

## **Determinants of Financial Literacy of Management Undergraduates; Evidence from University of Kelaniya**

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### **Abstract**

Financial literacy is the ability of individuals to manage their finances, make wise financial decisions, and establish long-term plans. The significance of financial literacy has increased as economies change, and financial markets become more complicated. This is especially pertinent for recently graduated students who are getting ready to turn into professionals and commence their professional careers. Consequently, establishing a strong foundation in financial literacy becomes crucial for university students' long-term financial well-being and success in job markets both domestically and internationally. This research study is conducted to identify the existing level of awareness of financial literacy and the factors that influence to financial literacy of management undergraduates of Sri Lanka. The researcher explored several previous research articles relating to the financial literacy of management undergraduates. According to the conceptual framework of the study, the dependent variable is financial literacy, and the independent variables are demographic factors, educational factors, and personality factors. The researcher collected data from the 250 final-year management undergraduates of the Faculty of Commerce & Management Studies at the University of Kelaniya by distributing a structured questionnaire. The researcher has conducted a multiple regression analysis to analyze the collected data. According to the research study's findings, the students have basic knowledge in financial literacy and other practices. Further, it was discovered that financial literacy positively correlated with age, gender, and family income. However, it is interesting to observe a negative correlation between financial literacy and educational variables. Moreover, it was revealed that there is a significant positive correlation between financial literacy and personality factors such as financial behavior, financial attitudes, and financial knowledge.

**Keywords:** Financial Literacy, Demographic Factors, Educational Factors, Financial Behavior, Financial Attitudes, Financial Knowledge