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Financial Literacy and Financial Behavior as Determinants of Sustainable Investment Practices among Overseas Filipino Workers in China

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Abstract

This study focused on examining financial literacy and financial behavior as determinants of sustainable investment practices among Overseas Filipino Workers (OFWs) in China. Guided by the Theory of Planned Behavior and the Financial Capability Framework, the study aimed to determine the level of financial literacy, financial behavior, and sustainable investment practices among OFWs in China, as well as the significant relationships among these variables. The study used a mixed-methods research design through a convergent parallel approach. The quantitative component applied a descriptive-correlational design, while qualitative responses were analyzed using thematic analysis through coding, categorization, and theme development to further support and explain the quantitative findings. Quantitative and qualitative results were analyzed separately and integrated during the interpretation stage to provide a more comprehensive understanding of the financial practices of OFWs in China. A total of 104 OFWs currently working in mainland China participated in the study through purposive sampling. Data were collected using a self-administered questionnaire and were analyzed using frequency, percentage, mean, standard deviation, Pearson Product-Moment Correlation, and multiple linear regression analysis. The findings showed that OFWs in China generally demonstrated positive financial literacy, particularly in cash management, and positive financial behaviors, especially in saving and controlled spending practices. Sustainable investment practices were also found to be generally positive. Qualitative findings further revealed that participants viewed saving, budgeting, and financial discipline as essential foundations for long-term investment and financial security, reinforcing the quantitative results. The regression analysis further revealed that both financial literacy and financial behavior had significant relationships with sustainable investment practices, although financial behavior showed a stronger predictive influence. The study concluded that sustainable investment practices among OFWs in China were influenced not only by financial knowledge but also by actual financial habits and behaviors. The findings emphasized the importance of strengthening practical and behavior-focused financial education programs for OFWs in China.

Keywords: financial literacy, financial behavior, sustainable investment practices, investment behavior, Overseas Filipino Workers

INTRODUCTION

According to the Philippine Statistics Authority (2023), millions of Filipinos continue to work abroad in order to provide financial support for their families and improve their long-term economic conditions. Remittances sent by OFWs contribute significantly to household expenditures, education, healthcare, and national economic development. Similarly, the Asian Development Bank (2024) emphasized that remittances remain one of the major contributors to financial stability among Filipino households.

Overseas Filipino Workers (OFWs) continue to play a major role in the Philippine economy through remittances, household support, and contributions to national economic growth. Despite the large amount of remittance inflows entering the country annually, many OFWs still experience financial insecurity, insufficient retirement preparation, and limited long-term investment growth. While many OFWs earn, higher salaries compared to local employment opportunities in the Philippines, not all are able to convert these earnings into sustainable financial security. Some OFWs continue to experience debt dependency, lack of savings, poor investment decisions, and financial instability even after years of working abroad.

One of the common concerns surrounding OFW financial well-being is that overseas income is often used more for immediate household needs and short-term expenses rather than long-term wealth-building activities. Family support, educational expenses, healthcare obligations, and daily living costs often become the priority of many OFWs. Although these responsibilities are understandable, they sometimes reduce opportunities for long-term investing and future financial preparation.

Financial literacy has increasingly been recognized as an important factor affecting financial well-being and investment decisions. Lusardi and Mitchell (2014) explained that financial literacy plays a critical role in helping individuals make informed financial decisions related to savings, investments, debt management, and retirement planning. They argued that financially literate individuals are more likely to engage in responsible financial behavior and long-term financial planning. In support of this, Lusardi and Messy (2023) stated that financial literacy contributes directly to financial well-being and improved financial capability.

According to the Organization for Economic Co-operation and Development [OECD] (2020), financial literacy encompasses awareness, knowledge, skills, attitudes, and behaviors that contribute to sound financial decision-making and financial well-being. However, scholars have argued that financial literacy and financial behavior, while closely related, represent distinct constructs. Lusardi and Mitchell (2014) conceptualized financial literacy primarily as an individual's understanding of financial concepts and ability to process financial information, whereas financial behavior reflects the actual application of that knowledge in everyday financial decisions. Similarly, Xiao and Porto (2017) distinguished financial knowledge from financial actions, emphasizing that individuals may possess adequate financial knowledge yet differ substantially in their financial practices. Consistent with this perspective, the present study operationalizes financial literacy primarily as financial knowledge and understanding, while financial behavior refers to the observable practices of saving, spending, budgeting, and investing. This distinction allows the separate effects of financial knowledge and behavioral application on sustainable investment practices to be examined.

Research by Kaiser et al. (2022) showed that financial education positively affects both financial knowledge and downstream financial behaviors. Likewise, Hwang and Park (2023) found that financial literacy is strongly associated with financial behavior and financial well-being. However, several studies have also suggested that financial knowledge alone does not automatically lead to positive financial outcomes.

Despite the growing emphasis on financial literacy, having financial knowledge does not always result in positive long-term financial outcomes. While many individuals understand basic financial concepts and recognize the importance of saving and investing, not all are able to consistently apply this knowledge in their financial decisions. As a result, some continue to experience difficulties in building savings, preparing for retirement, and achieving long-term financial security. This gap between financial knowledge and actual financial practice is particularly relevant among OFWs, who often earn higher incomes abroad but may still encounter challenges in managing and growing their financial resources over time.

Xiao and Porto (2017) explained that financial capability depends not only on financial literacy but also on how individuals apply financial knowledge in real-life financial situations. This suggests that actual financial behavior may play an equally important role in determining long-term financial stability. In many cases, individuals may possess adequate financial knowledge but still engage in impulsive spending, poor budgeting, inconsistent saving habits, or hesitation toward investing.

According to Yap et al., (2023), OFWs with stronger financial literacy tend to demonstrate more positive saving and investment practices. Their study also found that financially literate OFWs are more likely to participate in formal investment activities and exhibit stronger remittance management practices compared to those with lower levels of financial understanding.

Studies on sustainable finance and investment have also emphasized the importance of responsible financial decision-making. Renneboog et al. (2008) discussed how long-term investment behavior is influenced by investor knowledge, financial attitudes, and institutional factors. Similarly, Friede et al. (2015) found that sustainable financial practices are often associated with stronger long-term financial performance.

Despite the growing literature on OFW financial management, limited studies have specifically focused on OFWs working in mainland China. This creates an important research gap because OFWs in China operate within unique economic, cultural, and digital financial environments that may influence their financial decisions and investment behaviors differently from OFWs in other countries. Compared to more traditional OFW destinations, China has a highly digitalized financial environment where mobile payments, cashless transactions, and online financial systems are integrated into everyday life. These conditions may affect how OFWs manage savings, spending, investments, and remittances. Beyond addressing a geographical research gap, examining OFWs in China also provides an opportunity to assess the applicability of existing financial capability and behavioral finance frameworks in a distinct overseas context. The unique combination of a highly digitalized financial system, cross-border remittance obligations, and overseas employment conditions may influence how financial knowledge is translated into actual financial behavior and investment decisions. As such, the findings may contribute to a broader understanding of how financial capability models operate across different economic and cultural settings.

The concept of sustainable investment practices in this study refers to long-term financial activities that contribute to financial stability, future security, and responsible financial growth. These include retirement preparation, diversified investing, emergency savings, responsible asset acquisition, and long-term financial planning. Sustainable investment practices are not limited to environmentally responsible investments but also include financial decisions that support long-term economic sustainability for individuals and families.

The study was anchored on the idea that financial literacy and financial behavior influence sustainable investment practices among OFWs in China through related but distinct mechanisms. Financial literacy provides individuals with the knowledge and understanding needed to evaluate financial opportunities, assess risks, and make informed financial and investment decisions. Financial behavior, on the other hand, reflects how individuals apply this knowledge in practice through their saving, spending, budgeting, and investment habits. Guided by the Financial Capability Framework developed by Atkinson & Messy (2012), financial literacy serves as a foundation for effective financial decision-making, while financial behavior represents the actual actions that contribute to long-term financial well-being. The Theory of Planned Behavior, proposed by Ajzen (1991), further argues that individuals who possess favorable attitudes, intentions, and perceived control over financial decisions are more likely to engage in positive financial behaviors and investment activities. Likewise, the Behavioral Life-Cycle Hypothesis by Shefrin and Thaler (1988) explains how individuals allocate and manage financial resources to balance present needs with future financial goals. Taken together, these theoretical perspectives suggest that OFWs in mainland China with higher levels of financial literacy and more positive financial behaviors are more likely to engage in sustainable investment practices. While financial literacy and financial behavior may be conceptually related, the present study treats them as separate determinants of sustainable investment practices based on its research objectives and analytical framework. The potential mediating role of financial behavior was beyond the scope of the study and may be explored in future research. Consistent with the objectives of the study, financial literacy and financial behavior were examined as independent determinants rather than as mediator and predictor variables.

This study aimed to determine the relationship between financial literacy, financial behavior, and sustainable investment practices among OFWs in China. Specifically, it sought to evaluate the level of financial literacy of OFWs in terms of cash management, debt management, risk management, and wealth management; examine financial behavior in terms of saving, spending, budgeting, and investment behavior; determine the level of sustainable investment practices; and assess the significance of the relationships among these variables.

The findings of the study are expected to contribute to financial literacy research, OFW welfare discussions, policy development, and the growing body of literature on sustainable investment practices among OFWs. The study may also help government agencies, financial institutions, OFW organizations, and educators design practical financial capability programs that support long-term financial sustainability among OFWs.

The operational framework of the study was developed based on the Financial Capability Framework, the Theory of Planned Behavior, and the Behavioral Life-Cycle Hypothesis. These perspectives suggest that financial literacy and financial behavior—while conceptually related—independently contribute to sustainable investment practices through distinct but complementary pathways. Consistent with the objectives of the study, both variables were examined as separate determinants of sustainable investment practices among OFWs in China. These theoretical relationships are illustrated in the operational framework shown in Figure 1.

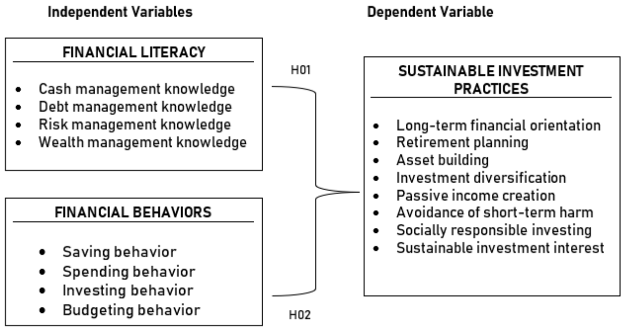

Figure 1
Operational Framework of the Study

METHODS

Research Design. This study used a mixed-methods research design through a convergent parallel approach. The quantitative component utilized a descriptive-correlational design to determine the relationships among financial literacy, financial behaviors, and sustainable investment practices among OFWs in China. The qualitative component was used to support and further explain the quantitative findings through open-ended responses gathered from selected participants. The quantitative and qualitative data were analyzed separately and subsequently compared during the interpretation stage. Qualitative themes were used to support, explain, and provide additional context to the statistical findings, allowing for a more comprehensive understanding of the financial experiences and investment practices of OFWs in China.

A correlational approach was considered appropriate because the study aimed to determine whether significant relationships existed among the identified variables without manipulating the research environment. The design also allowed the researcher to examine patterns and trends among OFWs working in mainland China.

Participants and Sampling. The respondents of the study consisted of 104 Overseas Filipino Workers currently employed in mainland China. Respondents came from different occupational sectors, including education, business, hospitality, services, and other professional fields. The majority of the respondents came from the education sector due to higher participation and accessibility during the data collection period despite efforts to distribute the survey across different OFW communities and occupational groups in China. Although efforts were made to reach OFWs from various occupational sectors, the higher representation of respondents from the education sector may limit the generalizability of the findings to the broader OFW population in mainland China.

The study employed purposive sampling to ensure that the participants directly reflected the target population of Overseas Filipino Workers (OFWs) currently residing and working in mainland China. This non-probability sampling technique was deemed appropriate, as the research sought to capture the lived experiences and perspectives of a specific group rather than to generalize findings to a broader population. Respondents were deliberately selected according to the following inclusion criteria: (1) Filipino citizens presently engaged in employment or business activities within mainland China; (2) individuals aged 18 years and above; (3) participants with verifiable income derived from professional or entrepreneurial endeavors; and (4) those who voluntarily consented to participate in the study. By applying these criteria, the researcher ensured that the sample was both contextually relevant and ethically grounded, thereby enhancing the validity of the data in relation to the study's objectives.

Hong Kong, Macau, and Taiwan were excluded from the study as these regions operate under different administrative systems and labor regulations compared to mainland China.

The sample size was considered adequate based on consultation with a statistician and the accessibility limitations involved in reaching OFWs across different cities in China.

Table 1
Reliability Test Results Using Cronbach's Alpha

Variable/Dimension	Cronbach's Alpha	Interpretation
Cash Management	0.880	Good level of reliability
Debt Management	0.929	Excellent level of reliability
Risk Management	0.896	Good level of reliability
Wealth Management	0.864	Good level of reliability
Saving Behavior	0.894	Good level of reliability
Spending Behavior	0.770	Acceptable level of reliability
Investing Behavior	0.867	Good level of reliability
Budgeting Behavior	0.712	Acceptable level of reliability
Sustainable Investment Practices	0.895	Good level of reliability

Research Instrument. The study utilized a structured survey questionnaire distributed through Google Forms. The questionnaire was adapted and modified from related financial literacy and financial behavior studies. The financial literacy items were developed based on established financial literacy frameworks and instruments used by the OECD (2020) and Lusardi and Mitchell (2014), particularly those relating to cash management, debt management, risk management, and wealth management. The financial behavior indicators were adapted from the financial behavior dimensions identified by Xiao and Porto (2017), including saving, spending, investing, and budgeting practices. The sustainable investment practice indicators were developed based on the concepts discussed by Renneboog et al. (2008), Friede et al. (2015), and related studies on long-term financial planning, wealth accumulation, and responsible investing. The indicators were subsequently modified to reflect the financial circumstances and investment realities of OFWs working in China. The instrument was divided into four sections.

The first section gathered demographic information such as age, sex, civil status, occupation, years of stay in China, and monthly income.

The second section measured financial literacy in terms of cash management, debt management, risk management, and wealth management. These areas provided the basis for evaluating the respondents' knowledge and understanding of essential financial concepts.

The third section measured financial behaviors in terms of saving behavior, spending behavior, investment behavior, and budgeting behavior. These indicators reflected the practical application of financial literacy in everyday financial activities.

The fourth section measured sustainable investment practices through indicators involving long-term investing, retirement preparation, financial planning, savings consistency, and responsible investment activities.

The questionnaire used Likert-scale items to measure respondent perceptions and financial practices. Selected objective financial literacy questions using true-or-false and "not sure" response options were also included to evaluate actual understanding of financial concepts.

Prior to actual data gathering, pilot testing was conducted with 15 participants to identify unclear instructions, confusing terms, and technical issues. Some respondents initially experienced confusion regarding certain financial terms and response scaling during pilot testing, prompting minor revisions to improve questionnaire clarity. Definitions for selected financial terms were also simplified to make the questionnaire more understandable for respondents coming from different occupational backgrounds.

Data Collection Procedure. Data collection was conducted primarily through online distribution using Google Forms. Survey links were distributed through Filipino community groups, professional networks, social media platforms, and direct messaging applications such as Messenger and WeChat.

The researcher also coordinated with Filipino community members and networks in different cities in China to increase participation. Participation in the study was voluntary, and respondents were informed about the purpose of the research, confidentiality measures, and estimated completion time before answering the survey.

Some respondents initially experienced technical difficulties related to language settings and online access while answering the survey. To address this, the researcher provided simplified instructions and clarifications when necessary.

The researcher ensured that respondents remained anonymous throughout the data collection process. No personally identifying information was collected beyond general demographic variables necessary for the study.

Qualitative Data Analysis. The qualitative responses gathered through interviews and open-ended questionnaires were analyzed to provide deeper explanations and additional context for the quantitative findings. The researcher reviewed all responses several times to become familiar with the participants' perspectives. Recurring ideas and observations related to financial literacy, financial behavior, and investment practices were identified and grouped into categories. These categories were then organized into broader themes that reflected the common financial challenges, behaviors, and practices of the respondents.

To ensure that the themes accurately reflected the participants' responses, the researcher carefully examined the identified categories and themes throughout the analysis process. The qualitative findings were then compared with the quantitative results during the interpretation stage of the study. This process allowed the researcher to identify areas where the qualitative responses supported, explained, or provided additional insights into the statistical findings.

Statistical Treatment. The collected data were organized, encoded, and analyzed using statistical tools.

Descriptive statistics such as frequency, percentage, weighted mean, and standard deviation were used to summarize demographic profiles and determine the levels of financial literacy, financial behavior, and sustainable investment practices.

Pearson Product-Moment Correlation and multiple linear regression analysis were used to determine whether significant relationships existed between financial literacy and sustainable investment practices, and financial behavior and sustainable investment practices.

The level of significance for hypothesis testing was set at 0.05.

Ethical Considerations. The study observed ethical research standards throughout the research process. Participation was voluntary, and respondents were informed about the purpose of the study before participation. Respondents were allowed to withdraw at any point without penalty.

Confidentiality and anonymity were maintained throughout the study. Data gathered were used solely for academic purposes and research analysis.

RESULTS

Profile of the Respondents. The respondents of the study consisted of 104 Overseas Filipino Workers currently employed in mainland China. The participants represented different age groups, occupations, years of stay in China, and income levels. Most respondents belonged to the working-age adult population, particularly those between 30 to 49 years old, suggesting that many participants were already financially active and had established family and financial responsibilities.

The respondents also came from various occupational sectors, including education, business, hospitality, customer service, and other professional fields. The majority of the respondents were from the education sector due to higher participation and accessibility during the data collection period. Many respondents had already spent several years working abroad, indicating prior exposure to remittance obligations, budgeting responsibilities, savings management, and long-term financial planning.

Table 2
Demographic Profile of the Respondents

Profile Variable	Category	Frequency	Percentage
Age	21 to 30	33	31.7%
	31 to 40	36	34.6%
	41 to 50	27	26.0%
	51 to 60	8	7.7%
Sex	Male	41	39.4%
	Female	63	60.6%
Civil Status	Single	49	47.1%
	Married	49	47.1%
	Separated	4	3.8%
	Widowed	2	1.9%
Highest Educational Attainment	High School	11	10.6%
	Vocational	14	13.5%
	College	57	54.8%
	Master's Degree	20	19.2%
	Doctorate Degree	2	1.9%
Length of Work in China	1-3 years	21	20.2%
	4-6 years	26	25.0%
	7-10 years	23	22.1%
	More than 10 years	27	26.0%
Monthly Income	Below RMB 5,000	2	1.9%
	RMB 5,001-10,000	25	24.0%
	RMB 10,001-15,000	20	19.2%
	RMB 15,001-20,000	25	24.0%
	Above RMB 20,000	32	30.8%

Overall, the demographic profile suggests that the respondents possessed practical overseas work experience and financial responsibilities relevant to the objectives of the study.

Financial Literacy of OFWs in China. The findings suggest that OFWs in China generally possess practical financial knowledge needed to manage day-to-day financial responsibilities. However, the results also indicate that while respondents demonstrated stronger understanding of cash management concepts, more advanced areas such as risk management, debt management, and wealth-building strategies may still require further development. This pattern suggests that financial literacy among OFWs is often shaped by immediate financial demands and real-life financial experiences rather than formal financial education alone.

Table 3

Summary of Financial Literacy Dimensions

Financial Literacy Dimension	Overall Mean	SD	Interpretation
Cash Management	4.21	0.92	Strongly Agree
Risk Management	3.83	1.07	Agree
Wealth Management	3.83	1.18	Agree
Debt Management	3.41	1.50	Agree
Overall Financial Literacy	**3.82**	**1.17**	**Agree**

Cash Management. Cash management recorded the highest mean score among the financial literacy dimensions. This suggests that many OFWs have developed practical knowledge related to budgeting, expense monitoring, emergency fund preparation, and income allocation. Given the realities of overseas employment, respondents appear to have learned the importance of managing limited resources while balancing personal needs, remittances, and long-term financial goals.

Many OFWs recognized the importance of monitoring expenses and prioritizing essential financial obligations. Several respondents also reported setting aside savings regularly for emergency situations and future family needs.

The results suggest that practical day-to-day financial management is one of the strongest areas among OFWs in China. This may be influenced by the realities of overseas work, where financial discipline becomes necessary in balancing personal expenses, remittances, and future financial goals.

Debt Management. The findings likewise revealed generally positive debt management practices among respondents. Many participants demonstrated awareness regarding responsible borrowing, debt repayment obligations, and loan management.

Despite this, some OFWs still experienced challenges related to unnecessary borrowing and balancing remittance responsibilities with debt obligations. Some respondents admitted that family expectations and emergency financial situations occasionally resulted in additional financial pressure.

Although respondents generally understood responsible borrowing practices, the findings indicate that knowledge alone may not always prevent financial strain. Family obligations, emergency expenses, and remittance responsibilities may continue to place pressure on some OFWs, highlighting the challenges of applying financial knowledge in real-world situations.

Risk Management. Risk management obtained a comparatively lower mean score than the other financial literacy dimensions. Although many participants understood the importance of insurance, financial protection, and emergency preparedness, some respondents demonstrated limited familiarity with investment risks, diversification, and long-term financial protection strategies.

The findings suggest that uncertainty regarding investment risks remains a significant concern for some respondents. This may explain why certain OFWs continue to favor traditional saving practices over more diversified investment opportunities despite recognizing their potential long-term benefits.

Wealth Management. The findings showed moderate levels of wealth management literacy among respondents. Many OFWs recognized the importance of investments, retirement planning, and long-term wealth accumulation. However, some respondents still relied mainly on traditional savings methods rather than diversified investment opportunities.

Several respondents expressed interest in building passive income and achieving long-term financial stability, although confidence in investing varied among participants. The findings suggest that OFWs may benefit from additional financial education focusing on investment diversification and long-term wealth-building strategies.

Overall, the findings indicate that respondents generally understand the importance of long-term financial security. However, translating this understanding into more advanced wealth-building and investment strategies remains a challenge for some OFWs, particularly those with limited exposure to investment-related information and financial products.

Objective Financial Literacy Results. In addition to self-reported financial literacy measures, the study also included objective financial literacy questions involving inflation, interest rates, borrowing, and diversification concepts.

Table 4
Objective Financial Literacy Results

Objective Literacy Item	Number Correct	Percentage
If I save money in a bank, it will usually grow over time due to interest.	62	59.6%
If inflation is higher than interest, my money loses value over time.	50	48.1%
If I borrow money with high interest, I will pay back more money in total.	90	86.5%
Diversifying investments reduces risk.	64	61.5%

The objective literacy results reveal an important pattern. Respondents performed better on concepts that are commonly encountered in everyday financial life, such as saving and borrowing, while more technical concepts involving inflation and investment diversification proved more challenging. This suggests that practical financial experience may contribute significantly to financial understanding, although certain investment-related concepts may still require additional financial education and guidance. This finding is consistent with OECD (2020), which reported that many adults globally continue to experience difficulties in understanding financial concepts related to risk and long-term financial planning.

Financial Behaviors of OFWs in China. The results indicate that respondents generally practice positive financial behaviors, particularly in areas directly related to financial stability and family responsibilities. However, differences among the behavioral dimensions suggest that while OFWs tend to prioritize saving and budgeting, participation in more active investment-related behaviors remains relatively limited.

Table 5
Summary of Financial Behavior Dimensions

Financial Literacy Dimension	Overall Mean	SD	Interpretation
Saving Behavior	4.10	1.05	Agree
Spending Behavior	3.98	1.10	Agree
Budgeting Behavior	3.85	0.96	Agree
Investing Behavior	3.69	1.09	Agree
Overall Financial Behavior	**3.91**	**1.05**	**Agree**

Saving Behavior. Saving behavior recorded the highest mean score among the dimensions of financial behavior. Many respondents reported regularly setting aside savings for emergencies, future family needs, and long-term financial security.

The findings indicate that saving behavior remains one of the strongest financial habits among OFWs. Several respondents mentioned that working abroad encouraged them to become more financially disciplined due to the sacrifices associated with overseas employment.

Many OFWs also viewed savings as an important form of financial protection against unexpected emergencies and future uncertainties.

Spending Behavior. Respondents generally demonstrated moderate spending discipline. Many participants reported attempting to control unnecessary expenses and prioritize essential needs.

However, some respondents admitted that emotional spending, family expectations, and lifestyle adjustments occasionally affected their financial stability. In some cases, overseas workers experienced pressure to financially support extended family members, which sometimes reduced opportunities for personal savings and investments.

The findings suggest that spending discipline remains an important factor influencing long-term financial sustainability among OFWs.

Investment Behavior. Investment behavior recorded the lowest mean score among the financial behavior dimensions. Although some OFWs actively participated in investments such as small businesses, insurance products, mutual funds, and property acquisition, others remained hesitant to invest.

Several respondents expressed concerns regarding financial risks, lack of investment knowledge, and uncertainty regarding investment opportunities. Fear of financial loss also discouraged some respondents from participating in long-term investment activities.

The findings highlight a gap between financial awareness and actual investment participation. While many respondents recognize the importance of investing, concerns regarding financial risk, limited investment knowledge, and competing financial obligations may discourage them from engaging more actively in long-term investment activities.

Budgeting Behavior. Budgeting behavior was likewise found to be generally positive among respondents. Many participants reported preparing monthly budgets, allocating funds for remittances, and monitoring household expenses carefully.

The findings suggest that OFWs who practiced consistent budgeting demonstrated stronger financial stability and better long-term financial planning. Budgeting also appeared to help respondents balance personal expenses, family obligations, savings, and future financial goals more effectively.

Overall, the findings indicate that OFWs generally demonstrate responsible financial behavior. However, some areas involving long-term investment participation and financial risk-taking may still require improvement.

Sustainable Investment Practices among OFWs. The findings indicate that respondents generally recognize the value of long-term financial planning and sustainable wealth-building. While interest in responsible investing and passive income generation was evident, participation in more advanced practices such as retirement planning and investment diversification appeared relatively less developed. This suggests that financial pressures associated with remittances, family support, and day-to-day living expenses may continue to influence long-term investment decisions among some OFWs.

Table 6

Level of Sustainable Investment Practices Among OFWs in China

Sustainable Investment Practices Indicator	Mean	SD	Interpretation
I invest with long-term financial goals in mind.	3.97	1.09	Agree
I actively plan for retirement.	3.68	1.08	Agree
I intentionally build assets for future financial stability.	3.72	1.05	Agree
I diversify my investments to reduce risk.	3.59	1.08	Agree
I aim to create passive income through legal and productive investments.	4.43	0.83	Strongly Agree
I avoid short-term financial decisions that harm long-term stability.	3.80	0.90	Agree
I consider how my investments impact society or the environment.	3.65	0.94	Agree
I am interested in investments that are sustainable or socially responsible.	4.54	0.76	Strongly Agree
Overall	**3.92**	**1.03**	**Agree**

Many OFWs recognized the importance of retirement preparation, emergency savings, passive income generation, and long-term financial security. Respondents also expressed interest in investments that could contribute to future financial independence and family stability.

Several respondents reported considering investments such as property acquisition, small businesses, insurance products, and savings programs as part of their long-term financial planning.

However, the study also found that some respondents remained heavily focused on immediate financial obligations, family support, and short-term financial responsibilities. These financial pressures occasionally limited their ability to participate more actively in long-term investment activities.

The findings suggest that while OFWs understand the importance of sustainable financial practices, actual implementation may still be affected by financial pressures, family responsibilities, and investment confidence.

Relationship between Financial Literacy and Sustainable Investment Practices. The study found a significant relationship between financial literacy and sustainable investment practices among OFWs in China.

Respondents with stronger financial literacy generally demonstrated higher levels of sustainable investment practices. OFWs who better understood financial concepts such as budgeting, saving, investments, debt management, and risk management were more likely to participate in long- term financial planning and responsible investment activities. The findings support previous studies emphasizing the role of financial literacy in improving financial decision-making and long-term financial well-being, particularly the studies of Lusardi and Mitchell (2014), OECD (2020), and Kaiser et al. (2022).

However, the results also showed that financial knowledge alone may not always guarantee strong investment behavior. Some respondents demonstrated adequate financial knowledge but still struggled with consistent financial implementation due to practical financial pressures and behavioral challenges.

Relationship between Financial Behavior and Sustainable Investment Practices. One of the most important findings of the study was the stronger significant relationship between financial behavior and sustainable investment practices.

Table 7
Multiple Linear Regression Results on the Influence of Financial Literacy and Financial Behavior on Sustainable Investment Practices

Independent Variable	Beta Coefficient	Standard Error	t- value	p- value	Decision	Conclusion
Financial Literacy	0.332	0.066	5.033	<0.001	Reject Ho	Significant
Financial Behavior	0.584	0.092	6.366	<0.001	Reject Ho	Significant

Respondents who consistently practiced saving, budgeting, disciplined spending, and responsible investment behavior were more likely to demonstrate stronger sustainable investment practices.
The regression analysis showed that financial behavior demonstrated a stronger predictive influence on sustainable investment practices compared to financial literacy. This suggests that actual financial habits may have greater influence on long-term financial outcomes compared to financial knowledge alone.

The findings indicate that practical financial discipline, consistency, and behavioral habits play a major role in shaping sustainable financial growth among OFWs.

Table 8
Model Summary and ANOVA Results

Model Indicator	Value
R	0.874
R Square	0.763
Adjusted R Square	0.758
Standard Error of the Estimate	0.36311
F-value	162.617
Significance	<0.001

The model summary further revealed that financial literacy and financial behavior together explained a substantial portion of the variation in sustainable investment practices among respondents. The high explanatory value of the model suggests that both variables play important roles in influencing long-term financial sustainability among OFWs in China.

Qualitative findings from the open-ended responses are presented and discussed in the succeeding section to further explain and support the quantitative results.

DISCUSSION

Financial Literacy and Sustainable Investment Practices. The findings highlight the important role of financial literacy in shaping the sustainable investment practices of OFWs in China. The positive relationship observed between financial literacy and sustainable investment practices supports the view of Lusardi and Mitchell (2014) that financial knowledge contributes to better financial planning, retirement preparation, and investment decision-making. Similarly, Yap et al., (2023) found that financially literate OFWs were more likely to engage in positive saving and investment practices.

However, the present study also suggests that financial literacy alone may not be sufficient to guarantee sustainable investment participation. While respondents generally demonstrated adequate financial knowledge, some still encountered difficulties in consistently translating that knowledge into long-term financial actions. This finding extends previous studies by highlighting the gap between financial understanding and financial implementation among OFWs working abroad.

The results may also be interpreted through the Theory of Planned Behavior (Ajzen, 1991). Financial literacy can influence attitudes toward investing by increasing awareness of the benefits of long-term financial planning. However, favorable attitudes alone do not always lead to action when individuals face competing financial obligations, family expectations, and practical financial constraints. These subjective norms, together with practical financial constraints, may limit the translation of financial intentions into actual investment behavior.

This finding suggests that financial education programs should move beyond knowledge acquisition and place greater emphasis on helping individuals convert financial knowledge into consistent financial behavior.

Financial Behaviors and Long-Term Financial Sustainability. The stronger influence of financial behavior suggests that sustainable investment participation depends more on the consistent application of financial knowledge than on knowledge alone.

This result is consistent with the work of Xiao and Porto (2017), who argued that financial capability depends not only on knowledge but also on how individuals apply financial knowledge in real-life situations. Likewise, Hwang and Park (2023) emphasized the importance of financial behavior in achieving positive financial outcomes. The present study reinforces these findings by showing that actual financial practices may have a more direct effect on sustainable investment participation than financial knowledge alone.

The findings may also be explained using the Theory of Planned Behavior. Respondents who consistently practiced saving, budgeting, and responsible spending appeared more capable of transforming financial intentions into actual investment behavior. Their actions suggest the presence of stronger perceived behavioral control and greater confidence in managing financial resources despite the challenges associated with overseas employment.

In contrast, respondents who faced greater financial pressures may have struggled to maintain consistent financial behaviors even when they possessed adequate financial knowledge. This indicates that sustainable financial outcomes are influenced not only by what individuals know but also by their ability to maintain positive financial habits under real-world conditions.

These findings support the growing argument in behavioral finance that long-term financial success depends on both financial knowledge and behavioral consistency.

Qualitative Themes Supporting the Quantitative Findings. To provide deeper insight into the quantitative findings, the open-ended responses were analyzed and grouped into recurring themes that help explain how OFWs in mainland China translate financial knowledge and financial behaviors into day-to-day financial decisions and sustainable investment practices.

Theme 1: Prioritizing Needs Over Wants and Remittance Responsibilities. Respondents frequently indicated that family support and remittance obligations remained their primary financial priority, often taking precedence over personal spending and long-term investment activities.

Theme 2: Saving and Budgeting Discipline. Respondents consistently highlighted the importance of budgeting and regular saving as essential strategies for managing overseas income and preparing for future financial needs.

Theme 3: Challenges in Investing and Wealth Building. Several participants reported limited knowledge of investment options, fear of financial loss, and difficulty balancing immediate obligations with long-term investment goals.

Theme 4: Financial Literacy as a Guide for Better Financial Decisions. Respondents generally believed that financial knowledge helped them become more disciplined, avoid unnecessary expenses, and make more informed financial decisions.

These themes support the quantitative findings by showing that while respondents generally possess positive financial knowledge and behaviors, practical financial pressures and investment-related uncertainties continue to influence the extent of their sustainable investment participation.

Sustainable Investment Practices among OFWs. The findings indicate that OFWs generally recognize the importance of long-term financial planning and wealth accumulation. However, actual participation in diversified investment activities appears to remain constrained by practical financial realities, suggesting that financial knowledge alone may be insufficient when individuals face competing financial obligations and limited investment confidence. This finding differs from many previous studies that generally report a positive association between financial literacy and investment participation.

While respondents demonstrated awareness of retirement planning and long-term financial security, many continued to prioritize immediate financial responsibilities such as remittances, family support, and emergency expenses. These competing obligations may reduce the resources available for long-term investing despite positive investment intentions.

The qualitative responses further suggest that uncertainty, fear of financial loss, limited confidence in investment products, and restricted access to professional financial guidance remain important barriers to investment participation. From a TPB perspective, these factors may weaken perceived behavioral control, reducing the likelihood that favorable investment attitudes translate into actual investment behavior.

The findings therefore highlight the need for practical and accessible investment education programs that not only improve financial knowledge but also strengthen investment confidence and decision-making capability among OFWs.

Financial Realities of OFWs in China. The study also contributes to the limited body of literature specifically examining OFWs in mainland China.

Unlike many traditional OFW destinations, China presents a highly digital financial environment characterized by widespread mobile payments, online financial services, and cashless transactions. These conditions may influence financial behavior differently from the contexts examined in previous OFW studies and suggest that financial capability models may need to account for digital financial environments when explaining financial behavior among overseas workers.

The qualitative findings revealed recurring themes related to family obligations, budgeting discipline, investment hesitation, and the role of financial knowledge in guiding financial decisions. These themes help explain why positive financial literacy and behavior do not always translate into stronger investment participation.

Although the findings provide valuable insights, they should be interpreted within the limitations of the study. Because purposive sampling was used and most respondents came from the education sector, the results may not fully represent all OFWs working in mainland China.

Implications for Financial Education and OFW Support Programs. The findings of the study provide important insights for policymakers, financial institutions, educators, and OFW organizations.

Government agencies such as OWWA, POEA, and BSP may use the findings to strengthen financial capability programs targeting OFWs. Financial literacy initiatives may benefit from incorporating more behavior-focused interventions rather than relying solely on theoretical instruction.

Programs focusing on budgeting discipline, spending control, savings consistency, and behavioral financial management may produce stronger long-term financial outcomes among OFWs. This is important because financially disciplined behavior appears to influence sustainable investment practices more directly than financial knowledge alone.

Financial institutions may also develop financial products specifically tailored to OFWs working abroad. These may include simplified investment platforms, retirement-focused products, automated savings systems, and financial coaching services designed for OFW needs.

Accessible digital financial services may also help OFWs improve financial planning and investment participation while working overseas. Financial institutions may likewise consider providing more simplified and beginner-friendly investment education programs to encourage greater investment confidence among OFWs.

Educational institutions and OFW organizations may likewise play an important role in promoting sustainable financial practices. Community-based seminars, online financial education programs, and peer support systems may help encourage stronger financial discipline among OFWs.

Programs that use practical examples and real-life financial situations may also be more relatable and effective for overseas workers. Financial education programs that acknowledge the real financial struggles experienced by OFWs may encourage stronger participation and practical application of financial concepts.

Overall, the study demonstrates that sustainable financial growth among OFWs depends not only on financial knowledge but also on consistent financial behavior. Long-term financial security is shaped by daily financial habits, disciplined decision-making, financial confidence, and practical financial management.

The findings also reinforce the importance of integrating financial behavior development into financial education initiatives. While theoretical financial literacy remains important, practical application appears to play a more direct role in influencing sustainable investment participation among OFWs.

In general, the study supports the view that sustainable financial growth is a multidimensional process influenced by financial literacy, financial behavior, financial confidence, and practical financial decision-making. The findings therefore contribute not only to financial literacy literature but also to broader discussions on OFW welfare, long-term financial sustainability, and responsible investment participation.

Overall, the findings emphasize that sustainable financial growth among OFWs requires not only financial knowledge but also the consistent practice of responsible financial behaviors within the realities of overseas employment.

Conclusion. This study examined the relationship between financial literacy, financial behavior, and sustainable investment practices among OFWs in China.

The findings revealed that OFWs generally demonstrated moderate to high levels of financial literacy and positive financial behavior. Respondents showed awareness regarding budgeting, saving, debt management, and financial planning. However, some areas involving risk management, investment diversification, and long-term investment participation still require improvement.

The study further revealed that both financial literacy and financial behaviors significantly influence sustainable investment practices among OFWs. However, financial behavior demonstrated a stronger relationship with sustainable investment practices compared to financial literacy.

The findings suggest that financial literacy remains an important foundation for sustainable investment practices; however, financial knowledge alone may not be sufficient to guarantee long-term financial success. While respondents generally demonstrated awareness of sound financial concepts, sustainable investment participation appears to depend more heavily on the consistent application of positive financial behaviors in everyday financial decisions.

More importantly, the study highlights that sustainable investment practices are not developed through financial knowledge alone but through the ability to translate knowledge into action. Financial literacy provides the understanding necessary for informed decision-making, whereas financial behavior serves as the mechanism through which long-term financial goals are achieved. The stronger predictive influence of financial behavior suggests that what OFWs consistently do with their money may be more important than what they know about money.

The qualitative findings further reinforce this conclusion. Although many respondents recognized the value of long-term investing and financial planning, practical realities such as remittance obligations, family responsibilities, financial pressures, and uncertainty regarding investments often influenced their actual financial decisions. These findings suggest that behavioral factors continue to play a critical role in shaping sustainable investment participation among OFWs in mainland China.

The study therefore underscores the importance of behavioral interventions alongside traditional financial education. Financial capability programs that focus solely on increasing financial knowledge may have limited impact if they do not also encourage disciplined saving, responsible spending, budgeting consistency, investment monitoring, and long-term financial planning. Sustainable financial outcomes are more likely to be achieved when financial knowledge is reinforced through positive financial habits and practical financial routines.

From a policy and program perspective, government agencies such as OWWA, DMW, and BSP, together with financial institutions, employers, and Filipino organizations abroad, may strengthen OFW financial capability through behavior-focused initiatives. These may include budgeting and savings trackers, automated savings mechanisms, goal-setting activities, investment readiness programs, financial coaching, and community-based support systems that encourage the consistent application of positive financial behaviors. Such interventions may help OFWs transform financial knowledge into meaningful and sustainable financial action.

Overall, the study demonstrates that sustainable investment practices among OFWs in China depend not only on financial literacy but also on the consistent practice of responsible financial behavior. Long-term financial security is shaped not merely by financial awareness but by the ability to maintain disciplined financial habits despite the challenges associated with overseas employment. By strengthening both financial knowledge and financial behavior, OFWs may be better positioned to transform overseas earnings into sustainable wealth creation, retirement preparedness, family financial security, and long-term financial resilience.

In this way, the study contributes not only to the growing body of literature on financial literacy, financial behavior, and sustainable investment practices but also provides practical insights for developing more effective financial capability programs for OFWs in mainland China.

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Conflict of interest. The author declares no conflict of interest.

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Artificial intelligence use. Generative AI tools were used only for limited assistance in grammar checking, language refinement, organization of ideas, and improvement of sentence clarity. All interpretations, analyses, questionnaire preparation, and final research decisions remained the sole responsibility of the researcher.

Ethics approval statement. This study involved human respondents; however, formal ethical approval was not sought from the author's institution. The author affirms that participation was voluntary, informed consent was obtained, and confidentiality of responses was strictly maintained. No procedures were undertaken that posed risk or harm to the participants.

Data availability statement. The datasets generated and analyzed during the current study are not publicly available due to confidentiality and privacy considerations involving the respondents. However, relevant data may be made available by the corresponding author upon reasonable request for academic purposes.

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