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Self- Perceived and Actual Basic Financial Literacy among Admin Staff of Government Universities in Sri Lanka

Dr WMKGA Wickramasinghe

Bursar, Department of Finance, the Open University of Sri Lanka

Abstract

This research examined the level of basic financial literacy and self-perceived basic financial literacy amongst administrative staff of the government universities in Sri Lanka. Based on survey questionnaires in the study, a cross tabulation was carried out using SPSS to examine the differences in financial literacy. Google questionnaires were sent to around 500 members and reminder were send twice. Respond rate was around 10% which is within the 2% to 10% range acceptable in online surveys. The study reveals that most respondents (95.5%) were able to understand the effect of interests. Female, married group and those with a higher level of educational qualifications were more likely to have a higher level of financial literacy. The challenge now is to standardize a reliable method to evaluate people's financial literacy level and then, identify and apply effective public policy and financial literacy training programs, as well as making people aware of its importance as a nation. Finally, the findings suggest that we should more efficiently target awareness programme to subsets of Individuals who reported lower level of financial literacy.

Key words: *financial literacy, self-perceived, age, gender, education, profession*

I. INTRODUCTION

Nearly, one third of the world population is financially illiterate, around 3.5bn people across the world cannot perform simple math calculations and are financially illiterate. Further, financial illiteracy is very high in developing countries (McGrath M., 2015). Over the past few decades, the study of how individuals make their financial decisions has become important to researchers, personal financial planners, investment counselors and policy makers especially considering the new changes that have increased the economic landscape complex (Shusha A.A., 2017).Moreover, research conducted by Shusha A.A (2017) has found the results demonstrated that financial literacy moderates the relationships among demographic characteristics of individuals and their tendency to take a risk.

In the recent past there have been many financial crises. The causes of these financial crises are different. In the 19th and early 20th centuries, many financial crises were associated with bank runs, systemic banking crises and banking panics. (Hemachandra W.M., 2011). Previous research on Saving and Financial Literacy has shown that financial literacy is correlated with financial decisions (Cole., 2012). Financially literate households tend to avoid over indebtedness (Mitchell, 2011) and are less likely to take on foreign currency debt (Beckmann E., 2013).

Financial literacy is also associated with stock market participation (Van Rooij, 2011). Importantly, financially literate individuals are more likely to plan for retirement and accumulate wealth, as the papers that are part of the Financial Literacy around the World project show (Lusardi, 2011). In 2013, Jappelli and Padula present a model of intertemporal consumption smoothing and financial sophistication and empirically show that consumption growth is positively correlated with financial literacy (Beckmann E., 2013). Considering that the quality of financial decisions taken by individuals depends on their financial knowledge, abilities and attitudes, it is possible to state that the well-being of a population depends on how financially literate it is (Felipe I.J.S., 2017). In particular, the need is well indicated for employment, financial stability, training, and relevant options that can assist in making suitable savings more likely and allowing for such financial responsibility (Xu, 2012).

A survey carried out by the Financial Services Board (FSB) in 2016 has found a positive correlation between financial literacy and education. The present paper studies financial literacy in a sample of individuals employed in the government universities in Sri Lanka which are tertiary educational institutions dominates the higher education sector. Employees at a tertiary institution have many advantages that might support financial knowledge. One of these is that most of the employees have advanced educational backgrounds. More specifically, close to 88.6% of the population tested and those sampled in this study have a tertiary degree greater than an Honors level. Second advantage is that these tertiary institutions inspires retirement saving and planning. Because prior research in this field has advocated for employer encouragement such as this, it would be interesting to determine if those factors are indeed enough to achieve strong financial literacy throughout the population or if more is required. If the outcome is the latter, knowing which subgroups continue to lag would inform training efforts.

Drawing on established questions used by Lusardi and Mitchell (2011, 2017) and Van Rooij et al. (2011), (Sherwood A.R., Differances in Financial Literacy Across Generations, 2020), I surveyed Administrative officers of the of the Government Universities in Sri Lanka using online survey. In this context, the aim of this study was to measure the basic financial literacy among admin staff of Government universities in Sri Lanka. The research method used was the online google survey and the data collected were analyzed using the SPSS technique. A cross tabulation was carried out to find the differences in financial literacy among staff members.

Having access to differentiating information on the socioeconomic characteristics of these officers allows identification of characteristics associated with an understanding of financial concepts. This is the primary contribution of the study, and robust statistical testing succeeds in highlighting which subsets of individuals are most in need of improved financial knowledge.

Despite the best practices used by the employer, the results point to the same gaps in my sample as found in the South African population as a whole: singles, men and less-educated officers are at a financial literacy disadvantage. Lusardi and Mitchell (2011) found that financial literacy may assist individuals in planning for retirement, the results of this study suggest a need for greater financial education, even at employers engaged in best practices to subgroups that are in need.

II. LITERATURE REVIEW

Many investors lack a basic understanding of financial concepts (Fomero, 2011), and a sizeable proportion of the population in 14 countries across four continents lack financial knowledge (Atkinson, 2012). Analyses of the level of financial knowledge of individuals will be reviewed, and potential connections with an individual's associated financial behaviour (i.e., their propensity to save for retirement) will be examined. As debt levels rise among both Generation Xers and Millennials, consumers need to stay up to date with their current financial literacy skills (Lusardi, 2011). Many consumers lack the financial knowledge that they need to make appropriate decisions regarding their personal finances (Sherwood A.R., 2020).

2.1 Global Financial Literacy

Globally, one third of world population is financially illiterate (Klapper L., 2015).in an increasingly risky and globalized marketplace, people must be able to make well-informed financial decisions. Yet new international research demonstrates that financial illiteracy is widespread when financial markets are well developed as in Germany, the Netherlands, Sweden, Japan, Italy, New Zealand, and the United States, or when they are changing rapidly as in Russia. Further, across these countries, we show that the older population believes itself well informed, even though it is less well informed than average. Other common patterns are also evident: women are less financially literate than men and are aware of this shortfall. More educated people are more informed, yet education is far from a perfect proxy for literacy. There are also ethnic/racial and regional differences: city-dwellers in Russia are better informed than their rural counterparts, while in the U.S., African Americans and Hispanics are relatively less literate than others. Moreover, the more financially literate are also those most likely to plan for retirement. In sum, around the world, financial literacy is critical to retirement security (Mitchell, 2011).

Overall levels of financial literacy are slightly higher in OECD countries than in all participating countries and economies, on average. They are highest in France, due to the extent to which individuals are exhibiting positive financial behaviours. Hong Kong, China is the only non-OECD economy with overall levels of financial literacy above the OECD average. This is driven by relatively high levels of basic financial knowledge (OECD/INFE International Survey of Adult Financial Literacy Competencies, 2016)

Borrowing money About half of adults worldwide reported borrowing money in the past year. A higher share did so in high-income economies, where most borrowers rely on formal credit, extended by a financial institution or through a credit card. By contrast, borrowers in developing economies are most likely to turn to family or friends. One common purpose for borrowing is to buy land or a home, the largest financial investment that many people make in their life. In 2017, 27 percent of adults in high income economies reported having an outstanding housing loan from a bank or another type of financial institution. In contrast, that share was typically less than 10 percent in developing economies. (The Global Findex Database, 2017) .The high debt-to-income ratio prevalent among Canadians in general is becoming a critical problem and as a result of persistent spending habits that reflect low financial literacy (Durodola O., 2017).

In this paper, literature regarding the financial literacy of individuals will be considered. Financial literacy includes financial knowledge, awareness, and skills and capability, with the last of these factors being inclusive of financial planning (Xu, 2012). Age represents one of the most-studied demographic correlates with financial literacy. Lusardi (2011) measure how workers over the age of 50 years make their savings decisions, how they collect information to make such decisions, and whether these workers possess the financial literacy needed to make such decisions. Among older Americans, the authors find financial illiteracy to be prevalent, with only half of respondents being able to answer two basic questions on inflation and compound interest correctly. This finding is supported by the FSB (2016) who assess the state of financial literacy in South Africa and report that individuals over the age of 65 years have the lowest financial literacy scores of all age groups.

Financial literacy improves until about 65 years of age, after which the effects of cognitive deterioration reduces the extent to which older individuals can retain and apply financial knowledge (Atkinson, 2012). Similarly, in the De Nederlandsche Bank (DNB) Household Survey, Van Rooij et al. (2011) note that financial literacy is highest among respondents between the ages of 40 and 60 years, and then declines after the age of 61 years. Van Rooij et al. (2011) suggest that financial literacy may initially increase with age due to increased market participation. Lusardi (2011) report that other demographic characteristics also correlate with financial literacy. They find that minorities and women were most susceptible to having low financial knowledge. This is supported by the FSB (2012) who find that, in a sample of 2,972 representative adult South Africans, women had lower financial literacy than men. In their meta-analysis Xu (2012) also find women to have lower levels of financial literacy in almost all the countries investigated.

Considering further socioeconomic differences, Agnew (2005) find that married individuals performed better than those who were single. However, individuals with children have lower levels of financial literacy than those without children. In their study, the variable with the most statistically significant effect on the test scores is salary level, which is positively correlated with test scores. Furthermore, investigating financial literacy across studies of several countries, Xu and Zia (2012) find that people in higher-income countries perform better on financial literacy tests than those living in lower-income countries. This literature presents potential correlations between financial literacy and demographic and socioeconomic characteristics such as age, gender, marital status, and salary. In Agnew (2005) sample of university employees, the extent of this disconnect differs across salary level. Professors have a strong positive correlation between perceived knowledge and test score (0.77), whilst maintenance workers (who are paid lower salaries) exhibit a low correlation (0.17). Given the finding that those with lower salary levels have lower financial literacy, it is proved that the less financially literate the individual, the less likely he or she will identify the need for self-improvement. Financial illiteracy is widespread amongst the elderly. Financially illiterate people are more likely to experience asset loss and outlive their savings after retirement. (Xue, 2019)

Furthermore, the relationship between objectively measured financial knowledge and self-assessed financial knowledge needs to be understood. Agnew (2005) note a discrepancy between objectively measured financial knowledge and what people think they know. This suggests a disconnect in which individuals lack the proper self-awareness of their need for financial education. On the other hand, it has been found that as student's monthly pocket money increases, the student's propensity to save will also be high is in accordance with the theory of savings behaviour which posits that saving is a positive function of disposable income. (Oseifuah E., 2018)

Education level has also been shown to predict financial literacy. A baseline survey done by the FSB (2012) aims to provide information on the financial knowledge, attitudes, skills, and behaviour of adult South Africans. The findings show that those with lower levels of education have lower financial literacy than those with higher levels of education. In the United States, Lusardi (2011) also show that individuals without a college or high school degree are most likely to display low financial knowledge. Similarly, Agnew (2005), studying individuals employed at a mid-size public university in the United States, find that those without a college degree demonstrate less financial knowledge than those with a diploma. These consistent patterns across each study suggest a positive association between basic education and financial literacy

The aim of this paper is to assess whether these correlations remain in a sample of highly educated individuals working for an employer implementing many best practices in support of employees' financial planning. Because higher education has been advocated as a measure to improve financial literacy and reduce gaps between demographic groups, this study will assess whether this baseline recommendation is indeed enough.

2.2 Financial Literacy in Sri Lanka

Sri Lanka has a higher financial literacy rate than its south Asian peers (Poor's, 2014). Research reveals that Sri Lanka has one of the highest adult print literacy rates in the region. However, Sri Lanka has the highest gap between print literacy and financial literacy. Sri Lanka has attained a 35% of financial literacy (Kumari D.A.T., 2020). Previous researchers have measured the degree of financial literacy most of the developing countries such as India, Bangladesh, Zimbabwe, and Pakistan. However, less attention has been given towards the Sri Lankan context to determine the level of financial literacy (Kumari D.A.T., 2020).As far as behavioural finance studies are concerned, there is a dearth of studies in a developing country such as India (Kumar S., 2016) as compared to other emerging countries such as China, Taiwan and Malaysia (Raut R. K., 2020). The aim of this study is to fil the existing gap mentioned elsewhere in this paper.

III. Methodology

The aim of this research is to identify the level of basic financial knowledge amongst a sample of highly educated administrators of the government university system in Sri Lanka. Respondents were requested perceive their financial literacy level on 5 levels Likert scale from strongly disagree to strongly agree. Four questions were directed to test basic

financial literacy which consists of numeracy, inflation, time value of money and money illusion. These questions were drawn from previous research by Lusardi (2011, 2017) and Van Rooj et al (2011). Further, These questions have been used in various research in an array of countries such as Australia, France, Italy, Romania Russia and Switzerland (Fomero, 2011) (Agnew. & Julie., 2013) (Arrondel, 2013) (Sherwood A.R., 2020).

The online google questionnaire was sent to around five hundred of administrators working in 16 government universities and 15 higher education institutes in Sri Lanka. 32 responds were received initially, and reminder was sent again which help to increase it up to 38 and second reminder was also send, finally ends up with 44 responds recording around 10% respond level which is the case in many online surveys.

3.1 A Cross-Tabulation

To define a single categorical variable, we use frequency tables. To describe the relationship between two categorical variables, we use a special type of table called a cross-tabulation (or "crosstab" for short). In a cross-tabulation, the categories of one variable determine the rows of the table, and the categories of the other variable determine the columns. The cells of the table contain the number of times that a combination of categories occurred. The "edges" (or "margins") of the table typically contain the total number of observations for that category. This type of table is also known as a: Crosstab, Two-way table and contingency table (Uma & Roger, 2016). The Crosstab function in IBM SPSS 22 package was used for data analysis mainly to interpret the data collected

IV. DATA ANALYSIS

The data were analyzed using a cross-tabulation function in SPSS. Frequencies for demographic variables Age, Gender, Civil Status, Education and Profession are illustrated from Table 1 to 5. Highest respondents were in age group 26 to 40 years and as a percentage it is 56.8%. Female dominated over male. majority respondents were married. i.e. 79.5%. Around 80% of respondents were graduates both degrees and postgraduates.30% were represent finance profession and 70% from other than finance.

Table 1. Age

Age	Frequency	Percent	Valid Percent	Cumulative Percent
Below 25 Years	1	2.3	2.3	2.3
26 to 40 Years	25	56.8	56.8	59.1
41 to 55 Years	16	36.4	36.4	95.5
56 and above	2	4.5	4.5	100.0
Total	44	100.0	100.0	

Table 2. Gender

Gender	Frequency	Percent	Valid Percent	Cumulative Percent
Male	18	40.9	40.9	40.9
Female	26	59.1	59.1	100.0
Total	44	100.0	100.0	

Table 3. Civil Status

Civil Status	Frequency	Percent	Valid Percent	Cumulative Percent
Single	9	20.5	20.5	20.5
Married	35	79.5	79.5	100.0
Total	44	100.0	100.0	

Table 4. Education

Education	Frequency	Percent	Valid Percent	Cumulative Percent
Degree	18	40.9	40.9	43.2
Postgraduate	21	47.7	47.7	90.9
Any other	4	9.1	9.1	100.0
Total	44	100.0	100.0	

Table 5. Profession

Profession	Frequency	Percent	Valid %	Cumulative %
Administrative/Legal/Other	31	70.5	70.5	70.5
Finance/Accounts/Audit	13	29.5	29.5	100.0
Total	44	100.0	100.0	

4. 1 Perceived financial Literacy

The respondents were requested to assess their perceived basic financial literacy level on a five levels Likert scale and the outcome of responses are given in Table 6.

Table 6. Perceived financial Literacy

Preference	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Disagree	4	9.1	9.1	9.1
Disagree	1	2.3	2.3	11.4
Neutral	4	9.1	9.1	20.5
Agree	22	50.0	50.0	70.5
Strongly Agree	13	29.5	29.5	100.0
Total	44	100.0	100.0	

4.2 Basic Financial Literacy

The basic financial literacy questions tested basic concepts that form the basic financial transactions and financial decision making which is required for an ordinary person. Table 7 to 10 describes the way respondents answer the questions. Four questions were designed to check four different financial concepts such as Numeracy, Inflation, Time Value of Money and Money Illusion.

4.2.1 Numeracy

Table 7 shows that most respondents were able to understand the effects of interest. The numeracy question setup to check the basic mechanics of interest in a bank account, received the highest number of correct responses i.e., 95.5%. This is higher than the percentage of 87% reported by respondents in Willows, G.D (2019) South African based study and 93% scored by respondents in Lusardi and Mitchells (2017) U.S. based study

Table7. Numeracy

Answer	Frequency	Percent	Valid Percent	Cumulative Percent
Correct	42	95.5	95.5	95.5
Incorrect	1	2.3	2.3	97.8
Do not know	1	2.3	2.3	100.0
Total	44	100.0	100.0	

4.2.2 Inflation

Table 8 shows that most respondents were able to understand the effects of inflation. 90.9% correctly answer the basic question concerning inflation. This is higher than the percentage of 83% reported by respondents in Willows, G.D (2019) South African based study and 91% scored by respondents in Lusardi and Mitchells (2017) U.S. based study

Table 8. Inflation

Answer	Frequency	Percent	Valid Percent	Cumulative Percent
Correct	40	90.9	90.9	90.9
Incorrect	1	2.3	2.3	93.2
Do not know	3	6.8	6.8	100.0
Total	44	100.0	100.0	

4.2.3 Time Value of Money

Table 9 shows that 79.5% respondents were able to correctly answer the basic question concerning Time value of Money. This is higher than the percentage of 77% reported by respondents in Willows, G.D (2019) South African based study.

Table 9. Time Value of Money

Answer	Frequency	Percent	Valid Percent	Cumulative Percent
Correct	35	79.5	79.5	79.5
Incorrect	7	15.9	15.9	95.5
Do not know	2	4.5	4.5	100.0
Total	44	100.0	100.0	

4.2.4 Money Illusion

According to the Table 10, 72.7% respondents were able to correctly answer the fundamental question regarding Money Illusion. This is higher than the 62% reported by respondents in Willows, G.D (2019) South African based study.

Table 10. Money Illusion

Answer	Frequency	Percent	Valid Percent	Cumulative Percent
Correct	32	72.7	72.7	79.5
Incorrect	10	22.8	22.8	95.5
Do not know	2	4.5	4.5	100.0
Total	44	100.0	100.0	

Table11. Numeracy by Age

Age	Numeracy		
	Correct	Incorrect	DNK
Below 25 Years	1	0	0
	2.4%	0.0%	0.0%
26 – 40 Years	24	0	1
	57.1%	0.0%	100.0%
41 – 55 Years	15	1	0
	35.7%	100.0%	0.0%
56 and Above	2	0	0
	4.8%	0.0%	0.0%
Total	42	1	1
	100.0%	100.0%	100.0%

*DNK(Do not Know)

Table 12. Inflation by Age

Age	Inflation		
	Correct	Incorrect	DNK
Below 25 Years	0	1	0
	0.0%	2.5%	0.0%
26 – 40 Years	1	24	0
	100.0%	60.0%	0.0%
41 – 55 Years	0	13	3
	0.0%	32.5%	100.0%
56 and Above	0	2	0
	0.0%	5.0%	0.0%
Total	1	40	3
	100.0%	100.0%	100.0%

Table 13. Time Value of Money by Age

Age	Time Value of Money		
	Correct	Incorrect	DNK
Below 25 Years	0	0	1
	0.0%	0.0%	33.3%
26 – 40 Years	20	3	1
	57.1%	75.0%	33.3%
41 – 55 Years	14	1	1
	40.0%	25.0%	33.3%
56 and Above	1	0	0
	2.9%	0.0%	0.0%
	35	4	3
Total	100.0%	100.0%	100.0%

Table 14. Money Illusion by Age

Age	Money Illusion			
	Incorrect	Correct	Incorrect	DNK
Below 25 Years	0	0	1	0
	0.0%	0.0%	11.1%	0.0%
26 – 40 Years	1	20	3	1
	100.0%	62.5%	33.3%	50.0%
41 – 55 Years	0	11	4	1
	0.0%	34.4%	44.4%	50.0%
56 and Above	0	1	1	0
	0.0%	3.1%	11.1%	0.0%
Total	1	32	9	2
	100.0%	100.0%	100.0%	100.0%

Table 15 Numeracy, Inflation, Time Value of Money and Money Illusion by Gender

Gender	Numeracy			Inflation			Time Value of Money				Money Illusion			
	Correct	Incorrect	DNK	Incorrect	Correct	DNK	Correct	Incorrect	Incorrect	DNK	incorrect	Correct	Incorrect	DNK
Male	16	1	1	0	16	2	15	1	1	1	0	14	2	2
	38.1%	100.0%	100.0%	0.0%	40.0%	66.7%	42.9%	25.0%	33.3%	50.0%	0.0%	43.8%	22.2%	100.0%
Female	26	0	0	1	24	1	20	3	2	1	1	18	7	0
	61.9%	0.0%	0.0%	100.0%	60.0%	33.3%	57.1%	75.0%	66.7%	50.0%	100.0%	56.3%	77.8%	0.0%
Total	42	1	1	1	40	3	35	4	3	2	1	32	9	2
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 16. Numeracy, Inflation, Time Value of Money and Money Illusion by Civil Status

Civil Status	Numeracy			Inflation			Time Value of Money				Money Illusion			
	Correct	Incorrect	DNK	Incorrect	Correct	DNK	Correct	Incorrect	Incorrect	DNK	incorrect	Correct	Incorrect	DNK
Single	9	0	0	0	9	0	8	1	0	0	0	7	2	0
	21.4%	0.0%	0.0%	0.0%	22.5%	0.0%	22.9%	25.0%	0.0%	0.0%	0.0%	21.9%	22.2	0.0%
Married	33	1	1	1	31	3	27	3	3	2	1	25	7	2
	78.6%	100.0%	100.0%	100.0%	77.5%	100.0%	77.1%	75.0%	100.0%	100.0%	100.0%	781%	77.8%	100.0%
Total	42	1	1	1	40	3	35	4	3	2				
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 17. Numeracy and Inflation by Education

Education	Numeracy			Inflation		
	Correct	Incorrect	DNK	Incorrect	Correct	DNK
Diploma	1	0	0	0	1	0
	2.4%	0.0%	0.0%	0.0%	2.5%	0.0%
Degree	17	0	1	0	17	1
	40.5%	0.0%	100.0%	0.0%	42.5%	33.3%
Postgraduate	20	1	0	1	18	2
	47.6%	100.0%	0.0%	100.0%	45.0%	66.7%
Any other	4	0	0	0	4	0
	9.5%	0.0%	0.0%	0.0%	10.0%	0.0%
Total	42	1	1	1	40	3
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 18. Time Value of Money and Money Illusion by Education

Education	Time Value of Numeracy			Money Illusion		
	Correct	Incorrect	DNK	Incorrect	Correct	DNK
Diploma	1	0	0	0	1	0
	2.4%	0.0%	0.0%	0.0%	2.5%	0.0%
Degree	17	0	1	0	17	1
	40.5%	0.0%	100.0%	0.0%	42.5%	33.3%
Postgraduate	20	1	0	1	18	2
	47.6%	100.0%	0.0%	100.0%	45.0%	66.7%
Any other	4	0	0	0	4	0
	9.5%	0.0%	0.0%	0.0%	10.0%	0.0%
Total	42	1	1	1	40	3
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 19. Numeracy, Inflation, Time Value of Money and Money Illusion by Profession

Profession	Numeracy			Inflation			Time Value of Money				Money Illusion			
	Correct	Incorrect	DNK	Incorrect	Correct	DNK	Correct	Incorrect	Incorrect	DNK	incorrect	Correct	Incorrect	DNK
Admin/Legal/Other	30	1	0	1	27	3	24	3	3	1	1	23	7	0
	71.4%	100.0%	0.0%	100.0%	67.5%	100.0%	68.6%	75.0%	100.0	50.0%	100.0%	71.9%	77.8	0.0%
Finance/Audit	12	0	1	0	13	0	11	1	0	1	0	9	2	2
	28.6%	0.0%	100.0%	0.0%	32.5%	0.0%	31.4%	25.0%	0.0%	50.0%	0.0%	28.1%	22.2%	100.0%
Total	42	1	1	1	40	3	35	4	3	2	1	32	9	2
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

V. CONCLUSIONS AND RECOMMENDATIONS

This research's assessment of the basic financial knowledge of university administrators showed that most of them were able to comprehend simple problems involving interest and the effects of inflation. Female, those respondents with a higher level of education had a larger proportion of correct answers than men and those with a lower level of education. Across civil status groupings, Married respondents showed a larger proportion of correct answers than single respondents, with the former group being more inclined to indicate that they did not know the answer. 79.5% perceived that their basic financial knowledge is high, 50% "agree, "while 29.5% strongly agree. More important was that respondents were generally able to somewhat correctly assess their own level of basic financial knowledge. 20.5% Those with less accurate beliefs showed an underestimation in their self-assessments of basic financial literacy.

Whether administrators are of the belief that they need to improve their financial knowledge or not is one thing, but at the very least they are to some extent likely to be aware of their own deficiencies in this regard. The results from the testing highlight that, while some differences in the level of financial knowledge of respondents of different socioeconomic characteristics exist specially in subgroups, these disparities are modest at best. Rather, all the respondents require further improvement in their basic financial knowledge. This finding is particularly notable given that the sample tested is drawn from generally highly educated individuals working for an employer implementing many best practices in supporting employees' financial planning by way of employee retirement benefits such as gratuity, university pension, university provident fund and employee trust fund.

Therefore, these best practices on their own are insufficient to achieve basis financial literacy among administrators. However, financial education should not be standard, but rather appropriately designed to achieve maximum impact for its target respondents. For an example, with male testing as less financially knowledgeable than female, careful consideration should be given to market training courses to male, tailor examples and scenarios specific to males, and in so doing, reduce the financial knowledge gap between male and female without limiting further advancement in the financial knowledge of female. The challenge now is to standardize a reliable method to evaluate people's financial literacy level and then, identify and apply effective public policy and financial literacy training programs, as well as making people aware of its importance. (Felipe I.J.S., 2017)

These findings are useful, as practical steps will be more beneficial when tailored to a type of individual rather than generalizing across a population. Nevertheless, more research is required to comprehend the most fitting means to financially educate persons of different socioeconomic environments. Qualitative research would be useful in assessing cultural and societal differences amongst the population. This should assist in deciding on the best approach to enable individuals or communities to make suitable savings decisions and for improved financial responsibility among all as complex financial decisions need to be made by ordinary consumers daily, and research has shown that these decisions are often made without the most basic and essential financial knowledge. This finding emphasizes the importance of financial literacy

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