Factors Influencing on Personal Financial Management Behaviour of Employees of the Banking Sector in Trincomalee District

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ABSTRACT

Nowadays, good financial management behaviour requires special attention from individuals because the financial management behaviour aspect has a significant effect on their life. Very few researches are being performed in Sri Lanka for factors influencing on personal financial management behaviour of employees. So, there is an empirical knowledge gap that exists in explaining factors influencing on personal financial management behaviour of employees. Hence, the study conducts to narrow this empirical gap. The objectives of this study are to identify the level, relationship and impact regarding financial knowledge, financial attitude, and locus of control on personal financial management behaviour. To achieve these objectives, the stratified sampling method is used as a sample of the study which was conducted among 191 employees from Commercial Bank. However, 159 respondents were analyzed by using descriptive, correlation analyses and regression analyses. The findings show that high level of financial knowledge, financial attitude, locus of control and personal financial management behaviour. There is a significant positive relationship between financial knowledge, financial attitude and locus of control with personal financial management behaviour. There is a significant impact of financial knowledge, financial attitude and locus of control on personal financial management behaviour.

1. Introduction

Nowadays, good financial management behaviour requires special attention from individuals because the financial management behaviour aspect has a significant effect on their life. Living in a world that is more financially driven rather than more trade-driven leads to quality of life depending upon an individual's capacity to manage financial affairs. Financial capability is not like a concept of education but it is the usage of financial knowledge and the ability to act upon opportunities by accessing financial services and institutions. Joo (2008), indicates that effective financial management behaviour should improve financial well-being positively and failure to manage personal finances can lead to serious long-term, negative social and societal consequences. Financial management is therefore primarily concerned with the efficient management of money.

Personal financial management involves the use of financial knowledge and skills to make financial and economic decisions, including financial savings, loans, insurance, and investment. An increased number of studies on personal finance underline the need to improve personal financial knowledge among people, given

that the complexities of the financial system, increased access to credit and increasing cost of living requires individuals to engage in personal financial management practices. Despite the complex knowledge of finance that may not be required of everyone, basic financial knowledge related to the management of money, transactions, selection and use of financial products is essential for a healthy financial life (Dwiastanti, 2017).

To achieve the expected welfare, a person needs to have expertise in managing his finances so that the money can be used to meet his needs responsibly. Through good financial management behaviour, a person will also avoid financial distress. Avoiding financial distress requires financial intelligence which is a person's intelligence in managing his finances. With this intelligence, someone will be able to filter the information needed for financial management to provide benefits to improve their welfare. Funfgeld and Wang (2009), mentioned that personal financial management capabilities do have implications on financial situations in that those with good personal financial management capabilities were found to be satisfied with their money management and level of their net worth.

Financial knowledge has a close relationship with financial literacy or financial education. Hilgert (2003), stated that financial knowledge is the conceptual definition of financial literacy. The financial literacy rate in Sri Lanka is 35% compared to an average of 65% in more developed economies (Kalyanaratne, 2019). The evidence clearly shows that law financial literacy in Sri Lanka is not confined to the poor but is common among professionals such as doctors, lawyers, and even judges. Poor financial knowledge can lead to failure in personal financial management. This can lead to financial distress for financial institutions and business organizations. Therefore, in this study, an effort was made to determine "What are the factors influencing on personal financial management behaviour of employees of the banking sector in Trincomalee District"?

Research Objectives

- To find out the level of Financial knowledge (FK), Financial Attitude (FA), and Locus of Control (LC) on Personal Financial Management Behaviour (PFMB) of the employee of banking sector in Trincomalee District and the level of Personal Financial Management Behaviour (PFMB) among bank employees.
- To find out the impact of Financial knowledge (FK), Financial Attitude (FA), and Locus of Control (LC) on Personal Financial Management Behaviour (PFMB) among bank employees.
- To find out a significant variation in the Personal Financial Management Behaviour (PFMB) among bank employees by Demographic factors.

2. Literature Review

Personal Financial management behaviour is defined as the set of the behaviour of individuals performed regarding the planning, implementation, and evaluation involved in the areas of cash and credit management, capital accumulation, risk management, savings, and investment. Personal Financial management behaviour is considered one of the key concepts in financial discipline.

Many definitions are given regarding this concept, Van Horne and Wachowicz (2002), proposed that personal financial management behaviour is the determination, acquisition, allocation, and utilization of financial resources of an individual usually with an overall goal in mind while Twum (2017), described that personal financial management behaviour as an area of financial decision-making, harmonizing individual motives and enterprise goals. Joo (2008), indicated that effective financial management behaviour should improve financial well-being positively and failure to manage personal finances can lead to serious long-term, negative

social and societal consequences. Thus, financial management is mainly concerned with effective fund management.

There are many studies in Vietnam, Bali, Malaysia, and other countries which examine only one dimension of financial management behaviour such as credit card (Mien & Thao (2015) or saving (Gries & Ha, 2014). However, measuring many different domains of financial management behaviour is important because each domain has a serious role (Xiao & Dew, 2011). This study expands on the studies in finding out factors affecting financial management behaviour in general. Indicators of financial management practices are well determined by analyzing four main aspects of individual financial behaviours. These include individual cash-flow management, credit management, savings, and investment practices.

Personal financial management practices are typically expressed by different attitudes and financial behaviours. These include individual debt levels (Lusardi & Mitchell, 2009), stock market participation (Van Rooij, Lusardi & Alessie 2007), the ability to accumulate capital and manage wealth efficiently (Stango & Zinman 2007; Hilgert, Hogarth & Beverly 2003), the ability to choose lower-fiscal financial products, and ability to plan well for retirement (Lusardi & Mitchell, 2009). Five domains that were important areas of sound financial management practices were selected following the analysis of previous measures: consumption, cash flow, credit, savings and investment, and insurance.

Theory of Planned Behaviour

The theory of planned behaviour is an extension of the theory of reasoned behaviour (Ajzen, 1991). The theory of reasoned behaviour was first introduced by Fishbein in 1967 and then defined, developed, and tested in the 1970s. The purpose of this theory is to predict and understand human behaviour. According to the theory of reasoned behaviour, a person's behaviour is determined by her/his behaviour intention. The intention is determined by this person's attitude toward the behaviour, the subjective norm, and the relative importance between the attitude and the subjective norm.

Several studies have applied the theory of planned behaviour to consumer behaviour in financial services such as investment decisions, mortgage use, and credit counseling. The theory of planned behaviour is also applied to consumer behaviour in the setting of e-commerce, such as online shopping and e-coupon use. A group of researchers applied the theory of planned behaviour to investigate how individuals form financial behaviours such as cash, credit, and saving management. Based on their preliminary findings, all three antecedents of the behaviour intention specified by the theory are associated with the intention and the intention contributes to the behaviour (Shim, Xiao, Barber, & Lyons, 2007).

Financial Knowledge

One of the major factors that influence personal financial management is financial knowledge. According to Lusardi and Mitchell (2007), financial knowledge has been described as an insight into finance and then applied in everyday life (knowledge and ability). Being aware of the importance of having financial knowledge is one of the efforts to achieve the future well-being of life realized through actions in compliance with financial understanding. Ida and Dwinta (2010), reported that to possess financial knowledge, a person needs to develop financial skills and learn how to use financial tools.

According to Hilgert et al., (2003), financial knowledge is part of the conceptual interpretation of financial literacy, financial knowledge with financial literacy has a slightly different sense but has the same objective meaning. Financial knowledge has the sense to provide a broad understanding of finance, whereas financial literacy has a meaning in which somebody already has an understanding of finance as well as a capacity to understand and operate financial activities. Financial knowledge has its scope including the understanding of personal finance, corporate finance, banking, investment, insurance and so on.

Arifin (2017), stated financial knowledge included the development of financial skills and financial tools to shape a map and pattern for personal financial management decisions makings, such as choosing a cheque, credit card, or debit card. Development of financial skills and financial tools required by a person to be able to choose the required cheques, and able to use debit and credit cards wisely so as not to experience financial management problems. Perry and Morris (2005), stated many sources of financial knowledge can be gained through formal education, such as college courses, finance workshops and additional hours of tutoring outside school, as well as through parents, peers, and coworkers. Furthermore, the study by Sriwidodo (2015), stated that financial knowledge becomes inseparable from someone's life. Financial knowledge is a useful tool for making financial decisions; however, financial knowledge rates are still relatively low in many countries.

From several definitions of financial knowledge according to the experts above, it can be concluded financial knowledge is an understanding of economics related to financial understanding obtained through formal education such as school, lectures, seminars on finance, or additional learning guidance expected to be able informing financial skills and financial tools that can implement financial management effectively and efficiently for the sake of the creation of life welfare. There are five metrics for assessing financial knowledge, according to Ida and Dwinta (2010), terms of interest rates, finance charges, credit ratings and credit reports, finance management, and investment money.

Financial Attitude

Financial attitude is defined as a state of mind, opinion, and judgment of a person about finances (Pankow, 2012). Attitudes refer to how one feels about personal finance issues, measured in this study by responses to opinion statements. Financial attitude can also influence on personal financial management behaviour. According to Listiani (2017), the financial attitude has a positive relationship with financial management Behaviour, which implies that more individuals who can apply a good financial attitude have a good effect on personal financial management Behaviour because the ideal financial attitude is derived from a person's quality of education.

Herdjiono and Damanik, (2016), stated that there is a relationship between financial attitudes and the level of financial problems. And it can be said that the financial attitude of a person often affects the way an individual control his or her financial Behaviour. Lim and Teo (2003) and Madern and Schors (2012), reported that many financial behaviours have also to do with the financial difficulties that are frequently faced by young people. Research has been done by Ameliawati and Setiyani (2018), that financial attitude partially affects financial management behaviour. It is also expressed by Mien and Thao (2015), that there is a positive influence on financial attitude toward financial management behaviour. In contrast, research conducted by Novita and Maharani (2016), argues that financial attitude has to impact on or affects financial management behaviour. Financial attitude has been investigated in only a modest number of studies in the financial management research literature (Godwin 1994), of the studies reviewed, only Godwin (1994), examined attitude as an independent variable with behaviour as the dependent variable. Thus, Godwin's (1994), research represents the only study wherein the effect of attitude on management behaviour can be observed.

Locus of Control

The locus of control is another factor that can influence finance management behaviour. Locus of control is needed which is a person's perspective on an event, whether the event can be affected by the action concerned or not. Locus of control is associated with a person's view or his perception of the conditions and his prediction about what will happen in the future over the decision he has made (Fitra & et. al. 2018). There is a positive relationship between locus of control and credit card accumulation (Davies &

Lea, 1995). The degree of one's ability to save and maintain expenses is influenced in part by perceptions of self-control (Perry & Morris 2005). Investors with an internal control locus are more willing to take risks as they believe better (Ahmed 1985).

According to Boshoff and Van Zyl (2011), the Locus of control is the person's personality which is defined as a person's belief in the ability to control destiny in you. The locus of control is described by Boshoff and Van Zyl (2011), as the level of control of one's convictions that one can decide their destiny. Larsen and Buss (2002), argue that locus of control is a basic concept that believes that occurs in an individual's life. Khanifah & et. al. (2019), suggested that the definition of locus of control is a person's view of the causes of success or failure in doing business over what he did.

According to Rotter (1966), there are various factors influencing the locus of control, namely: the internal locus of control has the sense of human controls taking action from within themselves to determine the effectiveness of decision-making about the causes and effects that will occur in individual events. The external locus of control means an individual's influence from outside a self-control measure to assess the decision-making performance over causes and effects that depend on the circumstances of natural factors, wonders, and the world in which the individual is situated.

Chinen and Endo (2012), revealed that if there are individuals who can make good financial decisions, it is unlikely that they will have financial difficulties in the future, and that the ideal financial conduct is more important than the need to assess the priority scale of the needs. From some definitions of locus of control according to some experts above, it can be concluded locus of control is a belief of a person related to the ability to control themselves against a view of events that happened based on control factors in self by choosing the scale of priority needs and external control factors then take action to determine the failure or success. According to Ida and Dwinta (2010), there are five indicators to measure locus of control namely: There is absolutely no way to solve the problem, I am driven by life around me, and there is little I can do to change the important things in my life, I can do whatever is in my mind, what happens to me in the future depends on me, helpless in facing life problem, I have little control over things that happened to me.

3. Research Methodology

Factors influencing on Financial Management Behaviour

Figure 1. Conceptual Framework

(Source: Mien & Thao, 2015)
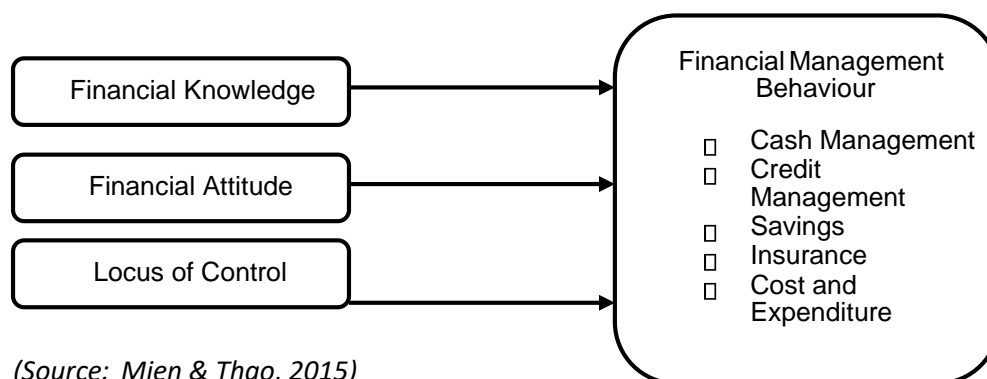
4.Methodology

To reach the multiple objectives of the study quantitative research method was utilized. The study followed a deductive research approach based on primary data collected through a survey questionnaire. The research questionnaire is a combined question used in the standard questionnaire and a question designed by the researcher. The questionnaire was designed and contained Likert scale questions.

Financial institutions are institutions that provide financial services to its clients or members (Siklos and Pierre, 2001). The financial services include accepting and managing deposits, lending money, investment and brokerage services and insurance services. Employees in financial institutions are also exposed to data related to various financial concepts other than in the area of employee benefits as they have undergone some level of financial training and education such as in finance, banking, accountancy and auditing. If the banking employees better in their financial management behaviour they can able to manage their customer well.

This questionnaire includes two main parts such as respondents' personal information and research information. The first part of the respondent's personal information for staff bank name, job position, gender, age, educational qualification, income level and marital status. The second part of the questionnaire considers research information and is developed to measure the variables of the study.

Population and Sample

The population of this study is considered all banking staff who works under selected banks. The banking staff term includes managers, assistant managers, officers, banking assistants, banking trainees and any Cards Issuing Officer, Loan Executive and Compliance Officer. For the study, the researcher selected five banks such as Commercial Bank of Ceylon PLC, Sampath Bank Ltd., Hatton National Bank PLC, People's Bank and Bank of Ceylon in Trincomalee District. The researcher selects the banks which have more branches within the Trincomalee district (Central Bank of Sri Lanka, 2017). The population of the study was 366 bank staff in the Trincomalee district from selected banks. In order to collect the data, stratified sampling technique has been applied for the bank employees. For calculate the sample size, the slovin's formula is used. According to the solvin's formula the sample size of the study is 191 bank employees.

Data Analysis Tool

We analyzed measures of variance for quantitative data using descriptive statistics such as frequency, percentage, mean, and standard deviation. Here the collected data from the questionnaires were analyzed and evaluated by using univariate, bivariate and multivariate analysis.

Testing Hypotheses

H1: Financial Knowledge significantly impacts on PFMB

H2: Financial Attitude significantly impacts on PFMB

H3: Locus of Control significantly impacts on PFMB

5. Results and Discussion

Table 1. Sample Composition

	Demographic Factors	n	%
Job Position	Manager	9	5.7
	Assistant Manager	16	10.1
	Officer	27	17.0
	Banking Assistant	68	42.8
	Banking Trainee	29	18.2
	Others	10	6.3
	Total	**159**	**100.0**
Gender	Male	98	61.6
	Female	61	38.4
	Total	**159**	**100.0**
Age	Below 30	87	54.7
	30-40	61	38.4
	41-50	11	6.9
	Above 50	00	0.0
	Total	**159**	**100.0**
	Advanced Level	104	65.4
	Diploma	06	3.8
	Graduate	35	22.0
	Post Graduate	05	3.1
	Others	09	5.7
	Total	**159**	**100.0**
Marital Status	Single	82	51.6
	Married	77	48.4
	Total	**159**	**100.0**
Monthly Income	Less than 30,000	39	24.5
	30,000<50,000	29	18.2
	50,000<70,000	45	28.3
	Above 70,000	46	28.9
	Total	**159**	**100.0**

(Source: Survey Data)

Factor Analysis

Reliability coefficients such as Cronbach's Alpha Coefficient show the average correlation among items that include a variable. The reliability for an independent variable and dependent variables. The overall variable Cronbach's Alpha Coefficient for Personal Financial Management Behaviour is 0.956, Financial Knowledge is 0.890, Financial Attitude is 0.898 and Locus of Control is 0.884. Considered and recognized as a reliable instrument when the Alpha coefficient value of Cronbach is above 0.70. Also, in this research, Cronbach's Alpha Coefficient values for overall variables are above 0.70, so it is shown that all things were considered reliable, indicating that each instrument's internal reliability was satisfactory.

Table 2. Reliability Analysis for Overall Variables

Variables	Cronbach's Alpha Value	Number of Question Items
Personal Financial Management Behaviour	**0.956**	**16**
Cash Management	0.863	03
Credit Management	0.827	03
Savings Management	0.818	03
Insurance Management	0.819	03
Cost and Expenditure Management	0.853	04
Financial Knowledge	**0.890**	**06**
Financial Attitude	**0.898**	**08**
Locus of Control	**0.884**	**06**

(Source: Survey Data)

Descriptive Statistics

To analyze the objectives of the study bivariate and multivariate analyses have been performed in SPSS 22.0. The scale mean and standard deviation are shown in Table 2. It can be perceived that the highest mean is related to all variables.

Table 3. Level of Factors and Personal Financial Management Behaviour

Indicators	Standard Deviation	Mean	Decision
Financial Knowledge	0.700	3.64	High
Financial Attitude	0.678	3.75	High
Locus of Control	0.655	3.71	High
PFMB	0.679	3.82	High

(Source: Survey Data**)**

According to Table 3, financial knowledge includes six indicators. Among 159 employees of banks, the overall mean value of Financial Knowledge is 3.64, which deviates from 0.700. It shows that Financial Knowledge is higher level among banking employees. Financial attitude includes eight indicators. Among 159 employees of banks, the overall mean value of Financial Attitude is 3.75, which deviated from 0.678 and is measured with eight indicators. According to Table 2, the locus of control includes six indicators. Among 159 employees of banks, the overall mean value of locus of control is 3.71, which deviates from 0.655. It shows that the locus of control is at a high level among banking employees. And it is measured with six indicators. Personal Financial Management Behaviour has five dimensions and sixteen indicators. Among 159 employees of banks, the overall mean value of Personal Financial Management Behaviour is 3.82, which deviates from 0.679. It shows that Personal Financial Management Behaviour is at a higher level for banking employees.

Correlation Analysis

The second objective of the study is to find out the relationship between Financial knowledge, Financial Attitude, Locus of Control and Personal Financial Management Behaviour of employees in the banking sector in Trincomalee District. Based on that, this study concludes that there is a strong positive relationship between

dependent and independent variables. According to Table 4, Pearson Correlation of Financial knowledge, Financial Attitude and Locus of Control are 0.760, 0.769, and 0.751 respectively.

Table 4. Pearson Correlation between Dependent and Independent Variable

Correlations		PFMB	FK	FA	LC
PFMB	Pearson Correlation	1			
FK	Pearson Correlation	.760**	1	.846**	.839**
FA	Pearson Correlation	.769**	.846**	1	.858**
LC	Pearson Correlation	.751**	.839**	.858**	1
** Correlation is significant at the 0.01 level (2-tailed).					

(Source: Survey Data)

Regression Analysis

Table 5. Model Summary for Multiple Regression Analysis

Model	R	R Square	Adjusted R Square	Standard Error of the Estimate	Change Statistics		
					R Square Change	F Change	Sig. F change
1	0.803ᵃ	0.644	0.637	0.40931	0.644	93.538	0.000ᵇ
a. Predictors (Constant), FK, FA, LC							
b. Dependent variable: PFMB							

(*Source: Survey Data***)**

Table 5, shows that R square (R^2) shows the total variation in the dependent variable by the independent variable. R^2 indicates that Financial Knowledge, Financial Attitude and Locus of Control explain approximately 64.4% of the variance in PFMB. According to Table 5, the regression model was significant (F=93.538; p=.000). The proposed model was adequate as the F statistic (F=93.538) was significant at a 5% level.

Table 6. Coefficient of Multiple Regression Analysis for the PFMB based on Critical Factors

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.684	0.196		3.558	0.000
	FK	0.288	0.096	0.297	3.013	0.003
	FA	0.332	0.105	0.331	3.167	0.002
	LC	0.226	0.106	0.218	2.130	0.035
a. Dependent variable: PFMB						

(Source: Survey Data)

According to Table 6, the unstandardized constant statistic of 0.684 units shows that the model would predict if all of the independent variables were zero. Regression results indicate that the p-value of financial knowledge is 0.003 which is less than 0.05 (p<0.05) and the β value of financial knowledge is 0.297 which means the financial knowledge positively and significantly impacts on PFMB. The significance of the t value for financial attitude is 0.002 it is less than 0.05 (p<0.05) and the β value is 0.331 which means the financial attitude positively and significantly impacts on PFMB. The significance of the t value for the locus of control

is 0.035 it is less than 0.05 (p<0.05) and the β value is 0.218 which means the locus of control positively and significantly impacted on PFMB.

Based on this analysis it is concluded that financial knowledge, financial attitude and locus of control positively and significantly impact on PFMB. According to the coefficient result, the regression model can be expressed as follows;

$$Y = a + b_1 x_1 + b_2 x_2 + b_3 x_3 + e$$

Y= 0.684+0.288X_1 +0.332X_2 +0.226X_3 +e
Where,
Y = Personal Financial Management Behaviour
(PFMB) a = Autonomous factors/ Constant
X_1 = Financial Knowledge (FK)
X_2 = Financial Attitude (FA)
X_3 = Locus of Control (LC)
e = Error term
Therefore, the equation is,

PFMB= 0.684+0.288FK+0.332FA+0.226LC+e

Demographic Factors with Level of PFMB

There are some demographic factors such as gender, educational qualifications, marital status and monthly income contributing to the level of personal financial management behaviour. Cross-tabulation was used to find out the contribution of those demographic factors.

Table 7. Crosstabulation for Gender and the Level of PFMB

Gender * Level of PFMB Crosstabulation						
			Level of PFMB			Total
			High Level	Low Level	Moderate Level	
Gender	Male	Count	73	7	18	98
		% within Gender	74.5%	7.1%	18.4%	100.0%
		% of Total	45.9%	4.4%	11.3%	61.6%
	Female	Count	44	2	15	61
		% within Gender	72.1%	3.3%	24.6%	100.0%
		% of Total	27.7%	1.3%	9.4%	38.4%
Total		Count	117	9	33	159
		% within Gender	73.6%	5.7%	20.8%	100.0%
		% of Total	73.6%	5.7%	20.8%	100.0%

(Source: Survey Data)

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Table 8. Crosstabulation for Educational Qualifications and the Level of PFMB

Educational Qualification * Level of PFMB Crosstabulation						
			Level of PFMB			Total
			High Level	Low Level	Moderate Level	
Educational Qualification	Advanced Level	Count	74	8	22	104
		% within Educational Qualification	71.2%	7.7%	21.2%	100.0%
		% of Total	46.5%	5.0%	13.8%	65.4%
	Diploma	Count	5	0	1	6
		% within Educational Qualification	83.3%	0.0%	16.7%	100.0%
		% of Total	3.1%	0.0%	0.6%	3.8%
	Graduate	Count	26	1	8	35
		% within Educational Qualification	74.3%	2.9%	22.9%	100.0%
		% of Total	16.4%	0.6%	5.0%	22.0%
	Post Graduate	Count	3	0	2	5
		% within Educational Qualification	60.0%	0.0%	40.0%	100.0%
		% of Total	1.9%	0.0%	1.3%	3.1%
	Others	Count	9	0	0	9
		% within Educational Qualification	100.0%	0.0%	0.0%	100.0%
		% of Total	5.7%	0.0%	0.0%	5.7%
Total		Count	117	9	33	159
		% within Educational Qualification	73.6%	5.7%	20.8%	100.0%
		% of Total	73.6%	5.7%	20.8%	100.0%

(Source: Survey Data)

Table 9. Crosstabulation for Marital Status and the Level of PFMB

Marital Status * Level of PFMB Crosstabulation						
			Level of PFMB			
			High Level	Low Level	Moderate Level	Total
Marital Status	Single	Count	53	8	21	82
		% within Marital Status	64.6%	9.8%	25.6%	100.0%
		% of Total	33.3%	5.0%	13.2%	51.6%
	Married	Count	64	1	12	77
		% within Marital Status	83.1%	1.3%	15.6%	100.0%
		% of Total	40.3%	0.6%	7.5%	48.4%
Total		Count	117	9	33	159
		% within Marital Status	73.6%	5.7%	20.8%	100.0%
		% of Total	73.6%	5.7%	20.8%	100.0%

(*Source: Survey Data***)**

According to table 7, 98 respondents are male and 61 respondents are female with a total of 159 respondents. In total male respondents 74.5%, 7.1% and 18.4% are high levels, low levels and moderate levels of personal financial management behaviour respectively. On the other hand, in total male respondents 72.1%, 3.3% and 24.6% are high levels, low levels and moderate levels of personal financial management behaviour respectively. When comparing the male and female respondents, a higher percentage of male respondents are good in their financial management behaviour than female respondent's behaviour.

According to table 8, out of 159 respondents 73.6% are in a high level of personal financial management behaviour, 5.7% respondents are in a low level of personal financial management behaviour and 20.8% are in a moderate level of personal financial management behaviour. When considering the high level of personal financial management behaviour, a higher percentage of respondents have an educational qualification of advanced level than other educational qualifications. They are having good behaviour to manage their finance. And also, they are good at managing their finance well.

Table 10. Crosstabulation for Monthly Income and the Level of PFMB

Monthly Income * Level of PFMB Crosstabulation						
			Level of PFMB			Total
			High Level	Low Level	Moderate Level	
Monthly Income	Less than 30,000	Count	22	7	10	39
		% within Monthly Income	56.4%	17.9%	25.6%	100.0%
		% of Total	13.8%	4.4%	6.3%	24.5%
	30,000<50,000	Count	22	0	7	29
		% within Monthly Income	75.9%	0.0%	24.1%	100.0%
		% of Total	13.8%	0.0%	4.4%	18.2%
	50,000<70,000	Count	39	1	5	45
		% within Monthly Income	86.7%	2.2%	11.1%	100.0%
		% of Total	24.5%	0.6%	3.1%	28.3%
	Above 70,000	Count	34	1	11	46
		% within Monthly Income	73.9%	2.2%	23.9%	100.0%
		% of Total	21.4%	0.6%	6.9%	28.9%
Total		Count	117	9	33	159
		% within Monthly Income	73.6%	5.7%	20.8%	100.0%
		% of Total	73.6%	5.7%	20.8%	100.0%

(Source: Survey Data)

According to table 9, out of 159 respondents 73.6% are in a high level of personal financial management behaviour, 5.7% respondents are in a low level of personal financial management behaviour and 20.8% are in a moderate level of personal financial management behaviour. When we consider the high level of personal financial management behaviour, 33.3% of respondents are unmarried and 40.3% of respondents are married. So, married respondents are good in their financial management behaviour than unmarried respondents. Because married people have a responsibility towards their family members.

According to table 10, out of 159 respondents 73.6% are in a high level of personal financial management behaviour, 5.7% respondents are a low level of personal financial management behaviour and 20.8% are a

moderate level of personal financial management behaviour. When considering the high level of personal financial management behaviour, a higher percentage of respondents are getting a monthly income range between Rs.50,000 and Rs.70,000. Based on that, they are having more good behaviour in their personal finance than any other respondents. Because they are getting average income and they are planning well to manage their finance.

Hypothesis Testing

Table 11. Summary of Hypothesis Testing

No.	Hypothesis	Decision
H_1	Financial Knowledge significantly impacts on PFMB.	Accepted
H_2	Financial Attitude significantly impacts on PFMB	Accepted
H_3	Locus of Control significantly impacts on PFMB	Accepted

(Source: Survey Data)

According to Table 11, the P value of financial knowledge is expressed as 0.003, and it is less than 0.05 (p<0.05). There is enough evidence to reject null hypotheses (H_0). Therefore, it can be concluded that there is a significant impact of financial knowledge on personal financial management behaviour.

According to Table 11, the P value of financial attitude is expressed as 0.002, and it is less than 0.05 (p<0.05). There is enough evidence to reject null hypotheses (H_0). Therefore, it can be concluded that there is a significant impact of financial attitude on personal financial management behaviour.

According to Table 11, the P value of the locus of control is expressed as 0.035, and it is less than 0.05 (p<0.05). There is enough evidence to reject null hypotheses (H_0). Therefore, it can be concluded that there is a significant impact of locus of control on personal financial management behaviour. And the summary of hypothesis testing is shown in Table 11.

6. Conclusion

According to the research study regarding the factors influencing personal financial management behaviour, financial knowledge, financial attitude and locus of control are independent variables and personal financial management behaviour is a dependent variable. Each of the variables has certain dimensions with indicators. Hence, this chapter provides the conclusion about the dimensions and indicators based on the study objectives, which helped to assess the empirical knowledge gap of this study as factors influencing on personal financial management behaviour of employees of the banking sector in Trincomalee District.

Based on the results of descriptive analysis, the mean value of financial knowledge, financial attitude, locus of control and personal financial management behaviour shows 3.64, 3.75, 3.71 and 3.82 respectively. Therefore, based on the decision rule, mentioned there is a high level of financial knowledge, financial attitude, locus of control and personal financial management behaviour of employees of the banking sector in Trincomalee District. There is a positive and significant relationship between financial knowledge, financial attitude and locus of control with personal financial management behaviour. Financial knowledge, financial attitude and locus of control have a strong positive relationship with personal financial management behaviour. Financial knowledge, financial attitude and locus of control significantly impact on personal financial management behaviour. Therefore, it can be concluded that there is a significant impact of financial knowledge, financial attitude and locus of control on the personal financial management behaviour of bank employees. Demographic factors like gender, educational qualification, marital status and monthly income

have a relationship with personal financial management behaviour. According to the cross-tabulation analysis, these two categorical variables have a relationship. So, it can be concluded that demographic factors also influence on personal financial management behaviour.

7. Limitations of the Study

It must be acknowledged that there are some limitations to the study. Limitations of this study included the lack of control over the amount of cooperation and motivation of the participants to complete the questionnaire.

The study was conducted by the employees in selected banks. The study faced several challenges in collecting data from banking employees. Respondents were very busy and delay to respond. Participants were not comfortable being evaluated, although they received some explanations.

There are few studies on factors influencing personal financial management behaviour so proving literature is lacking to showcase the particular point. The sample size and sampling method of the study, the sampling size is only one hundred and fifty-nine respondents. The current study has a limited time duration for the collection of data.

8. Recommendations

It is recommended that employees are needs to consider their financial knowledge, financial attitude and locus of control.

According to the findings financial knowledge, financial attitude, locus of control and PFMB are at a high level. But they showed just more than the moderate level. They want to improve their financial knowledge, especially, improve their knowledge of the investment of money in buying shares on the stock market and other investment plans.

The most influential factor is financial knowledge because the knowledge of finance is upgrading day by day. So employees want to find the best way to improve their financial knowledge.

It is recommended that every bank should develop its own app/software. That app will give the latest information about financial activities. Otherwise, managers are a responsible person should instruct every update to improve their financial knowledge.

9. Implications for the Future Research

The current study aimed to examine the gap factors influencing on personal financial management behaviour of employees of the banking sector in Trincomalee District.

The study only includes three factors such as financial knowledge, financial attitude and locus of control. This study recommends that future studies test other factors such as personal income, social-economic status and financial self-efficacy.

The second direction is this study only covered only banking employees in Trincomalee District. So, in the future scope can be expanded beyond the research area including both banking and non-banking employees, thus it will be effective and useful.

Future researchers may employ different research methods to investigate more systematically and ascertain the casual relationship implicitly assumed in this study.

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