

Determinants of Financial Literacy among Youth with special reference to Colombo District, Sri Lanka

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Abstract

Introduction: Financial Literacy refers to the knowledge and skills that are necessary to make effective decisions relating to financial matters. This study aims to identify the impact of financial literacy determinants on the youth population's financial literacy with particular reference to the Colombo district of Sri Lanka.

Methodology: This study uses deductive and quantitative methods to analyse the data. Data was gathered from 384 young people (ages 15 to 29) from the Colombo district. The dependent and independent variables were gender, education level, work experience monthly income and Financial Literacy, respectively. Descriptive statistics, correlation and panel regression were used to analyse the data.

Findings: The study found a significant impact of gender, education level, work experience and monthly income on Financial Literacy. Further, female has more financial literacy than males. When their education level is high, their financial knowledge is also high, and work experience and monthly income also have a positive impact on financial literacy.

Conclusion: The research outcomes confirmed critical implications for policymakers and youth to enhance the financial literacy levels in Sri Lanka. Collaborative efforts between governments, financial institutions, and technology providers are essential to broaden the reach of financial literacy levels, particularly among youth communities.

Keywords: Financial Literacy, Youth population, gender, education level, work experience, monthly income.