Research Article

An Analysis of Financial Knowledge of the Students in the Faculty of Social Sciences and the Faculty of Arts of the State Universities in Sri Lanka

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Abstract

Financial literacy is a significant factor affecting the country's financial well-being and financial stability. The financial literacy rate is lower in Sri Lanka than the print literacy rate. Financial knowledge has an important relationship with the other two main branches of financial literacy: financial attitudes and financial behaviour. This study analyzed the level of financial knowledge and the main factors that enhance university students' financial knowledge. Primary data are collected from 464 university students in five state universities in Sri Lanka. The sample consisted of fourth-year students of the Faculty of Arts and the Faculty of Social Sciences. The Probit model was used to identify the main factors affecting financial knowledge. The financial knowledge of each student was measured by asking three standard questions that measure the knowledge of basic financial concepts. According to the results, the financial knowledge of university students is low. The study revealed that the financial knowledge of female students is low compared to male students. The results indicated that finance-related subjects such as Economics, Mathematics, and Finance positively impact financial knowledge. Extra readings and other professional courses related to finance also have a positive impact on financial knowledge. Therefore, it can be recommended to make some national-level strategies to enhance the financial knowledge of the young generation by adding subjects related to basic financial concepts to the university and school curricula.

Keywords: Determinants of financial knowledge, Financial knowledge, Financial literacy, Probit Model, University Students, Sri Lanka
JEL codes: G40 , G41, I23

Introduction

Financial literacy is an important concept in the current economic development with the increasing diversification of financial products. Financial literacy affects the financial well-being of people individually and ultimately affects economic development. Financial literacy consists of three parts; financial knowledge, financial attitudes, and financial behaviour. Financial knowledge can be explained as knowledge of the key financial concepts and the ability to use this knowledge for sound financial decision-making. Financial attitudes mean peoples' willingness to use different financial products, afford risks, and differentiate their finances within short and long-term needs. Financial behaviour is another important aspect of financial literacy. It consists of planning daily life, planning for old age, and planning financial security over time. Financial literacy can be explained as the ability to combine financial knowledge, attitudes, and behaviour to make sound financial decisions to achieve individual and country's financial well-being. Financial knowledge is an integral part of financial literacy since it boosts financial literacy (Lusardi and Mitchell, 2007, 2014; Lurardhi and Scheresberg, 2013; Moor, 2003).

The print literacy rate in Sri Lanka is very high compared to other countries in the South Asian region. The average print literacy rate of Sri Lanka was 92.5 per cent in 2017, while the male print literacy rate is 93.4 per cent and the female print literacy rate is 91.6 per cent (Central Bank Of Sri Lanka, 2020). However, despite the high print literacy rate, adults' financial literacy rate in Sri Lanka was 57.9 per cent in 2021, reflecting a big gap between these two literacy rates (CBSL, 2021). The big gap between these two literacy rates highlights the importance of developing financial knowledge, one of the core parts of financial literacy, to achieve a higher financial literacy rate. Further, it can be seen gender gap in the financial literacy rate also. The female financial literacy rate is 55.2 per cent, and the male financial literacy rate is 61.5 per cent in Sri Lanka (CBSL, 2021). Poor financial literacy affects not only decision-makers but also their families and the future of their children. Ultimately it ends with increasing poverty and instability in the financial sector. Therefore, improving the three main branches of financial literacy is very important. Financial knowledge is a particular part of financial literacy since it can be enhanced at a young age and directly impacts financial attitudes and behaviour. Improving the financial knowledge of the young generation is essential since the young generation directly or indirectly plays a vital role in economic development in the future.

Governments of many countries, including Sri Lanka, have paid attention to improving the financial knowledge of the population to increase personal well-being and countries' financial stability. Lusardhi and Mitchell (2011) have recognized that financial knowledge has an inverted U shape pattern showing minimum financial knowledge in young and old age groups. They further emphasized that financial knowledge is optimized in the middle-aged. However, financial knowledge should be improved at a young age to achieve a better financial literacy level. Then young can wisely use it when they actively participate in economic activities. There is a strong link between financial education and financial literacy of young people aged between 18 years to 25 years old (Sharma, 2004). It is worthwhile to teach fundamental financial concepts to students since it positively affects financial literacy and financial decision-making (Cordero, 2019; Wann, 2017). Davidson (2006) indicates that financial training should begin at high school, and it can be expanded in a comprehensive way at the college level. Further, Arofah et al., 2018; Sabri et al., 2021 and Urban et al., 2015 also indicated that a high level of financial literacy highly supports maintaining good financial behavior. Financial knowledge about fundamental financial concepts such as interest rate, inflation, credit score, budgeting, and loan default is low among most engineering students (Thomasa and Subhashreeb, 2020). The current education system mainly affects young people's low level of financial knowledge. Therefore, it is worthwhile to analyze the financial knowledge of university students since they are the immediate generation who actively participate in financial decision-making. The main research problem of this study is what are the factors that influence the financial knowledge of university students. Hence, the objectives of this study are to calculate the financial knowledge of university students, determine the factors that affect the financial knowledge of university students, and examine the students' expectations for improving their financial knowledge.

The remainder of this article is structured as follows. The second section reviews the empirical literature on the financial knowledge and financial literacy of students. The third section presents the methodology that used to measure the financial knowledge of university students and factors that affect to financial knowledge of university students while the fourth section summarizes empirical findings and discussion based on the empirical findings. The last section presents the conclusions of the study and policy implications based on the empirical findings.

Literature review

Many researchers have analyzed the financial literacy of people from different perspectives. Some researchers have analyzed the financial literacy of university students, including financial knowledge. Altinats (2011) has analyzed the financial literacy level and factors that influence the financial literacy of Turkish university students. The findings of this study indicated that university students do not have enough financial knowledge to make sound financial decisions. Sarigula (2014) investigated the level of financial literacy of university students using 1127 university students from three universities. This study has found a significant relationship between financial literacy level and students' characteristics.

Luksander et al. (2014) have examined the factors influencing the financial literacy of young people studying in higher education. The research strongly recommended increasing knowledge on subjects such as Finance and Economics. Further, researchers indicate the importance of introducing programs for higher education institutions correlated with financial matters.

Other researchers have highlighted the importance of enhancing financial knowledge among university students. Lusardi and Mitchell (2014) have concluded that increasing financial knowledge at a young age is essential to gaining sound financial decision-makers later. Byrne and

Utkus (2013), have emphasized that a lack of financial knowledge causes wrong financial decision-making. Bhushan and Medury (2013), have indicated that education and income are positively related to financial literacy. Hilgert et al. (2003) have highlighted that financial knowledge positively correlated with financial behaviour. Nguyen and Thao (2015) have observed a significant statistical relationship between financial knowledge and financial management behaviour. Borden et al. (2008) have pointed out that students with a high level of initial financial knowledge have sound financial behaviour in the future by analyzing the relationship between financial knowledge and financial behaviour. Hilgert et al. (2003) have noted a significant relationship between financial knowledge and credit management. Nano and Cani (2016) have pointed out that the financial knowledge of the students who studied finance or money management subjects is higher than those who did not follow such subjects. Albeerdy and Gharleghi (2015) have examined the impact of financial education on financial literacy using Malaysian university students. They found that education has a significant positive impact on financial literacy.

Apart from these researchers, Borodich et al. (2010) and Chen and Volpe (1998) have studied the financial literacy and financial knowledge of university students. They indicated that financial education has a significant positive impact on increasing financial knowledge and financial literacy. Lusardi and Mitchell, (2011) have recommended including finance-related subjects in every discipline of the university curriculum.

Ergin (2017) has examined the financial literacy level and the relationship between demographic factors and financial knowledge of the students at universities in Estonia, Germany, Italy, Netherlands, Poland, Romania, the Russian Federation, and Turkey. The results indicate a medium level of financial literacy level among university students. Further, the study revealed that finance-related subjects, education level, ownership of the house, parents' income, and discussion of financial matters with peers positively affect financial knowledge. The study has suggested including more finance-related courses in the university curriculum to enhance financial knowledge.

Sarabando (2023), have examined the basic financial knowledge of Portugal students who enrolled in polytechnic college for the first time using 296 students as a sample. The results indicate that the students enrolled in business-related courses have a higher level of financial literacy than students enrolled in non-business-related courses even though the level is not much high compared to general.

Thomasa and Subhashreeb, (2020) have determined the factors that influence the financial knowledge of engineering undergraduate students. According to the study, financial knowledge, financial attitudes, family influence, and peer-group pressure mainly affect the financial literacy of the students. The study recommended formulating a long-term plan for improving financial literacy. Hence, it is worthwhile to determine the factors that affect the financial knowledge of university students according to different faculty levels since the curriculums are different.

Priyadharshani and Kumari (2021), have examined the factors that affect the personal financial literacy of the final year undergraduate students at the University of Kelaniya, Sri Lanka. The results indicated that the faculty, relevant course, work experience, and monthly money receiving are the main determinants of personal financial literacy. However, they did not pay attention to finding out the factors that affect financial knowledge which is the main driving force of financial literacy.

De Silva and Lasantha, (2019) have examined the impact of financial literacy and risk aversion on investment decision-making using information collected from 200 undergraduate students at the University of Kelaniya. They found that financial literacy highly influences investment decision-making. The study highlighted the importance of improving financial literacy so that people expand their investment decisions beyond traditional saving methods.

Kumari D.A.T., (2020) analyzed the impact of the financial literacy of undergraduate students on investment decisions using 200 undergraduate students in four state universities in the western province. This study has used accessibility of financial products, money management, knowledge about financial investment options, and financial skill to determine financial literacy. The results of the research revealed that there is a significant impact of financial literacy on investment decisions. This research suggests taking necessary action to increase the financial knowledge of the undergraduate to boost investment decision-making. However, this study did not examine the factors that affect the financial knowledge of undergraduate students. Without having a good understanding of factors that influence the financial knowledge of undergraduate students, it is difficult to enhance the financial knowledge of this specific group. This study highlights the existing research gap in this field in relation to the objective of the current study. Further, it is necessary to increase the financial skills of students in the present world since financial products and financial markets are rapidly developing (Lusardi, 2019).

Therefore, the main objective of this study fulfills one side of this existing gap in the field of financial literacy by analyzing the financial knowledge of university students in the faculty of social sciences and the faculty of Arts. The findings of this study contribute new information to the literature on financial literacy in Sri Lanka.

Research Methodology

Primary data are mainly used to analyze the objectives of this study. The sample was selected using multiple techniques. The universities are selected using convenience sampling methods. The faculty and year of study were selected using purposive sampling techniques according to the objectives of this study. Accordingly, the faculty of Social Sciences and Arts and final-year students who specialized in any subjects were selected. Final-year students have all most completed their studies. By selecting the final year students, it can be better captured the financial knowledge of students in the faculty of social sciences and Arts. The respondents were selected using random sampling techniques. Initially, five hundred students were selected according to the sample size selection rule of Roscoe 1975 (Roscoe, 1975). However, because of incomplete details, 36 respondents were removed. The data were collected using a structured questionnaire. Three questions were used to measure the financial knowledge of the responders. These three questions are known as the 'Big Three' financial literacy questions. It is initially designed by Lusardi and Mitchell. Many researchers around the world, including them (Lusardi and Mitchell, (2011a); Lusardi and Mitchell, (2011b); Bahovec et al., (2015)) used these three questions to measure financial knowledge of different samples at the global level. Those questions are

- Suppose you had \$100 in a savings account, and the interest rate was 2% per year. After five years, how much do you think you would have in the account if you left the money to grow? More than \$102, Exactly \$102, Less than \$102.
- Imagine that the interest rate on your savings account was 1% per year, and inflation was 2% per year. After one year, how much would you be able to buy with the money in this account? More than today, Exactly the same, Less than today.
- Do you think that the following statement is true or false? "Buying a single company's stock usually provides a safer return than a stock mutual fund."

These three questions cover the fundamental concepts of finance that need to make a sound financial decision. Those questions measure the knowledge of the interest rate, the calculation of compounding interest rate, the relationship between interest rate and inflation, the present value of money, and knowledge of risk diversification.

Financial knowledge was calculated according to the responses to the above questions. The level of financial knowledge was categorized as follows.

- High level of financial knowledge- Respondents correctly answered all questions.
- Low level of financial Knowledge- Respondents did not correctly answer at least one question.

The Probit model was selected to examine factors affecting financial knowledge since the dependent variable is binary. If responders correctly answered all questions, their financial knowledge is assumed to be high. Otherwise, it is assumed that their financial knowledge is low. The explanatory variables were formulated after reviewing the literature and considering the special characteristics of the university system in Sri Lanka and the curriculum of the secondary school and the university.

The estimated regression model is as follows

$$Y=\alpha+\beta1X1+\beta2X2+\beta3X3+\beta4X4+\beta4X5+\beta6X6+\beta7X7+Ui$$

Variables are defined as follows

Dependent variable Y
1-Correctly answered all three questions that measure financial knowledge
0-Otherwise

Independent variables
X_1- Subjects studied or /are studying for the undergraduate program
1 – Include at least one of these subjects (Economics, Mathematics, Finance)
0-Otherwise

X_2- Subjects studied for Advance Level
1 - Include Economics and /or Finance
0 - Otherwise

X_3- Gender
1 - Male
0 - Otherwise

X_4- Employment status
1 - Employed
0 - Otherwise
X_5- Other courses followed/ or following related to Economics and Finance
1 - Yes
0 - Otherwise

X_6- Family background
1 - The family has a business-related background
0 - Otherwise

X_7- Extra reading
1 - Extra reading related to Economics and Finance
0 - Otherwise

The opinions of the students regarding the improvement of financial knowledge were also collected by providing several statements, as mentioned below. Respondents have provided multiple choices.

- Introduction of subjects that correlated with financial knowledge as compulsory non-credit courses for all the students in the Faculty of Arts and Social Sciences
- Diversify the subject selection procedure so as to select any subjects which have personal and social benefits in the future.
- Revise the curriculum so that all students are able to follow finance-related subjects in the first year as non-credit subjects.
- Conduct a special lecture series to increase financial knowledge.
- Diversify the university curriculum and the Advanced Level curriculum.
- Include more practical lessons with the theoretical part.
- Conduct seminars with top-level financial institutes such as the Central Bank, Stock Market, Department of Inland Revenue, and other finance and accounts bodies.

Results and Discussion

Basic Information of the Sample

To determine the level of financial knowledge and the factors affecting the financial knowledge of university students, a survey was conducted among 464 fourth-year undergraduate students.

Out of the total sample, 60 per cent are female students, and 40 per cent are male students. It is common to have more female students than male students in the Faculty of Arts and Social Sciences of state universities in Sri Lanka. The main reason is most male students prefer science, engineering, or commerce scheme subjects for Advanced Level rather than Arts subjects.

According to the university curriculum, students can select any subjects that offer their faculty in the first year and select one subject to specialize in the second year on words. However, in some universities, it is compulsory to follow subjects such as

Mathematics, English, Logic, etc., in the first year. Some universities offer non-credit courses from the first year onward. The following table summarizes the percentage of students who have learned or are currently learning Economics, Mathematics, Finance, or related subjects for their degree program. Those subjects comprised basic to advanced financial concepts.

Table 01: Percentage of Students who Study Finance-Related Subjects at the Undergraduate Level

Subjects	Percentage of Students
Economics, Mathematics, Finance	27
Economics only	18
Mathematics only	20
Finance or related subjects only	0
Economics and Mathematics	22
Economics and Finance only	0
Mathematics and Finance only	0
None of these subjects	13

Source: Compiled by the author based on the survey results

The statistics show that out of the total sample, 27 per cent of students have learned or are currently learning Economics, Mathematics, and Finance, which causes to increase in financial knowledge. Especially the students who specialize in Economics as their major have studied all these three subjects. Out of the total sample, 18 per cent of students are knowledgeable only about Economics since they have studied Economics only in the first year. The survey statistics indicate that 22 per cent of students have studied mathematics and Economics. Responders mentioned that they studied those two subjects only in the first year. Further survey data highlights that none of the students have followed only Finance or Economics and Finance or Mathematics and Finance. This is because, according to the rules of some faculties, they cannot choose subjects that do not relate to their specialized area.

Calculation of Financial Knowledge

Three questions were asked to determine the basic financial knowledge of the students. The responders' answers are illustrated in the following table.

Table 02: Summary of the Financial Knowledge

Question	Percentage of students
All three questions	24
Only question 01	19
Only question 02	09
Only question 03	12
Questions 01 and 02	10
Questions 01 and 03	10
Questions 02 and 03	04
None of question	12

Source: Compiled by the author based on the survey results

Out of the total sample, 24 per cent of students correctly answered all the questions, and 64 per cent of students correctly answered one or two questions only. However, 12 per cent of responders could not correctly answer any questions reflecting the need of enhancing financial knowledge among university students. The exciting finding is that none of these students has studied Economics, Mathematics, or Finance at the university. Some of these students have not studied at least Economics or Finance at Advanced Level. Nano and Cani (2016) have also found similar findings. They mentioned that financial knowledge is higher if students have studied finance or money management subjects. Albeerdy and Gharleghi (2015) also indicated that education significantly affects increased financial literacy. The results indicate substantial gender disparities in the level of financial knowledge. Out of the total students who correctly responded to all questions, 65 per cent were male students, reflecting the low level of financial knowledge of female students. Chen and Volpe (2002) have also indicated that women have low financial knowledge. The results indicate that a significant number of students have good knowledge of calculating interest rates but poor knowledge of other key financial concepts. Further, most responders who correctly answered at least one or two questions have been studied at least one subject related to financial knowledge (Economics, Mathematics, or Finance) at the university level or Advanced Level. These findings emphasized that financial education and mathematical skills positively influence financial knowledge. Chen and Volpe (2002) mentioned that education and experience have a positive impact on the financial knowledge of both men and women. The overall results indicate that most students do not have sound knowledge of basic financial concepts, highlighting the importance of improving the university curriculum to enhance financial knowledge.

As explained in the methodology, the financial knowledge of the students was categorized into two categories. The following table illustrates the percentage of students according to their financial knowledge.

Table 03: Financial Knowledge of the Students

Level of Financial Knowledge	Percentage
High level of financial knowledge	24
Low level of financial knowledge	76

Source: Compiled by the author according to the survey results

According to the information, the financial knowledge of the students in the faculty of Arts and the faculty of Social Sciences is low. Only 24 per cent of students correctly answered all the questions that determine basic financial knowledge. Thomasa and Subhashreeb, (2020) also pointed out that the basic financial knowledge of university students is low by studying the financial knowledge of engineering students. Altinats, (2011); Nidar and Bestari,(2012) have also found low financial knowledge and personal financial behavior among university students. Without having even basic financial knowledge, people cannot even manage their personal finances in a good manner. Therefore, it is timely important to implement the necessary policies to increase the financial knowledge of the young generation.

Determinants of Financial Knowledge

The Probit model was performed to determine the factors which affect the university students' financial knowledge. The marginal effect of the Probit model is illustrated in the following Table.

Table 04: The Results of the Probit Model

Variables	Coefficient	Std Error	P> |Z|
X_1-Undergraduate subjects	0.4486	0.034	0.000
X_2- Advanced Level subjects	0.2997	0.109	0.006
X_3- Gender	0.0442	0.012	0.001
X_4- Employment states	0.0879	0.118	0.457
X_5-Other courses	0.1391	0.044	0.002
X_6- Family background	0.1825	0.199	0.361
X_7- Extra Reading	1.426	0.595	0.017
Constant	-7.4523	2.54	0.003

Source: Author calculation based on the field survey

The results of the Probit model indicate that all the explanatory variables significantly positively affect the financial knowledge of the responders except family background and employment status. Although there is a possibility to improve respondents' financial knowledge if their families have a business or business-related background. This variable is insignificant because respondents do not actively participate in their family business. Out of the total sample, only 3 per cent of students have a business or finance-related family background. However, according to their responses, those businesses are small, and most belong to other parties, although their parents are part of it. However, some researchers have indicated that family background increases the financial knowledge of the children since parents discuss the financial matter with their children (Khalisharani et al., 2022; Lanz et al., 2019; Nidar and Bestari, 2012; Ergun 2017).

This model tested whether the employment status of the students affected the increase in financial knowledge since income earners have financial freedom rather than those who depend on others. However, this variable is insignificant since out of the total sample, only 3 per cent of students were employed. None of them has a permanent job. However, according to Chen and Volpe (2002), and Priyadharshani and Kumari (2021), experience has a positive impact on financial literacy.

Finance-related subjects are highly significant reflecting a positive impact on financial knowledge. Financial knowledge increased when students studied Economics, Mathematics, or Finance related subjects compared to other students. Similarly, Chen and Volpe (2002); Priyadharshani and Kumari (2021); Ergun (2017) also emphasized that education has a favorable influence on increasing financial literacy. These facts highlighted the importance of restructuring the university curriculum so that every student has an opportunity to learn fundamental concepts of finance. Lusardi and Mitchell, (2011) also suggested including finance-related subjects in every discipline of the university curriculum.

The impact of Advanced Level subjects on financial knowledge was also examined. Financial knowledge increased if students followed finance-related subjects to their Advanced Level. Therefore, it is necessary to diversify the school curriculum so that every student is able to follow finance-related subjects since it commonly benefits the well-being of society and economic development.

The results reveal that the financial knowledge of male students is higher than that of female students, as proved by many researchers (Lusardi and Mitchell, 2011; Chen and Volpe, 2002). The most probable reasons are male students more concerned about economic and financial matters practically, and they are more eager for extra readings regarding economic and financial matters. Further, males are more capable of mathematics, and their analytical skills are higher than females.

In this analysis, it is hypothesized that professional courses related to finance, such as Charted Accounts (CA), Association of Accounting Technicians (AAT), Charted Institute of Management Accountants (CIMA) etc., positively influenced financial knowledge. As hypothesized, the results indicate a significant positive relationship between financial knowledge and professional courses related to finance. Ergun K., (2017), also found that extra courses related to finance have a positive impact on financial behavior.

Extra readings related to Finance and Economics also boost practical knowledge of finance. According to the regression model, there is a positive relationship between financial knowledge and extra readings on Finance and Economic related documents. Readings on financial markets, money markets, and related documents are considered extra readings.

Examination of Students' Expectations for Improving Financial Knowledge

Students' expectations regarding improving their financial knowledge were examined by providing several statements that can be practically implemented. The following table illustrates the students' responses to each statement.

Table 05: Students' Expectations to Improve Financial Knowledge

Opinions	Percentage of students
Introduction of subjects that correlated with financial knowledge as compulsory non-credit courses for all the students in the Faculty of Arts and Social Sciences	70
Diversify the subject selection procedure so as to select any subjects which have personal and social benefits	55
Revise the curriculum so that all students are able to follow finance-related subjects in the first year as non-credit subjects.	62
Conduct a special lecture series on finance-related matter	71
Diversify the university curriculum and the Advanced Level curriculum.	69
Include more practical lessons with the theoretical part.	89
Conduct seminars with top-level financial institutes	67

Source: Compiled by the author according to the survey results

According to the above table, more than half of the students suggested introducing the above-mentioned activities and rules to improve their financial knowledge. Most of the students mentioned more than one suggestion to enhance their financial knowledge. Out of the total sample, 70 per cent of responders mentioned the importance of introducing subjects correlated with financial knowledge as compulsory non-credit courses for all the students in the Faculty of Arts and Social Sciences. Fifty-five per cent of students have emphasized the importance of diversifying the subjects' selection procedure so that students are able to select any subjects which have personal and social benefits in the future. Out of the total sample, 62 per cent of students have proposed to revise the curriculum so that all students are able to follow finance-related subjects in the first year as non-credit subjects since those subjects have common benefits. The majority of students suggested conducting a special lecture series to increase financial knowledge. Further, a significant number of participants have stated the importance of diversifying not only the university curriculum but also the school curriculum, especially the Advanced Level curriculum. Almost all the responders mentioned the importance of including more practical lessons with the theoretical part. Out of the total sample, 67 per cent of students have highlighted the importance of conducting seminars with top-level financial institutes such as the Central Bank, Stock Market, Department of Inland Revenue, and other finance and accounts bodies to improve the practical side of financial knowledge.

Conclusion and Policy Implications

Financial literacy is essential in countries' economic development and individual and household-level well-being. However, financial literacy is very low compared to print literacy in Sri Lanka. Therefore, this study examined the factors that affect financial knowledge and measured the level of financial knowledge of university students. Financial knowledge of the students was measured by asking three questions that covered knowledge of key financial concepts such as interest rate, inflation rate, the present value of money, and risk diversification. The results indicate a low level of financial knowledge among university students.

The Probit regression model was used to determine the main factors influencing financial knowledge. Finance-related subjects, gender, professional courses and extra readings related to finance positively affect to increase in financial knowledge. Therefore, increases in learning opportunities for main financial concepts and mathematical skills not only at the university level but also at the school level positively influence financial knowledge. According to the results, financial knowledge of males is higher than females, as proved by many researchers. The opinion of the students on improving financial knowledge was also gathered during the survey.

According to their responses, a significant percentage of students mentioned the importance of introducing financial-related subjects so that every student can learn and change the subject selection procedure accordingly. Also, they expect to make necessary revisions in both the Advanced level and university curriculum so as to develop financial knowledge at the young age. Seminars, discussions with main financial institutions, and inclusion of a more practical side of the causes are other expectations of the students.

Finally, it can be concluded that the financial knowledge of the students in the faculty of social sciences and the faculty of Arts is low. Gender, finance-related subjects, and finance-related courses are the main determinants of the financial knowledge of the students. Students suggested expanding and revising the existing curriculum so that they have opportunities to improve their financial knowledge.

According to the findings of this analysis, some policies can be recommended to enhance the financial knowledge of university students. Since financial literacy is a timely essential concept, it is worthwhile to introduce national-level strategies to improve financial knowledge at a young age. For this purpose, it can be recommended to enhance learning opportunities in subjects that positively influence financial knowledge. Therefore, university authorities should focus on curriculum revision, expanding opportunities to follow financial-related subjects for all students. The educational sector authorities should also pay attention to changing the school curriculum to increase financial knowledge at the young age. Further, the organization of special lecture series and workshops with professional accountancy bodies and top-level economic and financial institutions to exchange their knowledge with university students are also a possible solution. According to job opportunities in Sri Lanka, graduates from the social sciences work in top-level financial and economic institutes such as the Central Bank, Stock Market, and Inland Revenue, which are the heart of the economy of Sri Lanka. Therefore, it is necessary to increase the financial knowledge of the students in the Social Science scheme since they are taking the national level financial decision in the future. Teaching basic to advanced financial concepts to all university students is highly recommended since it has substantial social and economic benefits.

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