

The Impact of Financial Literacy on Personal Financial Management among Technology Undergraduates at Rajarata University of Sri Lanka

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Abstract

Financial literacy and personal financial management play a crucial role in today's developing environment. The study aims to assess how financial literacy influences personal financial management practices among technology undergraduates. Technology students often face challenges in managing their finances effectively due to the lack of financial education in their curriculum and the increasing personal financial responsibilities they encounter. A quantitative research approach was employed, using a structured online questionnaire distributed to a purposive sample of 285 technology undergraduates. Financial literacy was measured across four key dimensions: investment decisions, debt management, spending habits and budgeting. Data were analyzed using descriptive statistics, correlation and regression analyses in SPSS, ensuring the reliability and validity of the results. The findings revealed a significant and positive relationship between financial literacy and personal financial management ($R^2 = 0.68$, $p < 0.05$). Students with higher levels of financial literacy demonstrated stronger budgeting skills, effective debt control, disciplined spending habits and informed investment decisions. This study contributes to the limited empirical evidence on financial literacy among non-commerce undergraduates in Sri Lanka and underscores the importance of integrating financial education into technology curricula. The findings offer valuable insights for educators, policymakers and financial institutions to promote financially responsible behaviors and enhance students' long-term financial well-being.

Keywords: budgeting, debt management, financial literacy, investment decisions, personal financial management