



Savings Praxis of the Owners of micro, small and Medium Enterprises in San Antonio, Nueva Ecija: A Basis for Developing a Savings Plan

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Abstract— *This study was conducted to describe the savings praxis of the Micro, Small and Medium Enterprises (MSMEs) owners in San Antonio, Nueva Ecija, to be a basis for developing a savings plan. It determined whether the owners are properly managing their financial resources while still having the means to establish savings. The study utilized a descriptive research method with 148 respondents who were actively operating in the research locale. Respondents had been identified using convenience sampling. The main instruments of the study were the structured questionnaire and the unstructured interview guide. Generally, most businesses in San Antonio were considered micro businesses. The majority of the owners who responded to the survey were female, married, had one to four family members, and depended solely on the business' income. High prices of essential commodities and the fact that they used their earnings in education were the main reason why they saved only a small percentage of their income. Most of the respondents already had experience saving in banks since they knew the benefits of saving money. Upon choosing their preferred form of savings, most businesses recognized the bank's reputation, which was very important because they highly considered their money's security, which most of them kept for emergency use. The researcher recommended promoting educational campaigns to increase awareness and enhance enthusiasm for savings for the business owners and most Filipinos.*

Keywords— *saving, savings habit, banking, personal finance.*

I. INTRODUCTION

According to a survey conducted by Bangko Sentral and Pilipinas in 2017, 86 per cent of Philippine households do not have bank accounts for a number of reasons, including not having enough money to deposit and lack of trust in banks. According to statistics, only two out of every 10 households have deposited their savings in banks on the basis of BSP's 2014 Consumer Finance Survey. This is consistent with the findings of the 2014 BSP National Base Survey on Financial Inclusion. The survey found that out of 43.2 per cent of adults currently saving money from banks or cooperatives, 32.7 per cent put their money into banks.

Accordingly, the findings show that only 14.1 per cent of adults save in banks (Guerrero, 2017). This condition of the majority of the Filipinos is quite alarming, since it simply means that, in the event of an emergency, they do not have the money to use, which could contribute to an unexpected debt. Your financial life can be limited by not having personal savings.

Research shows that financial emergencies have more impact on households than their wealthier counterparts and that their recovery from the financial crisis is longer (Cramer and Newville, 2009). An individual does not know what is going to happen in the future, so money should be saved in

order to pay for unforeseen circumstances or emergencies. Unexpected events can become financial burdens without savings. This is why savings help an individual or a family to become financially secure. Money can also be saved to purchase expensive items that are too expensive to buy on a monthly basis. Developing a habit of saving money can act as a vehicle to help a person achieve his or her goals. Habit consistency improved over time during program participation and savings patterns reduced the burden of financially stressful conditions (Loibl, et.al, 2011).

Banks have been identified as the largest depository institution in the Philippines, followed by multipurpose or credit cooperatives, paluwagan and savings and loan associations. Banking institutions kept 83.1 per cent of the deposit accounts together. On the other hand, only about 70 per cent of these accounts received interest, suggesting that 30 per cent of households still opted to retain their deposit accounts even though their balance was still below the amount required to earn interest. It's a personal preference to have a bank account, not a necessity. However, there are times when you will not be able to evade the need to open a bank account. This reality must be realized by many Filipinos in order to increase their enthusiasm for saving a certain percentage of their income.

One of the sources of income for the municipality of San Antonio comes from trading. The main objective of any business organization is to make a profit and the owner is the direct beneficiary of the profits of the business. As a result, a business owner is one of the largest target depositors of financial institutions because they have a well-established source of income to put on their bank account and to be used for some time in the future, such as retirement and other financial purposes. However, most business owners are currently not confident that they will retire because they do not have enough money to support their day-to-day needs if they stop their business operations.

Thus, the researcher of this study aims to identify the savings praxis of the owners Micro, Small and Medium Enterprises (MSMEs) in San Antonio, Nueva Ecija. The objective of the study is to illustrate whether the owners are properly managing their financial resources while still having the means to establish savings.

II. OBJECTIVES OF THE STUDY

This study is conducted to identify the savings praxis of the owners Micro, Small and Medium Enterprises (MSMEs) in San Antonio, Nueva Ecija. The study aims to illustrate whether the owners are properly managing their financial

resources while still having the means to establish savings. Specifically, it endeavored to answer the following questions:

1. Profile of the owner in terms of:
 - 1.1 Sex;
 - 1.2 Civil Status;
 - 1.3 Family Size;
 - 1.4 Educational Attainment; and
 - 1.5 Other Income Sources.
2. Profile of the business in terms of:
 - 2.1 Size of Business;
 - 2.2 Average Net Income per Month;
 - 2.3 Type of Ownership;
 - 2.4 Nature of Operation; and
 - 2.5 Years of Operation.
3. To identify the level of awareness of business owners on savings;
4. To identify the factors influencing their savings activities;
5. To determine which forms of savings are preferred;
6. To identify the challenges of saving encountered; and,
7. To find out if there is any benefit to the business from savings in their operations.

III. METHODOLOGY

The researcher used a descriptive research method that describes and interprets the data and characteristics of what is being studied. According to Edestav and Linder (2008), the descriptive approach answers questions, what, who, where, when and how. Descriptive research is often used when there is already a great deal of knowledge about the subject, and this knowledge can then be used to categorize the information into models. In addition, this type of study focuses on the investigation of a few aspects of a larger subject (Davidson & Patel, 1994). The respondents were 148 owners of small and medium-sized enterprises in San Antonio, Nueva Ecija, who operated actively during the study. The researcher used convenience sampling for the study because of the large population and the busy nature of the businesses which were operating in the research locale. This study used an unstructured interview as a form of data collection. As cited by Wildemuth (2017), Minichiello et al. (1990) defined unstructured interviews as interviews in which neither the question nor the answer categories are predetermined; instead, they rely on the social interaction between the researcher and the informant. Apart from that, the questionnaire is also a form of data collection instrument

used in this study. The researcher formulated questionnaires based on readings from books, the internet and random interviews with bank employees with sufficient knowledge of the savings practices of different depositors. Finally, the frequency, ranking, percentage and weighted mean were

used to calculate and evaluate the data collected in this study. Respondents' response to factors affecting their savings activities can be assessed and interpreted using the Likert Scale five-point as shown below:

Table 1. Rating Scale and Verbal Interpretation of the Factors Influencing Respondents' Savings Activities

Degree	Rating Scale	Verbal Interpretation	
5	4.50 - 5.00	very important	The respondents consider the factor influencing their savings activities very important.
4	3.50 - 4.49	fairly important	The respondents consider the factor influencing their savings activities fairly important.
3	2.50 - 3.49	important	The respondents consider the factor influencing their savings activities important.
2	1.50 - 2.49	somewhat important	The respondents consider the factor influencing their savings activities somewhat important.
1	1.00 - 1.49	not important	The respondents consider the factor influencing their savings activities not important.

IV. RESULTS AND DISCUSSION

This section provides the presentation of data relevant to the purpose of the study. Corresponding assessment and interpretation of the data presented were explored using the above-mentioned statistical tools.

1. Profile of the Owners

This part of the study described the profile of the owners of the MSMEs in terms of sex, civil status, number of the member of family, highest educational attainment and other sources of income.

Table 2. Profile of the Owners

	F	%
Sex		
Male	48	32%
Female	100	68%
Total	148	100%
Civil Status		
Single	33	22%
Married	87	59%
Living with Partner	10	7%
Widowed	12	8%
Separated	6	4%
Total	148	100%
Size of Family		
1 to 4	77	52%
5 to 8	58	39%
9 to 12	7	5%

More than 13	6	4%
Total	148	100%
Highest Educational Attainment		
Elementary	28	19%
Secondary	41	28%
Vocational	18	12%
College	52	35%
Post-Graduate	9	6%
Total	148	100%
Other Source of Income		
None	79	53%
Agricultural Activities	23	16%
Salary of Other Family Members	13	9%
Tricycle or Jeepney Driving	6	4%
Remittance	6	4%
Money Lending	5	3%
Salary/Employment	3	2%
Canteen/Catering	2	1%
Pension	2	1%
Dress-making	2	1%
Others (Sari-Sari Store, Trucking, Direct Selling, etc.)	7	4%
Total	148	100%

- 1.1 *Sex.* It can be gleaned from the table above that 68 per cent of the total number of respondents were female. More women have opted to start their own businesses. According to Alvarez and Meyer (1998), as mentioned by Werhane, et. al. (2007), founding their own businesses enables women to use, satisfy, and maintain high levels of skill, as perhaps they could not when working for a corporation. Furthermore, Boden (1996), also mentioned by Werhane, et. al. (2007) states that women also cite layoffs, the ability to make one's own decisions, and the need for more flexible working hours to accommodate family demands as reasons for starting their own businesses. Having young children was a strong positive influence on women's self-selection of entrepreneurship.
- 1.2 *Civil Status.* As shown on table, majority or 59 per cent of the total number of respondents were married. As the head of the family, a business is a good source of income to sustain the needs. For married couples, a stable source of income is very important to support their family's day-to-day expenses. Mothers often face many challenges in the traditional workplace, including a lack of family-friendly policies, pay inequity, and a "second shift" in household duties. Entrepreneurship is seen as an attractive option for mothers, as it is perceived to provide greater flexibility to achieve a work-life balance (Krause and Fetsh, 2016).
- 1.3 *Size of Family.* As indicated on table, 52 per cent who were having 1 to 4 family members. More than half of the respondents have a small family size. According to Rehman et al. (2010) as cited by Kiran and Dhawan (2015), most of the existing studies take the view that the size of the family affects the individual's savings and consumption expenses, but in the opposite direction. With an increase in the size of the household, income is diverted away from savings and, as a result, the individual's saving income ratio is reduced. However, due to the presence of a relatively large number of economically active members, there is a possibility that the average savings of large families will be higher than those of low-level family members.
- 1.4 *Highest Educational Attainment.* From the data given above, 35 per cent attained college which means they have knowledge to run a business. According to the Philippine Statistics Association, the unemployment rate was estimated at 5.6 per cent in July 2017. A college graduate may consider that the best way to improve his job situation is to "take matters into his own hands." One way to build an effective lifesaver is

to "hire himself" by starting a business of his own. One may never have planned to become a business owner, but there can be a lot of rewards for doing so, from tax advantages to flexibility and a chance to be a boss. Many displaced middle-aged workers, tired of leaving their career prospects in the hands of others, have successfully set up their own businesses. This strategy also worked quite successfully for many Generation X members, who were themselves faced with a cool reception in the working world (Snyder, 2013).

- 1.5 *Other Sources of Income.* The above illustration revealed that a significant percentage of respondents, or 53 per cent, depended solely on one source of income which is the business established in San Antonio.

2. Profile of the Business

This part described the profile of the business in terms of size of business (based on asset size), average net income per month, type of ownership, years of operation, and nature of operation.

Table 3. Profile of the Business

	F	Percentage
Size of Business(Based on Asset Size)		
Micro Enterprise (Up to P3,000,000)	110	74%
Small Enterprise (P3,000,000 to P15,000,000)	27	18%
Medium Enterprise (P15,000,001 to P100,000,000)	11	7%
Total	148	100%
Average Monthly Income		
P10,000 and below	37	25%
P10,001 to 50,000	78	53%
P50,001 and above	33	22%
Total	148	100%
Type of Ownership		
Single Proprietorship	127	86%
Partnership	21	14%
Total	148	100%
Years of Operation		
Less than 1 Year	9	6%
1 to 5 years	41	28%
6 to 10 years	31	21%
More than 10 years	67	45%
Total	148	100%

Nature of Operation		
Merchandising	88	59%
Manufacturing	25	17%
Service	35	24%
Total	148	100%

- 2.1 *Size of Business (Based on Asset Size).* As shown on table 3, most of the respondents or 73 per cent had assets of not more than P3,000,000. Micro-business is an effective instrument for social and economic development. It helps to create employment for a number of people within their own social system. This is more beneficial for women in rural areas as it enables them to add to family income while taking care of their own home and livestock tasks. Micro-entrepreneurs strengthen women's empowerment and eliminate gender inequalities (Sharma, et al., 2012).
- 2.2 *Average Monthly Income.* The report indicated that the majority or 53 per cent had average monthly income that ranges from P10,001 to P50,000. According to Snodgrass & Winkler (2004), as cited by Agyapong (2010), in order to generate enough income to help minimize the incidence of high-level poverty in most developing economies, international funding bodies and economic growth analysts have suggested to policymakers in developing economies to make greater efforts at promoting private sector development with MSMEs being at the forefront.
- 2.3 *Type of Ownership.* From the data given above, 86 per cent were sole proprietors. Most of the business is managed by one person since it is the simplest business to manage. One common characteristic of single proprietorship business is its small size and limited amount of investment (Datta, 2017).
- 2.4 *Years of Operation.* It can be seen from the statistics that the majority or 45 per cent were operating for more than 10 years already. Despite this result, more than half of the country's micro, small and medium enterprises (MSMEs) in the country had to stop their operations due to the COVID-19 pandemic, the Department of Trade and Industry (DTI) reported (Mercado, 2020).
- 2.5 *Nature of Operation.* From the table, it can be gleaned that 59 per cent were involved in merchandising. Only a small percentage of the respondents engaged in manufacturing despite the fact that the Philippine manufacturing industry remains the most important sector for long-term productive employment, value-

added generation, and innovation. It has the highest multiplier effect on the economy compared to other industries (Batungbacal, 2011).

3. The Level of Awareness of the Business Owners on Savings

This area of the study identified the level of awareness of savings among business owners. The level of awareness and benefits of savings could have an impact on saving practices.

Table 4. Distribution of the Respondents According to Level of Awareness of the Business Owners on Savings

Question	Response				Total	
	Yes		No			
	F	%	F	%	F	%
Do you have any experience on saving in a bank?	129	87%	19	13%	148	100%
Do you have any knowledge about the benefits of saving money?	141	95%	7	5%	148	100%

This part of the questionnaire is consisted of two questions. First, "Do you have any experience on saving in a bank?" As a result of the study, the majority or 87 per cent answered yes, which means that they already had experience saving in a bank. According to a survey conducted by Bangko Sentral ng Pilipinas in 2017, most or 86 per cent of Philippine households do not have bank accounts for a variety of reasons, including not having enough money to deposit and lack of trust in banks. According to the figures, only two out of every ten households have deposited their savings in banks based on BSP's 2014 Consumer Finance Survey.

The second question is "Do you have any knowledge about the benefits of saving money?" A significant percentage of the respondents or 85 per cent agreed that they have knowledge about the benefits of saving money.

4. Factors Influencing the Respondents' Savings Activities

This section determined the factors influencing the savings activities of the business owners in San Antonio, Nueva Ecija. The respondents rated the following factors according to the level of importance to them which might

affect their decisions when opening a deposit account in a bank.

Table 5. Distribution of the Respondents According to the Factors Influencing Them Open a Bank Account

Factors	Weighted Mean	Verbal Interpretation
Marketing Promotion	3.22	Important
Good customer service	4.60	Very important
Branch Location	4.26	Fairly important
Security or Financial Benefits	4.39	Fairly important
Banking Hour	3.79	Fairly important
Reputation of the Bank	4.65	Very important
Maintaining Balance	3.41	Important
Interest Rate of Deposit	3.42	Important
Convenience	4.39	Fairly important
Investment	3.53	Fairly important
People Influences	2.35	Somewhat important
Good Products Offered	3.60	Fairly important
Average Weighted Mean	3.80	Fairly important

Table 5 presented the distribution of respondents on the basis of the factors that influence them to open a bank account. "Bank Reputation" had the highest weighted mean of 4.65, interpreted as "very important." According to Atti and Trotta (2016), the reputation of a bank is a valuable intangible asset where communication strategies are particularly important for building and preserving the reputation of a bank. It strengthens the relationship of the bank with stakeholders and enhances the trust between them.

On the other hand, gaining the lowest weighted mean of 2.35 and interpreted as "somewhat important" is "People's influence."

The average weighted mean of all responses to the twelve factors is 3.80 with a verbal interpretation of "fairly

important." According to Almosawi, as cited by Chigamba and Fatoki (2011), the recommendations of friends and relatives are relevant when opening a bank account, despite the fact that young people prefer to act independently. On the other hand, Gerrard and Cunningham, as mentioned by Chigamba and Fatoki (2011), state that the influence of third parties is of little importance in the selection of commercial banks by customers.

5. The Forms of Savings Do Business Owners Prefer

This segment determined the forms of savings do business owners in San Antonio, Nueva Ecija prefer.

Table 6. Distribution of Respondents According to Their Allocation of Income

Item	F	Rank
Food	86	1
Daily Expenses	22	2
Additional Capital for Business	15	3
Education	12	4
Savings	10	5
Shelter	3	6
Clothing	0	7
Total	148	

Table 6 showed the distribution of respondents according their allocation of income. From the data given above, food is considered to be a top priority for business owners on the distribution of their income. According to Maslow's hierarchy of needs, food is considered to be one of the basic human needs (McLeod, 2018).

Table 7. Distribution of Respondents According to Their Savings Practice

Question	Response				Total	
	Yes		No			
	F	%	F	%	F	%
Do you always save a certain percentage of your earning?	98	66%	50	33%	148	100%

For this question, the result of the study had shown that 66 per cent of the respondents answered "yes" which means

they always save a certain percentage of their earning. Most of the respondents believe that saving serves as a vehicle to achieve their financial goals such as buying a home, travelling or for retirement plan. Majority of people must save in order to accomplish their goals (Tyson, 2018).

On the other hand, it was noteworthy to give attention to the response of the 33 per cent who responded “no” which means they do not always save a certain percentage of their earning. Lack of money to save is one of the most common reasons of the business owners for not saving. According to Remo (2012), about 4 of 10 Filipino households do not have any cash on hand to be used in case of emergency, while 6 of 10 households have very little cash to spare. These results may be traced partly to insufficiency of income.

Table 8. Distribution of Respondents According to the Percentage of Income Allotted to Savings

Percentage of Income Allotted to Savings	F	%
Less than 10%	81	55%
11% to 20%	21	14%
21% to 30%	18	12%
More than 30%	28	19%
Total	148	100%

From the table above, a huge percentage or 55 per cent of the respondents allotted only less than 10% of their income for savings. The results of the study indicated that most of the respondents gave the least priority to savings. One of the notable Filipino attitudes towards money is that they simply do not plan their personal finances. It is also rare to meet people who have a retirement plan of their own. Most Filipinos spontaneously spend their hard-earned money (Tan, 2017).

Table 9. Distribution of Respondents According to Their Preferred Means of Saving

Preferred Means of Saving	F	Rank
Banks	81	1
Keeping the Money at Home	47	2
“Paluwagan”	22	3
Lending to Someone with Interest	16	4
Keeping the Money with Trusted Relative or Friend	12	5

It can be gleaned from the data above that the most preferred means of saving respondents were through banking. The majority viewed “banks” first when it comes to saving, because they agreed that savings accounts provide a safe and secure place to keep money away for the future.

The second preferred means of saving business owners was “Keeping Money at Home.” For some, it is an inconvenience to get to a bank to make deposits. It may be easier for these people to simply save their money at home instead of driving a number of miles to a bank.

The third preferred method of saving the respondents was through “paluwagan”. Although the paluwagan does not add anything to a person’s own savings, the discipline and camaraderie of the group, not to mention the shame of the person (and the family) skipping the payment, are compelling factors that strengthen one’s ability to save money (Hasan and Onyx, 2008).

“Lending to someone with an interest” was the fourth preferred means of saving the respondents. Some business owners tend to engage in informal lending because they believe that their money will earn more interest in this way than depositing their profits in a bank. Personal relations, flexibility, rapidity and low transaction costs are the main strengths of informal finance (Gan and Nartea, 2017).

Finally, “Keeping money with a trusted relative or a friend” was the least preferred means of saving the respondents. Most of the respondents argued that there is no faster way to strain a friendship or family relationship than by putting money into the mix.

Most of the respondents who opened the savings deposit considered the security of their money to be the primary reason why they kept their earnings in a bank. In addition, they will avoid unnecessary expenditure through banking.

Table 10. Distribution of Respondents According to Their Selection of Bank

Type of Bank	F	%
Commercial Bank	64	43%
Rural Bank	84	57%
Total	148	100%

Table 10 revealed that most of the respondents or 57 per cent opted rural banks. The location of the bank played a vital role when the respondents considered their selection in terms of the type of bank because all the banking institutions located in San Antonio were rural banks. One of the

important factors to consider when searching for a bank is the convenient location (Gitman, et. al., 2014).

Table 11. Distribution of Respondents According to Their Existing Deposit Accounts

Type of Deposit Accounts	F	Rank
Regular Savings Deposit	107	1
Checking Account	22	2
None	18	3
Time Deposit	10	4

Regular savings deposit ranked 1 of all types of deposit accounts shown in table 11. Most of the respondents have a regular savings deposit account that was considered to be the most basic type of bank account, allowing the depositor to deposit money, keep funds safe, and withdraw funds as needed. There was a small percentage of respondents who were still unbanked subsequent to the BangkoSentral ng Pilipinas (BSP) quadrennial Consumer Finance Survey (CFS). According to the survey, 86 per cent of Filipino households do not have bank accounts, and the majority who are unbanked are self-employed, or work for private households, other households, or other informal households (Chipongian, 2017).

Table 12. Distribution of Respondents According to the Occurrence of Saving

Occurrence	F	%
Daily	68	46%
Weekly	22	15%
Monthly	19	13%
Quarterly	4	3%
Irregular	34	23%
Total	148	100%

As can be seen in table 12, a significant percentage or 46% of the respondents were saving daily. Most of the business owners are encouraged to save on a daily basis because of the convenience that the banks offered. According to Circular No. 940 of the BangkoSentral ng Pilipinas (2017), a bank may solicit and accept deposits outside of its premises through its employees.

6. Challenges of Saving

This section identified the challenges faced by owners of small and medium-sized enterprises in trying to save their earnings either in the bank or through an informal scheme.

Table 13. Distribution of Respondents According to Their Difficulty to Save Money

Question	Response				Total	
	Yes		No			
	F	%	F	%	F	%
Do you face any difficulty saving money?	43	29%	105	71%	148	100%

For this question, the majority of respondents, or 71 per cent, said they did not have a hard time saving.

People have difficulty saving money because they don't know how to limit their spending. Easy access to consumer debt (through credit cards and auto loans) creates huge barriers to saving more and spending less (Tyson and Griswold, 2015).

The two primary reasons for the respondents who had difficulty saving were the high prices of basic commodities and the fact that they used their earnings in education.

High prices of basic commodities make savings more complex. According to the Inflation Report for the first quarter of 2020 published by BangkoSentral ng Pilipinas, analysts expect inflation to ease but remain within the target range, with inflation risks tilted to the downside due mainly to subdued demand in the midst of the COVID-19 pandemic. In addition, inflation has also increased in recent years due to the impact of the implementation of the first stage of the TRAIN tax reform package signed by President Duterte in December 2017. (De Vera, 2018).

The next main reason for most respondents in terms of their difficulty in setting aside a certain percentage of their earnings is their investment in education. Many people believe in the importance of it. Education is a right and a key opportunity. It holds the key to a better life for a billion children and adolescents worldwide: a life of less poverty, better health and an increased ability to take their future into their own hands. Education, particularly girls' education, is also one of the most powerful tools for creating economic growth, reducing the likelihood of conflict, increasing resilience and affecting future generations with wide-ranging economic and social benefits (Lake, 2015).

Table 14. Distribution of Respondent According to the Challenges They Encountered in Banking

Question	Response				Total	
	Yes		No			
	F	%	F	%	F	%
Do you encounter any challenges in banking?	31	21%	117	79%	148	100%

For this question, 79 per cent of the respondents claimed that they were not experiencing any complexity in banking.

In the current banking system, excellence in customer service is the most important tool for sustainable business growth. Customer complaints form part of the business life of any corporate entity. This is more the case for banks because they are service organizations. As a service organization, customer service and satisfaction should be the primary concern of any bank. The bank believes that providing prompt and efficient service is essential not only to attract new customers, but also to retain existing customers. However, banks minimize customer complaints and grievances through a proper service delivery and review mechanism and ensure prompt resolution of customer complaints and grievances. The review mechanism should help to identify deficiencies in product features and service delivery. Customer dissatisfaction may ruin the name and image of a bank (Uppal, 2010).

Table 15. Distribution of Respondents According to the Problems They Encountered in Banking

Problems Encountered at the Bank	F	Rank
Various requirements needed	18	1
Time-consuming	7	2
Bad customer service	6	3
Other concerns	0	4

As shown in the table above, requirements such as identification cards, photos and other documents were the number one challenge for respondents facing banking challenges. With this, the Bangko Sentral ng Pilipinas was continuously taking a step to ease the process. In fact, the BSP supports the use of electronic Know-Your-Customer (e-

KYC) verification process, as this intends to address long-standing constraints. Through online customer registration, selfie submission, and technology-aided face-to-face verification, among others, the financial system has been transformed offering a more seamless customer onboarding and risk profiling process while lowering costs and rationalizing operations (Diokno, 2020).

Table 16. Distribution of Respondents According to the Means to Address Their Complaints

Question	Response				Total	
	Yes		No			
	F	%	F	%	F	%
If yes, is there a means to address a complaint?	31	100%	0	0%	148	100%

Based on the table above, all the respondents agreed that there was always a means to address their complaint. Banks provide a variety of channels to receive feedback, comments, suggestions or complaints from customers through verbal (i.e., phone, walk-in) and written comments (i.e., e-mail, SMS, suggestion box). Banks strictly comply with the BSP Regulation on the Protection of Financial Consumers (BSP Circular No. 857) in providing "an enabling environment that protects the interests of financial consumers and institutionalizes the responsibilities of all stakeholders."

7. Benefits of Saving

This part recognized the benefits of saving from the point of view of the business owners of the micro, small and medium enterprises in San Antonio, Nueva Ecija.

Table 17. Distribution of Respondents According to Their Point of View on the Benefits of Saving

Benefits of Saving		Rank
For emergency use	11	
For additional capital in case of bankruptcy	1	
For retirement	0	
The money in bank increases value		
Total	148	100%

As shown in the table 17, a significant percentage of the respondents save for the emergency use. Savings help families pay for emergency expenses without incurring high-priced debt, and they allow for investments that improve the capabilities, earnings, and life circumstances of families over time and across generations (Cramer and Newville, 2009).

V. CONCLUSION AND RECOMMENDATIONS

Based on the analysis results, the researcher concluded that most of the Micro, Small, and Medium Enterprises (MSMEs) owners in San Antonio, Nueva Ecija, who participated in this study were female, married, and had a family of one to four members. It can be inferred from this that, since most had dependents, the pressure on savings was high. Also, more than half of the owners responded in the survey graduated from college, which could be indicated that the level of education provided the respondent with a higher level of knowledge on savings that made them appreciate the importance of money.

Generally, most of the businesses that became part of this study were micro-enterprises—most companies in the Philippines start-up as micro-enterprises. Although most of the owners were operating for more than ten years, there were several reasons why the majority remained as micro-enterprises. First, they had small average incomes ranging from P10,001 to P50,000 and might experience difficulty raising capital since most were sole proprietors. Second, most of them do not have other income sources and depended solely on their business. Third, apart from the day-to-day expenses such as essential commodities, they spent their money on their children's education. Lastly, the competition level was high since most business owners have the same type of operation, which was merchandising. There was no competitive advantage between businesses to improve their value to consumers' perceptions. Thus, the business's income to keep in the formal or informal savings scheme was insufficient to expand the businesses to small, medium, or large enterprises.

It can also be stated that most respondents preferred the standard form of savings, which was banking and had experience saving in a bank since they were aware of the benefits of saving money. Moreover, rural banks were accessible in the research locale; it was convenient for business owners to access financial institutions making it easy to open a regular savings account and deposit their earnings daily. The bank's reputation is also crucial to business owners because they considered their money's security as the primary reason for engaging in legal

institutions. Depositors do not engage an entity that they do not trust.

In terms of income allocation, most respondents were likely to prioritize food and other expenses rather than saving. Their income is insufficient to meet their goals due to the continuous increase in goods and services, such as food, education, and other needs.

Most of the Micro, Small and Medium Enterprises in San Antonio keep their money for emergency use. Because of the unexpected and often dangerous situation that these emergencies require immediate action in our lives, most of them tend to keep their funds on regular savings that can be deposited or withdrawn at any time and preferably placed in rural banks in the vicinity of their business area. Therefore, their money will always be readily available for use.

Based from the conclusions, the researcher recommended the following:

1. the Micro, Small and Medium Enterprises owners should be adequately educated about the importance of a good savings praxis to understand that savings help in investment, which tends to secure future financial freedom. The increase in savings habit will help them to prepare for the future;
2. the banks should continuously invest in technologies and training which will increase effective and efficient service delivery so that the depositors like the business owners will not spend the whole day in the bank to access a service;
3. the schools should encourage the teaching of a good savings praxis to instill to the mind and heart of the youth at their early ages about the benefits of savings habits so that when they mature as citizens in the country, there will have an enhanced enthusiasm for savings;
4. the government may maximize the use of social media to promote educational campaigns on proper saving habits and promotional activities to reach most Filipinos who do not have a savings account, especially those who have been saving through informal means (houses, paluwagan, etc.). These campaigns should enumerate the benefits of cultivating a good savings habit as a citizen. The campaigns should also be carried in different Filipino dialects so that the illiterates will understand the campaigns as well; and
5. the future researchers who will conduct the same study should include a broader scope of the area.

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