THE REPUBLIC OF TURKEY
ÇUKUROVA UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
BUSINESS ADMINISTRATION DEPARTMENT

A STUDY ON THE RELATIONSHIP OF FINANCIAL LITERACY AND INDIVIDUALFINANCIAL DECISIONS: CASE OF ADANA

Aichetou BEICHAR

MASTER THESIS

ADANA / 2018

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MASTER THESIS

ADANA / 2018

To Çukurova University Institute of Social Sciences;

We certify that this thesis is satisfactory for the award of the degree of Master of Business Administration Department.

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I certify that this thesis conforms to the formal standards of the Institute of Social Sciences. 06/11/2018

Prof. Dr. Serap ÇABUK
Director Of Institute

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- Kullanılan verilerde ve ortaya çıkan sonuçlarda herhangi bir değişiklik yapmadığımı,
- Bu tezde sunduğum çalışmanın özgün olduğunu bildirir, aksi bir durumda aleyhime doğabilecek tüm hak kayıplarını kabullendiğimi beyan ederim.

08/10/2018

Aichetou BEICHAR

ABSTRACT

A STUDY ON THE RELATIONSHIP OF FINANCIAL LITERACY AND INDIVIDUAL FINANCIAL DECISIONS: CASE OF ADANA

Aıchetou BEICHAR

Master, Department Of Busıness Admınıstratıon
Supervisor: Assoc.Prof.Dr. Gamze VURAL
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The aim of this study is to find out how the individuals are literate about the different financial concept, how they can manage their funds in a rational way, and to find out whether they have an idea of the services that the banks offer and the way they can benefit from these services. Also, this study aims to determine the relationship between financial literacy and individual financial decisions. Data of this study were collected by using questionnaire through random sampling method. The data was collected through face-to-face questions. Chi-square tests were applied to test the relationship between financial literacy and the variables previously identified in the literature as relevant.

The study results shows also that the major factors that have a relationship with financial literacy in Adana are age, gender, income, level of education, individual financial decision. Saving behavior has not been found significant in explaining financial literacy.

Results of this study suggest that it is important for policymakers to increase the financial literacy of households by implementing various financial education programs.

Keyword: Financial literacy, Financial Knowledge, and Financial decisions making;

ÖZET

FİNANSAL OKURYAZARLIK VE BIREYSEL FİNANSAL KARARLAR ARASINDAKİ İLİŞKİ İNCELENMESİ ÜZERİNE BİR CALIŞMA: ADANA ÖRNEĞİ

Aichetou BEICHAR

Yüksek Lisans, İşletme Ana Bilim Dalı
Danışman: Doç.Dr. Gamze VURAL
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Günümüzde finansal okuryazarlık ve önemi giderek artmaktadır. Bireylerin ekonomik ve finansal alanlarda bilgili olup olmadıkları ve bilgi düzeyleri finansal ve ekonomik davranışlarını açıklamaya yardımcı olmaktadır.

Bu çalışmanın amacı, finansal okuryazarlık ile finansal kararlar arasındaki ilişkiyi ortaya çikarmaktır. Çalışmada bireylerin finansal okuryazarlığını etkileyen faktörler ve finansal okuryazarlığın finansal ürün hizmetlerin kullanılmasına ve finansal kararlara etkisi belirlenilmeye çalışılmıştır.

Bunun için Adana ilinde rastgele örnekleme yöntemi kullanılarak anket toplanmıştır. Bu araştırmada veriler yüz yüze toplanmıştır. Finansal okuryazarlık ile daha önce literatürde tanımlanan değişkenler arasındaki ilişkiyi test etmek için ki-kare testleri ve Korelasyon yapılmıştır. Çalışma sonuçları finansal okuryazarlık ile ilişkisi olan temel faktörlerin yaş, cinsiyet ve gelir olduğunu göstermiştir. Finansal okuryazarlık ile eğtim düzeyi arasında anlamlı ilişki bulunmamıştir. Finansal okuryazarlık ile finansal ürün ve hizmetlerden yararlanma arasındaki ilişkiye bakıldığında, finansal okuryazarlık ile bireysel emeklilik sistemine dahil olma arasında anlamlı ve pozitif ilişki bulunmuştur. Finansal okuryazarlık ile sigorta systemine dahil olma ve tüketici kredisi kullanımı arasında anlamlı ilişki saptanmamıştır.

Bu çalışmanın sonuçları, politika yapıcıların çeşitli finansal eğitim programlarını uygulayarak hane halklarının finansal okuryazarlıklarını arttırmalarının önemli olduğunu göstermektedir.

Anahtar kelimeler: Finansal okuryazarlık, Finansal Bilgi, Finansal karar verme

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Aichetou BEICHAR

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LIST OF ABBREVIATIONS

OECD	**:** The Organization for Economic Co-operation and Development
NYIB	: the National Youth Involvement Board
FACTA	: Fair and Accurate Credit Transactions Act
FCAC	: Financial Consumer Agency of Canada
FLAG	: The Financial Literacy Action Group
FL	: Financial Literacy

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CHAPTER I

INTRODUCTION OF STUDY

1.1. Introduction

In the recent years, financial literacy has been the focus ofmany state-run programs in many European countries. National and international public authorities, as well as private institutions and organizations have been and are developing an increasing servalfinancial literacy programs. They are attempting to create approaches to enhance financial education and literacy gauges.

The term Financial literacyhas been always utilized as an equivalent word for financial education or financial knowledge.

Financial literacy implies diverse things to various individuals. Some people are considered this concept includes comprehension of financial aspects and how family unit choices are influenced by monetary conditions and conditions, and some others, it centers barely around fundamental cash administration: planning, sparing, contributing and safeguarding (Hogarth, 2002). It is defined as the ability to use knowledge and skills to manage financial resources effectively for a lifetime of financial well-being (Angela A. Hung, Andrew M. Parker, and Joanne. Yoong, 2009). It also enables financial service providers to better understand their products, the associated risks and the needs of their customers. It includes trust, confidence, and participation in the formal financial system. Financial literacy, also referred to as financial capability, is an outcome of financial education (Central Bank of Nigeria, 2015).

The Organization for Economic Co-operation and Development (OECD) defined financial education as the process by which consumers/investors improve their understanding of financial products, concepts, and risks, and through information, instruction and/or objective advice, develop the skills and confidence to become more aware of financial risks and opportunities, to make informed choices, to know where to go for help, and take other effective actions to improve their financial well-being.

If young people are not taught the most effective method to settle on financial decisions, they will probably commit errors tomorrow. And Financial Literacy gives them the ability to perceive how money works on the planet. This alludes to the arrangement of abilities and learning that enable a person to settle on educated and powerful choices with the greater part of their financial resources(Zettler, 2013).Financial literacy represents much more than basic monetary and budgetary management. Because the consumption and saving habits of individuals in their own dwellings reflect on the financial character of the society.

In this context, The purpose of this study is to find out how the Turkish citizens are literate about the different financial concept, how they can manage their funds in a good way, whether they have an idea of the services that the banks offer and the way they can benefit from these services including its impact on their financial decisions. This study also intends to provide the clear definition of financial literacy since previous researchers have failed to recognize financial literacy from firmly related ideas.

1.2. Purpose of study

‘’A wise man should have money in his head, but not in his heart’’– Jonathan Swift noted and expressed. Financial Literacy is the learning, aptitudes, and dispositions required to embrace great cash administration rehearses for procuring, spending, sparing, acquiring and contributing.Destinations of Financial Literacy Program is to spread mindfulness and assemble aptitudes of poor on the clearness of money related ideas, settling on better budgetary choices, accessing financial products & services, building resources, defeating helplessness and arranging towards financial security.

The objective of this study is to find out how the Adana’ individuals are literate about the different financial concept, how they can manage their funds in a rational way, and to find out whether they have an idea of the services that the banks offer and the way they can benefit from these services. Also, this study aims to determine the relationship between financial literacy and individual financial decisions.

At last, the research concludes with suggestions related to making money, spending, budgeting and saving it.

The main research questions of this study are listed as shown below:

Do individuals have sufficient financial knowledge or are illiterate of financial concepts?

Is there any relationship between individuals’ Education level their concept of finance knowledge?

Is there a relationship between individuals’ gender and their finance knowledge?

Is there a relationship between individuals’ financial decisions and their financial literacy?

1.3. The importance of the study

When the idea of financial literacy is put into consideration, it could be quite explicit understood that there is an existence of a new concept, not only in Turkey but the in the world as a whole, because of that, and although many universities have faculties of economics in almost all universities, financial literacy among youngsters remains unfulfilled.

Financial education is one of the educational programs that community members need to have under all conditions. Despite the diversity of the community which includes educated and uneducated, poor and rich, age differences, andgenders, Financial Literacy is neccessary. Also FL is considered an important factor for small and medium-sized companies all over the world. Without a financial acumen and the ability to manage the cash flow, small and medium-sized companies tend to fail. Because an individual’s ability to make responsible individual financial decisions contribute to the building of more successful economy.

Being financially literate is essential for people to settle on sound financial decisions, both for the time being and the long haul. It is additionally the case that networks and a national economy with educated and financially literate customers mayprovide more steady and effective markets(Braunstein and Welch, 2002; Bernanke, 2006). The literature contends that monetary proficiency is an interdisciplinary idea and with numerous measurements. Along with these lines, the need to build and approve models that consider the measures and theirinter-relations at the same time is basic and is, accordingly, the topic of this investigation. Market analysts are keen toconcentrate on monetary proficiency and money related instruction. Educated purchasers are more prepared to settle on better financial decisions that can have positive long haul impacts on family units (Wagner, 2015).

The lack of awareness of the role and importance and even the risk of financial and banking services can lead to future disasters, and it affects the development of the economy and its stabilitynegatively.

By recognizing the importance of financial literacy, a growing number of countries have developed and implemented national strategies for financial education in order to improve the financial literacy of their populations in general, often with a particular focus on younger generations (Grifoni and Messy, 2012).The global recession, in 2008, alerted several governments and international financial institutions on the significance of FL.

As indicated by a report issued by OECD, 45 countries have already started or working on, national systemsfor the dissemination of FL for its citizens.

CHAPTER II

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.1. Financial literacy

Financial literacy has consistently expanding significance in our day. Particularly in monetary and money related spaces, regardless of whether individuals are monetarily learned aides significantly in clarifying different budgetary or financial practices. Decision makings of monetary operators are profoundly molded by their budgetary education in regards to understanding crucial money related points. Over the span of time, people have progressively been more dynamic specialists who are in charge of their budgetary arranging than even previously.

This part surveys past examinations orresearchon FL and his relationship offinancial behavior or decisions and the previous study about how it is important for everyone (individual, families and the global economies).The chapter starts with historic of financial literacy then reviewed some of the different definitions of this subject which were used by different researchers in different times and research.At that point feature past examinations that tended to the significance of money related education.Next is research about the relationship between financial literacy and saving.

2.1.1. Defining financial literacy

Regarding the previous study, there is no specific definition of FL. This is one of the difficulties researchers face with trying to understand very clearly,because of this reason, FL definitions from previous studies vary. This shows that it is difficult to find a specific definition of FL.

Some of the researchers defined FL as the capacity to make educated judgments and to take compelling choices with respect to the utilization and administration of cash, some others said that FL is being educated and guaranteed in the zones of sparing and spending, planning and the measures of money related proficiency should demonstrate the individual conditions. The information should just be tried against a person's needs and conditions as opposed to against the whole cluster of money related items and administrations, some of which they will neither utilize nor require

Ten Hogarth (2002) has decided to consider that FL can be portrayed as the ways people manage their money to the extent ensuring, investing, saving and budgeting; while Hilgert, Hogarth, & Beverley (2003) have regarded financial literacy concept as something similar to the concept of financial knowledge.

According to FINRA (2003), FL is “The understanding ordinary investors have of market principles, instruments, organizations, and regulations”. On the other hand, some sources write that “Individuals are considered financially literate if they are competent and can demonstrate if they have used the knowledge they have learned. FL can't be estimated specifically so intermediaries must be utilized.Literacy is acquired through down to earth involvement and dynamic coordination of information. As individuals turn out to be more literate they turn out to be progressively more financially advanced and it is presumed that this may likewise imply that an individual might be more competent.

National Council on Economic Education (NCEE) (2005) statesthat recognition with fundamental monetary standards, learning about the U.S. economy, and comprehension of some key financial terms. Then Mandell (2007) infers that the capacity to assess the new and complex monetary instruments and settle on educated judgments about the two selections of instruments and degree of utilization that would be in their own best long-run interests.

Lusardi and Mitchell (2007) , defined financial education as the procedure by which money related purchasers/speculators enhance their comprehension of monetary items and ideas, and through data, guideline, and additionally target exhortation, build up the abilities and certainty to end up more mindful of budgetary dangers and chances to settle on educated decisions, to know where to go for help, and to take other compelling activities to enhance their monetary prosperity. Servon and Kaestner (2008) define financial literacy as a man's capacity to comprehend and make utilization of monetary ideas.

In another study by ANZ Bank (2008), defining FL as the capacity to make educated judgments and to take powerful choices with respect to the utilization and administration of cash.

In an attempt to find and understand more specific definitions of FL, we have gathered different definitions used in the different studies.

Robb and Sharpe (2009), highlighted that financial knowledge was characterized as a person's comprehension of imperative ideas identified with the individual fund. In the same year McCormick (2009), came to say that Literacy is the ownership of essential learning or skill, and instruction is the way to assemble that limit.Huston(2010), defined FL and say that it has an additional application measurement requiring the person to have the capacity and certainty to utilize the financial knowledge to make financial decisions. After that Gale and Levine(2010), came to define FL as the capacity to settle on educated judgments and powerful choices with respect to the utilization and administration of cash and riches.Hastings, Madrian, Skimmyhorn (2013) states that as operationalized in the scholastic writing, FL has gone up against an assortment of implications; it has been utilized to allude to financial itemsknowledge, knowledge of financial ideas, having the numerical abilities of numeracy important for viable monetary choices making, and being occupied with specific exercises, for example, financial planning. Fernandes, Lynch, and Netemeyer (2014), Cites from previous literature that FL is a measure of how much one comprehends and can settle on individual financial choices (decisions) in the short-run and long-run.

There are many more specific definitions used by different studies which are closely related, for example, this definition is used by Lusardi and Mitchell (2014), ‘’ FL is individuals' capacity to process monetary data and settle on educated choices about money related arranging, riches gathering, obligation, and benefits.” Moreover Remund(2010) defined FL as a measure of how much one comprehends key financial ideas and has the capacity and certainty to oversee individual funds through appropriate, here and now basic leadership and sound, long-run monetary arranging, while aware of life occasions and changing financial conditions.’’ And emphasises that’’fuses a period measurement in his meaning of FL, expressing that both here and now and long-term decisions are essential’’.

Other researchers have cited in their reviews of the literature that decisions—both long-term and short-term—are important segmentsof FL (Fernandes, Lynch, and Netemeyer, 2014; Carlin and Robinson, 2012). This exposition centers around how financial education increases financial and the probability of taking part in various financial behaviors. This examination additionally fuses the time measurement from past investigations by contemplating practices that are viewed as here and now and long haul.

2.1.2. Measuring financial literacy

As would be normally excepted from the assorted variety of conceptual definitions, the strategies used to measure FL also vary quite substantially. There is no standard tool for measuring FL. Lusardi and Mitchell (2011), in on of the most important studies said that’’although it is important to assess how people be financial literate, in practice, it is difficult to explore the way individuals use financial information and make decisions based on this knowledge’’. For few researchers, it is critical to decide whether the individual has the data as well as whether the individual uses it in the right way.

In this context, a significant number of the studies utilize diverse kinds of instruments to measure FL. Lusardi, Mitchell, and Curto (2010),for example, some studies used simple three-question multiple-choice test, while other studies like Zhan, Anderson, and Scott, 2006, utilized forty-eight true-false questions but Atkinson, A. and F. Messy (2012), in their study showed that it was possible to apply the same set of questions to very different population groups around the world and to create simple and meaningful indicators of FL.

Below we will see how FL has been actually measured, across several empirical studies placed in chronological order and also details on measurement strategies.

To quantify levels offinancial literacy, Lusardi and Mitchell (2014) discuss the utilization of the five FL questions from NFCS. Asarta, Hill, and Meszaros (2014) prepared 50 different decision questions from Financial Fitness forever (FFFL), Learning, Earning and Investing (LEI), Practical Money Skills, Virtual Economics 4.0, Capstone: Exemplary Lessons for High School Students, and exercises from staff at the Delaware Center for Economic Education and Entrepreneurship and Federal Reserve Bank of Philadelphia. Klapper, Lusardi, and Panos (2013) additionally brought up Four financial literacy questions, 2 about interest rates and interest compounding, 1 about expansion(inflation), and 1 about deals rebates(seles discounts). The questions are equivalent tofinancial literacy questions on past overviews including the U.S. HRS Survey, American Life Panel, and English Longitudinal Study on Aging. Japelli and Padula (2013) Collected Macroeconomic Data from SHARE and SHARELIFE to look at introductory and current money FL.Current FL depends on four financial and numerical questions in SHARE. Starting FL in SHARELIFE is numerical aptitudes at school. Bumcrot, Lin, and Lusardi (2013), Allgood and Walstad (2013 and 2012), Collins (2010) Also discovered Five Questions of Financial Literacy from the 2009 NFCS. Behrman et al (2012) additionally discovered Twelve financial literacy questions—3 center questions and 9 questions concerning the Chilean retirement framework. Carlin and Robinson (2012) recommended the Financial choices made at the JA Finance Park which comprises of Five Questions of FL from the 2009 NFCS.

Gustman, Steinmeier, and Tabatabai (2012) are about (numeracy measure) which says "Numeracy ranges from 0 to 3 and is estimated by the total of the number of right questions to three questions —take 10 percent of a thousand. Figure one-fifth of two million. What is 10% intrigue exacerbated more than two years." Roberts et al. (2011) directed an investigation on Students took part in Campus Showcase to indicate what they realized in the ASMFL program. There was additionally a pre-and post-test in light of the FFL educational modules. VanRooij, Lusardi, Alessie (2011), participants were asked 5 essential FL questions which were like HRS with a couple of inquiries remarkable to the review. Another 11 complex FL questions concerning speculation and portfolio decision were requested to quantify progressed financial knowledge. Walstad, Rebeck, and MacDonald (2010), arranged Pre and post-test with 20 numerous decision questions, 17 from the Financial Fitness for Life tests and 13 recently composed for the Financing Your Future educational programs. VanRooij, Lusardi, Alessie (2011), participants were asked 5 essential FL questions which were like HRS with a couple of questionsone of a kind to the study. Another 11 complex FL questions concerning speculation and portfolio decision were requested to measure advanced financial knowledge. Walstad, Rebeck, and MacDonald (2010) arranged Pre and post-test with 20 different decision questions, 17 from the Financial Fitness for Life tests and 13 recently composed for the Financing Your Future educational modules.

Remund (2010), notes that studies and surveys are the most widely recognized strategy among specialists to measure FL. Lusardi, Mitchell,and Curto (2010), used the three questions from the 2004 wellbeing and retirement overview (HRS) (The questions are a subset of the five NFCS questions). Monticone (2010), likewise discovered Six financial literacy questions. Two questions were like the inflation and interest question from the 2004 HRS and the NFCS financial literacy questions. Lusardi and Mitchel (2009), utilized 5 questions to survey fundamental FL. These inquiries are like the 2004 HRS and the questions on the 2009 and 2012 NFCS. There are 8 addresses that survey progressed budgetary proficiency. At last, the examination requests that respondents rate their own particular money related education on a size of 1-7 with 1 being low understanding and 7 being a high comprehension of monetary proficiency. Peng, Bartholomae, Fox, and Cravener (2007) is about speculation information measure that comprises of Ten-question venture learning test covering issues identified with individual contributing.

Mandell and Klein (2009), Mandell (2008) 1997-2006, Mandell and Klein (2007), Tennyson and Nguyen (2001), conducted Jumpstart survey of around 50 inquiries with 31 being center FL questions. There are four key regions of scope: (1) pay, (2) cash administration, (3) sparing and contributing, and (4) spending and credit. Though Lusardi and Mitchell (2007), utilized Five basic FL questions and 8 advanced FL questions. The essential questions in light of inquiries like those created for the Health and Retirement Study (HRS). The modern inquiries are like the DNB Household Survey.

Danes and Haberman (2007), led a Post-then-pre procedure utilizing High School Financial Planning Program (HSFPP) educational programs to quantify FL. Four learning inquiries and one self-viability questions were asked on a 5-point Likert scale from emphatically deviate (1) to firmly concur (5)Borden et al. (2007), Credit-Wise Cats educational modules with a pre-and post-test. Financial knowledge score in view of 7 things that understudies needed to choose if the thing reflected great financial management practices hones. Lyons, Rachlis, and Scherpf (2007), likewise showed that Out of the 58 review questions 23 questions tried purchaser learning of credit revealing issues. Most inquiries were numerous decision style with a couple being open-finished inquiries. The credit learning test included inquiries concerning credit reports, FICO ratings, and the debate determination process yet Zhan, Anderson, and Scott (2006), utilized Pre and Post-test with 48 genuine false and various decision inquiries in 5 content territories: (1)predatory loaning, (2) open and business-related advantages, (3) keeping money rehearses, (4) sparing and contributing, and (5) credit utilize and financing costs.

A few examinations Result in like that of Varcoe et al. (2005), which is Pre and post-test utilizing 19 genuine/false inquiries evaluating information. Hira and Loibl (2005) utilized 4 Questions evaluated on a 5-thing Likert scale running from firmly disagree=1 to stronglyagree=5. Inquiries included: (1) I have an unmistakable thought of my budgetary needs amid retirement, (2) I have a superior seeing now of how to contribute my cash than I completed a half year back, (3) I feel more educated now about hot to accommodate my financial future than I completed a half year prior, and

(4) I have a superior seeing now of how to deal with my credits than I completed a half year prior.

Hilgert, Hogarth, and Beverly (2003), utilized 28 True/False inquiries that were a piece of the Surveys of Consumers. Points secured incorporate income administration, general credit administration, sparing, venture, contracts, and other financial management themes. Danes, Huddleston-Casas, and Boyce (1999), utilized Post-then-pre method utilizing High School Financial Planning Program (HSFPP) educational programs to quantify FL. Understudies were gotten 8 questionsabout their financial behaviors,3 questionsconcerning financial knowledge, and 2 self-adequacy questions. The questionswere replied on a 5-point Likert scale from 1) never to 5) quite often.

Volpe, Chen, and Pavlicko (1996), finished up (measure venture proficiency) by asking "What is your Investing IQ?" from Money Forecast issue of Money magazine. There were 10 questions, each questionworth 10 focuses. Scores higher than 70 were viewed as proficient about individual speculation. Scores under 40 were viewed as coming up short.

2.1.3. Financial literacy around the world

In all point of fact, numerous examinations give persuading proof that a substantial extent of the grown-up populace knows little about finance and that many individuals are unfamiliar with basic economic concepts, like risk diversification, inflation, and interest compounding.

Lusardi and S. Mitchell,(2016), conclude that FL is very low around the world, irrespective of the level of financial market development and the type of pension provided. Accordingly, changes in markets have apparently not wrought enhancements in financial knowledge, suggesting that there may be a limit on what people can learn by themselves from their financial experience. They also show that retirement planning can be traced back to FL; those can accurately undertake simple calculations, know about inflation, and are knowledgeable about risk diversification, are all more likely to plan for their retirement. Finally, they argue that this relationship is causal: that is, FL influences retirement planning, and not the other way around.

Klapper, Lusardi, and Oudheusden,(2015),has noted that worldwide, just 1-in-3 adults show an understanding of basic financial concepts. Although FL is higher among the wealthy, well educated, and those who use financial services, it is clear that billions of people are unprepared to deal with rapid changes in the financial landscape. They found that the countries with the highest FL rates are Australia, Canada, Denmark, Finland, Germany, Israel, the Netherlands, Norway, Sweden, and the United Kingdom, where about 65 percent or more of adults are financially literate. On the other hand, South Asia is home to countries with some of the lowest FL scores, where only a quarter of adults—or fewer—are financially literate.

2.2. Financial decisions making:

The decision-making process takes place continuously and daily. Decisions may be routine and may be to address emergency situations. The human takes throughout their whole life. But the decision-making process is not an easy process, it is a cautious selection process to substitute among a range of alternatives so that this alternative achieves the maximum return using the same resources. We make the financial decision either to solve an existing problem or to solve a problem that is expected to occur in the future. Everyone makes many financial decisions on a daily basis. It is our choice of clothes before going to work in the morning to make various immediale and significant decisions during work, and even choose the type of food we will eat during the day. The ability to make effective financial decisions can help you save a lot of money over time.

To provide your family with more harmonious and secure life that depends not only on how much you earn but also on how you make good financial decisions. The distinction between needs and desires and the differentiation between value and quality is one of the ingredients of the smart choice in financial matters. Accordingly, Without a comprehension of basic financial ideas, individuals are not all around prepared to settle on choices identified with financial management. Individuals who are fiscally educated can settle on educated financial choiceswith respect to sparing, contributing, getting, and the sky is the limit from there (Lusardi and Oudheusden, 2015).

So to make sound financial decisions you must for examplehave the following:

a) Knowing the difference between needs and desires: Knowing the difference between your needs (such as transportation) and what you want (such as a luxury car) means knowing the difference between controlling your expenses and convincing yourself to spend too much.
b) Think about the real cost: For many things, the price is just the starting point.

What other needs have I earned for the same amount of money? After paying for your new purpose, how much time and cost will you need to maintain and pay attention to it? You may now be surprised that the real cost is often very high.

c) Buy the best things you can afford: You can even save money by purchasing high-quality items that last longer and keep them useful. Buying high-quality products from the stores you can rely on the case of a product failure is better than buying cheap things that can be quickly disrupted and end up in a wastebasket and then need to pay more to buy others.

d) Avoid tempting purchases: The best way to resist temptation is to avoid it from the start. If you cannot buy that smartphone now, go go and try it at the store and even avoid checking it online.

e) See before you jump: Planning ahead and balancing good and bad things before making decisions and knowing all aspects of what you will do will save you a lot of trouble later on. Will the low funding rate change over time? Will this new car fit into your monthly budget and lifestyle? See before you jump.

It is imperative for individuals of any age to be fit for settling on compelling FD.One of the daily examples of effective financial decisions is the follow-up to pay his credit card debt monthly, the ability to reconcile his monthly income and expenses..etc. The elements that shape individual financial decision-making basic leadership differ and create over the existing course.Powerful budgetary basic leadership and the aptitudes required to settle on such choices are an extending set of learning, abilities, and techniques, which people expand on all through life.It is additionally basic to comprehend the social settings and affecting variables that effect on monetary basic leadership financial decision-making.

The requirement for individuals to be furnished with the aptitudes and certainty to settle on soundFD, from a young age, is suggested to arise from a set of global economic and social trends. The consequences of these trends is that individuals must make more complex financial decisions and assume greater responsibility for their personal finances (Ali and McRae, 2014).

‘’ Financial Literacy among the Young’’ (2010), by Annamaria Lusardi, Olivia S. Mitchell L, and Vilsa Curto, In this study, some simple questions related to finance and economics were asked to determine the youth's level of knowledge in this subject.And they found that only 27% of the youth know about some concept financial and can do straightforward financing cost figurings.Also, they found that ladies ended up being the slightest monetarily proficient.They also discovered that the most important element for young people to acquire financial knowledge is through their parents. While Those whose families had a high level of financial knowledge were more literate.

2.2.1. Types of Decision Making

The process of decision-making is all the stages required by the emergence of the decision to exist, including these stages to identify the nature of the problem and identify, and analysis of this problem, and work on the assessment, and collect data, and develop solutions appropriate to them, and make assessments for each solution separately, and then we choose the most successful The decision-making process is not synonymous with decision-making. It is the result of decision-makers' ideas and information about the problem. Decision-making is one of the most important stages of decision-making and its outcome.

There are some studies that give the different types of decision making. Some of them madecategorizingdecisions in terms of programming those decisions into three categories (Decisions programmed, Semi-programmed decisions, and Unprogrammed decisions).

Some of them were categorizeddecisions according to the nature of the person who takes this decision into threecategories (consumer, business, and personal) decision making.

2.2.2. The factors that have a role in individual’ financial decision making

Usually, a person’s ability to manage his/her income and expenses related to his/her financial education level or his balance of financial knowledge. A person without education and skills cannot manage his/hersources in a good way. This is fully reflected in financial decisions.

In this case, it will appearseveraltypes of financial decisions including what is related to the individuals or to the household. Another type can be added in the offinancial decision at the small and medium-sized companies or business. Through the literature, we realize most of important studies center of attention was on this area so we can divide the different factors that have a role in individual’ financial decision making or rather the factors influencing financial decisions on two main categories: in one hand we have internal factors and other hand external factors.

2.2.2.1. Internal factors

There are serval internal factors that influencing financial decisions such asFinancial education and literacy, Gender and Health.

Financial education and literacy:Financial education refers to learning or a comprehension of the significance of money and the utilization of money; it answers the question, for what reason to spend on this instead of that.Individuals may make poor decisions since they don't comprehend financial tools or services. Some financial challenges include managing personal debt and student loans (Lusardi and Mitchell, 2014; Council for Economic Education, 2011, 2014; NASBE, 2006; Hopley, 2003).Individuals won't have the capacity to pick out the right savings or investments for themselves and maybe if they are not financially literate, they will be at risk of fraud. In any case, if people do turn out to be financially educated, they will probably spare and to challenge financial service providers to develop products that genuinely react to their necessities, and that ought to effectively affect both investment levels and economic growth (Norman, 2010).

Gender: There are significant differences in gender and age common between countries in financial knowledge. in terms of financial knowledge, women know less than men (Lusardi and S. Mitchell, 2011).Bernasek & Bajtelsmit (2002),found in their study that the income level of women had a direct impact on their participation in family financial decision-making. Fonseca, Mullen, Zamarro, & Zissimopoulos (2010, 2012) also look at the gender gap in financial literacy and the sharing of financial decisions in the family.According toDavid Semaya(2014), in term of financial decisions the different things between women and men are:

- Risk-taking
- The craving for financial discipline
- Strategies for success
- Delegating the decisions

The accompanying elements additionally can be added to the inward factors:

- Spotlight on monetary issues
- Subjective working
- Family flow
- Household structure
- Psychological elements

2.2.2.2. External factors

There are serval external factors that influencing financial decisions such as Culture, Access to financial advice, Financial system development, and Economic environment.

Culture:national culture is a solid pointer for the portfolio structure of family units, as it predicts the utilization of certain advantage classes adequately, however it is less intense with regards to the more broad qualities of the family back (Breuer & Salzmann 2009)". An interesting analysis that can be incorporated into this zone is identified with time inclinations ishas been done by Breuer & Wang (2011). Chui & Kwok (2008), examined the effect of national culture on the utilization of extra security.

Access to financial advice:The need to get guidance is because of an interior accessibility of the people; however the accessibility of this guidance is normal for nature. Acces to a financial adviser is positively related to the level of financial literacy and it has been one of the important topics of manystudies. For example, Engelmann, Capra, Noussair, & Berns (2009), analyzing the influence of advice on the financial decision regarding the. Also, Engelmann & Tamir (2009), examineda neuroeconomic approach to the assessment and attitudes towards risk, while Guiso & Paiella (2004), carried out a general analysis of the attitude towards risk and the positive impact of advice on financial behavior was presented by Tang & Lachance (2012).

Financial frameworkadvancement:Constraint of Financial choice is the down to earth potential outcomes of practicing financial decisions.The two main problem restraint possibilities of financial expression are the concrete variety and availability of financial vehicles. Kwok and Tadesse (2006) in their analyze financial systems in terms of national culture the issue of financial system development was also discussed.

Economic environment: is one of the most powerful sources of influence over personal financial decisions. Unquestionably, the situation on different phases of the monetary cadence has an imperative impact. This depends on the periods of the environment,for example, even though other constituentspertinent to the financial decisions stay invariable, the financial behavior is generously extraordinary in times of monetary development contrasted with the times of subsidence. The following factors also can be added to the external factors:

- Religion
- Stereotype threats
- Income uncertainty
- Demographics

2.3. The relationship between financial literacy and financial decisions making:

Financial literacy and its impact on financial choices have turned into an imperative theme. Clearly, the administration of riches and portfolio decision requires more refined learning than it completed a few decades back. Not just family units turn out to be increasingly in charge of their prosperity, however, the scene of money related markets has changed significantly and these progressions have been described by an expansion in the unpredictability of monetary items (C.J. van Rooij, Lusardi and J.M. Alessie 2012, P.472).

According to Huston (2010, p.306), financial literacy,for example, health or general education may be conceptualized with two fundamental measurements: understanding individual finance knowledge and utilizing it. Subsequently, it could be depicted as “estimating how well an individual can comprehend and utilize individual fund related data”. It is likewise included that this depiction is reasonable with other proficiency ideas as well as with definitions in the extent of financial literature. Wachira and Kihiu (2012, p.42), express that financial literacy helps consumers in being set up for troublesome circumstances by deciding danger mitigant systems, and in utilizing financial items adequately, above all in settling on conceivable choices. Likewise, in another investigation, winding up financially literate alludes to having learning and art with a specific end goal to deal with cash well.

‘’ Defining and measuring financial Literacy’’ Hung, Parker,Yoong (2009), in this research they found that for people, poor funds and investment decisions may convey genuine ramifications for long-term financial security. With the move to characterized commitment benefits designs and vulnerability about government Social Security, American households are being increasingly called upon to undertake their own financial planning for retirement. a more fundamental problem may be that large segments of the US population have low levels of financial literacy. More specifically, the results presented here suggest that the less financially literate may be less likely to engage in recommended financial practices, such as planning for retirement.

Generally, buyers neglect to streamline their financial decision making because of suffering financial illiteracy and this contention battles that many individualgapsof information of key monetary ideas and aptitudes expected to make budgetary calculations, which can be a reason to make suboptimal financial decisions. Although we can deduce there are also others reasons such as individual are maybe fretful,which infers that they picked current delight over future, higher settlements.

Financial advisers can assume a vital part in helping people settle on better financial choices and enhance their budgetary circumstances. A portion of the creators audit prove from the exploration writing about in the case of working with a consultant enhances funds conduct, by and large, and also putting something aside for long haul objectives, especially retirement. While a significant part of the writing gives to prove that people who get proficient budgetary guidance are more fiscally solid than the individuals who don't, few papers endeavor to address the endogeneity worries of switch causation, constraining bits of knowledge into whether counselors are causing enhancements in their customers' funds conduct.

When endeavoring to settle on a decent choice, a man must know the positives and negatives of every choice and think about every one of the choices. For successful basic leadership, a man must have the capacity to gauge the result of every alternative also and in light of every one of these things, figure out which choice is the best for that specific circumstance. So we can state that the manner of thinking of choosing a legitimate decision from the accessible choices.

‘’ How financial literacy and impatience shape retirement wealth and investment behaviors‘’ (Justine S. Hastings and Olivia S. Mitchell , 2011), they quantified financial literacy as the capacity to comprehend essential ideas like expansion, exacerbating, and venture returns, and they measure fretfulness utilizing a diversion intended to evoke inclinations for current satisfaction versus future pick up and have the capacity to finish it and they found that the eagerness measure unequivocally predicts respondents' selfdetailed retirement sparing and wellbeing speculations.

Financial literacy is additionally connected with greater retirement sparing, however, it is less intently connected with affectability to the encircling of speculation data. In progressing work, they were estimating the effect of fretfulness and budgetary education on genuine sparing, annuity collections, and interest in wellbeing and wellbeing hones.

2.4. The saving behavior of individuals

According to Mahdzan and Tabiani, (2013), one of the ways to support national sparing is by urging people to build individual sparing. This can be accomplished by actualizing monetary instructive projects to expand people's budgetary education, i.e. to elevate comprehension of their own monetary conditions, empower them to make budgetary arrangements for the future, and pick the most proper money related instrument that will enable them to accomplish their monetary objectives.

At the macroeconomic level, singular sparing advantages the whole country. Sparing positively affects the economy all in all since reserves that are set in money related resources are then diverted through budgetary go-betweens to finance ventures by firms. Therefore, ventures by firms will eventually profit the country through higher efficiency and financial development. Moreover, high reserve funds can likewise fence nations against monetary downturns and budgetary emergency (Mahdzan and Tabiani, 2013).

Clitheroe (2004), notices that in the midst of current developments in money related markets, it presently turns out to be progressively fundamental for purchasers to be more learned and equipped in directing their accounts. This is on account of changes in budgetary markets have brought about the accessibility of a more extensive determination of money related items and administrations, settling on monetary choices multifaceted and more entangled.

The writing proposes that there is a solid connection between monetary education and family unit welfare. Studies show that family units with financial information or education, tend not to anticipate their retirement, get bring down resource levels (Lusardi and Mitchell, 2007a), and for the most part acquire at higher loan costs (Stango and Zinman, 2006).

2.5. The relationship between financial literacy and saving

‘’The Impact of Financial Literacy on Individual Saving: an Exploratory Study in the Malaysian Context’’(Nurul Shahnaz Mahdzan and Saleh Tabiani2013), this study has demonstrated the financial literacy is a critical determinant of individual sparing. Financial literacy, which is characterized as people's learning about fundamental and progressed financial topics, such as knowledge/calculation on the loan fee, expansion rate, rate computation, stocks, and unit trusts, have been observed to be emphatically identified with the likelihood of having constructive sparing among people, ceteris paribus.

Hsiao, Lin, and Dambaravdan (2016), also, they examine how financial literacy and saving behavior affects retirement planning and analyze the difference in retirement planning between respondents with different characteristics. According to the empirical findings from 3,365 respondents above the age of 40 in the three years National Financial Literacy Survey, they find a strong, positive relationship between financial literacy and retirement planning; people who are more financially knowledgeable are more likely to plan for retirement. They also find a strong, positive relationship between savings behavior and retirement planning; those who have stronger savings habits are more likely to plan for retirement. In most specifications, they find a stronger role for savings habits than financial illiteracy in explaining retirement planning. While they consider personal features, they find that females and households classified as average annual income are more active engagement in retirement planning.

In this context, and in examination has demonstrated by Lusardi and Mitchell (2007), that the money related proficiency is a vital determinant of individual sparing. Monetary proficiency, which is characterized as people's information about fundamental and progressed money related subjects, for example, learning/calculation on the loan fee, expansion rate, rate computation, stocks, and unit trusts, has been observed to be emphatically identified with the likelihood of having constructive sparing among people, ceteris paribus. This outcome, in spite of the fact that a starter finding from this exploratory research, recommends that if the administration plans to build sparing among family units, it should expand endeavors in advancing monetary proficiency through fundamental instructive projects in regards to financial issues.

2.6. Financial literacy, retirement,and household behavior

First of all, it should note that some households prepare for retirement better than others and naturally, there are some reasons behind this issue.

The connection between riches amassing and budgetary proficiency has gotten significantly less consideration, principally due to a lack of data on financial learning (knowledge) levels in the populace. As of late, in any case, there has been prospering exploration on the estimation of money related proficiency and its consequences for family conduct.

On the other hand, the relationship between financial literacy and household behavior is also important, as people are progressively being approached to assume on liability for their financial literacy and their retirement planning. Notwithstanding, analysts have discovered that people don't sufficiently spare for retirement.

2.7. The effect of financial literacy on credit

According to Klapper, Lusardi, and Oudheusden (2014), credit is more typical in rich nations than poor nations. Numerous borrowers in the rising scene are subject to family and companions or on advances through casual banks, for example, pawnshops and store credit. Access to formal credit is frequently bound to the rich and accomplished, who have a tendency to be all the more fiscally canny. In the major propelled economies, 51 percent of grown-ups utilize a charge card, contrasted and just 11 percent of grown-ups in the major developing economies. A small offer of grown-ups gets from a formal money related establishment. Fifty-three percent of grown-ups in major rising economies who utilize a Visa or obtain from the financial foundation is fiscally proficient, substantially higher than the normal budgetary education rate in these economies.

2.8. Contribution to the literatüre

There are few quantities of studies talking about individuals' money related education from the perspective of corporate administration (McDaniel, Martin, and Maines, 2002) and social prosperity (Kindle, 2010). McDaniel, Martin, and Maines (2002), infer that there are noteworthy contrasts between money related specialists and monetary literates in inspecting boards of trustees as far as surveying the nature of budgetary revealing. In such manner, the consideration of money related ability in inspecting council may have an impact on advisory group's aggregate assessment of company's monetary report by moving both the system and furthermore central of board's contentions.

De Bassa Scheresberg, Carlo (2013) "Financial Literacy and Financial Behavior among Young Adults: Evidence and Implications," This paper looks at the level of financial literacy among youthful grown-ups in the United States and finds that financial illiteracy is boundless in this populace: just 34% of youthful grown-up respondents could accurately answer every one of the three monetary proficiency questions.

As far as monetary space, a lot of writing has been focused on budgetary education. While a few examinations decide the level of money related education among specific gatherings (e.g., Ansong and Gyensare, 2012; Lusardi, Mitchelle and Curto, 2010; Chen and Volpe, 1998), countless researches the conceivable impact of monetary proficiency on a few budgetary choice and conduct.

Vass (2012) contends whether money related and financial issues could be regarded a method for speaking to and reflecting both the shape and furthermore the future introduction of couples, rather than thinking of them as just being aftereffects of whether individuals are financially knowledgeable. Therefore, the examination broadcasts that monetary education programs disregard this perspective. Klapper, Lusardi, and Panos (2012), discovered that the connection between financial literacy and the level of unspent pay is higher amid the money related emergency, in the wake of controlling for family qualities and these outcomes propose that more noteworthy monetary education can enable people to confront surprising macroeconomic and wage stuns.

From the perspective of monetary prosperity, various investigations endeavor to clarify the connection between money related education and financial riches aggregation. In clarifying this relationship, a few academicians point out budgetary or all the more particularly retirement arranging (Lusardi and Mitchell, 2007 ; Howlett, Kees and Kemp, 2008 ; Yoong, See and Baronovich, 2012 ; Van Rooij, Lusardi and Alessi, 2011), while others allude to securities exchange investment (Van Rooij et al., 2007) or both (Van Rooij et al., 2012).

‘’ Investment in financial literacy and saving decisions’’ (Jappelli and Padula2013),in this study they demonstrate that numerous investigations propose that a substantial extent of grown-up populace knows little back and that numerous people are new to essential financial matters, for example, chance expansion, swelling, and enthusiasm aggravating and none of these papers perceives that monetary education is a decision and that in picking the amount to put resources into securing money related proficiency, purchasers exchange off expenses and advantages. In this investigation, Jappelli and Padula, consider budgetary education as a specific type of human capital amassing and perceive the potential part of scientific capacity ahead of schedule in life in deciding future directions of money related proficiency. They set that the underlying load of money related education is emphatically identified with scientific aptitudes gained at the beginning of the life-cycle. These abilities decide the load of money related education: the stock devalues after some time at a rate that possibly contrasts among people, and introductory inconsistencies may either weaken or compound contingent upon singular interest in securing financial literacy.

‘’National financial literacy framework’’ (Central Bank of Nigeria2015), this investigation demonstrates that The significance of monetary training and money related proficiency at all levels of the country's financial strata can't be overemphasized in perspective of its gigantic advantages. The system is a part of a far-reaching plan for the usage of the Nigerian Financial Inclusion Strategy. Its long-haul benefits cut crosswise over people, family units, the general public and the country on the loose.

2.9. Previous studies

Financial Literacy In Ukraine: Determinants And Implications For Saving Behavior (Kharchenko, Olga 2011), in this paper they explore the determinants of financial literacy and its implications for the saving behavior in Ukraine.they use data from the national survey Financial Literacy and Awareness in Ukraine, conducted by Financial Sector Development Project (FINREP) and USAID in 2010. The empirical results on determinants reveal that the major factors influencing financial literacy in Ukraine are gender, level of education, occupation, region and wealth. Age and area of

residence have not been found significant in explaining financial literacy. With regard to the implications of financial literacy for saving behavior their results suggest that literacy does not have a direct impact on savings when controlling for wealth.

Financial literacy and retirement planning in Japan (Shizuka Sekita, 2011), in this study they used the Survey of Living Preferences and Satisfaction (SLPS) and they found that the level of financial literacy is not high in Japan. Although a majority of respondents were able to correctly answer a simple question about interest rates, more than half were not able to correctly answer a question about risk diversification. Many respondents stated they did not know the answer to the financial literacy questions, which might indicate that Japanese are very cautious and only answer when confident in their response. Women, the young, and those with lower incomes and lower educational attainment have the lowest levels of financial literacy, and financial literacy increases the probability of having a retirement savings plan.

Financial literacy and retirement planning in Sweden (Johan Almenberg, 2011), they use data from the Swedish Financial Supervisory 2010 consumer survey. The results indicate that many adults have low financial literacy. In general, financial literacy levels are lower among the young, the old, women and those with low income or low educational attainment. People who report having tried to plan for retirement have higher levels of financial literacy.

Fınancıal Lıteracy And Retırement Plannıng In The Unıted States (Annamaria Lusardi and Olivia S. Mitchell, 2011), In this study about 1,500 American adults were contacted by telephone; the primary sample of 1,200 respondents was constructed to be representative of the general adult U.S. population. Since financial capability is multidimensional, several indicators were collected. In this paper, they focus on two main areas of financial capability, namely financial literacy and self-assessed skills, and retirement planning.

Financial literacy and retirement planning: the Russian case (Leora Klapper 2011), they examine the relationship between financial literacy and retirement planning in Russia, a country with a relatively old and rapidly ageing population, large regional disparities, and emerging financial markets by using information from the second wave of a dataset collected via face-to-face interviews of 1,400 individuals. They find that only 36% of respondents in our sample understand interest compounding and only half can answer a simple question about inflation. In a country with widespread public pension provisions, we find that financial literacy is significantly and positively related to retirement planning involving private pension funds. Thus, along with encouraging the availability of private retirement plans, efforts to improve financial literacy can be pivotal to the expansion of the use of such funds.

The İmpact Of Financial Literacy On İndividual Saving: An Exploratory Study İn The Malysian Context (Nurul Shahnaz Mahdzan and Saleh Tabiani, 2013),

CHAPTER III

METHODOLOGY

3.1. Introduction:

The basic method of this research is “a survey method”. A sample selected as a representation of the entire economy. An interview of some questions prepared and data collected from the local people (Adana).

Those that are expected to take part this survey w included auto drivers, roadside hawkers, retailers and small-scale entrepreneurs, watchmen, employees in tertiary and service sector, students, senior citizens, and housewives. These individuals are from different walks of life and represent diverse social and economic backgrounds and the questions explained and translated into the languages which are suited them.

A set of basic concepts sits at the heart of financial decision-making. Those concepts include: (i) numeracy and an understanding of interest rates and interest compounding; (ii) an understanding of inflation; and (iii) an understanding of risk diversification (Annamaria Lusardi, 2013). One or more than one of the questions must addresses numeracy, or the capacity to do a simple calculation related to compounded interest rates. Then questions measure understanding of inflation, again in the context of a simple financial decision. The also questions gauge knowledge of risk diversification; it is a joint test of knowledge about “stocks” and “stock mutual funds,” and of risk diversification.

Statistical analysis conducted by using Statistical Package for Social Sciences (SPSS). Also, The data for this study the results received in an Excel spreadsheet and then imported into SPSS statistical software.

Introduction: This research aims to study how the individuals are literate about the different financial concept, how they can manage their funds in a rational way, whether they have an idea of the services that the banks offer and the way they can benefit from these services and the impact of it on their financial decisions.

3.2. Measurement of Variables

To gather data on these variables a questionnaire based on the dependent variable is financial literacy, while the independent variables are individual saving, individual financial decisions, gender, age, income, and education.

3.3. Research Questions:

The main research questions of this study are listed as shown below:

1- Do individuals have sufficient financial knowledge or are illiterate of financial concepts?
2- Is there any relationship between individuals' Education level and their finance knowledge?
3- Is there any relationship between individuals' gender and their finance knowledge?
4- Is there any relationship between individuals' financial decisions and their financial literacy?
5- Is there any relationship between individuals' saving behavior and their finance knowledge?

Once the research questions are set, the study attempts to achieve the following specific objectives in order to have more concrete answers to the questions:

- To clarify the level of finance knowledge
- To identify the factors that have a relationship with financial literacy

3.4. Research Hypotheses:

Hypothesis 1: Demographic characteristics are significantly related to financial knowledge level. This hypothesis can be broken into details as follow:

1. Age is significantly related to individual financial knowledge level.
2. Gender is significantly related to individual financial knowledge level.
3. Income is significantly related to individual financial knowledge level.
4. Education level is significantly related to individual financial knowledge level.

Hypothesis2: Individual's saving regularity is positively related to individual financial knowledge level.

Hypothesis 3: Individual's financial literacy level is positively related to individual financial decisions.

CHAPTER IV

DATA ANALYSIS

4.1. Introduction:

This chapter describes the analysis of data followed by a discussion of the research findings. The study was guiged by the results through the use of questionnaire. Data were analyzed to identify, describe and explore financial literacy levels of individuals and its effect on individual decisions. The responses gathered from the participants were analyzed using SPSS software. This chapter solely focuses on presenting the gathered data in a meaningful way to facilitate the discussion, which will be presented in Chapter 5.

This chapter at the outset provides the background of the participants by analyzing their demographic informations, andfollowed by findings and data analysis and the summary.

4.2. Data Collection

The major data collection method employed in this study is a questionnaire. In the questionnaire, random sampling method was adopted. The data was collected in this research in different ways, through the Internet and face-to-face questions. On the other hand, The Internet helps to reach people we cannot reach them directly, However, not all people use the Internet so we tried to reach these people directly.

The descriptive statistical analysis was used to identify frequencies and percentages to all the answer the questions in thissurvey.

At the end of the data collection process, questionnaires were checked thoroughly for completeness. Only duly filled instruments by the participants have been used. The quantitative data were analyzed through descriptive statistics which comprise of frequency tables, mean and standard deviation. Qualitative data were analyzed using content analysis techniques and coded for entering into Statistical Packages for Social Scientists(SPSS).

The data were presented using tables for ease of comparison and comprehension. The study also involves the use of multiple regression analysis to establish the relationship between financial literacy and personal financial management.

4.3. The Survey Questionnaire :

The questions included in the questionnaire were clear, unambiguous, and encourage the respondents’ participation.

The questionnaire comprised of three sections and data generated will be presented as follows:

- The first section comprises demographic data such as age, sex,…….
- The second section illustrates Information about Individual savings, family saving ……. and involves 11 questions, eleven questions are a closed-ended question.
- In the third section was about the financial knowledge to measure the financial literacy. And this part of the questionnaire includes 5 parts every part includes at least four questions. In the first part 9 questions about Basic Economics and Financial concepts were asked. In the second part, of this section, six questions about Retail Banking,the concept was asked. In the third part,five questions about the concept of pension and insurance were asked. In part four,six questions about Investment concept was asked. In the last part of this section, four questions about Tax and legislation concept was asked.

4.4. Data Reliability

Silverman (1997), highlighted that the significance of reliability and validity by asserting “the topics of reliability and validity are critical as in them the objectivity and creditability of (social scientific) research are at stake”. A similar position is demonstrated by Ryan et al (2002), who declares “researchers who operate quantitatively, empirical research is involved with the reliability and validity of their proof”. In applicability to research examples, Marshall and Rossman (2006) explained “It may be valuable to companion these conditions to the traditional positivist example – internal validity, external validity, reliability, and objectivity. Lincoln and Guba then illustrated the demand to restructure these constants for interpretive qualitative inquiry”. Additionally, it is believed that the concepts of reliability and validity do not apply to interpretive, as principally the approaches of reliability and validity treat with putting laws and need research that is “prevailing and replicable”. A similar debate is presented by Ryan et al (2002). The samples were organized and analyzed by using the Statistical

Package for Social Science (SPSS) program.

The reliability test was conducted on the key dependent and independent variables; financial literacy factors and management of personal finances.

As shown in table 1, Cronbach‟s Alpha values of the study variables reveal that the reliability coefficient of the study variables is 0.839 which exceeds the minimum acceptable level of 0.60 hence the reliability of the research tool is at moderately good level.

Table 1.

Reliability Statistics

Cronbach's Alpha	N of Items
,839	41

4.5. Descriptive Statistics

İn this part the demographic and Personal İnformation about participants was determine by 11 questions about their gender, age, marital status, education level, job groups, İncome regulation, the number of employee in family, monthly salary of the respondents, monthly salary of respondent family, level of satisfaction, and home investment decisions. There are Tables and Graphics that Show the statistic data about demographic and personal information.

4.5.1. Gender of the Respondents:

In this context,the majority (50.1%) of the participants were female andthe 49.9% of the participants was male as shown in Table 2 below.

Table 2.

Distribution of the Participants by Age Group

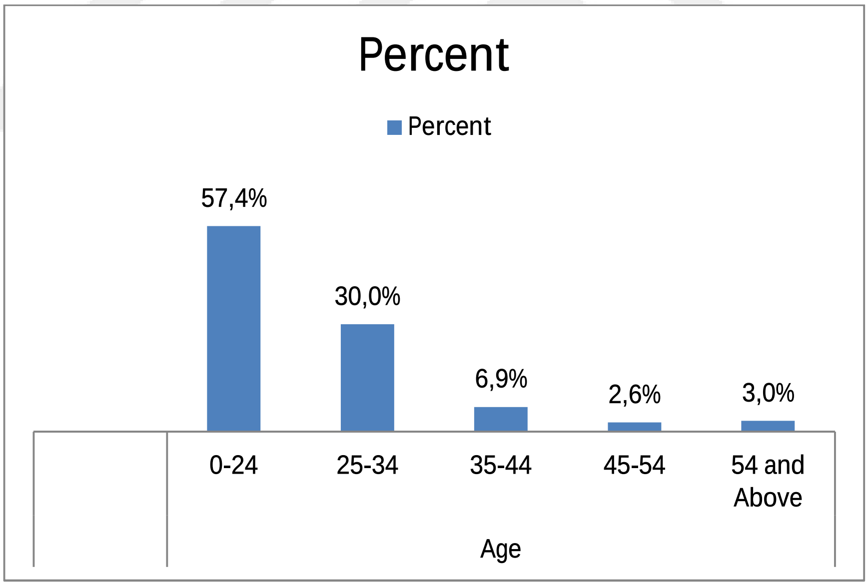
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	217	50,1	50,1	50,1
	Male	216	49,9	49,9	100,0
	Total	433	100,0	100,0	

4.5.2. Age of the Respondents:

Regarding the Table 3, the majority (57,4%) of responseswere less than 24 years old and 30% of them was between 25 to 34 and 6,9% was between 35 and 44 while the rest 5,6 was 45 years old and above.

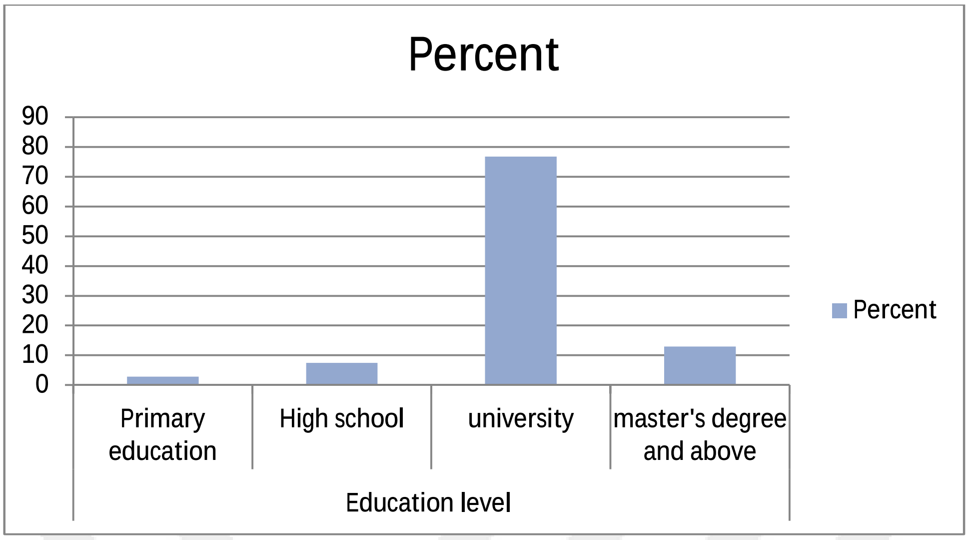
Table 3.

Age of the Respondents



4.5.3. Level of Education:

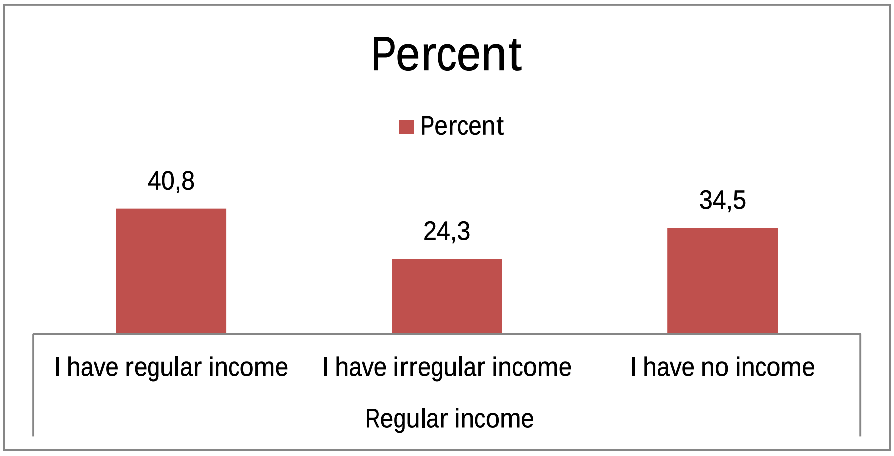
To determine the level of education of participants, four categories were used here:76,7% of therespondent'seducation level isan undergraduate degree, 13,0% had a master s degree and above, 7,5% had college level of education and 2,8% of the respondents had a secondary level of education. This infers that the vast majority of the respondent were literate and at the first time, this form can be a good foundation for financial literacy.



Graphic 1. Level of Education

4.5.4. Regular income

Participants were asked about their regularity income to find out whether they had a fixed income or not. The answers are as shown in the Graphic 2 below.

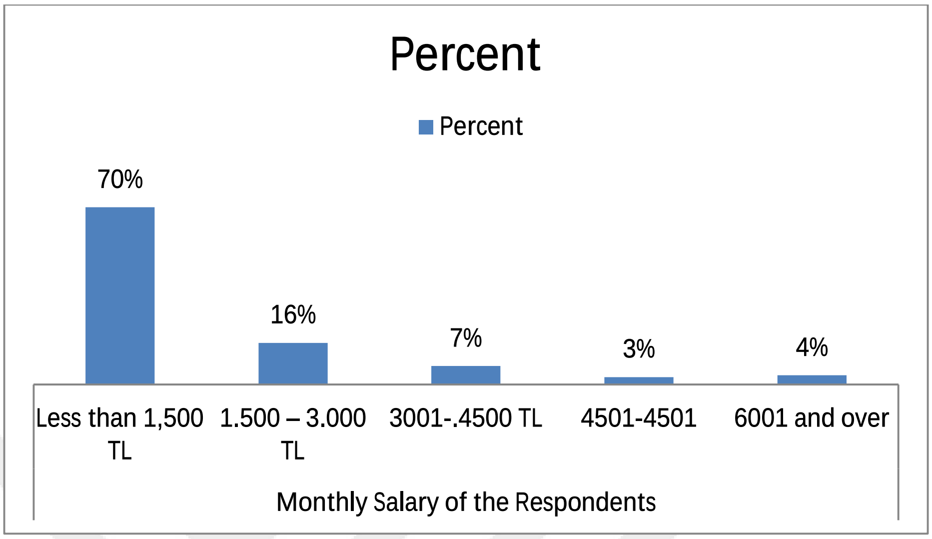


Graphic 2. Regular income

From the results, the majority (40,8%) of the participants had a regular income, 34,5% had irregular income while 24,3% had no income.

4.5.5. Monthly Salary of the Respondents

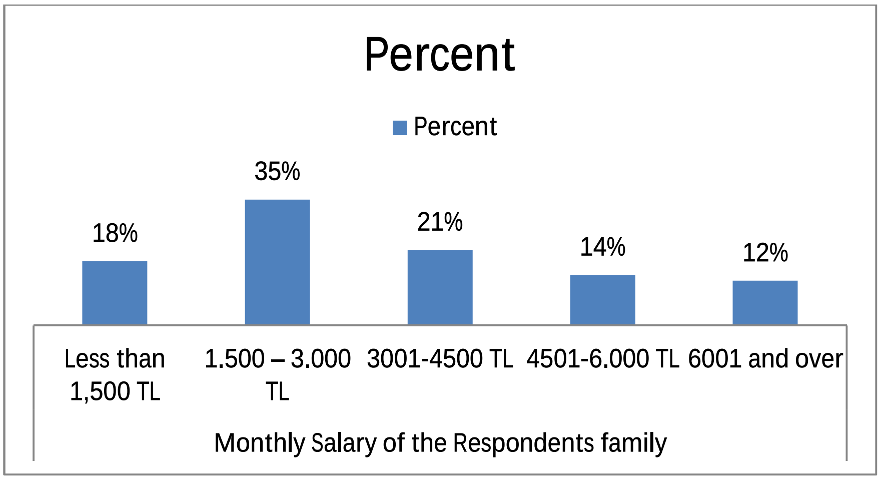
From the results, the majority (70%) of the participantsreported a monthly salary less than 1.500 TL, 16% reported between 1.500 and 3.000 TL, 7% reported a salary of 3001 to 4500 TL, 3% reported between 4501 to 4501TL while 4% reported above 6001 TL. The findings are shown in Graphic 3



Graphic 3. Monthly Salary of the Respondents

4.5.6. Monthly Salary of the Participants family

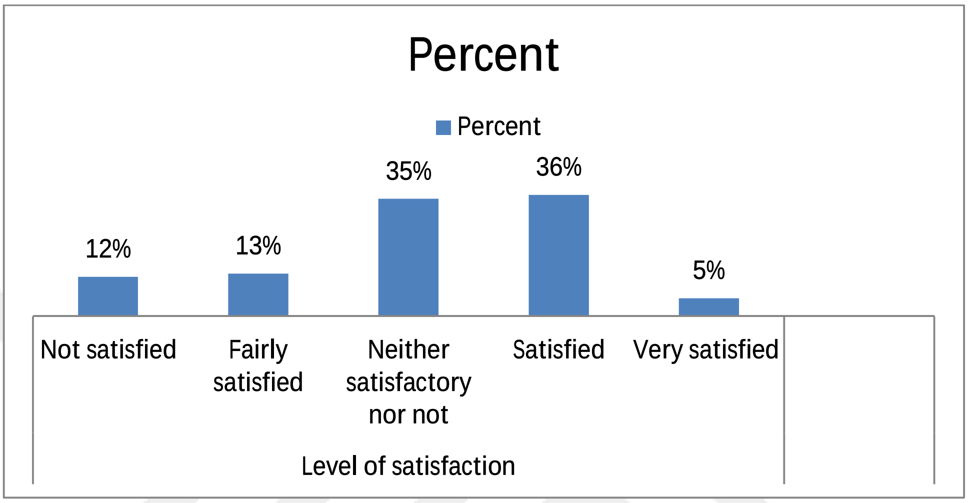
The monthly salary of the participantsfamily were also asked. The results show as on the Graphic 4, that the majority (35%) of the participantsfamily have a monthly salary between 1500-3000 TL, 21% reported a salary of 3001 to 4500 TL, 18% reported a monthly salary less than 1.500 TL, 14% reported between 4501 to 4501TL while 12% reported above 6001 TL.



Graphic 4. Monthly Salary of the Respondents family

4.5.7. Level of Satisfaction

Among the respondents, the level of satisfaction was good, where 36% were Satisfied with their level of investment, 35% were Neither satisfactory or not, 13% were Fairly satisfied and 12% were Not satisfied while 5% were Very satisfied. This is indicated in the Graphic 5.



Graphic 5. Level of satisfaction

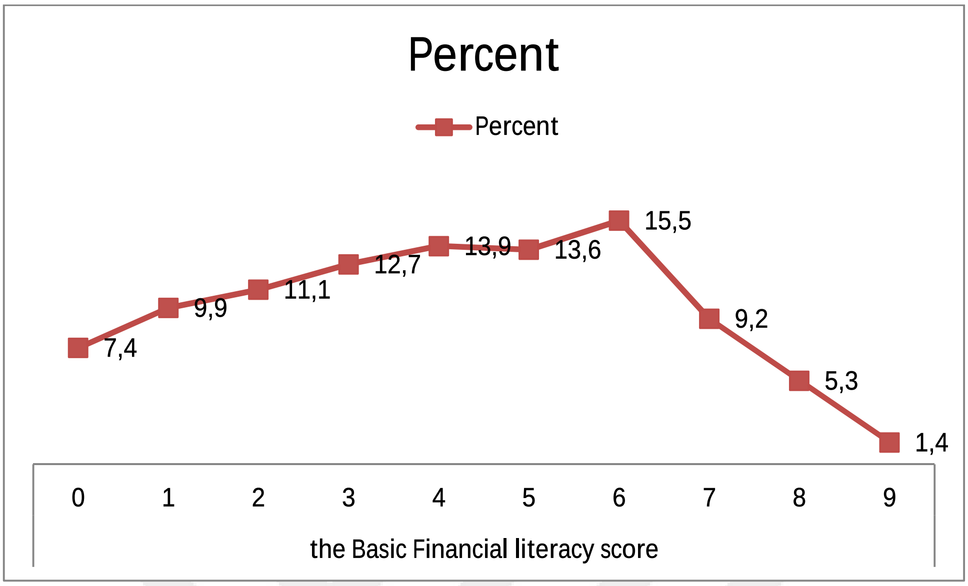
4.6. Evaluation of Financial Literacy

4.6.1. Measuring financial literacy:

There are five parties to measuring financial literacy: In the context of financial literacy measurement, firstly, basic financial literacy of the participants was calculated by some questions related to the gneral basic economics and finance such as inflation and Exchange rate, the second part was the Retail Banking, and it was measured by some questions related to the banks and their services. The third part was Retirement and Insurance and the fort part was Investment while the end part was the Taxes and Legislation.

4.6.1.1. Basic Economics and Finance Level of individuals:

In this part, the study was aimed to know how the Turkish citizens are literate about the Basic financial concept through some questions about the general concepts like the inflation and devise. Where for example one of the questions was ‘’Is Inflation reduces the purchasing power of money?‘’ and also another question was ‘’Is it advantageous to borrow if inflation is high?‘’. The below Graphic 6 show the general view about the Basic Financial literacy score.



Graphic 6. the Basic Financial literacy score

To can comprehendmore and in view of answers to the numerical test we build a financial literacy score, which ranges from 1 to 4 and compares to various literacy levels.

Where the people who have only one or no correct answer; their level was considered as a poor level. While The people who answered 2- 3 correct answers were considered as fair, on the other hand, the people who answered 4-6 correct answers were considered as a good level of the basic financial literacy. While the people who correctly answer to 7 and above was considered excellent.

Table 4.

Basic Financial literacy score

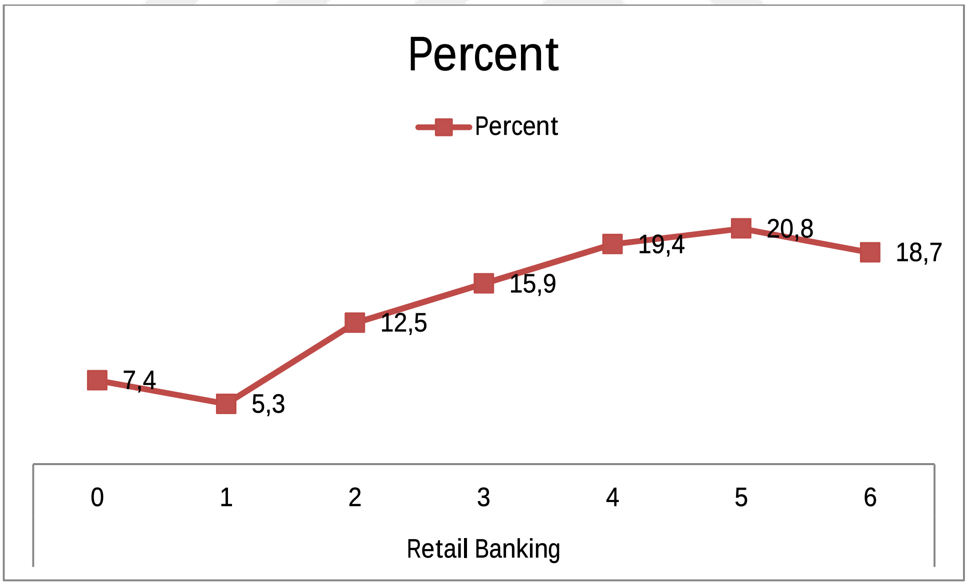
Value	Meaning	Number of correct answers	% of correct answers
1	Poor	0-1	17,32%
2	Fair	2-3	23,80%
3	Good	4-6	43,0%
4	Excelent	7-9	15,90%

As Table 4 shows, general knowledge of the participants regarding Basic Financial literacy topics can be considered a good, where majority (43%) correctly answered on 4-6 out of 9.

4.6.1.2. Retail Banking:

At the second stage of financial literacy measurement, the financial literacy level in the retail banking of the participants was measured with some questions related to the topic, in this part of questionaries' 6 questions was asked in the survey you can find the questionaries' form at the end of this paper. In this section, the survey aimed to know the participants' knowledge about the banks and the services they provide and how to benefit from those services.

By taking a look at the Graphic 7 it can be seen that the majority of respondents correctly answer 4 to 5 and even 6 out of 6 questions. This indicates that the financial literacy level here is very high compared to the basic financial literacy.



Graphic 7. Retail Banking

To understand more and give a clearer result, we have a new classification of these answers similar to the classification that was evaluated in the first part.

Table 5.

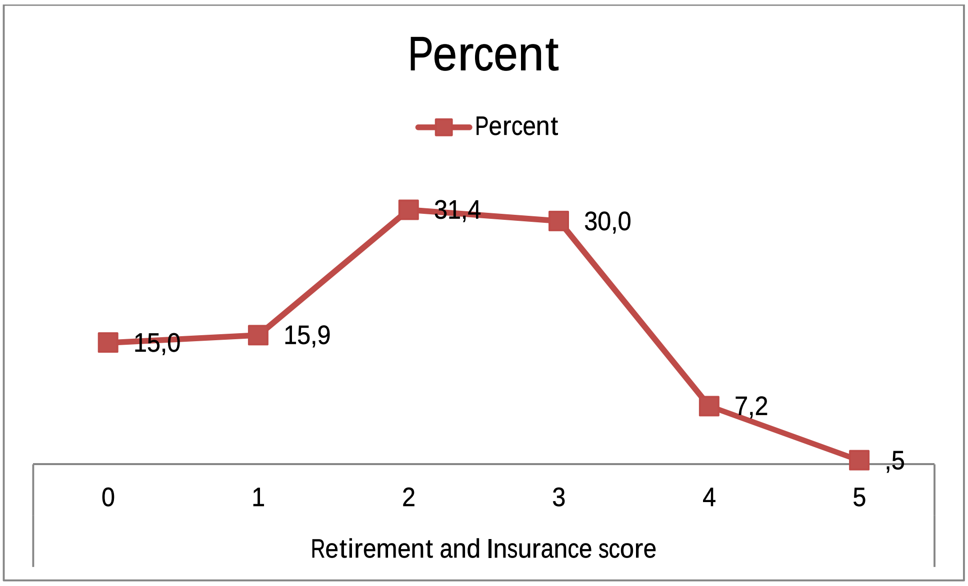
Retail Banking score

Value	Meaning	Correct Answers	Correct Answers %
1	Poor	0-1	12,7%
2	Fair	2-3	28,4%
3	Good	4	19,4%
4	Excelent	5-6	39,5%

As Table 5 show, actually, the participants have an Excelent level of financial literacy in retail banking. Where the majority of the participants (39.5%) correctly answered on more than 4 out of 6 questions, which is by this classification, means an excellent level of financial literacy. While 28.4% correctly answered on 2-3 questions. On the other hand, 19.4% and 12.7% were respectively the percentages of the correct answer of the 4 and 0-1. And therefore general knowledge of respondents regarding retail banking topics can be considered as an excellent. Although Basic Economics and Finance topic may seem more familiar and relatively simple than the retail banking, the results showed the opposite.

4.6.1.3. Retirement and Insurance:

As retirement and insurance are important axes to measure financial literacy, in this section five questions were asked on this particular topic such as: : Is SSI (Social Security Administration), health insurance the affiliations of employees in Turkey?. The results indicate that the level of financial literacy of the participants in this topic is poor as the Graphic 8. show below:



Graphic 8. Retirement and Insurance score

According to the new classification of these answers, and as Table 6. show, the people who answered 0-1 correct answers were considered as poor, on the other hand, the people who answered 2 correct answers were considered as a fair, the people who answered 3 correct answers were considered as a good, while the people who correctly answer to 4 and above was considered excellent.

Table 6.

Retirement and Insurance literacy score

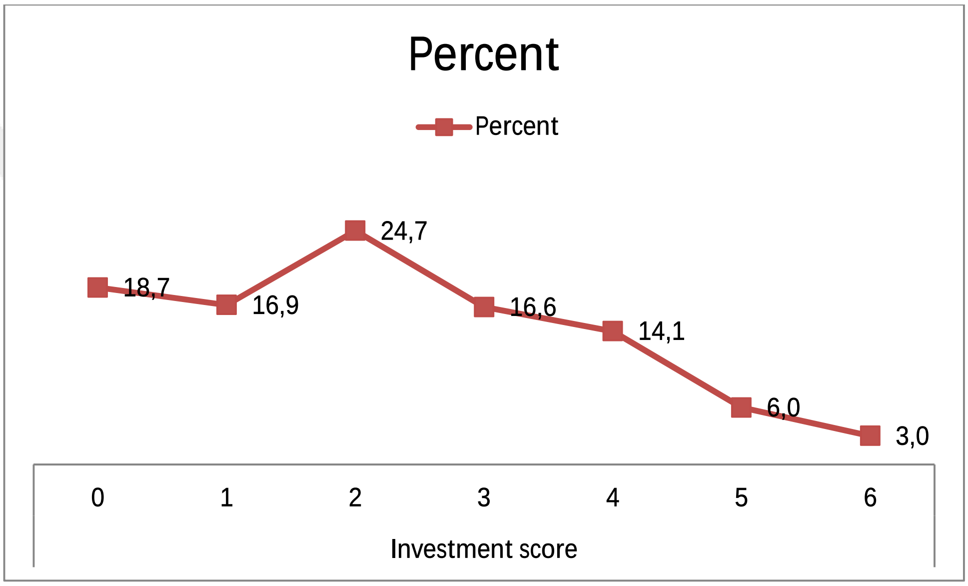
Value	Meaning	Correct Answers	Correct Answers %
1	Poor	0-1	30.9%
2	Fair	2	31.4%
3	Good	3	30.0%
4	Excelent	4-5	7.7%

From the Table 6, it can be said that the levels of poor, fair and good are very close, but the majority (31.4%) correctly answered on 2 questions that is according to this classification, considered as a fair level of financial literacy and also 30.9% of the participant correctly aswered on just 0-1 questions out of 5 questions . But at the same time cannot ignore the second ratio (30.0%) which suggests that the level is good. Because it is very close to the both.

4.6.1.4. Investment

Investment is one of the most important economic and financial elements. In this context, six questions were raised in this regard. The aim of these questions was to know the level of financial literacy on this topic. Among these questions were: Is your equity the difference between your total assets and your debts?

Through taking a look at the Graphic 9 it can be seen that the majority of respondents correctly answer only 2 questions out of 6 questions, which can be seen as somewhat poor financial literacy level.



Graphic 9. Investment score

Now the same classification was used in this part of measuring financial literacy, where the people who answered 0-1 correct answers were considered as poor, those who answered 2-3 correct answers were considered as a fair, whereas the people who answered 4 correct answers were considered as a good, while the people who correctly answer to 5-6 out of 6 was considered excellent as Table 7 show:

Table 7.

Investment score

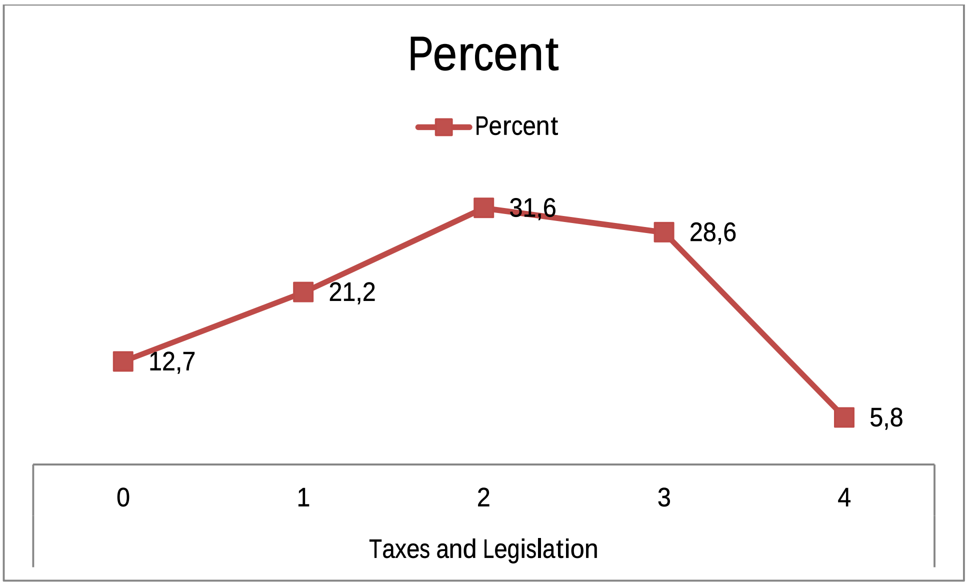
Value	Meaning	Correct Answers	Correct Answers %
1	Poor	0-1	35,6%
2	Fair	2-3	41,3%
3	Good	4	14,1%
4	Excelent	5-6	9%

While the majority (41,3%) was a fair and poor level of financial literacy whereas the percentage of the Good and Excellent level was 14,1% and 9%. So, this indicates that the financial literacy level in this topic is acceptable. This result shows that the participant has some information about the investment concept.

4.6.1.5. Taxes and Legislation

In this section and about the taxes and legislation, five questions were asked such as: Is every business has to register with the proprietor's tax office?

The results were as the Graphic 10 show below:



Graphic 10. Taxes and Legislation

It is clear that the level is acceptable compared to the level of financial literacy of investment in the previous. This it can be translated through the classification shown in the Table 8

Table 8.

axes and Legislation literacy score

Value	Meaning	Correct Answers	Correct Answers %
1	Poor	0-1	33.9%
2	Fair	2	31.6%
3	Good	3	28.6%
4	Excelent	4	5.8%

Through the Table 8, it can be seen that the level of financial literacy in this topic is poor while the majority (33.9%) correctly answered just 0-1 questions out of 4, 31.6% of the participant correctly answer 2 questions and the lowest ratios (28.6% and 5.8%) were the response rates of 3 and 4 correct answer.

4.6.1.6. Overall financial literacy:

In the study, the mean financial literacy level can be shownin the Table 9 below:

Table 9.

Descriptive Statistics of Overall financial literacy

	N	Range	Minimum	Maximum	Mean	Std. Deviation	Variance
Overall financial literacy	433	28	0	28	13,91	6,285	39,500
Valid N (listwise)	433						

While the total financial literacy was calculated by the sum of Basic Economics and Finance, Retail Banking, Retirement and Insurance, Investment and Taxes and Legislation financial literacy levels and presented in Table 10.

As the Table 10 shows, the total question is 30 questions. The same classification was used to measuring the overall financial literacy level, where the people who answered 0-7 correct answers were considered as poor, those who answered 8-15 correct answers were considered as fair, whereas the people who answered 16-22 correct answers were considered as good, while the people who correctly answer to 23-30 out of 30 was considered excellent.

Table 10.

Overal Financial Literacy

Value	Meaning	Correct Answers	Correct Answers %
1	Poor	0-7	16.9%
2	Fair	8-15	40%
3	Good	16-22	35.6%
4	Excelent	23-30	7.6%

Regarding the Table 10, the majority (40%) was correctly answered 8-15 out of 30 questions while 35,6% was correctly answered 16-30 out of 30 questions. So generally the participants had a fair to good knowledgeof financial concepts.

4.6.2. Financial literacy and the related factors:

4.6.2.1. The relationships between financial literacy and Age

H1.1: Age is significantly related to individual financial knowledge level.

On 2014 Klapper, Lusardi, and Oudheusden show that of major developed countries, the average of financial literacyincrease with age but after a certain age, the rate begins to decline. On average, 56 percent of people aged 35 or under are financially literate, while 63percent of people aged 35 to 50 yearsis less financially literate. Literacy rates are lower for adults older than 50 years, and rates are lower among those over the age of 65.

In this study through the Chi-Square test and the Correlation, there is a very clear significant and positive relationship between the level of literacy and gender as Table 11 shown below:

Table 11.

Correlations

		Age	Financial Literacy Score
Age	Pearson Correlation	1	-,367**
	Sig. (2-tailed)		,000
	N	433	433
Financial Literacy Score	Pearson Correlation	-,367**	1
	Sig. (2-tailed)	,000	
	N	433	433

**. Correlation is significant at the 0.01 level (2-tailed).

It is mean that when the person progresses in age becomes more literate about financial literacy. Thus, it can be said that maybe people become more interesting when with the time or maybe they get that information through the life experiences.

4.6.2.2. The relationships between financial literacy and gender

H1.2: Gender is significantly related to individual financial knowledge level.

There are significant differences in gender and age common between countries in financial knowledge. In terms of financial knowledge, women know less than men (Lusardi and S. Mitchell, 2011).

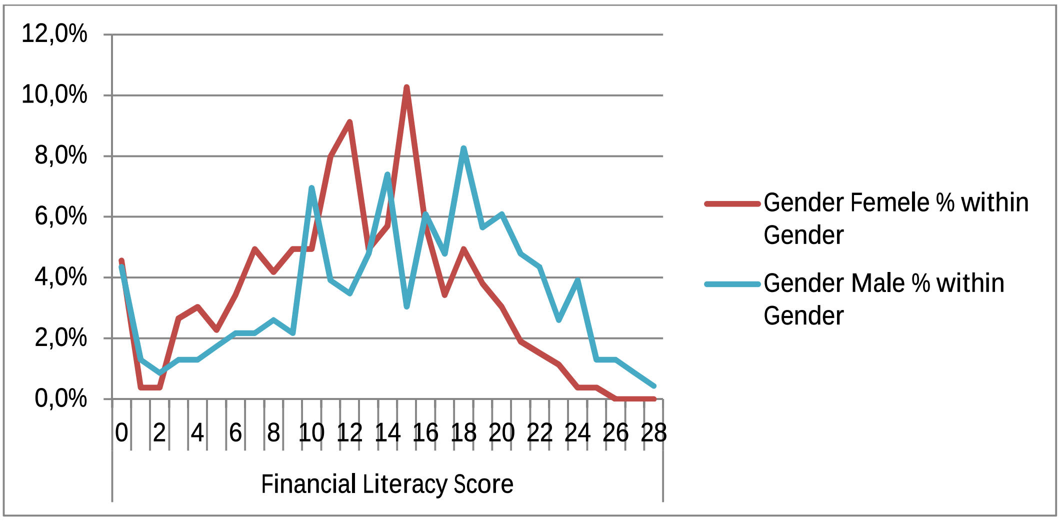
The Chi-Square test indicates that there is a very clear correlation between the level of literacy and gender, that is, men's literacy rates differ from those of women. As Table 12 show:

Table 12.

Chi-Square Tests 1

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	62,756[a]	28	,000
Likelihood Ratio	69,007	28	,000
Linear-by-Linear Association	22,108	1	,000
N of Valid Cases	433		

a. 19 cells (32,8%) have expected count less than 5. The minimum expected count is ,50.



Graphic 11. financial literacy and gender

Although women have the largest proportion in this questionnaire, the highest correct answer to financial questions has been taken by men. This leads to say that men are more interested in financial issues than women. This may be due to several other external factors.

4.6.2.3. Relationships between financial literacy and income

H1.3: Income is significantly related to individual financial knowledge level.

In this study and according to the Chi-Square Test, the income has an effect on the financial literacy while the Chi-Square P-Value is .000 witch sapote the H1.3 that say that the income is significantly related to individual financial knowledge level. As Table 13 show:

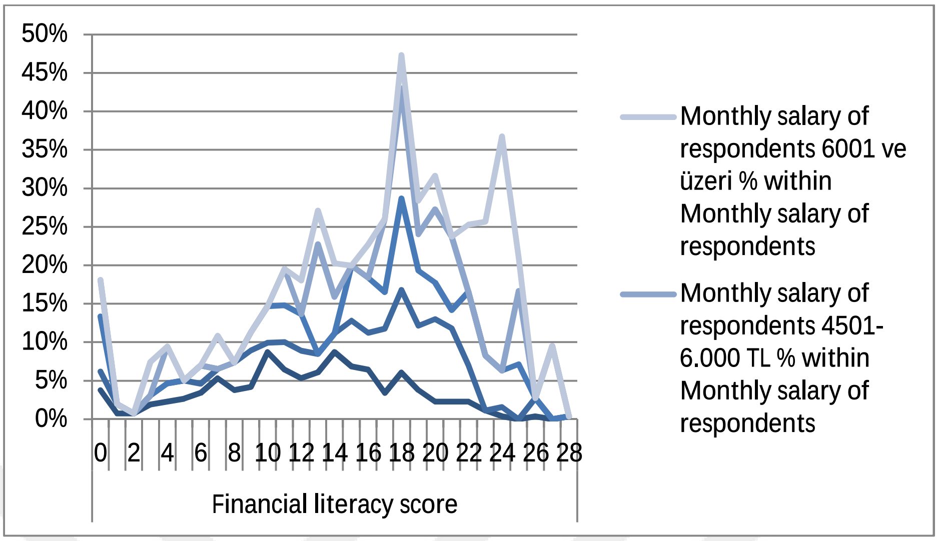
Table 13.

Chi-Square Tests 2

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	279,804[a]	112	,000
Likelihood Ratio	212,587	112	,000
Linear-by-Linear Association	51,753	1	,000
N of Valid Cases	433		

a. 119 cells (82,1%) have expected count less than 5. The minimum expected count is ,05.

By looking at the Graphic 12 below it can be seen that actually there is a positive relationship between the income and financial literacy level.



Graphic 12. Financial literacy and Income

It can be explained that the increase of the income leads people to think more about how to use or save this money and therefore more interested in the field of investment, which leads directly to increase the level of financial knowledge to them.

4.6.2.4. The relationships between the financial literacy and the level of education:

H1.4: Income is significantly related to individual financial knowledge level.

Education in this study is a categorical variable with four categories; Primary school education, high school, Bachelor, and Master's degree andas seenabove in the previous part. According to the Chi-Square Tests, there is no significant relationship between the level of education and the financial literacy.

Table 14.

Chi-Square Tests 3

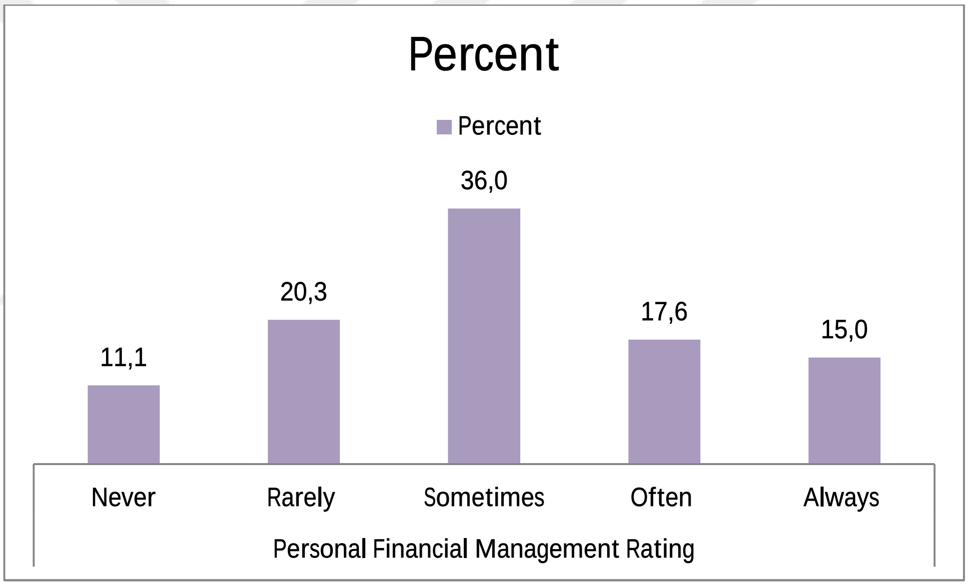
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	99,634[a]	84	,117
Likelihood Ratio	97,513	84	,149
Linear-by-Linear Association	3,102	1	,078
N of Valid Cases	433		

It can be saing that to be a liretate person it is doasnt mean that you are a financialy litereated.

4.6.2.5. Relationships between financial literacy and saving behavior

H2: Individual’s saving regularity is positively related to individual financial knowledge level.

Actually, in this study, the participant were asked about their saving regularity. The findings show that majority (36%) of the participants say that they just sometimes save. While 20.3% rarely saved and 17.6% others were often saved. 15% always saved and the lowest percentage (11.1%) was the percentage of those who said that they never save. As Graphic 13 below:



Graphic 13. Distribution of the Participants by saving regularity

In order to verify the hypothesis H3 that says individual’s saving regularity is positively related to individual financial knowledge level, the Chi-Square Test was used. The Chi-Square P-value= 0.264 as Table 15 show:

Table 15.

Chi-Square Tests 4

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	121,005[a]	112	,264
Likelihood Ratio	137,626	112	,050
Linear-by-Linear Association	,017	1	,897
N of Valid Cases	433		

a. 122 cells (84,1%) have expected count less than 5. The minimum expected count is ,11.

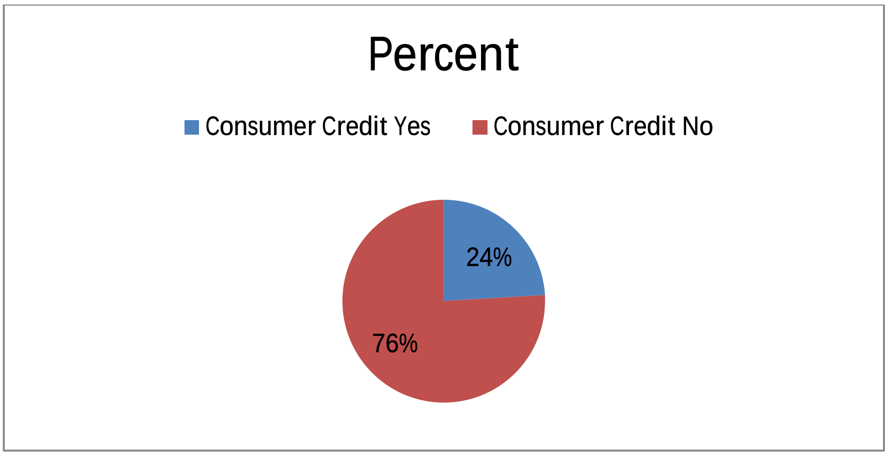
Which means that there are no relationships between saving behavior and financial literacy knowledge level so the **H2** rejected.

4.6.2.6. The relationship between financial literacy and individual financial decision

H3: Individual's financial literacy level is related to individual financial decisions.

4.6.2.6.1. Retail Banking literacy and Consumer Credit

In this study, the participant was asked if they have a Consumer Credit. The majority (76%) answered with no and 24% have Consumer Credit. The descriptive statistics were showing on the Graphic 14 as below:



Graphic 14. Distribution of the Participants by having Consumer Credit

Through the Chi-Square Test, the P-value= 0,196 there is no relationship between individual financial literacy level and individual financial decision:

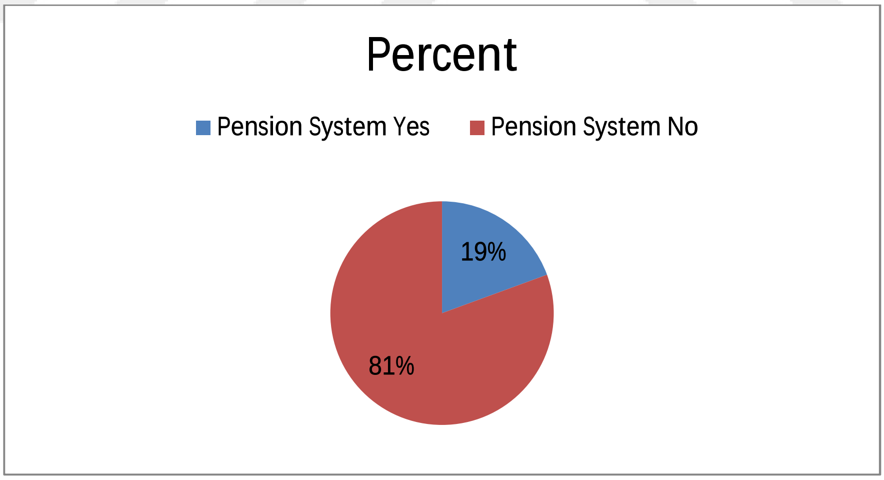
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8,625[a]	6	,196
Likelihood Ratio	9,005	6	,173
Linear-by-Linear Association	7,071	1	,008
N of Valid Cases	433		

a. 0 cells (,0%) have expected count less than 5. The minimum expected count is 5,52.

4.6.2.6.2. Relationships between financial literacy and pension system

In this study, the participant were asked about their Participation in the private pension system. The majority (81%) answered with no and 19%participated in this system. The descriptive statistics were showing on the Graphic 15 below:



Graphic 15. Distribution of the Participants by Participating in Pension System

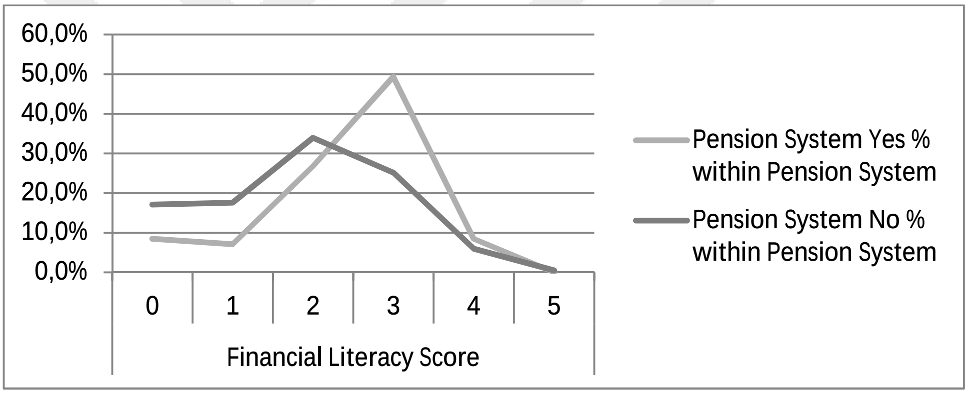
The Chi-Square Test was used here to understanding the relationships between financial literacy and the individual financial decision through the decision of participation in the private pension system.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	14,855[a]	5	,011
Likelihood Ratio	15,288	5	,009
Linear-by-Linear Association	9,049	1	,003
N of Valid Cases	433		

Actually, there is a significant relationship between financial literacy and the individual financial decision while The Chi-Square P-value= 0,011.

This relationshipis clearly showing in the Graphic 16 :

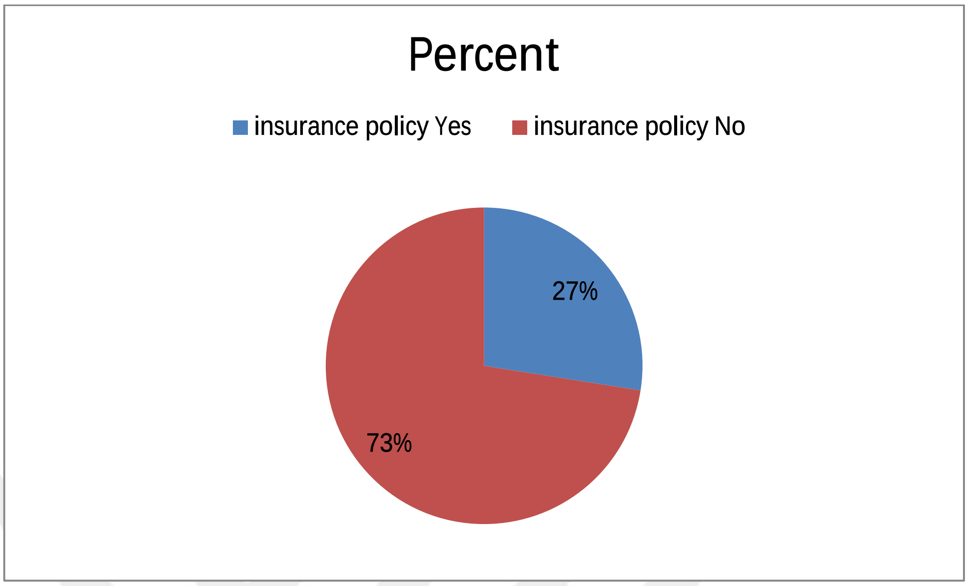


Graphic 16. Financial Literacy and Pension System

Through the Graphic 16, when the level of financial literacy higher, people getting more interested in participation in the private pension system. For example at the beginning of the Yes and No corps and when the level of financial literacy knowledge poor, it can see that the majority of responses do not participate in the participation in the private pension system, But when the level of financial literacy being higher, people start interesting on in participation in the private pension system and take a decision to participate in this system, that why in this part the majority was participant of the private pension system.

4.6.2.6.3. Relationships between financial literacy and insurance policy:

In this study, the participantswere asked about their participant on the insurance policy. The majority (73%) answered with no and 27% participate in this system. The descriptive statistics were showing on the graphic 17 as below:



Graphic 17. Distribution of the Participants by the participant on theinsurance policy

The Chi-Square Test was used here to understanding the relationships between financial literacy and the individual financial decision through the decision of participant on the insurance policy.

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8,861[a]	5	,115
Likelihood Ratio	9,397	5	,094
Linear-by-Linear Association	6,659	1	,010
N of Valid Cases	433		

a. 2 cells (16,7%) have expected count less than 5. The minimum expected count is ,55.

The test shows in that actually there is no relationship between both of the FL and participation on the insurance policy and the P-value was 0.115.

From this part it can be saing that there are no significant relationships between individual financial decision and financial literacy knowledge level so the **H3** rejected

CHAPTER V

FINDING AND CONCLUSION

5.1. Introduction

This chapter, the empirical chapter, summarizes and concludes the descriptive findings from the collected primary data from the previous chapter. The chapter begins by summarizing the findings of data analyses that chowing in the previous chapter, including thedescriptive analysis of the general characteristics of participants.

5.2. Summary of the Findings and Conclusion

This study identified how the individuals are literate about the different financial concept, how they can manage their funds in a reasionable way, whether they have any idea about the services that the banks offer and the way they can benefit from these services and the relationship between those knowledge and financial decisions.

The sample size in this study is 433 participants from Adana city. The majority (50.1%) of the participants were female while male represented 49.9% of the participants who took part in the study. The empirical results shows that generally the participants had a fair to good knowledge of financial concepts. While 40% was correctly answered 8-15 and 35,6% was correctly answered 16-30 out of 30 questions.

In this study, basic financial literacy, Retail Banking, Retirement and Insurance, and Investment topics have been relied upon in the context of financial literacy measurement. Generally, the participants had a fair to good knowledge of financial concepts. The Chi-Square Test and Correlation were used to understanding the relationships between financial literacy and the individual financial decision through three topics: Consumer Credit, Pension system, and Insurance policy, while found that there is a significant relationship between pension system and financial literacy while threr is no significant relationship between (Consumer Credit-Insurance policy) and financial literacy.

Our empirical results reveal that the major factors that have a relationship with financial literacy in Turkey are age, gender, income, individual financial decision. level of education and Saving behavior has not been found significant in explaining financial literacy. It can be saing that to be a liretate person it is doasnt mean that you are a financialy litereated.

5.3. Recommendations to Policy & Practice

This study found that generally women and the people who are not rich enough are most likely to be financially illiterate and should initially be targeted to improve financial literacy among the population.

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APPENDIX

Appendıx 1: QUESTIONNAIRE FORM (ENGLISH)

Personal Information

1. Gander: ( ) Female ( ) Male

2. What is your birth year? …………..

3. Your marital status: ( ) Married ( ) Single

4. Number of children: ( ) No ( ) 1 ( ) 2 ( ) 3 ( ) 4 and over

5. Education level: ( ) Primary education ( ) High school ( ) University ( ) Master and ebove

6. Job: ( ) students ( ) State officer( ) Private sector employee ( ) worker ( ) Own business ( ) Retired ( ) Not working

7. Do you have regular income?

   ( ) I have regular income ( ) I have irregular income ( ) I have no income

8. Your average monthly income level?

   ( ) Less than 1,500 TL ( ) 1.500 – 3.000 TL ( ) 3001-4500 TL ( ) 4501-6.000 TL ( ) 6.000 and over

9. Number of people living in your home:

   ( ) Live alone ( ) 2 ( ) 3 ( ) 4 ( ) 5 ( ) 6 and over

10. Number of employees at your home:

    ( ) 1 ( ) 2 ( ) 3 ( ) 4 ( ) 5 ( ) 6 and over

11. Total monthly income in your home ?

    ( ) Less than 1,500 TL ( ) 1.500 – 3.000 TL ( ) 3001-4500 TL ( ) 4501-6.000 TL (6.000 and over

12. Do you have a home? ( ) Yes ( ) No

13.Do you have a care? ( ) Yes ( ) No

14. How do you evaluate your family economic situation?

( )Not at all satisfactory ( ) not satisfactory ( ) neither satisfactory nor not ( ) Satisfying ( ) Very satisfying

15. Specify if you have insurance policy:

( ) Life insurance ( ) Health insurance ( ) Vehicle insurance ( ) Accident fire theft for your home or business ( ) Specify other …………………

16. Order your investment preferences from 1 to 6.

( ) Currency( ) Gold ( ) Deposit ( ) Real estate (house plot ....)( ) Stock market ( ) Specify other ……………………………

17.Do you follow the economy and finance agenda? ( ) Yes ( ) No

18. From which tools do you follow the economic and financial agenda, list from 1 to 6.

( ) TV ( ) Internet ( ) Telephone massages ( ) Newspaper ( ) Friends ( ) Specify other……….

19. Are you included in the private pension system? ( ) Yes ( ) No

20. Do you have insurance policy? ( )Yes ( ) No

21. Do you have consumer credit? ( ) Yes ( ) No

Please indicate the frequency with which to perform the following expressions.

	General Questions	Never	Rarely	Sometimes	Often	Always
22.	I can save money individually.					
23.	We can save money as a family.					
24	I keep my income and expenditure records individually.					
25.	Our parents keep their income and expenditure records.					
26	Use your banking services for your transactions to invest in payment.					
27.	In the last 12 months my income (salary, pension, earnings, scholarship etc) has been met by my expenses.					
28	Over the last 12 months, my family's income (salary, pension, earnings, scholarships, etc.) has been met by our parents.					
29	I follow economic and financial indicators (foreign exchange and gold prices, interest rates etc.)					
30.	In the past 12 months, I had to borrow again to pay my debts.					
31.	I get information from an expert when making a decision about borrowing or investment.					
32.	In important monetary decisions, we share the common opinion of our parents.					

33.	Inflation reduces the purchasing power of money.			
34.	inflation rate in Turkey is above 10%.			
35.	It is advantageous to borrow if inflation is high.			
36.	Only stocks are traded on the stock exchanges.			
37.	The name of the securities market in Turkey is Istanbul Stock Exchange.			
38.	Demand deposits account provides interest income.			
39.	The ounce is the measure of precious metals like gold.			
40.	The euro is worth more than the dollar.			
41.	If the monthly interest rate of the loan is 1%, the annual interest rate is more than 12%.			
42.	All banks operate with the same transaction fees.			
43.	Using a long-term loan is more costly than using a short-term loan.			
44.	IBAN is the international bank account number.			
45.	EFT is used to transfer money between accounts on the same bank.			
46.	Loan application can be made with the help of internet banking.			
47.	Stock trading can be done with the help of internet banking.			
48.	The age of the individual is an important role in determining the cost of car insurance.			

49.	SSI (Social Security Administration), health insurance is the affiliations of employees in Turkey.			
50.	65. The retirement age for everyone in Turkey.			
51.	The private pension system is a private pension system that is made up of monthly premium payments.			
52.	In order to qualify for retirement in the private pension system, it is necessary to pay contributions for 10 years.			
53.	Your equity is the difference between your total assets and your debts.			
54.	If you take the bonds of a company, you become a partner to that company.			
55.	When you invest in stocks, you earn interest.			
56.	A stock investment is a more risky investment type than a bond investment.			
57.	Currency is a savings tool.			
58.	Two investments with the same level of return are more risky than the B investment. Therefore, B should be selected from two investments.			
59.	KDV rate is applied as 18% for all products in Turkey.			
60.	Before establishing a new business, it is necessary to register with the Chamber of Industry and Commerce.			
61.	Every business has to register with the proprietor's tax office.			
62.	A "Tax Year" starts on January 1 and ends on December 31.			

Appendıx 2: QUESTIONNAIRE FORM (TURKISH)

Kişisel Bilgiler

1. Cinsiyetiniz : ( ) Kadin ( ) Erkek
2. Doğum yılınız nedir ? …………..
3. Medeni durumunuz : ( ) Evli ( ) Bekar
4. Çocuk sayısı : ( )Yok ( ) 1 ( ) 2 ( ) 3 ( ) 4 ve üzeri
5. Eğitim seviyeniz : ( ) İlköğretim ( ) Lise ( ) ünivesite ( ) yüksek lisans ve üzeri
6. İş sınıfına göre hangi çalışanlar grubu olarak kendinizi tanıtıyorsunuz? ( ) öğrenc ( ) Devlet memuru
( ) Özel sektör çalışanı ( ) işçi ( ) Kendi işimi yapıyorum ( ) Emekli ( ) Çalışmıyor
7. Düzenli geliriniz var mı?
( ) Düzenli gelirim var ( ) Düzensiz gelirim var ( ) Hiç gelirim yok
8. Ortalama Aylık gelir düzeyiniz nedir?
( ) 1.500 TL'dan az ( ) 1.500 – 3.000 TL ( ) 3001-4500 TL ( ) 4501-6.000 TL ( ) 6.000 ve üzeri
9. Siz ve aile üyeleriniz dahil olmak üzere evinizde kaç kişi yaşıyor?
( ) Yalnız yaşıyorum ( ) 2 ( ) 3 ( ) 4 ( ) 5 ( ) 6 ve üzeri
10. Ailede geliri olan kişi sayısı nedir?
( ) 1 ( ) 2 ( ) 3 ( ) 4 ( ) 5 ( ) 6 ve üzeri
11. Ailenizin toplam gelir düzeyi nedir ?
( ) 1.500 TL'dan az ( ) 1.500 – 3.000 TL ( ) 3001-4500 TL ( ) 4501-6.000 TL ( ) 6.000 ve üzeri
12. Eviniz var mı? ( ) Evet ( ) Hayır
13.Otomobiliniz var mı? ( ) Evet ( ) Hayır
14. Ailenizdeki maddi durumu nasıl değerlendiriyorsunuz?
( )Hiç tatmin edici değil ( ) tamin edici değil ( ) ne tatmin edici ne de değil ( ) tatmin edici ( ) Çok tatmin edici

15. Sigorta poliçeniz varsa belirtiniz :

( ) Hayat sigortası ( ) Sağlık Sigortası ( ) Araç (kasko) Sigortası ( ) Eviniz veya işyeriniz için kaza yangın hırsızlık v.b ( ) Diğer belirtiniz…………………

16. Yatırım tercihlerinizi 1'den 6'ya kadar sıralayınız.

( ) Döviz ( ) Altın ( ) Mevduat ( ) Gayrimenkul (ev arsa….) ( ) Borsa

( ) Diğer belirtiniz……………………………

17.Ekonomi ve finans gündemini takip eder misiniz? ( ) Evet ( ) Hayir

18. Ekonomi ve finans gündemini hangi araçlardan takip ediyorsunuz, 1'den 6'ya kadar sıralayınız.

( ) TV ( ) İnternet ( ) Cep tlf.mesajları ( ) Gazete ( ) Arkadaş, eş-dost görüşeleri

( ) Diğer (belirtiniz)……….

19. Bireysel emeklilik sistemine dahil misiniz? ( ) Evet ( ) Hayır

20. Sigorta poliçeniz var mı ? ( ) Evet ( ) Hayır

21. Tüketici krediniz var mı? ( ) Evet ( ) Hayır

Aşağıda yer alan ifadelere ilşkin gerçekleştirme sıklığınızı belirtiniz.

	Genel Sorular	Hic bir zaman	Nadiren	Bazen	Çok sık	Her zaman
22.	Bireysel olarak tasarruf edebilirim.					
23.	Aile olarak tasarruf edebiliriz.					
24	Bireysel olarak gelir ve harcama kayıtlarımı tutarım.					
25.	Ailemiz gelir ve harcama kayıtlarını tutar.					
26	Ödeme yatırım v.b işlemleriniz için banka hizmetlerini kullanırım.					
27.	Son 12 ay içinde gelirim (maaş, emeklilik, kazanç, burs vs) harcamalarımı karşıladı.					
28	Son 12 ay içinde ailemizin geliri (maaş, emeklilik, kazanç, burs vs)ailemizin harcamalarımızı karşıladı.					
29	Ekonomi ve finans göstergelerini (döviz ve altın fiyatları, faiz oranları v.b) takip ederim					
30.	Son 12 ay içinde borçlarımı ödemek için tekrar borç almak zorunda kaldım.					
31.	Borçlanma veya yatırım kararı verirken bir uzmandan bilgi alırım.					
32.	Önemli parasal kararlarda ailemizin ortak fikri alınır.					
3.3.	Enflasyon paranın satın alma gücünü azaltır.					
34.	Türkiye'de enflasyon oranları %10'un üstündedir.					

35.	Enflasyon yüksekse borçlanmak avantajlıdır.			
36.	Borsalarda sadece hisse senedi alım-satımı yapılmaktadır.			
37.	Türkiye'deki menkul kıymetler borsasının adı Borsa İstanbul'dur.			
38.	Vadesiz mevduat hesabı faiz kazancı sağlar.			
39.	Ons, altın gibi kıymetli madenlerin ölçü birimidir.			
40.	Euro dolardan daha değerlidir.			
41.	Kredinin aylık faizi %1 ise yıllık faizi %12'den fazladır.			
42.	Tüm bankalar aynı işlem ücretleri ile çalışırlar.			
43.	Uzun vadeli kredi kullanmak kısa vadeli kredi kullanmaktan daha maliyetlidir.			
44.	IBAN, uluslararası banka hesap numarasıdır.			
45.	EFT, aynı bankadaki hesaplar arasında para transferi yapmak için kullanılır.			
46.	İnternet bankacılığı yardımıyla kredi başvurusu yapılabilmektedir.			
47.	İnternet bankacılığı yardımıyla hisse senedi alım satım işlemleri yapılabilmektedir.			
48.	Bireyin yaşı, araç kasko bedelinin belirlenmesinde önemli bir rol faktördür.			
49.	SGK (Sosyal Güvenlik Kurumu), Türkiye'de çalışanların bağlı oldukları sağlık güvencesi kurumudur.			

50.	Türkiye'de emeklilik yaşı herkes için 65'tir.			
51.	Bireysel emeklilik sistemi, aylık prim ödemeleri yapılan özel bir emeklilik sistemidir.			
52.	Bireysel emeklilik sisteminde emekliliğe hak kazanmak için 10 yıl süreyle katkı payi ödemesi yapmak gerekmektedir.			
53.	Öz sermayeniz, toplam varlıklarınızla borçlarınız arasındaki farktır.			
54.	Bir şirketin tahvilini alırsanız o şirkete ortak olmuş olursunuz.			
55.	Hisse senetlerine yatırım yaptığınızda faiz kazancı elde edersiniz.			
56.	Hisse senedi yatırımı tahvil yatırımına kıyasla daha riskli bir yatırım türüdür.			
57.	Döviz, bir tasarruf aracıdır.			
58.	Getiri düzeyleri aynı olan iki yatırımdan A yatırımı B yatırımından daha risklidir. Dolayısıyla iki yatırımı arasından B seçilmelidir.			
59.	Türkiye’de KDV oranı bütün ürünlerde %18 olarak uygulanmaktadır.			
60.	Yeni bir iş kurmadan önce Sanayi ve Ticaret Odası'na kayıt yaptırmak gerekmektedir.			
61.	Her işyeri sahibi vergi dairesine kayıt yaptırmak zorundadır.			
62.	Bir "Vergi Yılı" 1 Ocak'ta başlayıp, 31 Aralık'ta sona erer.			

CURRICULUM VITAE

She was born on 02.05.1991 in Mauritania. She studied until the high school in Zouerate until she got a high school diploma in 2009. From 2009 to 2012 she moved to the capital of Mauritania (Nouakchott) to study during that period the economics in the Faculty of Law and Economics. In 2014 she received a scholarship to study at the Çukurova University in Adana in Business Administration.