



STUDENT'S PERCEPTION TOWARDS FINANCIAL LITERACY – A STUDY WITH SPECIAL REFERENCE TO DEGREE STUDENTS OF SDM COLLEGE UJIRE

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Abstract:

Today students are future pillars of our nation. When they start their own careers and plan for savings and investments they should have adequate knowledge about savings and investments. To inculcate the habits of savings it is very essential for every students to know and understand how financial investments are and what benefits they can receive by parking their own funds and also the funds received from parents in the form of gifts, pocket money etc. due to changing conditions in employment markets and also getting adapted with present trends students learn as well as earn. Funds earned must get stable returns. Hence it is important to understand financial investments and banking so as to make our students financially responsible for their own growth as fast as possible.

Index Terms: Pillars, Careers, Inculcate, Stable & Adapted

1. Introduction:

In the earlier days students started earning at the age of 25 years and above and took long time to settle down in their lives. Where as in the present day set up due to the advent of technology, faster changing trends, generation and knowledge gap. Students have a strong passion to take up employment faster and to start their own earnings. Many of them take up part time employments by working in every evening or work at every week ends or there are also students working at night shift too to fulfill their own dreams and desires and also to meet the expectations of the employer. Here they get paid for their service and hence they will become earning members. Money that is earned should be parked in a place (financial institution/ Bank) when it grows and earn returns. These returns should continue for long term. For this purpose students should invest regularly and carry on with their transactions. It is very much important for banking to make them financially literate so that they understand the financial products well and start investing as the same. Today the most possible financial products available for students to start their investments are the following

Savings Accounts:

This inculcates and encourages the habits of savings of the money which would be unnecessarily spent otherwise. If students park their funds in SB accounts and do it at regular intervals, wait till it becomes sub stained amount and then give instructions to bank to automatically convert the major portion into fixed deposits (sweep instruction) their money grows at higher rate of returns.

Pigmy Deposits:

Small deposits are also gaining momentum now a day as it goes with a saying that, little drops of water make mighty ocean. Today's savings can become tomorrow's capital & over a period of time it can become a stronger wealth. Hence the rule is start savings from smaller age & invest regularly. Pigmy deposits peculiarity is that it provides doorstep service for the depositor from time to time. It also ensures timely growth of funds.

Piggy Banks:

There are small amounts accumulated in the form of savings from the money given by the parents to the students as pocket money. There may also be instances where students get money for spending from their nearest & dearest ones during the occasions of fairs, exhibitions, auspicious days etc. from relatives, elders & others which can be built as a strong savings. This can be used in future days suppose if any emergent situation arises or can be deposited in the bank after a substantial amount is made. This inculcates the habit of regular savings among student youths.

2. Benefits of Financial Literacies to Students:

Financial literacy should start from smaller levels when students start investing with smaller amounts but it must continue regularly. It should provide better returns in the future and investments must result in further investments, hence following benefits are considerable.

- ✓ Regular savings can take place
- ✓ It helps in putting strong brakes on extravagant spending
- ✓ Economic development can take place with a reasonable period of time.
- ✓ Helps students to become financially responsible at smaller ages itself. Hence they can inculcate financial discipline.
- ✓ Financial literacy in a long run will help students in becoming independent in their professions. This will help them not to pester their parents for each and every thing.

3. Research Methodology:

This study is undertaken with an institution of studying and understanding perception of degree students in the sense of understanding financial literacy. Presently students use even technology based banking services also. But it should be in deeper sense used with clear understanding of inculcating better financial discipline among student community, especially among degree students. Here the targeted populations chosen for the study are degree students studying at SDM College (Autonomous) Ujire. As degree students is a must for starting a career and at degree students can very well decide their futures. Secondly a rural area is chosen as financial and investment options are limited in these areas. Targeted sample size taken is 50 respondents from respective degree courses to pursue the study. Type of sampling used for the study is convenient sampling. Geography targeted in the study fall in rural area of D.K district. Primary data is collected from the questionnaire given to the respondents and the secondary data is collected from books, journals and related websites. The collected data is then tabulated and analyzed using suitable tools.

Objectives of study:

- ✓ To identify the passion for financial literacy among student youths.
- ✓ To analyze the expectations of students on financial literacy.
- ✓ To study the perception & satisfaction levels of students on financial literacy.
- ✓ To give findings based on the suggestions of study.

4. Scope of the Study:

This study has relevance in identifying the savings and investment habits of students. Students very often start savings by the virtue of influence of friends, parents, relatives and by observing others. This study can help us in knowing about students' knowledge on financial investments and banking. Banking products today have become very convenient due to the boon of growing technology. This also makes students knowledgeable on innovative financial instruments.

If they start understanding financial investments and practice the same at their early ages, they can stay as independent and professional persons throughout in their careers. This message will also spread around among student communities and they can also make others to practice the same.

5. Scope for Higher Research:

This study has covered only degree students of one of the esteemed autonomous colleges coming under the affiliation of Mangalore University. It is possible to undertake higher research in the same or related area by taking either different type of population or a wider geography. A study of different colleges can be made.

6. Limitations of the Study:

The study observes the following limitations:

- ✓ This study is undertaken at rural area of D.K district.
- ✓ Targeted audiences taken are degree students.
- ✓ Only 50 respondents are considered.
- ✓ This study is made for one month duration only.
- ✓ It is impossible to come across with bias responses.

7. Data Analysis and Results:

Table 1: Age of the Respondents

Age in Years	Number of Respondents	Percentage (%)
18 - 20	08	16
21 - 22	24	48
Above 22	18	36
Total	50	100

Table 2: Gender of Respondents

Gender	Number of Respondents	Percentage (%)
Male	32	64
Female	18	36
Total	50	100

Table 3: Source of Income

Source	Number of Respondents	Percentage (%)
Own earning	18	36
Pocket money	30	60
Gifts	02	04
Total	50	100

Table 4: Course which Respondents Study

Course	Number of Respondents	Percentage (%)
B.A	10	20
B.Com	10	20
B.Sc.	10	20
BBM	10	20
BCA	10	20
Total	50	100

Table 5: Source of Recommendation for Savings

Source	Number of Respondents	Percentage (%)
Friends	08	16
Parents	30	60
Relatives	10	20
Others	02	04
Total	50	100

Table 6: Source of information on financial literacy

Source	Number of Respondents	Percentage (%)
Bank employees	18	36

Bank executives	04	08
Internet	28	56
Total	50	100

Table 7: Purpose of Savings

Purpose	Number of Respondents	Percentage (%)
Higher education	19	38
Future business	06	12
Manage expenses	20	40
Emergency	05	10
Total	50	100

Table 8: Approximate amount of savings per month

Age in Years	Number of Respondents	Percentage (%)
Up to 1000	12	24
1001 - 2000	30	60
Above 2000	08	16
Total	50	100

Table 9: Recommendation of financial literacy to others

Recommendation	Number of Respondents	Percentage (%)
Yes	48	96
No	02	04
Total	50	100

8. Findings of the Study:

Findings of the study are given based on the analysis of the study & these are given as follows:

- ✓ It is found from the study that majority (48%) of the respondents are in the category of age group of 21-22 years (Table 1).
- ✓ 64% of the respondents taken in this study are males (Table2).
- ✓ 60% of the respondents save money to be invested from the pocket money given by their parents (Table3).
- ✓ Respondents studying all five major courses (Bcom, BBM, Bsc, and BCA and BA) are taken in equal numbers & amount to twenty percent (Table 4).
- ✓ 60% of the respondents say that their parents are the source of inspiration for them & recommend them for investments & savings (Table5).
- ✓ 56% of the respondents are aware of financial literacy from internet (Table6).
- ✓ Majority of the respondents save to manage their own expenses & also for their higher studies (Table7).
- ✓ 60% (Majority) of the respondents save in the bracket of average 1001/- to 2000/- out of their earnings (Table8).
- ✓ 96% of the respondents are ready to recommend financial literacy to others for their financial growth also (Table9).

9. Suggestions:

The following suggestions are worth Implementing. These are as follows.

- ✓ It is essential to spread awareness on financial literacy from the college level itself & ideas should be given to regularize them.
- ✓ Bank staff should give ideas to the students to inculcate financial discipline so that they practice the same in their lives.
- ✓ Experts should guide the students & if they start from the smaller levels it will be easier in the higher levels.
- ✓ Benefits of savings have to be clearly told to the students from their parents from their child hood this will later turn into investments.

10. Conclusion:

Students have limited income as well as responsibilities as long as they are in colleges & they have very vast sources from where the information can be taken & their knowledge can be updated. It is important that students are taught in detail the relevance & importance of financial literacy with live examples across the country as well as from abroad so that there will be significant improvement in their living styles as well as their living. They can turn prosperous & can show remarkable growth in their professions in later part of their lives.

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