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FINANCIAL LITERACY AND INVESTMENT PLANNING AMONG TEACHERS AND EDUCATIONAL WORKERS' UNION (TEWU) MEMBERS OF THE TAKORADI TECHNICAL UNIVERSITY

BY

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Dissertation submitted to Department of Finance, School of Business, College of Humanities and Legal Studies, University of Cape Coast, in partial fulfilment for the requirements for the Award of Master of Business Administration degree in Finance

APRIL 2023

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DECLARATION

Candidate's Declaration

I hereby declare that this paper is the product of my own original research and no section of it has been presented to the University of Cape Coast or elsewhere.

Candidate's Signature ……………………… Date ……………………

Name: Aaron Kafui Komla Wogormebu

Supervisor's Declaration

I hereby declare that the preparation and presentation of the paper was supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature …………………….. Date …………………………

Name: Professor Siaw Frimpong

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ABSTRACT

In this country, it seems to indicate that educators hold a greater influence than anyone else. They can make a difference in people's lives in a variety of ways, not just in the classroom. Teachers who demonstrate financial responsibility by understanding financial matters and knowing how to handle it can inspire the next generation to do same. The study employed a quantitative approach and descriptive correlational research design through a structured questionnaire to examine the association between financial literacy and investment planning behaviours of members of TEWU at TTU. 50 respondents were sampled and the Statistical Package for Social Sciences (SPSS) version 26 was used to process the data using descriptives (means and standard deviations) and inferential statistics (linear regression) to analyse the data. With a 100% response rate, the study found that income, age, financial knowledge, interest rate and financial advisors and analyst recommendations were determinants of investment planning. The study revealed that there was a significant relationship between financial literacy and investment planning. It was also found that TEWU members at TTU had varied understanding of savings and investment planning based on some demographic characteristics. Finally, it was shown that there was a statistically significant relationship between TEWU members' general knowledge in financial literacy and investment behaviours. The study therefore recommends that the TEWU national leadership develop special programmes for their members in an effort to enhance their financial literacy. It was also recommended that the management of TEWU collaborate with prominent financial institutions to

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educate their employees on financial matters. Suggestions were also made for further studies based on the study's findings.

KEY WORDS

Demographic factors

Financial behaviour

Financial literacy

Financial management

Financial satisfaction

Investment

Investment planning

Socio-economic factors

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ACKNOWLEDGEMENTS

Firstly, I wish to convey my appreciation to my wife, Bless Reina Barson Wogormebu, for her support throughout the entire course. Secondly, my sincerest thanks go to my supervisor, Professor Siaw Frimpong, of the Department of Finance for his professional tutelage, advice, tolerance and encouragement that saw me through this thesis. Apart from that, I wish to also express my profound gratitude to all TEWU members of the Takoradi Technical University for making out time to answer the questionnaire used for the study.

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DEDICATION

To my family.

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LIST OF ACRONYMS

BC	Before Christ
GH	Ghana
HND	Higher National Diploma
IIBF	India Institute in Banking and Finance
INFE	International Network on Financial Education
MoFEP	Ministry of Finance and Economic Planning
OECD	Organisation for Economic Co-operation and Development
PNDC	Provisional National Defence Council
RSA	Royal Society of Arts
SD	Standard Deviation
SPSS	Statistical Package for Social Sciences
SSNIT	Social Security and National Insurance Trust
TEWU	Teachers and Educational Workers Union
TTU	Takoradi Technical University
TV	Television

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CHAPTER ONE

INTRODUCTION

In this country, it seems to indicate that educators hold a greater influence than anyone else. They can make a difference in people's lives in a variety of ways, not just in the classroom. Teachers who demonstrate financial responsibility by understanding financial matters and knowing how to handle it can inspire the next generation to do same. Educators, who play a crucial role in shaping the future of a community, can benefit greatly from the investment planning of a person with sound financial judgement. Against this backdrop, this research was conducted to gain an understanding of the critical factors that contribute to enriching theory and raising the bar in terms of financial literacy and investment planning behaviours among teachers and higher education instructors in Ghana.

Background to the Study

For an individual, the ability to understand and apply the fundamental principles of finance is non-negotiable. In other words, it is in everyone’s best interest to have some idea about finance and how it can affect their lives depending on the depth of knowledge. Unfortunately, it seems to indicate that majority of people struggle to actually grasp the concept of financial literacy and investment planning. Owusu (2015) observed that the term fiscal literacy or investment knowledge has been considered globally as the tool necessary for expansion with issues associated with budgeting, savings and venture, which are important for the individuals, household and the business in their developmental agenda.

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It is also obvious that since we now live in a world driven by finance rather than commerce, a person's ability to manage his or her financial affairs effectively has a significant impact on his or her quality of life. As a result,the level of a person's knowledge, that is, his/her skills and capacity to attain and save for the future, would, to a large extent, make life more pleasant for him/her or otherwise. (Edirisinghe, Keerthipala, & Amarasinghe, 2019).

In their study, Surendar and Sarma (2017) defined financial literacy as the use of facts and skills to manage fiscal resources effectively and efficiently by an individual for his/her economic well-being. Thus, a person is able to make sound fiscal decisions depending on his/her ability to save, budget and plan following appropriate financial rules.

The OECD and the International Network for Financial Education (INFE) both describe financial literacy as the capacity to make informed decisions about one's financial situation and to put those decisions into action successfully (OECD/INFE, 2018). The definition makes it abundantly clear that just knowing the importance of good financial management or having the necessary information and skills is not enough. One cannot just learn and then never use what they have learned, one needs to have the proper mindset.

Again, through financial literacy individuals are able to gain thoughtful of their financial situation, master how to make it work over a period of time by imbibing the habit of saving, planning and planning for their future (Surendar & Sarma, 2018). Stolper and Walter (2017) also mentioned that, insufficient knowledge in financial literacy levels is a global concern because it results in people making poor financial decisions about their life and future.

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Niu and Zhou (2018) observed that, financial decision making is an integral part of our everyday life. Therefore, an individual who lacks the requisite knowledge in financial management must consult the expect on the subject before making any move. But, unfortunately, most of these decisions are made with no recourse to financial advisors. For this reason, it is imperative for one to know that the combination of economic and theoretical knowledge is what is needed in any financial decision making. It is for this reason that, Kamakia, Mwangi, and Mwangi (2017) posed the question that ‘does a more fiscally literate worker enjoy better financial wellbeing than a less literate person?’. These scholars also observed that, the issue on fiscal wellbeing has also become an interesting area of debate to researchers, state, owners, and professionals. And this is more serious in some part of the world.

The subject of financial literacy and planning is more worrying in the context of evolving countries where pension assistances are inadequate to carter for the basic needs of the receivers. A typical example is where a retiree in Ghana takes home less than GH¢ 300.00 per month as a pension payment from Social Security and National Insurance Trust (SSNIT) (Adam, Frimpong, & Boadu, 2017).

Another area of interest to this present study is investment planning. The topic of investment planning is also explored in detail. When a person has finished learning everything there is to know about managing money, the next step is financial planning. Planning, as defined by Murali and Subbakrishna (2008), is the process of conceptualising and arranging the steps that will lead to the achievement of an objective. Watton, Lichtenstein, and Aitken (2019) based their definition of financial planning on this idea, arguing that it is an

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ongoing process that aids in the making of financially sound decisions and the consequent prioritisation of one's requirements.

It is important to note that, personal comfort from good financial planning is the consequence of a prepared process that is usually known as personal money running or personal investment planning. The planning procedure allows people to manage their fiscal position well. However, to be able to achieve this, the individual must first of all classify and set priorities right having at the back of his/her mind that having a plan for spending, saving, and investing money make an alteration in how well fiscal needs and goals will be met (Sullivan, 2018).

It is also worth noting that financial planning is not a fixed concept, but rather a dynamic and continuous process. It is complicated in nature as it includes various conditions and factors, both internal and external. Added to that, it takes time since it involves comprehensive and systematic integration of personal and financial plans. Investment planning involves management of risk (insurance), management of income tax, planning for the future and children's education among others (IIBF, 2017).

It is not enough acquiring knowledge and skills in financial management. The individual must go beyond the theory to put into practice what have been learnt. Similarly, one can also not do proper investment planning without the required knowledge and skills. In this regard, financial education and investment/ financial planning are inseparably. Scheresberg (2013) supported the argument that, those who have low knowledge or literacy in financial matters are less likely to plan well for their future. However, this

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might not be the case always. It is not true that people with financial know-how always plan financially.

Governments all over the world have showed so much concern about the low level of fiscal knowledge and skills between their citizens. This brings untold hardship upon people when they go on pension. Serious issues like improper investment planning for pension, low savings rate, scams and other fraudulent schemes which these individuals fall into can be attributable their low or scanty knowledge in fiscal matters (Owusu, 2015).

The question however is, what is the financial literacy level and investment planning habit of Ghanaian workers, especially those in the formal sector? This forms the foci of this present study as it sought to address this question. Against this background, the study aims to address the above issues by investigative the level of fiscal knowledge and investment planning among the Teachers and Educational Workers Union (TEWU) members of the Takoradi Technical University.

Statement of the Problem

The issue being considered under this study is as to whether TEWU members of the Takoradi Technical University have the requisite financial knowledge and skills to invest for their future and also if they are doing that. This problem is worth considering because, inadequate financial knowledge and ignorance of the importance of saving is one of the principal causes of poor future planning or low level of investment in the formal sector of Ghana.

This is a worrying phenomenon which must be checked as early as possible. People failing to plan for their future means that more people (formal or informal sector) sooner or later would go on retirement and become a

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burden to their families and the state to carter for (Morrison, 2010). Many scholars (Almenberg & Dreber, 2012; Jappelli & Padula, 2013; Lusardi, 2012, as cited by Amoah, 2016) have acknowledged the fact that fiscal literacy is vital for wealth accumulation as one prepares for the future and particularly old age.

Additionally, according to a poll by the Ministry of Finance and Economic Planning (MoFEP) in Accra, about 80% of Ghanaian adults lack access to any financial services, including investments in savings, loans, and insurance. Additionally, it showed that even when consumers were informed of the existence of these financial services and products, their knowledge frequently did not result in a change in behaviour where they would seize the chance to take the necessary action (MoFEP, 2009; as cited in Terkper, & Mahama, 2013).

In recent times, multiple financial literacy projects have been carried out in Ghana. There are a variety of initiatives to raise citizens' financial awareness and literacy, such as the Ministry of Finance's Financial Literacy Week (held in conjunction with financial sector regulators and industry players), the Rural and Agricultural Finance Program's Financial Literacy Awareness Promotion, and financial literacy initiatives by financial institutions and MNOs as part of their corporate social responsibility programmes. Nonetheless, the effort has still not yielded, particularly fruitful results because so many people lack basic financial literacy (Ofori-Acquah, Avortri, Preko, & Ansong, 2023).

Furthermore, Owiredu (2015) showed that public sector employees in Ghana have very low levels of savings. This becomes immediately apparent

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when one considers the dreadful retirement lifestyles of those who neglected to make preparations while they were still working. It has been noted that TEWU members at TTU continue to perform mundane tasks well past the age at which they are legally required to do so. A conversation with a few of the members reveals that many of them have not been taught the fundamentals of personal finance, which has led them to disregard the value of investment.

It is against this backdrop that the importance of this study cannot be overemphasized. In the sense that people or especially public sector workers should not become impoverished and miserable after retiring from work or when in difficult financial situations. It has been established that one's willingness and capacity to save depend largely on his/her knowledge level in finance and financial planning. For that reason, this investigation sought to examine the fiscal literacy and investment planning behaviour of TEWU members of the Takoradi Technical University and to recommend measures for all stakeholders in addressing this cancer that bedevilled the nation.

Purpose of the Study

The overall goal of this research was to examine the financial literacy and investment planning behaviours of TEWU members of the Takoradi Technical University and their investment intensions.

Research Objectives

In hope of addressing the general goal of the study, the ensuing objectives were stated to guid the study.

1. Identity the key determinants of investment planning among TEWU members of Takoradi technical University (TTU).

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2. Assess the association between fiscal literacy and investment planning of TEWU members of Takoradi technical University (TTU).
3. Examine TWU members of TTU's understanding of savings and investment planning.
4. Determine the relationship between members' of TTU's general knowledge in financial knowledge and investment.

Research Questions

1. What are the key determinants of investment planning among TEWU members of Takoradi Technical University (TTU)?
2. Is there an association between financial literacy and investment planning?
3. What is the understanding of TEWU members of TTU on savings and investment planning?
4. How does the general knowledge of financial literacy influence the investment planning TEWU members of TTU?

Significance of the Study

This study is relevant as it will unearth the knowledge and practice level of TEWU members of TTU in financial management and assist them appreciate the important of financial literacy as a tool for personal financial planning. Besides, the study will help the nation to identify the knowledge practice gap of the public sector workers in fiscal literacy and its influence on savings and investment in the country. Again, the study will help the government to put in place measure to improve on the fiscal literacy education of all citizens. Apart from that, this study will be relevant for the people of

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academia. It will also serve as literature and facts base for personal and financial organisational research in the future.

Delimitation

Out of the 10 Technical Universities in Ghana, only members of the Takoradi Technical University's TEWU in Ghana's Western region participated in this research. In addition, the study was delimited to only three variables of interest. They were financial literacy, investments behaviours, and being a TEWU member. Further, the researcher used the precise sample size of fifty that was arrived at through the sample size computation.

Limitations

First of all, the selection of only one Technical University out of the 10 in Ghana limits the scope of the study's generalisation. The use of the descriptive correlational research design comes with few limitations such that it does not allow researchers to go beyond description of relations. This may affect the extent of the researcher's generalisation. The use of structured questionnaire may also forbid respondents from contributing their opinions which are not captured in the questionnaire. Despite these aforementioned shortfalls, the researcher conducted a pre-test to address all these anomalies.

Organisation of the Study

This thesis is divided into five (5) chapters. The first of which included an introduction, the study's background, the problem statement, the study's purpose, the research question, the study's significance, the study's delimitation, and limitations. Various topics related to the research questions were covered in Chapter Two under the literature review. Concepts discussed include Concept of Financial Literacy and Investment Planning, History of

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Financial Literacy, Importance of Financial Literacy, Effectiveness of Financial Literacy in Ghana, Determinants of Investment Planning, Dangers of Financial Illiteracy, Relationship between Financial Literacy and Investment Planning, Gaps in the Literature, and Theoretical Framework. The research design, study area, population, sampling technique, data collection instrument, data collection methods, data processing, and data analysis were all covered in Chapter Three under the methodology section. Results and discussions were covered in Chapter Four, while Conclusions, Recommendations and Suggestions for further studies were all covered in Chapter Five.

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CHAPTER TWO

LITERATURE REVIEW

Introduction

The study examines the role of financial literacy in influencing investment behaviours of TEWU members at the Takoradi Technical University. A lot of studies have been done in the area of financial literacy and investment planning by renowned scholars. For that matter, this aspect of the study looks at different writers' exposition on the topic. It comprises the concept of financial literacy and investment planning, history and evaluation of saving, history of savings in Ghana, determinants of investment planning, association between financial literacy and investment planning, features influencing savings behaviour in Ghana and challenges to saving capabilities of Ghanaians.

This study reviewed major theories that threw more light on personal, social and national financial decision making (Thara, & Ali, 2014). In line with that, it looked at financial literacy, definition of investment, classification of investment, investment behaviour, theories of investment, factors affecting the choice of venture and the empirical studies of investment bahaviour (Tettey, 2019).

Theoretical Review

The study was underpinned by the social learning theory, the psychosocial theory and the expectancy theory due to their direct linkage to the study's research objectives. This section therefore showed how the theories directly relate to the study's objectives.

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Social learning theory

This theory shows how social learning features (such as source of data and fiscal advice) work to shape and influence people's attitude and behaviours towards financial decision making. Other factors that may influence people's attitude could be their environment. In that regard, social impact on the individual's behaviour have been studied, modelled tested and applied to a wide spectrum of situations (Thara & Ali, 2014). In other words, social learning may to a large extent affect people's financial decision as they interact and share ideas with families, friends and their peers, hence the appropriateness of this underpin the study.

Psychosocial theory

The psychosocial theory was developed by Erik Erikson in the year 1968. According to Burns, Jensen, Thorn, Lillis, Carmody, Newman, & Keefe (2022) this theory underscores individual's ability to make meaning of experiences and take appropriate decisions. The person's emotions, memories, perceptions of life, motivations, thinking and reasoning and his/ her orientation to the future life are the examples of psychosocial development. When all these are put together and use appropriately, it helps the individual to process and manage information well, solve problems and able to navigate his/ her way around issues.

The theory centres on individual's developmental conflicts that pertains to key financial behaviours such as trust, will power and self-actualisation leading to independent thinking. With respect to making financial decisions, once the person is able to develop the ability to trust, he/

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she can trust banks and any other financial institution enough that they have the capacity to handle their savings (Thara & Ali, 2014). In light of this, the psychosocial theory provides a link between TEWU members' financial literacy to their investment behavious.

Expectancy Theory

Lewin (1943) established the foundation for expectancy theory, which links an individual's perception to their behaviors. Further study by Vroom (1964) and Bolles (1972) built on this theory and provided a theoretical framework for understanding the motivational factors underlying human behaviour as functions of expectancy, instrumentality, and valence. Expectation is a function that describes the likelihood that a given action or state of nature will generate a given result; consequently, performance is effort-dependent. A result is contingent on performance, which is what we mean by "instrumentality," while "valence" or "utility" refers to the significance that one places on a result.

These features, as outlined by Mandel and Klein (2007), are what drive an individual to accomplish meaningful goals. That is, because people are motivated to act in a certain manner by the rewards they anticipate from their actions, and they will choose those rewards over those they might otherwise receive. One's actual behaviour is extremely dependent on the result desired or intended, as Oliver (1974) merely emphasised. The theory of Montana and Charnov (2008) is about the mental processes related to making better choices, so they showed that, contrary to Oliver's perspective, behaviour is not exclusively dependent on expected outcome. As the theory goes on to say, it is

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important to tie reward to outcome and provide enough of the right kind of incentives.

The study was grounded on expectancy theory, which helped researchers understand the driving forces behind financial literacy and prudent investment strategy. According to the theory, an employee who has a favourable outlook on investment planning may be persuaded to take part in such initiative. This is due to the fact that a financially literate employee may have higher hopes for a particular outcome, namely, retirement security. To put it plainly, a TEWU member's motivation to learn more about personal finance may be tied to the success of their long-term investment strategies. As a result, workers may not be encouraged to improve their financial literacy if they believe doing so will not result in the desired outcome. One of the most important things an employee wants out of financial literacy is a set of investment plans that will allow them to retire comfortably.

Conceptual Review

Concept of Financial Literacy and Investment

According to Zait and Bertea (2014), the concept of financial literacy include: “ability to read, analyse, manage and communicate about the personal fiscal conditions that affect material wellbeing". Added to that, the concept of financial literacy contains several aspects: to ANZ Banking Group (2015), it is about the knowledge; to Orton (2007), it is about the financial operations experience and to (Remund, 2010), the concept of financial literacy is the ability to communicate about diverse fiscal concepts and also the skill to take adequate fiscal decisions.

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Judging from the angle of policy, ascertaining key factors of investment planning or having knowledge in investment/ fiscal planning is crucial to crafting efficient policies that encourages individual's and household's savings to be long term focused Arrondel, Debbich, & Savignac (2013). In other words, the concept of financial planning can better be understood in the context of financial education. It also means that one drives the other, thus financial investment is driven by financial literacy.

Chen and Volpe (1998; as cited by Taufik et al., 2017) gave operational and conceptual definition of financial literacy as the data to manage moneys in monetary decision making. A mix of awareness, information, skill, attitude, and behavior necessary to make wise financial decisions and, ultimately, attain individual financial well-being, according to Sudakova's (2018) definition of financial literacy. Commenting on this, Lusardi and Mitchell (2014) mentioned that, the absence of knowledge in finance causes the individual to have problems with debt as well as misguided spending leading to inadequate planning for the future. Added to that, Lusardi and Mitchell (2014) also stated that, knowledge about how to manage funds and the techniques involve in investing money for more profits cannot be ignored since it is the life wire for future survival. It therefore means that, fiscal literacy is the basic need of every person to escape fiscal challenges.

Personal Finance Versus Personal Responsivity

As the saying goes, money begets money. In other words, once you get a little, it is easy to get more. However, the great challenge is how to get that little. Based on this analogy, Morgan (2012) in his book, sees personal finance as the solution for addressing that great challenge of being able to get the little.

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He mentioned that it is all about culture to manage your revenue and wealth in a more prudent manner to satisfice your life desires or to create more financial resources for yourself and your family. Clearly, it is all about creating useful assets. The surest way to do this is to increase income base through doubling avenues of income generation, be financially disciplined and invest more. Therefore, the writer said that personal finance is the individual's ability to get money no matter how little, grow it and protect it.

Added to that, Skripak, Cortes, Walz, Parsons and Walton (2018) also sees the subject of personal finance as the application of all financial principles to the decisions an individual makes either for himself/herself or for the family. Adding to the definition, Lusardi and Mitchell (2014) observed that personal money is the claim of all fiscal data and skills by an individual to the financial decision making process. This includes planning and budgeting, debt servicing, savings, insurance among others. As stated by FPSB (2008) there are key areas to consider when dealing with personal investment planning. This according to them are financial literacy, financial position and retirement planning,

Financial Position

Financial position is about understanding individual's resources available to him/her by considering the net worth and cash flow at home (Mireku, 2015). In definition net worth in context, Mirza (2016) pointed out that, an person's net worth is basically the overall total of his/her assets less his/her liabilities. Mirza (2016) again defined cash flow as individual's income verses spending in a period of time.

Financial Education

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According to OECD/ INFE (2013, p. 25), financial education "is the combination of financial awareness, knowledge, skills, attitude and behaviours necessary to make sound financial decisions and ultimately achieve financial well-being". In effect this about knowledge and attitude that one needs to make right financial decisions that will affect his/her present life and more importantly his/her future life and that the family.

Considering the economic downturn that has engulf the world where individuals, households, families and the society at large are feeling the pinch, it is imperative to have some financial knowledge and skills to able to sail through. For that matter, Choi (2009) made the point that, financial education is key in equipping people with the requisite knowledge and skills they require for a firm standing.

Financial Capability

Mundy (2011) defines financial capability as having the knowledge, understanding, skills, motivation and confidence to make financial decisions which are appropriate to one's personal circumstances. This means that, for one to be deemed fiscally capable, he/she must have the required fiscal knowledge and skills; he must have the needed motivation and the necessary confidence to succeed.

Adding to that, Atkinson, McKay, Collard, & Kempson,(2007) stated that financial capability could be seen as comprising four (4) areas or aspects. These domains are managing money, planning ahead, making choices and getting assistance as and when necessary. It also means that, knowing what to do at any given time when one is faced with financial difficulty – doing the needful to get out of financial quagmire.

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Financial Management

Financial management is the overall or the integral part of management. Jili'ow (2016) defined financial management as the process of planning, acquisition, utilization, and apportionment of scarce monetary resources among economic units with a view to achieving predetermined objectives, such as the maximization of an owner 's wealth. The main aim of fiscal organisation is profit maximization and wealth maximization.

History of Financial Literacy

From the ancient perspective, Cull (2009) observed that the origin of financial literacy dated back to ancient times. As far back as 1500 BC, where people needed food, shelter, water, clothing, some form of planning needed to done to make sure that these resources are readily available in the time need. A typical example was the provision of wells for water storage and silos for the storing of grain. This certainly means that the concept of wealth creation or planning for the future was already in progress in this era. Added to that, in those days this 'wealth' included children, wives, livestock and slave who were adequately budgeted for.

From the Bible, the Old Testament made reference to the idea of planning against future life necessities. For example, the prudent wife mentioned in Proverbs 31 (in the Bible) who ensured that her family were well-catered for, taking account of her stock and watching over the affairs of the family is a perfect example of financial planning in the ancient days (Cull, 2009). This means that over the centuries, financial planning has gone on in the lives of individuals, families, organisations and in the economy of countries.

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From the modern perspective, the progress made so far, largely affected the development of financial planning concepts. During the modern era, as first trading organisations were formed, stewards were engaged to take daily running of the business and also plan for its future. In addition to that, forms of insurance were prepared for financial contribution toward the loss of valuable stock (Cull, 2009). While Cull (2009) reaffirmed that post-modern financial planning has seen a greater surge in development and consideration due to the influx of social, cultural, political, economic, and industrial factors, the latter view is informed by a post-modern perspective.

The Importance of Financial Literacy and Practice

There is a need for financially literate consumers who can plan for the future due to the continuous and rapid development of the economy and the complexity of fiscal goods on the market. Therefore, it is imperative that people have the necessary financial literacy to use the modern electronic and online banking system. (Capuano & Ramsay, 2012).

Furthermore, in today's world, financial literacy is becoming more and more crucial. It greatly aids in understanding various financial or economic behaviours when people are financially well-informed, especially in the economic and financial spheres. Economic agents' and even individuals' decision-making is greatly influenced by their level of financial literacy and ability to comprehend basic financial concepts (Aren, Dinç & Aydemir, 2014).

Starček and Trunk (2013) noted that due to the complicated, rapidly expanding, globally interconnected, and dynamic financial markets, as well as common requirements, financial literacy and related abilities of individuals are becoming more and more crucial. The complexity and pretentiousness of

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people's financial needs are rising. Only those who have a thorough understanding of money, pension plans, and taxes may further their knowledge of financial concepts, services, and goods and develop the necessary skills to make better financial decisions, protect themselves, and behave ethically.

Additionally, because of unforeseen circumstances, it is vital for the persons to save money. Things like sickness, funeral, accident, breakdown of property (cars, kitchenware, other machines, etc.) can happen suddenly. For this reason, without a sound financial literacy and practice, these unexpected events would pose serious financial burden to the family. Apart from that too, money can be saved towards the purchase of an expensive item that monthly income cannot buy (Afful, 2014).

Again, Capuano and Ramsay (2012) identified three (3) beneficiaries of financial literacy as the individual, the financial system and the economy as a whole. For the individual, fiscal literacy and savings culminates in increased savings and retirement planning; financial efficiency and active debt management among others. Financial literacy provides people and households with the necessary knowledge and skills to evaluate the suitability of financial goods and investments, they emphasized once more. In this regard, everyone's life depends heavily on financial literacy.

To the financial system, financial literacy is important because it brings greater competition, market discipline and self-funding of retirement. Lastly, to the economy, financial literacy is important in the sense that, it brings financial inclusion (increasing access to finance), helps in understanding of government financial policies (Capuano & Ramsay, 2012).

Savings and Retirement Planning

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More often than not workers are asked to take their retirement planning serious since pension comes with its own challenges. It is even more serious and pathetic to realise that many houses do not know the most basic economic concept to make sensible saving and make the right choices about their future (Lusardi, Annamaria, & Mitchelli, 2007).

A study conducted at the University of South Florida revealed that majority of the young adults do not have buffer standard savings. Added to that one-third of the interviewees were accounted having emergency funds that cushion them for only three (3) months in case of sickness, job loss, natural disasters, economic downturn among others (Scheresberg, 2013). This outcome is consistent with other study outcomes. For instance, Lusardi and Mitchell (2011) found out that, only a few of Americans could boast of $ 2,000 in three days. A lot of the young adults were not just unprepared for bad events that would demand for money, but were also not planning for the forthcoming.

Again in their studies, Lusardi and Mitchelli (2007) observed that a lot of households sampled do not have the basic and necessary idea to make savings and investment decisions. Again, they discovered that this has nothing to do with age, because both young and old people in the United States and elsewhere appear clearly to have less knowledge about financial management, let alone plan for the future.

Financial Efficiency

According to Capuano and Ramsay (2012) being financially knowledgeable can help one to be financially efficient. It concerns prudent use of financial products by investing wisely and avoiding wastage and

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unnecessary expenses. In other words, financial literacy or competence affords individuals the ability to live more competently, without needless cost and waste. They added that, fiscal efficiency can only be achieved when the individual does comparison shopping where he/she tries to buy the best product at a relatively cheaper cost.

Effectiveness of Financial Literacy in Ghana

As established earlier, financial literacy is the capability to understand finance. The data and skills help the individual to make effective and informed choice at any given time. Opoku (2015) noted that even though there are numerous works on financial literacy in most developed economies, there is scanty research and indication on fiscal literacy and its benefits in most developing countries including Ghana. This clearly shows that there is financial literacy gap between the developed and developing countries. This means that financial competence and financial planning is low among people in developing economies including Ghana.

Investment Behaviour

Investment behaviours shows how human beings or individuals in their normal life will act when presented with the choice to invest or otherwise. Experts in the field of investment tried to understand and clarify decisions of investors by putting together different topic on the subject of psychology and investing on the lower level (that is, the decision process of an individual and groups) and the decisions at the macro level (that is, the role of the financial market). The decision to invest or not involves critical objective or subjective reasoning that is based on the characteristics of the speculation products or

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fiscal service. in real life, individuals make decisions based on past experience, personal beliefs and favourites (Ricciardi & Baker, 2015).

Classification of Investment

There are basically two (2) types of venture, namely real asset investment and fiscal asset investment. A real asset is a tangible asset you can touch—like a bridge, or a building, or a parcel of land. These assets have inherent value that can be exchanged for other goods and services and in that regard are more "real" compared to the traditional financial investments like equities or bonds, (Tettey, 2019)

Financial assets on the other hand, are claims on real assets or claims on the returns realised from real assets which include equity, bonds, treasury bills, certificates of deposits among others. The claims are papers indicating returns on real assets. However, it does not underwrite in any way the trade of goods and services for the organisation. There are four (4) main types of financial assets: fiscal assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial assets, (Tettey, 2019).

Determinants of Investment Planning

A persons financial behaviour may be prejudiced by his/her financial literacy level or skill and knowledge in financial management (Herawati et al., 2018). According to Taufik et al. (2017), factors such as demographics (gender, education, and cognitive ability), family background, wealth, and time preferences can all affect financial literacy. According to Belás, Nguyen,

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Smrka, Kolembus, and Cipovová (2016) and other academics, societal and economic factors can influence a person's financial literacy and investment outlook regardless of that person's personal component (intelligence and reasoning abilities). A variety of factors affect one's ability to plan for the future. These consist of the following: socioeconomic characteristics, demographic characteristics, and informational and financial advisory sources.

Demographic Characteristics

According to Anz (2008), gender disparities significantly influence people's financial literacy levels. This is due to the fact that many studies have claimed that men are more likely than women to fare better on various literacy exams. Consequently, they are more likely than women to comprehend the idea of financial literacy.

In addition, age has a significant impact on financial literacy issues. According to a study by Rooij, Van Maarten, Lusardi, Annamaria, and Alessie (2008), basic literacy is negatively skewed with respect to age. As a result, literacy rates are lowest among young people, but highest among middle-aged persons (40 to 60 years old), and they begin to fall significantly as people get older (61 years and beyond).

Apart from age, educational level also has a lot to do with individual’s ability and skills of being a good financial literate. This is corroborated by a study by Cole and Shastry (2008), which found a positive correlation between financial literacy and educational attainment. Additionally, studies consistently show that those with greater education levels are more likely to be financially savvy. As a result, persons who have completed college or

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university are more likely than those with less formal education to have financial literacy.

Socio-Economic Factors

Mbarire and Ali (2014) in their study identified socio-economic factors as variables that influence one's financial literacy levels. According to them these included occupational status and type, personal income and other wealth factors. It means that a person's level of financial literacy and employment status are related. Anz (2008) had previously noted that those in professional and administrative positions typically have higher financial literacy ratings.

Once more, it was suggested (Anz, 2008) that people with higher levels of personal income are more likely to exhibit high financial literacy scores, whereas people with lower incomes are more likely to do so. As a result, a person's interest in and readiness to learn about finances are directly correlated with their income level. Additionally, Traut-Mattausch & Jonas (2011) discovered that individual income levels have an impact on the relationship between financial literacy levels and saving. They found that an individual's saving behaviour is positively correlated with income levels.

Sources of Information and Financial Advice

There are various sources of financial data and monetary advisors that studies have reviewed. This sources of information have an effect on individual's financial literacy level. Mbarire and Ali (2014) observed that, these sources of information comprised relaxed tools such as peers and family and formal tools such as fiscal experts, T.V., newspapers, internet among others. where people get their financial information from. In addition to that, Lusardi and Mitchelli (2007) in their study found that financial literacy

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correlates with whether the individual used formal or informal tool as indicated earlier.

Once again, Mbarire and Ali (2014) suggested that many people with low financial literacy often rely on informal resources including family, friends, and associates for financial assistance. As confirmed by Rooij, et al. (2008) in their reading, households with low fiscal literacy level are most likely to be advised by their peers or families rather than formal sources. Similar to this, there is a strong likelihood that people with high levels of financial literacy use formal resources like newspapers, speak with financial consultants, and search the internet for information rather than informal ones (Rooij et al., 2008). This clearly points to the fact that financial advice (informal or formal) plays a major role in monetary decision making of an individual towards better saving and investment decision.

Empirical Review

This section presents empirical findings on the variables of interest in this present study. The researcher therefore considered previous research that has been done by academics on the topics relevant to this investigation. It takes into account the connection established in prior research while critically evaluating the claims and results of those studies, ultimately agreeing with, disagreeing with, or largely confirming their conclusions.

Determinants of Investment Planning among Public Sector Workers

There are a number of factors that may affect a person’s investment behaviour or attitude. This includes demographic variables, income, financial security, return on investment and savings motives and models.

Demographic Variables

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According to a study's findings, factors including household size, age distribution, and other demographic and socioeconomic traits affect how much money households save (Addo-Mensah, 2019). The life-cycle hypothesis also asserts that demographic variables affect investments rates of people (Quartey & Blankson, 2010). According this theory, the dependency ration is the most common demography variable in the equation of this particular determinant of saving. This assumption postulates that, the elderly and the young are supposed to consume from past savings, whereas the working group are expected to accumulate savings.

Bhushan and Medury (2013) also found that financial literacy level gets affected by gender, education, income, nature of employment and place of work and geographical region do not affect the level of financial literacy. The study further revealed that the level of financial literacy among the working young in urban India is similar to the levels that prevail among comparable groups in other countries.

Income

Income has been one of the most studied areas of financial savings in the world today. There is a favourable association between income and savings, according to several research conducted around the world using various methodologies. In light of this, other theories were put forth. These included the Friedman Permanent Income and the Keynesian Savings function, which created a favourable link between savings and income. The Friedman Permanent theory classified income into two (2) types, thus permanent income and transitory income. According to him, permanent income is the one that is relied on and consumed by the household whiles the

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transitory income is channelled into savings with marginal propensity to save. (Quartey & Blankson, 2010; Kodom, 2013).

This is supported by Owiredu's (2015) study, which noted that earnings are typically viewed as the most important factor in determining an individual's saving behaviour. In this situation, greater income translates into greater economy and savings, and vice versa.

Return on Investment

Various empirical studies showed that returns on investment is the real catalyst for individual's and corporate sector's financial planning (Faridi & Bashir, 2010). Other determinants of saving behaviour include age dispersal, sex, domiciliary size, marital status, profession, educational level, dependency ratio, among a few other (Anang & Dawuda, 2015).

Relationship between Financial Literacy and Investment Planning

Surendar and Sarma (2018) examined college faculty members' knowledge of personal finance and their ability to prepare for the future using factor analysis. Teachers in higher education were found to have an adequate degree of financial literacy. In doing so, it highlights the significance of contextual factors that may affect financial literacy and individual financial planning. Further, a respondent-attribute-blind approach was used to investigate connections between financial literacy and other variables. Moreover, the study found that most college professors are financially literate, meaning that they understand the importance of preparing for their own financial future and are competent in doing so regardless of the field in which they teach. Findings indicate that retirement planning, tax planning and

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control, financial planning, financial capacity, and inflation are all crucial components of sound financial planning.

In a similar vein, Fernandes, Lynch, Jr., and Netemeyer (2014) used a meta-analysis to investigate the relationship between financial knowledge, financial education, and subsequent financial behaviours. Over the course of 168 articles totalling 201 studies, the researchers examined the interplay between financial literacy, financial education, and financial behaviour. Only 0.1% of the variation in the financial behaviours examined can be accounted for by interventions to increase financial literacy. Stronger associations with financial behaviours were identified in correlational studies that assessed financial literacy. It has been shown through empirical investigation that when certain personality characteristics that have been overlooked in previous studies are taken into account, the impact of financial literacy is significantly mitigated.

Again, Addin, Nayebzadeh, Taft and Mir (2013) in their study asserted that financial planning and literacy address a family's financial concerns as a general prevention technique that can assist lessen social and psychological stressors and improve family welfare. Hassan Al-Tamimi (2009) examined how financial decision-making is impacted by financial literacy and discovered that the field of an individual's activity effects financial literacy level. As a result, people who invest in the banking and stock sectors have higher financial understanding.

A person is deemed financially literate in the post-modern financial planning system if they can manage their own finances in a time when life and society are changing quickly. To do this, he must acquire the necessary

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knowledge, hone his talents in this area, and be able to see how his financial actions affect him, other people, and the environment (Addin et al., 2013). In other words, an individual cannot plan financially if he/she does not have enough knowledge and skills in financial management.

Companies in the nation have dedicated workers who put in long hours to support the growth of the state's economy and better their own personal circumstances. To the day they retire, they will have spent their working life making and implementing money decisions. For this reason, the individual must have sufficient knowledge in financing to be able to do proper financial planning (Binti, Azmi & Ramakrishnan, 2018). Fazli, Sabri and Tze Juen (2014) conformed this in their studies which says that individual who hold high confidence about retirement are financially literate and practice financial management. Based on all these studies, it can be settled that, financial knowledge has strong connection with financial behaviour and spending habits. In other words, the more their knowledge increases, the more they spend judiciously.

Workers Understanding of Savings and Investment Planning

Financial literacy, savings, and investment were the subjects of a study conducted by Lewis and Messy (2012) among college staff. Employees' "propensity to plan" was measured, and it was discovered that it was driven by a singular psychological factor. An individual's propensity to prepare increases in tandem with the amount they put into a pension. Additionally significant are factors such as gender, marital situation, age, and income. Unexpectedly, males had lower savings rates than women. The researchers also assigned a subjective risk-tolerance number to each participant, drawing the conclusion

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that those with a greater planning propensity also tend to be more comfortable taking risks. The willingness to take risks is favourably correlated with financial success and (rather unexpectedly) negatively correlated with chronological maturity.

A similar study was performed by Atkinson, Messy, Rabinovich and Yoong (2015) to investigate the role of financial education in encouraging long-term savings and investment. The research looked at how workers improved professionally and monetarily over time. A high level of financial literacy has been found to have a significant relationship with the amount of wealth amassed for retirement. This research found that financial knowledge and skills positively correlated with individual behaviour. The quantity and quality of individuals, however, are often cause for concern. This highlights the crucial role of financial education in raising individuals' levels of financial literacy and, by extension, their propensity to save and spend. In addition, research into the efficacy of different financial education strategies for fostering long-term accumulation and investment has yielded encouraging findings.

Further, Sabri, Reza, and Wijekoon (2020) carried out research to assess the financial management, savings behaviour, investment behaviour, and FWB of Malaysian women in the public sector. In Malaysia, 722 participants were chosen via multi-stage random sampling. Three-and-a-half percent of working women reported having more assets than debt, and nearly half (45.9%) reported that their income was more than enough to cover their most fundamental needs. And more than 80% of respondents followed good financial management practises like keeping up-to-date records of

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expenditures, planning expenses, investing monthly, paying off loans on time, paying bills on time, and keeping a savings account. In addition, it revealed that working women in Malaysia have sound financial management practices, as evidenced by their proficiency in saving and investing behaviours that help them make the most of their extra cash and increase their family's net worth (FWB).

Workers General Knowledge of Financial Literacy and Investment Behaviour

The level of financial knowledge and investment practises among government employees appears to have been the subject of little or almost no research. However, there are some inferences that could be made from the characteristics of these variables in order to create a link between them. When a person is equipped with the knowledge and skills necessary to make sound financial choices, we say that they have a general understanding of financial literacy.

In literature, financial literacy is lauded as the engine that propels the individual to make some investment choices. (Addin, Nayebzadeh, Taft & Mir, 2013; Fernandes, Lynch, Jr., & Netemeyer, 2014; Surendar & Sarma, 2018). This is so because the motivation to make some investment choices is fuelled by one's level of financial literacy. Based on the claims made, we can infer that TEWU members at TTU will be encouraged to sign up for investment packages if they are provided with financial literacy or education through union or other professional body-organized seminars, conferences, and programmes. Because of the claims stated, we can infer the above results.

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Studies have identified a number of challenges individuals face (intrinsically or extrinsically) in their financial management endeavors which could be linked to absence of general knowledge of financial literacy. Some of these challenges include the following poor savings ethics, lack of data for making informed investment decisions, illiteracy of what to do with pension money among others (Wilson & Aggrey, 2012). The scholars again revealed that the problem of time management posts a serious challenge as far as taking investment decisions are concerned.

Conceptual Framework

In an effort to give readers an intuitive feel for the study's central factors, the conceptual framework was laid out here. Based on the research factors (financial literacy and investment planning), a framework was developed and presented in Figure 1. Figure 1 further explained the connection between the variables in question, and it was deduced that investment planning is the dependent variable and financial literacy is the independent variable. The conclusion is that the dependent variable (investment planning) is highly sensitive to shifts in th l literacy). Evidence studies a strong indicator of ent plan tual framework.

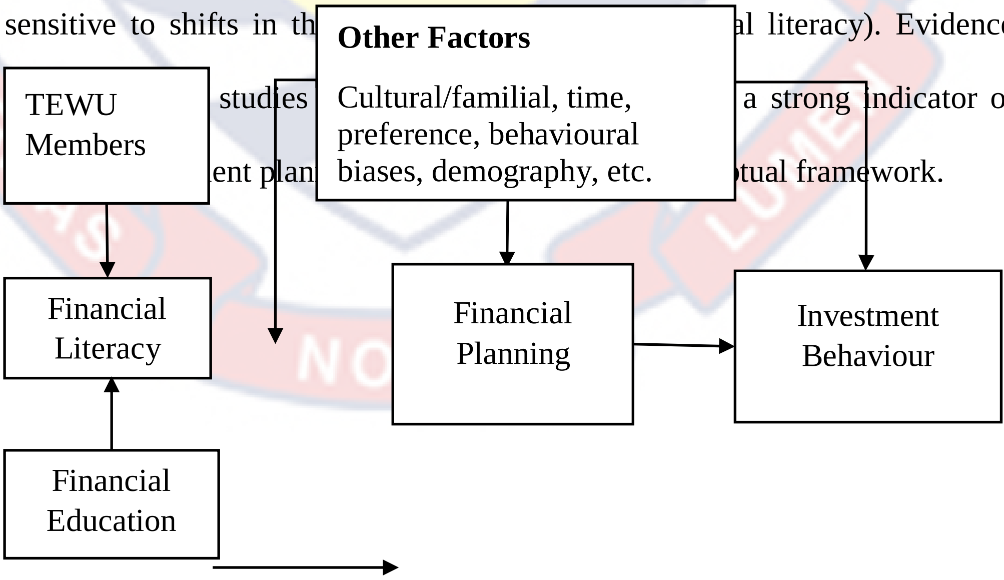

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Figure 1: The Study's Conceptual Framework

Source: Author's Own Construct, Wogormebu (2022)

Chapter Summary

This chapter presented the literature review of the study in relation to financial literacy and investment planning. Considering the review conducted in this chapter, it has become patently clear that adherence to financial literacy principles helps an individual or a household to invest well for the future. The reverse is also true in the sense that, when someone fails to invest wisely, they invariable are planning for a painful and difficult tomorrow. The chapter also revealed the theories underpinning the study and also discussed the major variables under consideration. Empirical reviews in relation to the study were presented and the study concluded with a conceptual framework.

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CHAPTER THREE

RESEARCH METHODS

Introduction

This section of the study talks about the numerous techniques employed to gather and compile pertinent data for the study. The target population, study environment, sampling method, research instrument, data collecting, and data analysis are among them.

Research Approach

Creswell (2014) defined study styles as plans and the procedures for research that span the steps from broad assumptions to detailed methods of data collection, analysis, and interpretation. He again asserted that, it is imperative for the researcher to state the enquiry approach because it is the strategy used to increase the validity of a social research.

Once more, Creswell (2014) noted that there are fundamentally three different sorts of research methodologies: quantitative, qualitative, and mixed methods. This study made use of the quantitative research approach.

Generally speaking, a quantitative research technique can be described as the level of applicability where concepts are to be validated by an application to facts obtained as well as by the amount to which they could be tested. Additionally, it is the research strategy that uses observation to learn about the beginnings, reasons, and development of knowledge; yet, it is thought to have significance only to the extent that it can be deduced (Amaratunga, Baldry, Sarshar & Newton, 2002). The numerical description and manipulation of observations with the intention of defining and

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interpreting the phenomena that observations reflect was another definition provided by Sukamolson (2007).

The reason for using the quantitative method is to enable the researcher to be able to specify the what, the where, the when, how much and by what means in terms of objective measurement, thus in numerical form. Second, because quantitative research involves quantifying and analyzing variables to obtain results, it will aid the researcher in achieving his or her goals.

Research Design

The study was quantitative in nature, and the descriptive correlational design was chosen because it seemed most suitable for examining financial literacy and investment planning of members of TEWU at TTU (Kraemer, 1991). Seeram (2019) argues that a descriptive correlational research design is useful because it can help explain and predict relationships between variables. According to the scholar, researchers in the academia use the descriptive correlational research design when they want to establish an association between two or more variables.

Furthermore, Asamoah (2014) noted that this design offers the best way to find interacting variables and the type of interaction that is happening, enabling the researcher to make predictions based on the untangled relationship. To add, a descriptive correlational research design is useful for uncovering existing relationships in an unbiased manner. According to Curtis, Comiskey, and Dempsey (2016), findings from correlational research can be used to improve or initiate phenomena or change in the actual world. Because of this, the researcher adopted the descriptive correlational research design to this study.

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The descriptive correlational research design helps with drawing conclusions from the data gathered and provides a clear picture of the events being measured at a particular time, both of which were central to the researcher's goal of discovering the current, unaltered conditions of the respondents. Descriptive correlational research design, as demonstrated by Saunders, Lewis, and Thornhill (2009), enables researchers to test hypotheses and answer research questions that guide a study, providing evidence for or against previously held beliefs or theories. This design was chosen because the researcher was interested in examining how factors like workers financial literacy levels and investment planning could be related.

That there are some drawbacks to using the descriptive correlational research design, despite the fact that there are many benefits. Curtis, Comiskey, and Dempsey (2016) argued that caution should be exercised when employing this particular correlational study design in both methodology and data analysis. Scholars have also claimed that this design is based on nothing more than good old-fashioned common sense when it comes to management, and that it often produces misleading findings. Scholars contended that the veracity of research results could be compromised if respondents lied about providing required personal information. Respondents were informed of the study's goals and were given the option to voluntarily join or withdraw, both of which helped to alleviate these drawbacks. As a result of these measures, all respondents gave their informed consent and participated voluntarily in the research.

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Study Area

As a result of the government's decision to upgrade Takoradi Polytechnic, along with five other Polytechnics, to the rank of Technical University, the Takoradi Technical University was founded in September 2016. As a Government Technical Institute, Takoradi Technical University (formerly Takoradi Polytechnic) has been operating under the Ghana Education Service of the Ministry of Education since April 1954. The institute conducted courses in commercial and technical fields mostly at the Craft and Technician Certificate levels during that time, earning Royal Society of Arts (RSA) and City and Guilds of London, United Kingdom. However, the Ghana Education Service began awarding the aforementioned diploma in 1990.

The Takoradi Technical Institute and five other schools of a similar nature were upgraded by the Polytechnic Act 321 (PNDC Law 1993) to become a member of the Ghana Tertiary Education System as part of the Ghana Educational Reforms that started in the 1980s. According to the law, the Polytechnics started providing Higher National Diploma (HND) programmes in the 1993–1994 academic year. In order to enhance access to tertiary education and prepare workers for middle- and upper-level positions, these changes required polytechnic institutions to complement universities in their respective roles.

With the President's approval, a Bill that the Ministry of Education submitted and the Cabinet of Government examined in 2014 was passed by Parliament as an Act in August 2016, turning select polytechnics into full-fledged technical universities. As a result, the Takoradi Polytechnic Council decided to use the name "Takoradi Technical University," which has been

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properly registered with Ghana's Registrar General's Department. There are now three campuses for Takoradi Technical University: Effia Kuma (in Takoradi), Butumagyebu (in Sekondi), and Akatakyi (Agona-Nkwanta). With a total area of 152.3 acres, the Akatakyi Campus is the largest of the three.

Population

According to Leedy and Ormrod (2010) the study population is the target/focus group or unit about whom information is gathered, analysed and findings made. The target population for this study was TEWU members of the Takoradi Technical University. This comprised all TEWU registered members at the University. Again, these population comprises male and female TEWU members of the University. The target population for the study was fifty-seven (57) TEWU members which form the accessible population. In light of this research’s purpose, the target population for the study was most appropriate.

The population had employees with various demographic characteristics such as age groups (below 30, 30-40, 41-50, 51-60 and over 60 years), sex (Male and Female), marital status and levels of education. Moreover, the employment status/job position and the number of years worked were considered in bid to ensure that reliable responses were obtained for objective analysis. Detailed demographic information of the respondents was presented in chapter four.

Sampling Procedure

The Takoradi Technical University houses a cross-section of staff from various faculties and departments within the university. Out of a target population of about fifty-seven (57), fifty (50) were sampled for the study. The

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study adopted the simple random sampling method to sample respondents. With this technique, every one of the subsets had an even probability of being chosen for the study. It was sampling without replacement. Therefore, there were no biases as far as the sample selection was concerned.

The simple random sampling system was used because the study was the quantitative type and could help answer the research questions. Another reason was that, even though more suitably used for large population, the researcher found it more convenient and easier to use it because the population was small, homogeneous in character and readily available. The random number method was employed where the staff were assigned 2-digit numbers, thus from 01 to 57. After that, a random number table was used to select the respondents based on the number assigned to them. The sample size of fifty (50) was arrived at using the formula below and subsequent calculation.

Using the Taro Yamane's (1973) Simplified formula for proportions, which is:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

n -the sample size

N -the population size

e -the acceptable sampling error

Using a targeted population 57 (N) of and a sampling error (e) of 5%, the sample size for the study was calculated as follows:

$$n = \frac{57}{1 + 57(0.05)^2}$$

$$n = \frac{57}{1 + 57 * 0.0025}$$

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$$n = \frac{57}{1 + 0.1425}$$

$$n = \frac{57}{1.1425}$$

$$n = 49.89$$

$$n \approx 50$$

Data Collection Instrument

The research adopted a structured questionnaire for data collection. The questionnaire was adopted from the original financial literacy scale of Kafari (2019). The questions were mostly made up of close-ended questions and a few open-ended ones. This was to get numerical responses to the items, since the study is the quantitative type.

The data used for this study was the primary one since it was gathered from the field using self-administered questionnaire. The questionnaire comprised closed-ended, opened-ended, Likert-scale and rating. Closed-ended questions do not allow respondents state their opinions, but rather answers provided. However, it makes the responses as objective as possible. Opened-ended questions on the other hand, allow respondents to be as subjective as they can by stating their thought on the subject. These different forms of questions were used to collect data from the staff of the university.

More so, to ensure the cogency of the research tools, the researcher made sure the instrument was able to collect the information it is intended to gather. For that reason, after designing the questionnaire, the investigator pretested it to ensure its internal validity. Subsequently, the result of the pre-

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test was examined and necessary corrections were made before the actual survey.

Again, in designing the instrument for the work, the researcher took into account the fact that, the instrument must be reliable enough to collect the same information even when it is used by different researchers, that is to say, to ensure instrument triangulation.

Data Collection Procedure

To ensure easy data collection exercise, an introduction letter was sent to the appropriate authorities of TEWU at TTU, to basically sought for permissions and co-operation to carry out the data collection exercise. After obtaining permissions from the respondents, the questionnaires were distributed in person to them. Maximum and timely response rates were ensured by using a period of one (1) week (i.e., 5 working days) for the collection exercise. Some difficulties were encountered during the exercise and these included unfavourable time periods of the respondents due to busy work activities, fear of information leakages despite assurances and also unwillingness of some of them to fully participate because they considered these exercises as time wasting and unprofitable.

Data Processing and Analysis

After gathering sufficient data from the respondents, data obtained were rigorously scrutinised to ensure that any error arising from incomplete and wrongly filled questionnaires were eliminated or minimised drastically. The error-free data were then carefully coded and edited to avoid missing values (if any). After these, data were entered and processed using Statistical

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Package for Social Sciences (SPSS) version 24. The results obtained were subsequently displayed in tables.

Moreover, statistical tools such as descriptive and inferential tools were used to the data analysis. The descriptive statistical tools comprised frequencies, percentages, means and standard deviations and they were specifically used to analyse the first and second research objectives of the study. The inferential statistical tools employed in the study were correlation and linear regression. These tools were used to analyse the third research objective of the study since it looks at the effect of financial literacy on retirement planning. The relationship between the variables was established using correlation analysis and Multiple Linear Regression. The linear regression model for the test was:

$$y= \alpha + \beta_0 + \beta_1 +\beta_2 + \ldots\ldots\ldots + \beta_n + \varepsilon_i$$

where:

y is the dependent variable

β_0 is the first term

β1 is the second independent variable

β_3 is the third independent variable

α is the constant term

β_n is the n^{th} term, and

ε_i is the error term

Ethical Consideration

Before the commencement of the study, the researcher gained an introductory letter (authority note) from the Department of Finance of the University of Cape Coast which he used to authenticate his right to collect the

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data. Aside from that, respondents were briefed on the benefits to be derived from the study, thus for the staff and researchers alike. Also, they were assured that their retorts would be treated with strict anonymity and also used only for the reason of the study. With all these, an informed agreement was acquired from the students (respondents) and the study was conducted.

Chapter Summary

This chapter discussed the research methods employed to achieve the purpose of this study. The chapter therefore presented the key elements comprising approach, design, study area, population, sampling procedure, data collection instrument, data collection procedures, data processing and analysis employed in the study. Precisely, the study adopted the quantitative approach and descriptive correlational research design. The chapter revealed that both descriptive and inferential statistical tools such as percentages, frequencies, means, standard deviations, correlation and regression were used to analyse the data processed by IBM SPSS statistics version 26 in a bid to answer the research questions of the study.

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CHAPTER FOUR

RESULTS AND DISCUSSIONS

Introduction

This study aimed at critically probing the financial literacy and investment planning behaviour of the TEWU members of the Takoradi Technical University. Based on this, the study employed a quantitative research method which guided the selection of the study design, population, sample and sampling technique, data collection instrument, type of data and type of data analysis tools used.

The sample used for the study was TEWU members of Takoradi Technical University from different faculties and departments. The TEWU members who were surveyed for the study were from the various faculties and departments of the school. These included the Faculty of Applied Arts and Technology, which included the Departments of Graphic Design Technology, Ceramics Technology, Sculpture and Industrial Crafts, Industrial Painting and Design, Textile Design and Technology, and Fashion Design and Technology; and the Faculty of Applied Sciences, which included the Departments of Hospitality Management, Tourism Management, Mathematics, Statistics, and Actuarial Science. It is noteworthy that the study recorded a total of fifty (50) participants representing a 100% response rate response because all members sampled provided valid responses to all fifty-questionnaire distrusted.

Demographic Information on Respondents

The preliminary data, which includes the background information about the survey's respondents, are presented and discussed in this section of the study. In order to fulfil the study's aims, it was important to obtain six (6)

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qualities in the study participants. Additionally, readers would be able to comprehend the type of respondents employed for the study in connection to their level of experience and other features of the respondents. Their age, sex, marital status, level of education, department or unit of employment, and years of experience made up their characteristics.

Table 1: Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage
Age (years)	21-30	3	6
	31-40	35	70
	41-50	9	18
	51-60	3	6
Gender	Male	28	56
	Female	22	44
Marital Status	Married	38	76
	Single	12	24
Employment Status	Casual Labourer	2	4
	Permanent full-time job	45	90
	Others	3	6
Income (GH¢)	< 2,000	2	4
	2,000 – 2,999	14	12
	3,000-3,999	7	14
	4,000-4,999	8	16
	5,000 and more	19	38
Level of Education	Diploma/ HND	9	18
	College/ Bachelor	11	22
	Post-Graduate or Masters	30	60

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Work Experience	5 years and more	50	100
			0
Staff Category	Junior employees	8	16
	Senior employees		
	Senior members		
	management staff	16	32
	Others	14	28
		9	18
		3	6
Number of dependants	2-5	39	78
	5+	11	22
Other source of income	None	23	46
	Spouse	27	54

Source: Field Survey (2022)

Table 1 shows the demographic characteristics of the fifty (50) respondents that were surveyed during the field work. Out of the total 50 (100%) respondents, majority, 70% indicated they were between 30-40 years of age, whiles 18% said they were inside the age group of 41-50 years. Again, it can be seen from the table that more than 50% of the participants mention they were male, whereas 44.0% said they were females. With regards to marital status, majority of the respondents, 76% said they were married, whiles 24% stated they were single.

A cursory look at Table 1, again showed that a higher percentage, 60.0%, of the participants pointed out that they have attained post-graduate or master's level of education; 22% said they have completed College/Bachelor, whereas a few of them, 6% of them stated they were Ph.D. holders. 12% of

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them indicated they attained Diploma/ HND level of education. It can also be noted from the table that, most of the respondents, 90.0% mentioned they were permanent full-time workers at the University, whiles the rest said they were either casual labourers or belong to other category of staff.

In terms of income, a large percentage of the participants, 19 (38.0%) out of the total 50 (100%), intimated they earn more GH¢ 5,000.00 a month. 8 (16.0%) pointed out they earn between GH¢ 4,000.00 and GH¢ 4,999.00, whereas 7 (14.0%) of them indicated they earn between GH¢ 3,000.00 and GH¢ 3,999.00. With regards to level of education, majority of them, 30 (60.0%) stated that they hold Post-graduate or Master's degree. The second highest, that is 11 (22.0%) mentioned they have college/ Bachelor's degrees. Whiles 9 (18.0%) of the interviewees pointed out that they hold Diploma/ HND, in the areas of work experience, all the TEWU members surveyed, 50 (100%) mentioned they have been working for more than five (5) years.

Again, the table showed that, most of the respondents surveyed, 16 (32.0%) mentioned they were senior staff members; 14 (28.0%) of them intimated they were among the senior members group; 9 (18.0%) pointed out they were management members. Whereas 8 (16.0%) said they were junior staff members, 3 (6.0%) stated that they were part of other categories of staff. Staff were also asked the number of dependants they have as the time of the study. The outcomes also revealed that, 78.0% of the participants indicated they have between 2 and 5 number of dependants, whereas the rest, 11 (22.0%) mentioned they have more than 5 dependants. The survey also showed that apart from respondents' primary source of income, they have

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other means of income. From the table, 27 (54.0%) of them mentioned that they get money or income from the spouses.

Research Objective One: Identify the Key Determinants of Investment Planning Among Members of TEWU at TTC

This research objective sought to provide information on the key determinants of investment planning among members of TEWU at TTU. Descriptive statistics such as mean and standard deviations were employed in the analysis of this objective. The items measuring the financial planning determination were measured on a five-point Likert scale. Table 2 shows the descriptive statistics of the financial planning determinants.

Table 2: Descriptive Statistics on selected variables

	Minimum	Maximum	Mean	Standard Deviation
Age	1.0	4.0	2.240	.6565
Income	1.0	5.0	3.580	1.3262
Other sources of income	1.0	2.0	1.540	.5035
Knowledge of financial products	1.0	4.0	2.640	1.2739
Type of financial account	1.0	3.0	1.420	.7025
Attitude towards investment planning	1.0	2.0	1.320	.4712
Investment planning	1.0	2.0	1.100	.3030
Current investment holdings	1.0	4.0	2.688	1.1514

Source: Field Survey (2022)

Table 2 shows the descriptive statistics on selected continuous variables from the study. All the variables from the Table 2 have been coded as minimum and maximum variables. Age, knowledge of financial products and current investment holdings have 1 and 4 as minimum and maximum variables respectively, thus four (4) different categories. Income has 1 as

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minimum and 5 as maximum variables, whereas other sources of income, attitude towards investment planning and investment planning have 1 as minimum and 2 as maximum variables. Type of financial account on the other hand has 1 as its minimum variable and 3 as its maximum variable.

Observing again from Table 2 shows a mean and standard nonconformity of 2.24 (*SD*= 0.6565) for the age of the respondents; Income has a mean of 3.580 (*SD*= 1.3262); 1.540 (*SD*= 0.5035) is the mean standard deviation for other sources of income for the respondents; Knowledge of financial products has a mean and standard deviation as 2.640 (*SD*=1.2739) respectively; mean and standard deviation for type of financial account is 1.420 (*SD*= 0.7025) whiles that of Attitude towards investment planning is 1.320 (SD= 0.4712). Investment planning has a mean and standard nonconformity of 1.100 (*SD*= 1.1514)

Table 3: Age Vs. Whether Respondents Save

		Do you save?		Total
		Yes	No	
Age	21-30	3	0	3
	31-40	30	5	35
	41-50	9	0	9
	51-60	3	0	3
Total		45	5	50

Source: Field Survey (2022)

Table 3 presents a combined analysis of respondents' age and ability to save. It can be seen from Table 3 that, majority of the participants, 45(90.0%) across all age groups mentioned that they invest, whereas 5 (10.0%) of them said they do not invest. Among those who invest, 66.7% of them said they were within the ages category of 31-40 years.

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Table 4: Age vs. The Type of Financial Accounts Respondents Have

		What kind of financial accounts do you have?				Total
		Savings	Current	Recurrent deposit	Other, (specify):	
Age	21-30	3	0	0	0	3
	31-40	27	5	3	3	35
	41-50	5	4	0	0	9
	51-60	0	0	0	0	3
Total		35	9	3	3	50

Source: Field Survey (2022)

Table 4 also looked at age against the type of financial product respondents have. Table 4 shows that majority of the respondents, 35 (70.0%) pointed that they use savings account. 9 (18.0%) of them stated they have current account. Among those who use or have current account, most of them, 27 (77.1%) said they were aged between 31-40 years.

Table 5: Marital Status Vs. Whether Respondents Save or Invest

		Do you save?		Total
		Yes	No	
Marital Status	Married	10	2	12
	Single	35	3	38
Total		45	5	50

Source: Field Survey (2022)

Table 5 depicts the combined analysis on marital status and whether respondents invest or not also shows that, a higher number of them, 45 (90.0%) pointed out that they invest. Among the number who invest mostly, 35 (77.8%) mentioned that they were single, whiles 10 (22.2%) said they were married.

Table 6: Gender Vs Whether Respondents Save

		Do you save?	Total

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		Yes	No	
Gender	Male	17	5	22
	Female	28	0	28
Total		45	5	50

Source: Field Survey (2022)

Table 6 also displays a combined analysis on respondents' gender against their investment attitude. The figures show that 90.0% of the respondents indicated they have been saving or investing. Out of the total who have been investing, majority, 28 (62.2%) said they were female, whereas 17 (37.8%) stated they were male. From Table 1, which contains the demographics, 56.0% of the respondents were male. However, this analysis revealed that more female among the respondents invest more than their men complements.

Table 7: Savings Status of Respondents Vs. Their Income Level

		Income (GH¢)					Total
		<20000	2000-2999	3,000-3,999	4,000-4,999	>5,000	
Do you save?	Yes	1	15	5	8	16	45
	No	0	0	2	0	3	5
Total		1	15	7	8	19	50

Source: Field Survey (2022)

Table 7 also presents combined analysis on investment bahaviour of respondents against their income level. It can be seen from Table 7 that, out of a total of 19 who earn more than GH¢ 5,000.00 a month, 16 (84.2%) of them said they invest, but 3 (15.8%) of then mentioned they do not invest.

Table 8: Financial Decision-Making Vs Respondents' Marital Status

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			Marital Status		Total
			Married	Single	
Who is responsible for day-to-day decisions about money in your household?	You alone	Count	0	12	12
		% within Who is responsible for day-to-day decisions about money in your household?	0.0%	100.0%	100.0%
		% within Marital Status	0.0%	100.0%	24.0%
		% of Total	0.0%	24.0%	24.0%
	You and your partner	Count	38	0	38
		% within Who is responsible for day-to-day decisions about money in your household?	100.0%	0.0%	100.0%
		% within Marital	100.0%	0.0%	76.0%
		% of Total	76.0%	0.0%	76.0%
Total		Count	38	12	50
		% within Who is responsible for day-to-day decisions about money in your household?	76.0%	24.0%	100.0%
		% within Marital Status	100.0%	100.0%	100.0%
		% of Total	76.0%	24.0%	100.0%

Source: Field Survey (2022)

From the crosstab table in Table 8, with regards to “you alone” response, 12 (24.0%) of the singles said no one else apart from they themselves is accountable for day-to-day choices about cash in their household, whiles none of the married, 0 (0.0%) said they take financial decisions on their own. From the response on “you and your partner”, 38 (76.0%) of the married mentioned that they and their partners are accountable for the day-to-day choices about money in their domiciliary.

Table 9: Do you save? * Income Cross tabulation

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		Income (GH¢)					Total
		<2,000	2,000-2,999	3,000-3,999	4,000-4,999	> 5,000	
Do you save?	No	Count	0	0	2	0	3	5
		% within Do you save?	0.0%	0.0%	40.0%	0.0%	60.0%	100.0%
		% within Income	0.0%	0.0%	28.6%	0.0%	15.8%	10.0%
		% of Total	0.0%	0.0%	4.0%	0.0%	6.0%	10.0%
	Yes	Count	2	14	5	8	16	45
		% within Do you save?	4.4%	31.1%	11.1%	17.8%	35.6%	100.0%
		% within Income	100.0%	100.0%	71.4%	100.0%	84.2%	90.0%
		% of Total	4.0%	12.0%	10.0%	16.0%	32.0%	90.0%
Total		Count	2	14	7	8	19	50
		% within Do you save?	4.0%	28.0%	14.0%	16.0%	38.0%	100.0%
		% within Income	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
		% of Total	4.0%	28.0%	14.0%	16.0%	38.0%	100.0%

Source: Field Survey (2022)

Table 9 depicts that, 5 (10.0%) of the participants who earn income mentioned that they do not save, whiles 45 (90.0%) indicated they save. Among those who do not save, 2 (40.0%) earn between 3,000-3,999 (GH¢), whereas 3 (60.0%) of them stated they earn GH¢ 5,000 and above. Among those who save, majority, 16 (35.6%) earn GH¢ 5,000 and above. 14 (31.1%) of them also earn between GH¢ (2,000 and 2,999).

Table 10: Income * I If yes how much do you save a month?

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		If yes how much do you save a month?					Total
		Less than GH¢100.00	GH¢ 100.00 - 200.00	GH¢ 201.00 - 300.00	GH¢ 301.00 - 400.00	More than GH¢ 500.00	
Income GH(¢)	<2000	2 (100.0%)	0	0	0	0	2 (100.0%)
	2,000-2,999	3 (21.4%)	5 (35.7%)	0	0	6 (42.9%)	14 (100.0%)
	3,000-3,999	0	0	0	2 (40.0%)	3 (60.0%)	5 (100.0%)
	4,000-4,999	0	6 (75.0%)	2 (25.0%)	0	0	8 (100.0%)
	> 5,000	3 (15.8%)	0	0	0	16 (84.2%)	19 (100.0%)
Total		8 (100.0%)	11 (100.0%)	2 (100.0%)	2 (100.0%)	25	48 (100.0%)

Source: Field Survey (2022)

Table 10 presents a combined analysis on respondents' income and how much they save in a month. It can be seen from Table 10 that among those who earn less than GH¢ 2,000 a month, all of them, that is 2 (100.0%) said they save, but less than GH¢100.00 a month. Also, among those earn between GH¢ (2,000-2,999) a month, 21.4% of them save less than GH ¢ 100.00; 35.7% of them said they save between GH¢ (100.00-200.00) a month, whereas 42.9% of them mentioned they save more than GH¢500.00 a month.

Again, from Table 10, those who said they earn between GH¢ (3,000-3,999) a month, 40% of them pointed out that they save between GH¢ (301.00- 400.00) a month, as 60% of them save more than GH¢ 500.00 a month. Those whose pay ranges between GH¢ (4,000.00-4,999.00) a month, majority of them, 75% indicated they save GH¢ (100.00-200.00) a month and

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25% stated they save between GH¢ (201.00-300.00) a month. Among those intimated they earn more than GH¢ 5,000.00 a month, most of them, 84.2% pointed they save than GH¢ 5,000.00 a month.

Table 11: Determinants of Investment Planning

Statement	N	Min	Max	Mean	SD
Income level	50	1.0	5.0	4.420	1.0319
Age	50	1.0	5.0	3.780	1.4469
Religious reasons	50	1.0	5.0	2.540	1.5147
Past experience	50	1.0	5.0	3.400	1.4142
Financial knowledge	50	1.0	5.0	4.220	1.3138
Uncertainty	48	1.0	5.0	3.417	1.3966
Get rich quick	47	1.0	5.0	2.234	1.0676
Interest rate	47	2.0	5.0	3.681	1.1629
Inflation	50	1.0	5.0	3.460	1.3433
Tastes and Preferences	50	1.0	5.0	3.480	1.1471
Taxes	48	1.0	5.0	3.021	1.1758
Family member opinions	50	1.0	5.0	2.460	1.4172
Friend recommendations	47	1.0	4.0	3.085	.9048
Current economic indicators	50	1.0	5.0	3.440	1.1634
Financial advisors and analysts' recommendation	50	1.0	5.0	3.560	1.2961
Ease of obtaining borrowed funds	50	1.0	5.0	2.860	1.4144

Source: Field Survey (2022)

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(Note: 5 strongly agree, 4 agree, 3 neutrals, 2 disagree and 1 strongly disagree)

From Table 11, the mean figure on income, age, financial knowledge, interest rate and financial advisors and analyst recommendation showed that, respondents agreed that these were good determining factors when it comes to investment planning. At the same time, respondents remained neutral on the statement such as, uncertainty, inflation, Tastes and Preferences, Taxes, friend's recommendation and current economic indicators.

Again, from Table 11, respondents disagreed that cultural and religious reasons, get rich quick, family member opinion and Ease of obtaining borrowed funds can be determining factors for one to invest for the future.

Table 12: Descriptive Statistics of the Likert scale on the Statements that describe Respondent's level of financial behaviour

	N	Min.	Max	Mean	SD
Every month, I keep track of my earnings and expenses.	50	2.0	5.0	3.980	1.1156
I always budget my money after careful planning.	50	2.0	5.0	3.880	1.1364
Before I decide to take out a loan or a credit, I carefully consider the terms provided by financial organizations.	50	2.0	5.0	4.400	.8571
When choosing to save money, I weigh perks such as interest and other factors.	50	2.0	5.0	4.380	.9010

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Before making significant financial commitments or decisions, I seek financial counsel.	50	1.0	5.0	3.980	1.2534
To make an investment, I inquire with my bankers about available prospects.	50	2.0	5.0	4.040	1.1058
I purchase insurance for myself or my assets.	50	1.0	5.0	3.400	1.2454
I verify the interest accrued on my account, whether it was paid to me or by me.	50	2.0	5.0	4.080	.9223
Spending money is more rewarding to me than long-term investing.	50	1.0	5.0	2.240	1.4923
I'm willing to take a small financial risk in order to save or invest.	50	1.0	5.0	3.080	1.3068
I keep a close eye on my personal finances.	47	1.0	5.0	4.277	1.0775
I make long-term financial plans and work to fulfil them.	50	1.0	5.0	3.720	1.4003

Source: Field Survey (2022)

(Note: 1=Never; 2= Seldom; 3= Sometimes; 4= Often; 5= Almost Always)

From the analysis as shown in Table 12, the mean figure for “I keep track of my income and expenditure every month”, “my spending is always based on prior planning”, “I assess the conditions given by financial institutions before I decide to take a loan or credit”, “I seek financial advice before making major financial commitments or decisions”, “I ask my bankers about investment opportunities available in order to make investment”, “I cross check the interest paid either to me or by me on my account”, “I keep a close personal watch on my financial affairs” and “I set long term financial

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goals and strive to achieve them" showed that the statements often describe respondents' financial behaviour.

Again, from Table 12, the following statement sometimes describe respondents' financial behaviour: "I take insurance policy for my investments and/or myself" and "I am prepared to risk some of my own money when saving or making an investment". More so, the statement "I find it more satisfying to spend money than to save it for the long term" seldom describe respondents' financial behaviour.

Correlation Analysis

Table 13 presents a correlational analysis between the determinants of financial planning. The aim was to find out if these determinants are inter-correlate. The analysis was done using Pearson's Correlational Analysis because the data is normally distributed.

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Table 13: Determinant of investment planning; Inter-correlation and Descriptive Statistics

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	Mean	SD
1	Income level	1																4.42	1.03
2	Age	.43**	1															3.78	1.45
3	Religious reasons	-.00	.027	1														2.54	1.51
4	Past experience	.27	.18	.63**	1													3.40	1.41
5	Financial knowledge	.76**	.57**	.27	.45**	1												4.22	1.31
6	Uncertainty	.54**	.27	.30*	.73**	.60**	1											3.41	1.40
7	Get rich quick	.17	-.24	.00	.17	.20	.22	1										2.23	1.07
8	Interest rate	.56**	.45**	-.11	.194	.59**	.40**	.20	1									3.68	1.16
9	Inflation	.51**	.55**	-.12	.27	.62**	.48**	.20	.89**	1								3.46	1.34
10	Tastes and Preferences	.74**	.46**	.35*	.40**	.85**	.39**	.29*	.65**	.52**	1							3.48	1.15
11	Taxes	.59**	.51**	-.03	.24	.66**	.38**	.36*	.57**	.77**	.58**	1						3.02	1.18
12	Family member opinions	.32*	-.01	.62**	.50**	.27	.23	.26	.25	.18	.55**	.25	1					2.46	1.42
13	Friend recommendations	.58**	.23	.294*	.64**	.53**	.64**	.39**	.61**	.59**	.57**	.56**	.71**	1				3.09	.90
14	Current economic indicators	.59**	.45**	.36*	.57**	.80**	.47**	.21	.72**	.73**	.76**	.61**	.48**	.67**	1			3.44	1.16

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15	Financial advisor sand analysts recommendation	.74**	.52**	.09	.47**	.80**	.53**	.16	.62**	.72**	.72**	.62**	.35*	.70**	.82**	1		3.56	1.30
16	Ease of obtaining borrowed funds	.52**	.13	.26	.15	.50**	.12	.27	.68**	.50**	.70**	.55**	.62**	.63**	.59**	.55**	1	2.86	1.41

Source: Field Survey (2022)

Note: N= 50. Correlation greater than .21 are statistically significant (p=.05)

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From Table 13, income has positive correlation with all variables, except religious reasons. Similarly, age has positive correlation with all other variables, except get rich quick and family member opinions. Religious reasons recorded negative correlation with interest rate, inflation and taxes, whiles were positive. Past experience, financial knowledge, uncertainty, get rich quick, interest rate, inflation, taste and preference, taxes, family member opinion, friend recommendation, current economic indicators, financial advisor sand analysts' recommendation and ease of obtaining borrowed funds on the other hand all have positive correlation with all other variables.

As per the (*p-value=0.05*) chosen, there is a substantial correlation between income and (age, financial knowledge, uncertainty, interest rate, taxes, fiend's recommendation, current economic indicators, financial advisors and analyst recommendation and ease of obtaining borrowed funds). Similarly, there is a substantial connexion between age and (fiscal knowledge, interest rate, taxes, inflation, taste and preference, current economic indicators and financial advisors and analyst recommendation). Again, religious reasons have a significant relationship with (past experience and family member opinion). In addition to that, there a significant correlation between past experience and (financial knowledge, uncertainty and taste and preference).

Also from table 13, financial knowledge has a significant correlation with (uncertainty, interest rate, inflation, taste and preference, taxes, friends' recommendation, current economic indicators, financial advisors and analyst recommendation and ease of obtaining borrowed funds). Furthermore, uncertainty has a significant relationship with friends' recommendation. The variable "interest rate" has a significant relationship with (inflation, taste and

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preference, taxes, friends' recommendation, current economic indicators, financial advisors and analyst recommendation and ease of obtaining borrowed funds, etc.

Objective Two: Assess the Association Between Financial Literacy and Investment Behaviour

Multiple linear regression test

Table 14: Multiple Linear Regression Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.904[a]	.818	.754	.1547	2.103

Source: Field Survey Wogormebu, (2020)

ANOVA

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	3.655	12	.305	12.735	.000[b]
Residual	.813	34	.024		
Total	4.468	46			

Source: Field Survey (2022)

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Table 15: Coefficients

Model	Unstandardized Coeff. B (β)	Std. Error	Standard. Coeff. Beta	t	Sig.
(Constant)	.373	.211		1.770	.086
I keep track of my income and expenditure every month	.154	.048	.552	3.230	.003
My spending is always based on prior planning	-.034	.065	-.125	-.530	.600
I assess the conditions given by financial institutions before I decide to take a loan or credit	.111	.087	.310	1.273	.212
I compare interest and other benefits when deciding to save my money	-.139	.073	-.412	-1.903	.066
I seek financial advice before making major financial commitments or decisions	-.040	.054	-.161	-.740	.465
I ask my bankers about investment opportunities available in order to make investment	-.022	.036	-.078	-.611	.545
I take insurance policy for my investments and/or myself	.243	.045	.958	5.376	.000
I cross check the interest paid either to me or by me on my account	.194	.079	.573	2.455	.019
I find it more satisfying to spend money than to save it for the long term	-.006	.035	-.027	-.160	.874
I am prepared to risk some of my own money when saving or making an investment	.064	.042	.275	1.512	.140
I keep a close personal watch on my financial affairs	-.247	.113	-.855	-2.182	.036
I set long term financial goals and strive to achieve them	-.032	.077	-.148	-.417	.679

a. Dependent Variable: Do you save?
Source: Field Survey (2022)

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In order to determine how well the predictor variables (I always plan my spending, I always compare interest rates and other benefits when deciding to save money, I always assess the terms provided by financial institutions before deciding to take out a loan or credit, I seek financial advice before making significant financial commitments or decisions, I ask my bankers about in, I find it more satisfying to spend money than to save it for the long term, I am The ability to save and invest for the future may be predicted by a response to the question ("I am willing to risk part of my own money when saving or making an investment, I keep a close personal watch on my financial affairs, I set long term financial goals and work to attain them"). The regression analysis showed that the model was a significant predictor of the dependent variable, y, $F(12, 36) = 12.735$, $p=.001$, and that it explained 81.8% of the variance.

The correlation between “I keep track of my income and expenditure every month” and investment planning was statistically significant, $r(46)=.15$, $p=0.003$ and a good predictor of investment planning; correlation between “I take insurance policy for my investments and/or myself” and investment planning was statistically significant, $r(46)=.24$, $p=.001$ and a good predictor of investment planning; correlation between “I cross check the interest paid either to me or by me on my account” and investment planning was statistically significant, $r(46)=.19$, $p=.02$ and a good predictor of investment planning and lastly, the correlation between “I keep a close personal watch on my financial affairs” and investment planning was also statistically significant, $r(46)=-.28$, $p=.04$ and a good predictor of investment planning. The rest of the variables have been dropped from the model because they were not

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statistically significant and therefore not good predictor of the investment planning. The final predictor model was:

y= .37 +.15***β0** + .24* **β1** + .19* **β2** - .25* **β3**, where **β** represent the various variables.

Multiple linear regression test

Table 16: Multiple Linear Regression Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.722[a]	.522	.414	.2319	2.185

Source: Field Survey Wogormebu (2020)

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.348	9	.261	4.850	.000
	Residual	2.152	40	.054		
	Total	4.500	49			

Source: Field Survey (2022)

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Table 17: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.174	.390		5.578	.000
Age	-.089	.070	-.193	-1.274	.210
Gender	-.262	.074	-.434	-3.549	.001
Marital Status	-.008	.107	-.012	-.077	.939
Employment status	.028	.066	.074	.420	.677
Income	.142	.042	.624	3.390	.002
Level of Education	-.161	.067	-.416	-2.401	.021
Staff category	.005	.042	.020	.126	.901
Number of Dependants	.108	.093	.149	1.163	.252
Other source of income	-.330	.088	-.548	-3.749	.001

Dependent Variable: Do you save?

Source: Field Survey (2022)

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A multivariate regression analysis test was conducted to inspect how well the predictor variables (age, gender, marital status, employment status, income, level of education, staff category, number dependants and other sources of income) could predict respondents' ability to invest for the future. The residual check did not reveal any multivariate outliers as the value was between -1.428 and 2.447 which is within the acceptable range of -3.99 and +3.99. The upshot of the regression shown that the model enlightened 52.2% of the variance and that the model was a substantial predictor of the dependant variable, y, $F(9,40) = 4.850$, $p = .001$.

The correlation between "gender" and investment planning was statistically significant, $r(49) = -.26$, $p = 0.001$ and a good predictor of investment planning; correlation between "income" and investment planning was statistically significant, $r(49) = .14$, $p = .002$ and a good predictor of investment planning; correlation between "level of education" and investment planning was statistically significant, $r(49) = -.16$, $p = .02$ and a good predictor of investment planning and lastly, the correlation between "Other source of income" and investment planning was also statistically significant, $r(49) = -.33$, $p = .001$ and a good predictor of investment planning. The rest of the variables have been dropped from the model because they were not statistically significant and therefore not good predictor of the investment planning. The final predictor model was:

$y = 2.17 - .26 * \boldsymbol{\beta 0} + .14 * \boldsymbol{\beta 1} - .16 * \boldsymbol{\beta 2} - .33 * \boldsymbol{\beta 3}$, where $\boldsymbol{\beta}$ represent the various variables.

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Discussion

From the data gathered and the results from the field, there is no denying the fact that, there are some determinants of investment planning. From the findings, it was found that, income, age, financial knowledge, interest rate and financial advisors and analyst recommendation were the determining factors for investment planning by the people surveyed. However, it was established that cultural and religious reasons, get rich quick, family member opinion and ease of obtaining borrowed funds can be determining cannot be determinants for financial planning when one plans to invest for the future What this means is that, with some source of income, the one will be willing to save no matter how small and this confirmed what Dulebohn (2002) explored in his studies.

Again, age, fiscal knowledge, interest rate and fiscal advisors and analyst approvals also pushes people to invest for the future pending their retirement. Similarly, with proper understanding of financial literacy, thus knowing the essence of investment planning, the individual will be ready to engage in financial planning. It is also worth noting that, respondents took neutral position regarding uncertainties, inflation, taste and preference, taxes, friend's recommendation and current economic indicators as determinants for investment planning. The above highlights confirm Akerlof (2007) findings on the missing motivations on investments.

Again, from the analysis, a combined cross-tabulation test was carried out to find out if relationships exist between variables to find out if one can predict the other. About age and whether respondents save, it came out that almost all the respondents (of all ages) invest for their future. In line with that,

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most of them prefer to use funds justification. The study also discovered that women are more likely to invest linked to men, even though in the study more men were surveyed than women. In addition to that, it was established that, it was possible for the singles to invest more than the married. Furthermore, it was discovered that, people earning higher income are able to save more compared to those earning below them. More so, it was found that, the married, more often than not, take financial decisions together with their spouse, whiles the singles on the other hand take financial decisions alone, not even with a family member or a friend.

The results also revealed that respondents' capacity to keep track of their income and expenses each month, as well as their ability to spend in accordance with a budgeted amount, best defines their financial behavior. weighing the terms provided by financial organizations before choosing a loan or credit; Before making significant financial commitments or decisions, obtaining financial counsel; consulting bankers about investment prospects; cross-checking the interest that the financial institutions have paid on my account; having long-term goals and working to accomplish them, keeping a tight eye on one's financial circumstances.

Additionally, a correlation analysis done revealed that income positively correlated with all determinants of investment planning, except religious reasons and this rightly confirms study done by Guiso, Sapienza, & Zingales (2003), the impact of religion on people’s economic attitudes. As a determinant for investment planning, income had a significant relationship with age. This means that age plays an important role when comes to how much people are willing to earn. In other words, as people grow older, get

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married and have more responsibilities, they may like to earn more. In the same vein, income is highly correlated with past experience. This means that, people take financial decisions based on what they experience or others passed through in the past. Income again was found to have highly correlated with financial knowledge.

This also means that as people work and earn income periodically, they may like to acquire financial knowledge on how to invest their money. With regards to income and uncertainty, since people are not sure of what will happen tomorrow, they may be eager to invest no matter how small their earnings are. Concerning income and get rich quick, people in an attempt to earn more income and become rich within a short time, would engage in several activities or jobs that will bring them the needed income they want.

Also, there is an optimistic correlation amid revenue and interest rate in the sense that, most people would verify to know the amount of interest that will accrue on their savings before they invest. In terms of inflation, as people earn and desire to spend on their preferred goods and services, they take into consideration the state of the economy with regards to prices of things. Taste and preferences also play a major role when it comes to what to buy to get value for money and as such it is highly correlated with income. Another one of much consequence is taxes. Since taxes are paid on every investment, people would like to be guided as to how much tax they will pay trying to invest in one product or the other, hence the positive correlation between income and taxes. Family member's opinion and friend's recommendation all correlated with income in the sense that, people may attempt investing in a product when convinced by a trusted family member or friend. Added to that,

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ease of obtaining borrowed funds was also highly correlated with income because, people will be comfortable to venture into different investment if they know they can easily have access to borrowed funds to boost their business and get higher returns.

Added to that, the study conducted two (2) hypotheses using multiple linear regression test, firstly to know if a relationship exists between financial literacy level of an individual and his/her ability to invest and secondly, to determine if there is a relationship between investment planning and respondents' basic information. The result revealed that, the model was able to explain 81.8% of the variability in the data and that the model was a significant predictor of the dependant variable. It has been proven that a coefficient of determination (R^2) of 1 indicates that the regression predictions perfectly fit the data. So, in this case, the R^2 of 81.8% or 0.818 shows a higher probability of predicting accurate regression fit for the data. Added to that, it was found that, there was a significant relationship between investment planning and the respondent's ability of keep tract of his/ her income and expenditure every month. Also, there was a significant correlation between investment planning and taking insurance policy cover for one's investment. It was also proven that, cross-checking interests paid by financial institutions and investment planning have a significant relationship, etc. The above revelations from the study are confirmed in several other studies. Bernheim (1998) was one of the first to emphasize that most individuals keep tract of his/ her income and expenditure every month. The OECD report (2005), Lusardi and Mitchell (2007) and Smith and Stewart (2009) examine the

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evidence on financial literacy in the United States and in other countries and report similar findings.

The second regression analysis showed that, there was a significant relationship between investment planning and gender, income, level of education and other sources of income for respondents. This presupposes that from the study, being a man or woman can impact largely on ability to invest. In view of that, as discovered earlier, more women are mostly likely to invest than the men. Again, as established earlier on, to a higher extent, the income level of an individual has a greater influence on his saving behaviour. In other words, the greater the income, the higher the investment.

Added to that, a person's level of education has a higher chance of affecting his/ her understanding of the importance of financial matters, hence is most likely to invest. Lastly, earning additional income would help an individual to invest knowing very well he/ she has a buffer. The above expositions are confirmed by a study conducted by Bajtelsmit and Bernasek (1996). In their study, an increasing number of financial studies conclude that women invest their asset portfolios more conservatively than their male counterparts.

Chapter Summary

The chapter four of the study was the results and discussion of data gathered from the field survey. The self-administered questionnaire used, gathered data on respondent's basic information; key determinants of investment planning; financial literacy and investment planning behaviour; planning and investing for the future;

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The results showed that, financial literacy and investment planning is every important not only to the individual, but also to the family, the society and the country at large. It helps in planning and investing for the future.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

The present study examines the role of financial literacy in influencing investment planning behaviours among members of TEWU at TTU in Ghana. This chapter presents summary of key findings from the data analysed, conclusions drawn based on the findings and recommendations made for necessary action by government, corporate organisations, members of the academia and others.

Summary of Key Findings

To reiterate, the study examines the financial literacy and investment planning among Teachers and Educational Workers' Union (TEWU) members of the Takoradi Technical University. The purpose of the study was to critically examine the financial literacy and investment planning ability of the TEWU members of the Takoradi Technical University and also if they invest for the future. The study was quantitative in nature; hence, the descriptive correlational design was adopted. Respondents were gathered through a simple random sampling technique. A structured questionnaire was adopted to gather data from 50 respondents from the various faculties and departments of the

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Takoradi Technical University. The following are the key findings obtained from the analysis of the data gathered for the study.

With regards to research objective one, the study found that there were some determinants of investment planning which included income, age, financial knowledge, interest rate and financial advisors and analyst recommendation. On the other hand, cultural and religious reasons, get rich quick, family member's opinion and ease of obtaining borrowed funds were found not to be determinants of investment planning. In addition, it was found that age, financial knowledge, interest rate, financial advisors and analyst's recommendations also push people to invest for their future. However, respondents were neutral regarding uncertainties, inflation, taste and preference, taxes, friend's recommendation and current economic indicators as determinants for investment planning.

With regards to research objective two, the study revealed that there was a significant relationship between financial literacy and investment planning. Specifically, the study found that there was a significant correlation between investment planning and taking insurance policy cover for one's investment. As defining behaviour for investment, people spend based on planned budget. Spending based on planned budget, people assess the conditions given by financial institutions before deciding whether to take a loan or credit. As defining behaviour for investment, people cross-check the interest paid on my account by the financial institutions. As defining behaviour for investment, people keep close personal watch over their financial affairs. As defining behaviour for investment, people setting long term goals, and strive to achieve them.

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With reference to the third objective of the study, it was found that TEWU members at TTU had varied understanding of savings and investment planning based on some demographics. Specifically, it was shown that age determines the willingness of members to save. Women were also more likely to save than their male counterparts. Singles on the other hand, were also more likely to save than the married. Further, it was found that higher income earners are most likely to invest than lower income earners. A gain, unlike the singles, married couples take financial decisions with their spouse.

With reference to research objective four, the study found that there was a statistically significant relationship between TEWU members' general knowledge in financial literacy and investment behaviours. It was shown that as defining behaviour for investment, people are able to keep track of their income and expenditure. Again, it was revealed in the findings that as defining behaviour for investment, people seek fiscal advice before making major financial commitments or choices people inquire from financial institutions about investment opportunities available in order to make investment, hence increasing their general knowledge of personal finance and investment.

Conclusions

From the results obtained in the study on research question one, it can be concluded that there are quite a number of determinants of investment planning which include, income, age, financial knowledge, interest rate and financial advisors and analyst recommendation. Consequently, all these propel members of TEWU to invest for their future.

Findings for objective two suggest that the likelihood of TEWU members at TTU investing with any financial institution is strongly correlated

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with the level of financial literacy or knowledge they hold. Previous empirical research has corroborated this finding by suggesting that workers who have a firm grasp of money management concepts like savings, resource utilization, and budgeting are regarded as financially literate. As a result, they are in a better position to make prudent choices about their money.

Thirdly, the findings of the study indicate that TEWU members at TTU have varying degrees of knowledge regarding the techniques of savings and investment planning, and these differences are based on certain demographic variables. Members are driven to participate in some savings and investment habits by a wide range of demographic factors rather than by a profound understanding of the foundational principles underlying saving and investing.

Research objective four concludes that investment planning choices are positively impacted by general financial literacy. This finding lends credence to earlier empirical research suggesting that fiscally literate people are better equipped to handle financial challenges and weather economic downturns. This is largely due to the fact that they put their money and resources where they will do the best. In addition, they put aside some of their income in case of emergencies.

Recommendations

On the strength of the research findings and conclusions made, the following recommendations are hereby made.

The issue at hand was that employees who are poor at financial management, have a low level of financial literacy. Consequently, they struggle to make better financial decisions, which affects their survival in the short and long term. Based on these findings, the study recommends that the

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TEWU national leadership develop special programmes for their members in an effort to enhance their financial literacy.

Another significant issue at stake was the fact that employees who made poor financial decisions had low levels of investment planning. These employees are found to be misusing available funds because they are largely unconcerned with its potential financial repercussions. The study recommended that the management of TEWU collaborate with prominent financial institutions to educate their employees on financial matters. This can be accomplished through regular counselling, mandatory meetings, seminars, and workshops on financial matters.

Lastly, the study revealed that personnel with a low level of financial literacy make inadequate preparations for investment. This is due to their lack of understanding regarding the effects of financial mismanagement. Based on this issue, the study recommended that TEWU's leadership immediately establish a department or unit whose primary responsibility is to educate, raise awareness, and promote the growth of individual investment and retirement plans.

Suggestions for Further Studies

Further studies can be carried out to explore the moderating role of demographic variables on the relationship between financial literacy and investment planning. Also, studies in other Technical Universities in Ghana could be conducted to examine the pattern of change in the results for a broader scope of generalisation.

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