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EFFECT OF FINANCIAL EDUCATION PRACTICES ON THE RELATIONSHIP BETWEEN FINANCIAL LITERACY AND THE FINANCIAL CAPABILITY OF MEMBERS OF A CREDIT COOPERATIVE

EFEITO DAS PRÁTICAS DE EDUCAÇÃO FINANCEIRA NA RELAÇÃO ENTRE ALFABETIZAÇÃO FINANCEIRA E A CAPACIDADE FINANCEIRA DE COOPERADOS DE UMA COOPERATIVA DE CRÉDITO

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ABSTRACT

Objective: This research aims to analyze the mediating effect of financial education practices on the relationship between financial literacy and the financial capability of credit cooperative members.

Method/Approach: A descriptive study with a quantitative approach was conducted using a survey, administered to 453 members of a credit cooperative headquartered in Southern Brazil. Structural Equation Modeling (SEM) was applied for data analysis, utilizing Smart PLS® software.

Main Results: The results indicate a positive relationship between financial literacy and financial capability, suggesting that individuals with a greater command of financial concepts

tend to make more conscious and effective decisions regarding their personal finances. Furthermore, credit cooperative members perceive that financial education practices are directly associated with their financial capabilities, reinforcing the importance of educational strategies within the cooperative environment. These findings strengthen the notion that a higher level of financial literacy promotes the adoption of financial education practices, such as planning, expenditure control, and responsible credit use.

Theoretical/Practical/Social Contributions: This study advances the understanding of the mechanisms connecting financial knowledge to effective financial behavior. In practice, the findings reinforce the role of credit cooperatives as educational agents capable of transforming knowledge into action. Finally, it strengthens public policies and institutional initiatives for financial education within society.

Originality/Relevance: The study is original in investigating the mediating effect of financial education practices on the financial capability of credit cooperative members, thereby filling a gap in the literature. Its relevance offers practical subsidies for cooperatives and public policies in promoting financial autonomy and inclusion.

Keywords: Financial Literacy. Financial Education. Financial Capability. Credit Cooperative.

RESUMO

Objetivo: Esta pesquisa busca analisar o efeito mediador das práticas de educação financeira na relação entre alfabetização financeira e a capacidade financeira de cooperados de uma cooperativa de crédito.

Método/abordagem: É realizada uma pesquisa descritiva com abordagem quantitativa, por meio de *survey*, operacionalizada junto à 453 cooperados de uma cooperativa de crédito com sede no Sul do Brasil. Para o tratamento dos dados aplicou-se Modelagem de Equações Estruturais (MEE) com uso do *software* Smart PLS®.

Principais Resultados: Os resultados evidenciam uma relação positiva entre a alfabetização financeira e a capacidade financeira, indicando que indivíduos com maior domínio de conceitos financeiros tendem a tomar decisões mais conscientes e eficazes em relação às suas finanças pessoais. Além disso, os cooperados percebem que as práticas de educação financeira estão diretamente associadas às suas capacidades financeiras, reforçando a importância de estratégias educativas dentro do ambiente cooperativo. Estes achados reforçam a concepção de que o maior nível de alfabetização financeira promove a adoção de práticas de educação financeira, como planejamento, controle de gastos e uso responsável do crédito.

Contribuições teóricas/práticas/sociais: O estudo avança na compreensão dos mecanismos que conectam o conhecimento financeiro ao comportamento efetivo. Na prática, os achados reforçam o papel das cooperativas de crédito como agentes educativos, capazes de transformar conhecimento em ação. Por fim, se fortalecem as políticas públicas e iniciativas institucionais de educação financeira junto a sociedade.

Originalidade/relevância: O estudo é original ao investigar o efeito mediador das práticas de educação financeira na capacidade financeira de cooperados de crédito, preenchendo uma lacuna na literatura. Sua relevância oferece subsídios práticos para cooperativas e políticas públicas na promoção da autonomia e inclusão financeira.

Palavras-chave: Alfabetização Financeira. Educação Financeira. Capacidade Financeira. Cooperativa de Crédito.

1 INTRODUCTION

Financial literacy has been consolidated as an essential competence for everyday life, as it involves a combination of knowledge, skills, attitudes and behaviors that favor the making of more conscious financial decisions. This integration of factors allows individuals to evaluate risks, plan investments, make informed decisions and, above all, achieve financial well-being in their day-to-day lives (OECD, 2013).

At the same time, financial education is configured as an essential instrument for disseminating knowledge and developing practical skills, contributing to the promotion of economic stability and individual autonomy. Investing in financial education, therefore, is not limited to an individually oriented strategy, but constitutes an important mechanism for strengthening the financial resilience of society as a whole (Potrich et al., 2016; Kühl et al., 2016; Khan et al., 2022).

The emphasis on the behavioral and attitudinal dimensions of financial literacy reinforces the need for more proactive approaches focused on everyday practice, going beyond mere theoretical knowledge. Thus, literacy should be understood as a dynamic and holistic skill that evolves with experience and is directly related to the ability to adapt and plan in the face of daily financial challenges (Lopes; Andrade, 2020).

This debate has gained global relevance, especially after the 2008 subprime crisis, when it became evident that many financial decisions were made by individuals without an adequate understanding of the risks involved (Gerardi et al., 2010). Although the topic is already well established in developed countries, its importance has also been growing in developing nations such as Brazil (Potrich et al., 2016). From this, financial literacy is reinforced as an essential competence, not only in crisis contexts but also in the daily lives of families and organizations.

The lack of understanding of basic financial principles can lead to adverse consequences not only for individuals but also for economic stability at large, highlighting the urgency of effective educational initiatives. Studies such as those by Atkinson and Messy (2012), Potrich et al. (2016), Kühl et al. (2016), Khan et al. (2022), and Oliveira (2023) have explored the nuances of financial literacy, analyzing psychological factors that influence financial choices, the effectiveness of different financial education strategies, and the adaptation of this knowledge to various socioeconomic realities. This research deepens the understanding of financial literacy and contributes to the development of personalized approaches capable of strengthening individuals' financial capacity in the face of emerging challenges.

The lack of understanding of basic financial principles can generate negative impacts both for individuals and for the economy in a broader sense, which makes the advancement of effective and contextualized educational initiatives urgent. Recent research has deepened this topic, investigating everything from psychological variables that affect financial behavior to the effectiveness of teaching strategies and the adaptation of content to different socioeconomic realities (Atkinson; Messy, 2012; Potrich et al., 2016; Kühl et al., 2016; Khan et al., 2022; Oliveira, 2023).

Despite these advances, the literature still presents significant gaps. Firstly, it is observed that academic production on financial literacy in Brazil is still in an emerging phase,

with a predominance of descriptive or localized studies (Khan, Çera & Pinto, 2022; Oliveira, 2023). The development of effective and culturally appropriate pedagogical strategies becomes essential in the face of a constantly changing economic and social scenario.

Secondly, it is evident that sociodemographic factors, such as age, gender, education, and income, directly influence an individual's level of financial education (Potrich et al., 2016; Kühl et al., 2016). From this perspective, the concept of financial capability, understood as the ability to manage one's financial resources with autonomy and awareness arises (Brazil, 2018). This capability, in turn, is strongly conditioned both by the knowledge acquired and by the ability to put it into practice, through balanced decisions, spending control, and personal planning.

Even though the relationship between literacy and financial capacity is recognized, little is known about the elements that influence this connection. Educational practices, psychosocial factors, and specific cultural contexts can act as intervening elements, capable of enhancing or restricting the transformation of knowledge into effective action. Understanding these dynamics is essential for improving educational strategies.

In this context, this study seeks to answer the following research question: what is the effect of financial education practices on the relationship between financial literacy and the financial capability of credit cooperative members? Thus, this work aims to analyze the mediating effect of financial education practices on the relationship between financial literacy and the financial capability of members of a credit cooperative. It is based on the premise that these practices, such as budget monitoring, participation in workshops or courses, and the conscious use of credit, can enhance the impact of financial knowledge on the practical ability for personal financial management (Souza et al., 2023).

The choice of the cooperative environment is justified by the growing importance of credit cooperatives in the national economic scenario. According to data from the National Credit Cooperative System (SNCC), in 2020 there were 847 cooperatives and 11.9 million members in Brazil. These institutions play a central role in promoting financial inclusion, providing access to services with fairer rates, encouraging financial education, and strengthening local communities (Greatti; Sela, 2017). Their participatory management model reinforces values such as solidarity, cooperation, and equity.

Furthermore, the Brazilian regulatory framework has been moving closer to international guidelines by recognizing the educational role of financial institutions. Joint Resolution No. 8/2023 of the Central Bank of Brazil, effective from July 2024, establishes that banks, payment institutions, and cooperatives must implement systematic financial education actions, focusing on the prevention of over-indebtedness and the strengthening of users' autonomy.

It is believed that the results will contribute to the theoretical advancement of the field and to the practice of credit cooperatives and regulatory bodies, by providing empirical evidence on the positive effects of financial education on the personal financial management of credit cooperative members. Finally, the study reinforces the urgency of public policies and customized educational strategies aimed at strengthening financial literacy in developing countries, as proposed by the OECD (2013).

Moreover, the national literature on financial education focuses on institutional approaches or more specific studies, aimed at particular segments of the public (Potrich et al., 2016; Kühl et al., 2016). Thus, despite the advances, there is a certain limitation in the broader understanding of the impacts of financial literacy over time.

In contrast, international research has been pointing to more structural consequences. The study by Lusardi and Mitchell (2011), for example, shows that financial literacy deficits seriously compromise people's ability to plan their financial future, affecting everyday decisions, but also more complex ones involving retirement, investments, and the use of credit.

Thus, the evidence presented in this study broadens the debate on the effects of financial education by revealing that the lack of financial knowledge is not merely an occasional or behavioral challenge, but rather a deeply rooted problem that can limit individual financial autonomy throughout life, ultimately affecting society as a whole due to resource scarcity.

2 LITERATURE REVIEW

2.1 FINANCIAL LITERACY AND FINANCIAL CAPABILITY

Financial literacy has increasingly been recognized as an essential skill for individuals' economic well-being. In general, it involves mastery of concepts, attitudes, and behaviors that enable people to make informed decisions about how to manage their resources. In this context, Huston (2010) mentions that financial literacy should be understood as the combination of financial knowledge and the ability to apply it in everyday life, in a practical and effective way. This conceptual framework is based on knowledge and practical application. Thus, by evaluating only conceptual mastery, there is a risk of ignoring the behavioral dimension, which is precisely where literacy is most manifested.

Financial knowledge plays a fundamental role in shaping responsible attitudes and practices in managing personal finances. Mastering concepts such as budgeting, investments, credit, and debt increases the likelihood that an individual will make more effective decisions and feel more confident in the face of unforeseen events. This process of appropriating concepts and transforming them into action strengthens financial capability.

Broadly, financial capability is conceived as the ability to manage financial resources in an autonomous, conscious, and reality-adapted manner. According to Xiao et al. (2014), financial capability is related to a series of factors, such as age, income, education, and even cultural and emotional aspects. For example, younger adults tend to show more pronounced gaps in financial capability, a factor that can be explained by the lack of experience or direct contact with complex financial decisions in their daily lives.

In addition, there is an important discussion about the relationship between literacy and ability. The literature consistently points out that there is a positive correlation between these two variables. This means that the higher the level of financial literacy, the greater the practical skills in dealing with money on a daily basis tend to be, from simple decisions, such as monitoring the bank statement, to more structural choices, such as retirement planning or long-term investments.

Kempson et al. (2006) reinforce this approach by highlighting that financial capability is not limited to knowing the concepts. It involves the ability to make well-informed decisions about financial products, plan for the future, and maintain consistent behaviors over time. It is a dynamic, multifaceted construct that is sensitive to the individual's social and economic context.

However, mere exposure to the content does not, by itself, guarantee changes in individuals' financial behavior. Mandell and Klein (2009) show that the effects of literacy on practice only become visible when the educational process is continuous, experiential, and

adapted to the audience's context. Robb and Sharpe (2009), in turn, found evidence that financial knowledge is related to more responsible use of credit, confirming that the concept and practice must be connected.

.International studies reinforce this concern. Atkinson and Messy (2012), in a survey conducted in 14 countries, evidenced large gaps in the financial knowledge of the population, which reinforces the importance of structured policies and programs. Here in Brazil, research such as that by Kühl et al. (2016) shows that the principles of the OECD and the Central Bank have been incorporated by credit cooperatives, although there is room for improvement in the way this knowledge is translated into practice among members.

Other studies help to compose this scenario. Ariffin et al. (2017) identified that saving behavior is positively related to family socialization and peer influence; however, they observed a negative correlation with self-control. Likewise, Kim and Hanna (2017) highlighted that families with explicit saving rules are three times more likely to maintain this habit. This means that setting limits and guidelines are indications of concrete results in establishing financial capability.

The study by Khan et al. (2022), conducted in Spain, showed that financial capability is positively influenced by elements such as financial attitude, technical knowledge, and financial advice. These findings open the way for research that explores the impact of different forms of educational mediation, including through cooperatives, financial agents, and other institutions. In Brazil, Oliveira (2023) identified an average level of financial knowledge among banking professionals, but with concerning gaps, a factor that reinforces the need for continuous training, even for those already directly involved in financial resource management.

Considering this entire scenario, it becomes evident that financial literacy provides a fundamental basis for more conscious decisions. Thus, people with more financial knowledge have a better ability to manage debt, control expenses, and set economic priorities. In these cases, financial stability is a direct consequence of this competence acquired through theory and practice.

Financial literacy is an essential skill for long-term economic well-being. Its absence is associated with ineffective decisions, such as not planning for retirement and the incorrect use of complex financial products. Thus, mastering basic financial knowledge, such as compound interest, inflation, and diversification, is considered a prerequisite for building financial capability (Lusardi; Mitchell, 2011). Therefore, financial literacy is not just abstract knowledge, but a behavioral foundation that translates into practical ability to plan, save, and invest. In summary, financial literacy is not only a theoretical asset, but it directly functions as a behavioral platform on which financial capability is developed.

Thus, based on the literature and the arguments presented, the following research hypothesis is proposed:

H1: There is a positive relationship between financial literacy and financial capability.

When delving into the relationship between financial literacy and behavior, there is the dilemma that knowledge alone is not enough. For this purpose, knowledge needs to be activated, practiced, and adapted to everyday reality to generate lasting effects and effective results. In this context, it is argued that more literate individuals tend to seek and incorporate educational practices into their daily financial life.

The literature provides solid support for this proposition. The study by Kim and Hanna (2017) revealed that families with explicit saving rules had significantly higher chances of

accumulating resources over time. This shows how educational practices help promote financial discipline and reinforce management capability.

Additionally, Lidi et al. (2017) investigated the reasons and challenges of family savings, identifying factors that influence the decision to save and the extent of resource accumulation. Zeleke and Endris (2019), on the other hand, observed that characteristics such as the educational level of the person responsible for the family, their main occupation, knowledge about interest rates, and access to advice on savings were significantly associated with savings status.

Still in the Brazilian context, Oliveira (2023) emphasizes that financial literacy stimulates the demand for consistent educational practices, especially in environments such as credit cooperatives and banking institutions. Literacy encourages individuals to seek more knowledge, develop habits, and engage in financially sustainable behaviors. In this way, the development of cognitive skills in finance tends to awaken a greater interest in individuals for educational practices, whether formal through courses, workshops, and consultations, or informal through reading content, simulations, household budget planning, among others.

This understanding is reinforced by Xiao and O'Neill (2016), who point out that people with higher financial literacy are more likely to actively participate in formal and informal educational practices, continuing their own learning process. On the other hand, if the knowledge is not applied, its effects tend to be ephemeral. A meta-analysis conducted by Fernandes et al. (2014), with more than 200 studies, revealed that the isolated impact of financial literacy on behavior is relatively small, and its effect only persists when the content is practiced, experienced, and turned into a habit.

Similarly, Mandell and Klein (2009) argue that exposure to financial literacy leads to a greater propensity to participate in educational programs, increasing the chances that knowledge will be internalized and converted into action. Thus, it can be observed that financial literacy does not operate in isolation. It is positively associated with financial education practices, which are essential to consolidate knowledge into concrete behavior. This articulation between knowledge and practice reinforces the need for educational strategies that go beyond content delivery, investing in experiences, simulations, counseling, and continuous follow-up.

Based on these theoretical and empirical aspects, the following research hypothesis is proposed:

H2: There is a positive relationship between financial literacy and financial education practices.

2.2 FINANCIAL EDUCATION PRACTICES AND FINANCIAL CAPABILITY

The practice of financial education has been an essential tool for the development of more conscious and sustainable financial behaviors. By going beyond the purely theoretical nature of literacy, these practices function as a channel to internalize, apply, and reinforce the knowledge acquired over time.

Robb and Sharpe (2009) emphasize that financial knowledge is a determining factor for the responsible use of credit cards. Financial education, when structured with effective educational practices, guides choices and strengthens the sense of responsibility, which are factors that contribute to the formation of a strategic financial mindset. Understanding the basic principles of the financial system can directly influence decisions regarding consumption, indebtedness, and savings.

In this sense, Kühl et al. (2016) proposed four central constructs to explain the practice of financial education, namely financial knowledge, risk reduction, financial practice, and external visibility. However, the authors also note a lack of more robust empirical validations for alternative models, which reinforces the need to expand research in this field, especially with different audience profiles and institutional realities, as is the case with cooperatives.

The relationship between financial education and saving practices has been observed in different contexts. Lidi et al. (2017), when analyzing families in the Benishangul Gumuz region in Ethiopia, found that 68% of households that used formal financial institutions maintained regular saving habits. This result shows that the greater an individual's financial inclusion, the higher the propensity for sustainable management practices.

Additionally, Mori (2019), when studying the reality of Tanzania, showed that the impact of financial education on saving behavior varies according to the level of schooling. Individuals with higher education tend to perceive saving as a means of accumulating wealth or generating income through interest. On the other hand, among those with low education, saving is seen only as a way to ensure future consumption. This contrast highlights that the depth of financial education directly influences the way individuals perceive and use financial practices.

These findings gain even greater relevance when analyzed in the context of credit cooperatives, where financial education programs, when well structured, can function as catalysts for a broader behavioral transformation. By providing clear information on budgeting, expense control, investments, and credit, these initiatives empower members to make more informed decisions, strengthening their financial autonomy and increasing their chances of achieving medium- and long-term economic goals.

Studies like those by Fernandes et al. (2014) indicate that participation in financial education programs is positively associated with better planning ability, lower propensity for excessive indebtedness, and greater self-confidence in economic decisions. Furthermore, financial knowledge, if not practiced, tends to lose strength over time, reinforcing the importance of continuous educational practices that act as behavioral reinforcement.

The internalization of financial knowledge, as highlighted by Shim et al. (2009), occurs more effectively when learning is associated with repeated and contextualized practices. The authors argue that financial capability is not a permanent state, but a process under construction, developed over time through financial socialization, observation of peers, and practical experience. Practices such as budget monitoring, expense control, and credit decisions are, according to the authors, applied learning mechanisms that translate theoretical knowledge into effective behavior.

Kaiser and Menkhoff (2017), when analyzing 168 empirical studies, concluded that the positive effects of financial education are even more evident in developing countries, especially when programs are targeted at vulnerable populations. In Brazil, Oliveira (2023) points out that financial education stimulates not only knowledge but also the active pursuit of more effective management practices and strategies, particularly in cooperatives and popular financial institutions.

Thus, what is observed is that financial education acts as a bridge between knowing and doing. When experienced in a structured way, it enhances practical skills, strengthens the sense of responsibility, and directly contributes to the development of financial capability. In cooperative environments, where financial education is one of the pillars of institutional action, these practices gain even more relevance, potentially having a significant impact on the daily lives of members.

Based on this set of evidence, the following research hypothesis is proposed:

H3: There is a positive relationship between financial education practices and the financial capacity of the credit cooperative members.

2.3 THE INTERVENING ROLE OF FINANCIAL EDUCATION PRACTICES

Financial literacy plays a central role in the development of economic competencies, as it provides the theoretical foundation necessary for individuals to understand concepts, products, and decisions associated with financial life. However, it is necessary for the knowledge to be experienced, internalized, and practiced, thus emerging the need for financial education practices as a relevant intervening factor.

Kühl et al. (2016) highlight that literacy is an essential factor in the understanding and development of the financial skills of credit cooperative members. Complementarily, Khan et al. (2022) argue that literacy functions as a direct antecedent of financial capability. But the literature also points out that this relationship is not automatic, requiring elements that act as an activation channel.

In this context, the educational practices promoted by credit cooperatives emerge as potential mediators. By offering courses, workshops, teaching materials, and guidance, the cooperatives create applied learning environments, where theoretical content is translated into everyday decisions and actions.

Çera's (2021) study supports this logic, proposing that financial behavior acts as a mediator between literacy and ability, that is, knowledge only becomes action when it goes through a process of practice and internalization. Similarly, Mandell and Klein (2009) argue that it is not enough to convey content; it is necessary for the individual to experience and repeat the learning in different situations so that it transforms into a healthy financial habit.

In the case of cooperatives, this aspect becomes even more relevant, as they are a fertile ground for the development of contextualized educational practices, focusing on the reality of the members. By encouraging the application of knowledge, these practices increase the chances that the member will transform information into strategic action in expense control, planning, conscious use of credit, or the decision to save.

Fernandes et al. (2014) reinforce this point by showing that the desired effects of literacy on financial behavior only materialize when there are associated behavioral practices. More specifically, knowledge is the first step, but its application depends on educational tools that encourage practice. The meta-analysis by Kaiser and Menkhoff (2017), which analyzed 168 studies, confirms that programs with a behavioral focus, i.e., involving simulations, practical exercises, and real interactions, are more effective than those based solely on theoretical content. This reinforces the idea that educational practices operate as mediating mechanisms between knowledge and action.

The same idea appears in the study by Xiao et al. (2009) when they state that educational programs act as catalysts for the practical internalization of knowledge. The authors argue that financial capability does not result solely from literacy, but from the continuous activation of this knowledge through practical experiences. Furthermore, Shim et al. (2009) propose that attitudes and practices function as mediating variables between knowledge and effective financial behavior, supporting the theoretical mediation model adopted in this research. Budget monitoring mechanisms, credit decisions, and planning simulations are forms of financial socialization and help transform concepts into real behaviors.

Mori (2019) observes that the impact of literacy on saving behavior is amplified when the individual adopts consistent practices, such as planning and self-discipline. From this perspective, knowledge needs to be activated by regular and contextually appropriate attitudes. Complementarily, Robb and Sharpe (2009) reinforce that the misuse of credit among young people can be mitigated when there is exposure to concrete educational practices. Once again, practice emerges as an essential driver of behavioral transformation.

Therefore, by gathering this evidence, it is possible to state that the financial education practices promoted by cooperatives not only complement the literacy process but also act as mediators in the consolidation of the members' financial capability. They create the means by which knowledge is internalized, tested, adjusted, and finally converted into more conscious decisions.

Thus, the following research hypothesis is proposed:

H4: The financial education practices of the credit cooperative mediate the relationship between financial literacy and the financial capability of the members.

3 METHODOLOGICAL ASPECTS

The target population of the research is composed of more than 250 thousand members of a credit cooperative operating in the states of Santa Catarina and Rio Grande do Sul. The study becomes relevant considering the growing importance of credit cooperatives in Brazil, especially in the South of the country, regarding economic and regional development. These cooperatives play a fundamental role in financing agricultural activities, which contributes to increasing the competitiveness of national companies and the social development of communities (Jacques; Gonçalves, 2016; Oliveira, 2024).

The research sample is composed of the members who responded to the data collection instrument. The sample is non-probabilistic. After the data collection and tabulation of responses, a sample of 453 members was obtained. The choice of the cooperative was made based on accessibility, which is aligned with the survey-type research approach.

The research instrument is structured into four sections. The first section is dedicated to the participants' profile, addressing issues such as gender, race, year of birth, participants' and their parents' educational level, as well as information on family income. The second section deals with financial literacy, the third focuses on financial knowledge, and the fourth section examines the financial capability of the credit cooperative members. This structure will allow for a detailed analysis of the factors that influence the financial attitudes and behaviors of members, contributing to a deeper understanding of the relationship between financial education and credit management in the cooperative context.

Based on previous literature, a research instrument was constructed based on the research objectives. Table 1 presents the constructs and the operationalizations of the research. It is important to highlight that the financial knowledge variable requires a process of alignment between the way it was constructed and the way it should be inserted into the structural model. For this purpose, the constructions of Van Rooij et al., (2011) were used.

The financial capability measurement framework in this research is supported by the international literature. For example, Kempson et al. (2006) developed a pioneering methodology to measure this capability in a practical way, integrating financial behaviors, attitudes, and planning skills. This foundation contributes to the validity of the instruments applied in this study. Regarding mediation, the recommendations of Baron and Kenny (1986) were used.

Table 1
Research Construct

| Construct | Variable | Measurement | Authors |
|-------------------------------|---|---|---|
| Financial Literacy | Financial Attitude | 1 for Strongly Disagree to 5 for | Potrich, Vieira and |
| | Financial Behavior | 1 for Strongly Disagree to 5 for | Potrich, Vieira e Kirch |
| | Financial Knowledge | Test with situations to list the level of knowledge in the basic and advanced dimensions. | Van Rooij, Lusardi and Alessie (2011) |
| Financial Capability | In view of expenses | | |
| | Planning ahead Managing Financial Products | 1 for Strongly Disagree to 5 for Strongly Agree. | National Financial Capability Study (NFCS) (2012) |
| Financial Education Practices | Risk Reduction | | |
| | Financial Practice | 1 for Strongly Disagree to 5 for | Kühl, Valer and Gusmão (2016) |
| | External Visibility | Strongly Agree. | |
| Financial Advisory | | | |

Data collection will be carried out through a survey. The questionnaire is inserted into the electronic platform of Google Forms and sent to the Account Managers of this cooperative with the proposal to request support for the dissemination of the research instruments to the members. The data collection period took place in 2024.

Analysis of the research data is conducted through Structural Equation Modeling (SEM) using the Smart PLS® software. Subsequently, the application of Structural Equation Modeling requires two steps: the Measurement Model and the Structural Model. Based on the evaluation of the direct paths, it is possible to make decisions regarding the research hypotheses listed from H1 to H3.

4 ANALYSES OF THE RESULTS

The data presented were collected and analyzed based on what was determined in the methodological procedures and, in accordance with the objective proposed in this study. Table 2 presents the profile of the survey respondents.

Table 2
Profile of respondents

| | Gender | Freq. | % |
|---|-----------|-------|---------|
| Female | | 271 | 59.82% |
| Male | | 182 | 40.18% |
| Total | | 453 | 100.00% |
| | Education | Freq. | % |
| Completed elementary school | | 6 | 1.32% |
| Completed high school | | 74 | 16.34% |
| Completed Higher Education – Specialization level | | 196 | 43.27% |
| Completed Higher Education – Undergraduate level | | 143 | 31.57% |
| Completed Higher Education – Stricto sensu Level | | 14 | 3.09% |
| Prefer not to answer | | 4 | 0.88% |
| Has not completed elementary school | | 7 | 1.55% |
| Has not completed high school | | 9 | 1.98% |
| Total | | 453 | 100.00% |



| Training Area | | Freq. | % |
|---|--|--|--|
| Administration | | 145 | 32.00% |
| Accounting Sciences | | 82 | 18.10% |
| Economy | | 8 | 1.77% |
| Engineering | | 24 | 5.30% |
| Others | | 194 | 42.83% |
| Total | | 453 | 100.00% |
| Income Range | | Freq. | % |
| Above 20 minimum wages | | Above 20 minimu m wages 21 | Above 20 minimum wages 21 4.64% |
| Up to 2 minimum wages | | Up to 2 minimu m wages 23 | Up to 2 minimum wages 23 5.08% |
| From 10 to 20 minimum wages | | From 10 to 20 minimu m wages 100 | From 10 to 20 minimum wages 100 22.08% |
| From 2 to 4 minimum wages | | From 2 to 4 minimu m wages 96 | From 2 to 4 minimum wages 96 21.19% |
| From 4 to 10 minimum wages | | From 4 to 10 minimu m wages 206 | From 4 to 10 minimum wages 206 45.47% |
| I prefer not to reveal | | I prefer not to reveal 7 | I prefer not to reveal 7 1.54% |
| Total | | 453 | 453 |
| | | 100.00% | 100.00% |
| I have a financial investment | | Freq. | % |
| No | | 154 | 34.00% |
| Yes | | 299 | 66.00% |
| Total | | 453 | 100.00% |
| I usually use loans to cover personal expenses | | Freq. | % |
| No | | 271 | 59.82% |
| Yes | | 182 | 40.18% |
| Total | | 453 | 100.00% |
| I usually use credit card limit | | Freq. | % |
| No | | 206 | 45.47% |
| Yes | | 247 | 54.53% |
| Total | | 453 | 100.00% |

The data in Table 2 reveal the profile of the respondents and relevant characteristics of the sample. Regarding gender, there is a slight female predominance (59.82%) compared to males (40.18%). This factor may influence the results, since studies suggest that financial behavior can vary between genders. With respect to education, most participants have higher education: 43.27% have a specialization, 31.57% have a bachelor's degree, and 3.09% have a *stricto sensu* degree. This high educational level may positively impact financial literacy and financial decision-making due to greater exposure to formal knowledge.

Regarding the area of education and income range, there is a predominance of professionals from the fields of Administration (32%) and Accounting (18.1%), while the other courses represent 42.83% of the sample. In terms of income, 45.47% of respondents fall within the range of 4 to 10 minimum wages, and only 4.64% earn more than 20 minimum wages. According to Mori (2019), the impact of financial education varies according to individuals' educational level. This reinforces the need for educational practices in cooperatives to consider the heterogeneity of members in order to be effective.

For the construction of evidence through Structural Equation Modeling (SEM), two criteria must be met. The first relates to the evaluation of the measurement model, a stage in which it is verified whether the measures used satisfy the proposed theoretical constructs and meet the necessary prerequisites for the continuation of the analysis via SEM. The second criterion consists of the analysis of the measurement model itself, allowing for decision-making regarding the formulated hypotheses and the theoretical model underlying the research (Ringle et al., 2014).

In this context, one of the first elements to be evaluated is convergent validity, measured through the average variance extracted (AVE). According to Ringle et al. (2014), the application of the Fornell and Larcker criterion requires AVE values to be greater than 0.50 ($AVE > 0.50$), indicating that the construct captures more than 50% of the variance of its indicators. This metric reinforces the validity of the measurement model, ensuring that the instruments used are adequate to represent the theoretical concepts under investigation.

In addition to convergent validity, composite reliability (CR) and internal consistency, measured by Cronbach's alpha, are essential elements in the evaluation of the model. Cronbach's alpha has been widely used in studies employing SEM, especially in the accounting field. In exploratory research, values between 0.60 and 0.70 are considered acceptable (Ringle et al., 2014; Hair et al., 2014).

Composite reliability and Cronbach's alpha are fundamental in ensuring the robustness of the model, as they indicate whether the selected indicators adequately represent the proposed constructs. High values in these metrics reinforce the consistency of the measurement model and the convergent validity, ensuring that the theoretical concepts are being effectively captured by the research instruments.

Table 3 presents the evaluation values of the measurement model for the first-order variables, consolidating the statistical analysis of the investigated constructs. In Table 3, it is possible to observe, based on the parameters established for the measurement model, that the limits presented by some constructs in this research meet the prerequisites established in previous literature. This means that the dataset may be suitable for the use of Structural Equation Modeling (SEM).

Cronbach's alpha, the average variance extracted (AVE), composite reliability (CR), and the validity and reliability indicators of some constructs reached the recommended minimum values. For example, AVE values above 0.50 indicate that the construct captured more than 50% of the variance of the indicators, contributing to the convergent validity of the construct.

In addition, CR and Cronbach's alpha values above 0.70 show that the indicators are sufficiently correlated to adequately reflect the same construct.

Table 3
Assessment of the measurement model

| 1st order variables | CA | rho_A | Composite reliability | Average Variance Extracted (AVE) |
|--------------------------------------|-------|-------|-----------------------|----------------------------------|
| Financial Literacy | | | | |
| Attitude | 0.894 | 0.895 | 0.915 | 0.574 |
| Knowledge | 0.753 | 0.766 | 0.889 | 0.801 |
| Behavior | 0.971 | 0.973 | 0.974 | 0.617 |
| Financial Education Practices | | | | |
| Risk Reduction | 0.866 | 0.877 | 0.909 | 0.717 |
| External Visibility | 0.912 | 0.913 | 0.945 | 0.851 |
| Financial Practice | 0.883 | 0.887 | 0.928 | 0.810 |
| Financial Advisory | 0.950 | 0.951 | 0.959 | 0.770 |
| Financial Capability | | | | |
| In view of expenses | 0.872 | 0.875 | 0.899 | 0.528 |
| Planning Ahead | 0.907 | 0.908 | 0.926 | 0.643 |
| Manage Financial Products | 0.737 | 0.737 | 0.835 | 0.559 |

Note: CA = Cronbach's alpha

However, the results of Table 3 are the outcome of a careful examination of the statements that sought to support each construct. This examination is supported by Ringle et al. (2014) and Hair et al. (2014). Thus, questions were excluded because, in a first analysis, they had abnormal responses (AFAF1, AFAF2, CFAF11, CFAF12, CFAF25, CFAF27, FDCAF9, GPCAF2, GPCAF5, GPCAF6). In accordance with the construct structure assumed in the investigation, Table 4 presents the validation of the structural model.

Table 4
Validation of structural model variables

| Structural Model Variables | CA | rho_A | Composite reliability | Average Variance Extracted (AVE) |
|-------------------------------|-------|-------|-----------------------|----------------------------------|
| Financial Literacy | 0.973 | 0.974 | 0.975 | 0.544 |
| Financial Education Practices | 0.974 | 0.975 | 0.977 | 0.710 |
| Financial Capability | 0.944 | 0.945 | 0.950 | 0.500 |

Note: CA = Cronbach's Alpha

Based on the data presented in Table 4, it is possible to recognize that the variables included in the research meet the prerequisites for operationalizing a structural model. In the continuation of the evaluation of the structural model, its discriminant validity is observed. To identify this measure, the cross-loading criterion and the Fornell and Larcker (1981) criterion are used, in which "the square roots of the AVE values of each construct are compared with the correlations (Pearson) between the constructs (or latent variables). The square roots of the AVEs must be greater than the correlations between the constructs" (Ringle et al., 2014, p. 65).

In this research, the Fornell and Larcker (1981) criterion was chosen because it provides a more rigorous examination of discriminant validity. Discriminant validity is essential to ensure that the constructs of the model are not comparable to each other. This criterion allows evaluating whether each construct explains the variance of its own indicators better than the variance shared with other constructs, by comparing the square roots of the AVEs

with the correlations between the constructs. Table 5 demonstrates the Fornell and Larcker Criterion for the first-order constructs.

Table 5
Fornell and Larcker criterion – first order variables

| Variables | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 1 Financial Advisory | 1.000 | | | | | | | | | |
| 2 Financial Attitude | 0.790 | 1.000 | | | | | | | | |
| 3 Financial Behavior | 0.803 | 0.826 | 1.000 | | | | | | | |
| 4 Financial Knowledge | 0.636 | 0.818 | 0.698 | 1.000 | | | | | | |
| 5 Facing expenses | 0.799 | 0.886 | 0.849 | 0.870 | 1.000 | | | | | |
| 6 Managing Financial Products | 0.842 | 0.865 | 0.860 | 0.839 | 1.057 | 1.000 | | | | |
| 7 Planning ahead | 0.731 | 0.802 | 0.877 | 0.794 | 0.803 | 0.858 | 1.000 | | | |
| 8 Financial Practice | 0.858 | 0.792 | 0.765 | 0.609 | 0.778 | 0.806 | 0.719 | 1.000 | | |
| 9 Risk Reduction | 0.861 | 0.824 | 0.812 | 0.736 | 0.848 | 0.892 | 0.795 | 0.876 | 1.000 | |
| 10 External Visibility | 0.871 | 0.775 | 0.778 | 0.612 | 0.783 | 0.821 | 0.707 | 0.859 | 0.869 | 1.000 |

From Table 5, it can be observed that the listed first-order constructs meet the Fornell and Larcker criterion. The analysis of the Fornell and Larcker criterion highlights the correlation between the first-order variables of the model, with a strong relationship standing out between variables such as Facing Expenses and Managing Financial Products (0.849 and 1.057), indicating a high internal consistency among these dimensions in the context of financial management.

The correlations between Financial Attitude, Financial Behavior, and Facing Expenses are also high (0.826 and 0.886), suggesting that attitudes and behaviors directly impact the way individuals manage their expenses. Additionally, the high correlation between Risk Reduction and other variables, such as Financial Practice (0.876) and External Visibility (0.869), points to an association between financial prudence and the way financial practices are perceived and adopted. This strong interrelationship between variables suggests a cohesive structure, where different aspects of financial management are aligned, reinforcing the reliability of the variables in the model.

Additionally, the results showed a VIF (Variance Inflation Factor) range between 1.381 and 4.453, suggesting that there are no severe multicollinearity problems, but it is also important to interpret these values within the context of the model and the variables analyzed. Hair et al. (2014) state that, for a structural equation model to have reliable results, it is preferable that a variable's VIF be less than 5. If a variable's VIF is greater than 5, this may indicate that the variable is strongly correlated with other independent variables, which can impair the interpretation of the coefficients.

Table 6 shows the descriptive statistics of the first-order constructs. Table 6 reveals the descriptive statistics of the central variables in the measurement and structural models, showing considerable variation among them. The Financial Behavior variable presents the highest mean (4.263) and standard deviation (1.734), indicating a higher financial practice among participants, but also a high dispersion in responses, suggesting diverse profiles in terms of financial behaviors.

Table 6

Descriptive statistics of the measurement variables and structural models

| Variables | Average | Median | Standard Deviation | Minimum | Maximum |
|-------------------------------|---------|--------|--------------------|---------|---------|
| Financial Literacy | 3.402 | 3.727 | 0.911 | 1.212 | 5.091 |
| Financial Attitude | 2.987 | 3.000 | 0.860 | 1.000 | 4.750 |
| Financial Knowledge | 3.472 | 3.913 | 0.960 | 1.217 | 5.000 |
| Financial Behavior | 4.263 | 4.500 | 1.734 | 0.000 | 8.000 |
| Financial Capability | 2.988 | 2.895 | 0.930 | 1.158 | 5.000 |
| Facing Expenses | 2.882 | 2.750 | 0.882 | 1.125 | 5.000 |
| Managing Financial Products | 3.034 | 3.000 | 1.055 | 1.000 | 5.000 |
| Planning ahead | 3.083 | 3.286 | 1.132 | 1.000 | 5.000 |
| Financial Education Practices | 3.368 | 3.647 | 1.077 | 1.177 | 5.000 |
| Risk Reduction | 3.270 | 3.500 | 1.086 | 1.000 | 5.000 |
| External Visibility | 3.364 | 3.667 | 1.120 | 1.000 | 5.000 |
| Financial Practice | 3.408 | 3.667 | 1.239 | 1.000 | 5.000 |
| Financial Advisory | 3.408 | 3.714 | 1.090 | 1.000 | 5.000 |

On the other hand, variables such as Financial Capability (mean of 2.988) and Financial Attitude (2.987) have lower means, reflecting less security or engagement in these dimensions. Dispersion is more contained for variables such as Facing Expenses and Financial Literacy, which show lower variability, suggesting a more homogeneous perception on these aspects among respondents. Table 7 highlights the discriminant validity criterion for the research variables.

Table 7

Fornell and Larcker criterion - structural model variables

| Structural model | Financial Literacy | Financial Capacity | Financial Education Practices |
|-------------------------------|--------------------|--------------------|-------------------------------|
| Financial Literacy | 1.000 | | |
| Financial Capability | 0.828 | 1.000 | |
| Financial Education Practices | 0.834 | 0.815 | 1.000 |

The conclusion of the model validation occurs after conducting an analysis of the components that constitute discriminant validity, as pointed out by Ringle et al. (2014). Thus, it is possible to make predictions about the different effects of financial education practices on the relationship between literacy and the financial capability of members of credit cooperatives. Consequently, after observing the measurement model, evidence is presented that the suggested model, which uses the bootstrapping technique, is suitable for structural analysis (Hair et al., 2014). The design of the structural model, which includes the system coefficients outside the operation of SmartPLS®, is shown in Figure 1.

Figure 1
Design of the research structural model

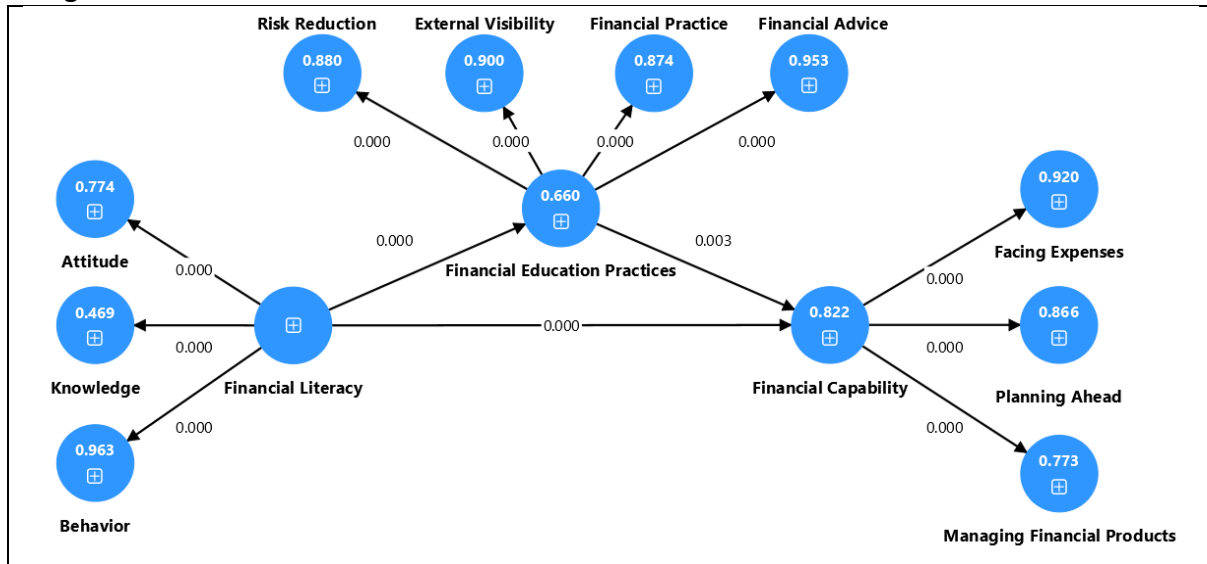


Figure 1 presents the Structural Model with the result of the significance of the relationship between the variables. It is possible to observe how the variables of the structural model behave and their respective significances. Thus, the financial literacy variable influences the financial education practices and the financial capability of the cooperatives. Furthermore, financial education practices influence the financial capability of the individuals participating in the research.

These findings (coef. = 0.116; $p = 0.003$) are in line with Çera's (2021) research, which identified financial behavior as a mediator between knowledge and capability. As in this study, empirical evidence indicates that educational practices function as catalysts, converting knowledge into more effective financial decisions.

Ariffin, Sulong, and Abdullah (2017) point out that the degree of financial education of students affects their saving behavior, which is in alignment with the results of this research. Furthermore, throughout the hypotheses it is possible to identify an expanded cross-check regarding the variables presented in Figure 1.

Figure 2 illustrates the structural model, highlighting the R^2 value, which quantifies the strength of the relationship between the analyzed variables. This R^2 value is crucial for understanding the proportion of the variability of the dependent variables explained by the independent variables in the model. In simple terms, it indicates the amount of variation in the dependent variable that can be attributed to the model, that is, how much of the observed fluctuations in the data are explained by the study's variables.

From Figure 2, it is possible to observe the level of explanation upheld by each research variable. Financial capability, as a construct of the members, shows greater influence from financial literacy (R^2 0.822), whereas financial education practices occupy a secondary role, with R^2 0.660. Thus, it is believed that financial education has a more relevant impact on building the financial capability of the members, contributing to about 82.2% of the variation in this aspect. On the other hand, financial education actions, although still important, have a reduced influence, representing 66% of the variation in financial capability.

The association identified in Figure 2 indicates that, although financial education programs are relevant, it is the degree of financial literacy of the members that plays a crucial role in enhancing their financial capability. This highlights the importance of investing in

programs that deepen financial knowledge and understanding in a more thorough and practical way.

Figure 2

Design of the structural model of the research with R²

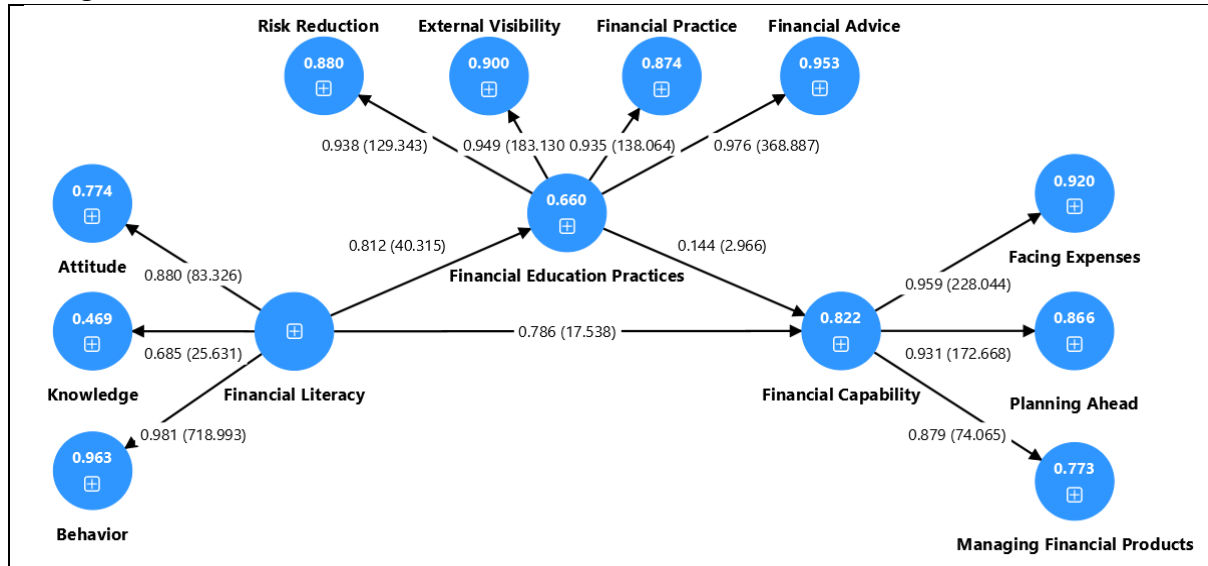


Table 8 presents the direct relationships of the research's structural model. With the presentation of these relationships, it is possible to make decisions regarding the research hypotheses.

Table 8

Structural model with a mediating effect on financial education practices

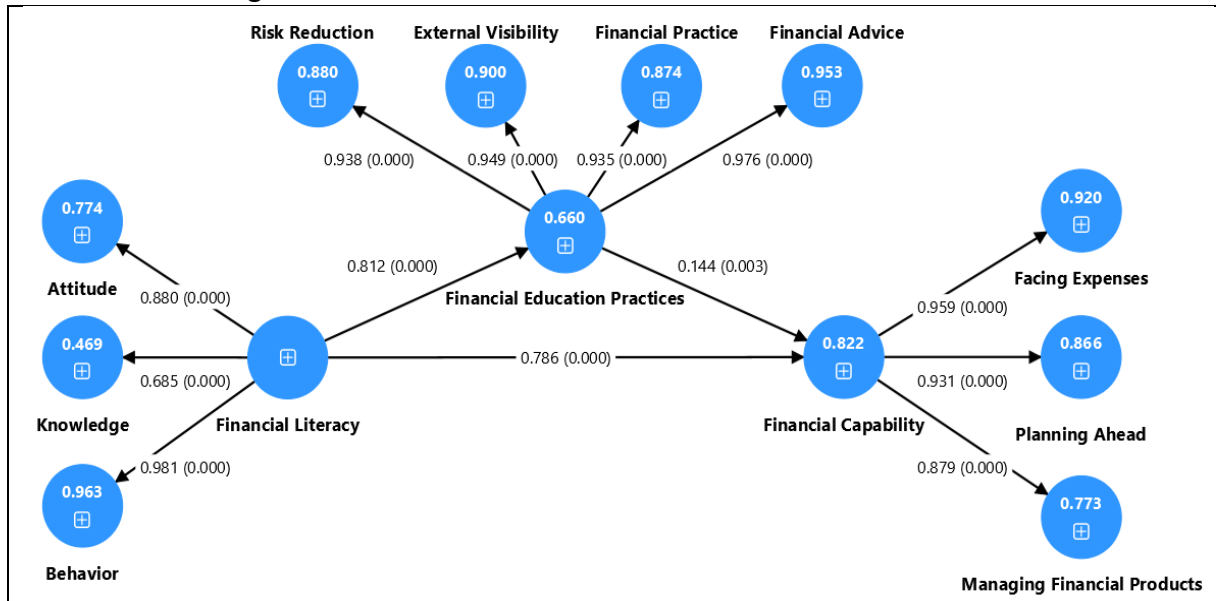
| Structural Model | Structural Coefficient | Standard Error | t-value | p-value |
|---|------------------------|----------------|---------|---------|
| Financial Literacy -> Financial Capability | 0,786 | 0,001 | 770,268 | 0,000* |
| Financial Literacy -> Financial Education Practices | 0,812 | 0,020 | 40,291 | 0,000* |
| Financial Education Practices -> Financial Capability | 0,144 | 0,049 | 2,967 | 0,003* |
| Financial Literacy -> Financial Education Practices -> Financial Capability | 0,116 | 0,039 | 3,002 | 0,003* |

*Significance at 95% level

In addition to Table 8, Figure 3 demonstrates the dimension of each of the constructs explored in the research. From the alignment between Table 8 and Figure 3, it will be possible to make a decision regarding the research hypotheses.

Based on the data presented in Table 8, Hypothesis 1 is accepted (coefficient = 0.786; p-value = 0.000), which postulates the existence of a positive relationship between financial literacy and financial capability. The results corroborate Lusardi and Mitchell (2011), who show that even basic levels of literacy are already associated with better financial planning, lower indebtedness, and a greater tendency to save. In addition, it was observed that members of credit cooperatives with higher education levels presented higher levels of financial capability, which is in line with Xiao et al. (2014), who identified a positive correlation between formal education and prudent financial behavior.

Figure 3
Structural drawing



The results suggest that the higher an individual's level of financial literacy, the greater their ability to make informed and effective financial decisions. This evidence contrasts with the findings of Atkinson and Messy (2012), who reported a disconnect between financial literacy and financial practices. On the other hand, the results support the findings of Ariffin et al. (2017), which highlight the impact of financial education on students' saving behavior. The study indicates that social factors, such as interaction with parents and peer influence, play a key role in the development of financial habits. Financial literacy, therefore, strengthens this trend, highlighting the impact of the social and family context on financial choices.

Kim and Hanna (2017) analyzed the impact of self-control strategies on saving behavior and found that families that set clear rules for saving are three times more likely to save compared to those who do not. However, the authors point out that the difficulty lies not only in defining these rules but also in maintaining commitment to them over time. These findings are relevant because the impact of financial literacy on the financial capability of credit cooperative members is directly linked to the development of behavioral skills, such as discipline and financial planning.

The results of this study are aligned with the findings of Khan et al. (2022), who identified a positive influence of financial literacy on the financial capability of Spanish individuals. Thus, this study extends this understanding by showing the same relationship in the Brazilian context, specifically in credit cooperatives in the South of the country. Moreover, the findings reinforce that financial literacy not only improves financial knowledge but also has a direct impact on the financial capability of members, broadening the understanding of this phenomenon in different cultural and economic contexts.

Regarding Oliveira's (2023) research, this study represents an advancement by confirming that financial literacy directly impacts the financial capability of credit cooperative members. This evidences the need to create spaces for dialogue and knowledge exchange, strengthening individuals' financial health and promoting more sustainable financial development within cooperatives.

In practice, the results indicate that individuals with higher financial literacy have a greater capacity for planning, saving, and efficient investing. This makes them more capable

of avoiding excessive debt, choosing appropriate financial products, and planning the future with greater security. Financial literacy, therefore, functions as a tool of economic empowerment, promoting greater independence in managing personal and collective finances within cooperatives.

Additionally, collective financial literacy can generate a multiplier effect. Well-informed members make more structured and effective financial decisions, which can benefit the management of the cooperative's collective resources. In this way, there is an incentive for engagement in collective decisions, making the cooperative's financial administration more transparent and responsible.

The findings also confirm Hypothesis 2 (coefficient = 0.812; p-value = 0.000), which proposes a positive relationship between financial literacy and financial education practices. Effective financial education not only enhances individual financial capability but also strengthens collective financial capital within cooperatives, as argued by Greatti and Sela (2021) and Lusardi and Mitchell (2014). The findings indicate that financial education programs play an essential role in reducing risks and strengthening the financial practices of members of credit cooperatives, resulting in greater financial security and resilience. The observed effects also align with what Kaiser and Menkhoff (2017) propose, highlighting that the impacts of financial education are more pronounced when programs are practical, applied, and adapted to the context of participants, especially in developing countries such as Brazil.

Hypothesis 3 (coefficient = 0.144; p-value = 0.003) is also accepted, indicating that financial education practices positively impact the financial capability of the credit cooperative members. This result corroborates the studies by Robb and Sharpe (2009) and Mori (2019), which demonstrate how financial knowledge influences the conscious use of credit and sustainable saving habits. In the case of savings, Mori (2019) also points out that the effects of literacy on the decision to save are amplified when there are consistent behavioral practices, such as planning and self-discipline. These findings reinforce that educational practice acts as a transformative element between knowing and doing.

Finally, the results indicate that financial education practices play a mediating role in the relationship between financial literacy and financial capability (coefficient = 0.116; p-value = 0.003), confirming Hypothesis 4. This suggests that financial literacy alone, without practical application, is not sufficient to significantly improve the financial capacity of credit cooperative members. Concrete practices, such as workshops and financial simulations, are essential to turn knowledge into positive financial habits.

This finding is in line with Fernandes et al. (2014), who argue that financial knowledge dissipates over time if not practiced, and that structured practices are necessary to consolidate lasting behavioral effects. Similarly, the findings of Mandell and Klein (2009) point out that literacy has a real impact when accompanied by consistent educational actions, which aligns with the significant mediation observed in this study.

The presence of potentially harmful credit behavior among some of the credit cooperative members reinforces the warnings made by Robb and Sharpe (2009) about the risk of indebtedness when knowledge is not internalized through regular practices. Mori (2019) adds that, in contexts of low education, the content needs to be translated into local realities, that is, the effect of the mediation of practices also depends on the sociocultural adequacy of educational actions.

In general, the results of this research converge with a significant portion of the international and national literature, reinforcing the understanding that financial literacy,

although necessary, is not sufficient. The full impact on individuals' financial capability occurs when knowledge is internalized through structured practices, reinforced by real experiences, and contextualized to the target audience's needs. The findings of this study, therefore, not only confirm the hypotheses formulated but also expand the understanding of the mediating role of applied financial education, especially in the context of credit cooperatives in Brazil.

6 FINAL CONSIDERATIONS

The research evaluated the mediating effect of financial education practices on the relationship between financial literacy and the financial capability of members of a credit cooperative, using a quantitative approach through a survey and Structural Equation Modeling. The results indicate that financial literacy positively impacts the financial capability of the members, an effect that is mediated by financial education practices. These findings reinforce previous research that links financial education to the improvement of financial management and savings.

The analysis of the structural model revealed that the financial capability of the credit cooperative members is strongly influenced by financial literacy. This suggests that greater financial knowledge enhances the ability to manage finances consciously and efficiently. Furthermore, the research validated the theoretical constructs related to financial education practices, financial literacy, and the financial capability of members, methodologically contributing to new investigations in the field.

In the theoretical-practical aspect, the study demonstrates that the positive relationship between financial literacy and financial capability encourages the development of initiatives aimed at financial education within credit cooperatives. By investing in educational programs, these institutions can promote greater economic and financial stability among their members, strengthening the community in which they are inserted.

The research also makes advancements by highlighting the mediating role of financial education practices in the relationship between literacy and financial capability. From this, it is suggested that new intervening variables could be explored, expanding the scope of studies on credit cooperatives in Brazil and strengthening the area of research in accounting. The results also reinforce the role of credit cooperatives as agents of practical financial education, enhancing members' ability to make sustainable financial decisions.

In addition, financial education programs must consider the demographic specificities of their target audiences, since different age groups and education levels demonstrate distinct financial capabilities. The results support this perspective by showing that more accessible educational practices can expand the reach and effectiveness of educational policies in credit cooperatives.

It is possible to observe that the development of financial capability requires more than information; it requires practical learning opportunities, confidence to make decisions, and continuous support through educational programs. Thus, credit cooperatives should promote actions that combine theoretical content with real situations of financial decision-making. To generate behavioral changes, especially in the conscious use of credit and savings decisions, it is essential that cooperatives develop immersive, contextualized, and applied educational practices tailored to the reality of their members.

Individual financial knowledge can serve as a protection against excessive credit use and impulsive financial decisions. Therefore, cooperatives should promote programs that combine technical training with behavioral interventions, reinforcing responsible consumption attitudes.

It is recommended that financial institutions and policymakers direct their efforts not only to the transmission of content but also to the promotion of financial habits, attitudes, and behaviors. In contexts with lower formal education, as in part of the cooperated population analyzed in this study, education should go beyond theory and include engagement strategies, practical examples, and contextualized guidance.

It is suggested that credit cooperatives and other institutions should invest in educational actions that actively involve members, such as workshops, finance games, simulators, and financial counseling, in order to consolidate positive long-term financial behaviors. Therefore, financial education policies should go beyond the mere transmission of concepts and incorporate behavioral strategies, such as simulators, practical counseling, continuous feedback, and monitoring of decisions. This approach can be especially effective in environments like credit cooperatives, which already have direct relationships with their members.

Despite the methodological rigor, some limitations were identified. The geographical scope restricts the generalization of the findings, indicating the need to replicate the study in other regions of Brazil to enable broader comparisons. In addition, future research can explore different mediating variables, deepening the understanding of the relationship between financial education and the financial management of cooperatives.

Finally, the investigation highlights the importance of financial literacy and institutional policies that impact its development. Economic and political changes can influence the functioning of cooperatives and the adoption of financial education practices. In this way, future research should analyze these effects in different national contexts, strengthening the disciplinary field and its relevance for both academics and credit cooperative managers.

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