

**COMPARATIVE ANALYSIS OF FINANCIAL LITERACY LEVELS:
ACCOUNTING STUDENTS VS. NON-ACCOUNTING STUDENTS IN SRI
LANKAN STATE UNIVERSITIES.**

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ABSTRACT

Financial literacy significantly affects a country's financial well-being and stability. To make correct decisions on financial obligations in any country, people need to acquire knowledge about the financial literature. Students represent the future generation and require the capacity to make informed decisions regarding financial matters through acquisition of financial literacy. If educated, they can make appropriate and timely decisions correctly. Hence, this study examines disparities in financial literacy levels among undergraduates at Sri Lankan State Universities. This study intends to investigate the possible differentiation and understanding of the facts for different financial literacy knowledge by comparing the skills and knowledge of accounting and non-accounting students. The methodology was a quantitative survey involving 230 respondents from six state universities in Sri Lanka based on the convenience sampling method, and a one-sample t-test was used to identify significant differences between accounting and non-accounting students. Students' Financial Literacy Levels were measured using three variables: personal financial management, awareness, and financial skills. The analysis revealed that there were no significant differences in financial literacy between accounting and non-accounting undergraduates in Sri Lankan state universities at the 95% confidence level. However, there were differences at the 90% confidence level between the two groups of undergraduates. The results of personal financial management and financial skills show significant differences among undergraduates at the 90% confidence level. At the same time, there was no significant variation among the students in financial literacy level awareness, but there were substantial differences at the 95% confidence level. Overall, this study emphasizes that undergraduates with less literacy in personal financial management, awareness, and financial skills in economic and financial education-related decision-making have lower financial literacy than accounting and non-accounting undergraduates. There were differences between accounting and non-accounting students, but the findings did not support the argument for significant differences; thus, all undergraduates in Sri Lanka should be educated on financial literacy. These findings demonstrate the growing importance of implementing a national strategy to improve financial and economic educational programs, particularly for individuals who are not accounting undergraduates.

Keywords: Awareness, accounting and non-accounting undergraduates, financial literacy levels, financial skills and personal financial management