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A synthesis of Review of Literature on Financial Literacy Among the College Students

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Abstract: The ability to manage personal finances has become increasingly important in today's globalized world. Finances are an important part of everyday life and financial literacy is the best way to prevent over-indebtedness of citizens. Financial literacy helps individuals to improve their level of understanding of financial matters which enables them to process financial information and make apprised decisions about personal finance. The study is based on the review of literature available from research worldwide on financial literacy. The paper has divided into six section viz; Studies on Impact of Education on Financial Literacy, Studies on Impact of Sociological Background on Financial Literacy, Studies on Impact of Demographic Profile on Financial Literacy, Studies on Impact of Financial Literacy Program on Financial Literacy, Studies on Retirement Planning, Stock Market Participation and Investment Decision, Studies on Financial Literac ny Among Students Studying in College. The paper ends with the synthesis and conclusion of the review of literature.
Keywords: Financial Information, Financial Literacy, College Students, Education, Literacy Program.

INTRODUCTION

The modern economy is a globalization economy. Financial literacy is a main component of economic development. It has become an important concept in the modern economy. The ability to manage personal finances has become increasingly important in today's globalized world. Williams & Satchell [1] financial literacy is become a prominent item on the public agenda worldwide, with its relevance very much underlined by the high-profile role played by consumer finance in global credit crises from 2007 onwards.

Finances are important part of everyday life and financial literacy is the best way to prevent over-indebtedness of citizens. Tomaskova *et al* [2] states that financially literate citizens are well versed in issues of money and prices, and are able to manage their personal budget responsibly. Financial literacy helps individuals to improve their level of understanding of financial matters which enables them to process financial information and make apprised decisions about personal finance.

Michael *et al* [3] financial literacy is important to understand the basic financial issues that most individuals and families must deal with in our modern society. Even if an individual has a defined benefit plan that will hopefully meet most of the financial needs of one's retirement years, that person still will spend a lifetime dealing with issues related to mortgages, insurance (including automobile, home, life, and health), personal credit management, income taxes, and all of the other financial considerations that are part of modern life in our society.

One of the causes of Financial Crisis is identified as lack of Financial Literacy. India is a developing country and we are entering into second phase of Financial Sector Reforms. Integration of our economy with world economy will increase further and so the risk of world crisis impacting Indian economy. In India there is large unorganized sector and the Government is withdrawing from pension schemes even in organized sector. In absence of any social security scheme, our economy may be in, for a major instability after demographic dividend starts waning after 20 to 25 years. Thus improvement of financial literacy in the country is imperative for financial wellbeing of individuals as well as for the economy [4].

Nash [5], the Reserve bank of India, which is the central bank, has been actively participating in the field of eradicating financial literacy in the country. In this context a project called "Project financial literacy "has already been implemented. Financial literacy in India is on the positive side now. The survey conducted by The Financial Express shows that India has made rapid progress in the field of financial education among the ten leading nations of the world.

India also has been ranked 23rd out of 28 markets in Visa 2012 Global Financial literacy barometer. Financial literacy has gained the attention of a wide range of major banking companies, government agencies, grass-roots consumer and community interest groups, and other organizations. In effective money management can also result in behaviors that make consumers open to severe financial crises. Improved financial literacy can benefit individuals and families by giving them more control over their money and helping them make better financial decisions [6].

REVIEW OF LITERATURE

The study aims to examine financial literacy among college students in udaipur district. For this purpose the literature has divided into six parts.

1. Studies on Impact of Education on Financial Literacy
2. Studies on Impact of Sociological Background on Financial Literacy
3. Studies on Impact of Demographic Profile on Financial Literacy
4. Studies on Impact of Financial Literacy Program on Financial Literacy
5. Studies on Retirement Planning, Stock Market Participation and Investment Decision
6. Studies on Financial Literac ny Among Students Studying in College.

Studies on Impact of Education on Financial Literacy

It is a well-known fact that education impact knowledge. Therefore it is expected the stream of education influences the financial literacy level of students. The available literature on relationship between education and financial literacy has been reviewed in this section of study.

Voipe *et al* [7] examined the relationship between the stream of education and financial literacy &college students' knowledge of personal investment. Data were collected through questionnaire and developed with the help of John Markese, president of the American Association of Individual Investors, to test one's investment knowledge.The findings of study suggested that college students have inadequate knowledge of personal investment. Also the results have shown that female students were less knowledgeable about investing than male students. Non-business majors were less knowledgeable than business majors. Within the business majors, non-financial accoutring majors were less knowledgeable than financial accounting majors.

Peng *et al* [8] investigated the impact of personal finance education delivered in high school and college. Investment knowledge and household savings rates measured years after the financial education was delivered. Online survey was conducted through questionnaire which consist questions about participation in financial education, financial experiences, income and inheritances. It was concluded on the basis of results of study that participation in a college level personal finance course was associated with higher levels of investment knowledge. Experience with financial instruments appeared to explain more of the variance in both investment knowledge and savings rates. No significant relationship between taking a high school course and investment knowledge was found. Financial experiences were found to be positively associated with savings rates.

Mandell & Klein [9] Study the impact of financial literacy education on subsequent financial behaviour of 79 high school students of a personal financial management course completed 1 to 4 years earlier. Study used a matched sample design based on a school system's records to identify students who had and had not taken a course in personal financial management. The findings indicated that those who took the course were no more financially literate than those who had not. In addition, those who took the course did not evaluate themselves to be more savings-oriented and did not appear to have better financial behaviour than those who had not taken the course.

Nano & Cani [10] analyzed the differences in Financial Literacy among Albanian university students based on their financial education. Data were collected through stratified sampling methods from 607 students of five public and three private universities in Albania were taken for the study. The results shown that student's financial behavior does not differ based on their financial education. In addition, non-financially educated students appear to demonstrate better financial behavior. Finally, students who have taken a personal financial course were shown to be more knowledgeable and financially literate than their counterparts.

Morris & Koffi [11] has studied the relationship between financial literacy level of Canadian university students and their prior education on the subject. Data were collected from 1221 respondents. The results revealed that education on financial topics improved financial literacy level. However, the improvement was almost insignificant for courses taken at the secondary level. The results also showed that financial literacy was influenced by socio demographic variables as well.

Studies on impact of Sociological Background on Financial Literacy

It was expected by the researcher that financial literacy have positive relevance of social interaction and caste affiliation as well as parental influence on student's financial literacy. Many studies have been done to measure the impact of sociological background on financial literacy. Same of literature are reviewed in this section.

Shim *et al* [12] has conducted survey to study the role of parents, work and education on financial socialization of the students. Total 2098 first year college students participated in the survey. Structural questionnaire model indicated that parents, work, and high school financial education during adolescence predicted young adults' current financial learning, attitude and behavior, with the role played by parents substantially greater than the role played by work experience and high school financial education combined. Study found if parent's had a better understanding of how financial literacy can contribute to their children's success later in life, they might be more inclined to demonstrate positive financial behaviours and provide or encourage financial education at home. It is also concluded parents play key role in developing financial literacy in Students.

Nidar & Bestari [13] has examined the personal financial literacy among padjadjaran university students. Personal financial literacy used the following areas of personal finance as research indicators: basic personal finance, income & spending, credit & debt, saving & investment and insurance. Study used stratified random sampling techniques. Questionnaires were used to collect data from 400 active students of Padjadjaran University and analyzed by logistic regression. Results showed that level of personal financial literacy of students at Padjadjaran University comes within the low category. It was also found that the level of education, faculty, personal income, knowledge from parents, parents' income, and ownership of insurance factors have significant impact on personal financial literacy for Padjadjaran University students.

Bonte & Filipiak [14] investigated the relevance of social interaction and caste affiliation for individual awareness of financial instruments and investment behavior of households in India. The result suggested that a positive relationship between financial literacy and social interaction. However, especially backward caste people living in regions with a large fraction of backward castes have a lower probability of being aware of various financial instruments. It was also found that a majority of Indian households are simply not aware of various financial instruments and that among those who are aware of financial instruments only a minority invests in these instruments.

Murphy [15] studied the psychological and social variables associated with financial literacy. Data were collected from the Health and Retirement Study (HRS) and analyzed. The HRS was a nationally representative longitudinal survey of individuals older than age 50 and their spouses. An ordinary least squares linear regression analysis explores the relationship between financial literacy and several economic and psychosocial variables. After controlling for earnings, level of education, and other socioeconomic variables in this exploratory study, it was found that financial satisfaction and religiosity are correlated with financial literacy.

Studies on Impact of Demographic Profile on Financial Literacy

The demographic profiles like age, gender, occupation etc. Also are considered to be linked with many of research topics. Similarly many studies have attempted to examine the impact of demographic factors on financial literacy. This section reviews the literature related with this aspects.

Chen & Volpe [16] has examined gender difference in personal financial literacy among college students. Study was primary data base and data were collected through questionnaire. Study found that women generally have less knowledge about personal finance topics. It was also found that education and experience have a significant impact on the financial literacy of both men and women. It was observed that women have less enthusiasm for, lower confidence in and less willingness to learn about personal finance topics then men do and gender difference remain statistically significant after controlling for other factors such as participants majors, class rank, work experience and age.

Lusardi [17] demonstrates widespread financial illiteracy among the U.S. population, particularly among specific demographic groups. It was found that those who have low education, women, African-Americans, and Hispanics display particularly low levels of literacy. It was also concluded that financial literacy impacts financial decision-making. Failure to plan for retirement, lack of participation in the stock market, and poor borrowing behavior can all be linked to ignorance of basic financial concepts. While financial education programs can result in improved saving behavior and financial decision-making, much can be done to improve these programs effectiveness.

Lusardi *et al* [18] investigated financial literacy among the young. Survey was conducted among the youth for collecting data. Study found that there were large differences in financial literacy between women and men. Mother's education was strongly associated with financial literacy, especially if a respondent's mother graduated from college. Differences in financial literacy according to race and ethnicity: whites were more likely than black and Hispanic respondents to answer all three financial literacy questions correctly. Financial literacy was strongly related to socio demographic characteristics and family financial sophistication.

Shaari et al [19] investigated the financial literacy among university students. Primary data were collected by questionnaires and the sample consisted of 384 students of universities of Malaysia. Convenience sampling method was used in collecting the data and the results compiled by using SPSS software system. Results comprised of reliability, and multiple linear regression analysis. There were five independent variables such as age, gender, business major and non-business major, spending habit and year of study whereby the dependent variable was the financial literacy. The results revealed that the spending habit and year of study have a significant positive relationship with the financial literacy, whereby the age and gender are negatively associated with the financial literacy. The overall results show that the financial literacy level of University students is moderate as 65.7% of the student scored 5-8 marks out of the 12 questions.

Agarwalla *et al* [20] has studied the influence of various socio-demographic factors on different dimensions of financial literacy among the working young in urban India. Influence of several factors such as gender, education and income is similar to what has been reported in other contexts, a few factors specific to India, such as joint-family and consultative decision making process were found to significantly influence financial literacy. The study investigated the relationship between the dimensions of financial literacy. Study also provides an analytical basis for enunciating policy for enhancing financial literacy of youth in India.

Luksander *et al* [21] investigated how the different demographic and educational features of students studying in higher education influence their financial literacy. Result shown that the financial knowledge of young people exhibit significant differences according to the measured criteria. It was also demonstrated that the financial-economic knowledge acquired in higher education has a beneficial impact on the financial knowledge of young people; on the other hand, the type of training and studies does not have any significant effect. Study also revealed that males, older people, those who pursue economic studies or who attended these kinds of courses at university know more about financial matters.

M & M [22] has examined the financial literacy and its determinants among Gen Y employees in coimbatore city. Primary data was colleted for the study 200 questionnaire were distrubuted out of this 189 used for study. The study found that gender, education, income and age impact the level of financial literacy. Study also concluded that financial literacy level is low among Gen Y employees in Coimbatore city.

Rehman *et al* [23] done study to find out the financial literacy of medical graduates in Pakistan. The main objective of study was to compare the awareness of financial wellness between male and female medical students. Data were collected from 800 medical students belonging to different medical colleges of Karachi. Students from both genders, aged 19-24 years, belonging to all ethnic groups willing to participate were included. It was found in study that male medical students have higher level of financial literacy than girls.

Ghaffar & Sharif [24] examined the level of financial literacy in Pakistan. The study revealed that the persons, who have more financial knowledge, usually save money. It was found in the study that middle-aged and older people were careful in spending their money and male respondents usually have better saving habits. Further more people with higher qualification and bigger family size advises their peers about managing the finances and it was also found that respondents earning high salaries agree that financial literacy do help in leading a financially secure life.

Studies on Impact of Financial Literacy Program on Financial Literacy

Realizing the importance of financial literacy many apex financial institution like SEBI, RBI etc. have started organizing financial literacy program. The studies world over on financial literacy and impact of such program are reviewed in this section.

Borden *et al* [25] examined the changing college student's financial knowledge, attitudes, and behavior through Seminar Participation. 93 samples were taken for the study.It was found that the seminar effectively increased students' financial knowledge, increased responsible attitudes toward credit and decreased avoidant attitudes towards credit from pre-test to post-test. At post-test, students reported intending to engage in significantly more effective financial behaviors and fewer risky financial behaviors. Finally, demographic factors predicted students' financial knowledge, attitudes, and behaviors. Study found positive relation with seminar participation of students and their financial literacy.

Mandell & Klein [9] explained the differential impact on 79 high school students of a personal financial management course completed 1to 4 years earlier. Study used a matched sample design based on a school system's records to identify students who had and had not taken a course in personal financial management. Findings indicated that those who took the course were no more financially literate than those who had not. In addition, those who took the course did not evaluate themselves to be more savings-oriented and did not appear to have better financial behavior than those who had not taken the course.

Walstad *et al* [26] has investigated the effects of a financial education program on high school students' knowledge of personal finance. A comparison of pretest and posttest scores achieved on a reliable and valid thirty-item instrument suggested that the Financing Your Future curriculum increased financial knowledge across many concepts. The scores increased regardless of the course in which the curriculum was used and across student characteristics. It was found that a specified and properly implemented program in financial education have positively and significantly influence the financial knowledge of high school students.

Brau *et al* [27] examined the efficacy of learning sources associated with financial literacy in young adults. Has taken 1,500 college undergraduate students entering classes where financial principles are taught for the study. The survey consists of a financial literacy quiz to determine the state of the participants' existing financial knowledge and also considered socio-demographic data in three areas: 1) family and background, 2) formal learning activities, and 3) experiential learning activities. Results of study show that family and background have little impact. Further, while some types of formal learning activities enhance literacy, the most significant impact is associated with experiential learning. It was suggested on the base of finding that high school classes do very little to impact financial literacy. On the other hand, college classes have a very significant and positive impact. Participating regularly in reading or watching the news also has a significant and positive impact.

Bruhn *et al* [28] studied the impact of a comprehensive financial education program spanning six states, 868 schools, and approximately 20,000 high school students in Brazil through a randomized control trial. It was found that the program increased student financial knowledge by a quarter of a standard deviation and led to a 1.4 percentage point increase in saving for purchases, better likelihood of financial planning, and greater participation in household financial decisions by students. "Trickle up" impacts on parents were also significant, with Improvements in parent financial knowledge, savings, and spending behavior. Study also found that the program affected students' inter-temporal preferences and attitudes.

Majority of youth consistently receive failing scores on financial literacy tests even those who have taken courses on personal finance or money management. Some specific programs, however, have demonstrated beneficial effects. Totenhagen *et al* [29] has identified the key considerations and promising delivery methods which may inform positive changes in financial literacy and behavior among youth. Study also has conducted a comprehensive review of the current literature on youth financial literacy education and identified characteristics of financial education programs which influence positive changes.

Hospido *et al* [30] has measured the impact of financial literacy training in compulsory education in Spain. Study used a matched sample of students and teachers in Madrid and two different estimation strategies. It was found in the study that students of private schools did not increase their knowledge much, possibly due to a less intensive implementation of the program. Study also analyzed the bias that arises because the set of schools that participate in financial literacy programs was not random.

Rizwan *et al* [31] has conducted study to find out the financial literacy among the college students with special reference to jana jyothi financial literacy trust. Both the primary and secondary data has been used in this study. Convenience sampling method was used in collecting the data and this study surveyed 30 college students to examine their personal financial literacy. The majority of the respondents were male (57%), and rest them (43%) were female respondents. It was found that there was a positive change in level of financial literacy and saving as well as deposit of the saving in the bank of those respondents who have attended training program.

Studies on Retirement Planning, Stock Market Participation and Investment Decision

Individuals have financial literacy are able to plan for retirement. Similarly the stock market participation of those is considered to be rational. Many studies world over has been conducted on retirement planning, stock market participation and investment decision. Few of them are reviewed in this section.

Dvoraka & Hanley [32] has examined financial literacy and the design of retirement plans. Data was collected through questionnaire. 403 Questionnaires were distributed among the employees of union college. Study found that participants show fairly good knowledge of the basic mechanics of the plan, but unable to differentiate among various investment options. Knowledge is particularly low among women, low income and low education employees. It was also found some evidence that personal contributions lead to more knowledge and it was concluded results support plan designs that have few investment options and encourage personal contributions.

Koenen & Lusardi [33] measured the financial literacy in Germany using data from the SAVE survey. Study has found that knowledge of basic financial concepts was lacking among women, the less educated, and those living in East Germany. In particular, those with low education and low income in East Germany have low financial literacy compared to their West German counterparts. Interestingly, there was no gender disparity in financial knowledge in the East. It was also investigated that the nexus of causality between financial literacy and retirement planning, Researcher has developed an instrumental variables strategy by making use of regional variation in the financial knowledge of peers. Results show a positive impact of financial knowledge on retirement planning.

Maarten *et al* [34] conducted study on financial literacy and retirement planning in the Netherlands. They developed special module with set of questions to measure financial literacy and retirement planning. The respond rate was 74% (1508 out of 2028 households) & collected information on a variety of demographic characteristics and socioeconomic attributes as well as information on economic and psychological concepts related to saving and investment behavior. In their study they found strong relationship between knowledge of finance and retirement planning & concluded those who are more financially knowledgeable are more likely to plan for retirement. Using information on economics education acquired in school, shown that the nexus of causality goes from financial literacy to planning rather than the other way around.

Rooij *et al* [35] investigated the relationship between financial knowledge and retirement planning in the Netherlands. For data collection study has designed a module on financial literacy and planning for the De Nederlandsche Bank (DNB) Household Survey. Study found a strong and positive relationship between financial knowledge and retirement planning; those who were more financially knowledgeable were more likely to plan for retirement. Using information on economics education acquired in school, study show that the nexus of causality goes from financial literacy to planning rather than the other way around.

Mian, [36] examined the level of financial literacy among Saudi investors and its impact on financial decisions. Convenience sampling was used to collect data and data were collected from 300 respondents. The result of the study confirmed a significant impact from gender and age on financial literacy. Males were more financially literate than females, and older people also show a higher level of financial literacy compared with younger people. There was no significant impact from educational level and current work situation on financial literacy. Financial literacy was measured in reference to retirement planning and stock market participation. People with a higher level of financial literacy have a greater urge to engage in retirement planning and stock market participation. However, there was a negative relationship between financial literacy and the need for financial advice.

As consumer requirements for financial services permeate society, they link various financial institutions more closely together, developing divergent financial products. Shih & Ke 2014, has discussed consumer money attitudes, financial literacy regarding financial decisions, and financial behavior. Study suggested that consumers who have retention planning and achievement-esteem attitudes toward money make high-risk financial decisions; anxiety toward money tends to exist mainly in low-risk investors. Financial literacy affects consumer financial behaviors, and demographic variables play segmentation roles.

Arif [37] examined the relationship between financial literacy and the influence of the factors that affect the investment decision. The data was collected from 154 respondents through modified questionnaire containing questions related to demography of the investors, factors affecting the investment decisions and financial literacy level of the individual investors at Karachi Stock Exchange. Study concluded that the financial literacy level of the investors was below average. Significant difference in financial literacy was found between the respondents regarding age, gender, work activity and marital status of the respondents.

Clark *et al* [38] studied the employee financial literacy and retirement plan. Study used administrative data on all active employees of the Federal Reserve System and examined participation in and contributions to the Thrift Saving Plan, the system's Defined Contribution (DC) plan. Federal Reserve employees were more financially literate than the general population; furthermore, the most financially savvy were also most likely to participate in and contribute the most to their plan. Sophisticated workers contribute three percentage points more of their earnings to the DC plan than do the less knowledgeable, and they hold more equity in their pension accounts. It was found that employees who completed an educational module were more likely to start contributing and less likely to have stopped contributing to the DC plan post-survey.

Aggarwal & Gupta [39] identified the linkage between the gender gap in stock market participation and financial literacy while controlling for two major externalities of education level and wealth. Survey has been done for collecting data from university and college teachers in the district of Ludhiana. It was found that female teachers participate less in stock market to an extent of 16.7% as compared to male. Results of corroborate the view that non-participation in stock markets was a common response to deficiencies in advanced financial literacy and lack of risk attitudes.

Studies on Financial Literacy Among Students Studying in College

Many college students accept a job with their study or after their study they will be responsible for managing their salary, investment options and retirement accounts, financial well-being will allow them to make more responsible financial decisions later on and mature into financially independent. They have to play role of households in future from that point of view they must have financial literacy to make good financial decision and good management of money. Many studies have been done to measure financial literacy of students studying in college over the world some of that are reviewed in this section.

Chen & Volpe [40] examined the personal financial literacy of college students. Survey was conducted participants were asked to answer 52 questions including 36 multiple choice questions of their knowledge on personal finance, 8 questions of their opinions and decisions, 8 questions on demographic data. It was found in study that non-business majors, women, students in the lower class ranks, under age 30, and with little work experience have lower levels of knowledge. It is also concluded that college students are not knowledgeable about personal finance. The low level of knowledge will limit their ability to make informed decisions.

Furtuna [41] analyzed the level of financial literacy among college students as well as economic impact and public policy implications. Study was based on primary data which is collected through questionnaire 264 students from Lynchburg College and 120 students from RMWC. Study found that college students in Lynchburg area have a very low level of personal finance knowledge. Students score lowest the questions related to investment decisions and borrowings. Students, however, seem to be more knowledge able about spending and insurance subjects.

Shambare & Rugimbana [42] examined the financial literacy among the seleted university students in South Africa. Data were collected through questionnaire . 355 questionnaires were distributed across four campuses out of these, only 231 were returned, study has taken 214 for the analysis. The data analysis was conducted by using simple descriptive statistics and nonparametric tests. It was found in study that the financial literacy of students in South African university is very low. Results signal the importance of not presuming that educated individuals was necessarily literate and therefore appropriate training may be required for most of these individuals who as black diamond's also tend to be overrepresented among the financially blacklisted South Africans.

Tomas & Hradil [43] has explored the financial literacy of students at university of economics. Close ended questionnaire were developed and data collected through online survey. 3324 out of 2120 qualified as fully completed questionnaire were taken for the analysis. Most of the students have economics background. Study found that the respondents relatively do not meet the set requirements of the standard in financial literacy for university educated people and where the knowledge is more or less sufficient.

Boakye & Kansanba [44] investigated financial literacy of undergraduate business students in the School of Business, Kwame Nkrumah University of Science and Technology (KSB) in Ghana. Study has used random sampling technique and taken203 samples of undergraduate students and questionnaires were distributed. The study revealed that formal education is the major source of financial literacy of undergraduate students, followed by parents, the media, and peers. It is also found that there is a positive relationship between financial knowledge and financial behaviour among the undergraduate business students at KSB.

Boyland & Warren [45] has asseessed the financial literacy of domestic and international college students. The Survey was administered to 92 junior and senior students and the results were analyzed based on student knowledge of income, money management, saving, spending and credit. It is concluded that there was not a statistically significant difference based on gender, however there was a statistically significant difference based on whether the student was an international or domestic student.

Sarigul [46] determined the level of financial literacy among university students of Konya used a survey instrument which includes 29 items that measure constructs such as saving and spending, banking, risk and insurance, investing, and general financial knowledge levels of the participants was administered to 1,127 students from three universities out of this 1099 were used for analysis. The results were analyzed based on gender, field of study, type of residence, class rank, work status, parents' education, and the school of student by using t-test, f-test, Analysis of Variance and logistic regression. It was found that students from health sciences or educational sciences, non-business economic students and females are less knowledgeable as compare to males and students who are from business economic students.

Luksander *et al* [21] investigated how the different demographic and educational features of students studying in higher education influence their financial literacy. 2070 questionnaires were distributed to 38000 students out of this 5.5% filled out the questionnaire. After clearing data 2090 were found appropriate for analysis and regression model and variance analysis were used. Level of financial knowledge of the students participating in the study was measured by using the Financial Knowledge Index (FKI). The items used for calculating the index contained fifty per cent theoretical and fifty practical questions. It was found in study that the financial knowledge of young people exhibit significant differences according to the measured criteria. Males, older people, people with a higher income and young people whose income is covered by their family only to a small extent are typically characterised by more advanced financial literacy. The results demonstrate that the financial-economic knowledge acquired in higher education has a beneficial impact on the financial knowledge of young people.

Albeerdy & Gharleghi [47] has determinants the financial literacy among the college students in Malaysia. Data was collected through self-administered questionnaire. Pearson correlation analysis and multiple regression tables were used to determine the interrelation of different variables in financial literacy. It was found in study that education, financial socialization agents and money attitude have a direct influence of financial literacy rates among students in Malaysia. Education was proven to have the strongest influence on the financial knowledge of university students.

CONCLUSION

This is the review paper in which we tried to explore the influencing factors of financial literacy among the college students. From the above reviewed paper and article it can be said that female have less knowledge than male and those who have taken finance course have more knowledge than non-finance background students. Similarly in the second part of review we have reviewed paper related to impact of sociological background on financial literacy. Study can conclude that sociological background has strong positive relation with respect to the financial literacy of students. In third part of review study concluded that demographic profile of the students also has positive relation with the level of financial literacy of the students. Those who have attended financial literacy program was found that there was a positive change in level of financial literacy and saving as well as deposit of the saving in the bank.

Further people with a higher level of financial literacy have a greater urge to engage in retirement planning and stock market participation as compare to those who are less financially literate.

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