 (9.09%) answered that it generated more debts. But they didn't have a bad impression on the ability to get additional

credit/loan because recently, lending institutions have found means to invite teachers as loan clients due to close company competitions.

No job focus, irritable, tardiness, leaving the class behind, suffering from depression and can't get enough sleep because of worrying over bill payments were also opposed by the teachers. They can transact during Saturdays to these lending establishments to borrow money. Also, lending institutions now have great offers like visiting the teachers at school and bringing them the money they need.

The results implied that the effects of salary loans on financial wellness and teaching performances have lots of positive effects than negative ones.

**Table 10. Effects of salary loan to financial wellness and to teaching performances of the respondents**

Characteristics	Frequency (n=22)	Percentage (%)
Effects of salary loan to financial wellness and to teaching performances	0	0.00
Tardiness	0	0.00
Leaving the Class Behind	0	0.00
No job Focus	0	0.00
Irritable	14	63.64
Decreased of Net Pay	3	13.64
Experienced Difficulty in Coping with Monthly Loan Payments	2	9.09
Generated More Debts	7	31.82
Financial Instability	5	22.73
Maintained Total Well-being	0	0.00
Created a bad Impression on the Ability to get Additional Credit/Debt	8	36.36
Able to support Education Improved Lifestyle	7	31.82
Solved Day to Day Problems	11	50.00
Suffering from Depression	0	0.00
Can't get Enough Sleep Because of Worrying Over Bill Payments	0	0.00

\*Multiple Responses

## SUMMARY, CONCLUSION AND RECOMMENDATIONS:

### Summary:

This study aimed to describe the effects of salary loans on financial wellness of Panacan National High School Teachers.

This study was conducted in December 2021. The descriptive survey research design was used in this study. with the total of 22 Selected Teachers of Panacan National High School. The researchers used the purposive sampling in choosing respondents of this study. It is a non-probability sampling in which researchers rely on their own judgment when choosing members of the population to participate in their surveys.

Majority of the teachers were in their Middle Ages and already married. Still young and moderately experienced in the service.

The mean salary net income of the selected teachers was P17,682, also the mean monthly income of the family of the respondents was P14,954.5 and earning salary grade 11. These show that majority of the selected teachers are considered to have higher income based on the indicative monthly income.

The teachers' family members were non-working or dependents, were living their own house and were into different kinds of business as other source of income.

Majority of the selected teachers engaged in loans or borrowed money once a year and performing very satisfactory.

The teachers benefited positively since they were able to support their education as well as family member's needs. They maintained their total well-being without being affected by financial problems. Borrowing money solves the day-to-day problems of teachers. As manifested by the teachers, their lifestyle improved in such a way that they surpassed the daily difficulties, not minding the negative effects with their financial wellness

like decreased net pay, generated more debt, experienced difficulty in coping with monthly loan payments, and financial instability.

### CONCLUSIONS:

Based from the findings of the study, the following conclusions were generated:

1. In certain ways, the existence of lending institutions aided in the resolution of teachers' financial concerns.
2. The teachers' family members were non-working or dependents maybe because they were still unmarried and under the age of 18, but they are living their own house and were into different kinds of business as other source of income and it's a good thing to their financial wellness.
3. Since, it was found out that there is an effects of salary loans to financial wellness and teaching performances of selected teachers of Panacan National High School.
4. Having more loans with their Middle Ages reduces financial freedom and stability, decreased net pay, generated more debt, experienced difficulty in coping with monthly loan payments, and financial instability. In other side, borrowing money of the respondents can make their budget back on tract by reducing everyday spending and change their lifestyle.
5. As a result, and as manifested by the teachers, that having salary loans have benefited positively since they were able to support their education as well as family member's needs, solves the day-to-day problems, maintained their total well-being and totally, their lifestyle improved in such a way that they surpassed the daily difficulties.

### RECOMMENDATIONS:

Based from the findings of the study and the conclusions generated, the researcher recommends the following:

1. The Department of Education may consider holding workshops and seminars on financial management for teachers.
2. The government may consider developing a systematic plan to further challenge teachers' work performance, motivation, and job satisfaction, resulting in improved learning results.
3. The School Heads should encourage and support teachers to participate and attends' financial management trainings to improve their financial literacy and freedom.
4. Teachers should limit loan applications while exercising fiscal restraint.
5. Share the results and findings of the study to co-workers and to the top management of DepEd concerned through workshops, seminars, Learning Action Cell (LAC) Session and In-Service Training (INSET).
6. Similar study may be conducted to other schools to validate the result of the study.

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**DEPARTMENT OF EDUCATION ORDERS AND MEMORANDA:**

Department of Education order No. .022 s. 2021, DepEd Expands Financial Education in kto12 Improve Literacy of Filipinos.