

The Influence of Inflation on Savings and Investments Behavior among the Faculty at Mabalacat City College

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Abstract: Increasing awareness of the effects of inflation has affected the savings and investments of faculty members at Mabalacat City College. This study delves into the influence of inflation on financial behaviors, including income stability, financial security, risk tolerance, and investment objectives. While prior research has explored the role of financial literacy in shaping saving and investment behaviors, few studies have examined its specific influence on inflationary pressures for educators financial decisions. To address this gap, a descriptive-correlational quantitative study was conducted using printed and standardized online survey questionnaires administered to 40 faculty members. The results reveal a moderate positive correlation between inflation awareness and financial habits, particularly in savings and investments. Faculty members with greater inflation awareness tend to adopt more disciplined budgeting and saving behaviors while displaying a cautious yet informed approach to investments. Challenges in strict adherence to budgets and achieving savings goals were identified, indicating areas for improvement in financial literacy and self-control. Younger, predominantly single faculty members with stable income levels demonstrated proactive financial behaviors, reflecting a balance between risk tolerance and long-term financial goals influenced by their understanding of inflation. The study comprehensively addresses its objectives by exploring both the demographic factors and financial behaviors of respondents in relation to inflation awareness. The findings underscore the critical role of financial education in equipping faculty members with the knowledge and skills needed to navigate economic uncertainties. This highlights the importance of fostering inflation awareness as a means to enhance financial stability and informed decision-making, ensuring adaptability in a dynamic economic landscape.

Keywords—Inflation Awareness; Financial Behavior; Savings; Investments; Financial Education

1. INTRODUCTION

Saving and investment are essential components of financial planning, helping individuals prepare for future goals and unforeseen emergencies. Saving is the portion of your income remaining after covering your expenses, while investment involves strategically committing resources to generate future returns. Financial literacy plays a critical role in these decisions and without it, individuals may fall into impulsive spending or avoid financial planning altogether.

Inflation, an economic factor that erodes purchasing power, significantly affects saving and investment behavior. As prices rise, individuals must adapt by adjusting financial strategies to preserve and grow their assets. Understanding

inflation and making informed investment choices have become increasingly important in today's economy.

This study focuses on the faculty of Mabalacat City College (MCC), whose backgrounds in education, business, tourism, and the arts indicate a strong foundation in financial concepts. It aims to quantify the influence of inflation on their savings and investment behavior using a quantitative, descriptive-correlational approach. The study explores how inflation awareness relates to financial decisions, offering insights that may inform financial education and planning.

2. REVIEW OF RELATED LITERATURE

Braggion et al., (2023) suggests a connection between financial literacy and how individuals adjust their saving and investment strategies in response to inflation. More investigation is needed into specific investment strategies

young adults can employ to mitigate inflation effects. While studies acknowledge inflation potential to discourage saving Korzeniowska (2023), exploring effective strategies to counter this discouragement and encourage saving habits in inflationary environments would be valuable.

The relationship between inflation and savings is key to understanding economic success in developing countries. Inflation reduces money's purchasing power, lowering the value of financial assets over time. To protect against this, consumers may shift from cash savings to real assets like property. While high inflation can reduce consumption, it may also increase overall savings as people try to preserve their purchasing power. This complex dynamic affects both individual financial choices and the broader economy in emerging countries (Thomi & Mose, 2021).

According to Heer and Suessmuth (2020), the majority of models determining the influence of inflation on savings show a negative correlation. The idea is that unexpected inflation reduces real income, which lowers the savings rate.

Miller and Benjamin (2018) offer an additional reason, noting that high inflation raises the opportunity cost of retaining money and encourages more time spent looking for better deals, losing actual resources and, eventually, reducing savings. Inflation reduces the purchase value of money over time, making it difficult for savers to maintain their level of living. This is particularly problematic for those on fixed incomes, as their savings may not keep up with rising prices. To lessen the effects of inflation, experts advise diversifying your investments, taking into account inflation-indexed goods, and regularly reviewing and updating your savings plans.

Financial behavior and attitudes can both have an impact on one financial well-being. Previous studies found that financial attitudes and financial literacy in young people are related (Kasman, Heuberger and Hammond, 2018). It suggests that attitudes and ideas regarding money of people can affect how motivated they are to become financially literate and learn about financial issues. Positive attitudes on investing and saving, for instance, might make someone more likely to pursue financial education and raise their level of financial literacy.

According to Amagir et al., (2018), a higher degree of financial literacy may influence the perceptions of investors in risk when choosing an investing strategy. Higher financial literacy may allow people to approach investing decisions with greater confidence and caution, more skillfully balancing the risks and potential rewards. They might be more adept at assessing and controlling the risks involved in various investing methods and may have a better awareness of those hazards.

3. METHODOLOGY

3.1 Methods and Techniques of the Study

This study employed a quantitative descriptive-correlational research design to examine the influence of

inflation on the savings and investment behavior of faculty members. This approach was chosen to allow for objective measurement and statistical analysis of the relationships between variables without manipulating them, making it suitable for identifying trends and potential associations within the target population.

3.2 Research Instruments

Data were collected using both printed and online survey questionnaires administered through Google Forms. The instrument combined an adapted questionnaire from Bona (2019), originally developed to assess savings behavior among the iGeneration, and a self-constructed section consisting of ten items designed to evaluate faculty perceptions of inflation. The instrument was modified to align with the specific objectives of this study.

To ensure validity and reliability, the questionnaire was reviewed by three faculty members. Their feedback was incorporated, and a pilot test was conducted with 30 faculty members from different schools to identify and revise unclear items.

The final instrument comprised four parts: (1) demographic information (e.g., age and employment status), (2) perceptions of inflation and its impact, (3) savings behavior in terms of income stability and financial security, and (4) investment behavior based on risk tolerance, time horizon, and goals. Sections three and four were modified to reflect the study's context. Items were close-ended and measured using a 4-point Likert scale.

Table 1: Reliability Test Results

Indicators	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items	Interpretation
Level of Influence	0.82	0.84	40	Good

Cronbach's Alpha: $a > 0.9$ (Excellent), $0.9 > a > 0.8$ (Good), $0.8 > a > 0.7$ (Acceptable), $0.7 > a > 0.6$

(Questionable), $0.6 > a > 0.5$ (Poor), $0.5 > a$ (Unacceptable)

(Source: National Research Council Committee on Scientific Principles for Educational Research, 2002)

Reliability testing was performed using Cronbach's alpha, with assistance from a statistician. The scale achieved a Cronbach's alpha of 0.82, indicating a good level of internal consistency. This result confirms that the instrument met acceptable reliability standards for data collection.

3.3 Data Collection

To collect the necessary data, the researchers developed and adopted a survey questionnaire aligned with the study's

objectives. Prior to distribution, permission was obtained from the head of the institutions administration and respective deans. Informed consent was then sought from each faculty member, with assurances of anonymity and confidentiality.

The survey was administered face-to-face using a four-part questionnaire. Faculty members who agreed to participate were given three days to complete the survey based on their knowledge and experiences. The researchers explained the purpose of the study and emphasized the importance of their participation. Follow-ups were conducted to ensure the timely collection of responses. The gathered data served as the basis for analyzing the influence of inflation on the savings and investment behavior of the faculty at Mabalacat City College.

3.4 Data Processing and Statistical Treatment

Descriptive statistics were used to summarize the respondents' demographic profiles and their savings and investment behavior through frequency, percentage, mean, and standard deviation. Correlational analysis was applied to examine the relationship between inflation and the savings and investment behavior of the respondents.

Firstly, the demographic profile, including age and student status, was described using frequency and percentage calculations. The formula for calculating percentage is:

FIGURE 1

$$P = \frac{F}{N} \times 100\%$$

Where:
P = Percentage
F = Frequency
N = Number of respondents

To understand the impact of inflation on savings and investment behavior, the mean and standard deviation (SD) was calculated. The formula for mean ($\bar{x}$) is:

FIGURE 2

$$\bar{X} = \frac{\sum x}{N}$$

Where:
 $\bar{x}$ = Mean
N = total frequency
= $\sum (x \cdot f)$ / N

And for standard deviation (σ):

$$\sigma = \sqrt{\frac{\sum (x - \mu)^2}{N}}$$

Where:

σ = population standard deviation

N = the size of the population

x = individual of the population

μ = the population mean

4. RESULTS

This chapter presents the analysis and interpretation of data collected from the faculty members of Mabalacat City College regarding their perceptions of inflation, savings, investment behaviors, and the influence of inflation on their financial decisions. The analysis includes demographic profiles of respondents, perception of inflation, savings and income stability, investor risk tolerance, time horizon, and goals, and the relationships between inflation, savings, and investment.

4.1 Demographic Profile of Respondents

Table 1: Age of Respondents

Age	f	%
20-30 years old	16	40.00
31-40 years old	14	35.00
41-50 years old	5	12.50
51-60 years old	5	12.50
Others, please specify	0	0

The respondents age distribution is presented in Table 1. A total of 40 individuals participated in the survey, with the majority falling within the age range of 20 to 30 years old, accounting for 40.00% (n = 16) of the respondents. The second largest group consisted of individuals aged 31 to 40 years, representing 35.00% (n = 14) of the sample. Respondents aged 41 to 50 years and those aged 51 to 60 years each comprised 12.50% (n = 5) of the total sample. Notably, there were no respondents in the "Others, please specify" category, indicating that all participants identified within the specified age ranges.

Overall, the data illustrates a youthful demographic among the respondents, with a significant concentration in the younger age brackets, which may influence their perspectives and responses in subsequent analyses.

Table 2: Marital Status of Respondents

Marital Status	f	%
Single	27	67.50
Married	13	32.50
Others, please specify	40	100.00

The marital status of the respondents is summarized in Table 2. Among the 40 participants, a significant majority identified as single, comprising 67.50% (n = 27) of the sample. Conversely, 32.50% (n = 13) of the respondents reported being married. Suggesting that financial planning perspectives may differ significantly between single and married faculty.

Table 3: Job Status of faculty

Job Status	f	%
Full-time Permanent	22	55.00
Contract of Service	18	45.00
Full-time		
Others, please specify	40	100.00

The job status of faculty members is presented in Table 3. Among the 40 respondents, a majority are employed in full-time permanent positions, accounting for 55.00% (n = 22) of the sample. In contrast, 45.00% (n = 18) of the respondents are engaged under a contract of service in full-time roles. Which suggests stable income levels that could affect their savings and investment behaviors.

Table 4: Educational Attainment of Faculty

Educational Attainment	f	%
College Graduate	6	15.00
With Masters Units	10	25.00
Masters Graduate	8	20.00
With Doctoral Units	7	17.50
Doctoral Graduates	9	22.50
Total	40	100.00

The distribution of educational attainment among faculty members is summarized in Table 4. Out of the 40 respondents, the highest percentage holds a master degree, comprising 25.00% (n = 10) of the sample. Following closely, 22.50% (n = 9) are doctoral graduates, indicating a significant representation of individuals with advanced degrees. Additionally, 20.00% (n = 8) of the respondents have completed their master degree but are not yet doctoral graduates. Those with doctoral units account for 17.50% (n = 7), while 15.00% (n = 6) are college graduates.

Table 5: Years of Teaching of Faculty

Years of Teaching	f	%
1-5 years	17	42.50
6-10 years	11	27.50
10-15 years	7	17.50
More than 15 years	5	12.50
Total	40	100.00

The distribution of years of teaching experience among faculty members is detailed in Table 5. Among the 40 respondents, a significant portion, 42.50% (n = 17), have between 1 to 5 years of teaching experience, indicating a relatively young faculty cohort in terms of tenure. Following this group, 27.50% (n = 11) of the respondents have 6 to 10 years of teaching experience, while those with 10 to 15 years account for 17.50% (n = 7). Lastly, only 12.50% (n = 5) of the faculty members have more than 15 years of teaching experience.

4.2 Faculty Perception of Inflation

The perceptions of inflation were measured using a 4-point Likert scale, where responses ranged from "Strongly Disagree" (1) to "Strongly Agree" (4). The results are summarized in Table 6.

2. How does the faculty perceive inflation?

Table 6: Faculty Perception of Inflation

Perception of Inflation	Standard Deviation	Mean	Interpretation
1. I understand what inflation means.	0.385	3.83	Strongly Agree
2. I am concerned about inflation in our economy.	0.474	3.67	Strongly Agree
3. I believe that inflation will continue to rise in the future.	0.639	3.53	Strongly Agree
4. I adjust my spending habits due to inflation.	0.784	3.28	Strongly Agree
5. I consider inflation when making my financial decisions.	0.834	3.33	Strongly Agree
6. I am worried about my ability to save money due to inflation.	0.888	3.08	Agree
7. I think inflation will have a long-term impact on my financial stability.	0.679	3.28	Strongly Agree
8. I am considering purchasing assets like real estate or stocks, with inflation on the rise	0.876	3.05	Agree
9. I believe inflation decreases the value of money over time.	0.628	3.37	Strongly Agree
10. I believe inflation affects my ability to purchase goods and services.	0.776	3.25	Agree
Grand Mean:		3.37	Strongly Agree

The literature on faculty perceptions of inflation reveals significant insights into how understanding and concern about inflation influence financial behaviors. Recent studies indicate that the inflation perceptions of individuals are shaped by personal experiences, particularly shopping habits, which serve as a primary determinant of their inflation expectations. Binetti et al. (2024) highlight that a strong understanding of inflation correlates with heightened concern about its implications for financial stability, aligning with the findings that faculty members largely agree on the significance of inflation in their financial decisions (mean = 3.37).

Moreover, the literature underscores the psychological aspects of inflation perception. It shows that individuals often react more strongly to rising prices than to falling ones, which can skew their overall perception of economic conditions. This aligns with the responses of faculty regarding their adjustments in spending habits and considerations for asset purchases, reflecting a proactive approach to managing financial stability amid inflationary pressures.

4.3 Savings and Income Stability

This section analyzes the faculty savings behavior and stability in income management.

3. How does the savings be described in terms of:

3.1 Income stability

3.2 Financial Security

Table 7: Savings and Income Stability

Savings and Income Stability	Standard Deviation	Mean	Interpretation
1. I do not spend money on things that are not included in the budget.	0.900	2.90	Agree
2. I prepare a list of required items ahead of time before buying.	0.920	3.03	Agree
3. I always follow my monthly budget.	0.911	2.88	Agree
4. I purchased items which are at reasonable prices.	0.597	3.45	Strongly Agree
5. I do not spend on items which I do not need.	0.862	3.03	Agree
6. I am not easily attracted by material things.	0.841	3.10	Agree
7. I always failed to control myself from spending money.	0.844	2.43	Disagree
8. I started saving for my future.	0.591	3.40	Strongly Agree
9. I am more concerned with what happens to me in the long run than short run.	0.698	3.23	Agree
10. I allocate money for emergency purposes.	0.687	3.30	Strongly Agree
11. I save to achieve financial freedom.	0.621	3.33	Strongly Agree
12. I save money in my savings deposit in the bank.	0.997	3.08	Agree
13. I saved money as much as I could.	0.616	3.33	Strongly Agree
14. I save money depending on the inflation.	0.838	2.63	Agree
15. When I set saving goals for myself, I rarely achieved them.	0.788	2.56	Agree
Grand Mean:		3.05	Agree

The literature on savings and income stability highlights the critical role of financial behaviors in achieving long-term financial well-being. The study indicates that effective budgeting and saving habits are essential for maintaining financial stability, especially in uncertain economic environments. For instance, studies suggest that individuals who adhere to budgeting practices, such as preparing lists before shopping and avoiding unnecessary expenditures, tend to have better financial outcomes, Suryantari & Gayatri (2022). Additionally, the importance of self-control in saving behavior is emphasized; individuals with higher self-control are more likely to save effectively and achieve their financial goals.

In the context of the data presented in Table 7, faculty members show a generally positive attitude toward saving and managing their finances, with a grand mean of 3.05 indicating agreement with various statements about budgeting and savings. The mean scores reflect a commitment to prudent financial practices, such as prioritizing essential purchases (mean = 3.45 for purchasing items at reasonable prices) and preparing for future needs (mean = 3.40 for starting to save for the future). However, the lower mean scores for statements related to strict adherence to budgets (mean = 2.88) and achieving saving goals (mean = 2.56) suggest areas for improvement.

These findings align with existing literature that emphasizes the need for financial education and self-control strategies to enhance savings behavior. The faculty responses

indicate a recognition of the importance of budgeting and saving but also reveal challenges in consistently following through on these practices. This connection underscores the necessity for targeted financial education programs that can equip individuals with the skills needed to improve their saving habits and achieve greater financial stability.

4.4 Risk Tolerance, Time Horizon, and Goals

This section evaluates the respondents attitudes toward risk in investments, their time horizons, and their financial goals.

4. How does the investment be described in terms of

4.1 Risk Tolerance

4.2 Time Horizon and Investment Goals

Table 8: Savings and Income Stability

Investor Risk Tolerance, Time Horizon, and Goals	Standard Deviation	Mean	Interpretation
1. I am comfortable taking financial risks in my investments.	0.942	2.51	Agree
2. I am willing to accept potential losses for the possibility of higher returns.	0.743	2.64	Agree
3. I prefer investments that have low risk even if the returns are smaller.	0.686	2.91	Agree
4. I adjust my investment strategy based on market conditions and personal financial goals.	0.709	2.85	Agree
5. I see inflation as a potential threat to the returns on my investments.	0.843	3.03	Agree
6. I believe inflation impacts how I choose to invest my money.	0.645	3.01	Agree
7. My investment decisions are influenced by changes in inflation.	0.726	2.97	Agree
8. I am investing with short-term goals (less than 3 years) in mind.	0.713	2.86	Agree
9. I plan to keep my investments for more than 10 years.	0.570	3.13	Agree
10. My primary investment goal is to grow my wealth over time.	0.510	3.28	Strongly Agree
11. I invest mainly to ensure a stable financial future for my family.	0.621	3.33	Strongly Agree
12. I am interested in learning about investment opportunities.	0.465	3.38	Strongly Agree
13. My investments are aimed at providing for my retirement.	0.549	3.41	Strongly Agree
14. I adjust my investment strategy based on changes in the market to meet my long-term financial objectives.	0.530	3.33	Strongly Agree
15. I believe my investment will make more money in the future.	0.540	3.36	Strongly Agree
Grand Mean:		3.06	Agree

Ahmed et al. (2022) highlight the mediating role of risk perception between behavioral biases and investment decisions, emphasizing that higher financial literacy enhances investors ability to navigate risks associated with market fluctuations and inflation. This aligns with findings that financial knowledge significantly influences risk tolerance, where informed investors are more likely to accept higher risks for potentially greater returns (Zheyang & Rabbani, 2021). This is relevant in understanding the behaviors of faculty members in the current study, as their investment strategies reflect a moderate comfort level with financial risks

(mean = 2.51) while also acknowledging inflation is potential impact on their investments (mean = 3.03).

Concerning the data presented in Table 8 on investor risk tolerance, time horizon, and goals, faculty members show a generally positive attitude toward investing, with a grand mean of 3.06 indicating agreement across various statements. They express a willingness to accept potential losses for higher returns (mean = 2.64) but also demonstrate a preference for lower-risk investments (mean = 2.95). This reflects a balanced approach to investing that is informed by both market conditions and personal financial goals. The literature underscores the importance of ongoing financial education to enhance understanding of risk management and investment strategies among faculty members. Their proactive stance towards investing, coupled with awareness of inflation implications, positions them well for achieving long-term financial stability and growth.

4.5 Relationship between Inflation and Savings

The following guidelines suggested by Cohen (1988) for the interpretation of a correlation coefficient were used:

Correlation	Correlation
Positive	Positive
Small	Small
0.10 to 0.29	0.10 to 0.29

A statistical technique that shows the relationship between two variables is called correlation which is measured in terms of correlation coefficient r . The correlation coefficient may take a positive or negative value that defines the direction of the relationship.

5. Is there a relationship between inflation and savings?

	1. I understand what inflation means	2. I am concerned about inflation in our economy	3. I believe that inflation will continue to rise in the future	4. I adjust my spending habits due to inflation	5. I consider inflation when making my financial decisions	6. I am worried about my ability to save money due to inflation	7. I think considering inflation will have a long-term impact on my financial stability	8. I am considering purchasing assets like real estate or stocks with inflation in mind	9. I believe inflation decreases the value of money over time	10. I believe inflation affects my purchasing decisions
1. I do not spend money on things that are not included in the budget	-0.126	0.402	0.143	0.440	0.629	0.398	0.120	0.039	0.066	0.237
2. I purchase a lot of frequent items ahead of time before buying	0.290	0.019	-0.111	0.204	0.222	0.312	0.112	0.138	0.028	0.027
3. I always follow my monthly budget	0.155	0.260	0.077	0.408	0.532	0.435	0.253	-0.088	-0.050	0.299
4. I purchased items which are at reasonable prices	0.128	-0.014	0.209	0.003	0.191	0.128	-0.060	0.152	0.222	0.085
5. I do not spend on items which I do not need	-0.064	0.297	0.207	0.445	0.487	0.332	0.076	0.134	-0.018	0.220
6. I am not easily attracted by material things	-0.024	0.212	0.134	0.074	0.095	-0.045	-0.004	0.202	0.267	0.059
7. I always tried to control myself from spending money	0.314	0.290	0.174	0.090	0.075	0.462	0.104	0.285	0.321	0.382
8. I started saving for my future	-0.023	0.110	0.082	0.144	0.125	-0.205	-0.217	0.159	-0.138	-0.112
9. I am more concerned with what happens to me in the long run than short run	0.150	0.149	0.060	-0.022	-0.007	-0.028	-0.026	0.443	0.154	-0.107
10. I allocate money for emergency purposes	0.204	0.071	0.023	-0.014	-0.009	-0.038	-0.126	0.273	-0.050	0.048
11. I save to achieve financial freedom	0.056	0.030	0.152	0.056	-0.017	-0.318	-0.334	0.241	-0.112	-0.109
12. I save money in my savings deposit in the bank	0.590	-0.280	-0.150	-0.061	-0.224	0.059	0.092	0.224	0.210	0.044
13. I saved money as much as I could	0.030	0.020	-0.010	0.076	0.022	-0.186	-0.281	0.255	-0.058	-0.013
14. I save money depending on the inflation	0.109	0.266	0.204	0.551	0.560	0.383	0.276	0.061	0.177	0.424
15. When I set saving goals for myself, I rarely achieved them	0.167	0.165	0.060	0.441	0.306	0.146	0.314	0.071	0.112	0.255

The correlation analysis between inflation perceptions, savings behaviors, and investment strategies among faculty members reveals significant relationships that highlight the impact of inflation on financial decision-making. Utilizing the guidelines of Cohen (1988) for interpreting correlation coefficients, the data indicates various degrees of association between understanding inflation and savings, and investment habits.

The data indicates a moderate positive correlation between understanding inflation and effective savings behaviors. For example, the statement I save money in my savings deposit in the bank has a strong positive correlation ($r = 0.590$) with I consider inflation when making my financial decisions. This suggests that faculty members who are aware of inflation are more likely to engage in saving behaviors that protect their financial stability. Additionally, the correlation between I am worried about my ability to save money due to inflation and I do not spend money on things that are not included in the budget ($r = 0.314$) indicates that concerns about inflation may lead individuals to adopt stricter budgeting practices to enhance their savings.

4.6 Relationship between Inflation and Investment

6. Is there a relationship between inflation and investment?

Table 9: Relationships between Inflation and Savings

Table 10: Relationships between Inflation and Investments

	1. I understand what inflation means	2. I am concerned about inflation in our economy	3. I believe that inflation will continue to rise in the future	4. I adjust my spending habits to take into account inflation	5. I consider inflation when making financial decisions	6. I am worried about my ability to save money due to inflation	7. I think adding long-term investments to my financial portfolio	8. I am considering purchasing assets like real estate or stocks with a long time horizon	9. I believe inflation affects my ability to purchase goods and services	10. I believe inflation decreases the value of money over time
1. I am comfortable taking financial risks in my investments	0.473	-0.078	-0.120	0.002	0.011	0.226	0.407	0.170	0.234	0.138
2. I am willing to accept potential losses for the possibility of higher returns	0.500	-0.124	-0.025	-0.019	-0.056	0.268	0.189	0.035	0.227	0.011
3. I prefer investments that have low risk even if the returns are smaller	0.259	0.007	-0.025	-0.170	-0.107	0.221	0.142	0.045	0.166	0.122
4. I adjust my investment strategy based on market conditions and personal financial goals	0.279	0.000	0.071	-0.069	-0.044	0.264	0.200	0.209	0.187	0.066
5. I see inflation as a potential threat to my investment	0.286	0.125	0.071	0.427	0.266	0.461	0.257	-0.080	0.251	0.473
6. I believe inflation impacts how I choose to invest my money	0.341	0.387	0.251	0.556	0.596	0.585	0.556	-0.096	0.109	0.555
7. My investment decisions are influenced by changes in inflation	0.095	0.568	0.207	0.497	0.257	0.267	0.070	0.007	0.142	0.514
8. I am worried about how new goals (post-Covid-19) impact my investment strategy	0.373	0.100	0.054	0.450	0.291	0.247	0.244	0.117	0.115	0.216
9. I plan to keep my investments for more than 10 years	0.107	-0.032	-0.020	-0.075	0.018	-0.210	-0.192	0.209	-0.132	-0.347
10. My primary investment goal is to generate wealth over time	0.262	0.072	0.167	0.012	-0.041	0.083	0.014	0.068	0.251	0.020
11. I invest mainly to secure a stable financial future for my family	0.016	0.118	0.150	-0.018	0.125	0.064	-0.146	0.239	0.022	-0.106
12. I am interested in learning about investment opportunities	0.370	0.112	0.243	0.146	0.000	0.194	0.170	0.055	0.137	0.106
13. My investment decisions are based on personal financial goals	0.210	0.254	0.402	0.177	0.210	0.154	0.064	0.013	0.172	0.080
14. I adjust my investment strategy based on changes in the market and my long-term financial objectives	0.298	0.109	0.125	0.202	0.295	0.299	0.269	0.302	0.246	0.128
15. I believe my investment will make more money in the future	0.211	0.124	0.270	-0.054	0.038	0.036	0.011	0.466	0.184	0.465

In terms of investment behaviors, the analysis reveals that perceptions of inflation significantly influence investment strategies. The statement I see inflation as a potential threat to the returns on my investments shows a strong positive correlation ($r = 0.473$) with I am comfortable taking financial risks in my investments. This indicates that those who view inflation as a risk are more cautious in their investment approaches. Furthermore, the correlation between I believe inflation impacts how I choose to invest my money ($r = 0.596$) and I adjust my investment strategy based on market conditions and personal financial goals ($r = 0.264$) suggests that awareness of inflation plays a critical role in shaping investment decisions.

These findings align with recent literature emphasizing the importance of understanding inflation in financial planning. Ahmed et al. (2022) highlight that individuals with higher financial literacy are better equipped to navigate economic uncertainties, including inflation, leading to more informed investment decisions. Similarly, Zheyang and Rabbani (2021) found that investors risk tolerance is significantly influenced by their perceptions of inflation, suggesting that higher inflation often leads to more conservative investment strategies.

Furthermore, Investopedia (2023) discusses how rising inflation typically correlates with lower equity valuations, emphasizing the need for investors to adapt their strategies in

response to changing economic conditions. The report underscores that during periods of high inflation, traditional investments such as stocks and bonds may not perform well unless investors adjust their portfolios accordingly. In summary, the correlation data indicates that faculty members who understand and are concerned about inflation tend to exhibit more disciplined savings behaviors and strategic investment decisions. This connection reinforces the importance of financial education in enhancing awareness and management of economic factors affecting personal finance.

5. DISCUSSIONS

In this chapter, the researchers present the summary of findings from the collected data, conclusions taken from the findings, and recommendations assessed from the findings and conclusions.

5.1 The Demographic Profile of Faculty at Mabalacat City College

The study included 40 faculty members from Mabalacat City College. Most respondents were aged 20–30, single, and held full-time permanent positions. A large portion had graduate degrees and 1 to 5 years of teaching experience, indicating a relatively young and well-educated faculty with stable income sources.

5.2 The Faculty Perception of Inflation

Faculty members demonstrated a high level of awareness and concern regarding inflation. They reported adjusting spending habits and incorporating inflation into financial decisions, reflecting the perceived long-term impact of inflation on financial stability.

5.3 The description of Savings in terms of:

Income Stability

Faculty members demonstrate positive financial habits that support income stability such as avoiding unnecessary spending and prioritizing essential purchases. However, improvements are needed in budgeting and achieving savings goals.

Financial Security

It reveals that faculty members show strong financial security practices, such as saving for emergencies and aiming for financial freedom. But face challenges in adjusting savings for inflation and managing discretionary expenses.

5.4 The description of Investments in terms of:

Risk Tolerance

The results show that faculty members exhibit moderate risk tolerance favoring low to moderate-risk investments, suggesting a cautious but growth-oriented approach.

Time Horizon and Investment Goals

Data revealed that the majority of respondents are had long-term investment plans focused on wealth accumulation,

retirement, and family security. They were open to learning and adjusting strategies based on market conditions.

5.5 The Relationship between Inflation and Savings

The analysis shows a moderate positive correlation between inflation awareness and saving habits. Faculty members who are more informed about inflation demonstrated better budgeting and saving practices, including higher likelihood of maintaining bank savings.

5.6 The Relationship between Inflation and Investments

There is a relationship between inflation and investment strategies. Faculty members who viewed inflation as a risk were more cautious and adaptive, adjusting their investment approaches based on market changes.

6. CONCLUSIONS

The majority of faculty members at Mabalacat City College are young, single, and employed in full-time permanent positions. While most are in the early stages of their teaching careers, a substantial number hold advanced degrees at the master's or doctoral level. These demographic characteristics—youth, limited experience, and strong academic qualifications—are likely to influence their financial behavior, particularly in their approach to long-term savings and investments.

Faculty members exhibit a high level of awareness and understanding of inflation and its implications. Their financial decisions reflect a cautious and adaptive approach, as they adjust spending patterns and prioritize essential expenditures. This behavior aligns with broader economic perspectives, indicating that inflation is a key consideration in both short-term and long-term financial planning. Their responses demonstrate a responsible approach to resource management amid economic uncertainty.

Unless Respondents generally engage in sound financial practices that support income stability, such as minimizing unnecessary expenses and focusing on practical spending. However, challenges remain in consistently adhering to monthly budgets and achieving specific savings goals. While most faculty members maintain emergency funds and pursue financial independence, there is a need for continued financial education, particularly in managing expenses and adjusting savings in response to inflation.

Faculty members exhibit a balanced approach to investment, favoring low-risk options while remaining open to moderate-risk opportunities. Their investment strategies are shaped by long-term goals, including retirement planning and family financial security. A strong interest in learning about investments and adjusting strategies in response to market conditions reflects a proactive and informed stance. These findings highlight the importance of continuous education in investment and risk management.

A moderate positive correlation exists between inflation awareness and savings behavior. Faculty members who are more informed about inflation tend to practice stricter budgeting and emphasize saving. Concern over inflation fosters disciplined financial habits, suggesting that economic awareness can lead to more cautious and intentional savings practices.

Faculty members who perceive inflation as a financial risk are more likely to adopt cautious investment strategies. Their awareness of inflation's impact prompts adjustments to their investment approaches based on prevailing market conditions. This indicates that inflation significantly influences both immediate financial choices and long-term investment planning.

7. RECOMENDATIONS

To improve the financial sustainability of faculty at Mabalacat City College, targeted Financial Literacy programs should be introduced. Good programs understand that and they focus on it.

1. For Faculty Members at Mabalacat City College:

Faculty at Mabalacat City College demonstrate awareness of inflation's impact on their finances. To enhance financial resilience, they are encouraged to participate in targeted financial literacy programs focusing on budgeting, saving strategies, and moderate-risk investments. Engaging in side jobs, investing in income-generating assets like rental properties, or starting small businesses can help diversify income. Consulting certified financial advisors can further guide faculty in creating personalized financial plans aligned with their long-term goals, improving their ability to manage inflation and achieve financial security.

2. For Financial Institutions:

Banks and credit unions should consider developing financial products tailored to faculty needs. These may include inflation-protected savings accounts, accessible investment options, and financial planning tools. Such offerings can support faculty in managing risks, preserving their purchasing power, and planning confidently for retirement, ultimately fostering greater financial inclusion and security within the academic sector.

3. For Future Researchers:

This study provides a basis for deeper exploration into the relationship between inflation and financial behavior. Future research could adopt qualitative approaches to better understand personal motivations and psychological factors affecting financial decisions. Longitudinal studies and comparative analyses across institutions or regions are also recommended to capture evolving behaviors and provide broader insights into the effects of inflation on financial planning in academic environments.

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9. REFERENCES

For papers published in translation journals, please give the English citation first, followed by the original foreign-language citation [6].

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