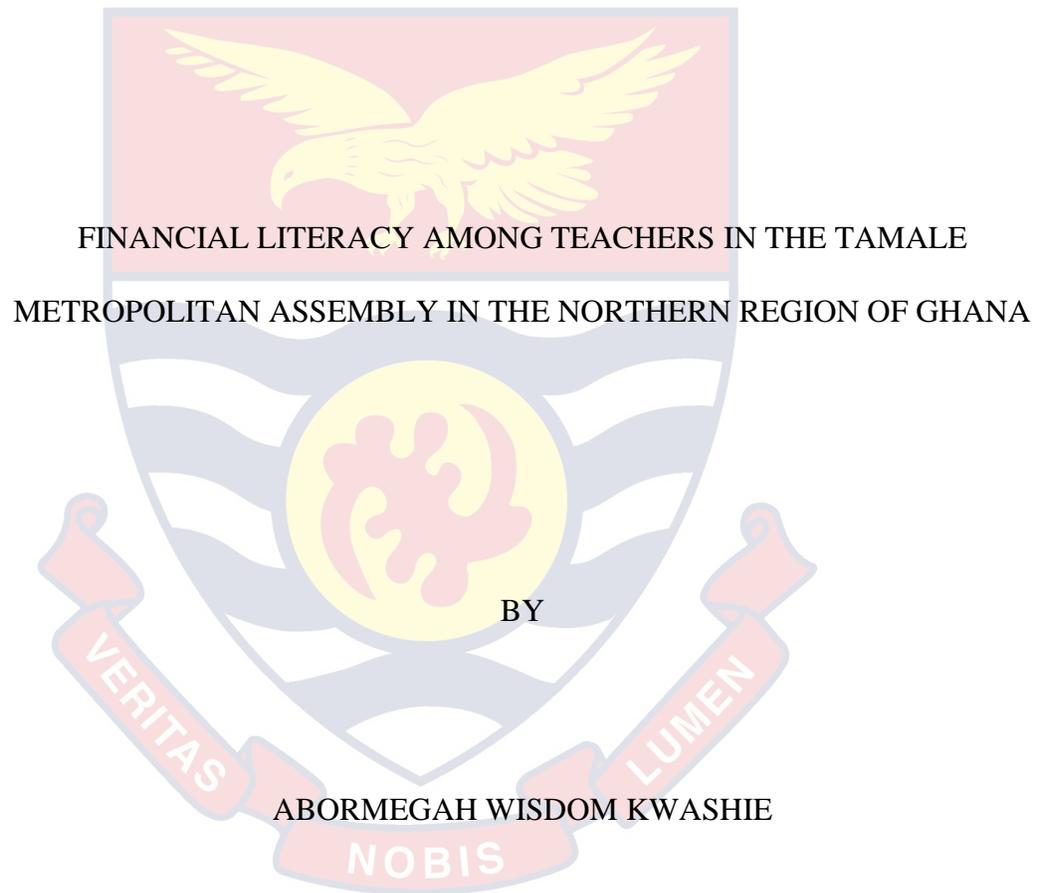


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FINANCIAL LITERACY AMONG TEACHERS IN THE TAMALE
METROPOLITAN ASSEMBLY IN THE NORTHERN REGION OF GHANA

BY

ABORMEGAH WISDOM KWASHIE

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

OCTOBER 2021

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in the university or elsewhere.

Candidate's Signature: Date.....

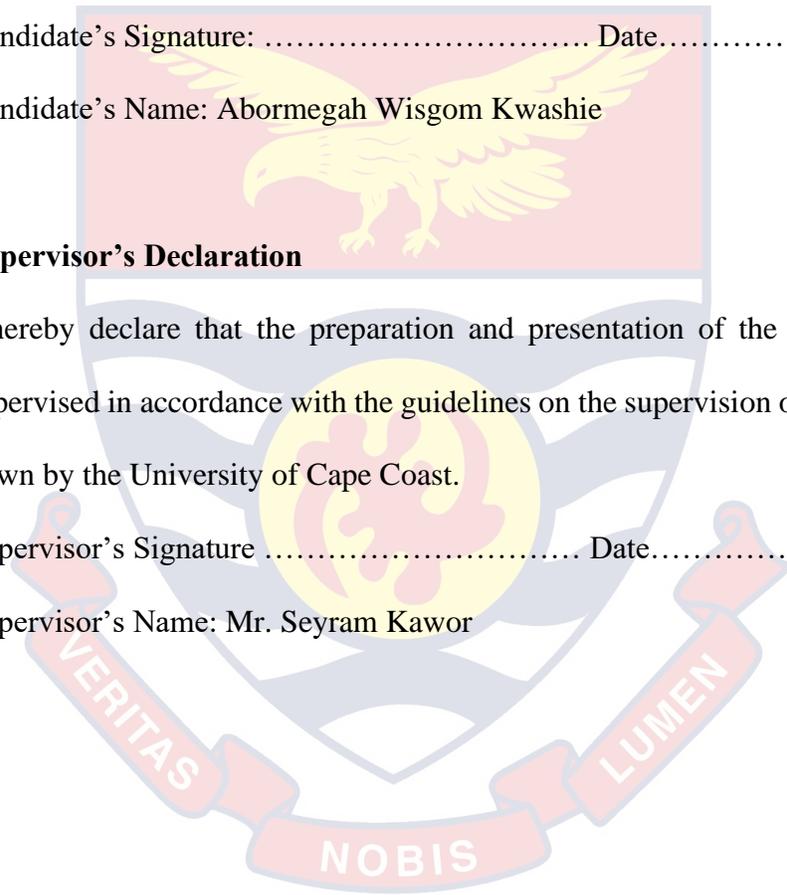
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Supervisor's Declaration

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

Supervisor's Signature Date.....

Supervisor's Name: Mr. Seyram Kawor



ABSTRACT

This research assess the degree of Financial Literacy (FL) among teachers in the Tamale Metropolis, which is located in the Northern Region of the country. Principal goal of the research is to determine how well instructors understand personal finances. In this study, the primary objectives are to identify if certain groups of teachers are more knowledgeable about financial matters than others and whether teachers' knowledge influences their opinions and decisions about personal finance issues. In addition, the study will look into how teachers' knowledge influences their opinions and decisions about personal finance issues. This study makes use of both explanatory and descriptive techniques of research. The population of this research consists of 3152 teachers in the Tamale Metropolis. In this study, a total of 300 instructors were selected using a mix of stratified and convenience selection techniques. The research instrument was a questionnaire consisting of 46 questions that evaluated components such as background information, general finance knowledge, savings and borrowing knowledge, personal financial management practises, and financial management problems. Teachers in the Tamale Metropolitan Assembly, according to the results on overall FL, have a high level of FL.

KEY WORDS

Financial Literacy

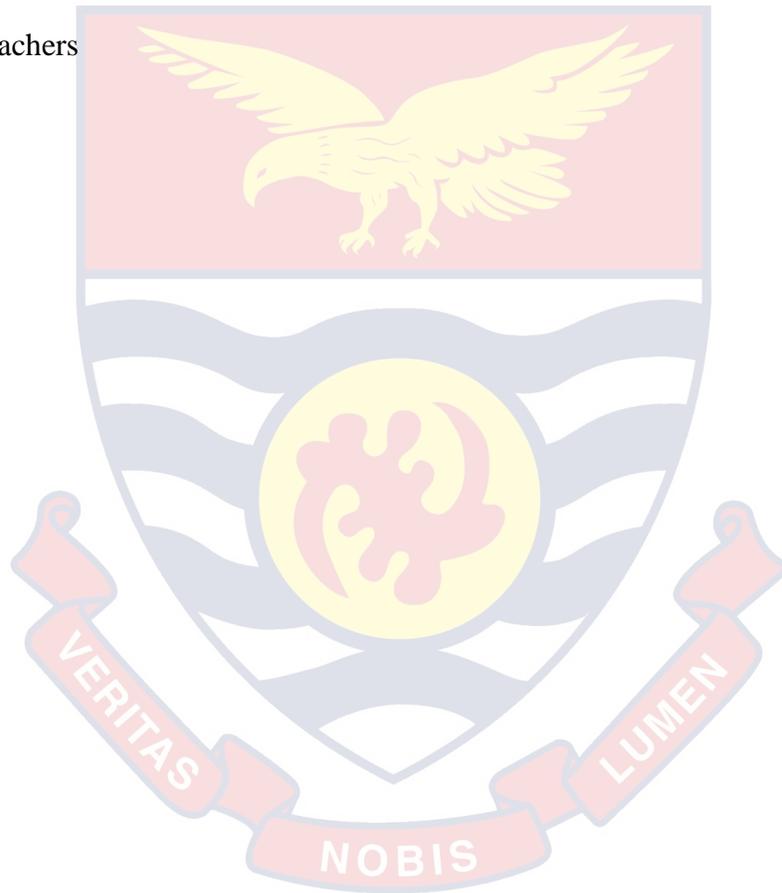
Insurance

Investment

Retirement planning

Savings and Borrowing

Teachers



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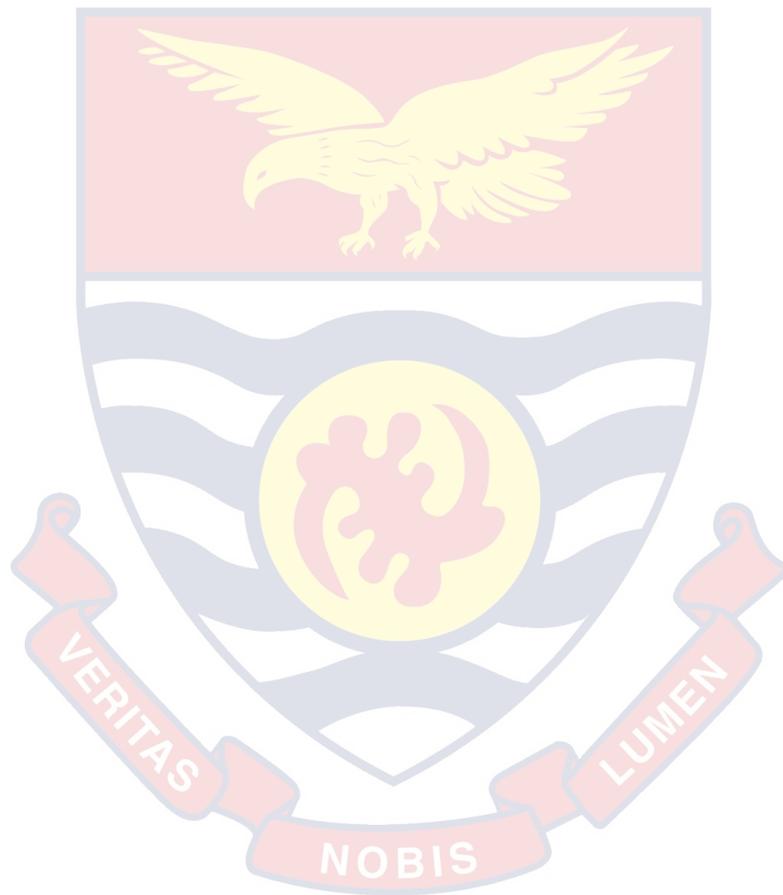
A Sincere thanks to the God Almighty, the Creator of the Universe for taking me through the MBA study possible. A special thank you goes out to my supervisor, Mr. Seyram Kawor, for his patience, understanding and guidance during this writing process, which I really appreciate. Having his advice was very beneficial throughout this study project. Special thanks go to Apostle (Rtd). Peter Saana Mahama for his fatherly advice, encouragement and financial support during this academic journey.

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DEDICATION

To my Late daughter Etheldreda Tsoenemawu Abormegah and the entire family,
my wife, my son Vanlare Enami Abormegah and all my lovely daughters.



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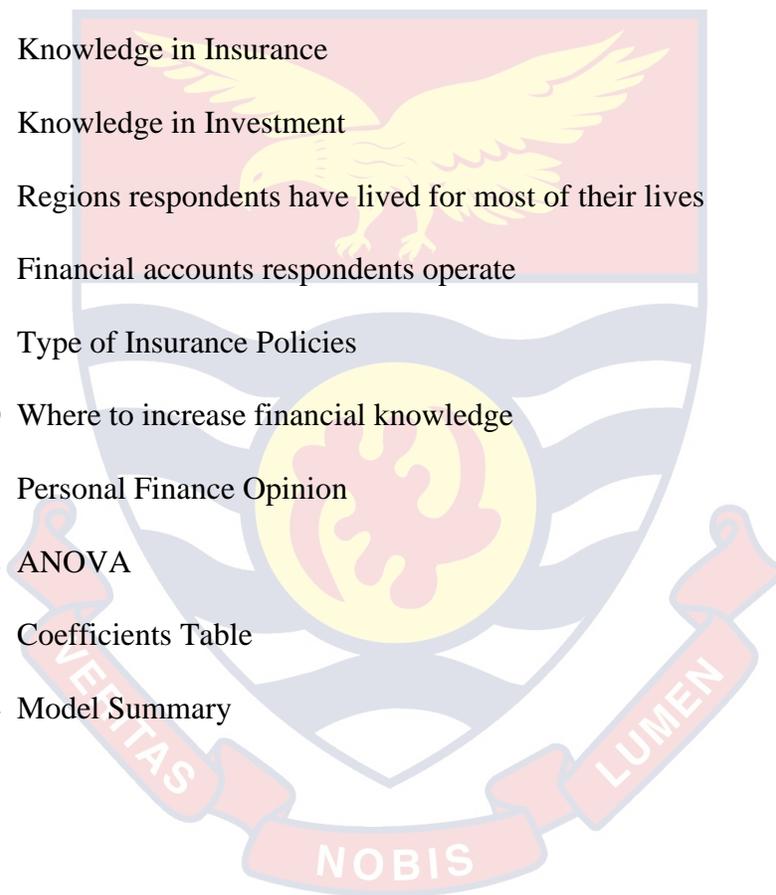
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LIST OF ACRONYMS

ANOVA	Analysis of Variance
ANZ	Australia and New Zealand
EFEP	European Financial Education Partnership
FI	Financial Literacy
INFE	International Network on Financial Education
MoFEP	Ministry of Finance and Economic Planning
OECD	Organization for Economic Cooperation and Development
SPSS	Statistical Package for Social Scientist
USAID	United States Agency for International Development



CHAPTER ONE

INTRODUCTION

Ghana's banking industry has recently faced significant difficulties in terms of profitability. As a result of the issue, several financial institutions in Ghana have been downgraded, merged, or collapsed, and the Bank of Ghana (BoG) has taken steps to clean up the industry, which has consequences for Ghanaians' savings choices. Financial literacy has been found as a factor that influences saving behavior. In the meanwhile, data from both developed and developing nations indicates a poor level of financial literacy, as well as a lack of skills and understanding in fundamental personal financial management ideas and banking practices. The research looks at financial literacy among teachers in Ghana's northern region, specifically in the Tamale Metropolitan Assembly.

Background to the Study

It is anticipated that, as a result of the entry of financial institutions into the nation, the general public would have gained a better understanding of how to handle his or her finances. Most financial organizations place a greater emphasis on persuading customers to conduct business with them rather than with their competitors, leaving out the education elements of individuals' financial discipline, which is what most frequently leads to people getting into difficulty. Because teachers are considered to be the foundation of education in every nation, it is unfortunate to learn that some retired teachers are in a very poor condition as a consequence of their lack of financial education understanding.

A large number of research performed in this field to evaluate FL in adults have shown that people, on the whole, do not have a sufficient amount of the nutrient. While a significant amount of study has focused on gender as an essential component of FL, the findings have shown that there is still a persistent gender gap (Hanna, Hill, & Perdue, 2010). As a consequence, FL levels differ between men and women, with men having a better understanding of financial concepts and a greater ability to apply those concepts to financial choices than women. Priority is not given to basic personal financial literacy at the country's colleges of education until they are through with their studies. Colleges of Education throughout the nation do not take into account students who studied business in their senior high schools when making admission decisions. As the global economy becomes more unpredictable, it is critical that teachers acquire the financial literacy skills that will allow them to make informed spending and saving decisions in the future.

Governments across the world have voiced concern over their citizens' lack of access to FL. Most financial problems, such as poor retirement planning, insufficient savings, and falling prey to scams and fraudulent schemes, are frequently caused by people's inadequacies or lack of understanding of financial matters. The general public suffers a substantial financial cost as a consequence of a low FL rate, according to a variety of studies such as those performed by Gallery, Newton, and Palm (2010) and Capuano and Ramsay (2011), among others. There is substantial evidence that individuals who do not save enough make bad financial choices and are more likely to be in debt as a result (Poterba, Venti, and Wise, 2007; Mitchell, 2011). Accord to the findings of the majority of research, FL seems to be

favorably linked with self-profitable financial behavior (Hilgert, Hogarth, and Beverly, 2003).

Numerous financial experts have pointed to financial illiteracy as a major factor in the recent decline in savings rates as a result of the Great Recession (Jappelli, 2010; Beckman, 2013). An inability to comprehend basic financial concepts is associated with the growth of consumer debt (Gerardi, Goette, & Meier, 2010). Research by Lusardi and Mitchell (2011) found that individuals in the United States had a general lack of retirement planning, which they attribute to FL. According to Kinnunen and Pulkkinen (1998) and Cleek and Pearson (2001), a lack of retirement preparation is also linked with poor mental health, divorce, and a broad variety of other harmful and unpleasant interactions, among other outcomes (1985). Moreover, according to Lusardi and Mitchell, it is a contributing factor to feelings of despair, anxiety, and helplessness (2011) (Kinnunen & Pulkkinen, 1998; Cleek & Pearson, 1985; Kinnunen & Pulkkinen, 1998).

Statement of the Problem

After active service, every retired teacher's life takes on a new significance. If teachers have put in place the necessary financial knowledge and considerations while they are still actively serving, teacher retirement may be a time of leisure and pleasure. When some retired instructors are living in abject poverty, others seem to be enjoying the current moment much more than they did while in the military. Most individuals who find themselves in tough circumstances acknowledge that they would not be in their current position if they had learned how to properly manage their money.

According to the World Bank, a progressive shift in public attitude about how people spend their money has occurred in Ghana as a consequence of the enactment of new pension legislation in 2008, notably the National Pensions Act (Act 766) and the National Financial Literacy Week. As a consequence, one's financial future must be seen as a shared responsibility with others. As a result, the teacher must be financially educated in order to provide a better future for the students. According to a 2009 survey performed by the United States Agency for International Development (cited in Oppong-Boakye & Kansaba, 2013), Ghanaians had a national average of only 44 percent financial literacy in 2009. There is a major research deficit in Ghana when it comes to FL, especially among teachers and other salaried employees. This is especially true when it comes to saving and investing, financial product selection, and retirement planning.

However, in contrast to popular belief, Florida Leadership Week is intended to educate members of the general public rather than educators who will pass on their expertise to the next generation of leaders. As a result of these results, this research will investigate and assess the financial literacy of teachers, and it will provide suggestions for increasing both their FL and the overall level of financial literacy in the nation.

Purpose of the Study

The purpose of this study is to determine financial literacy among teachers in the tamale metropolitan assembly in the northern region of Ghana.

Research Objectives

The following objectives guide the study in order to accomplish the aforementioned purpose.

1. To evaluate teachers' understanding and knowledge of money management, saving and borrowing, investing, insurance, and retirement planning.
2. To assess what influence teachers to plan their finances towards their retirement.
3. To examine how teachers' knowledge in finance influences their opinions and decisions on personal issues in retirement planning.

Research Questions

The study aim to find answers to the following questions as a result of its effort:

1. What is the level of teachers' understanding and knowledge of money management, saving and borrowing, investing, insurance, and retirement planning.?
2. What factors influence teachers to plan their finance toward retirement in the Metropolis?
3. What effect does teachers' general financial knowledge have on their attitudes and decisions towards personal retirement concerns?

Significance of the Study

Researchers in the field of personal finance have differing opinions on when the concepts should be introduced, but the majority believe that personal finance literacy education should begin at a young age to prevent individuals from developing undesirable habits and becoming financially illiterate adults. The

purpose of this research is to educate teachers on the significance of FL concepts like as money management, budgeting, inflation rates, and interest rates in financial decision-making for their retirement planning.

According to Zimmerman and Holmes (2011), those who are less financially educated are more likely to have problems with debt management, savings, and credit, and are less likely to prepare for the future. According to these results, Prawitz and Garman (2009) propose that workers be provided financial education and information focused on FL, such as establishing financial goals, making an expenditure plan, intelligently utilizing credit, saving for emergencies, and learning not to spend more than their income. Furthermore, the findings of this research may serve as a reference for the Ministry of Education and the Ghana Education Service in developing in-service training programs to enhance teachers' knowledge and financial management skills.

This study would also educate the government and other educational stakeholders in Ghana on the FL level among instructors. The findings of this research will help the government and other stakeholders develop and execute strategies to enhance teachers' FL levels. The results would then be used by the government to adapt educational programs to teachers' specific requirements. Because some of these services are supplied by insurance firms, the pressure on the government to pay social benefits to individuals after retirement is significantly reduced in a society where people are able to handle their financial affairs effectively.

The findings of this study will also be utilized to enhance teachers' financial choices, such as saving and investing, efficient retirement planning, and how to avoid collecting needless debts throughout their active working lives.

Delimitation of the Study

This study focuses on conducting an empirical overview of FL based on thematic areas such as savings and borrowing, insurance and retirement planning and investment, and to identify the financial management challenges faced by teachers in the Tamale Metropolis. Proximity as well as easy access to information and the cooperations on the part of the Ghana Education Service Directorate to assist in the provision of information contribute to the choice of the Metropolis. It consists a teacher population of about 2890 and therefore the right district which could be studied and the findings reasonably generalized as what pertains in other districts in Ghana.

Limitation of the Study

In terms of the study's limitations, access to some of the data was difficult to come by since some respondents believed the researcher was trying to pry into their financial privacy. Some respondents, for example, were unwilling to disclose their sources of income. Second, the researcher must visit several schools in various locations to conduct surveys. Some responders flatly refused to answer the questions. As a consequence of these constraints, the study's completion date has been pushed back.

Organization of the Study

This research study has been split into five parts, as shown below. The first chapter looks at the study's introduction, the issue's description, the objectives and research questions, the significance of the inquiry, the scope and limitations, and the study's organizational structure. The literature study, which analyzes material with both a direct and indirect connection to the subject topic, as well as what prompted the writers' views and thoughts on the problem in the first place, is described in Chapter 2. The third chapter focuses on the research technique. It also explains the processes employed and how the study was planned; the data collection technique and equipment used will be described in depth; the models used will be specified; and the methods by which the data was analyzed will be explained. In Chapter 4, the findings and interpretations of the data are explored in depth. A presentation of original data is included, as well as debate and analysis. The fifth chapter concludes with a review of the data gathered and recommendations for eligible customers.

Chapter Summary

This chapter provided the foundation for the research by examining the topic of financial literacy from a global or wider viewpoint to an organizational perspective, which served as the study's starting point. Identical works in this field of study were given in the issue statement, which ended with the necessity for further research in this area. The chapter went on to discuss the study's research objectives, the importance and delimitation of the study, and how the investigation would be structured before concluding with how the study would be organized.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter examines relevant articles, journal articles, books, and periodicals, as well as other sources such as online resources, to evaluate their overall financial literacy in the areas of saving, borrowing, retirement planning, investing, and insurance. This chapter also serves as the study's theoretical and empirical basis. As a consequence, the chapter examines academic ideas and a variety of scholarly viewpoints on the topic.

Theoretical Review

An incredibly large number of theories exist in this area. These theories include the Psychoanalysis Theory (created by Sigmund Freud in 1910), the Learning Theory (established by Ivan Pavlov in 1960), and the Human Capital Theory (developed by Adam Smith in 1970). (Schultz, 1961). The psychoanalysis theory established by Sigmund Freud was used in the current study, according to the findings (1910).

Psychoanalysis Theory

An individual's level of financial literacy is based on the conflict that develops between the desire to experience greater pleasure and the necessity to conform to social norms, according to the psychoanalysis theory put forward by Sigmund Freud in 1910. An individual's desire for financial gain or riches may affect his or her understanding and use of financial literacy and financial management choices, according to the Psychoanalysis hypothesis. According to

Krueger (1986), the pursuit of money may clash with a person's inherent desire for greater enjoyment or with social norms, which can make it more difficult to put financial knowledge and skills to good use.

For Tuckett and Taffler (2008), financial literacy is defined as a person's knowledge and comprehension of money and their ability to make sound financial decisions. Effective monetary decision-making requires an understanding of financial alternatives (pleasure or risk of investing). This shows that the more financial literacy a person has, the better off they are financially. A person's level of financial literacy and management may be affected by a variety of factors that are both inherent and visible in nature. This means that people's financial literacy may be affected by their gender, age, and educational background.. Teachers in the Northern Region's financial literacy and financial management choices, for example, are predicted to be influenced by gender and age as an individual's educational degree rises, according to this theory.

Conceptual Review

The notion of FL is described by the idea of the many academic subjects in literature that serve as the basis for the concept. In this course, critical areas of interest in finance are studied in depth to provide comprehensive information that acts as the topic's basis. These topics include FL, money management, saves, and expenditures. The essential concepts, on the other hand, are part of the study's theoretical examination.

Financial knowledge

FL may be characterised in a multitude of ways, according to a number of different writers and researchers. In spite of the fact that the idea has been described in a number of different settings across the literature, the definitions differ in terms of what they are trying to accomplish. This implies that there is no widely recognised definition of FL, or, alternatively, that there are only a few commonly accepted definitions and conceptual frameworks of personal finance, as has been speculated before.

There are many different definitions of FL that may be found in various literatures. In academic literature and popular media, the terms FL, financial knowledge, and financial education have all been used interchangeably to refer to financial education (Huston, 2010). FL may be defined broadly or narrowly depending on the context. FL, in a broader sense, may be described as a knowledge of economics, as well as how economic situations and circumstances influence choices made by families in their financial lives (Worthington 2006). Budgeting, saving, investing, and insurance are only a few of the fundamental money management techniques included under a simple definition of FL (Natalie, Newton and Chrisann, 2010). FL is described as the ability to make informed choices and arrive to persuasive conclusions about the use and management of money in a multitude of scenarios, regardless of the circumstances. A man's talents and knowledge, as well as his temperament and financial habits, are all brought together in FL, according to this definition of the term (Australia and New Zealand Bank ANZ, 2011). Sandra is a paraphrase that has been given a formal definition (2010)

A person's ability to use their knowledge and abilities to successfully manage financial assets throughout the course of their lives has been defined as FL. This results in the ability to have financial well-being for the rest of one's life. It is defined as an individual's ability to deal with economic information and make informed decisions about financial planning, asset accumulation, debt repayment, and pensions, among other things, according to the definition (Lusardi and Mitchell, 2014). The ability of individuals to be financially educated is essential in order to make sound and informed financial choices.

In accordance with many definitions, FL is an effort to evaluate people's knowledge of money as well as their ability to make informed financial choices. For the purposes of this study, FL is defined as an individual's capacity to understand and hold fundamental knowledge of economical and financial concepts, in addition to the ability to use this knowledge in order to handle ones self financial means, among other things.

Education in Finance

Financial education is, according to the Organization for Economic Cooperation and Development, 2005, a method for consumers to learn about financial products and ideas on the basis of information and objective support in decision-making based on great knowledge to enhance the wealth of them. An education that helps the general population acquire the knowledge needed to decide informedly while proposing measures to improve their financial well-being (Arnone, 1999). They are empowered to make educated financial decisions by knowledge, information and data received via financial education. In most nations,

financial education is becoming an increasingly important problem, owing to the dynamic and complicated nature of financial markets.

Capacity Financial

The Scottish Government's Financial Capability Discussion Paper (2010) defines financial capability as "the willingness to handle money constructively and impact change." According to the Center for Financial Inclusion and Microfinance Opportunities, financial aptitude is the ability to make and work out money management choices that are suitable for one's living circumstances. People's willingness to act on their knowledge and competence are seen as indicators of their financial capability. Consumers that are financially savvy plan ahead, gather and use data, recognize when help is needed, and can comprehend and act on that advise, according to the HM January Treasury study (2007, p.19). Sherraden (2010) expanded the idea of financial capacity by including financial inclusion and resource development.

Empirical Review

Knowledge of Savings

Fatoki (2014) performed a study in South Africa to assess the degree of FL among business and non-business students at two institutions in the provinces of Gauteng and Limpopo. She discovered that FL has an effect on an individual's financial decisions, particularly when it comes to portfolio management, saving, borrowing, and retirement planning. According to Russell and Stramoski (2011), many people believe that saving is the sole viable method of funding retirement. they further indicated that individuals who do not plan for retirement assumed they

would continue to work and depend on social security throughout their golden years, which might also result in retirement unhappiness (Russell & Stramoski, 2011).

Knowledge of Investments

Investing preferences among Indians were investigated by Geetha and Ramesh (2011). According to the results of the research, individuals are ignorant of all of the investment options that are accessible to them, and they need a basic understanding of financial securities. Samudra and Burghate (2012) conducted an investigation on the investing habits of middle-class families in Nagpur. The most often used investment vehicle was found to be bank savings, which was followed by insurance and then real estate. Through their research, Hastings and Mitchell (2011) found a plethora of connections between low-cost fund investment and FL. When it comes to investing, those with a high degree of literacy are more likely to scrutinise fund costs and choose for low-cost investments. Investors must be able to understand financial figures in order to make successful investment decisions (Hoffman et al., 2011).

Knowledge of Insurance and Retirement Plans

Personal responsibility for managing retirement funds is increasing, requiring adequate financial and investing expertise on the part of workers. This knowledge may be described in various and diverse ways. According to Worthington (2008), knowledge of superannuation includes an insight of the fees, charges, and assertions associated with it, as well as the consensual and imperative nature of extra employee and employer obligations, as well as an understanding of

superannuation's lower taxation when contrasted to other types of investment opportunities. Insurance enables individuals to trade risk by paying a premium now in order to avoid a larger loss later on down the road. The behaviour of a person has an impact on the cost of insurance.

According to Rooij et al. (2011), financially savvy individuals in the Netherlands are more concerned with retirement planning than those in other countries. A substantial connection was also found between FL and retirement planning, according to the researchers. FL and retirement planning have been found to have a significant positive connection in a number of research studies (Lusardi and Mitchell; 2011; Arrondel, et al., 2013). Males are more prone than females to see retirement as a natural development in their lives, despite the fact that they have greater financial advantages. In many cases, males fail to see the need of retirement preparation, putting them in the same state of retirement incompetence as their female counterparts.

Financial Knowledge on Personal Decisions

FL is required to engage and educate consumers about money in a manner that they can use to assess products and make educated choices (Mwangi and Kihui, 2012). Klapper and Panos (2011) investigated the impact of FL on retirement savings in Russia. The research links higher literacy to pension planning and private pension fund investment. Christelis et al. (2010) claim that financially knowledgeable individuals invest in a combination of debt and equity and include equities in their portfolios because they understand risk diversification.

De Bassa and Scheresberg (2013) claim that those with less financial understanding are less likely to save for retirement, create wealth, or participate in the stock market. Bruhn and Zia (2011) studied the impact of financial and business literacy training on young entrepreneurs' performance in the US. According to the results, entrepreneurs with higher FL outperform their counterparts and earn more money. Finance-savvy people like investing, insurance, and tax advice, but not debt or loan counseling. Those with financial knowledge are more confident in their retirement planning abilities than those without (Mullock and Turcotte, 2012). As a result, financially savvy individuals see the necessity for retirement planning and begin saving money.

Determinants of Financial Literacy

Finance knowledge is influenced by a number of variables, including age, gender, education level, susceptibility to media, sources of financial education, and work environment.

Gender

Several observational studies have shown a correlation between gender and financial competence. According to Kharchenko and Olga. (2011), gender and wealth have a major influence in defining FL. Men outperform females on FL issues among Ukrainians aged 20-60, according to the study. Age and gender, according to Shaari et al. (2013), show a negative association with FL. Bucher-Koenen and Lusardi (2011) found in their study of financial competence in Germany that women in East Germany lack basic financial concepts. According to Ford and Kent's 2010 research, women collegiate students were more fearful of and

engaged in markets during this time period than their male counterparts. Another research found that women had lower financial knowledge than males and are less likely to make decisions about their families' financial well-being (Fonseca, et al., 2012). Krishna et al. (2010), on the other hand, discovered that female students had a greater degree of FL than male students, especially in areas such as investing, credit card use, and insurance coverage.

Age

People between the ages of 20 and 29 and 40 and older, according to Chen and Volpe (1998), have a higher level of knowledge than people in other age groups. A research conducted at the University of Cape Coast with 250 undergraduate and postgraduate students was also conducted by Chowa, Ansong, and Masa, (2010) in the same year. FL seems to be strongly linked to both age and job experience, according to the findings. According to Lusardi and Mitchell (2011), the middle class has a higher level of financial awareness than the young and the older generations. A lack of FL among the elderly, according to Beckmann (2013), has been discovered. Bhushan et al. (2013), on the other hand, found that age had no effect on one's FL. According to Lusardi (2012), the elderly population suffers from a lack of FL, which has an impact on their financial decision-making practises. Considering FL in Sweden (Almenberg and Säve – Söderbergh, 2011), it is important to note that individuals between the ages of 35 and 50 have the greatest levels of literacy, while those beyond the age of 65 have the lowest levels of literacy.

Experiential Education

Chen and Volpe (1998) found that people with a higher number of years of work experience are more educated than those with a lower number of years of work experience, irrespective of age. This finding was supported by other researchers. According to Chowa, et. al, (2010), participating students at universities also have a higher degree of financial sensitivity than those who do not work part-time. The variables that contribute to people's FL were investigated by Cude (2010), who found that having more job experience is associated with having a greater degree of FL. An review of the FL literature revealed that the majority of studies has focused on collegiate pupils, teachers' ability to teach FL, and a few demographic variables such as gender and age. While accounting for other variables such as academic credentials, salary levels, rank, and job experience, this research assessed teachers' comprehension and use of financial information in their own choices.

Furthermore, Chowa, et. al, (2010) performed study on Senior High School instructors who had a variety of postgraduate degrees in education from Ghana's University of Cape Coast, including multiple master's degrees. It is noteworthy, however, that this particular study is directed at all instructors. Rarely is research conducted in Ghana and across the globe that evaluates salaried employees' FL utilising a variety of evaluation methods conducted. However, since teachers are scattered across the nation, policymakers must first get an understanding of their FL in order to create successful financial education programmes. The kind of job a person has, according to Bhushan and Medury (2013), has a substantial impact on

his or her degree of FL in India. As a result, the purpose of this research is to close the FL gap among paid employees by analysing data from Ghana, and specifically the Tamale Metropolitan Area.

Financial Difficulties

Joo (2016) describes financial distress as a financial hardship that may involve personal, family or other financial situations. On the other side, this word will be expanded into economic difficulty, barriers, limits and stress by Delafrooz and Paim (2011). They established a clear relationship among Malaysian workers between FL and financial difficulty. According to Sabri and MacDonald (2010), financial learning has a detrimental association with financial difficulties. According to Joo (1998) and Garman, Porter, and McMillion (1989), these are all financial constraints. Hibbert and Beutler (2001) discover that households that spend lower compared to what they earn have lower self-esteem and fewer family conflict than households who spend more than they earn. They make their timely payments and avoid incurring unnecessary debt.

Financial conduct

white (1999) defines financial behavior as the process through which people comprehend and act on financial information in order to make good investment choices. It then discusses how human beings may use financial concepts, ideas, and knowledge to their acts or inactions. Thus, financial behaviour refers to the impact of FL on the customer or individual's behavior.

Financial security and financial security

The term "financial well-being" refers to an individual's financial condition. Thus, one's financial soundness or happiness with one's financial position. Financial well-being, as defined by Porter (2013), is the apparent state of one's financial position. The notion is quantified in terms of an individual's overall happiness with his or her financial position. Financial health, contrary, is defined as an individual's real financial position. This is often indicated by a person's low debt level, active savings, and prudent spending strategy.

Management of Money

Money management is a term that refers to the process of managing financial assets. Money management is a broad term that includes important aspects of finance such as investing, budgeting, banking, and taxation. As such, it is a technique employed to guarantee that investment assets earn the greatest possible rate of return. Numerous academic studies show that money management skills are critical since they affect students' spending patterns on campus. As a consequence of their lack of FL, many students enter colleges with just a basic knowledge of money management (Ibrahim et al., 2009). Therefore, this implies that students who enrol in colleges but do not have good money management skills may find themselves in financial difficulties during their stay there.

Financial Literacy Benefits

Individuals with FL have the information, skills, and resources essentially make good financial decisions, manage their own wealth effectively, and develop their financial competency in order to achieve best financial services. FL and

capacity building assist individuals with making more educated financial choices, enabling them to better prepare for and handle life events such as schooling, homeownership, and pension. Capuano and Ramsay (2011) outlined series of benefits of FL for consumers (individuals), communities, and the broader economy in their paper.

Consumer Gains

The community may benefit from FL in a variety of ways. These include increased pension and investment planning, more confidence in investing and choosing suitable products, and increased retirement planning as well as savings.

Enhanced Retirement Planning and Savings

Individuals that are financially knowledgeable have a greater capacity for retirement savings. Saving money and making an effort to save money are two ways to do this. Another approach is to strengthen one's ability for defining realistic retirement objectives and selecting appropriate assets to meet those objectives. A more knowledgeable consumer will put money away for the future, for retiring, and for unexpected events such as natural catastrophes. In the United States, a study performed by the Employee Benefit Research Institute highlighted issues that necessitated the need for financial education, the most significant of which was the fact that fewer people are preparing for and saving for retirement. Furthermore, just 46 percent of those who took part in the survey attempted to calculate the amount of retirement funds they would need. Various researches have demonstrated an association between low savings rates and a lack of financial knowledge.

Confidently Investing and Selecting the Appropriate Financial Products

Financial choices will be made more confidently by someone who is financially educated. The kind of goods chosen and the amount of money invested may be influenced by financial aptitude. People who are acquainted with product components and business settings are in the best position to make educated financial choices in the financial markets because of the fast-paced nature of the financial marketplace. This also serves as a reminder to customers and prevents them from incurring needless expenses. A better understanding of financial goods and administrations fosters a greater level of financial trust among purchasers, who choose and organise the most suitable items.

Communal Benefits

FL also offers far-reaching benefits for the community, including increased awareness of financial markets and increased awareness of financial problems among the general public, resulting in an informed populace capable of evaluating the appropriateness of government financial policies.

Inclusion of Finance

Financial knowledge and information also allow participants to engage in society, which is frequently excluded from financial goods and services. The knowledge of a term deposit, for example, may cause a man to gain greater interest, while a lack of knowledge of his presence might lead to less interest and a lost chance. FL gives people the information to acquire certain items to be borrowed and financially autonomous. Along these lines, FL promotes social inclusion by

equipping people with the information necessary to avoid highly valued, capricious, and insecure forms of credit and financial products.

Comprehend Fiscal Policies of Government

Individuals who are financially literate are also better equipped to assess governments' fiscal policies and the financial institutions' operations. This results in more informed people capable of comprehending financial sector policy changes. While many political changes are very complicated, simple financial sector improvements that an informed public may see are critical because they empower the public to examine government policy. FL is especially important in nations with varied social and economic profiles, such as India, for individuals who are resource-poor, work on the margins, and are susceptible to chronic downward financial pressures.

Financial System Gains from the Initiative

FL has many advantages for the financial system, including increased competition and the ability to self-fund one's retirement.

Competition, Innovation and Production of High-Quality Products

Clients who are well-informed about finance are more financially efficient, and their efforts to find and acquire better, less costly, and more appropriate products and services may help to create efficiency in the financial services sector. This results in more competition, higher-quality goods, more notable development, and a greater number of distinct characteristics in the market. Comprehension of consumer rights and contracts also enables clients to assess products more

accurately and thus require suppliers to provide better levels of service and quality. As regards risk, financially trained customers attach more importance to this and thus under-capacity problems (e.g. under-insurance) are not so common as those in markets with a non-financial background.

Self-Sufficiency in Retirement

Higher FL encourages people to put money aside to save and plan for their retirement. This, in turn, has a significant impact on our financial system and economy by reducing the government's reliance on providing pensions and government subsidies to those who are experiencing financial difficulty. Despite the fact that FL is a critical component of total FL, it is often neglected. Individuals, on the other hand, seek to build wealth during their working lives in order to meet their financial obligations in retirement. According to Lusardi and Mitchell (2011), those who plan for retirement really accumulate more retirement savings than those who do not plan for retirement, according to a few research. Savings accounts provide the overwhelming majority of people's retirement income, and they are the most dependable source (Russell and Stramoski, 2011). People who do not save are more likely to work beyond the age of retirement and to rely on social security benefits during their prime working years, which may result in a less than satisfying retirement experience for themselves and their families. According to the results of Lusardi and Mitchell (2011), people who established retirement plans acquired three times the amount of money as those who did not establish retirement plans over the course of a lifetime.

Threats Posed by Financial Illiteracy

Kotzè and Smit (2008) recognised that financial illiteracy has a number of detrimental repercussions for both the person and the nation. Researchers Fernandes and colleagues (2014) discovered that consumers are increasingly exposed to risky financial situations. If individuals don't know how to manage their finances, they are likely to encounter many problems in their lives.

Expenditure in Excess of your Personal Income

Atkinson and Kempson (2004) claimed that the United Kingdom's youth (18-24 years old) reliability to borrow money was growing. Their financial analphabetism makes them take on more debt than they can afford to repay, and after graduation they face financial difficulties. In addition, some instructors are experiencing severe financial problems as a result of the need to spend their money on luxury items such as designer clothing and mobile phones (Lorgat, 2003,). Anthes (2004) reinforced this viewpoint and made a reference to the immediate gratification mindset that people have, which leads them to spend even more money on things that they do not really need.

Inadequate Financial Record-Keeping

Individuals who create budgets, according to Kidwell and Turrisi (2004), tend to spend within their means and, as a result, have more control over their personal money. This minimises impulsive expenditure, and copes with excellent attitude and attitude on budget management. Based on the results of a study by Chen and Volpe (1998), organisations that were better informed had been advised to keep comprehensive financial records in check of their spending habits and

choices. Wise (2013) also shows that improving FL leads to a more frequent production of financial statements.

Making Mistakes in Your Financial Decisions

According to the findings of a research performed by Chen and Volpe (1998), financially savvy students think that the design and implementation of a regular investment programme are critical to their future financial success. A well-informed group made an investment decision in 80 percent of cases, whereas just 51 percent of the less well-informed group made the right investment choice. The results of a survey performed by Princeton Research Survey Associates (1999) revealed that 45 percent of beneficiaries had some level of financial awareness, with just 18 percent having no knowledge of investment planning or use. According to this data, the majority of customers are not adequately educated to make informed investment choices. People's capacity to make educated financial decisions, according to Collins (2012), may be hindered by a lack of FL, according to the author.

Investing Mistakes that Cost you Money

When it comes to personal financial matters, the more knowledge a person possesses, the less likely it is that that individual will make poor financial decisions that could lead to financial difficulties. Making poor financial decisions includes things like taking out inadequate insurance, spending more than they make and making investment decisions that are not in their best interests (Chen and Volpe, 1998). Employees who are provided with necessary financial advice and information to manage their money in a more effective way, according to Garman,

Leech, and Grable (1996), are more likely to correct or maintain a strategic distance from making bad financial choices in the future.

Management of Financial Resources

Money fundamentals, saving and planning, budgeting borrowing and debt literacy are only a few of the FL skills highlighted by Capuano and Ramsay (2011) as being essential. In the context of money, the term "money fundamentals" refers to the knowledge, skills, and comprehension necessary to do the most elementary calculations. Numeracy and money management abilities, for example, are important.

Numeracy is the knowledge and ability that allows people to decide whether or not a cost is acceptable for them based on their circumstances. Additionally, it has been shown that numeracy has a significant role in affecting savings and budgeting, despite the fact that they are not directly linked to one another. Increased numeracy has been associated with increased accumulated wealth and better financial alternatives, whereas decreased numeracy has been associated with increased wasteful expenditure and bad financial alternatives of the family (Rooij, Lusardi, and Alessie, 2007).

Among the many variables that affect a person's capacity to manage money are financial control, earning a decent living, and the way in which one interacts with financial management. Furthermore, financial control is linked with planning, keeping records, and being aware of one's daily living expenses as well as one's capacity to pay for such expenses. It is the capacity to anticipate and correct financial problems that is being discussed when someone says they are "making

ends meet." This also involves evaluating the capacity to manage spending and fulfil financial commitments on a regular basis in order to sustain profitability. Careless spending, using credit instead of cash, and establishing spending patterns that result in you spending more money than you would have accessible in your financial institution are just a few of the strategies for dealing with money planning.

For example, keeping one's finances up to date and cutting down on needless spending are two aspects of budgeting and living within one's financial means. Saving and planning are terms used in the context of financial planning to refer to the preparation for an emergency by using savings and insurance assets; the state of mind associated with financial planning; the preparation for retirement; and the preparation for anticipated expenditures. Saving and planning are also used in the context of estate planning (Atkinson & Kempson, 2004). According to Mwangi and Kihiu (2012), financial knowledge utilised properly assists families in meeting their financial obligations via prudent management and budget process in order to provide the most beneficial utility for themselves and their children.

While short-term savings are linked with budgeting, long-term savings are associated with retirement and the purchase of large-scale assets in one's life, such as a house or an automobile. The ability to comprehend how investments operate is important when considering superannuation as a retirement option since it depends on investing methods. According to the ANZ Saver Plus system, individuals who don't save, people who save just for a particular reason, and those who regularly save for a rainy day are all classified as savers under the system, which was developed by the business.

Additionally, this involves setting money aside for both planned and unforeseen events. In the opinion of the majority of financially knowledgeable respondents to the surveys, planning is an important component of saving, whether it is for retirement, life insurance, or estate planning. Researchers in Malaysia performed a study in 2013, Mehdzan and Tabiani (2013), in which they investigated the association between FL and personal savings. According to the findings of the Probit regression, having a greater degree of FL has a positive effect on people's capacity to save money in the long run.

Lending and debt literacy are terms used to describe the capacity to comprehend debt and the procedures involved in avoiding, decreasing, and repaying debt as well as the ability to maintain a credit rating that is higher than the norm. It is concerned with an individual's capacity to get loans and respond to debt, such as the right to discern if one's credit is secured and the proclivity to repay credit card debt and other obligations as they become due. Both excessive debt and an incapacity to reduce current amounts of debt are associated with a paucity of understanding about financial matters. Emphasizing the need of FL, which is especially important for children and adolescents, is crucial. For example, the so-called Millennial generation in the United States is currently entering the labour market while carrying a large amount of debt from credit cards and loans from students. According to them, youngsters are also dependent on high-priced medical care choices as well (de Bassa Scheresberg, 2014). Due to a lack of thorough knowledge of the basic 20 financial concepts, attempts to establish themselves as

autonomous, self-sufficient people are likely to be jeopardised (Lusardi, Mitchell, and Curto, 2010).

Research Gap

Economic and business degrees are strongly associated with greater financial acumen, according to the research. Chen and Volpe (2002), as well as Lusardi and Mitchell (2003) investigations, substantiated this claim (2007). According to Shaari et al. (2013), 384 university students from Malaysian local institutions were evaluated for FL using questionnaires. An important finding of the research was that spending habits and the year of education had a significant positive relationship with financial competence. 924 undergraduate students from thirteen different schools throughout the United States of America participated in Chen and Volpe's (1998) FL study. FL was shown to be significantly diverse across subgroups of academic area and class level, according to the findings of the research.

In accordance with previous research (Cole et al., 2008; Cude, 2010; Almenberg & Säve– Söderbergh, 2011), those with a university or college degree are more financially conscious than individuals with a low level of education. While Kharchenko and Olga. (2011) showed a significant relationship between educational level and FL among Ukrainians aged 20-60, Ahsan (2013) discovered a positive relationship between personal FL and educational level. An individual's FL is enhanced when he or she has received more formal schooling. Heenkenda (2014) examined the current pattern and degree of difference in functional FL in Sri Lanka by analysing quantitative data from the urban, rural, and state sectors.

Heenkenda (2014) discovered that the majority of respondents had extremely basic financial knowledge, and that functional FL differed significantly according on the level of schooling obtained by individuals who participated.

Income

According to Atkinson and Messy (2012) FL may be achieved at all socioeconomic levels. Revenues have a minimal effect on a person's capacity to gain information, think economically or behave effectively. In turn, low incomes are frequently used as an excuse for justifying certain habits, such as loans to maintain an acceptable standard of living and for avoiding savings and long-term planning. Low income may also be connected to other sociodemographic features, such as age, which are associated to FL. Monticone (2010) suggests that individuals with greater incomes will also be financially knowledgeable. As a consequence, the most in need of financial education may be individuals with the lowest FL scores as well as people with lesser education and income. Bucher-Koenen and Lusardi (2011) discovered that basic financial principles are poorly understood in Germany. Those with lower incomes, particularly in East Germany, as compared to their West German counterparts.

Region and Region's Capital

Geographical location is the second most important predictor of FL. Monticone (2010) shows that inhabitants of Southern Italy have much lower levels of FL than those living in Northern Italy. Cole and colleagues (2008) investigated if one's neighbourhood has an effect on one's degree of FL. According to the findings of the research, individuals living in rural areas had the lowest degree of

FL. A study by Fornero and Monticone (2011) found that although the majority of Italians lack a basic understanding of finance fundamentals, such as interest rates and inflation, those who lived in the Central-Northern area showed more FL.

Conceptual Framework

The intellectual underpinnings of this thesis are shown in the illustration below. According to the picture, the independent parameters had a total of ten different dimensions (Knowledge in Investment, Knowledge in Savings and Borrowing, Knowledge in Insurance, Personal Financial Management Practices, General Knowledge in Personal Finance and Personal Finance Opinion).

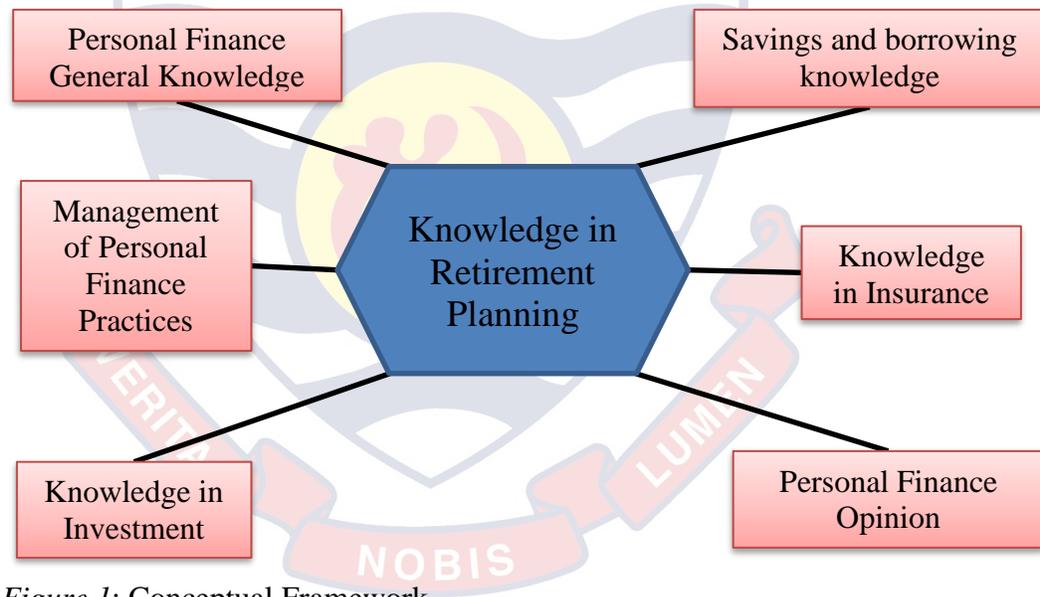


Figure 1: Conceptual Framework

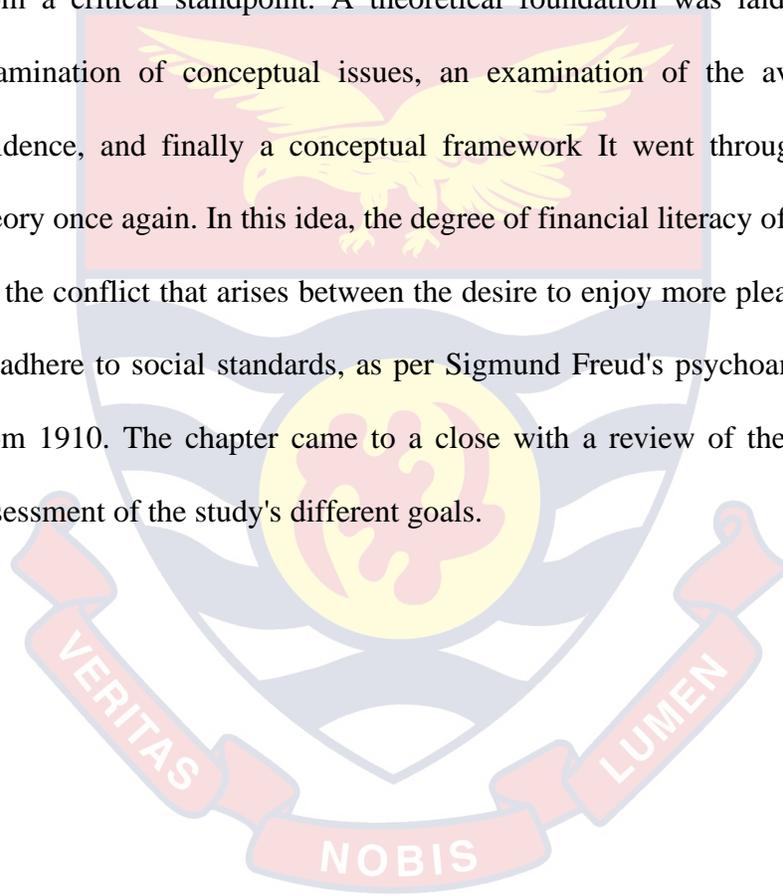
Source: Author's construct

The dependent variable that will be investigated is the participant's understanding of retirement planning. From Figure 1, the conceptual framework of this study includes personal finance general knowledge, management of personal finance practices, knowledge in investment, savings and borrowing knowledge, knowledge

in insurance and personal finance opinion. These variables, according to the researcher, after having reviewed various literatures, have been found to predict financial literacy.

Chapter Summary

This chapter takes a look back and assessed previous research in the field from a critical standpoint. A theoretical foundation was laid, followed by an examination of conceptual issues, an examination of the available empirical evidence, and finally a conceptual framework. It went through psychoanalytic theory once again. In this idea, the degree of financial literacy of a person depends on the conflict that arises between the desire to enjoy more pleasure and the need to adhere to social standards, as per Sigmund Freud's psychoanalysis hypothesis from 1910. The chapter came to a close with a review of the literature and an assessment of the study's different goals.



CHAPTER THREE

RESEARCH METHODS

Introduction

The technique for gathering and analyzing the data that forms the basis of this thesis will be discussed in this chapter. This section covers the research design, the study population, the sample size and sampling technique, the data collection tool, and the results of the study. The purpose of this research was to determine if teachers had a comprehensive knowledge of finance by using one of the many methods described. The second subject addressed was the profile of the Tamale Metropolitan Assembly, which is located in the Northern Region.

Research Design

Research design refers to the technique of performing a research investigation. According to Bryman (2008), the study design provides as a framework for data collection and analysis. The study team utilized both descriptive and explanatory research techniques to get the desired result. In descriptive research, individuals, events, and situations are thoroughly profiled in order to give a comprehensive picture (Saunders, Lewis, & Thornhill, 2012). The explanatory research technique was employed in this study to see how age, education level, job experience, and gender influence teachers' financial literacy (FL). It was also utilized to show how teachers' financial knowledge aids them in making well-informed financial choices, as well as to uncover additional factors that contribute to teachers' financial understanding. Explanatory studies are used to establish the causal connection between variables, according to Saunders et al. (2012).

The main research technique used in this study was surveys. It is usually associated with the deductive approach, according to Saunders, Lewis, and Thornhill (2012), and is also the most frequently used data gathering technique. Surveys are a kind of data collection technique that uses spoken or written questions to gather data. Although written questionnaires are often used, interviewing is the word for asking questions over the phone. The survey is easy and cost-effective when sampling is successful, ensuring that the findings and conclusions are sufficiently generalizable (Saunders, et.al; 2012). The survey technique may be used to collect quantitative data, which can subsequently be analyzed and conclusions drawn using descriptive and inferential statistics. In addition, survey data may be used to build models of particular factor interactions and provide reasonable explanations for them. This thesis utilized a deductive approach to generate predictions based on survey data.

Research Approach

It was decided to use the quantitative research technique for this investigation. When it comes to quantitative research, it is concerned with the gathering and analysis of numerical data, as the name suggests. This approach emphasizes large-scale, representative data sets, and it's often presented or understood as a fact-finding exercise, which we consider to be erroneous (Blaxter et al., 1996). In this study, quantitative research was conducted in the field of business. Precision enables for a quantitatively complete and reliable measurement to be made. Complex data analysis may be accomplished via the application of statistical methods. The quantitative information about the district was gathered and

evaluated. The conclusions are based on some of the issues that have been raised during the literature review process.

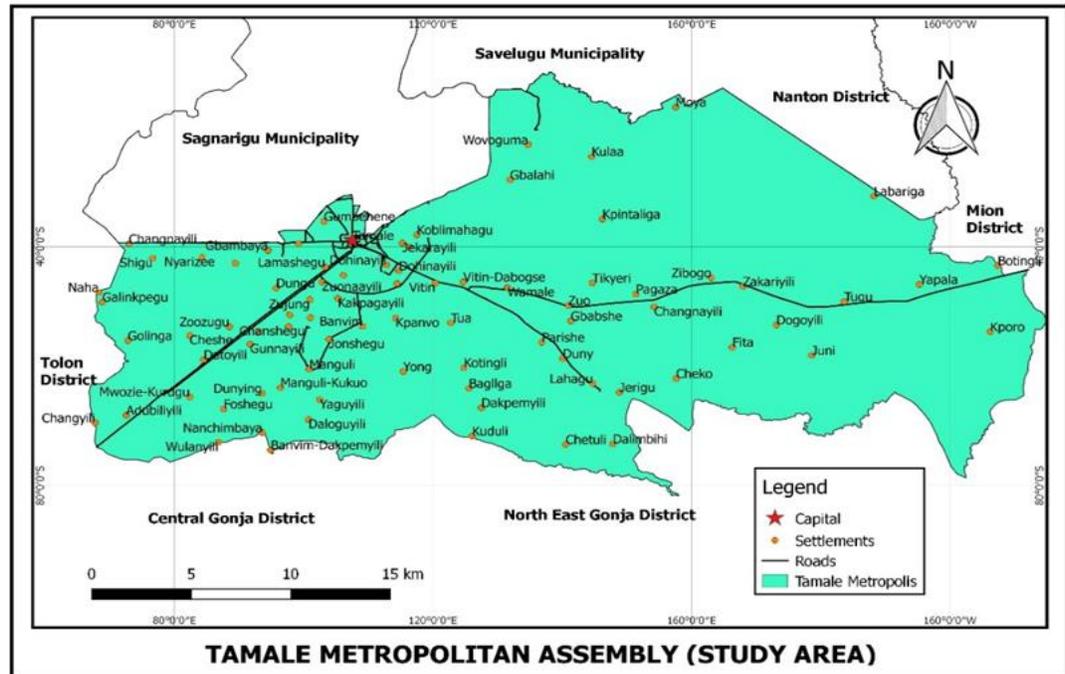
Study Area

The study was conducted in the tamale capital of the globe. Tamale is a 200,000-strong metropolis in northern Ghana's Dagbon Kingdom. It is in the north of the nation. They are all subservient to the Dagomba King, based in Yendi, and represented by Tamale's local chiefs and district chief. Tamale, in the heart of the Northern region, is the regional administrative, commercial, political, and financial center. It is also the region's capital. Many foreign charities have offices in Tamale's central business district, which also houses financial institutions (Ghana Statistical Service, 2010).

The Northern Region has 26 districts, one of which being Tamale Metropolis, the region's capital. It lies in the Area's center, bordered by Sagnarigu to the west and north, Mion to the east, Gonja to the south, and Gonja to the west. It is bordered by Sagnarigu and Mion.

By 2010, the Metropolis would have a total land area of 646.90180 square kilometers. The Metropolis is situated between 9o16 and 9o34 north and 0o36 and 0o57 west. The Mississippi divides it in two. London is the UK's most populous city. The Metropolis currently has 115 villages. Tamale Metropolis has 233,252 residents in 2010, accounting for 9.4% of the region's total population. Men make up 49.7% of the US population, while women make up 50.37%. The metropolis' urban population outnumbers its rural population (80.8%). (19.1 percent). The city's female population is 99.1%. In the city, nearly 36% of the population is under the

age of 15, indicating children and adolescents predominate. When the population reaches 60 or older, a wide base demographic pyramid is formed, which tapers down to a small senior population (5.1%). The district's age dependence ratio is 69.4, with rural regions (86.5%) older than urban areas (65.7).



SOURCE: PHYSICAL PLANNING DEPARTMENT, TAMALE-2020

Figure 2: Map of Tamale Metropolis
Source: Tamale Municipal Assymblly (2021)

Population of the Study

Population, according to Sauders et al. (2012), refers to the total number of cases or people taken from a sample. Teachers working in the Tamale Metropolis in Northern Region were the study's target audience. A total of 3,152 teachers were hired. The primary goal of the research was to create and test a survey instrument that would be used to assess these instructors' FL.

Size of the Sample and the Sampling Techniques

A total of 300 instructors were chosen from a pool of 3,152 teachers who worked in 251 public schools across the city. The teachers were selected from a pool of 3,152 applicants. This research made use of a stratified and simple sampling method that had been specifically designed. The information was collected from three different types of instructors in the city, using a stratified sample technique: elementary, junior high, and high school. From there, a total of 256 people were selected from each stratum, with 154, 101, and 45 people chosen from each stratum. Instructors of all levels were able to participate in the survey as a result of this method. Stratified sampling is a method of dividing a population into two or more relevant and meaningful strata based on one or more features of the population. This strategy resulted in a large number of subgroups inside my sample frame. So as compared to random sample, stratified sampling has many distinct benefits (Sauders, et al., 2012). Because stratified sampling is typical of the population, it is feasible to make valid inferences from the data collected via stratification.

Table 1: Sample Selection

Category	Number of Schools	Population	Sample Size Selected	Percentage
Primary	165	1622	154	9.5
Junior High	75	1064	101	9.5
Senior High	7	466	45	9.7
Total	251	3152	300	9.5

Source: Ghana Education Service, Tamale Metropolis, Northern Region, (2018)

Data Collection

To collect primary data, a questionnaire containing open ended and closed ended questions was created which was administered to the respondents. The researcher used structured questionnaires to obtain respondents' unbiased perspectives, and the researcher helped respondents in resolving issues. The surveys consisted of 42 questions and took up little of the participants' time. The job took approximately 50 minutes to complete. Background Information (8 items), General Financial Knowledge (8 items), and Personal Financial Knowledge (8 items) were all included in the questionnaire, as were Knowledge of Savings and Borrowing (5 items), Knowledge of Retirement (3 items), and Personal Financial Knowledge (8 items).

Moreover, (4) Financial Management Challenges, (4) Management Practices, (3) Insurance Knowledge, (3) Investment Knowledge, (6) Financial and Monetary Issues, (4) Personal Finance Options, and (4) Financial Management Challenges (2 items). Several of these items were adapted from Lusardi and Mitchell's global FL survey (2011). The participants' level of expertise was also determined via the grading of questionnaire responses.

To evaluate their money management issues, a 5-point Likert scale; Agree, Strongly Agree, Neutral, Disagree, Strongly Disagree, and additional questions with exact answers were utilised. Additionally, participants' personal information was gathered, including their gender, age, and academic level.

Model Specification

Following the calculation of the sample's median proportion of correct responses, it was decided to split the respondents into two subgroups based on the median percentage. It was assumed that teachers who received higher evaluations than the sample median had a better level of competence than their colleagues. Instructors who had scores in the median or below range were deemed to have less expertise than the typical instructor. It was shown to be statistically significant when this dichotomous variable was utilized as the dependent variable in a linear regression that was also explained by the independent variables (Knowledge in Savings and Borrowing, General Knowledge in Personal Finance, Knowledge in Investment, Knowledge in Insurance, Personal Financial Management Practices and Personal Finance Opinion).

Observed regression model equation; $Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \dots + \epsilon_0$

Where Y is dependent variable, $\beta_0, \beta_1, \beta_2$ are regression coefficients, X_1, X_2 are independent variable and ϵ_0 is the error term in the model.

Data Analysis

The process of breaking down large amounts of information into digestible bits, generating summaries, and making statistical judgments is referred to as data analysis in this context. Following are the procedures that were followed in order to analyze the data that was gathered during the course of the study. Once the data had been gathered and coded, it was entered into the Statistical Package for Social Scientists (SPSS) computer software for further analysis.

In this research, quantitative data was analyzed with the use of statistical software that included both descriptive and inferential statistics. The linear regression analysis technique was used in this study. In the words of Bhattacharjee (2012), univariate analysis is a collection of statistical methods that may be used to examine the general characteristics of a single variable. This is referred to as a single variable analysis in certain circles. Multivariate regression is an analytical technique that, when applied to a single set of predictor variables, enables you to portray a large number of outcome variables as being predicted by the same set of predictor variables (Bhattacharjee, 2012). For a particular variable, such as the mean and standard deviation, the frequency distribution of that variable provides a summary of the frequency (or percentages) of certain values or ranges of values for that variable in general for that variable. It was able to establish whether or not there were any differences in the degree of FL among the different classes of teachers via the use of the F-Test. The results of FL exams were converted to percentages and analyzed using ANOVA to see whether there was a statistically significant difference between teachers, students' ages, and income levels, among other factors. Knowledge may be classified into three categories, according to the categorization method used by Chen and Volpe (1998). Those teachers who receive accurate percentage scores of less than 60 are considered to have a low level of knowledge, those who receive scores between 60 and 80 are considered to have a medium level of knowledge, and those who receive scores greater than 80 are considered to have a high level of knowledge.

Reliability and Validity of the Questionnaire

The questionnaire was presented to two experts in FL to assess its validity, and the required changes proposed by them were incorporated into the final design. The FL questionnaire has been standardized in terms of dependability.

Ethical Considerations

Respondent confidentiality was a key ethical concern throughout the analytic process. An official request for the release of teacher statistics was submitted to the city's education department. In addition, the researcher formally approached the metro assembly for district information for the profile. In addition, the researcher administered the the research questionnaire by personally to ensure the confidentiality and quality data for the study.

Chapter Summary

The study employs a quantitative methodology to allow the researcher to gather data from a broad population in a timely and cost-effective way. The study's descriptive research methodology allowed it to identify problems related to financial literacy and savings behavior, as well as demonstrate causation between them. In addition, the researcher was able to identify eligible individuals for the study by utilizing a snowball sampling method, and the questionnaire allowed for a significant amount of data to be gathered. The researcher was able to get the complete cooperation of all respondents by monitoring ethical concerns and developing suitable methods. Using SPSS version 22, the researcher was able to identify the barriers that prevent young people from using digital financial services.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The analysis of the data is given in this chapter of the research, beginning with basic statistical analysis displayed in tables and figures. To determine the effect of FL on retirement planning among teachers in the Tamale Metropolis, regression analysis was used as an inferential statistic.

Demographic Characteristics of Respondents

It is the primary goal of the research to investigate the factors that contribute to FL among teachers in the Tamale Metropolitan Area. For this purpose, the study topic was what are the determinants of FL in the Tamale Metropolis, and the answer was found in Chapter 2. The results are discussed as follows:

This section analyzes the background information of the respondents. These include the respondents' gender, age, highest qualification, rank, field of study and so on. Table 2 shows the Socio-demographic characteristics of respondents. The results show that majority of the respondents (59.7%) holds first degree, 28.7 % hold diploma, 7.7% hold masters. The respondents with certificate and those with other qualification such as HND and PGDE were 3% and 1.0% respectively.

Furthermore, there were more male respondents than females; the males were 3.8% more than the females. This is made up of 48.3% females and 51.7% males. Age of respondents' (45.3%) ranges from 30 to 39 years. This was followed by those who are between 40 to 49 years (30.3%). The respondents.

Table 2: Socio-demographic Characteristics of Respondents

		Frequency	Percent %
Qualification	Certificate	9	3.0%
	Diploma	86	28.7%
	First Degree	179	59.7%
	Master	23	7.7%
	Others	3	1.0%
Gender	Male	155	51.7%
	Female	145	48.3%
Age	20 - 29	34	11.3%
	30 - 39	136	45.3%
	40 - 49	91	30.3%
	50 and Above	39	13.0%
Rank	Superintendent	24	8.0%
	Senior Superintendent	62	20.7%
	Principal Superintendent	143	47.7%
	Assistant Director	61	20.3%
	Above Assistant Director	10	3.3%
Level of Students	Kindergarten	38	12.7%
	Primary	114	38.0%
	Junior High School	142	47.3%
	Senior High School	2	0.7%
	Tertiary	4	1.3%
Personal Income	Under 14500	26	8.7%
	14720 - 18100	60	20.0%
	18202 - 23971	138	46.0%
	24000 - 30868	62	20.7%
	Above 31000	14	4.7%
Professional Teacher	Yes	287	95.7%
	No	13	4.3%
Working experience	None	6	2.0%
	Less than 2 years	20	6.7%
	Between 2 and 4 years	11	3.7%
	Between 4 and 6 years	25	8.3%
	6 years and above	238	79.3%
Field of study	Business	29	9.7%
	Economics	28	9.3%
	Sciences	55	18.3%
	Humanities	141	47.0%
	Others (Education)	47	15.7%
Total		300	100.0%

Source: Field Survey (2021)

whose age ranges from 20 to 29 years were as many as those who were 50 years and above (11.3% and 13.0% respectively).

Concerning the rank of the respondents, majority (47.7%) of the respondents fall under principal superintendent. This comes as a result of majority of the respondents holding first degree. 20.7% of the respondents are senior superintendent while 20.3 are Assistant directors. The number of respondents who are superintendent are more than twice as those who are above assistant director with 8 and 3.3 as their respective percentages.

Among the 300 respondents, 47.3% teaches at the Junior High School level. 38.0% teaches in the primary and 12.7% in the kindergarten. This implies that almost all (98.0%) of the respondents teaches in the basic level. The number of respondents who teaches in the tertiary level are as twice as those who teaches in the secondary level. 95.7% of the respondents are professional teachers while 4.3% are non-professionals.

In terms of teaching experience, majority of the respondents (79.3%) have taught for 6 years and above. 12.0% have taught for between 2 and 6 years. Also, 6.7% have taught for less than 2 years. Majority (47.0%) of these teachers' field of study is Humanities which includes the social sciences and Arts etc. 18.3% studied Sciences, 15.7 in Education and 9.7% in Economics.

Lastly, greater of number respondents' annual personal income between GH¢18202.00 and GH¢23971.00 were 46.00% as at last year. Also, 20.7.0% and 20.0% have a personal income between GHC24000.00 and GHC30868.00 and between GHC14720.00 and GHC18100.00 respectively as at last year. 8.7% falls

under the category of teachers who earned below GH¢14500.00 and 4.7% were above 31000 as their total income of last year.

General Knowledge in Personal Finance

This section also presents the analysis on the general knowledge of the respondents in personal income. Here, respondents were asked questions concerning personal finance to determine their level of knowledge in such area.

Table 3: General Knowledge in Personal Finance

Characteristic	Count	Percent %
Personal Finance Literacy	Lead a financially secure life by Forming healthy spending habit	142 47.3%
	Learn the right Approach	51 17.0%
	Do all above	75 25.0%
	Do not know	32 10.7%
Personal Finance Planning	Establishing an adequate financial record keeping system.	30 10.0%
	Developing a sound yearly budget of expenses and income	44 14.7%
	Preparing plans for future financial needs and goals	76 25.3%
	All of the above	130 43.3%
	Do not know	20 6.7%
Personal budget	Allocate future personal income towards expenses	63 21.0%
	Prioritize your spending	95 31.7%
	Monitor the source of your income	26 8.7%
	All of the above	116 38.7%
Which of these can be turn to cash more easily?	Money in fixed deposit account	79 26.3%
	Money in a current account	165 55.0%
	A Car	13 4.5%
	A Computer	11 3.7%
	Do not know	32 10.7%

Source: Field Survey (2021)

Table 3 shows the respondents' general financial knowledge. The majority of respondents (47.3 percent) think that personal finance knowledge helps establish sound spending habits. Also, 17.0 percent said personal financial literacy helps one learn the correct strategy, and 25.0 percent agreed. Also, 10.0% don't know.

Again, a substantial number of respondents (43.3 percent) said that personal financial planning involves adequate financial record keeping, creating a solid yearly spending and income budget, and planning for future economic requirements and goals. Also, just 6.7% were unaware of it. Also, 31.7 percent believe a personal budget helps them focus their expenditures. Likewise, 21.0 percent said it helped budget future personal income. Also, 8.7% said a personal budget helps them monitor their income. Overall, the majority (38.7%) think that personal budgeting improves all three metrics.

Finally, respondents were asked which of these may be readily converted to cash. More over half (55.5%) said money in a current account can be converted to cash more quickly than a vehicle, computer, or money in a fixed deposit account. This section's findings show that respondents' personal financial expertise is modest.

Knowledge in Savings and Borrowing

This section presents the analysis on the knowledge of the respondents in savings and borrowing. Here, respondents were asked questions concerning savings and borrowing.

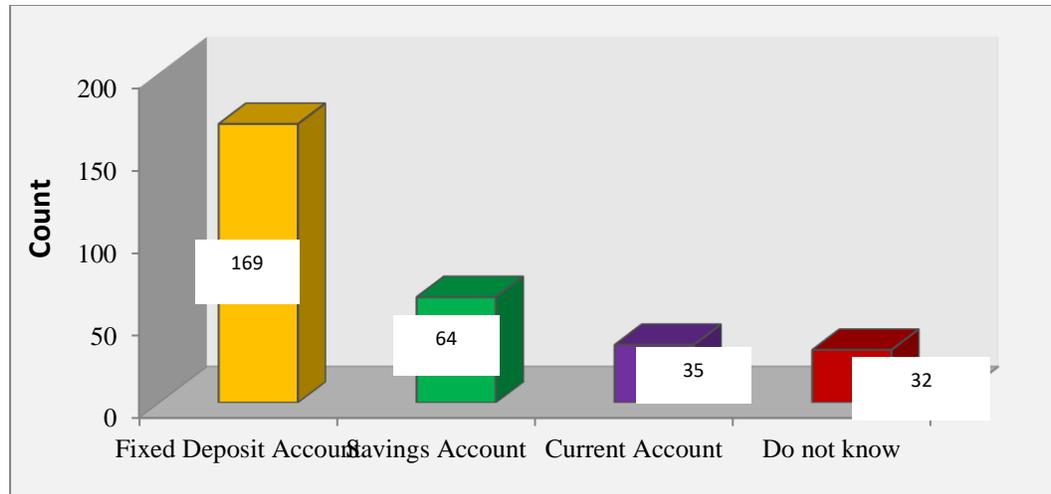


Figure 3: Account that pays the most interest

Source: Field Survey (2021)

The graph displays the outcome from the highest-interest account. Compared to savings and current accounts, fixed deposit offers the highest interest, according to 56.3 percent of respondents. Similarly, 10.7% had no idea. Savings accounts (21%) and current accounts (11%) were deemed the most lucrative.

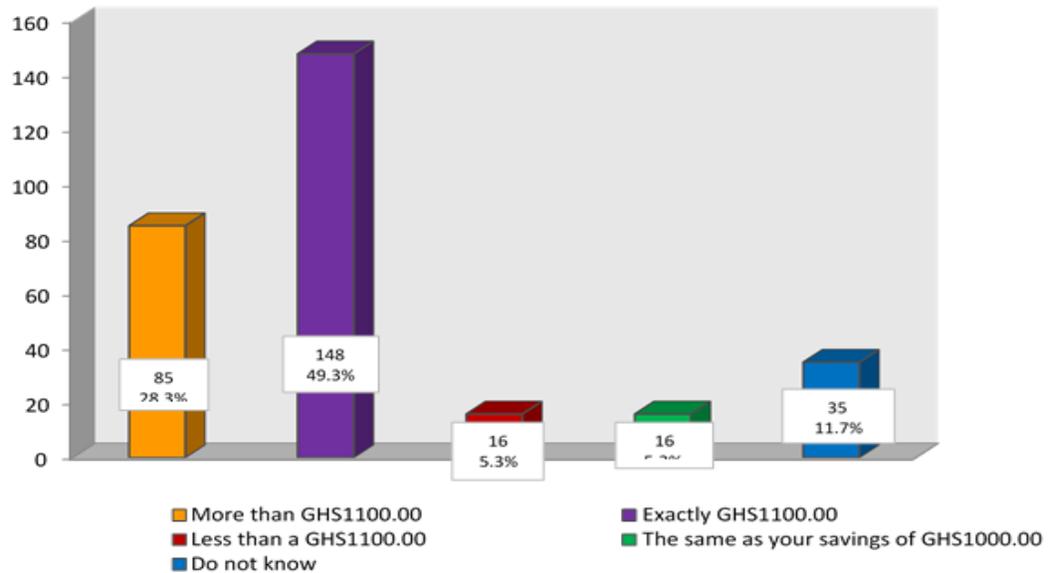


Figure 4: The amount after saving Gh¢ 1,000 for a year at 10%

Source: Field Survey (2021)

Figure 4 seeks to find the total amount one will get after saving GHC1000.00 for a year at an interest rate of 10%. The result shows that half 49.3% of the respondents indicated the right answer (GHC1100.00). The remaining respondents, almost 40.0% gave a wrong response while the rest had no idea about it.

Account that pays the most Interest

Table 4 presents the results of the survey respondents' knowledge of saving and borrowing. As a result of the survey, nine out of ten respondents said that guaranteeing a loan for a friend included accepting responsibility for the debt if the friend fails to make the loan payments on schedule.

Table 4: Knowledge in Savings and Borrowing

Characteristic	Frequency	Percentage
Guaranteeing a loan for a friend implies		
You become responsible for the loan if he defaults	271	90.3
You are entitled to receive part of the loan	4	1.3
Your friend receives the loan by himself	10	3.3
Do not Know	15	5.0
The most important factor considered in approving a loan is		
Marital status	15	5.0
Age and gender	3	1.0
Bill paying records and income	169	56.3
Education and Occupation	92	30.7
Others	21	7.0
An overdraft occurs when		
Allowed to withdraw more than your current balance	243	81.0
Borrowing large amount from a friend	7	2.3
You receive money into your accounts	10	3.3
Do not know	40	13.3

Source: Field Survey (2021)

Again, concerning the most important factors considered in approving a loan, more than half (56.3%) indicated the bill paying and income level of the one

applying for the loan is the most important factor. Also, 34.0% indicated the education level and the occupation of the one applying for the loan. All other factors including marital status (5.3%), Age and gender (1.0%) and the rest (3.3%) were also highlighted.

Lastly, 81.0% revealed that an overdraft occurs when one is allowed to withdraw more than what the person has in his/her current balance. We can state from the result from this section that generally, the respondents' knowledge in saving and borrowing is very high.

Knowledge in Retirement Planning

This section presents the analysis on the knowledge of the respondents in retirement planning. Here, respondents were asked questions concerning pension contributions and their knowledge and preparation towards pension.

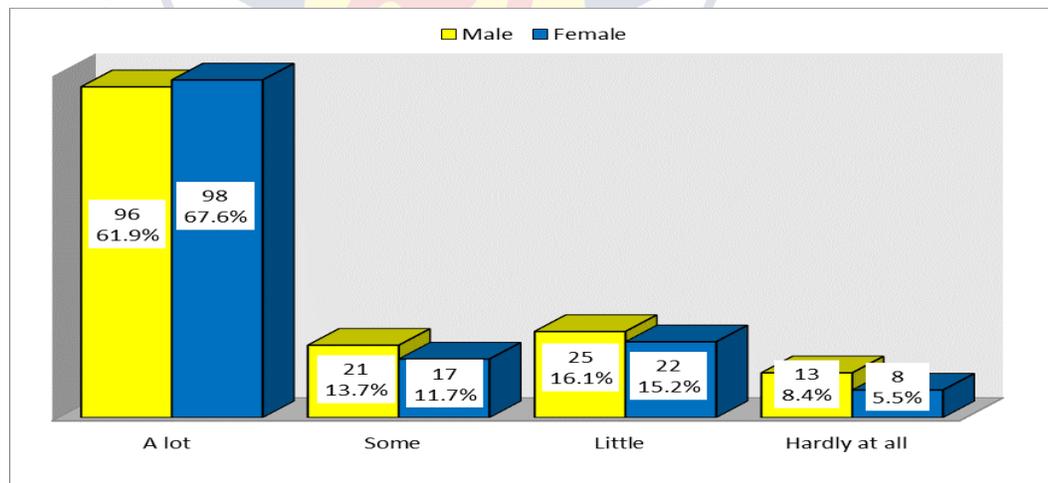


Figure 5: How much have you thought about retirement?

Source: Field Survey (2021)

Figure 5 shows the result from how much respondents think about retirement. The responses were in compared to the responses according to gender.

The result shows that 61.9% of males and 67.6% of female of the respondents think a lot about retirement. This means that about an average of 64.75% of the respondents thinks a lot about retirement. The remaining 35.25% of the respondents think little or do not think about retirement at all.

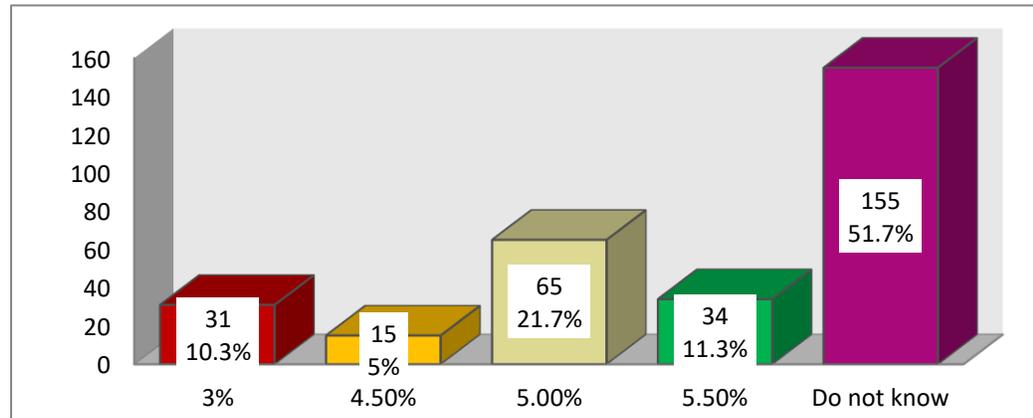


Figure 6: Percentage of total contribution that goes to the second tier

Source: Field Survey (2021)

Workers are required to participate in the Second Tier, which is a defined contribution Occupational Pension Scheme with a 5 percent employer contribution on their behalf. The Third Tier, which comprises all Provident Funds and Pension Funds outside Tiers I and II, is a voluntary system that is open to anybody who wishes to participate. (www.ssnit.org.gh).

Figure 6 depicts the outcome of the calculation of the proportion of deductions that are sent to the second-tier obligatory occupational pension plan. The question aims to determine from the respondents what proportion of the 18.5 percent deducted as pension is allocated to the second-tier obligatory occupational pension plan out of the total amount deducted as pension. The result shows that

more than one half of the respondents (51.7%) had no idea of it. Also, 21.7% indicated that it is 5% while 10.3% are of the view that it is 3%.

Employers are responsible for remitting 13.5 percent of the 18.5 percent to SSNIT within 14 days at the end of the month to the required First-Tier Basic Social Security Scheme. Again, 2.5 percent of the 13.5 percent paid to SSNIT is transferred to the National Health Insurance Administration (NHIA) for the member's health insurance. Remaining 5 percent is transferred to the obligatory Second Tier Occupation Scheme, which was privately administered by Trustees who have been recognized and licensed by the National Pension Reform Authority (NPRA).

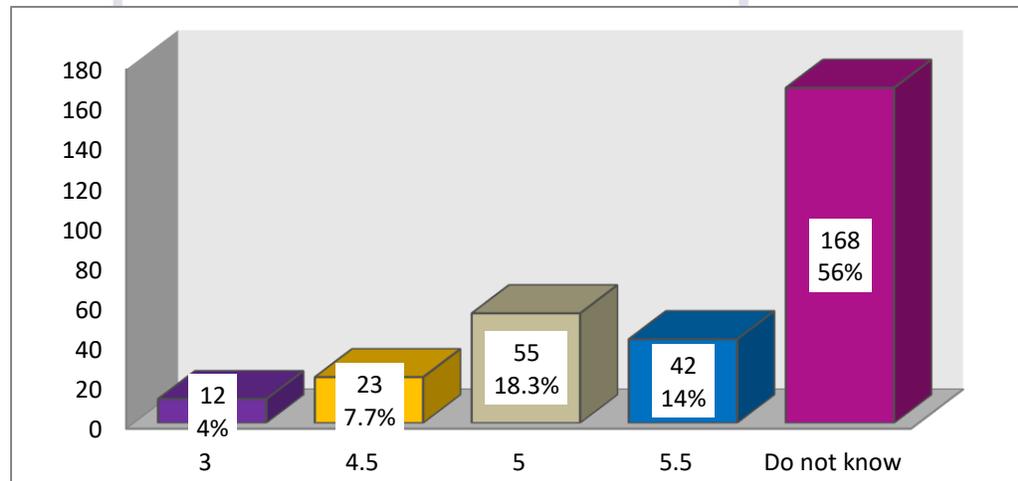


Figure 7: Portion of Total Pension contribution coming from the employee

Source: Field Survey (2021)

Employee contributions account for a proportion of the overall pension contribution in Figure 7, which is shown as a percentage of the total pension contribution. Following the question, answers to the question will decide what proportion of the 18.5 percent taken as pension from the employees' paychecks will be used to calculate the overall pension deduction. The results of the survey indicate

that, once again, more than half of those who responded to the questions (56 percent) had no clue what they were responding to. In addition, 18.3 percent think it is 5 percent, with 14.0 percent believing it is 5.5 percent, according to the survey. 11.7 percent said that the proportion of money coming from an employee is less than 5 percent of the overall revenue earned by the company. Pensions are paid for mostly by employers, with the remaining 18.5 percent being paid by workers. According to the breakdown, workers had 5.5 percent of their basic pay taken as part of a total deduction of 18.5 percent, with the remaining 13 percent being paid by their employers for pensions.

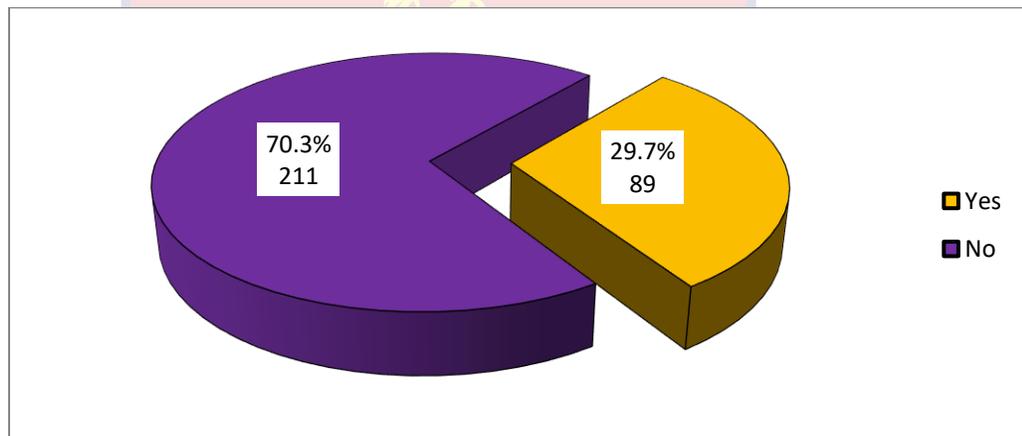


Figure 8: Idea about how pension deductions are managed

Source: Field Survey (2021)

According to Figure 8, nearly seven out of ten respondents had no clue how their pension withdrawals are handled. Figure 8: The remaining 30% of respondents were aware of how their pension deductions were handled.

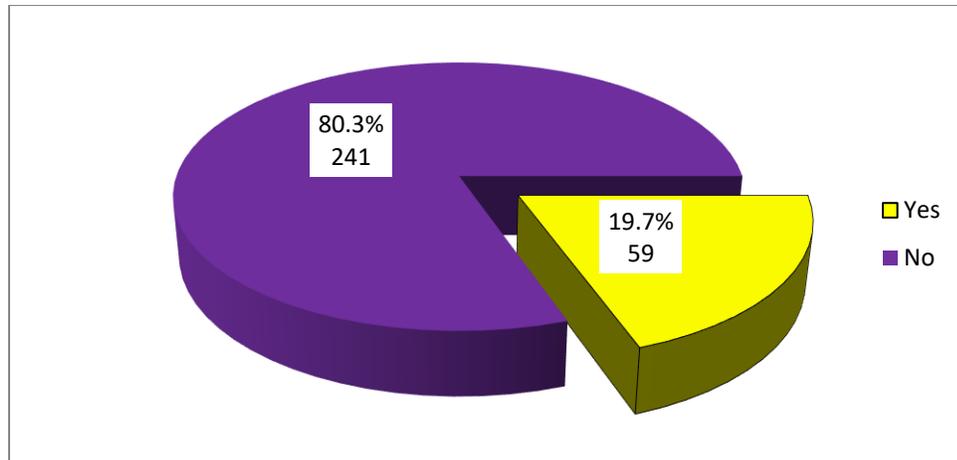


Figure 9: Have you ever read the pension Act 2008 (766)

Source: Field Survey (2021)

Figure 9 depicts the findings of an investigation into whether respondents had ever read the Pension Act, 2008 (766). It shows that just 19.7 percent of those who answered the survey had really read the paper. This indicates that the vast majority of those who answered the survey did not read the Pension Act (766).

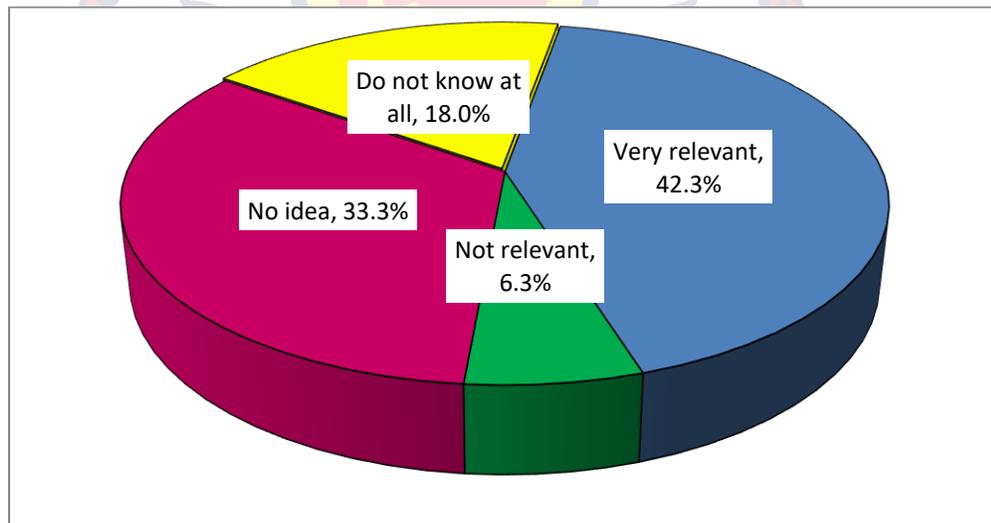


Figure 10: Relevance of pension act,2008 (766)

Source: Field Survey (2021)

Figure 10 shows the result from the analysis of how relevant the pension Act is. The results reveal that 42.3% indicates that it is relevant. This is just a reflection of the response from the previous question. The previous result revealed that only few of the respondents have read the document. As a result, majority (56.38%) either do not see its relevance, do not know at all or have no idea about the relevance of the pension Act. 2008 (766).

Personal financial Management practices

This section presents the analysis on PFM practices. Some financial management practices were given and respondents were to indicate how often they practice them.

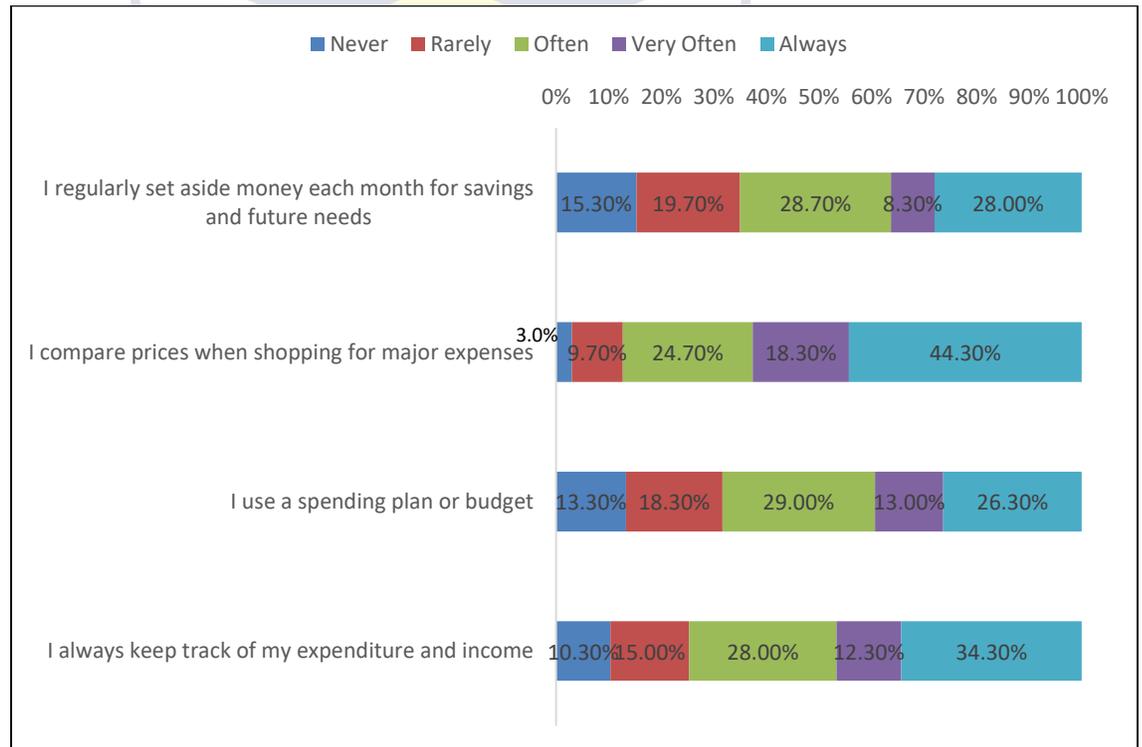


Figure 11: Personal financial Management practices

Source: Field Survey (2021)

The findings of the respondents' personal financial management strategies are shown in Figure 11. The results showed that 15.3 % of those who took part in the survey never save money monthly for other future need. Once again, nearly one-fifth of those who answered the survey said that they seldom put aside money each month for savings and other future requirements. Those who often put money away each month for saves and future requirements account for 28.7 percent of the population, while those who very frequently and always set money aside each month for savings and future needs account for 8.30 percent and 28.00 percent, respectively.

Again, majority of the respondents (44.30%) of the respondents always compare prices when shopping for major expenses. Likewise, 18.30% often compare prices. In general, just about 13% rarely or never compare prices during the period that they shop for major expenses. Furthermore, approximately 32% rarely or never use a spending plan whereas the remaining 68% often (29.0%), very often (13.0%) or always (26.3%) use a spending plan.

Lastly, the majority of approximately 75.0% of the respondents track of their income and expenditure.

Knowledge in Insurance

Table 5 presents the results from the respondents' knowledge in insurance. Here, respondents were asked questions concerning insurance According to the findings, 14.0 percent of those who answered the survey said that health insurance offers protection against sickness or physical harm. Health insurance also offers insurance coverage for medication and doctor appointments, according to 19.0

percent of respondents, while 21.0 percent said it provided insurance coverage for hospital stays and other medical expenditures. Majority of the respondents (46.0%) stated that health insurance provides all the three above.

Table 5: Knowledge in Insurance

Characteristic	Frequency	Percentage
Health insurance provides		
Insurance coverage for medicine and visits to the doctor	57	19.0
Insurance against illness or bodily injury	42	14.0
Insurance for hospital stays and other medical expenses	63	21.0
All the above	138	46.0
Life assurance products include the following except		
Children welfare plan	31	10.3
Funeral plan	51	17.0
Retirement insurance plan	41	13.7
Theft insurance plan	99	33.0
Do not know	78	26.0
A home made of wood expensive to insure than brick structure		
True	152	50.7
False	97	32.3
Do not know	51	17.0

Source: Field Survey (2021)

Furthermore, as part of assessing respondents knowledge in insurance, respondents were asked to indicate which of the following “children welfare plan, funeral plan, retirement insurance plan and theft insurance plan” was not a product of life assurance product. From the results, 26.0% had no idea. 33.0% chose the right answer while the remaining 41% chose a wrong answer.

Finally, 50.7 percent of respondents agree that a wood-framed home will be more expensive to insure than a brick-framed structure, but 17.0 percent were unaware that this was the case. In general, majority of the respondents have fair idea of insurance.

Knowledge in Investment

Table 6 present the results on respondents' knowledge in investment. Here, respondents were asked questions concerning investment.

Table 6: Knowledge in Investment

Characteristic	Freq.	Percentage
Investment refers to:		
Purchase of financial asset	285	95.0
Borrowing of money	7	2.3
Saving money under your bed	7	2.3
Buying a set of living room chairs	1	0.3
GHS1000.00 at 20% for a year		
Higher if interest is compounded daily rather than monthly	81	27.0
Higher if interest is compounded quarterly rather than weekly	13	4.3
Higher if interest is compounded yearly rather than quarterly	18	6.0
GHS1200.00 no matter how interest is computed	87	29.3
Do not know	101	33.7
Which of these is a short-term investment?		
Shares	38	12.7
Treasury bill	135	45.0
Bond	11	3.7
Mortgage	18	6.0
Do not know	98	32.7

Source: Field Survey (2021)

To learn more about investing, see Table 6. According to the study, 95% of respondents stated investing refers to purchasing a financial item. Say GH1000.00 is invested at 20% for a year, and 33.7% of the population has no idea what the money would be worth at the end. The interest rate will be higher if compounded weekly and quarterly, about 10.3%. Only 27.0% believed that daily compounding would increase the amount.

Again, when it came to stocks, treasury bills, bonds, and mortgages, 32.7% of those surveyed had no idea. The best short-term investment option, according to 45.0% of respondents, is a Treasury bill. Investing is often poorly understood by respondents. Only a few people were able to correctly answer the questions.

Exposure to Financial and Monetary issues

This section presents the analysis on the respondents' exposure to financial and monetary issues.

Table 7: Regions respondents have lived for most of their lives

Region	Frequency	Percentage
Ashanti Region	4	1.3
Bono East Region	2	.7
Brong Ahafo	1	.3
Central Region	1	.3
Greater Accra	4	1.3
Northern Region	262	87.3
Upper East Region	11	3.7
Upper West Region	6	2.0
Volta region	4	1.3
Western Region	5	1.7
Total	300	100.0

Source: Field Survey (2021)

According to Table 7, majority of the respondents (87.3%) have lived most of their lives in the northern region of Ghana.

Table 8: Financial accounts respondents operate

Financial account	Responses		Percent of Cases
	N	Percent	
Savings	203	50.8	68.1
Current account	123	30.8	41.3
Fixed deposit	21	5.3	7.0
Mutual fund	50	12.5	16.8
Stock	2	.5	.7
Bond	1	.3	.3
Total	400	100.0	134.2

Source: Field Survey (2021)

Table 8 shows the result for the financial accounts respondents operate. Out of the 400 responses, 203 of them went for savings account representing 50.8% of the total response rate. Also, 30.8% operates current account while 16.8% operates mutual funds.

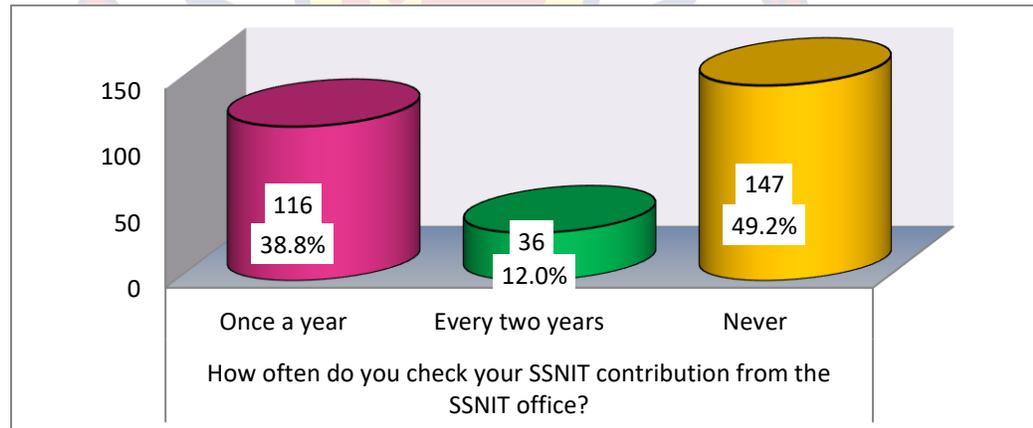


Figure 12: Frequency of checking SSNIT Contribution

Source: Field Survey (2021)

According to Figure 12, majority of the respondents 49.2% never check their SSNIT contributions. 38.8% check theirs once a year while the remaining 12.0% do so once every two years.

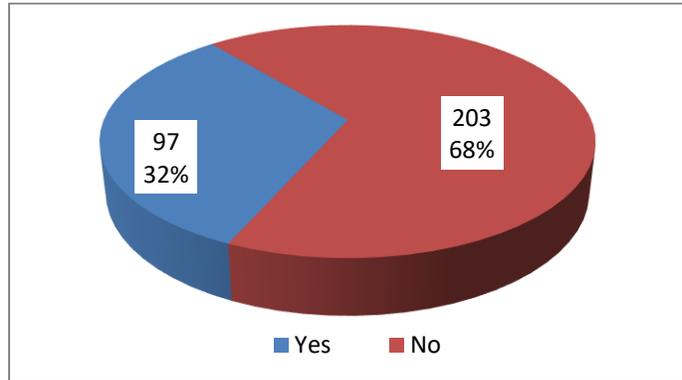


Figure 13: Other insurance policy apart from motor insurance?

Source: Field Survey (2021)

According to Figure 13, most of the respondents (68.0%) do not have any other insurance policy apart from motor. Also, 32.0% have other insurance policies apart from motor insurance. These other insurance policies are summarized in Table 9 below.

Table 9: Type of Insurance Policies

Type of Insurance	Frequency	Percentage
Education Policy (Child, others)	32	40.0
Life Insurance (Glico, Star, UT, SIC etc.)	31	38.8
Funeral Policy	5	6.2
National Health Insurance	8	10.0
Others	4	5.0

Source: Field Survey (2021)

From Table 9, majority of the respondents (40.0%) have education policy (child education and other education policies). Also, 38.8% have the life insurance (as in Glico life, Star life, UT life, SIC and so on). Some of the respondents also

have other policies such as funeral policy (6.2%), National health insurance (10.0%) and the others (5.0%).

Table 10: Where to increase financial knowledge

Where to increase financial knowledge	Responses		Percent of Cases
	N	Percent	
Parents	1	0.2	.4
Friends	38	8.9	13.4
Books	113	26.5	39.9
Media	54	12.6	19.1
Job	47	11.0	16.6
Life experience	47	11.0	16.6
Financial Institution	127	29.7	44.9
Total	427	100.0	150.9

Source: Field Survey (2021)

Table 10 shows the result for where respondents want to increase financial knowledge. Out of the 427 responses, 127 of them went for financial institutions representing 29.7% of the total response rate. Also, 26.5% want to increase their financial knowledge through books while 12.6% from the media.

Personal Finance Opinion

This section presents the analysis on the respondents' personal finance opinion.

Table 11: Personal Finance Opinion

Personal Finance Opinion	Agree		Neutral		Disagree	
	N	%	N	%	N	%
I am able to maintain adequate financial records	88	30.2	84	28.9	119	40.9
I am able to plan and implement regular savings	111	38.1	82	28.1	99	33.9
I am uncertain about where my money is spent	48	16.4	47	16.1	197	67.5

Source: Field Survey (2021)

The majority of respondents (40.9 percent) disagree with the need to keep sufficient financial records, while 30.2 percent agree. In addition, 38.1 percent believe they can save on a regular basis, while 33.9 percent disagree.

In addition, almost seven out of ten respondents are unsure of where their money is being spent. As a result, the vast majority of individuals are aware of their spending habits.

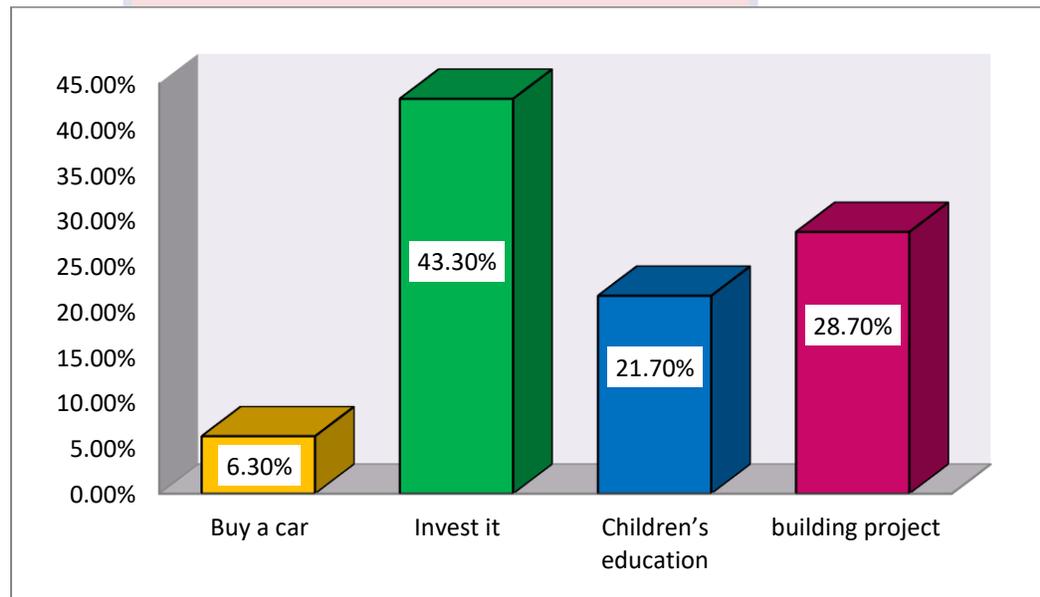


Figure 14: How will you spend if you receive an insurance claim

Source: Field Survey (2021)

As shown in Figure 14, the vast majority of respondents (43.3 percent) want to invest a GH1000.00 insurance claim. 28.70 percent said they would use the money to build something, 21.70 percent said they would use it to educate their children, and 6.30 percent said they would use it to buy a car with their earnings.

Financial Management Challenges

This section presents the analysis on the respondents' financial management challenges.

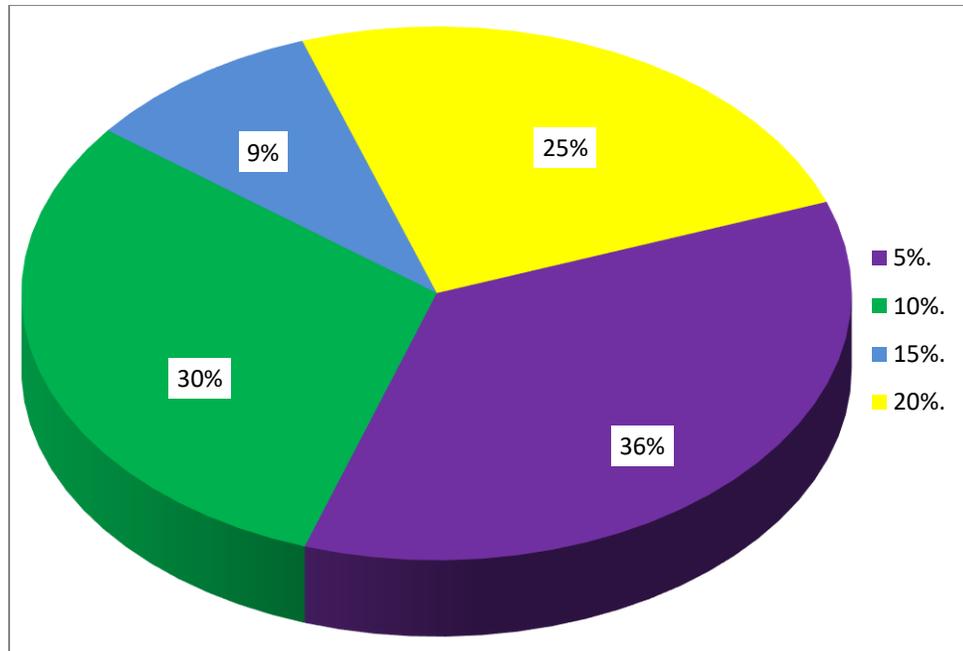


Figure 15: What percentage of your income do you save

Source: Field Survey (2021)

According to Figure 15, 36.00% of the respondents save 5% of their income. 25.00% save 20% of their income. Likewise, 30.00% save 10% of their income. Also, 9.00% of the respondents save 15% of their income.

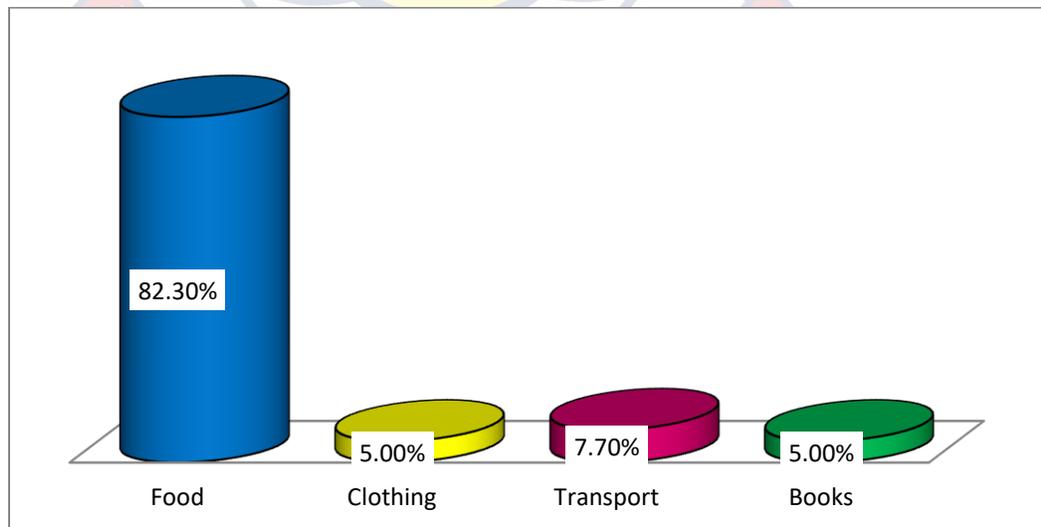


Figure 16: A greater portion of my income is spent on

Source: Field Survey (2021)

From the Figure 16, majority of the respondents (82.30%) spent greater portion of their income on food.

Regression Analysis and Determinant of Retirement Planning

The multiple linear regression analysis was employed in this section to explore the impact of FL on retirement planning among teachers in the Tamale Metropolis. The respondents' knowledge in retirement planning was used as the dependent variable. The independent variables were Knowledge in Investment, Personal Financial Management, Knowledge in Personal Finance, Knowledge in Insurance and Knowledge in Savings and Borrowing. The results is shown in ANOVA table and the Coefficient tables below.

Table 12: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	42.187	6	7.031	3.350	.003 ^b
	Residual	615.000	293	2.099		
	Total	657.187	299			

a. Dependent Variable: Knowledge in Retirement Planning

b. Predictors: (Constant), Personal Finance Opinion , Knowledge in Investment, General Knowledge in Personal Finance , Knowledge in Insurance, Personal Financial Management Practices , Knowledge in Savings And Borrowing.

Source: Field Survey (2021)

According to Table above, since the p-value (0.003) is less than 0.05, it indicates that the regression model with Knowledge in Retirement Planning with the other six predictor variables is statistically significant.

Table 13: Coefficients Table

Model	Unstandardized		Standardized		t	Sig.
	B	Std. Error	Beta			
(Constant)	.606	.320			1.892	.059
General Knowledge in Personal Finance	.019	.094	.012		.199	.842
Knowledge in Savings And Borrowing	.187	.072	.157		2.598	.010
Personal Financial Management Practices	.038	.065	.034		.583	.560
Knowledge in Insurance	.088	.117	.044		.754	.452
Knowledge in Investment	.296	.114	.150		2.589	.010
Personal Finance Opinion	-.087	.149	-.035		-.588	.557

Dependent Variable: Knowledge in Retirement Planning

Source: Field Survey (2021)

To predict one's knowledge of retirement planning, the independent variables Knowledge of Savings and Borrowing and Knowledge of Investments are significant at the 0.05 significance level. Personal financial management practices and knowledge of insurance are not statistically significant predictors of knowledge of retirement planning.

Table 14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.253 ^a	.064	.045	1.449

Source: Field Survey (2021)

The coefficient of determination (R square) for the model is 0.064. This implies that 6.4% of the variation in the data is explained by the model.

Chapter Summary

The data analysis and discussions were the focus of this chapter. The demographic characteristics of the respondents were analyzed, and a frequency table was created to illustrate the results. Another set of tests was carried out in order to evaluate the effect of the independent factors, such as gender, age, and educational level, on the dependent variable, such as financial literacy, frequency distributions, and percentages. Again, inferential analyses were also carried out where a multiple regression was employed.



CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

Introduction

The study concludes with a summary of the findings, a conclusion, and some recommendations on the major findings on FL, the challenges, and the path forward for improving FL among teachers in the Tamale Metropolis and across the country in order to ensure proper and efficient financial management practices.

Summary of the study

The aim of this study was to evaluate the impact of FL on retirement planning among teachers in the Tamale Metropolitan Area. The participants were all teachers in the Tamale Metropolitan Area. The relevant literature, as well as many international studies measuring FL in adults, have shown that individuals do not have an appropriate amount of FL. The general population, rather than instructors who will teach the country's future leaders how to be financially literate, will benefit from FL Week, despite the government's efforts to promote financial literacy among the general public.

The main data used in the research was collected via a questionnaire, which was then analyzed. It was decided to use a sample of 300 respondents for the research in total. According to the findings of the study, teachers in the Tamale Metropolitan Area are very informed when it comes to problems pertaining to personal finance.

Again, it was discovered that the vast majority of teachers in the Tamale metropolitan are well informed and have access to information on saving and

borrowing opportunities. The majority of the instructors demonstrated that they were competent in the areas of accounting, interest rates on savings, and general understanding of saves and borrowing, among other things.

Furthermore, the findings of the study showed that the vast majority of teachers in the Tamale metropolitan have intentions for retirement, but they have little or no information about how to prepare for retirement. These concerns were raised as a result of their answers to questions about pensions and their role in retirement planning, which were published. The vast majority of teachers were completely clueless when it came to tier two payments, pension deductions, how pensions are handled, or the Pension Act 2008. (766).

When it comes to personal financial management, nearly all of the respondents save money on a monthly basis in preparation for their retirement. This is due to the teachers' retirement plans. Similarly, the majority of respondents consistently compare prices while shopping for big items and also adhere to a budget that has been established. It was widely agreed that the teacher's understanding of insurance and investing was lacking. Only a small number of people can provide reliable information on insurance and investing.

Additionally, the findings of the study revealed that the vast majority of respondents are unable to keep proper financial records on a consistent basis. Similarly, the scenario is the same when it comes to putting together and executing regular saves. Despite this, the vast majority of people claim to have invested or spent an insurance claim of up to GHC10,000.00 on either construction projects or children's educational expenses.

Finally, the results revealed that an individual's comprehension of pension planning is dependent on the individual's knowledge of savings and borrowing, as well as their knowledge of investments and insurance.

Conclusions

In line with the objectives of the study, the following conclusions were made,

1. It is concluded that teachers in the Tamale metropolis understand and have adequate knowledge in personal finance, savings and borrowing. They have plans for retirement yet they have no or little knowledge in retirement planning. This was confirmed by their knowledge in insurance and investment which was also found to be very low.
2. Regarding the objectives two, the teachers in Tamale metropolis' knowledge in personal finance help them to maintain adequate financial records and also help them plan towards the implementation of regular savings. The teachers in the Tamale metropolis will spend an insurance claim of up to GHC10000.00 on either building projects or children's education hence ensuring a better life for retirement.
3. Lastly, the study concluded that, the development of a modeled knowledge of retirement planning suggests that one's knowledge in retirement planning depends on that individual's knowledge in savings and borrowing, knowledge in investment and knowledge in insurance.

Recommendations

In terms of the study's findings, conclusions, and recommendations, the researcher made the following recommendations;

1. We think the Ghana Education Service's metro directorate should provide lectures on retirement preparation. All instructors and student teachers in all fields of study should be trained on fundamental financial problems and best practices, regardless of the area of study. .
2. Teachers' unions (GNAT, NAGRAT, and others) should provide seminars on retirement planning for teachers in the Tamale metropolitan on a regular basis. Most of our schools in the Tamale metropolitan require insurance and investment firms to come in and educate our teachers on investment and general insurance problems.
3. Finally, the researcher suggests that further research be done to determine the degree of FL in different professions throughout the country in order to identify, comprehend, and adopt legislation that will ensure that everyone is financially educated.

Suggestions for Further Studies

The current study considered only high school teachers the Region and also, from the literatures, the researcher realized that most of the past studies have been done using the quantitative approach. Therefore, it is suggested that further study is conducted by considering head teacher and complementing the quantitative data with the qualitative data.

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APPENDICES

Appendix I: Letter of Introduction to Ghana Education Service

P. O BOX 797
TAMALE
NORTHERN REGION
2ND OCTOBER, 2018

THE METRO DIRECTOR OF EDUCATION
GHANA EDUCATION SERVICE
TAMALE METROPOLITAN SSEMBLY
TAMALE
NORTHERN REGION

Dear Sir,

SEEKING INFORMATION ON TEACHERS IN THE METROPOLIS

I wish to introduce myself as a Master of Business Administration (MBA) student of the School of Business, University of Cape Coast.

As part of the program, I am required to write a thesis entitled “Financial Literacy on Retirement Planning among Teachers in the Tamale Metropolis” as a case study.

Consequently, I wish to seek for information on the number of schools and teachers in the metropolis both public and private schools.

I shall also be grateful if I could be given a permission to administer a questionnaires to the teachers in the metro to enable me gather data for the thesis.

The category required is as follows:

CATEGORY	NUMBER SCHOOLS	NUMBER TEACHER
SENIOR HIGH SCHOOLS		
JUNIOR HIGH SCHOOLS		
PRIMARY SCHOOLS		
TOTAL		

Counting on your high office to give my request the needed consideration it deserves.

Thank you.

Yours faithfully,
Wisdom K. Abormegah

(0242378350 / 0208882111)

APPENDIX II: QUESTIONNAIRE

UNIVERSITY OF CAPE COAST
SCHOOL OF GRADUATE STUDIES
(SCHOOL OF BUSINESS)
MBA QUESTIONNAIRE

TOPIC:

FL ON RETIREMENT PLANNING AMONG TEACHERS IN THE TAMALE
METROPOLITAN ASSEMBLY, NORTHERN REGION OF GHANA

PREAMBLE

The main purpose of this study is to assess the level of financial literacy among teachers in the metropolis. The study is mainly for academic purposes. Participants are assured of utmost confidentiality regarding information provided by them. This case study is intended to measure teachers' knowledge of personal finance. The results will be used to help teachers improve their knowledge and government to improve financial literacy education in the teacher training institutions and other educational sectors in the country..

DIRECTIONS: Please indicate your response to each question by selecting the most appropriate answer for each question.

I. BACKGROUND INFORMATION

1. What is your highest qualification?

A. Certificate B. Diploma C. First Degree

D. Masters

E. Others,(Specify)

1. **What is your gender?**

A. Male

B. Female

2. **What is your age?**

A. 20-29

B. 30-39

C. 40-49

D. 50 and above

3. **What is your rank?**

A. Superintendent

B. Senior Superintendent

C. Principal Superintendent

D. Assistant Director

E. Above Assistant Director

4. **Which level of students are you teaching currently?**

A. Kindergarten

B. Primary

C. Junior High School

D. Senior High School

E. Tertiary

5. **Which of the following best describes your personal income (monies that comes into your hand for personal use) for last year?**

A. Under GHS 14,500

B. GHS 14,720 – GHS 18,100

C. GHS 18,202 – GHS 23,971.

D. GHS 24,000 – GHS 30,868

E. Above 31,000

6. **Are you a professional teacher?**

A. Yes

B. No

7. **How many years of working experience do you have? Include full or part-time experience etc.**

- A. None B. Less than 2 years C. Two to less than 4 years
D. Four to less than 6 years E. Six years or more

8. What was your field of study at the highest level?

- A. Business B. Economics
C. Humanities (arts, social sciences, language etc.) other than A & B
D. Sciences
E. Others, specify

II. GENERAL KNOWLEDGE IN PERSONAL FINANCE

9. Personal finance literacy can help you

- A. Learn the right Approach
B. Lead a financially secure life by forming healthy spending habit
C. Do all above D. Do not know

10. Personal financial planning involves

- A. Establishing an adequate financial record keeping system.
B. Developing a sound yearly budget of expenses and income.
C. Preparing plans for future financial needs and goals.
D. All of the above.
E. Do not know.

11. A personal budget will help you

- A. Allocate future personal income towards expenses
B. Prioritize your spending
C. Monitor the source of your income
D. All of the above

12. Which of these can be turned into cash more easily?

- A. Money in a fixed deposit account B. Money in a current account
C. A car D. A computer E. Do not know

III. KNOWLEDGE IN SAVINGS AND BORROWING

13. Which account usually pays the most interest?

- A. Fixed Deposit Account B. Savings Account
C. Current Account D. Do not know

14. Suppose you had GHS1000.00 in a savings account and the interest rate was 10 per cent per year. After 1 year, how much do you think you would have in your account?

- A. More than GHS1100.00 B. Exactly GHS1100.00
C. Less than a GHS1100.00
D. The same as your savings of GHS1000.00
E. Do not know

15. If you guarantee a loan for a friend, then

- A. You become responsible for the loan if your friend defaults
B. It means that your friend receives the loan by himself
C. You are entitled to receive part of the loan
D. Do not know

16. The MOST important factor that a lender uses when deciding whether to approve a loan is..

- A. Marital Status B. Education and Occupation

- A. Insurance against illness or bodily injury
- B. Insurance coverage for medicine and visits to the doctor
- C. Insurance for hospital stays and other medical expenses
- D. All of the above

8. Life assurance products include the following except

- A. Children welfare plan
- B. Funeral plan
- C. Retirement insurance plan
- D. Theft insurance plan
- E. Do not know

9. A home made of wood will be more expensive to insure than a comparable brick structure

- A. True
- B. False
- C. Do not know

VII. KNOWLEDGE IN INVESTMENT

10. Investment refers to

- A. Purchase of financial asset
- B. Borrowing of money
- C. Saving money under your bed
- D. Buying a set of living room chairs

11. If you invest GHS1, 000.00 at 20% for a year, your balance in a year will be

- A. Higher if the interest is compounded daily rather than monthly
- B. Higher if the interest rate is compounded quarterly rather than weekly
- C. Higher if the interest rate is compounded yearly rather than quarterly
- D. GHS1, 200.00 no matter how the interest is computed
- E. Do not know

12. Which of these is short term investment?

- A. Shares
- B. Treasury bill
- C. Bonds
- D. Mortgage
- E. Do not know

VIII. EXPOSURE TO FINANCIAL AND MONETARY ISSUES

13. Which of the ten regions of Ghana have you lived most of your life?

.....

14. What kind of financial accounts do you have? (Check all that apply)

- a. Savings
- b. Current account
- c. Fixed deposit
- d. Mutual fund
- e. stock
- f. bond
- g. Other(s)
- h. (specify):

15. How often do you check your SSNIT contribution from the SSNIT office?

- A. Once a year
- B. Every two years
- C. Never

16. DO you have any form of insurance policy other than motor?

- A. Yes
- B. No

17. If yes to question 38 which type?

18. Where do you like to learn/increase your financial knowledge? (Check all that apply)Parents

- a. Friends b. Books c. Media d. Job e. Life experience
 f. Financial Institutions g. Other(s):.....

IX. PERSONAL FINANCE OPINION

Tick as appropriate using ×. Using the scale given below, please rate the importance of items to you

Strongly disagree = 1, Disagree = 2, Neutral = 3, Agree = 4, strongly agree = 5

	Personal Finance Opinion	1	2	3	4	5
8.	I am able to maintain adequate financial record					
9.	I am able to plan and implement regular savings					
10.	I am uncertain about where my money is spent					

11. How will you spend if you receive an insurance claim of GHS10, 000.00?

- A. I will use it to buy a car B. I will invest it
 C. I will use it on my children’s education D. I will use it on a building project

X. FINANCIAL MANAGEMENT CHALLENGES

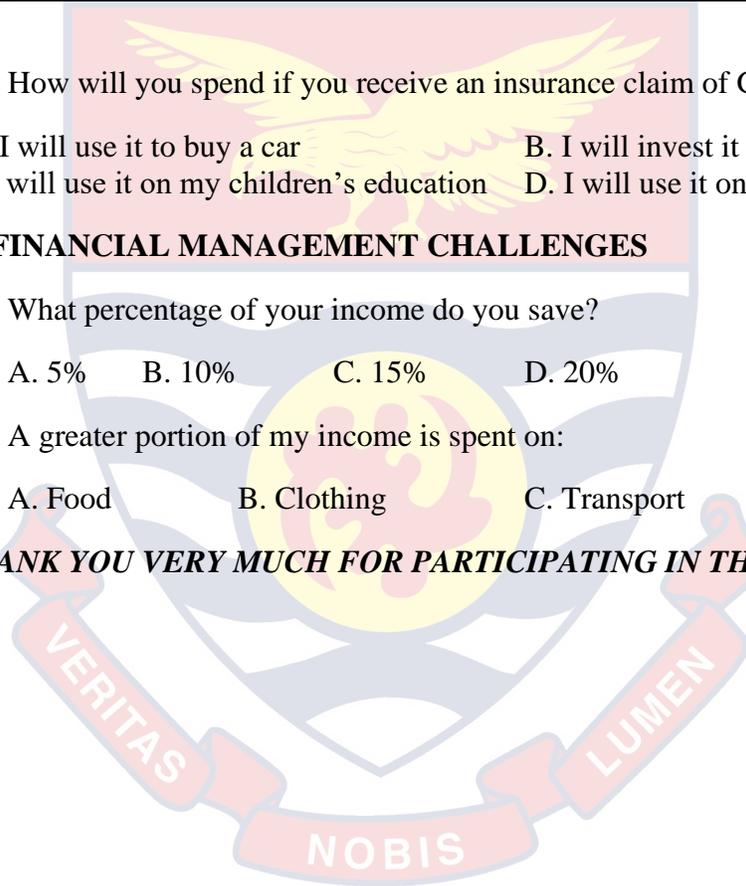
12. What percentage of your income do you save?

- A. 5% B. 10% C. 15% D. 20%

13. A greater portion of my income is spent on:

- A. Food B. Clothing C. Transport D. Books

THANK YOU VERY MUCH FOR PARTICIPATING IN THIS SURVEY.



Appendix III: Response from Ghana Education Service

GHANA EDUCATION SERVICE

*In case of reply
the date and reference
number of this
should be quoted*



Metropolitan Education Office
P. O. Box 6, E/R
Tamale, Northern Region
Tel: 03720-22090
FAX: 03720-23762

REPUBLIC OF GHANA

Our Ref: GES/NR/MEO/TT.12/VOL.I

Your Ref:

Email: metroeducation@gmail.com

Date: 29th October, 2018

LETTER OF PERMISSION
WISDOM ABORMEGAH

Per the letter dated 2nd October, 2018, permission is hereby granted Mr. Wisdom E. Abormegah a Master of Business Administration (MBA) student of the school of Business, University of Cape Coast.

As part of the programme he requires to write a thesis entitle Finance Literacy on Retirement Planning among teachers in the Tamale Metropolis as case study.

We request that schools in the Tamale Metropolis allow the student or his assign carryout his activity.

However, we urge all heads of the schools to ensure that this does not unduly interfere with academic learning hours.

Thank you.


(MRS. MARY J. SYME)
DEPUTY DIRECTOR – (STATISTICS & PLANNING)
For: METROPOLITAN DIRECTOR OF EDUCATION
TAMALE.

**THE DEPUTY DIRECTOR
SUPERVISION METROPOLITAN DIRECTOR
OF EDUCATION**

**DEPUTY DIRECTOR
P, D R, M, E,
Metro, Educ, Office
Tamale**

**ALL SCHOOLS
IN THE TAMALE METROPOLIS
TAMALE**

Cc: Mr. Wisdom E. Abormegah
University of Cape Coast
Cape Coast

****Peace****

Appendix IV: Introductory letter from the department of finance University of Cape Coast

UNIVERSITY OF CAPE COAST
COLLEGE OF HUMANITIES AND LEGAL STUDIES
SCHOOL OF BUSINESS

DEPARTMENT OF FINANCE

Telephone: 03321-32440-4, 32480-3 Direct: 03321-37871
Fax: 233-3321-32847
Telex: 2552, UCC, GH
Telegrams & Cables: University, Cape Coast



UNIVERSITY POST OFFICE
CAPE COAST, GHANA

Our Ref: SB/DF/IR/V.1/120

16th August, 2018

Your Ref:

The Director of Education
Tamale Metropolitan Assembly
Tamale

Dear Sir,

INTRODUCTORY LETTER: MR. WISDOM KWASHIE ABORMEGAH

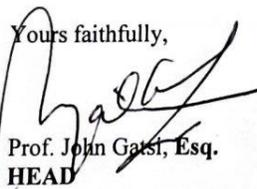
The bearer of this letter, Mr. Wisdom Kwashie Abormegah, is a Master of Business Administration (Finance) student at the Department of Finance of the School of Business, University of Cape Coast. Mr. Abormegah is writing his dissertation on the topic '**Financial Literacy on Retirement Planning among Teachers in the Tamale Metropolis**'.

We would be grateful if you could offer him the necessary assistance with regards to the data and the following information he will need to enable him work on his dissertation:

- i. The number of schools in the metropolis. i.e., number of Primary schools, Junior High Schools and Senior High Schools in the metropolis.
- ii. The number of teachers in the respective levels in the schools.

Thank you in anticipation of your co-operation.

Yours faithfully,


Prof. John Gatsi, Esq.
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