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Developing a Community-Based Savings and Investment Framework: An Evaluation of the Community Extension Program in Barangay Paknaan, Mandaue City

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financial management, savings practices, investment behavior, community-based framework, financial literacy, sustainable business growth

Abstract. Financial Management in the context of savings and investment practices are critical for household stability and community development, yet many residents in low-resource settings face unique challenges in achieving economic resilience. This study aimed to explore the financial behaviors, challenges, and opportunities of residents in Barangay Paknaan, Mandaue City, with the purpose of developing a localized savings and investment framework that complements their socioeconomic circumstances and provides innovative guidance for community workshops and seminars. A qualitative case study approach was employed, selecting ten (10) residents through purposive sampling, with data collected via focus group discussions and one-on-one interviews and analyzed using thematic analysis. The findings revealed six key financial behavior themes; *structured and purpose-driven saving practices, community-based and informal financial systems, survival-oriented spending priorities, small business-centered financial management, incremental micro-entrepreneurial investments, and asset-based long-term financial planning*; and five key challenges, *including financial, economic, personal/family-related, knowledge and skills limitations, and coping and management challenges.* In terms of opportunities, informants highlighted *motivation for savings and investments, access to financial institutions and services, skills development and financial education, institutional and community support, and business expansion and growth goals*. The study provides practical implications by illustrating how residents utilize disciplined saving practices, entrepreneurial reinvestment, and community-based financial strategies to navigate limited resources and pursue long-term financial goals. The findings resonate with existing discussions on goal-oriented savings, micro-investments, and structured financial management while offering contextual insights into the significant role of localized institutional assistance and community support systems. Furthermore, the results may serve as a foundation for developing a community-centered financial framework designed to enhance financial literacy, strengthen household resilience, and promote sustainable entrepreneurial growth within the barangay.

Introduction

Financial stability and economic expansion depend heavily on savings and investments, yet access to these opportunities still needs to be improved worldwide. Research from several continents demonstrates that developing wealth and economic resilience is more difficult in communities without formal banking systems or financial literacy. For example, savings programs in Africa frequently require increased institutional backing, infrastructure, and economic education (Atkinson & Messy, 2012).

A considerable section of Latin America's population benefits from informal savings mechanisms like savings organizations. However, these methods frequently include hazards because of their informal management and restricted access to financial markets.

In Asia, microfinance institutions (MFIs) have promoted investments and savings, especially in rural areas. However, community involvement and locally relevant financial literacy programs are the key components that determine these efforts' success. These results highlight a worldwide deficiency in locally relevant savings and investment programs rooted in communities.

Financial inclusion is still a significant issue in the Philippines, particularly in less developed areas. Many communities are still underserved even though the Bangko Sentral ng Pilipinas (BSP) has made progress in promoting financial inclusion and literacy through programs like the National Strategy for Financial Inclusion (NSFI). This is especially true for underprivileged and rural communities who need access to official banking services. Studies conducted in Central Visayas, including Mandaue City, have revealed that many households depend on risky and unstable informal savings methods (Llanto, 2015).

Comparable difficulties confront the larger ASEAN area, as seen by the poor financial literacy rates and restricted access to official savings and investment channels of nations like Indonesia, Cambodia, and Myanmar (Hannig & Jansen, 2010). On the other hand, the Philippines could implement successful community-based finance initiatives by more established ASEAN economies like Singapore and Malaysia. Many ASEAN countries still require assistance, especially in rural regions, with financial illiteracy and access to formal financial institutions despite these efforts.

Several problems still need to be improved to create sufficient structures for investments and savings at the community level. One significant issue is the absence of specialized financial literacy programs catering to underprivileged groups' unique requirements (Allen et al., 2016).

In Southeast Asia, where mobile adoption is high, digital platforms and mobile banking innovations have tried to close the gap. Nevertheless, additional work is still needed to include these technologies in community-led frameworks, as the effects of these solutions still need to be uniform.

Even if initiatives like digital banking and microfinance have been made to combat financial exclusion, further research is needed to determine how community extension programs function as platforms for long-term savings and investment strategies. Without providing scalable solutions, most research concentrates on formal financial systems or specific instances of unofficial savings organizations. To close this gap, this study assesses how the Barangay Paknaan, Mandaue City, community extension program may be improved to create a context-specific and community-driven framework for sustainable savings and investments.

The growing significance of financial inclusion in reducing poverty and promoting economic growth highlights the necessity of this study. Moreover, community extension programs play a crucial role in promoting sustainable socioeconomic development. Micabalo & Montilla (2020) emphasized that business- and management-oriented community services should be continuously implemented to ensure the sustainability of community livelihood initiatives. This perspective supports the development of structured financial literacy and investment programs that empower community members to improve their long-term financial well-being

As faculty members of the College of Business and Accountancy, our experience and knowledge in financial systems, community engagement, and local economic development qualify us as researchers to investigate this topic. Our goal is to close a significant gap in the literature by using our research to establish a savings and investment paradigm that can be replicated in similar communities in the Philippines and ASEAN.

Objectives

The study aims to explore the locals' current financial behaviors, challenges, and opportunities in relation to their saving patterns and investments made within the community of barangay Paknaan, Mandaue City, the adopted barangay of the University of Cebu Lapu and Mandaue. The ultimate objective of this research is to enable the College of Business of Accountancy to create a localized savings and investment framework that complements the socioeconomic circumstances of the barangay. Furthermore, the study also aims to provide innovative sources of ideas and information for workshops and seminars for the locals.

Methodology

A qualitative case study research approach was used and conducted at Barangay Paknaan, Mandaue City, using a purposive-simple random sampling technique to select participants from the selected locals. Ten locals were identified as informants and the data were collected through focus group discussions and one-on-one interviews. The data were analyzed and interpreted using thematic analysis.

Results and Discussion

This chapter presents, analyzes, and interprets the data gathered regarding the financial behaviors, challenges, and opportunities related to saving and investment practices among residents of Barangay Paknaan, Mandaue City. The data were derived from selected local residents who served as key informants and shared their lived financial experiences, practices, and perspectives within their socioeconomic environment. The responses provided substantial insights that may support the development of a localized savings and investment framework intended for community extension initiatives of University of Cebu Lapu-Lapu and Mandaue.

This chapter is divided into three (3) major sections. The first section presents the financial behaviors of the informants. The second section discusses the financial challenges encountered by the residents in managing their savings and investment activities. The third section presents the financial opportunities identified by the informants that may serve as potential bases for financial literacy programs, workshops, and community development initiatives.

I. Financial Behaviour

The first question asked of the informant-residents pertains to their financial behaviors within their household and community setting. Their responses revealed various financial practices shaped by their personal experiences and socioeconomic conditions. Based on the analysis of the interview responses, several themes emerged which reflect the common financial behavior patterns demonstrated by the informants.

1. Structured and Purpose-Driven Saving Practices. This theme highlights the intentional and organized approaches of the informants toward saving money. The responses revealed that residents practice systematic saving methods by allocating funds for specific financial obligations, future security, and family needs. Despite financial limitations, the informants demonstrated discipline in managing their savings through planned budgeting, categorization of expenses, and goal-oriented financial preparation. These practices reflect their efforts to achieve financial stability and preparedness for both anticipated and unforeseen circumstances. The following informants expresses that:

Informant 1 said that:
On my end sir, I do savings on a monthly basis. I put it in a white envelope, and categorized it according to my payables such as electricity bills, water, tuition etc. (Informant 1).
Informant 2 added:
I do save for me to have something when I arrived at a time that I no longer capable of working, or when I get older. I do it for long term purposes or for the upcoming future (Informant 2).
As per Informant 3:
I saved not that big just a simple way or a smaller amount. I do it because I have to since I have a PWD son (Informant 3).
Informant 4 narrated that:
I did put my savings also on a "Paluwagan Scheme" (Informant 4).
As to Informant 5:
I usually keep my savings to Paknaan Cooperative. For it to be safe and somehow it earns an interests (Informant 5).Informant 6 stated that:
For me sir, we have established also a sinking fund, by ourselves or through family efforts and I put my savings there sir (Informant 6).

The responses of the informants indicate that residents employ deliberate and organized saving strategies, reflecting both discipline and foresight in financial management. Informants reported categorizing funds for bills, long-term security, family obligations, and participation in community-based schemes, demonstrating goal-oriented approaches despite financial limitations. These structured saving practices illustrate proactive efforts to achieve financial stability, prepare for future uncertainties, and ensure the welfare of dependents. The findings imply that promoting structured financial education and accessible savings programs in communities can strengthen personal and family financial resilience, reduce vulnerability to unexpected expenses, and foster a culture of long-term financial planning. Such purposeful saving behaviors are consistent with the findings of Shim et al. (2009) who emphasized that goal-oriented savings are strongly associated with improved household financial management and preparedness.

2. Community-Based and Informal Financial Systems. This theme highlights the residents' participation in localized, informal, and community-driven financial mechanisms as a strategy to manage savings and access additional funds. Informants revealed that they engage in cooperative schemes, "Paluwagan" arrangements, and other community-based

savings networks that provide security, earn small returns, or allow pooled resources for family and personal needs. These practices reflect a reliance on trust-based social structures, where financial collaboration strengthens social bonds while ensuring access to financial support. Such informal systems complement individual saving strategies, offering flexibility and responsiveness to the immediate and collective needs of the community.

Informant 1 said that:
I did put my savings also on a "Paluwagan Scheme" (Informant 1).
Informant 2 added:
I usually keep my savings to Paknaan Cooperative. For it to be safe and somehow it earns an interests (Informant 2).
As per Informant 3:
I did not put my savings to any banks or cooperatives but instead I did find ways to invest it, and earn from it as time goes by (Informant 3).
Informant 4 narrated that:
Aside from investing our money, we put it also on the banks (Informant 4).
Informant 5 stated that:
For us sir, we invest our money through buying parcel of lands, and use it for whatever business we identify. Additionally, we used the land for housing purposes (Informant 5).
Informant 6 added:
One of our investment practices is that we input capital on our sari-sari store. As time goes by, we invest it on another business such as rubber making it pots, rags, slippers, sandalan sa kaldero (Informant 6).

The informants' responses reveal that residents actively participate in community-based and informal financial systems as a way to manage their savings and investments. Engagement in mechanisms such as "Paluwagan," cooperatives, small business reinvestment, and land acquisition demonstrates reliance on trust-based and locally accessible financial structures, providing both security and opportunities for financial growth. These practices reflect adaptive strategies to navigate limited access to formal banking systems, ensuring flexibility in meeting personal, family, and community needs. The findings imply that promoting and supporting community-based financial programs can strengthen financial resilience among residents, particularly in contexts where formal financial services are limited, and can guide policymakers and community leaders in designing initiatives that complement household financial planning. Such informal financial systems have been recognized as essential for financial access and security in underserved communities and as mechanisms that encourage prudent financial behavior, increase financial inclusion, and support both short-term needs and long-term economic stability (Collins et al., 2009).

3. Survival-Oriented Spending Priorities. This theme highlights how residents prioritize essential and immediate needs in managing their finances, often placing basic necessities such as food, household expenses, and small business operations above other financial goals. Informants revealed that their spending decisions are guided by daily and weekly budgeting practices, with income largely allocated to sustenance, family needs, and maintaining small-scale enterprises that provide ongoing revenue. Such survival-oriented financial behaviors reflect the practical realities of limited resources, where households strategically balance consumption and investment to ensure daily living requirements are met while still attempting to save or reinvest for future stability.

Informant 1 said that:
My priority when it comes to my spending sir is number 1 food (Informant 1).
Informant 2 added:
Since we have a Sari-sari store, we mostly spend our money through it and eventually get our food as well from our karenderia or food stall. That is our main priority ang kunsomo (Informant 2).
As per Informant 3:
Our money is mostly spent on our small business, we just roll it out hoping to earn something and provide for our daily consumption (Informant 3).
Informant 4 narrated that:
Our basis for allocating our income is through properly budgeting it on a daily, weekly basis etc. We mostly based it as our capital for our small business, and roll it every day and the earnings from there will be our basis for our savings and other expenses (Informant 4).
Informant 5 stated that:
Our small business somehow is the main reason of our spending. On our case since we're near at school, we mostly think of the students' demand and based it as our references on what to sell and eventually earn from it (Informant 5).

The informants' responses indicate that residents prioritize survival-oriented spending, focusing primarily on essential needs such as food, household expenses, and small business operations that provide ongoing income. Daily and weekly budgeting practices guide their financial decisions, with income largely allocated to sustenance and maintaining small-scale enterprises, reflecting a practical strategy to balance immediate consumption with potential savings or investments. This pattern demonstrates that, in contexts of limited financial resources, households adopt adaptive spending behaviors to ensure basic survival while sustaining income-generating activities. The findings imply that financial programs aimed at low-income or resource-limited communities should consider these survival priorities, offering guidance on balancing essential expenditures with saving and investment strategies. Collins et al. (2009) highlighted that survival-oriented financial practices are a critical component of household financial management in resource-constrained settings.

4. Small Business-Centered Financial Management. This theme highlights how residents strategically manage their finances by centering spending, savings, and investments around their small-scale enterprises. Informants revealed that a significant portion of their income is reinvested into businesses such as sari-sari stores, rubber production, broom making, or other locally demanded goods and services. Financial decisions are guided by both sustaining daily operations and generating profits, which are then allocated for personal needs, family expenses, and further business expansion. Such practices demonstrate a cyclical financial strategy where business activity serves as both an income source and a mechanism for long-term financial growth, reflecting entrepreneurial approaches to household financial management in resource-limited contexts.

Informant 1 said that:
Our money is mostly spent on our small business, we just roll it out hoping to earn something and provide for our daily consumption (Informant 1).
Informant 2 added:
Our basis for allocating our income is through properly budgeting it on a daily, weekly basis etc. We mostly based it as our capital for our small business, and roll it every day and the earnings from there will be our basis for our savings and other expenses (Informant 2).
As per Informant 3:
Our small business somehow is the main reason of our spending. On our case, since we're near at school, we mostly think of the students' demand and based it as our references on what to sell and eventually earn from it (Informant 3).
Informant 4 narrated that:
One of our investment practices is that we input capital on our sari-sari store. As time goes by, we invest it on another business such as rubber making it pots, rags, slippers, sandalan sa kaldero (Informant 4).
Informant 5 stated that:
We invest it also on another business. But for us sir, the best investment here in our Barangay is the "Broom Making". Second, is the rubber business. And sometimes, we base it on the demands of the community such as Sari-sari store (Informant 5).
Informant 6 added:
Additionally, the residue of the rubber we tend to sell it to the province we call it haling, used to light woods (Informant 6).
Informant 7 said that:
Aside from investing in our businesses, we put some of our funds in the banks for safety and future use (Informant 7).
Informant 8 narrated that:
For us sir, we invest our money through buying parcels of land, and use it for whatever business we identify. Additionally, we used the land for housing purposes (Informant 8).

The informants' responses reveal that residents strategically manage their finances by centering spending, savings, and investments around their small-scale enterprises. Income generated from sari-sari stores, rubber production, broom making, and other locally demanded businesses is reinvested to sustain daily operations, respond to market demands, and generate profits for personal and family needs. This cyclical financial strategy demonstrates how entrepreneurial activities serve as both a source of income and a mechanism for long-term financial growth, reflecting the integration of household and business financial management. The findings imply that supporting small business development and providing guidance on entrepreneurial financial planning can enhance both household income security and community economic resilience. Such small business-centered financial practices are consistent with the observations of Bruton et al. (2011) who noted that small-scale entrepreneurial activities in resource-constrained settings are critical for sustaining livelihoods.

5. Incremental Micro-Entrepreneurial Investments. This theme highlights how residents gradually invest in small-scale entrepreneurial activities to grow their financial resources and create additional income streams. Informants revealed that they start with modest capital contributions to small businesses, such as sari-sari stores, broom making, rubber production, and other locally demanded enterprises, and progressively expand their investments based on profits and community demand. These incremental strategies allow residents to manage financial risk while steadily increasing their economic capacity. The theme reflects a cautious yet proactive approach to entrepreneurship, demonstrating how micro-level investments can contribute to both household financial stability and long-term wealth accumulation.

Informant 1 said that:

One of our investment practices is that we input capital on our sari-sari store. As time goes by, we invest it on another business such as rubber making it pots, rags, slippers, sandalan sa kaldero (Informant 1).
Informant 2 added:
Additionally, the residue of the rubber we tend to sell it to the province we call it haling, used to light woods (Informant 2).
As per Informant 3:
We invest it also on another business. But for us sir, the best investment here in our Barangay is the "Broom Making". Second, is the rubber business. And sometimes, we base it on the demands of the community such as Sari-sari store (Informant 3).
Informant 4 narrated that:
For us sir, we invest our money through buying parcels of land, and use it for whatever business we identify. Additionally, we used the land for housing purposes (Informant 4).
Informant 5 stated that:
Aside from investing in our businesses, we put some of our funds in the banks for safety and future use (Informant 5).

The informants' responses reveal that residents engage in incremental micro-entrepreneurial investments, starting with modest capital in small-scale businesses and gradually expanding based on profits, community demand, and available resources. Investments in sari-sari stores, broom making, rubber production, and land-based enterprises demonstrate a cautious yet proactive approach, allowing households to manage financial risk while steadily increasing their economic capacity. These practices reflect a strategic pattern of micro-level entrepreneurship that simultaneously supports household income, encourages reinvestment, and promotes long-term financial stability. The findings imply that providing guidance and support for small, incremental business investments can strengthen financial resilience and foster sustainable economic growth within resource-constrained communities. Such incremental entrepreneurial strategies are consistent with the observations highlighting that gradual investments allow households to scale businesses while managing risk, and who emphasized that micro-entrepreneurial activities serve as essential pathways for livelihood improvement and long-term wealth accumulation in emerging economies (Bruton et al., 2011).

6. Asset-Based Long-Term Financial Planning. This theme highlights how residents prioritize the acquisition and management of assets as a strategy for achieving long-term financial security. Informants revealed that they invest in land, housing, and other tangible resources that can generate income, appreciate in value, or provide collateral for future business opportunities. These asset-focused strategies reflect forward-looking financial behavior, where households plan not only for immediate needs but also for sustainable wealth accumulation, intergenerational security, and protection against unforeseen economic challenges. The theme underscores a proactive and strategic approach to financial management that integrates both income generation and asset-building for long-term stability.

Informant 1 said that:
I do save for me to have something when I arrived at a time that I no longer capable of working, or when I get older. I do it for long term purposes or for the upcoming future (Informant 1).
Informant 2 added:
For us sir, we invest our money through buying parcels of land, and use it for whatever business we identify. Additionally, we used the land for housing purposes (Informant 2).
As per Informant 3:
Aside from investing in our businesses, we put some of our funds in the banks for safety and future use (Informant 3).
Informant 4 narrated that:
For me sir, we have established also a sinking fund, by ourselves or through family efforts, and I put my savings there sir (Informant 4).

The informants' responses reveal that residents engage in asset-based long-term financial planning, prioritizing the acquisition and management of tangible resources such as land, housing, and savings funds to secure future financial stability. Investments in assets are guided by considerations for long-term needs, intergenerational security, and protection against unforeseen economic challenges. This forward-looking strategy demonstrates a proactive approach to wealth accumulation, where household financial management integrates both current income and long-term asset growth. The findings imply that encouraging asset-based financial planning, along with providing guidance on property, savings, and investment management, can enhance financial resilience and foster sustainable economic stability for households. Such practices are consistent with the observations emphasizing that long-term financial planning and asset accumulation are critical for future financial security. Structured asset management strategies improve households' capacity to plan for retirement, emergencies, and long-term goals (Atkinson & Messy, 2012).

II. Challenges

The second question asked of the informant-residents focused on the challenges they encounter in managing their finances and sustaining economic stability. Their responses revealed various difficulties influenced by personal circumstances, family responsibilities, and broader economic conditions. From the analysis of these interviews, key themes emerged that capture the common financial challenges experienced by the informants.

1. Financial Challenges. This theme highlights the difficulties informants face in managing their finances and ensuring economic stability. Many respondents rely on loans to cope with urgent financial needs or to support small business operations. The burden of repaying these loans, especially when combined with limited capital, creates a continuous challenge for maintaining smooth financial operations. In addition, providing financial support to family members adds another layer of difficulty. Informants often balance personal income generation with meeting the needs of relatives, which can limit their ability to save or invest in their businesses. These experiences reflect how financial responsibilities, both personal and familial, shape the overall economic behavior of the residents.

Informant 1 said that:
We experience challenges when facing family related concerns and issues. Such as on my end both of loved ones died it really affects our finances. But we overcome it by acquiring a loan on our cooperative specifically the Paknaan Multi-purpose Cooperative (Informant 1).
Informant 2 added:
The Multi-purpose Cooperative lend us a loan not based on our contribution, but its because we are a good payer. They allow me to have a half a million loan from them. And I pay it on a monthly basis and a one year term. I did pay it because of my small business. We have also additional employees we're paying them for 200 pesos a day. But we would rather choose to man our business personally for us to properly manage our small business (Informant 2).
As per Informant 3:
We choose a term of payment that is mostly applicable to us such as the daily basis term of paying. Sometimes the difficulty is because of an additional capital. And my son is in abroad I will just be waiting patiently for him to send money (Informant 3).
Informant 4 narrated that:
I do not acquire loan sir if there is nothing important (Informant 4).
Informant 5 stated:
I face challenges also because I tend to help my family members as well. So I am busy for myself earning money, at the same time providing also for our family members. Sometimes, they tend to borrow at me without paying and that's the reason why it's difficult for me to save (Informant 5).

The informants' descriptions of financial challenges reflect persistent difficulties in managing household finances and sustaining economic stability in the face of limited capital, loan obligations, and family responsibilities. Many respondents indicated reliance on cooperative loans to meet urgent needs or support small business activities, while others expressed caution in taking on additional borrowing unless necessary. This mirrors broader patterns in the Philippines, where a substantial proportion of households anticipate challenges paying bills and loans in full and often depend on credit to bridge financial gaps amid inflationary pressures. Such behaviors suggest that financial strain influences budgeting decisions and may limit long-term savings and investment capacities. The implications of these challenges are significant: without enhanced financial education and improved access to appropriate credit, households and micro-enterprises may remain vulnerable to debt stress and capital constraints, hindering economic resilience and business growth. Literature on credit constraints among Philippine SMEs highlights that inadequate access to financing is a major obstacle, restricting the ability of small enterprises to innovate, invest in assets, and expand operations (Flaminiano & Francisco, 2021). Together, these findings underscore the need for programs that build financial literacy, promote responsible borrowing, and expand inclusive financial services to help households and entrepreneurs manage their financial obligations more effectively.

2. Economic Challenges. This theme encompasses the difficulties informants face due to broader economic factors, particularly inflation and rising costs of goods and services. Respondents reported that price increases affect both their personal expenses and small business operations, limiting their purchasing power and reducing their capacity to maintain or expand resources. These challenges reflect the impact of external economic conditions on household and community financial stability.

Informant 1 said that:
Economic problems such as inflation really affects us here in Barangay Paknaan (Informant 1).
Informant 2 added:
We face the challenges with inflation by increasing also the prices of our products. Such as in our karenderia, there's no more 10 pesos for one serving (Informant 2).
As per Informant 3:
Because of the inflation, when we buy our stocks in Colonade we can have at least 2 push carts, but right now we can only have one push cart (Informant 3).

The informants' responses under the theme of Economic Challenges reveal how external economic conditions, particularly inflation and rising costs of goods and services, substantially affect both household consumption and small business operations. Price increases force individuals to adjust their spending patterns, raise product prices, and reduce their purchasing power, which in turn limits their ability to maintain or expand resources and savings. This is consistent with academic evidence showing that inflation in the Philippines influences household expenditure patterns, as rising prices especially food inflation alter consumption behavior and can increase vulnerability among low-income groups (Fernandez & Salgado, 2018). This findings imply that effective measures addressing inflation's impact such as broader inflation monitoring, financial education, and policies to stabilize essential prices are necessary to enhance economic resilience among households and micro-enterprises facing cost pressures.

3. Personal/Family-Related Challenges. This theme highlights the difficulties informants face in balancing personal responsibilities with family obligations. Respondents reported that events such as the death of loved ones or the need to support family members financially create both emotional and economic strain. These challenges affect their ability to focus on personal income generation, savings, and business operations, demonstrating how family dynamics can influence financial stability and decision-making.

Informant 1 said that:
We experience challenges when facing family related concerns and issues. Such as on my end both of loved ones died it really affects our finances. But we overcome it by acquiring a loan on our cooperative specifically the Paknaan Multi-purpose Cooperative (Informant 1).
Informant 2 added:
I face challenges also because I tend to help my family members as well. So I am busy for myself earning money, at the same time providing also for our family members. Sometimes, they tend to borrow at me without paying and that's the reason why it's difficult for me to save (Informant 2).

The informants' responses under the theme of Personal/Family-Related Challenges indicate that family responsibilities and major life events can have significant emotional and financial implications for household economic behavior. Events such as the death of loved ones and the expectation to financially support family members create both psychological strain and resource allocation pressures, influencing individuals' ability to save, plan, and sustain income-generating activities. Research on family economic stress supports these findings, showing that financial strain not only affects immediate household well-being but also disrupts family dynamics and overall functioning, leading to increased stress and diminished capacity for long-term financial management (Masarik & Martin, 2025).

4. Knowledge and Skills Limitations. This theme highlights the informants' perception of insufficient financial and business knowledge as a barrier to effectively managing their resources. Respondents indicated that limited understanding of financial management, investment options, and business strategies affects their ability to make informed decisions, optimize income, and cope with economic and personal challenges. This underscores the importance of financial literacy and skills development in enhancing economic resilience and promoting sustainable household and entrepreneurial practices.

Informant 1 said that:
Our knowledge is not really enough, if we can have more knowledge from any available means we would gladly appreciate it (Informant 1).
Informant 2 added:
On my end sir, whenever I have a loan I do not duplicate it with another loan. I want to finish and fully pay the first loan before committing another loan (Informant 2).
As per Informant 3:
I do savings on a daily basis in the amount of 100 pesos. And I put it in an improvised alkansya (Informant 3).
Informant 4 narrated that:
I do not acquire loan sir if there is nothing important (Informant 4).
Informant 5 stated:
We choose a term of payment that is mostly applicable to us, such as the daily basis term of paying. Sometimes the difficulty is because of additional capital (Informant 5).

The responses under the theme *Knowledge and Skills Limitations* indicate that informants perceive their limited financial and business knowledge as a barrier to effective money management and decision-making, often leading them to adopt cautious or ad-hoc strategies such as avoiding multiple loans or relying on improvised saving methods. Such limitations align with academic literature showing that *financial literacy defined as the knowledge and skills needed to make informed financial decisions is strongly linked to better financial behaviors and outcomes*. Research has demonstrated that individuals with higher financial literacy exhibit more effective financial planning, debt management, and investment decisions, whereas limited literacy can constrain economic well-being and household resilience. In contexts where financial education is minimal or inconsistent, low financial knowledge can result in suboptimal financial behaviors, including less effective budgeting, saving, and credit use underscoring the need for targeted financial literacy programs to empower households and micro-entrepreneurs in managing resources more confidently and strategically (Almeida et al., 2025).

5. Coping and Management Challenges. This theme highlights the strategies and difficulties informants experience in managing their finances and business operations amidst personal, familial, and economic pressures. Respondents reported employing methods such as daily savings, choosing flexible loan repayment terms, and prioritizing essential expenditures to navigate financial constraints. These challenges reflect the balancing act between resource limitations and the need to maintain stability, demonstrating how individuals actively develop coping mechanisms to manage financial and operational uncertainties.

Informant 1 said that:
To counter the challenges, I do savings on a daily basis in the amount of 100 pesos. And I put it in an improvised alkansya (Informant 1).
Informant 2 added:
On my end sir, whenever I have a loan I do not duplicate it with another loan. I want to finish and fully pay the first loan before committing another loan (Informant 2).
As per Informant 3:
We choose a term of payment that is mostly applicable to us such as the daily basis term of paying (Informant 3).
Informant 4 narrated that:
I do not acquire loan sir if there is nothing important (Informant 4).
Informant 5 stated:
We would rather choose to man our business personally for us to properly manage our small business, even if we have additional employees we are paying (Informant 5).

The responses under the theme Coping and Management Challenges highlight how informants actively develop and implement strategies to navigate financial constraints and sustain their livelihoods, such as engaging in daily savings practices, choosing flexible loan repayment terms, prioritizing essential expenditures, and managing business responsibilities personally. These behaviors reflect broader patterns in household financial resilience, where individuals adopt problem-focused coping strategies such as saving regularly, reducing expenses, and disciplined debt management to maintain stability in the face of income volatility and limited resources. Financial resilience literature shows that such coping mechanisms, including income diversification, savings, and careful borrowing, are critical components of a household's capacity to withstand economic shocks and recover from financial stress (Jalili et al., 2025). These findings imply that enhancing financial management support through education on structured savings, tailored credit options, and community-based financial planning can strengthen households' ability to cope with ongoing challenges and build long-term economic security.

III. Opportunities and Aspirations

The third question asked of the informant-residents focused on the opportunities and aspirations they perceive in improving their financial well-being and achieving economic stability. Their responses revealed various motivations, resources, and support systems that influence how they plan, save, and manage their finances. From the analysis of these interviews, several key themes emerged that capture the common opportunities and aspirations identified by the informants.
1. Motivation for Savings and Investments. This theme highlights the informants' drive to save and invest as a means to achieve personal and family goals. Respondents expressed aspirations such as building a home, generating rental income, and securing the future of their children. Their responses reflect a proactive attitude toward financial planning and long-term economic stability, demonstrating how personal motivation can drive disciplined saving and investment behavior.

Informant 1 said that:
We are motivated to do more because we want a house, not that big but enough already for our family to live on it. Additionally, I will make a portion of my house for rent for us to rent also income from it (Informant 1).
Informant 2 added:
We are motivated also to save for the future of our Children. And we're very proud that they're a product of University of Cebu (Informant 2).

The informants' responses under the theme Motivation for Savings and Investments illustrate how personal goals and future aspirations drive their financial behaviors, particularly their desire to save consistently and invest in meaningful objectives such as housing, rental income, and securing their children's futures. This finding aligns with research showing that having specific long-term savings goals significantly influences household saving behavior, as individuals who set clear future targets are more likely to maintain disciplined saving patterns and prioritize financial planning. Studies on savings behavior also note that psychological factors such as goal setting, self-control, and future orientation play a crucial role in motivating individuals to save and invest, reinforcing the connection between personal aspirations and financial decision-making (Emenido, 2025). These insights imply that fostering financial goal setting and reinforcing motivational strategies can enhance savings behavior, contributing to improved economic stability and long-term financial resilience among households.

2. Access to Financial Institutions and Services. This theme highlights the informants' recognition of the importance of having accessible and supportive financial institutions, such as cooperatives and microfinance organizations. Respondents emphasized that these institutions not only provide loans and savings options but also offer insurance and guidance that help them manage their finances effectively. Access to such services enhances their ability to plan, save, and invest, demonstrating the role of formal financial systems in improving household economic stability.

Informant 3 said that:
We are hoping sir if we have this in our Barangay such lending institutions specifically the Rafi Microfinance. We like it because they provide insurance at the same time as our means of doing savings. On my case sir, we like also Cooperatives here in our Barangay, that can accept senior applicants (Informant 3).
Informant 4 added:
I am also a member of MAVENCO a cooperative (Informant 4).
Informant 1 narrated that:
We are motivated to do more because we want a house, and we are also exploring cooperatives that can help us save and invest for long-term purposes (Informant 1).
Informant 5 stated that:
Having access to cooperative services and microfinance programs encourages us to save regularly and apply for loans responsibly to support our small business operations (Informant 5).
Informant 6 said that:
We hope that more financial institutions will come to our Barangay so that even small entrepreneurs like us can have safe ways to save and access capital for business growth (Informant 6).

The informants' responses under the theme Access to Financial Institutions and Services indicate that availability and accessibility of financial institutions such as cooperatives and microfinance organizations play a critical role in shaping household financial behavior and business development. Respondents emphasized that these institutions provide safe avenues for savings, responsible loan access, and even insurance, which collectively improve their capacity to plan and invest for both personal and business needs. Research supports these findings, showing that access to microfinance and cooperative services significantly enhances financial inclusion, promotes disciplined savings, and empowers small entrepreneurs to expand their businesses (Cull et al., 2014). Moreover, access to financial resources remains a critical factor in enhancing resilience and sustainable development. Micabalo et al. (2024) highlighted the importance of financial support mechanisms in strengthening the capacity of stakeholders to respond to economic and environmental challenges. Similarly, promoting savings and investment practices at the community level can improve financial security and long-term economic resilience among households

3. Skills Development and Financial Education. This theme highlights the informants' recognition of the importance of acquiring knowledge and skills to manage their finances and businesses effectively. Respondents expressed interest in attending seminars, workshops, and training on bookkeeping, accounting, and government compliance (e.g., BIR processes) to improve their financial literacy and operational efficiency. Enhancing skills and education empowers them to make informed decisions, maintain proper records, and comply with legal requirements, ultimately supporting sustainable business growth and household financial stability.

Informant 5 said that:
We do like also to have a Bookkeeping Seminar on our small business, for us to know the proper way of doing basic accounting and that we can apply it on our business (Informant 5).
Informant 6 added:
And hopefully to be fully aware about the process in the Bureau of Internal Revenue (Informant 6).
Informant 7 narrated that:
We are also in favor sir, that the barangay could have an initial assistance when establishing the legal process for our business such as the BIR processing and others (Informant 7).
Informant 8 stated:
A designated committee from the barangay to provide assistance when it comes to processing the needed legal documents or any assistance for our businesses. This is a very good step for us sir so that we'll be guided on what is the right thing to do. We

would be really glad to participate on any further orientations and seminars regarding any program related to business. Such as the inclusion of an office or committee (Informant 8).

The responses under the theme Skills Development and Financial Education indicate that informants recognize the importance of acquiring technical skills and financial knowledge to enhance their business operations and household financial management. Access to training in bookkeeping, accounting, and compliance with government processes, such as BIR registration, equips them to make informed decisions, maintain accurate records, and avoid legal or financial missteps. Research shows that financial education and skills training significantly improve financial literacy, business management capacity, and overall economic resilience among small entrepreneurs and households. Furthermore, Financial resilience and effective resource management are critical to the sustainability of micro-enterprises. Cano et al. (2025) observed that managerial and market-related challenges significantly contribute to enterprise failure, underscoring the importance of strengthening financial planning and resource allocation practices. Consequently, community-based initiatives that encourage savings and investment can enhance household financial security and support entrepreneurial sustainability.

4. Institutional and Community Support. This theme highlights the informants' recognition of the value of assistance from local institutions and community bodies in supporting financial and business activities. Respondents emphasized the importance of barangay committees, offices, or designated personnel that can guide them through legal processes, documentation, and other formalities related to establishing and running a business. Such support not only ensures compliance with regulations but also helps reduce errors, saves time, and builds confidence, reinforcing the role of community-based interventions in fostering sustainable financial management and entrepreneurial growth.

Informant 7 said that:
We are also in favor sir, that the barangay could have an initial assistance when establishing the legal process for our business such as the BIR processing and others (Informant 7).
Informant 8 added:
A designated committee from the barangay to provide assistance when it comes to processing the needed legal documents or any assistance for our businesses. This is a very good step for us sir so that we'll be guided on what is the right thing to do. We would be really glad to participate on any further orientations and seminars regarding any program related to business. Such as the inclusion of an office or committee (Informant 8).

The responses under the theme Institutional and Community Support indicate that informants value guidance and assistance from local institutions, such as barangay committees or designated offices, in navigating legal, administrative, and business-related processes. Access to institutional support helps them comply with regulations, process documents efficiently, and reduce uncertainty in establishing or managing businesses. Research demonstrates that community-based support and institutional guidance significantly enhance financial literacy, business compliance, and entrepreneurial outcomes, particularly in low-resource or underserved areas. Identifying significant predictors is essential in designing effective intervention frameworks. Similar to the findings of Deniega et al. (2026) where teacher quality, curriculum workload, learning environment, facilities, and student support services significantly predicted student satisfaction, the present study likewise examines critical determinants of savings and investment behavior to inform the development of a responsive community-based financial framework.

5. Business Expansion and Growth Goals. This theme highlights the informants' aspirations to grow and expand their businesses over time. Respondents emphasized the importance of accessing support from barangay programs, private individuals, or financial institutions to scale their operations and increase income-generating capacity. Their responses reflect a forward-looking mindset, demonstrating how goal-oriented planning and external support can drive entrepreneurial growth and contribute to long-term financial stability.

Informant 9 said that:
Our goal is to expand our business in the coming years. And that we really appreciate any assistance from whom we can get, be it in the barangay or from other private individuals (Informant 9).
Informant 10 added:
Continue our savings pattern, and making it sure to grow bigger as years goes by (Informant 10).
Informant 1 narrated that:
We are motivated to do more because we want a house, and we plan to make a portion of our house for rent to generate additional income (Informant 1).
Informant 5 stated that:
Having access to cooperative services and microfinance programs encourages us to save regularly and apply for loans responsibly to support our small business operations, which we aim to expand in the future (Informant 5).
Informant 6 said that:

We hope that more financial institutions will come to our Barangay so that even small entrepreneurs like us can have safe ways to save and access capital for business growth (Informant 6).

The responses under the theme Business Expansion and Growth Goals indicate that informants are motivated to scale their businesses and increase their income-generating capacity over time. They emphasized the importance of external support, such as financial institutions, cooperatives, barangay programs, and private individuals, in achieving these goals. Research supports these findings, showing that access to financial resources, training, and advisory services significantly enhances micro-entrepreneurs' ability to expand operations, improve profitability, and sustain long-term growth (Banerjee et al., 2015). Furthermore, community-based interventions are more effective when grounded in the actual needs and experiences of beneficiaries. Small and medium-sized enterprises contribute significantly to local economic development and employment generation. Cano (2022) emphasized the importance of understanding the operational realities of SMEs in local communities, highlighting the need for financial preparedness and sustainable resource management among entrepreneurs. Such considerations reinforce the value of promoting savings and investment behaviors at the community level.

Conclusion and Recommendations

Based on the financial behaviors, challenges, and opportunities observed among the residents of Barangay Paknaan, Mandaue City, a Localized Savings and Investment Framework is proposed to promote sustainable financial practices and entrepreneurial growth. This framework integrates structured savings, micro-investments, access to cooperatives and microfinance institutions, financial literacy, and community-based support, all tailored to the barangay's socioeconomic realities. By combining goal-oriented savings, small-scale income-generating projects, skills development in bookkeeping and budgeting, and guidance from barangay committees or mentorship programs, the framework aims to strengthen household financial resilience, enhance informed decision-making, and support long-term business growth. Additionally, it provides actionable strategies for workshops and seminars, offering residents practical knowledge and tools to improve their financial management and economic stability.

Structured Savings Program	Encourage consistent saving habits for personal, family, and business goals	- Daily/weekly savings of small amounts (e.g., PHP 50–100)- Goal-oriented accounts for housing, education, or business- Community savings groups for peer support. Apply popular and effective savings techniques like 52-week savings challenge.	- Increased household savings- Residents meet specific financial goals- Strengthened peer accountability
Micro-Investments	Promote local income-generating activities and business growth	- Cooperative memberships for dividends and loans- Support small-scale entrepreneurial activities (karenderia, push carts, home-based businesses)- Community-based income-generating projects	- Increased household income- Growth of micro-businesses- Diversified community income streams
Access to Financial Institutions	Enhance access to safe financial services	- Strengthen barangay cooperatives- Facilitate low-interest microloans- Provide microinsurance for households. - Tap a private microfinance provider to link with barangay cooperative for microfinance opportunities and products.	- Improved financial inclusion- Reduced reliance on informal lending- Financial protection against emergencies
Skills Development & Financial Education	Build knowledge and competencies in financial management	- Workshops/seminars on bookkeeping, tax filing and compliance, and product costing. - Peer mentoring programs- Locally relevant educational materials (brochures, videos)	- Improved financial literacy- Better business record-keeping- Enhanced decision-making for savings and investments
Institutional & Community Support	Provide guidance and monitoring for effective financial behavior	- Establish barangay financial assistance office/committee- Offer follow-up and monitoring of savings and business initiatives- Collaborate with banks, cooperatives, and NGOs	- Residents receive structured support- Increased confidence in legal/business processes- Strengthened community networks for economic resilience

Table 1. Localized Savings and Investment Framework for Barangay Paknaan, Mandaue City

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Competing Interests Statement

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this article.

Data Availability Statement

Data sharing is not applicable to this article as no new data were created or analyzed in this study; all data used were obtained from previously published sources as cited in the reference list.

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Appendices

No appendices are attached to this study.