

THE STUDY OF FINANCIAL LITERACY OF SUAN SUNANDHA RAJABHAT UNIVERSITY STUDENTS

Ratsamee Ratana-ubol

Ratsamee Ratana-ubol, Faculty of Management Science,

Suan Sunandha Rajabhat University, Thailand.

E-Mail: ratsamee.ra@ssru.ac.th

ABSTRACT

Abstract—This research was 1) to study the financial literacy levels of Suan Sunandha Rajabhat University students, 2) to analyze the factors that determine level of financial literacy, and 3) to investigate the relationships among the financial knowledge, attitudes, and behaviors of the students. This was a survey research study using questionnaires to collect data. The sample was 400 bachelor's degree students of Suan Sunandha Rajabhat University. The statistics used to analyze the data were mean, percentage, and standard deviation, One-way ANOVA, and multiple regression. The result found that the generally financial knowledge and the generally financial attitude were at a moderate level, the personal finance knowledge was at a low level, and the generally financial behavior was at a high level. The students of Business Administration major had good financial knowledge and attitudes. The male students had the financial knowledge level higher than female students, but their financial behavior levels were lower. The students with low monthly incomes had the financial attitudes better than the high monthly incomes. In this study, there was no relationship between the parents' characteristics and the students' financial knowledge and behaviors. However, it was found that the parents' educational levels had the positive effects on the students' financial attitudes. The findings of this study were consistent with the framework stating that the financial knowledge and attitudes had the positive effects on the financial behaviors.

Keywords—Financial Literacy, Financial Knowledge, Financial Attitude, Financial Behavior

INTRODUCTION

Financial literacy is one of important skills nowadays because it gives the ability to have good financial decisions and well-being life. In addition, having good financial skills can have a positive impact on the financial management of households that will have a positive impact on the socioeconomics. And if people in the country can manage their finances well and can rely on their own finances, the country will have a good economy. Financial skills are even more necessary for people in countries that remain inequality in society, or countries where government also has low levels of welfare benefits. Therefore, people in the country need financial skills to manage their finances well to provide themselves with well-being without relying on government welfare.

Organization for Economic Co-operation and Development (OECD) had focused on measuring financial skill levels. In 2013, the OECD began to explore the financial skills of people in many countries around the world. Thailand was also focused on measuring financial skills of people in the country, with the Bank of Thailand and the Office for National Statistics working together to explore the financial skills of Thais and the survey was conducted financial skills of Thais nationwide in 2018. The survey of Bank of Thailand had studied all Thai ages and careers, found that Thais had an average financial skills score of 58.5 percent, which is lower than the average level of OECD 14 participating countries with an average score of 62.3 percent (Bank of Thailand, 2018).

It was very important that students should study financial skills to use the information obtained from the research to control financial skills effectively. Therefore, this research would focus on studying financial skills of the students to understand their financial skill levels and financial decisions on various issues, then propose the way to teach financial skills for students to help them to effective financial plan and manage their personal finances from the beginning. This will also benefit to the country economy.

RESEARCH OBJECTIVE

1. To study financial skills in financial knowledge, attitudes, and behavior of Suan Sunandha Rajabhat University students.
2. To analyze the factors that affect the level of financial skills of students in financial knowledge, attitudes, and behavior of Suan Sunandha Rajabhat University students.
3. To study the relationship between financial literacy, financial attitude, and financial behavior of Suan Sunandha Rajabhat University students.

RESEARCH METHODOLOGY

The demographic was undergraduate students, Suan Sunandha Rajabhat University. The samples were 400 students. The research used classified sampling, using faculty as layers and students as a unit in sampling. A tool for collecting data was a questionnaire, which has 3 parts:

Part 1 Respondents general information and parental information.

Part 2 Financial Knowledge Measure financial knowledge in general financial knowledge and knowledge of personal finance.

Part 3 measures financial attitudes and behaviors. The confidence value of the questionnaire in respect of general financial knowledge is 0.85, the personal financial knowledge is 0.85, the financial attitude is 0.73, and the financial behavior is 0.80.

The statistics used to analyze the data were mean, percentage, and standard deviation, One-way ANOVA, and multiple regression to know the factors that affect students' financial skills and relationships in all three areas of financial skills.

RESULTS

The results of the student's level of financial literacy, measured as a percentage of students who answered the correct question according to Table 1, showed the moderate level of general financial literacy. Students have knowledge of division and calculation of interest rates on loans at a low level. Knowledge of medium-level principal and interest calculations Knowledge of inflation and the concept of low compound interest, this research also measures individual financial literacy.

It found that the overall level of financial literacy was low. Students have moderate knowledge of retirement planning. Knowledge of credit card use, life insurance, individual investment and financial status verification of individuals was low.

Table 1 Percent of students answering financial literacy questions

Question	Percent	Knowledge Level
General Financial Knowledge		
1. Division	96.24	high
2. Inflation	49.37	low
3. Calculation of interest rates on loans	84.46	high
4. Calculation of principal and interest	74.19	moderate
5. Compound interest concept	40.15	low
Overall general financial knowledge	68.88	moderate

Question	Percent	Knowledge Level
General Financial Knowledge		
1. Checking a person's financial status	11.39	low
2. Credit card use	40.35	low
3. Life Insurance	21.86	low
4. Investment of persons	13.25	low
5. Retirement Planning	61.56	moderate
Overall personal financial knowledge	29.68	low

The results of the level of financial attitudes and financial behavior of students were measured as question of level. According to Table 2, the level of student financial attitudes was moderate and the level of student financial behavior was good.

Table 2 Average of Financial Attitudes and Financial Behaviors

Question	Average	Level
Financial Attitude		
1. Do you think the money is for spending?	3.35	moderate
2. You are more than happy to spend money today than saving for future spending.	2.94	moderate
3. You will only reach today's expenditures. Future expenditures will come to mind later.	2.71	moderate
Financial behavior		
1. Pre-purchase deliberations	4.35	high
2. Pay bills on time	4.00	high
3. Close financial supervision	3.59	high
4. Set long-term goals	3.57	high
5. Financial decisions and accounting	50 percent, no problem, not enough money.	
6. Do not borrow when there is not enough money	52.73% did not borrow when they were not enough money.	

A comparison of student financial skills levels in Table 3 showed that male and female students had statistically significantly different levels of financial literacy and financial behavior levels. Female students have higher levels of personal financial literacy and financial behavioral levels than males. Business Administration students and other field students had a general level of financial literacy. Financial knowledge, individuals and financial attitudes differ statistically significantly. Students studying in business administration had a higher level of general financial, financial knowledge, and financial attitude than other field students.

Comparison of student financial skills by year, work experience Student loans, monthly income and housing models have been found to vary statistically insignificantly in all aspects of student skills. This is measured by parental monthly income, parental education and parental investment. It found that all aspects of the student's financial skills were statistically insignificantly different, which did not bring results quickly.

Table 3 Comparing Student Financial Skills Levels

List	General Knowledge financial	Personal Finance Knowledge	Financial Attitude	Financial behavior
1. gender				
1.1 Male	3.51	1.13	2.93	4.03
1.2 Female	3.43	1.54	3.03	4.31
t	0.44	3.16*	1.32	3.26*
2. Disciplines				
2.1 Business Administration	3.67	1.66	3.07	4.24
2.2 Other disciplines	3.25	1.28	2.92	4.19
t	12.94***	11.44***	2.85*	0.13
3. Year Class				
3.1 1st year	3.28	1.40	2.87	4.22
3.2 2nd year	3.55	1.45	3.01	4.27
3.3 3rd year	3.32	1.46	3.07	4.14
3.4 4th year	3.65	1.58	3.00	4.20
F	2.07	0.36	0.84	0.15
4. Extra work				
4.1 Do extra work	3.79	1.43	2.81	4.31
4.2 Not doing extra work	3.43	1.47	3.01	4.21
t	2.05	0.03	1.14	0.12
5. Student Loans				
5.1 Loans	3.60	1.66	3.05	4.13
5.2 No loans	3.43	1.43	2.98	4.23
t	1.12	2.07	0.35	0.26
6. Student monthly income				
6.1 Less than 5,000 THB	3.3	1.41	3.08	4.14
6.2 5,001–10,000 THB	3.49	1.44	2.99	4.22
6.3 Above 10,000 BAHT	3.50	1.71	2.91	4.26
F	0.78	1.37	0.65	0.14
7. Housing style				
7.1 Dormitory	3.48	1.50	2.98	4.23
7.2 Stay with parents	3.13	1.17	3.14	4.00
t	2.15	2.35	0.94	0.36

Note: Significance level at .01 ** significance level at .05 and * significance level at .10

Results of analysis of factors affecting students' financial skills levels shows in Table 4, factors that had a positive impact on general financial literacy levels include male, year, and business administration, which was interesting that students studying business administration. In addition to having good general financial knowledge, were also interested in the field of business administration. There was also good personal financial knowledge. This research did not find a statistically significant impact on parental characteristics on student financial literacy. The factors that affected the level of financial attitude of students found that business administration monthly income and parental education level positively affected students' level of financial attitude. And male students were found to have a negative effect on financial behavior.

Table 4. Multiple regression analysis on factors affecting financial skills

Independent Variable	Dependent Variable									
	General Knowledge			Knowledge			Attitude		Behavior	
	Financial		Personal Finance		Financial		Financial			
	-1		-2		-3		-4			
	β	t-stat	β	t-stat	β	t-stat	β	t-stat		
Male	0.386***	2.74	-0.072	-0.51	-0.045	-0.41	-0.447**	-2.49		
Year class	0.127***	2.19	0.027	0.4	0.06	1.37	-0.007	-0.09		
Business Administration	0.543***	4.42	0.361***	2.67	0.225**	2.33	-0.077	-0.47		
Monthly income	0	-0.26	0	0.82	0.000**	-2.58	0	-1.07		
Do extra work	0.183	0.7	-0.005	-0.02	-0.106	-0.53	0.416	1.54		
Student loan	-0.03	-0.71	0.08	(0.450)	0.149	1.15	0.071	0.33		
Dorm	0.309	1.17	0.137	0.63	-0.243	1.15	0.475	1.47		
Parent's monthly income	0	-0.02	0	0.26	0	0.13	0	1.29		
Parent's education level	0.016	0.3	-0.039	-0.77	0.072*	1.86	0.011	0.16		
Parent investment	-0.012	-0.09	0.105	0.78	-0.148	-1.48	0.088	0.51		
Intercept	2.499***	8.17	1.069***	3.44	3.115***	12.98	4.112***	8.91		
R-squared		0.0828		0.0493		0.0741		0.0374		

The results of the study on the relationship between financial shows in the table 5. It showed that financial attitudes had a positive effect on personal financial literacy at a significant level.0. General financial literacy and personal financial literacy had a positive effect on financial attitudes at levels of significance of .05 and .01, respectively. The concept of financial skills research focuses mainly on examining. The Effects of Financial Attitudes on Financial Behavior However, this research tested the impact of financial behavior on financial attitudes. It was found that financial behavior had a positive effect on financial attitudes at a significant level of .01 Therefore, the results also added a conceptual framework that addresses behavioral behaviors. Finance was the result of a financial attitude.

This research found that financial behavior also affects financial attitudes. General financial literacy and financial attitudes had a positive effect on financial behavior at levels of significance .10 and .01, respectively, consistent with the conceptual framework that identified the relationship between financial attitudes and financial behavior.

Table 5 Multiple regression analysis on the impact of each aspect of financial skills

Independent Variable	Dependent Variable					
	General knowledge financial	Knowledge personal finance	Financial attitude -1 -2		Financial behavior -1 -2	
Financial general knowledge			+		+	
Personal financial knowledge				+ ***		+ ***
Financial attitude	+	+ ***			+ ***	+ ***
Financial behavior	+	+	+ ***	+ ***		
R-squared	0.1003	0.081	0.1154	0.1239	0.0815	0.0734

DISCUSSION

The results found that female students had higher levels of personal financial literacy and financial behavior than male students. This was inconsistent with the results of studies by Chen and Volpe (2002) and Ergun (2018), but in agreement with the results of studies from Muat and Fitriani (2018), which examined samples from Indonesia. This because the society has cultivated women to be responsible for managing both household chores and finances. Business administration students had a higher level of finance general knowledge and personal financial literacy than other fields students. And studying business administration was a factor that positively affects students' financial literacy. The results were consistent with the results of research by Chen and Volpe (1998), Beal and Delpachitra (2003), Sarigul(2014) and Ergun (20 18), because in the course of business administration there will be various courses taught in financial literacy like math for business financial management, etc.,

Financial literacy had a positive effect on financial behavior which is in line with the concept of financial of Sevcics Authority (2005). It stated that knowledge and understanding influenced behavior. Finance and research by Peng, Bartholomae, Fox, & Cravener, (2007) found a correlation between knowledge Personal finance and student savings behavior. In addition, financial attitudes had a positive effect on financial behavior. This was consistent with the Financial Services Authority (2005) concept that believed, and attitudes influence financial behavior and consistent with the study results from the research of Wilailak Sereetrakul (2014), Nattaporn Panthongkham and Supasinee Numniam (2016). The results of this study further the Financial Services Authority (2005) conceptual framework states that attitudes are the result of individual personality and experience and circumstances. This was due to knowledge and understanding. It affected skills and expertise.

SUGGESTION

1. Universities or programs and related agencies should promote financial literacy to students especially regarding inflation and compound interest rates that students have low level of knowledge of A-rate and compound interest is an extremely important foundation of student financial management.

2. The government or education organizations should provide financial literacy to students who do not study business administration by courses that are not courses in business administration or economics. The courses may include subjects related to financial management such as financial mathematics, personal finance, etc. as well as to provide students with financial knowledge and realize the importance of financial management.

3. Students' financial attitudes should be promoted. This is because a good financial attitude affects your financial behavior as well. Attitude financial may be instilled at an early age by parents, teachers, government agencies. good through various media too

4. If students' financial skills are studied in many institutions across the country, it will give an overview of the level of financial skills of Thai students. And it will be helpful to teach financial skills of students in Thailand even more.

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