

THE IMPACT OF FINANCIAL LITERACY ON E-BANKING USAGE AMONG UNIVERSITY UNDERGRADUATES

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ABSTRACT

Financial literacy is essential today because it helps secure financial stability by forming healthy spending habits and making suitable investments for future needs. Accordingly, many studies have been conducted to determine the financial literacy of e-banking usage among bank customers globally. Undergraduates develop financial habits and make decisions that affect their long-term financial well-being. Therefore, this study investigates the impact of financial literacy on e-banking usage by management undergraduates in state universities in Sri Lanka. The study identified four variables—financial knowledge, financial behavior, financial attitude, and saving—as proxies for financial literacy. The study employed a quantitative approach with probability sampling, drawing a sample of 345 management undergraduates in state universities and collecting data using structured questionnaires among the management undergraduates in Sri Lanka. Data were analyzed using descriptive statistics, correlation, and regression analyses. The study finds that financial knowledge, behavior, and attitude significantly impact e-banking usage. However, the study also finds no impact of savings variables on e-banking usage. Furthermore, the study suggests educational policy implications and recommends collaborations between financial institutions and universities to implement practical initiatives that enhance students' real-world applications of financial literacy.

Keywords: E-banking, financial attitude, financial behavior, financial literacy, saving