



Exploring the Relationship between Financial Literacy and Self-Sustainability among College Students

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ABSTRACT

Understanding how students manage their financial resources reveals the crucial role of financial literacy in sustaining themselves throughout their college journey. Beyond managing money, it reflects their capacity to build independence, stability, and readiness for future responsibilities. The research gathered data from college students through a structured questionnaire and revealed patterns in how financial literacy is linked with the students' ability to sustain themselves. The findings show that college students with stronger financial knowledge also demonstrate greater independence and stability in managing their academic, personal, and financial responsibilities. Financial literacy emerges as a key factor that supports students' ability to sustain themselves throughout their college experience.

INTRODUCTION

Financial literacy refers to the knowledge and skills necessary to make informed and responsible financial decisions (Lusardi, 2019). For college students, this competency plays a vital role in fostering self-sustainability, as it equips them with the ability to manage limited resources, budget effectively, and make sound financial choices that reduce dependence on external support (Brau et al., 2019). In a stage of life where independence is being cultivated, financial literacy becomes a foundation for developing not only practical money-handling habits but also long-term strategies that secure personal and academic stability (Ehrlich & Guilbault, 2017).

Despite the importance of financial literacy, many college students continue to struggle with managing their finances. Balancing tuition fees, living expenses, and daily needs often poses significant challenges, leaving some students vulnerable to debt, stress, and financial insecurity (Bartholomae & Fox, 2021). These struggles highlight a pressing concern, as limited financial knowledge may hinder students' ability to sustain themselves, impacting their academic performance and overall well-being. Such issues reflect the reality that financial competence is not equally developed across the student population, leading to varying levels of sustainability (Goyal & Kumar, 2021; Sarsale, 2025).

While previous studies have examined financial literacy among young adults, there remains a gap in understanding its direct influence on students' capacity to achieve self-sustainability during their college years. Much of the existing literature focuses either on general financial behavior or on professional preparedness after graduation, leaving limited insights into how financial knowledge supports the immediate needs of students in sustaining their academic and personal lives (Cainglet et al., 2022; Tatad et al., 2024). This lack of focused exploration underscores the need to bridge the empirical gap and better understand the relationship between financial literacy and the ability to manage life as a student independently.

Addressing this gap is important because financial literacy is more than just an academic skill; it forms part of the holistic development of students as they prepare for professional and adult responsibilities. The ability to sustain one's needs in college contributes to resilience, independence, and readiness for the demands of the workforce. Students are better prepared to transition smoothly into careers and adulthood with greater confidence and stability by equipping them with financial knowledge and practices.

The study seeks to examine the relationship between financial literacy and the self-sustainability of college students. It aims to understand how students' level of financial knowledge and management skills contribute to their ability to sustain their needs during college life independently.

Statement of the Problem

Managing finances is an important part of student life, as it affects not only their daily needs but also their overall well-being and independence. However, many students face challenges in handling their resources effectively, which often leads to financial stress and dependence on others. While financial

literacy has been recognized as a key factor in fostering independence and sustainability, the actual extent to which it influences the ability of students to sustain themselves remains unclear. To address this concern, the study seeks to answer the following questions:

1. What is the level of financial literacy among college students?
2. What is the level of self-sustainability of college students in managing their needs and responsibilities?
3. Is there a significant relationship between students' financial literacy and their self-sustainability?

LITERATURE REVIEW

Financial Literacy

Existing literature consistently describes financial literacy as a key life skill that enables individuals to make informed and responsible decisions about money (Lusardi, 2019). Among college students, financial literacy is often linked to budgeting skills, saving behavior, awareness of debt, and informed decision-making (Desello & Agner, 2023). Studies suggest that students with higher levels of financial literacy are better equipped to manage limited financial resources, reduce financial stress, and plan for both short-term and long-term needs (Goyal & Kumar, 2021; Cainglet et al., 2022). However, research also indicates that financial literacy among students varies widely, influenced by factors such as access to financial education, family background, and real-life financial experience (Bartholomae & Fox, 2021; Sarsale, 2025). These findings highlight financial literacy as an essential competence during the college years, where students begin to assume greater financial responsibility and independence.

Self-sustainability

Self-sustainability, as discussed in existing studies, refers to an individual's ability to manage personal, academic, and daily life responsibilities independently. In the context of college students, self-sustainability includes maintaining financial independence, fulfilling academic obligations, managing daily routines, and coping with emotional and psychological demands (Hvozdecka et al., 2022; Serido et al., 2023). Literature emphasizes that self-sustainable students are more likely to adapt effectively to challenges, remain motivated in their studies, and maintain overall well-being (Saulnier & Klaiman, 2024). Researchers also note that self-sustainability is not developed in isolation but is shaped by skills, habits, and support systems that allow students to function independently while balancing multiple responsibilities during college life (Serido et al., 2020; LaFreniere, 2024).

Financial Literacy and Self-Sustainability

Several studies have explored the connection between financial literacy and self-sustainability, suggesting that financial knowledge plays a supporting role in students' ability to sustain themselves. Financial literacy has been associated with better financial control, reduced dependence on others, and improved confidence in handling everyday responsibilities (Brau et al., 2019;

Hvozdecka et al., 2022; Tatad et al., 2024). When students understand how to manage money, they are more likely to plan effectively, cope with financial demands, and maintain stability in their academic and personal lives. However, existing literature often treats financial literacy and self-sustainability as separate concepts, with limited focus on how they interact during the college years (Ehrlich & Guilbault, 2017; Cainglet et al., 2022). This gap highlights the need for further exploration of how financial literacy contributes to the development of self-sustainability among college students, providing a clear foundation for the present study.

Conceptual Framework

This study is anchored on three key frameworks: Financial Literacy Theory, Self-Determination Theory, and Republic Act No. 10922 or the Economic and Financial Literacy Act. Financial Literacy Theory (Kovács & Terták, 2019) emphasizes the importance of financial knowledge and decision-making skills in promoting stability and independence, which directly applies to students learning to manage their limited resources. Self-Determination Theory (Adams et al., 2017) highlights the role of autonomy and self-regulation, suggesting that students who are financially literate may experience greater independence and confidence in sustaining themselves. Republic Act No. 10922 strengthens these foundations by mandating the promotion of financial education in the Philippines, underscoring the societal recognition of its role in shaping capable and responsible citizens.

Together, these frameworks complement and reinforce each other by linking personal competencies, motivational factors, and institutional support. Financial Literacy Theory provides the foundation for knowledge, while Self-Determination Theory emphasizes the behavioral and psychological outcomes of applying that knowledge toward independence. Meanwhile, Republic Act No. 10922 institutionalizes financial literacy as a national priority, ensuring that policies align with individual and academic needs. By drawing on these interrelated perspectives, the study situates financial literacy not only as a personal responsibility but also as a collective endeavor supported by both theory and law.

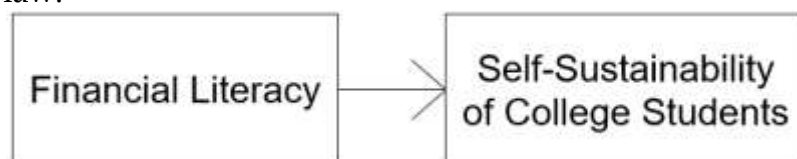


Figure 1. *Schematic diagram of the study* (Source: Author's design).

The schematic diagram illustrates the relationship between financial literacy and the self-sustainability of students. Surveys assess students' financial knowledge, decision-making skills, and budgeting habits, which serve as the independent variable. These factors are analyzed in relation to indicators of self-sustainability, such as the ability to manage expenses, reduce financial stress, and maintain independence in college. Anchored in the conceptual framework, the diagram highlights the pathway showing how financial literacy

contributes to students' capacity for sustainability, while also recognizing the influence of motivational and institutional support.

METHODOLOGY

Research Design and Locale

The study employed a descriptive correlational design (Seeram, 2019) to examine the connection between financial literacy and the self-sustainability of students. This design was appropriate as it allowed the researchers to describe the current levels of financial literacy and self-sustainability while also determining whether a significant relationship exists between the two variables. Conducted at San Isidro College, the study provided a picture of how students' financial knowledge and practices align with their ability to sustain themselves, making it relevant both academically and practically.

Sampling Method and Respondents

The study utilized stratified random sampling to ensure equal representation of students across the institution. The student population was grouped according to the seven departments of the college, and respondents were randomly selected within each group. This method ensured that different academic programs were fairly represented, allowing for more reliable results that reflect the diversity of experiences and financial practices across the college.

Table 1. *Demographic profile of the college students (N=99).*

Demographic		Frequency	Percentage
Sex	Male	43	43.3
	Female	56	56.6
Year	First	19	19.2
	Second	16	16.2
	Third	7	7.1
	Fourth	57	57.6
Department	Arts and Sciences	21	21.2
	Business Administration	51	51.5
	Nursing and Midwifery	27	27.3

The participants, as presented in Table 1, were composed of enrolled college students from San Isidro College, representing different departments and year levels. They were chosen because they experienced firsthand the challenges of balancing financial responsibilities with academic demands, making them the most suitable respondents for this study. Their participation provided meaningful insights into how financial literacy contributes to the way students manage their independence and sustain their daily needs.

Data Gathering Procedure and Treatment

Data collection was carried out using a researcher-made questionnaire that measured two main areas: financial literacy and self-sustainability. The financial literacy questionnaire obtained a Cronbach's alpha of 0.889, while the

self-sustainability questionnaire yielded a Cronbach’s alpha of 0.796, both indicating strong reliability. The instrument was pilot tested before implementation to ensure clarity and effectiveness in gathering accurate data. This tool allowed the researchers to systematically capture information about students’ financial knowledge, skills, and their ability to manage and sustain themselves.

Data were gathered using both online and printed questionnaires to ensure accessibility and encourage wider participation among respondents. Prior to data collection, participants were clearly informed about the purpose and procedures of the research, and only those who read and signed the informed consent form were allowed to participate. The questionnaires were then distributed and completed voluntarily, with respondents given sufficient time to answer all items honestly and independently.

The researchers employed descriptive statistics to summarize the levels of financial literacy and self-sustainability among the respondents. Additionally, correlation analysis was used to test the relationship between the two variables. This combination of methods provided both a detailed description of the current situation and an evidence-based understanding of the connection between financial knowledge and sustainability, making the analysis both comprehensive and meaningful.

RESEARCH RESULTS

This chapter presents the findings gathered from the respondents, providing a detailed overview of their financial literacy, self-sustainability, and the relationship between these variables. The results are organized to reflect the key areas under investigation and are supported by statistical analysis to highlight patterns and trends observed among the participants.

Level of Financial Literacy

Table 2 presents the summary of students’ financial knowledge and practices across various dimensions. The table provides an overview of the students’ ability to manage money, plan for the future, make informed decisions, and understand financial responsibilities, offering insights into their overall level of financial literacy.

Table 2. *College students’ level of financial literacy.*

Variable	\bar{x}	σ_x	Qual. Int.
Budgeting and Monetary Management	4.09	0.397	High Literacy
Saving and Financial Planning	4.22	0.494	Very High Literacy
Debt and Credit Awareness	4.04	0.443	High Literacy
Financial Knowledge and Decision-Making	4.15	0.427	High Literacy
Investment and Future Readiness	3.98	0.495	High Literacy
Financial Literacy	4.10	0.284	High Financial Literacy

The results, as presented in Table2, show that students demonstrate strong financial literacy across all assessed areas. They exhibit effective

budgeting and money management skills and show a very advanced ability in saving and financial planning, indicating that they prioritize future financial security. Their understanding of debt and credit is well developed, and they show confidence in making informed financial decisions. Students also demonstrate readiness for future financial responsibilities, including basic knowledge of investment concepts. Overall, the findings indicate that students possess a high level of financial literacy, supported by consistently strong performance in all key financial domains.

Level of Self-Sustainability

Table 3 presents the summary of the students’ capacity to manage their personal, academic, and daily responsibilities independently. The table reflects the students’ ability to maintain stability, handle challenges, and demonstrate resilience in sustaining themselves throughout their college experience.

Table 3. *College students’ level of self-sustainability.*

Variable	\bar{x}	σ_x	Qual. Int.
Financial Independence	4.29	0.518	Very Self-Sustaining
Academic Responsibility	4.16	0.575	Self-Sustaining
Daily Life Management	4.27	0.509	Very Self-Sustaining
Emotional and Psychological Resilience	4.27	0.548	Very Self-Sustaining
Self-Sustainability	4.25	0.414	Very Self-Sustaining

The result, as presented in Table3, show that students are generally capable of sustaining themselves across important aspects of daily and academic life. They show a very strong sense of financial independence, indicating the ability to manage personal resources effectively. Their academic responsibility is grounded, reflecting readiness to handle school tasks and academic expectations. Daily life management skills are also highly developed, suggesting that students can independently organize routines and handle everyday responsibilities. Additionally, students exhibit strong emotional and psychological resilience, enabling them to adapt to challenges and maintain stability. Overall, the students demonstrate a very high level of self-sustainability.

Relationship Between Financial Literacy and Self-Sustainability

Table 4 presents the correlation between students’ financial literacy and their ability to sustain themselves. The table provides an overview of the strength and significance of the relationship, indicating how financial knowledge may influence students’ independence and daily functioning.

Table 4. *Relationship between college students’ financial literacy and self-sustainability.*

Variables	\bar{x}	r	Extent of Relationship	p
Financial Literacy	4.10	0.564	Moderately Positive Relationship	<0.001
Self-Sustainability	4.25			

The result, as presented in Table 4, indicates a positive and meaningful relationship between financial literacy and self-sustainability among college students. As students' financial literacy increases, their ability to sustain themselves also tends to strengthen. The relationship is statistically significant, showing that higher financial knowledge and skills are associated with greater independence and capability in managing academic, personal, and financial responsibilities.

DISCUSSION

The discussion section interprets the findings in light of their significance and relevance to students' financial and personal development. The discussion provides a detailed explanation of the results, highlighting patterns, relationships, and implications that emerge from the data, and connects these insights to broader practical and academic considerations.

Financial Literacy

The results reveal that college students demonstrate a generally strong level of financial literacy across multiple areas of financial management. Students show competence in managing their money, planning for savings, understanding debt responsibilities, making informed decisions, and preparing for future financial needs. This overall level of financial literacy suggests that students possess the basic knowledge and skills necessary to manage their financial resources responsibly, which directly addresses the concern regarding their level of financial literacy.

The results further show that financial literacy among students is not limited to one aspect of money management but is distributed across essential financial domains. Students appear capable of balancing present financial demands while also considering future financial stability, reflecting an integrated approach to financial decision-making (Bartholomae & Fox, 2021; Goyal & Kumar, 2021; Sarsale, 2025). This pattern suggests that financial literacy is not merely theoretical but is applied in daily financial behaviors, allowing students to exercise greater control over their financial choices and responsibilities.

These findings imply that students are equipped with financial competencies that support responsible decision-making and independence. A high level of financial literacy provides a foundation for effective resource management, reduces the risk of financial stress, and strengthens students' confidence in handling financial matters (Cainglet et al., 2022; Desello & Agner, 2023). This highlights the importance of sustaining and enhancing financial education efforts, as financial literacy serves as a critical skill that supports students' capacity to manage their needs during college life.

Self-Sustainability

The results reveal that college students demonstrate a strong ability to sustain themselves across key areas of daily and academic life. Students show high levels of independence in managing their finances, fulfilling academic responsibilities, organizing daily routines, and maintaining emotional and psychological balance. This overall level of self-sustainability indicates that

students are capable of handling multiple responsibilities with minimal reliance on others.

Further analysis shows that self-sustainability among students is evident in both practical and personal domains. Students are able to manage their academic tasks effectively while also maintaining stability in their daily living and emotional well-being (Hvozdecka et al., 2022; Serido et al., 2023). This balance suggests that self-sustainability is reflected not only in students' ability to function independently but also in their capacity to remain resilient and adaptive in the face of everyday challenges.

The findings suggest that students possess the necessary skills and attitudes to sustain themselves throughout their college experience. Strong self-sustainability supports academic continuity, personal growth, and overall well-being, allowing students to navigate college life more confidently (Serido et al., 2020; LaFreniere, 2024; Saulnier & Klaiman, 2024). These results emphasize the value of developing independence and resilience as essential components of student development.

Financial Literacy and Self-Sustainability

The results indicate a meaningful and positive relationship between students' financial literacy and their self-sustainability. This relationship suggests that students who demonstrate stronger financial knowledge and skills also tend to show greater ability to manage their needs and responsibilities independently. The finding directly addresses the question of whether financial literacy is linked to students' capacity for self-sustainability.

Analysis of this relationship shows that financial literacy and self-sustainability reinforce one another. Students who understand how to manage money effectively are better positioned to plan their expenses, reduce financial strain, and maintain stability in both academic and personal life (Cainglet et al., 2022; Hvozdecka et al., 2022). This connection highlights how financial knowledge supports independent functioning and responsible decision-making among students.

The implication of this finding is that financial literacy plays a significant role in strengthening students' ability to sustain themselves. Enhancing financial literacy may contribute to greater independence, resilience, and stability during college life (Ehrlich & Guilbault, 2017; Brau et al., 2019; Serido et al., 2020; Tatat et al., 2024). These results underscore the importance of integrating financial education as part of broader efforts to support student well-being and long-term readiness for adult responsibilities.

Considering all factors, the findings show that college students possess strong financial literacy and a high level of self-sustainability, with a clear and meaningful relationship between the two. Financial knowledge supports students' ability to manage resources responsibly, while self-sustainability reflects their capacity to apply these skills across academic, personal, and daily life contexts. The relationship between these variables highlights the role of financial literacy as a key factor in fostering independence, stability, and

resilience among college students, reinforcing the importance of continued support for financial education within higher education settings.

CONCLUSION

The results show that college students generally demonstrate strong financial literacy across key areas such as money management, saving, decision-making, and future financial readiness. These competencies indicate that students are capable of handling their financial responsibilities during college life. At the same time, students display a high level of self-sustainability, reflected in their ability to manage academic tasks, maintain daily routines, exercise financial independence, and remain emotionally resilient. Together, these results suggest that students possess both the knowledge and personal capacity needed to sustain themselves effectively during their college years.

Further analysis reveals a meaningful and positive relationship between financial literacy and self-sustainability. Students who show stronger financial understanding also tend to demonstrate greater independence and stability in managing their academic and personal responsibilities. This relationship highlights how financial knowledge supports students' ability to function independently and maintain balance in their daily lives, strengthening their overall capacity to sustain themselves in a college setting.

The results provide clear evidence that financial literacy is closely linked to students' ability to sustain themselves during college. Students who are knowledgeable about managing money, planning ahead, and making informed financial decisions are better equipped to handle their responsibilities with confidence and independence. This connection offers new insight into how financial skills extend beyond money matters and contribute directly to students' overall stability, resilience, and readiness for life beyond college.

RECOMMENDATION

Based on the results, it is recommended that educational institutions strengthen financial literacy initiatives that support students' independence and daily management skills. Programs and activities that focus on practical financial skills, such as budgeting, saving, and responsible financial decision-making, may further enhance students' ability to sustain themselves. Integrating financial literacy into student development programs can help reinforce positive financial behaviors that contribute to academic stability and personal well-being.

ADVANCED RESEARCH

The study acknowledges several limitations that should be considered when interpreting the findings. The data were gathered through self-reported questionnaires, which may be influenced by personal judgment and the tendency of respondents to give socially acceptable answers. The use of a descriptive correlational design also limits the ability to determine cause-and-effect relationships between financial literacy and self-sustainability. In addition, the respondents were drawn from a single college, which may limit the generalization of the findings to students in other institutions or contexts with different socio-economic conditions.

Future researchers may explore the relationship between financial literacy and self-sustainability using a wider population that includes students from different institutions or educational settings. Longitudinal or mixed-method approaches may also be considered to examine changes in financial literacy and self-sustainability over time and to gain deeper insights into students' lived experiences. Additionally, future studies may investigate other factors, such as family background or access to financial education, that may influence students' ability to sustain themselves.

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