

Formal Education and Age towards Financial Literacy: Evidence from High School Teachers

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Abstract

This study aimed to examine the relationship between formal education and age and the level of financial literacy among school teachers, especially in Bandung City. This study also aimed to investigate the effect of financial literacy to financial management. The study was done at JKN Senior High School (SHS) in Bandung City, with the JKN teachers as the sample. JKN SHS was chosen for several reasons, such as its alignment with the phenomenon, and the teachers in JKN SHS have diverse formal educational backgrounds and age ranges. The hypothesis testing result showed that formal education positively affects financial literacy. However, age was not shown to influence financial literacy. Thus, financial literacy positively impacts personal financial management. This outcome established an evidence-supported link to the socio-economic issue, namely the increase in urban poverty in Indonesia. In Bandung, teachers facing the demands of a consumer-driven urban life on limited income find that high financial literacy is not just advantageous but essential for developing financial resilience and preventing poverty. The observation empirically validates the claim that strong financial literacy can safeguard individuals against a decrease in their quality of life and enhance their readiness for economic emergencies and crises.

Keywords: *age, education, financial literacy, financial management, teachers*

INTRODUCTION

In this section, the author explains reasons underlying the work and purpose(s) of the work, problems to be addressed and originality of the work that shows the difference from similar work.

The poverty rate in urban areas in Indonesia has increased over the past two years. According to data from the Central Statistics Agency (BPS) (2025), as of March 2025, 6.73% of the urban population lived in poverty, which is higher than the 6.66% recorded in September 2024. The number of poor individuals rose by 0.22 million, from 11.05 million in September 2024 to 11.27 million in March 2025. This trend is quite notable, especially when compared to the national trend. BPS reported that the percentage of the poor in March 2025 decreased by 0.1% compared to September 2024 and by 0.56% compared to March 2024. The rural poverty rate decreased by 0.31%, with 11.03% in March 2025 compared to 11.34% in September 2024.

Several previous studies have suggested that the rise in urban poverty is caused by several factors, including exposure to an increasingly widespread consumerist lifestyle in urban areas, being trapped in consumer debt without adequate risk awareness, a lack of understanding of the difference between wants and desires, and being unprepared for crises or emergencies. Urban communities are more exposed to a consumerist lifestyle because many business activities and the marketing of products and services are conducted in urban areas. Many urban residents, especially those in vulnerable and lower-middle-class categories, ultimately fall into the categories of poor and extremely poor due to a lack of financial literacy. Good financial literacy can protect people from the risk of a decline in their quality of life and prevent them from falling into poverty (Despard et al., 2020; Lusardi, 2019; Suyanto, 2025)

Financial literacy should be introduced early in schools. However, recognizing this involves several challenges. One such challenge is the financial literacy of teachers. Teachers are considered vital in imparting financial literacy values to students. Teachers need to have sufficient financial literacy before teaching these skills. Teachers with good financial literacy are expected to pass this knowledge on to their students (Ranem & Dewi, 2024; Utie & others, 2024).

The financial literacy levels of teachers across different schools in Indonesia vary. To date, training in financial literacy for teachers has not been incorporated into teacher training programs. As a result, other factors are believed to have a greater influence on shaping teachers' financial literacy. Previous research shows that many factors are involved. Two of these are formal education and age. Formal education plays a vital role in developing teachers' financial literacy because it provides access to numerical and analytical skills essential for understanding finance (Paraboni; Netemeyer), boosts confidence in making financial decisions (OECD, 2016), broadens understanding of financial planning and management (Sunderaraman et al., Skagerlund), and enhances teachers' comprehension of financial literacy materials, thus better preparing them to teach these concepts to students (Potrich et al., 2015).

A teacher's financial literacy can also be evaluated based on each teacher's age. Several studies have demonstrated that younger teachers have lower financial literacy due to limited financial experience. Teachers who start their careers shortly after graduating generally have less experience and fewer resources for financial exploration (Potrich et al., 2020). In middle age, teachers are in an active phase of their careers, which often results in higher incomes and increased motivation to manage their finances (Lusardi et al., 2017). As teachers grow older and advance in financial literacy, they tend to be less adaptable to new financial instruments (OECD, 2016). Additionally, research by Xiao & Porto (2019) Age influences teachers'

preferences in selecting financial products based on their risk profile, with older teachers generally being more conservative in their financial decisions.

Teachers can gain several advantages from possessing strong financial literacy. Those with high financial literacy are more capable of managing their income effectively to meet needs and save (Lusardi & Mitchell, 2017). They are also better equipped to handle economic emergencies and crises (Kadoya & Khan, 2020).

Having high financial literacy can also lead to better personal financial management practices. These practices include the ability to prepare a personal budget effectively (Xiao & Porto, 2019), confidence in making financial decisions (OECD, 2016), increased ability to save and invest (Lusardi & Mitchell, 2017), avoiding consumer debt (Potrich, Vieira, & Kirch, 2016) (Potrich et al., 2020), and being better prepared for emergency expenses and financial risks (Kadoya & Khan, 2020). Good personal financial management practices are considered important for teachers in Indonesia because they earn varying incomes and still have relatively limited incomes (Jasmine, 2025). However, research examining the effect of teacher financial literacy in Indonesia on personal financial management practices remains limited.

The originality of this study lies not in proposing a new financial literacy model, but in extending the application of financial literacy research to a relatively underexamined professional group: high school teachers in international standard schools established and managed by Indonesian local authorities located in an urban Indonesian setting. Unlike students, entrepreneurs, or the general public, teachers represent a fixed-income professional group that is expected to transfer financial values to students while simultaneously managing their own financial vulnerability under urban lifestyle pressures. Therefore, this study provides empirical evidence on how formal education and age relate to teachers' financial literacy, and

how financial literacy translates into personal financial management among urban high school teachers in Bandung.

This study will examine the relationship between: (1) formal education and financial literacy, (2) age and financial literacy, and (3) financial literacy and personal financial management. The sample involved in this study is the JKN Senior High School (SHS) in Bandung City. JKN SHS was chosen for several reasons. First, its location in Bandung City aligns with the increasing number of poor people in urban areas of Indonesia. Second, JKN SHS teachers have diverse formal educational backgrounds, making it relevant to test the effect of formal education on financial literacy. Third, the varied age range of teachers allows for analysis of the relationship between age and financial literacy levels. Fourth, teacher involvement reflects a professional group with a fixed income, suitable for assessing the relationship between financial literacy and financial behavior.

This research is expected to yield several benefits, including: (1) providing empirical evidence on the factors that influence teachers' financial literacy; (2) making academic contributions to the financial literacy literature in the education sector; (3) offering policy recommendations to enhance teachers' financial literacy; and (4) presenting a perspective for exploring the rising number of poor people in urban areas in Indonesia.

LITERATURE REVIEW

Financial Literacy

This study adopts the financial literacy theory developed by the OECD (2016), which includes three main dimensions: financial knowledge, attitude, and behavior. An individual's

ability to understand and apply various concepts and skills in money management such as financial planning and investment planning is known as financial literacy. Financial literacy is not only about knowledge but also includes attitudes and actions that reflect an understanding of risks and opportunities in financial matters. Good financial literacy enables individuals to make wise and informed decisions, as well as to plan for a better financial future (Goyal & Kumar, 2021). Financial literacy is also a crucial life skill for achieving financial security and individual well-being, as well as for supporting economic growth and overall sustainable development (Zaimovic et al., 2023).

Personal Financial Management.

The theory of personal financial management explains how individuals utilize financial resources to achieve life goals such as financial well-being. Key components of personal financial management include budgeting, managing expenses, saving, investing, and preparing for financial (Salsabilla et al., 2022), 2). Managing personal finances effectively helps individuals maintain financial stability and is closely linked to financial well-being. It also helps avoid unnecessary debt and builds a solid foundation for future financial planning. Therefore, effective financial management is a crucial element in achieving financial well-being and attaining higher life goals (Althnian, 2021).

Formal Education towards Financial Literacy

Formal education, whether obtained through educational institutions such as schools or structured financial training programs, has been proven to improve an individual's level of financial literacy significantly. Based on meta-analyses and cross-country studies, education has been identified as one of the strongest determining factors in shaping an individual's financial literacy skills (Ruiz-Palomo et al., 2023)

Specifically, delivering financial content at the secondary education level can influence positive financial behaviors, such as saving habits and the ability to manage loans or credit. However, the effect of formal education on improving financial knowledge is not always direct and often requires time as well as practical financial experience in daily life (Sumantri et al., 2024; Urban et al., 2020). This highlights the importance of practical and contextual financial education to strengthen students' financial understanding and skills. Based on the above explanation, the following hypothesis is proposed:

H1: Formal education has a positive effect on financial literacy.

Age towards Financial Literacy

Age is also considered a factor that can influence how much a person understands financial literacy. As individuals grow older, they generally gain more experience in managing finances, which can deepen their knowledge and wisdom in making financial decisions. Financial literacy gradually increases during working-age years but may decline in old age due to diminishing cognitive abilities. Additionally, financial literacy follows an inverted U-shaped curve—low in youth, rising in early adulthood, and declining in later years (Okamoto & Komamura, 2021). The increase during productive early adulthood occurs because of greater exposure to complex financial decision-making (Van Nguyen et al., 2022).

Although older age is often associated with increased financial experience, understanding does not automatically improve. Factors such as the level of education, access to information, and active participation in economic activities also play important roles. Therefore, it is crucial to ensure that financial education reaches all age groups so that financial understanding can be maintained throughout various life stages (Zaimovic et al., 2023). Based on the explanation above, the following hypothesis is proposed:

H2: Age has a positive effect on financial literacy.

Financial Literacy towards Personal Financial Management

An individual's level of financial understanding plays a significant role in managing their finances. Those who have a firm grasp of financial principles are generally more skilled at making sound financial choices, such as budgeting, saving regularly, making wise investments, and preparing for potential financial risks (Goyal & Kumar, 2021; Zaimovic et al., 2023).

Adequate financial knowledge enables individuals to understand available financial products and services, assess their benefits and risks, and develop financial management plans that align with their personal circumstances and life goals (Siswanti, 2020). However, its impact on financial management behavior can vary depending on other factors such as attitudes toward money and personal character (Titin et al., 2024). In short, financial literacy is a crucial foundation for effective personal financial management, as it equips individuals with the information and skills needed to make wise and responsible financial decisions (Yuwono et al., 2023). Based on the above explanation, the following hypothesis is proposed:

H3: Financial literacy has a positive effect on personal financial management.

Based on the abovementioned theories and hypothesis development, it can be concluded that most previous studies found that formal education and age positively affect an individual's financial literacy. Furthermore, these studies also found that financial literacy has become a main predictor of personal financial management. The logic behind this casualty is based on the human capital development. the theory. In the context of the teaching profession, as well as based on the theory, the formal education of a teacher, as well as a teacher's teaching

experience, can eventually increase the teacher's capacity, especially in knowledge, skills, and decision-making ability.

Increasing human capital will help teachers have better financial literacy, which is reflected in their attitudes, knowledge, and behavior. Therefore, with a higher level of financial literacy, teachers will tend to make more rational financial decisions. This financial decision will be reflected in the practice of personal financial management which is wiser and more effective.

However, those studies still reveal a clear gap, especially in the field of context. The gap lies in the teacher's context, school characteristics, and school network. Most previous studies on financial literacy have focused on students, private workers, homemakers, or the general public. Financial literacy research that treats teachers as the unit of analysis is still relatively rare, even though teachers serve as role models who can influence the financial behavior of the younger generation. Therefore, this research will bring uniqueness in the following context. This research will focus on teachers in international standard schools established and managed by Indonesian local authorities, a context that is still rarely explored in financial literacy studies. So, the teachers who work in this school will adhere to values that are a combination of international education standards in the local context of Indonesia.

Further, JKN SHS is part of an international education network that adopts UNESCO values, including the development of responsible and sustainable global citizens. These characteristics create a different professional environment from that of secondary schools in general, so teachers will also have a role in preparing students to become more ready to be responsible global citizens through financial understanding.

In addition, many previous studies have examined the factors influencing financial literacy and personal financial management separately. This research will integrate the factors that affect financial literacy and test their influence on personal financial management practices in a single model, as shown in Figure 1.

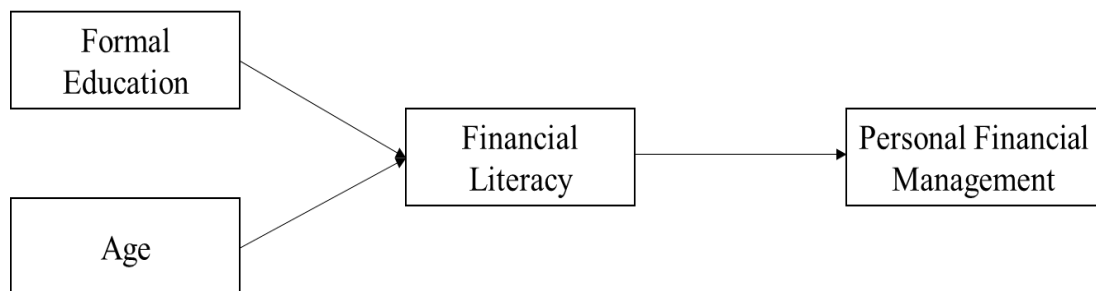


Figure 1. Research Model

This integrative approach will provide a more comprehensive understanding of the formation of teachers' financial behavior. The implementation of research that focuses on the teaching profession in urban areas is also still very limited. Therefore, this research will expand the empirical evidence on financial literacy and personal financial management.

METHODS

This study aims to analyze the relationship between: (1) formal education and financial literacy, (2) age and financial literacy, and (3) financial literacy and personal financial management. This study uses a quantitative approach because it measures the relationship between variables more objectively (Creswell & Creswell, 2018), facilitates robust and measurable statistical analysis (Hair et al., 2019), and the results of quantitative data processing

can be generalized to a broader population (Queirós et al., 2017). This study employs a survey research design by distributing questionnaires. Surveys enable data collection from many respondents quickly and measure the variables involved in a structured manner (Creswell & Creswell, 2018). Data collected from questionnaires can be analyzed using statistical methods to draw general conclusions (Hair et al., 2019); and they are more cost-effective compared to other methods (Apuke, 2017).

The population involved in this study was all 34 JKN SHS teachers. Each variable used in this study was measured using a questionnaire adapted from previous research. Formal education was measured with an ordinal scale, where respondents listed their highest level of education. A score of 1 was assigned for a Diploma 3 degree, a score of 2 for a Bachelor's degree, and a score of 3 for a Master's degree (Firmansyah & Kartini, 2021). Age was measured with an ordinal scale (Chen & Wang, 2014), where respondents choose their age group when completing the questionnaire. Financial literacy and personal financial management were measured using a 6-point Likert scale, ranging from 1 (Strongly Disagree) to 6 (Strongly Agree) (Saunders et al., 2023). The questionnaire for the financial literacy variable was adapted from Potrich, Vieira, & Mendes-Da-Silva (2016) and (Lusardi, 2015), which divides financial literacy into three dimensions: financial knowledge, attitude, and behavior. Personal financial management variables were also measured with a questionnaire adapted from (Lusardi & Tufano, 2015) and (Corpuz, 2023), which divides variables into four areas: financial planning, budgeting, saving and investment, and credit and debt management. The questionnaire was developed using Google Forms and distributed directly by the research team over one week in May 2025.

To test the hypothesis, this study used the Structural Equation Model – Partial Least Squares (SEM-PLS). The SEM-PLS method is suitable for testing this research model because

SEM-PLS supports predictive models like this one (Hair et al., 2019), is appropriate for studies with relatively small sample sizes (Hair et al., 2017), can handle models with multiple constructs and indicators simultaneously (Henseler et al., 2016), and allows testing of intervening relationships in structural models (Sarstedt et al., 2022). First, outer loadings, construct reliability and validity, and discriminant validity tests were performed to evaluate the model's fit, validity, and reliability. The hypothesis test was conducted once the model was deemed fit, valid, and reliable.

RESULTS AND DISCUSSION

Results

Data analysis started by assessing outer loadings, construct reliability and validity, and discriminant validity. Table 1 shows the results of the outer loading test. The outer loading ranged from 0.751 to 0.894 for the financial literacy variable. Similarly, the personal financial management variable had outer loadings between 0.730 and 0.934. Formal education and age are measured with single-item constructs, so they have outer loadings of 1.000. All variables in this study showed outer loadings above the threshold of 0.7V (Henseler, 2018). Therefore, it can be concluded that the indicators reliably represent their respective latent constructs.

Table 1. Outer loadings result

	Financial Literacy	Personal Financial Management	Education	Age
KP-D1-1		0,730		
KP-D1-2		0,855		
KP-D1-3		0,934		
KP-D2-1		0,885		
KP-D2-2		0,839		
KP-D2-3		0,816		
KP-D3-1		0,732		
KP-D3-2		0,827		

	Financial Literacy	Personal Financial Management	Education	Age
LK-D1-1	0,818			
LK-D2-2	0,894			
LK-D2-3	0,850			
LK-D2-4	0,844			
LK-D3-1	0,751			
LK-D3-2	0,778			
Education			1,000	
Age				1,000

Construct reliability and validity testing were conducted by testing Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE). Table 2 shows that the Cronbach's Alpha and CR values for each variable in this study are greater than the threshold of 0.7 (Henseler, 2018). The AVE value for each variable in this study is greater than the threshold of 0.5 (Henseler, 2018). This test indicates that the variable measurements in this study are valid.

Table 2. Construct reliability and validity result

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Financial Literacy	0,905	0,911	0,927	0,679
Personal Financial Management	0,934	0,943	0,946	0,689
Education	1,000	1,000	1,000	1,000
Age	1,000	1,000	1,000	1,000

Discriminant validity testing was conducted using the Heterotrait-Monotrait Ratio (HTMT). Table 3 shows that the HTMT value for each variable in this study ranged from 0.201 to 0.891, lower than the threshold of 0.90 (Henseler, 2018). These test results confirm that each construct is distinct from the others, thus supporting the adequacy of discriminant validity.

Table 3. Discriminant validity result

	Financial Literacy	Personal Management	Financial	Formal Education	Age
Financial Literacy					
Personal Financial Management	0,891				
Formal Education	0,438		0,241		
Age	0,356		0,201	0,315	

Table 4 displays the results of hypothesis testing. Formal education showed a positive but marginally significant effect on financial literacy ($\beta = 0.362$, $t = 1.677$, $p = 0.094$). Since the p-value is below 0.10 but above the conventional 0.05 threshold, this result should be interpreted as weak statistical evidence rather than strong confirmation of the hypothesis. Thus, the finding indicates a tendency that teachers with higher levels of formal education may have higher financial literacy, although the evidence is not sufficiently strong at the 5% significance level. Age was not shown to influence financial literacy ($\beta = 0.219$, $p = 0.232$). This suggests that age differences do not significantly impact teachers' financial literacy. Furthermore, financial literacy positively and significantly impacted personal financial management ($\beta = 0.836$, $p = 0.000$). This indicates that higher financial literacy among teachers leads to more effective personal financial practices.

Table 4. Hypothesis Testing Result

		Original Sample	Sample Mean	Standard Deviation	T Statistics	P Values	Conclusion
H1:	Formal Education à Financial Literacy	0.362	0.314	0.216	1.677	0.094	Hypothesis accepted
H2:	Age à Financial Literacy	0.219	0.271	0.183	1.197	0.232	Hypotheses rejected
H3:	Financial literacy à Personal Financial Management	0.836	0.843	0.059	14.273	0.000	Hypothesis accepted

Discussion

Formal education positively affects financial literacy

The analysis provides limited evidence of a positive relationship between formal education and financial literacy among the high school teachers surveyed ($\beta = 0.362$, $p = 0.094$). Although the coefficient is positive, the relationship is only marginally significant at the 10% level and does not meet the more conventional 5% significance threshold. Therefore, this finding should not be interpreted as strong statistical confirmation that formal education determines teachers' financial literacy. Rather, it suggests a positive tendency that requires cautious interpretation and further validation with a larger and more diverse sample. This outcome aligns with a substantial body of research that identifies education as a primary determinant of financial skills. The mechanism for this relationship is multifaceted; higher levels of formal education provide individuals with the foundational numerical and analytical skills essential for comprehending complex financial concepts (Netemeyer et al., 2024; Paraboni et al., 2020; Sunderaraman et al., 2020). Furthermore, educational attainment has

been shown to boost confidence, empowering individuals to make more proactive and informed financial decisions (OECD, 2016).

However, the marginal nature of the statistical significance ($p = 0.094$) warrants a nuanced interpretation. While the relationship is present, its moderate strength suggests that this sample's effect is not overwhelmingly powerful. This observation leads to a deeper consideration of the measurement of formal education itself. The study operationalized education as an ordinal variable based on the highest degree obtained (Diploma, Bachelor's, and Master's), a standard but potentially blunt instrument. This approach implicitly assumes that all advanced degrees confer an equivalent advantage in financial literacy, which is unlikely to be the case. The educational program's actual content and subject matter are likely to be more influential than the credential alone. For instance, a teacher with a Bachelor's degree in economics may possess greater financial literacy than a colleague with a Master's degree in literature. The study's methodology did not capture this distinction, and the inclusion of individuals whose advanced degrees did not capture this distinction, and the inclusion of individuals whose advanced degrees did not focus on financially relevant quantitative or analytical skills may have diluted the true strength of the relationship.

For this specific cohort of professional educators, the link between formal learning and knowledge acquisition is expected to be particularly potent. By their profession, teachers are trained to value and effectively engage with structured educational content. This professional disposition may make them more adept at translating the cognitive skills gained from higher education into practical financial knowledge compared to the general population. A teacher with a Master's degree may feel a greater sense of self-efficacy when confronting complex financial products, regardless of their specific field of study, reinforcing the confidence-building role of education highlighted by the OECD (2016).

Age does not affect financial literacy

In a notable departure from established theoretical models, this study found no statistically significant relationship between age and financial literacy ($\beta = 0.219$, $p = 0.232$), leading to the rejection of the second hypothesis (H2). This result directly contradicts the widely cited inverted U-shaped curve of financial literacy, which posits that financial knowledge is accumulated through experience during one's working years, peaks in middle age, and may decline in later life due to diminishing cognitive abilities (Okamoto & Komamura, 2021; Van Nguyen et al., 2022). The absence of a significant age effect in this study is an academically important finding that invites a critical examination of the context in which financial literacy is developed.

Several potential explanations can be posited for this null finding. First, the sample's unique context and relative homogeneity are critical considerations. Unlike the general population, which exhibits wide variation in career paths and financial experiences, the teachers in this study represent a specific professional group with relatively stable career trajectories, defined salary scales, and structured pension schemes. This regulated financial environment may reduce the variability in financial challenges and learning opportunities that typically drive the age-literacy curve in broader populations. Furthermore, the professional commitment of educators to "lifelong learning" may serve as a mitigating factor against the cognitive decline sometimes associated with older age in other cohorts.

Second, a crucial methodological limitation must be acknowledged. With a small sample size of $N=34$, the study may have been statistically underpowered to detect a proper, albeit modest, effect of age. A type II error, or the failure to reject a false null hypothesis, is a distinct possibility in this scenario. The positive direction of the beta coefficient ($\beta = 0.219$)

suggests a potential positive trend that did not reach the threshold for statistical significance, a possibility that a larger sample could clarify.

Theoretically, the insignificant effect of age suggests that the life-cycle explanation of financial literacy may not be universally applicable across all occupational groups. In general population studies, age is often assumed to represent accumulated financial experience. However, in the context of teachers, age may not necessarily reflect more diverse financial exposure because teachers generally work within structured career paths, relatively stable income patterns, and standardized employment systems. Therefore, this finding implies that financial literacy development should be understood not only as an age-related process, but also as an occupation-contingent process. For fixed-income professional groups such as teachers, occupational characteristics may weaken the role of age as a predictor of financial literacy. This finding extends the financial literacy literature by showing that demographic predictors may operate differently in profession-specific contexts.

Financial literacy positively affects personal financial management

The study's most compelling result is the powerful, positive and highly significant relationship identified between financial literacy and personal financial management ($\beta = 0.836, p = 0.000$), which provides robust support for the third hypothesis (H3). The magnitude of the beta coefficient indicates a huge effect size, implying that within the tested model, financial literacy is the dominant predictor of how well these teachers manage their personal finances. The extremely low p-value underscores this relationship's high degree of statistical certainty. This finding empirically validates the theoretical framework adopted by the study, which posits that financial knowledge, attitudes, and behaviors as the core components of financial literacy as defined by the OECD (2016) are direct precursors to sound financial

practices such as budgeting, saving, and prudent debt management (Goyal & Kumar, 2021; Yuwono et al., 2023; Zaimovic et al., 2023).

This result provides a clear, evidence-based connection to the socio-economic problem outlined in the introduction: Indonesia's rise in urban poverty. For teachers in Bandung, who must navigate the pressures of a consumerist urban lifestyle on what are often described as limited incomes, high financial literacy is not merely beneficial; it is a critical tool for building financial resilience and avoiding poverty. The finding empirically substantiates the assertion that good financial literacy can protect individuals from a decline in their quality of life and improve their preparedness for economic emergencies and crises (Kadoya & Khan, 2020).

The exceptional strength of this relationship ($\beta = 0.836$) is particularly noteworthy. In social science research, it is rare for a single variable to explain such a large proportion of the variance in an outcome variable. This suggests that for this demographic, the “knowledge-behaviour-gap” is a well-documented phenomenon where individuals know what they ought to do financially but fail to act accordingly, which may be less pronounced. A plausible explanation for this is rooted in the professional identity of the sample. Teachers are, by trade, accustomed to the principle of applying learned knowledge to practical ends. It is conceivable that this professional mindset of translating theory into practice carries over into their financial lives, creating a tight coupling between what they know about finance and what they do with their money. This makes teachers an up-and-coming target group for financial education interventions, as the return on investment in tangible behavioural change is likely to be very high.

CONCLUSION AND IMPLICATIONS

Conclusion

The research concludes that formal education has a significant effect on the level of financial literacy among high school teachers. However, the study also found that there is no statistically significant relationship between age and financial literacy. Additionally, the results indicate a positive correlation between financial literacy and personal financial management.

Future research is recommended to involve a more diverse and broader sample to enhance the generalizability of the findings. Studies should also explore additional factors such as gender, socioeconomic background, and economic behavior that may contribute to financial literacy levels. Furthermore, future research is encouraged to examine the relationship between financial literacy, financial management practices, and financial well-being to gain deeper insights into their interconnected effects.

Implications

The results also provide implications for educational institutions and local governments. Schools, foundations, and education authorities should consider integrating financial literacy development into teacher professional development programs. Financial literacy training should not be treated as a one-time seminar, but as a continuous capacity-building program that supports teachers' financial resilience and well-being.

Educational institutions can collaborate with universities, financial authorities, or independent financial education providers to develop non-commercial and profession-oriented financial literacy modules for teachers. These modules should be free from product-selling

orientation and should focus on improving teachers' ability to manage income, avoid excessive debt, prepare for emergencies, and plan long-term financial goals.

For local governments, especially in urban areas, teacher financial literacy can be positioned as part of broader urban poverty prevention and household financial resilience policies. Since teachers are fixed-income professionals who face urban living costs and consumerist lifestyle pressures, local governments may support financial literacy programs through teacher welfare initiatives, community education programs, or partnerships with schools and local education offices.

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