

Financial awareness of students

“Financial literacy remains indispensable in order to function in a modern society and becomes increasingly important in a long-term perspective of an individual and the entire society decent existence”

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Introduction

An overview of literature and research in the field of financial knowledge indicates that there is a huge need for broadening this knowledge with the aim to increase the awareness of students so that they will make better financial decisions in the future.

The research problem concerns an analysis of students' financial knowledge of both economic and non-economical fields of studies in comparison with their subjective estimation of the level of knowledge.

The idea of this poster is to show if students need to broaden their knowledge which is necessary nowadays?

Hypothesis

- 1) The majority of students estimate their financial and banking knowledge as low.
- 2) Women estimate their financial knowledge lower than men.
- 3) Students do not have basic banking knowledge.
- 4) Students of economic fields of studies have better results than students of other fields of studies.
- 5) There is a positive relationship between subjective estimation of one's knowledge and objective survey result.

Research methodology and tools

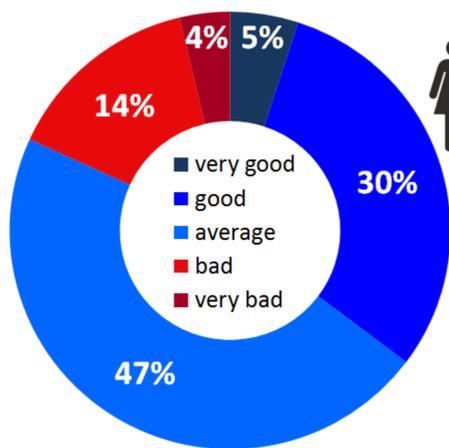
The survey was carried out in a group of **380 students** of both economic and non-economic fields of studies from different universities in Poland.

The survey consists of two parts:

1. checking how students estimate their level of knowledge in the fields of banking and finances.
2. asking students substantive questions about basic concepts in the area of banking.

Descriptions, graphical presentation of data based on cross-analysis and chi-square test of independence of variables were used for the analysis. Software such as MS Excel and PS IMAGO 5 PRO was also used.

Subjective estimation of one's financial knowledge



Men MORE OFTEN tend to estimate their level of knowledge as high or very high.

p-value = 0.006

Population: N = 380

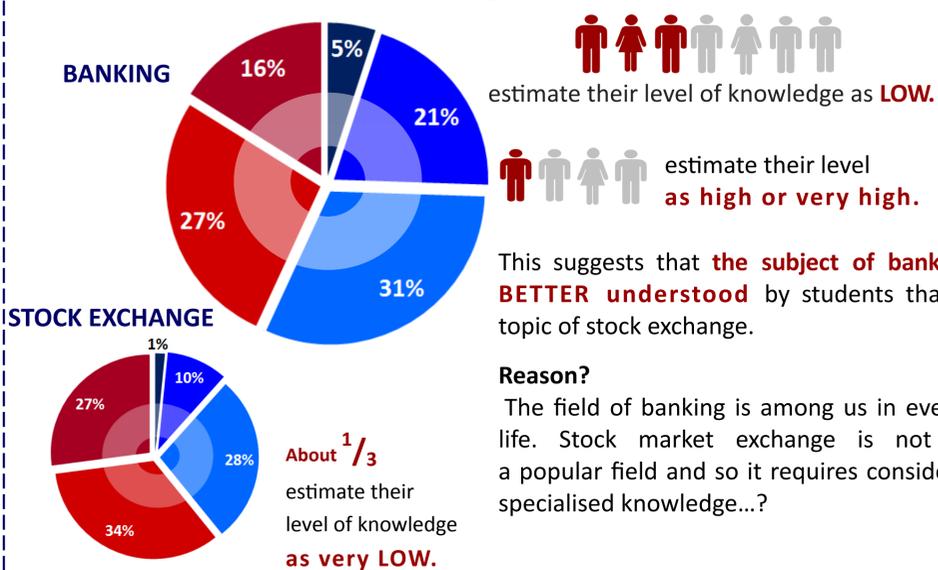
Significance level: $\alpha = 0.05$

Based on chi-square test:

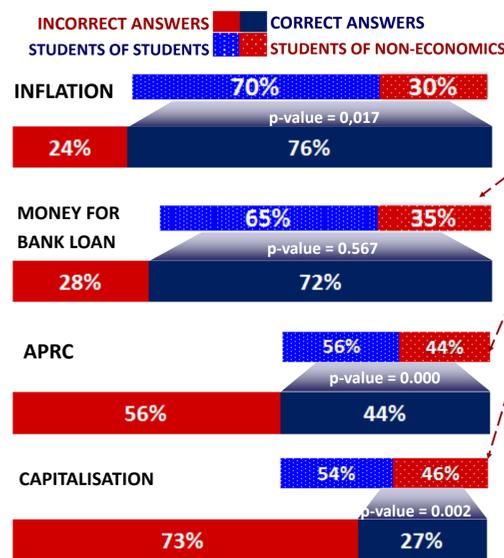
There is a valid statistical relationship between the two variables if p-value < α

65% of those surveyed estimate their level of financial knowledge as average or low. This explains their need for broadening their knowledge, which will help them gain self-esteem in the field.

Students' assessment of their knowledge in the field of:



Ratio of correct and incorrect answers in the 4 topics:



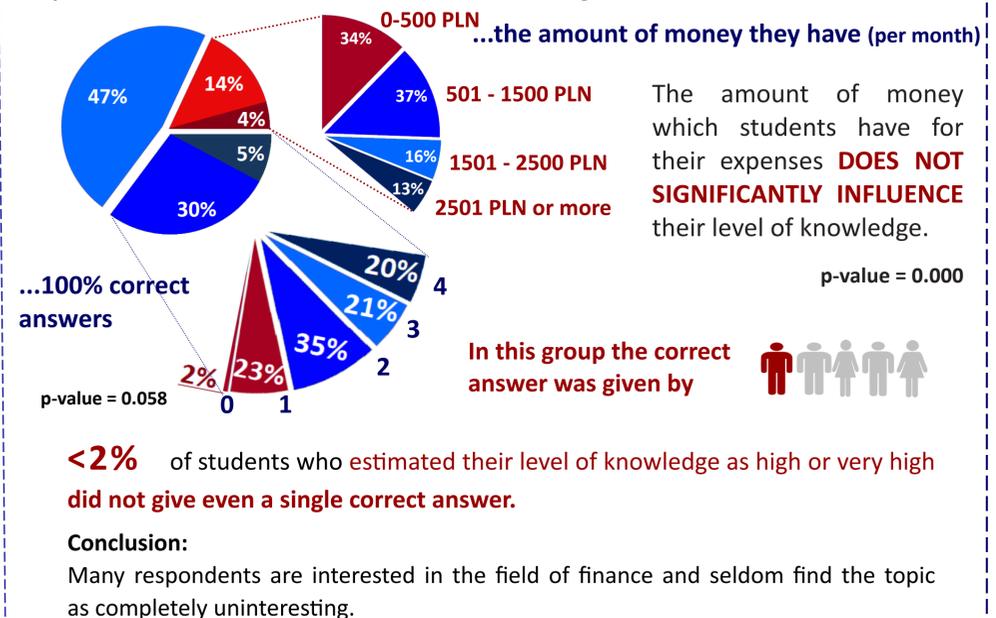
How many students of economics are there in this group?

About **1/3** of the respondents **KNOW** what inflation is and what banks' source of money for bank loans is but they **STRUGGLE** to answer what the best form of interest capitalization for them is. They also do not know that **APRC** is the most objective index when comparing the cost of bank loans.

Reason?

They have basic knowledge, but they have not yet had a need to take out a bank loan or to use deposit...?

Subjective estimation of the level of financial knowledge and...



Conclusion

Students from the field of economics achieve **WORSE** results in the survey than those from non-economics fields of study — is not greater financial knowledge expected from the first group?

estimate their level of knowledge in the fields of banking and finances as **LOW**.

Women estimate their level of knowledge in the field of finances **LOWER** than men.

Over **80%** of the respondents think that it is **hard to live nowadays without a basic level of knowledge**.

UNFORTUNATELY THE CORRECT WAS GIVEN ONLY BY...

Students **DO NOT HAVE** basic knowledge in the field of banking.

There is a relationship between the field of studies and the number of correct answers for 3 questions: inflation, capitalization, and APRC.

The relationship between subjective estimation of the level of knowledge and objective survey result is statistically **UNIMPORTANT**.

(p-value=0.058)

Favored sources of knowledge:



Even when having the opportunity to participate in training, the majority of respondents are likely to choose not to attend it.