

Factors Affecting Personal Financial Management Behavior

G. A. K. Divyanjali.

Department of Finance, University of Kelaniya, Sri Lanka.

kaveedivyanjali@gmail.com

ABSTRACT

Introduction - Personal financial management is how individuals acquire, budget, save and expend money in the short term and long run. The study attempts to examine factors affecting personal financial management behaviors of a women employee in Sri Lanka.

Design/Methodology/Approach - A survey was conducted for data collection through a pre-tested questionnaire distributed to women employees from the public sector and the private sector. The study follows the convenient sampling method to collect data, the researcher has distributed 260 questionnaires and 230 responses have been received. Descriptive Statistics, Cronbach's alpha, Component Analysis, Multiple Linear Regression, independent sample T-Test, and Pearson Correlation were used for data analysis and SPSS has been used as statistical software to analyze the survey data.

Findings - The study found a positive relationship of financial knowledge and financial attitude with personal financial management behaviors. However, locus of control has no significant relationship to personal financial management behaviors. According to the study findings, financial knowledge moderates the relationship between financial attitude and personal financial management behavior. When concern the employee sector wise financial attitude of women employees in the public sector is diverse from women employees in the private sector. However, financial knowledge and locus of control of women employees in the public sector are not significantly diverse from women employees in the private sector.

Conclusion - The study fulfills the existing research gap in the area of personal financial management behaviors in Sri Lanka. These findings will help for future studies relating to personal financial management behaviour

Keywords: *Personal Financial Management Behavior, Financial Knowledge, Financial Attitude, Locus of Control*