

**EFFECT OF FINANCIAL LITERACY ON THE FINANCIAL
MANAGEMENT PRACTICES OF EMPLOYEES OF PUBLIC
PRIMARY SCHOOLS IN MOMBASA COUNTY**

SELLAH AKINYI OTIENO

**RESEARCH PROJECT REPORT SUBMITTED IN PARTIAL
FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF
THE DEGREE OF MASTER IN BUSINESS ADMINISTRATION,
SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

DECLARATION

This research project report is my original work and has not been presented for a degree award in any University

Signature: Date:

SELLAH AKINYI OTIENO

ADM/ NO: D61/78129/2015

This research project report was submitted for examination with my approval as the University supervisor

Signature Date.....

DR.FREDRICK OGILO

Lecturer, Department of Finance and Accounting

School of Business, University of Nairobi

TABLE OF CONTENTS

DECLARATION	ii
TABLE OF CONTENTS	iii
LIST OF ABBREVIATIONS	iv
ABSTRACT	v
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study.....	1
1.1.1 Financial Literacy.....	2
1.1.2 Financial Management Practices.....	3
1.1.4 Employees of Public Primary Schools in Mombasa County	5
1.2 Research Problem.....	6
1.3 Research Objectives	8
1.4 Value of the Study.....	8
2.2 Theoretical Review	9
2.2.1 Goal-setting theory	9
2.2.2 Theory of Planned Behavior	10
2.2.3 Prospect Theory.....	11
2.3 Determinants of Financial Management Practices.....	12
2.3.1 Level of Education	12
2.3.2 Financial Literacy.....	13
2.4 Empirical review	13
2.5 Summary of Literature Review and Research Gap.....	16
CHAPTER THREE:RESEARCH METHODOLOGY	18
3.1 Introduction	18
3.2 Research design.....	18

3.3 Study population	18
3.4 Sample and Sampling technique	18
3.5 Data collection techniques	19
3.7 Data analysis	20
3.8 Diagnostics test	21
CHAPTER FOUR: DATA ANALYSIS AND INTERPRETATION	22
4.1 Introduction	22
4.2 The response rate.....	22
4.3 Reliability of the variables	23
4.2 General information	23
4.3.1 Age group.....	23
4.3.2 Gender	24
4.3.3 Level of education.....	25
4.3.4 Attendance to financial education course.....	25
4.3.5 Business ownership	26
4.4 Descriptive statistics.....	26
4.4.1 Savings and investment literacy	26
4.4.2 Retirement literacy	28
4.4.3 Debt literacy	29
4.4.4 Taxation and Insurance Literacy	30
4.4.5 Financial management practices	31
4.6 Correlations Analysis	32
4.6.1 Coefficient of Correlation	32
4.7 ANOVA analysis.....	34
4.8 Regression co-efficient.....	35

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION.	37
5.1 Introduction	37
5.2 Summary	37
5.2.1 Savings and Investment Literacy	37
5.2.2 Retirement Literacy	38
5.2.3 Debt Literacy	38
5.2.4 Taxation & Insurance Literacy.....	38
5.3 Conclusions of the study	39
5.4 Recommendations of the Study.....	40
5.5 Limitations of the Study	41
5.6 Suggestion for further studies	41
Appendix I: Introduction letter.....	47
Appendix 2: Questionnaire.....	48

LIST OF ABBREVIATIONS

ANOVA Analysis of Variance

FINRA Financial Industrial Regulatory Authority

FIKA Financial Knowledge of Africa

NFCS National Financial Consumer Survey

SACCO Savings and Credit co-operative

SPSS Statistical Package for social sciences

TPB Theory of Planned Behavior

TSC Teachers Service Commission

US United States

ABSTRACT

The study investigated the effect of financial literacy on financial management practice of employees of public primary schools in Mombasa County. Specifically, the study focused on; savings and investment literacy, debt literacy, retirement literacy and taxation and insurance literacy. The study adopted a descriptive study design and a population of 2101 from which a sample of 336 employees were engaged in the study. Data was collected by use of questionnaires structured using a 5 point Likert-scale, questionnaires were hand delivered to employees in public primary school for filling and collected for analysis after 14 days. Data obtained was tested for validity and reliability and analysed by use of Statistical Package for Social Sciences. Regression analysis was conducted to determine the correlation and variance co-efficient to prove the level of significance and relationships between the study variables. The study established that; savings and investment literacy has weak positive and insignificant correlation of 0.111 to financial management practices; retirement literacy has a strong positive and significant correlation of 0.574 to financial management practice; debt literacy has strong, positive and significant correlation of 0.532 to financial management practices and taxation & insurance literacy had a strong, positive and significant correlation of 0.660 to financial management practices The overall finding was that financial literacy has a strong positive correlation to financial management practices with a significant significance of 0.00. Therefore, there is a strong correlation between financial literacy and the financial management practices of employees of public primary schools in Mombasa County. The study recommends; adoption of financial literacy programs for the teaching staff of public primary schools; teacher's service commission to lobby for trade associations to sensitize their members on sound financial management matters and also seek partnerships with interested parties, for instance, universities and colleges, in provision of finance literacy courses for its employees.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

According to Nye & Hillyard (2013) the term financial literacy denotes a level of understanding for an individual's acquisition, spending, saving and investing their finances. The level of understanding for an individual can be attributed to their standard of education, in most cases highly educated people are perceived to be financially literate; however, this is not the case most of the times. Making financial decisions needs a lot of considerations from personal, economic and social factors. To make better decisions, an individual is required to gain knowledge through training and experience so that they can make decisions for their financial needs (Lusardi, 2008).

Three theories are adopted to describe the association of study variables. The goal setting theory by Locke (1990), based on the approach that individuals achieve their tasks depending on the goals they have to set with an aim to change their current status for a better future outcome, individual who have goals are motivated to utilize their ability and knowledge, and even make effort to seek knowledge they do not possess in order to achieve their goals. The theory of planned behavior developed by Ajzen (1991) states that behavior is predicted using attitudes toward specific personalities that are shaped by the society which influences a person's financial decisions. Lastly, the prospect theory by (Kahneman & Tversky, 1979) which states that an individual's choice of an investment is based on success being less satisfying as compared to the magnitude of pain in case of a loss. It further points out that, in most decisions made, there is always a regret or aversion depending on loss or gain attained.

Employees in public primary schools are encouraged to undergo financial trainings to equip themselves with skills that can help them make good financial decisions (Bhushan, 2014). Those who undergo financial training, make better financial decisions and spend their money wisely, and have a remarkably high level of wealth compared to their counterparts (Nye & Hillyard, 2013). Financial illiteracy is global issue, several researchers have determined that the knowledge of basic financial concepts among

individuals is less than the desired, with the advanced financial literacy being foreign among most individuals (Lusardi & Mitchell, 2011). To improve the financial wellbeing of employees in public primary schools, the national government and financial institutions in the country have developed various financial products to improve access to credit and personal savings; however, it is unknown to what extent employees in public schools have utilized these financial products (Murithi, 2012)

1.1.1 Financial Literacy

Financial literacy refers to how well an individual understands and applies personal-finance related information (Huston, 2010). It can also be defined as any form of financial education obtained from various settings such as high school, college or even the workplace (Xiao & Porto, 2016). It refers to individuals' behavior when they are looking for money; when they own money, when they use money and how they plan for future financial needs. These behaviors are best observed on the decisions individuals make, those perceived to make good financial decisions are also perceived to be financially literate and vice-versa. It should be understood however, most individuals make poor financial decisions even though they are educated and highly financially literate (Kasser & Kanner, 2004).

Financial literacy is important since its absence can render individuals unable to manage their financial welfare, this may lead to consequences of poor financial management: such as failure to participate in stock markets, failure to save and invest, this can affect the welfare of the individual and the society, although experimental financial learning may be of importance since it is self-correcting it may not be applicable to some practices such as saving for retirement, health insurance and investing in education since they have delayed outcomes that are subject to random shocks (Hastings, Madrain & William, 2003). Using this denotation, individuals can be classified according to their understanding of financial concepts. While those with less understanding are encouraged to seek knowledge and education, it's also advisable for those with good understanding to improve their practices through training. Better understanding of financial concepts can be learnt in a classroom, the lecture hall and through experience (Kasser & Kanner, 2004).

The failure by scholars to differentiate, financial literacy, financial education and financial knowledge has led to the lack of standard method of measuring financial literacy (Houston, 2010). Financial literacy measures are based on indicators of financial management practices such as retirement, individual savings, expenditure, debt management and investment decisions. It can be assessed by formulation of questions to test the extent of individuals financial literacy on the financial management practices, (Al-Tamimi & Kalli, 2009). It can also be measured by the use of the 'Big Three questions, whereby questions on interest, compounding and inflation are used to measure the extent of financial literacy in making investment decisions and questions of risk diversification determines the individuals extent of financial literacy in managing their financial assets (Hastings et al, 2013). Financial literacy can also be measured by determining the extent of an individual's savings literacy, retirement literacy, tax returns literacy, debt management and spending patterns (Mayiah, 2016) and by assessing the individual's understanding of financial concepts and theories (Gachago, 2014).

1.1.2 Financial Management Practices

Financial management practice is defined as a way in which individuals or organizations manage their finances by observing set guidelines in order to achieve set personal and organizational objectives (Brown, 2005). The need for understanding and adopting good practices by individuals and organizations is to ensure that they find best approaches to source for funds, utilize their finances and invest their resources so as to create more avenues of income generation and also enable them meet their future financial needs. In order to be in a safe financial position at all times, it's necessary for individuals and organizations to equip themselves with necessary financial skills so that they make the right financial decisions that will lead them to improve their lives (Boone et al, 2006).

It is important for individuals to adopt the best financial practices seen by many people as complicated and not easy to understand. It is not obligatory for everyone to know the models of finance but have a simple understanding of expenditure; saving, budgeting, investment and planning for retirement so that their life patterns are not disrupted once they leave office (Xu and Zia, 2012). Individuals in all spheres use money and borrow to sustain themselves, the difference between the successful and less successful is on how

much they utilize to take care of both current and future needs through schemes that give more returns and fewer losses (Bhushan, 2014). Decisions relating to personal financial management include how to balance budgets, buy a house, fund education expenses and ensure that there is enough cash during retirement (Boone, Kurtz & Hearth, 2006). Due to dynamism in economic and political landscape experienced in most countries, there will always be a challenge to individual and organizational resource as their scarcity increases day by day, in order to cope with these new realities, financial learning is necessary to gain necessary skills that can aid in better decision making.

Financial management practice measures analyze, the state of individual money and other resources that they can use to take care of their needs (Boone et al, 2006). Financial management practices can be measured by an individual's ability to manage their own financial matters; checking account statements for inconsistencies, being able to balance their check books and their preparedness for retirement. According to (Cole, Paulson & Shastry, 2014) the indicators or measures of financial management practices are whether an individual has any retirement or investment income, the level of the investment or retirement income and the ownership of any assets. The financial products and behaviors can be used to make the financial management practices indexes i.e in the case of cash flow management ,payment of bills on time can be used be used as an essential element, individuals who do not pay their bills on time are categorized as 'low' in this particular financial management practice.(Hilgert & Hogerth, 2017)

1.1.3 Financial Literacy and Financial Management Practices

Individuals are increasingly facing difficult financial decisions by the day, on the asset side of the balance sheet the individual is faced with need to decide on the finances to set aside for savings and retirement and also to have adequate information of the mix of the possible investments to venture. On the liability side there is a wide range of credit products which have led increase in bankruptcy and default rate among individuals. This creates the need for individuals to be well equipped with financial knowledge in order to make informed financial decision. There is a strong correlation between financial literacy and financial management practices, although there are no causal measures, which is

important in the comprehension of why financial literacy affect financial management practices (Cole et al, 2014).Financial literacy is important in making the right financial decisions (Olima, 2013). It also helps in identifying financial needs and investment options available in the market. For persons that engages in trade it's prudent for them to understand financial literacy so as to be efficient and effective in consumption. This is also critical in the applications of key concepts in finances such as; saving, investment, retirement and credit management (Lursadi & Mitchell, 2014).

A good understanding of financial practices enhance decision making and prepares individuals and organizations for financial challenges. It is through knowledge that an individual can decide on what financial products are suitable for them and the cost they will incur (Kim, 2007).Individuals who understand financial management are able to resolve financial problems when balancing needs and demand, long term planning and monthly budgeting, this ensures they don't spend beyond their earnings. They are in a position to decide best way to deal with their financial problems such as servicing their debt and spending as per their budget plans. A person with better understanding on managing finances is better positioned to use knowledge learned in making financial decision (Lorgat, 2003). Good financial practices instigate the need to seek more knowledge and understanding all the times. The financial markets and the economy in general rapidly changes and new opportunities and challenges present themselves to all the people (Vitt, Reichbach & Siegenthaler, 2006).

1.1.4 Employees in Public Primary Schools

As the government shifts the responsibility of saving and investing onto workers, it is becoming more important to equip the workers with basic tools to make good financial decisions (Lusardi, Mitchel & Curto, 2010).The government has pushed for various measures that are aimed at improving the employee's welfare through increasing house allowances and access to credit from financial institutions such as banks (Waweru, 2003).Lack of knowledge of the basic principles of financial management may be the reason that individuals do not apply recommended financial management practices (Hilgert & Hogarth, 2017).While lack of financial literacy is troubling to individuals the

government is concerned about the implication to the economy. In cases of weak financial literacy, the individuals always tend to be more confident in their financial capabilities than should be the case. The overconfidence may deter them from seeking professional advice thereby further widening the knowledge gap (Lusardi and Mitchel, 2007)

The declining Kenyan economy has made employees to face the challenge of making ends meet with salaries that remain unchanged for many years (Murithi, 2012). To improve on their financial welfare, employees in public primary schools have resorted to remedial fees for extra classes approved by parents and teachers association paid by parents and guardians to the schools. Teacher's Service Commission pays teacher's every month and provide financial benefits through financial schemes in collaboration with several banks in Kenya i.e offering loan services to the teachers. These schemes involve partnerships between the bank and TSC. Various established SACCOs offer financial products to teachers such as, Imarika SACCO, Ukulima SACCO, Mwalimu SACCO and Mombasa SACCO.

1.2 Research Problem

As operationalized in academic literature financial literacy has taken on a variety of meanings, it is used to mean knowledge of financial products i.e the ability to define a stock, a bond and differentiate between adjustable and fixed rate mortgage. It is also termed as knowledge of financial concepts such as compounding, diversification, inflation, credit scores, the mathematical and numerical skills necessary for effective decision making and involvement in practices such as financial planning (Hastings, Madrian & William, 2013). Financial literacy, financial education and financial knowledge are used interchangeably and few scholars have tried to differentiate these terms (Huston, 2010). Making financial decisions need a lot of considerations; personal needs, economic and social factors. To make better decisions, an individual is required to gain knowledge through training and experience so that they can make right financial decisions on how they will use their finances (Lusardi, 2008)

Employees in primary schools are faced with numerous problems that hinder their performance in schools. Most of the hindrances can be connected to money problems,

such as; insufficient funds to take care of their personal and family needs, borrowing to survive and little to invest that has led to dependence on salaries for survival. The employees also assume that the statutory savings in pension and security schemes can guarantee them full financial wellbeing when they retire. Most of these employees fail to understand that their future depends on effective management of savings and investments when they are actively involved in the office (Murithi, 2012). Most of them undergo stress and anxiety after retirement due to lack of salaries, with them having only one job experience of teaching it becomes a challenge for them to get part time jobs in the business world. Majority of them do not receive their pension payments immediately, this leaves them disillusioned due to lack of an alternative source of income for the upkeep of their families (Githui, 2012). Informed and financially educated individuals are in a good position to make financial decisions for their families which ensures their well-being and that of the community as well (Hilgert and Hogarth, 2017). It's therefore important to provide financial education before individual make financial decisions and get committed to financial contracts (Lusardi et al, 2010).

Several studies have been done to examine the effect of financial literacy on financial management practices such as savings, retirement, investment and tax, Amisi (2012) in their study concluded that financial literacy level was below the required and that it significantly had an impact on the investment decisions of pension fund managers in Kenya. Kariuki (2012) who studied the effect of financial literacy on the financial decisions of micro finance institution clients in Embu County observed that the low level of financial literacy of the clients had made them poorer. Garang (2016) from his study concluded that financial literacy positively affect the investment decisions of employees of financial institutions in Juba City South Sudan, since financial literacy concepts such as risk and diversification are useful in making investment decisions.

Navickas, Gudaitis & Krajnakova (2014) established from their study on Lithuanian population that low levels of financial literacy, lead to excessive spending, lower savings, rates and lower investment returns. Lusardi, Mitchell & Curto (2010) concluded from their study that the level of education had an effect of the financial literacy of the youth, with their educated counterparts being more literate than the uneducated. Njehia (2014)

concluded that the employees of Mumias Sugar Company had financial knowledge and they generally applied it in their financial management practices. From the studies reviewed, it's evident that; a study of the effect of financial literacy on financial management practices should be conducted on individuals in various segments since there are very few studies in this area. The study filled the research gap, by providing an answer to the following question; what is the effect of financial literacy on the financial management practices of employees in public primary schools in Mombasa County?

1.3 Research Objectives

To determine the effect of financial literacy on the financial management practices of employees in public primary schools in Mombasa County

1.4 Value of the Study

Findings are important to government in the managing of funds by ensuring that resources are allocated to cater for the financial literacy education of civil servants in various sectors and business people. They can use the findings to include financial literacy education into the curriculum for the students and also advocate for consumer training programs to ensure the consumers well-being.

Information obtained is also valuable to school administrators in making decisions relating to training employees in public primary schools to acquire skills that improve their effectiveness in financial matters, investments and retirement planning hence making them more productive. The findings can be used by teachers in primary school to analyze and establish the value for money they use for daily expenses, investment and save for retirement. The primary aim for the study was to bring in a new perspective to concepts of financial literacy, by identifying and comparing the effect of financial literacy on the financial management practices of teachers to basis of, the goal setting theory, the theory of planned behavior and prospect theory which form the underlying theories for the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter covers the theoretical and empirical reviews on financial literacy and its effect on personal financial management of teachers in public primary schools. It also covers the conceptual framework and determinants of personal financial management practices.

2.2 Theoretical Review

There are several behavioral theories that have been used as the theoretical basis for understanding the concept of financial literacy in various contexts. The theories that were adopted for the study included the goal-setting theory, Theory of Planned Behavior (TPB) and the prospect theory. These theories have been used to help understand and predict human behavior and motivations as well as human needs.

2.2.1 Goal-setting theory

The theory of goal-setting and task performance developed by Locke & Latham in 1990 states that task performance is dependent on the, specify, difficulty and the moderators (such as the ability and personality)of the goals set by both the individual and the organization. The goals are stimuli and motivation for the individual's; effort, resilience and a sense of direction as a result of motivational and cognitive factors. Goals also act as the basis for planning on how to achieve tasks; the theory is also based on the theme that individual's achievement of tasks will be determined by their will and cognitive factors as opposed to the consequences. A goal refers to an expected valued outcome; the setting of goals shows an individual's dissatisfaction with the present situation and their desire to achieve a specific valued outcome (Tosi, 1991)

According to (Locke & Latham, 2006) difficult goals are highly motivating since they require one to achieve more for them to feel satisfied. Although difficult goals may at times be viewed by individuals as threats and as a result the individuals may focus on

failure of the goal leading to them not achieving the goals, the achievement of the goal is based on the individual view of the goal as a challenge rather than a threat. Individuals may view a goal as achievable depending on the previous experiences and the number of successes compared to failures on the previously set goals (Latham & Yukl, 1975). Performance is as a result of motivation, the ability to achieve goals may push an individual to pull into awareness the ability they had stored in their sub-conscious mind, and also use the ability they have and further seek knowledge for the arrears not well mastered in order to achieve (Locke & Latham, 2006).

A goal is defined as what an individual is consciously trying to achieve and his intentions to control and regulate his behavior, which in turns affect his performance (Latham & Yukl, 1975). (Hogarth & Hilgert, 2017) studied effect of financial literacy on the financial management practices such as cash-flow management, this was assessed by questionnaires which tested planning on how to spend and budgeting with the intention to manage the cash-flows, it was determined that the individuals who had a spending plan and budget also scored highly on the cash-flow management index, indicating that the intention/goal to plan and budget leads to achievement of task of individuals managing their cash flow.

2.2.2 Theory of Planned Behavior

This is a theory developed by Ajzen in (1991) based on the assumptions that a person's behavior can be foretold by focusing on their personalities and characteristics which are influenced by the society, family friends and peer groups. (Hrubes, Ajzen, & Daigle, 2001) are of the view that, an individual's approach determines how they make decisions on financial matters.

Individual who make decisions based on suggestions from friends or family normally make very poor decisions as compared to their counterparts who are bold enough to decide what is good (Grable & Joo, 2004). The bold individuals always go an extra mile to understand their financial situations hence are in a position to decide. As such, an individual behavior is critical in financial decisions and dictates the intentions, financial goals and activities that an individual does to use or make money (Grable & Joo, 2004).

The theoretical beliefs put forward clearly explain reasons as to why individuals under the study practice bad or good financial management in public primary schools (Hrubes, Ajzen, & Daigle, 2001). Behavioral biases may cause individuals to make a choice of the wrong credit product and also over borrow (Cole et al, 2014). The theoretical beliefs put forward help understand personal assertions against the use of cash and its possible value that an individual can derive with proper usage. People differ on how they perceive money; there is a cluster of people who feel proud retaining money in various ways but fail to venture into opportunities for higher income, while another cluster spend money and invest to create avenues that bring in a stream of new incomes (Hrubes, Ajzen, and Daigle, 2001).

2.2.3 Prospect Theory

Kahneman and Tversky (1979) portray an individual's choice on investment to be based on the fact that given equal chances or either a loss or gain, the individual prefers to avoid investing in the venture i.e the pain associated with a loss is greater compared to the pleasure that would have been experienced if it were a gain.. According to Kahneman (2003) it's possible to identify different personalities and their influence in deciding the most profitable venture in which one can invest their money. The decision in this regard is based on future income and loss projections that one does based on available information.

Most individuals in the projections are carried away by the hype in certain money activities. Due to many people praising a certain venture, they feel it's the best opportunity with the highest returns in the market and scramble to be the majority shareholders for bigger returns (Kahneman & Perttunen, 2004). Capitalists always present their idea to investors as the best when looking for financing to develop their business, in most cases they do so dishonestly. Whereas investors are more concerned about profits, they disregard basic facts like costs and losses that may be incurred and focus on the positive expectations.

This theory guided the study in understanding individual's decision on saving and investment in financial preparedness for life after retirement (Kahneman, 2003). In most economic exchanges, individuals exchange money for services or properties worthy of

value with the possibility of increasing returns for their investment. In such situations, the theoretical assumptions can be used to predict before spending or investing their money the possible income hence decide whether to invest / spend or save their money.

2.3 Determinants of Financial Management Practices

This section discusses the determinants of financial management practices i.e the level of education and financial literacy

2.3.1 Level of Education

Individuals who are highly educated earn more wages enabling them to save and invest in ventures that generate for them income. Although the effect of education standards is too large to depend only on the explanation of the wage return to education aspect. This is because highly educated people stay current in their debt and investment, this therefore leads to the conclusion that education enhances decision making which eventually lead to good financial management practices (Cole, Paulson & Shastry, 2014). Education can enhance financial knowledge; the young adults whose parents or friends do not have any college education are less likely to have any financial knowledge thus the need for financial training programs (Cole et al, 2014)

Less educated people don't comprehend how little they know about investment decisions (Lusardi & Mitchell, 2011). The choices and plans that individuals make regarding their finances are highly influenced by their level of education and financial skills. It's understood that individuals acquire knowledge through various forms, so classroom teaching is not the only technique to use because other means such as experience seem to have shaped the financial behavior of many individuals (Lusardi & Mitchell, 2008). It's commonly believed that poor people have poor financial management practices; however, this is not true because there are many successful and rich people who were brought up in poor families but with good education managed to excel (Choi, Laibson, Madrian, & Metric, 2016).

2.3.2 Financial Literacy

Financial literacy is termed as the acquisition of financial knowledge and the application of the financial knowledge in the enhancement of financial status of individuals (Lusardi & Mitchell, 2014). Individuals can learn financial literacy through lecture halls, conferences, seminars and brain storming sessions that can go a long way in shaping the financial choices they make (Cumming, 2007). Acquisition of financial literacy skills is critical for professionals in many sectors of the economy; financial literacy will be measured by assessing individual's financial management skills. Individuals who are financially illiterate are unable to evaluate and make decisions on investments such as mortgages, this leads to their engagement in risky mortgages resulting in delinquency, the consequences of financial illiteracy are felt by both the individuals and the economy (Herbert, Gilber & Charterjee, 2016)

Beal and Delpachitra (2003), are of the view that, an individual's financial literacy can be a good guide in analyzing gains and losses in investments, choosing the best venture to invest in, saving for retirement, planning for leisure time and planning for education and health services which can best be managed by obtaining a medical insurance cover. It has been proven through research in various contexts that, individuals who lack financial literacy face financial problems and is likely to be poor financially. This makes such individuals not to live within their means, over borrow and live more poorly once they get into old age (Kim, 2000).

2.4 Empirical Review

(Herbert, Gilber and Charterjee, 2016) studied the association between financial literacy on individuals choice on risky mortgages and delinquency. A survey was carried out on US home owners, the data was obtained from the NFCS a state-state online survey carried out on 28,000 respondents, a Heckam procedure; probit analysis was applied in data analysis. The questionnaire consisted of closed-ended questions, the findings of the study were that; borrowers with less financial literacy were more likely to choose risky mortgages and also be delinquent in their mortgage payments. The need for education programmes to promote financial literacy was recommended since most of the borrowers

were unable to evaluate and determine the risky mortgages leading to an increase in delinquency.

(Hilgert and Hogarth, 2017) undertook a study to compare the effect of financial knowledge on the financial behaviours of individuals, they used data from the Michigan's monthly survey of consumers and data from the survey of consumer finances for the comparison. Data being compared had been collected by the use of true/false quizzes with 28 questions to 1,000 respondents between the ages of 18-97 it was analyzed by regression analysis, and then presented using scores for financial knowledge and indexes for financial practices. The conclusion was that an increase in financial literacy significantly and positively affects the financial behaviors of individuals. They recommended that although financial awareness campaigns and learning tools were all important in their own way in increasing financial literacy, there was a need for financial education strategies that are audience-targeted so as to ensure that the desired financial management practices are exhibited.

Gachango (2014) focused on how financial literacy and level of education affects the personal financial management practices of employees of financial institutions. The methodology of survey adopted was that of 5 point Likert scale questionnaires on 100 respondents. The data collected was analyzed through multiple regression analysis. From the study it was concluded that the personal financial management of the employees in financial institutions were no better than those of other individuals albeit their exposure to financial issues. Education was also observed not to affect the levels of financial management practices of these employees, although to some extent impacted positively on the management practices. The main factor that affected financial management was financial literacy. He therefore recommended that the government and other institutions should make efforts to promote financial literacy, since this will enable households to save, invest and borrow responsibly.

Mukhandi (2013) undertook a study with the objective of determining the effect of financial literacy on the personal financial practice of the youth in Kenya. The study was to compare between the practices of the youth who had undergone the financial

knowledge for Africa training program (FIKA) and graduated and a control group of those who had not undergone a similar study. The research design adopted was a case study. The sampling of the study group was done through the snow balling technique and it comprised of 60 respondents and quota sampling used to selected the control group. Primary data was collected computed by use of SPSS and represented in tables and figures. The coefficient correlation and regression analysis was applied in the drawing of inferences. It revealed that; financial literacy had limited impact on the financial practices of the individuals since the practices of the two groups did vary.

Mayiah (2016) had an objective to determine the effect of financial literacy on the personal wealth of employees of the Judiciary using a descriptive design. The primary data was collected from 100 respondents; it was then coded and analyzed using regression analysis, content analysis and SPSS. The conclusion was that tax, retirement and savings literacy had an insignificant positive correlation to the personal wealth of the employees, debt management also had an insignificant positive correlation to the personal wealth of the employees. From the study it was recommended for a similar study to be replicated on the employees of the Judiciary in the entire country.

Hinga (2012) studied the effect of financial literacy on the personal savings of the employees of postal cooperation in Kenya. The data was collected using semi-structured questionnaires; the quantitative and qualitative data were analyzed using the descriptive analysis and content analysis respectively. SPSS and multiple regressions were also used in data analysis. From the findings of the study it was concluded that financial literacy is key in determining personal savings, although other factors such as level of income, gender, risk tolerance, education and age also had a significant effect on personal savings. It was recommended that the government should establish training that expose individuals to savings, a recommendation was made for a study to be conducted on the unemployed individuals.

Nyamute and Maina (2011) investigated effect of financial literacy on employees of banking institutions; they were clustered into those termed to be financially literate and those who were not financially educated. Data was primarily collected from 192 study

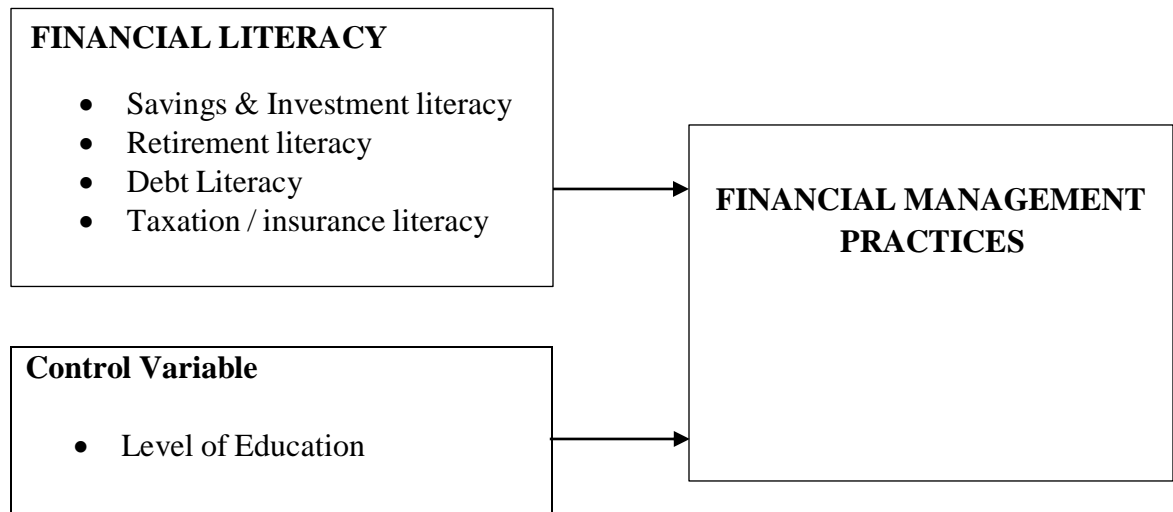
participants by the use of Likert-scale questionnaires and SPSS was applied in data analysis. It was revealed that; the clusters exhibited little difference in their financial behavior, although the financially literate individuals practiced financial management practices more, it was also realized that individuals can practice good financial management practices without any financial education, since there are many other sources of obtaining financial knowledge. The study recommended that it is of importance for individuals to gain some basic financial knowledge since this was vital in the management of personal income and finances.

2.5 Summary of Literature Review and Research Gap

(Mukhandi, 2013; Nyamute & Maina, 2011; Mayiah, 2016; Hinga, 2012) studied the effect of financial literacy on financial management on different contextual settings, they concluded that financial literacy has a positive effect on the financial management practices of the individuals, from the studies however it is not clear-cut that financial literacy significantly affects financial management practices, thereby creating a gap for more studies to be done in this area. The studies by (Gachango, 2014; Hilgert & Hogarth, 2014) focused on the effect of both financial literacy and education on financial management practices. (Herbert, Gilber & Charterjee, 2016) studied the association between financial literacy on individuals choice of risky mortgages and delinquency. From the studies reviewed none has focused on the effect of financial literacy on the financial management practices of employees of public primary schools in Mombasa County, therefore this study seeks to fill this gap by describing the effect of the independent variable on the dependent variable in the context of employees in public primary schools in Mombasa County

2.6 Conceptual Framework

Independent variables Dependent variable



CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter contains the research design, population of the study, sample of study, data collection instruments, techniques and data analysis

3.2 Research Design

The study adopted a descriptive research design since it was prime in the investigation, and explanation of how and to what extent the financial management practices are affected by financial literacy. The designs considered the elements of both quantitative and qualitative analysis therefore it provided the how, what and where, enabling the study to meet its objectives

3.3 Study Population

The target population refers to the entire group of people, events or things of interest wishes to be investigated (Creswell, 2013).The population adopted for this study comprised of employees from 90 public primary schools in Mombasa County that summed up to 2,101 (TSC, 2018).

3.4 Sample and Sampling Technique

According to Kumar (2008), a sample is defined as a limited proportion of a statistical populace whose physical characteristics are considered in order to gain information on the complete group that has been selected. The study used simple random sampling technique for selecting the schools that will be engaged in the study. This technique gave all schools a chance of being selected for data collection. The study employed convenience sampling as the study sought to collect data from teachers only, since they are perceived to possess some level of financial management knowledge. The sample size was derived using Yamane- 1967 formula. According to Saunders, Lewis & Thornhill (2012), the formula gives precision in determining a sample size with known confidence and risk levels. For most business researches, estimates of the characteristics of populations are done at 95%

certainty within plus or minus 3 to 5% of its true values. The formula used is shown below:

$n = (N) / (1+Ne^2)$ Where; n = Sample Size N= the size of the population e = the probability error of 5% Therefore,

$$n = \frac{2,101}{1 + (2,101 \times 0.05^2)} = 336$$

The sample size for the study was therefore 336 respondents, the sample was sufficient, since according to (Saunders, Lewis & Thornhill, 2007) the larger the sample size the smaller the margin of error and from the table of a rough guide to the minimum required sample size, a population of 2,000 at a confidence level of 95% and margin of error of 5% requires a minimum sample size of 322, this makes the sample size of 366 of the study acceptable for a population of 2,101.

3.5 Data Collection Techniques

Questionnaires were structured using a 5 point Likert-scale to make it simple for the respondents to give their responses. As a result the researcher formulated them in a manner that they comprehensively covered all the indicators in the research variables. This tool of data collection was appropriate for the study since it was cost effective and easy to administer. Study participants were also given ample time to read and understand the questions before giving their responses. Questionnaires were provided personally and respondents given an opportunity to ask questions and explanations were provided to difficult questions, the teachers were left with the questionnaires which were collected after 14-16 days.

3.6 Validity and Reliability Tests

Before the study was done in full scale, a pilot study was done, the set of questions that were handed to respondents were tested to ascertain their fitness and foresee the possible errors that may happen and amendments done where necessary (Kothari, 2012). Of all the targeted respondents, 10 participants were engaged in the preliminary assessment whereby they were handed the list of questions to fill and responses analysed in terms of

their consistency and outcome with relations to study objectives. These testes were done more than once, with each test giving room for improvement of the questionnaire until consistency and validity of the data was established, then the study was done in full scale and all study participants were engaged.

Through pilot testing, errors of misinterpretation were identified and amended before full commencement of the study. The researcher also created time to make interpretations of terminologies where necessary. Another approach that was used to ensure that participants gave useful responses was engagement of experienced researchers and the supervisor to point out mistakes in the questionnaires. Reliability is the degree to which the tools, in this case the questionnaires will consistently provide similar outcomes when data obtained is subjected to multiple tests (Marshall & Rossman, 2014). In ascertaining the degree of consistency, data was analyzed for reliability using the Cronbach alpha the data was compared to the standard Cronbach alpha of 0.7 and consistency was established as obtained alpha was more than 0.7. The testing and retesting started at the pilot study and necessary improvements made on the questionnaire to ensure that final data collected was consistent to study objectives.

3.7 Data Analysis

Data analysis is the application of reasoning to understand the data that has been gathered (Zikmund, Babin, Carr & Griffin, 2013). The data filled in the structured questionnaires were coded in respect to each research objective to ensure that processing of the data was easily done. Regression analysis was conducted to determine the correlation and variance co-efficient to prove the level of significance that the independent variable relates to the dependent variable in the model given below;

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where the: Y = Financial management practices

α = Constant Term

β_1 = Beta Coefficients

X_1 = Personal investment /Savings literacy

X_2 = Personal retirement literacy

X_3 = Personal debt literacy

X_4 =Level of education

ε = Stochastic error term.

3.8 Diagnostics Test

These are intended to detect the bias that would affect the parameter estimates, p-values confidence level, standard errors, t-statistics, the common source of bias come due to violation of assumption of statistical test, for this study the assumptions are a true linear relationship between the variables, errors are normally distributed, homoscedasticity of errors and there exists independence in the observations (Field, 2013).

3.9 Operationalization of variables

Symbol	Variable	Measure	Reference
Y	Financial management practice	Questionnaires in Section C	Njehia,2014
X₁	Personal investment and savings literacy	Questionnaires Section B(i)	Mayiah,2016
X₂	Personal retirement	Questionnaires Section B (ii)	Mayiah,2016
X₃	Personal debt	Questionnaires Section B (iii)	Kariuki,2018
X₄	Tax/Insurance Literacy	Questionnaires Section B (iv)	Olima,2013

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter covers a detailed analysis of the study findings in descriptive statistics, normality tests, and inferential statistics. It also covers the regression analysis of the study variables and highlights; model fitness, correlation co-efficient, regression co-efficient represented in tables and summary to give clear illustration of the relationships established.

4.2 The Response Rate

The study sort to determine the rate of responses of the respondents, as a result the number of questionnaires filled was compared to those not filled and returned for analysis.

Table 4.1: Response Rate

Response	Frequency	Percentage
Responses	300	81.96%
Non-responses	66	18.04% %
Total	366	100%

A total of 366 employees were engaged in data collection and handed questionnaires to fill in information that was analysed and presented as the findings of the study. Out of 366 engaged, 300 employees successfully filled and returned the questionnaires for analysis which represents a response rate of 81.96%%. According to Mugenda and Mugenda (2009) a response rate above 70% is good. The response was high because employees were present in schools for the third term and responded swiftly and provided data which will go a long way in improving the performance of projects implemented by the organization.

4.3 Reliability of the Variables

Reliability of the study variables was tested by use of Cronbach alpha method. The analysis gave an overall alpha of 0.7672, the alpha is greater than 0.7 alpha hence the data reliable in generalizing the study findings

Table 4.2: Reliability test for each variable

Variable	Cronbach alpha	Item
Personal investment and savings literacy	0.723	7
Personal retirement literacy	0.811	6
Personal debt literacy	0.732	6
Taxation and insurance literacy	0.725	7
Financial management practice	0.745	13
Total	3.736	39

Reliability test was done for all five variables of the study and the resultant alphas are represented in the table 4.2 above. As shown in the table above; all alphas for each variable are greater than 0.7, the study concludes that data is reliable and has a high degree of consistency.

4.2 General Information

The study asked employees in public primary schools to indicate their personal details relating to; age group, gender, marital status and level of education that the study used to ascertain the suitability of the employees level of understanding financial management practices.

4.3.1 Age Group

Represented in the table below is the cluster of respondent's ages as indicated in the questionnaires?

Table 4.3: Age group

Age group	Frequency	Percent
25-30 years	39	13.1
30-35 years	93	31.1
35-40 years	129	42.7
Over 40 years	39	13.1
Total	300	100.0

When employees in public primary schools were asked to indicate the age group they fall in, the indicated as shown in table 4.3 above; majority of the employees in public primary schools indicated that they fall in the age group 35-40 years with a 42.7 percent, followed by age group 30-35 years with a 31.1 percent while age group 25-30 years and over 40 years had a similar percentage at 13.1.

4.3.2 Gender

The table below shows the gender classification of the respondents engaged in the study.

Table 4.4: Gender

Gender	Frequency	Percent
Male	202	67.2
Female	98	32.8
Total	300	100.0

When employees in public primary schools were asked to indicate their gender, they indicated as shown in table 4.4 above; majority of the stakeholders are male which comprise 67.2 percent of the employees in public primary schools while females form 32.8 percent.

4.3.3 Level of Education

Represented in the table below is the cluster of respondent's education levels as indicated in the questionnaires?

Table 4.5: Level of Education

Highest level of education	Frequency	Percent
Secondary	49	16.4
College	120	40
Bachelors	93	31
Masters	30	10
PhD	8	2.6
Total	300	100

When the employees in public primary schools were asked to indicate their level of education, they indicated as shown in table 4.5 above; majority of the employees in public primary schools have a college level of education represented by 40 percent of the employees in public primary schools, followed by employees in public primary schools with university level of qualification represented by 31 percent, then secondary level of education represented by 16.4% and lastly masters level of education with 10 percent.

4.3.4 Attendance to Financial Education Course

Table 4.6: Attendance to financial education course

Response	Frequency	Percent
Yes	78	26.0
No	222	74.0
Total	300	100.0

When employees in public primary schools were asked to indicate if they financial education courses, they indicated as shown in table 4.6 above; majority of the employees at comprise 74% indicated that they do not attend while 26% indicated that they attend financial education courses.

4.3.5 Business Ownership

Table 4.7: Business ownership

Response	Frequency	Percent
Yes	120	40.0
No	180	60.0
Total	300	100.0

When employees in public primary schools were asked to indicate if they own a business, they indicated as shown in table 4.7 above; majority of the employees at comprise 60% indicated that they do not own a business while 40% indicated that they own a business.

4.4 Descriptive Statistics

Descriptive analysis was done for all variables of the study; this was intended to find out employees response mean, maximum, minimum and standard deviation. Responses given by employees were based on a likert scale given in the questionnaires which required them to indicate their level of agreement to the statements provided in the questionnaires. The likert scale is as follow; 1 = not at all/not applicable; 2 = less extent; 3 = moderate extent; 4 = great extent; 5 = very great extent

4.4.1 Savings and Investment Literacy

The study the relationship that exists between savings and investment literacy on financial management practices on the target respondents of the study. As shown in table 4.8; the descriptive measures on savings and investment literacy to financial management practices are as follows.

Table 4.8: Savings and Investment Literacy

Statement	N	Mean	Std. Dev
I have the ability to discern financial choices and- discuss financial issues comfortably	300	3.3800	1.17877
I can use combinations of skills, resources and- knowledge to make financial decisions	300	2.5500	1.34371
I can make informed effective financial choices	300	4.0500	1.89188
I understand financial terms and concepts	300	3.7300	1.02351
I do regularly check my bank statements for- Inconsistencies	300	3.3400	1.22450
I balance my checkbook carefully	300	2.8700	1.21983

As presented above, the findings show that on average mean of 2.5500 and 4.0500, respondents agreed that savings and investment literacy affects financial management practices. These findings prove the importance of savings and investment literacy which influences financial management practices. In table 4.8 above; ability to make informed effective financial choices had the highest influence with a mean of 4.0500; I have the ability to discern financial choices and discuss financial issues comfortably had a mean of 3.3800 and std.dev of 1.17877; I can use combination of skills, resources and knowledge to make financial decisions had a mean of 2.5500 and std.dev of 1.34371; I can make informed effective financial choices had a mean of 4.0500 and std.dev of 1.89188; I understand financial terms and concepts had a mean of 3.7300 and std.dev of 1.02351; I do regularly check my bank statements for inconsistencies had a mean of 3.3400 and std.dev of 1.22450 while the statement on I balance my checkbook carefully had mean of 2.8700 and std.dev of 1.21983.

4.4.2 Retirement Literacy

The study investigated the relationship between retirement literacy and financial management practices. Table 4.9 highlight the descriptive measures on retirement literacy to financial management practices are as follows.

Table 4.9: Retirement literacy

Statement	N	Mean	Std. Dev
I am aware of the performance of my investments- outside of my retirement saving plans	300	3.7000	1.30655
A disciplined approach to re-balancing my investment- is very important	300	3.7900	1.28153
I understand the importance of the TSC's pension- plan that provides adequate pension upon retirement	300	3.3100	1.33859
I have determined how much income I can expect on- Retirement	300	2.7400	1.33802
I am fully aware of the impact of inflation on my- future retirement income	300	3.3600	1.91585
I have adequate knowledge to allow me to manage- my wealth upon retirement	300	2.4300	1.32005

As presented above, the findings show that on average mean of 2.4300 and 3.7900, respondents agreed that retirement literacy affects financial management practices. These findings prove the importance of retirement literacy on targeted employees. As shown in table 4.9 above; A disciplined approach to re-balancing investment had the highest influence with average score of 3.7900; I am aware of the performance of my investments outside of my retirement saving plans had an average score of 3.7000 and a std.dev of 1.30655; I understand the importance of the TSC's pension plan that provides adequate pension upon retirement with an average score of 3.3100 and a std.dev of 1.33859; I have

determined how much income I can expect on retirement had an average score of 2.7400 and a std.dev of 1.33802; I am fully aware of the impact of inflation on my future retirement income had an average score of 3.3600 and a std.dev of 1.91585 while statement on I have adequate knowledge to allow me to manage my wealth upon retirement had an average score of 2.4300 and a std.dev of 1.32005.

4.4.3 Debt Literacy

The study investigated the relationship between debt literacy and financial management practices on the target population. As shown table 4.10; descriptive measures on debt literacy to financial management practices are as follows.

Table 4.10: Debt literacy

Statement	N	Mean	Std. Dev
My educational background in school, college and- university was devoted to business, economics and finance.	300	3.5800	1.12976
I enjoy reading financial articles and publication in the- newspapers, magazines, mass media and internet	300	2.0900	1.27204
I enjoy conversation about financial matters with friends- and colleagues	300	3.4800	1.91541
I have attended training seminars and conferences- on debt management while in employment	300	3.3300	1.04500
I interact with financial planners, advisors, and accountants- in my work place	300	2.3500	1.01876
The nature of my job makes me familiar with debt related- issues such as interest rate, pricing etc	300	3.7100	1.05692

As presented above, the findings show that on average mean of 2.0900 and 3.7100, respondents agreed that debt literacy affects financial management practices. These findings prove the importance of debt literacy on the target population. As shown in the table above; the nature of my job makes me familiar with debt related issues such as

interest rate; pricing etc. had the highest influence with an average score of 3.7100; my educational background in school, college and university was devoted to business, economics and finance had an average score of 3.5800 and a std.dev of 1.12976; I enjoy reading financial articles and publication in the newspapers, magazines, mass media and internet had an average score of 2.0900 and a std.dev of 1.27204; I enjoy conversation about financial matters with friends and colleagues had an average score of 3.4800 and a std.dev of 1.91541; I have attended training seminars and conferences on debt management while in employment had an average score of 3.3300 and a std.dev of 1.04500 while statement on I interact with financial planners, advisors, and accountants in my work place had an average score of 2.3500 and a std.dev of 1.01876.

4.4.4 Taxation and Insurance Literacy

The study investigated the relationship between taxation / insurance literacy and financial management practices of employees on target population. As shown table 4.11; the descriptive measures on taxation and insurance literacy to personal financial management are as follows.

Table 4.11: Taxation and Insurance Literacy

Statement	N	Mean	Std. Dev
I do not have any insurance	300	3.9600	0.78951
I have a comprehensive insurance cover	300	4.0000	0.74550
Am able to select best insurance policy	300	3.2000	1.25831
Am only covered by a life policy	300	3.6400	1.31909
I manage my own taxes	300	4.3200	0.47610
I take advantage of tax reliefs	300	3.1210	1.08000

As presented above, the findings show that on average mean of 3.1210 and 4.3200, respondents agreed that taxation and insurance literacy affects financial management practices. These findings prove the importance of taxation and insurance literacy on the target population. As shown in the table above; I manage my own taxes had the highest influence with an average score of 4.3200 and a std.dev of 0.47610; I do not have any

insurance had an average score of 3.9600 and a std.dev of 0.78951; I have a comprehensive insurance cover average score of 4.0000 and a std.dev of 0.74550; Am able to select best insurance policy had an average score of 3.2000 and a std.dev of 1.25831; Am only covered by a life policy had an average score of 3.6400 and a std.dev of 1.31909 while the statement, I take advantage of tax reliefs had an average score of 3.1210 and a std.dev of 1.0800.

4.4.5 Financial Management Practices

The study investigated the key factors determining financial management practices among the targeted employees. As shown in table 4.12; the descriptive measures on personal financial management are as follows.

Table 4.12: Taxation and Insurance Literacy

Statement	N	Mean	Std. Dev
I do not have any insurance	300	3.9600	0.78951
I have a comprehensive insurance cover	300	4.0000	0.74550
Am able to select best insurance policy	300	3.2000	1.25831
Am only covered by a life policy	300	3.6400	1.31909
I manage my own taxes	300	4.3200	0.47610
I take advantage of tax reliefs	300	3.1210	1.08000

As presented in table 4.11 above the statement; I use alternative sources of credit was the most influential factor on financial management practice had an average score of 4.3300; I interact with financial planners, advisors, and accountants in my work place had an average score of 2.3500 and a std.dev of 1.01876; I pay my credit card bills in full each month had an average score of 2.5200 and a std.dev of 1.33696; I pay my rent/mortgage in full and on-time had an average score of 3.2100 and std.dev of 1.18317; I pay my utilities (water, electric) in full and on-time had an average score of 2.4100 and a std.dev of 1.19844; I max out or go over the limit on my credit cards had an average score of 2.9100 and a std.dev of 1.78147; I spend more in a month than I earn had a mean of 1.7400 and a

standard deviation of 1.97047; I use alternative sources of credit (e.g. borrow from friends) had an average score of 4.3300 and a std.dev of 1.93263; My account has a positive balance at the end of the month had an average score of 2.8700 and a std.dev of 1.30775; I am a member of a SACCO(s) and have not defaulted on any loans had an average score of 3.1100 and a std.dev of 1.01399; I balance my credit/debit account each month had an average score of 2.8200 and a std.dev of 1.38812; I have cheques returned because of insufficient funds(bounced checks) had a mean of 3.1300 and standard deviation of 1.30000; I have taken overdrafts had an average score of 4.1900 and std.dev of 1.18658; I have a daily, weekly or monthly budget that I follow had an average score of 3.6000 and std.dev of 1.19764 while statement on I set aside some money each month for savings had an average score of 3.8000 and std.dev of 1.07309.

4.6 Correlations Analysis

In order to establish the relationship between the independent variables and the dependent variable, the researcher sought to conduct correlation analysis, which involved coefficient of correlation and coefficient of determination.

4.6.1 Co-efficient of Correlation

The analysis was done to establish the strength of the correlation between the study variables. As shown in table 4.12 below; the results reveal a positive correlation between the study variables i.e savings and investment literacy, debt literacy, retirement literacy and taxation / insurance literacy on financial management practices. The study findings approve the assumptions that the independent variables have an influence on financial management practices.

Table 4.13: Correlation Matrix

	FMP	SIL	RL	DL	TIL
FMP	1				
Sig					
SIL	.111	1			
Sig	.198				
RL	.574	.241	1		
Sig	.000	.031			
DL	.532	-.037	.582	1	
Sig	.000	.389	.000		
TIL	.660	-.256	-.911	-.623	1
Sig	.000	.023	.000	.000	

Keys

FMP: Financial Management Practice **SIL:** Savings and Investment Literacy

RL: Retirement Literacy **DL:** Debt Literacy **TIL:** Taxation and Insurance literacy

As presented in table 4.13 above, it's evident that the linear correlation is substantial with a significance of 0.00 between the independent variables; debt literacy, retirement literacy and taxation / insurance literacy on financial management practices. From analysis, findings reveal coefficient of correlation, 0.574, 0.532 and 0.660 for retirement literacy, debt literacy and taxation / insurance literacy respectively. This shows that there is relatively strong positive relationship between independent variables and dependent variable. This implies that an improvement in debt literacy, retirement literacy and taxation / insurance literacy will result to effective financial management practices of the targeted employees. Savings and literacy has a correlation of 0.111 and significance of 0.198. This indicates that it has a weak insignificant correlation with financial management practices although it impacts on it positively since it has a positive beta co-

efficient in the regression model. The employees should therefore be made more aware of the savings and investments.

4.6.2 Regression Results

Regression was done to assess the strength of the relationship that exists between study variables. It was utilized to assess the strength of the relationship that exists between the variables and for modeling the future relationship between them

Table 4.13: Regression Model Summary

Model R	R-Square	Adjusted R Square	Std. Error	Sig. F	Durbin-Watson
0.728a	0.530	0.496	2.74396	0.000	0.897

From table 4.24 above; it can be observed that the adjusted R-square value of the variable is .496 which reveals that savings and investment literacy, debt literacy, retirement literacy and taxation / insurance literacy can explain the variation of financial management practices by 49%. It's evident that other factors affect financial management practices of public primary school employee's in Mombasa; however, these were not covered by the study which can be explained remaining percentage of 51%. R(correlation coefficient) indicates the correlation between the variables and the value 0.78 shows a positive correlation between the dependent variable and the predictor variable.

4.7 ANOVA Analysis

ANOVA is considered significant if its p-value is less than 0.05. The model has a P-value of $0.000 < 0.05$; hence the model is fit in explaining the relationships between independent variables and the dependent variable. With an F value of 15.779 and P-value of 0.000 the model, shows that the study model is significant and the independent variables directly affect the dependent variable.

Table 4.14 Analysis of Variance (ANOVA)

Model	Sum of Square	df	Mean Square	F	Sig
Regression	475.211	4	118.803	15.779	0.000b
Residual	421.642	56	7.529		
Total	896.853	60			

4.8 Regression Co-efficient

Table 4.15: Regression co-efficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	sig	95% confidence level	
	B	Std. Error Beta				Lower Bound	Upper Bound
(Constant)	4.188	1.450	1.142	2.888	.000	4.011	4.365
SIL	.430	.154	.274	2.792	.007	.4120	0.4480
RL	.141	.200	.156	.705	.048	.1390	0.1430
DL	.144	.154	.114	.935	.0351	.1270	0.1610
TIL	.703	.206	.801	3.413	.001	.687	0.7190

Keys

SIL: Savings and Investment Literacy

RL: Retirement Literacy

DL: Debt Literacy

TIL: Taxation & Insurance Literacy

From table 4.26 above, it can be observed that the study had an intercept of 4.188 which means that when all the independent variables are at zero, financial management practices

will be at 4.188; all the independent variables i.e Savings and Investment, Retirement, Debt and Taxation & insurance Literacy were found to have a positive relationship with financial management practices.

$$Y: 4.188 + .430 X_1 + .141X_2+ .144X_3+ .703 X_4$$

Y: Financial Management Practices

X₁: Savings and Investment Literacy

X₂: Retirement Literacy

X₃: Debt Literacy

X₄: Taxation & Insurance Literacy

From the above regression results, it can be deduced that taking all the other independent variables at zero(absent)a unit change in savings and investment literacy influences financial management practices by 0.430, a unit change in retirement literacy influences financial management practices by 0.141, a unit change in retirement literacy influences financial management practices by .144 while a unit change in taxation & insurance literacy leads to 0.703 changes in financial management practices.

The standardized Beta coefficients indicate the contribution of each variable in the model, a unit that is large value indicates that the impact of the change of the predictor variable will be greater on the criterion variable. The t-values and the significance value (p) indicate the effect of the independent variable. A larger absolute t-value and a smaller p value indicates that the independent variable has a big impact on the dependent variable.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter covers the summaries, discussions, conclusions drawn from the findings and recommendations and suggestion for further studies.

5.2 Summary

The study collected data from the target population, analysed and interpreted to ascertain the relationships between the study independent variables i.e savings and investment literacy, debt literacy, retirement literacy and taxation / insurance literacy on financial management practices. Questionnaires were hand delivered to 366 employees of public primary schools, out of which 300 properly filled and returned the questionnaires for analysis representing response rate of 81.96%. Furthermore, the study looked into reliability of the study data and it was established that, the data was valid and reliable. It was established that; a higher percentage of majority of the employees are aged between 35 to 40, majority are male at 67.8%, 40% have college level of education, 74% have not attended financial education courses and 60% do not own a business.

5.2.1 Savings and Investment Literacy

Descriptive statistics reveal that; savings and investment literacy affects financial management practices. Respondents indicated ability to make informed effective financial choices had the highest influence on financial management practices. Inferential statistics reveal a correlation of 0.111 and a significance of 0.198, this indicates a weak positive and insignificant correlation between savings and investment literacy and financial management practices of employees of public primary school in Mombasa county, from the regression analysis the impact of savings and investment literacy is positive with a beta coefficient 0.430, thereby indicating that the employees should be made more aware of savings and investment literacy. The study concurs with the findings of a study by (Hinga, 2012) which studied the effect of financial literacy on the personal savings of the employees of postal cooperation in Kenya. The study concluded that financial literacy is

key in determining personal savings, although other factors such as level of income, gender, risk tolerance, education and age also had a significant effect on personal savings

5.2.2 Retirement Literacy

Descriptive statistics reveal that; retirement literacy affects financial management practices. As indicated by employees in public primary schools, a disciplined approach to re-balancing investment was the highest influencer on financial management practices. Retirement literacy has a positive correlation of 0.574 and significance of 0.00, the regression co-efficient is 0.141, they both reveal a significant positive relationship between retirement literacy and financial management practices. The findings concur with that of a study by Fidelis (2018) which determined the effect of financial literacy on the personal financial management of employees working in law firms in Mombasa County, in Kenya. A census of all law firms within Mombasa County was analyzed; the study revealed that there was a strong positive linear correlation between retirement plans and financial management practices on the employees working in law firms in Mombasa County.

5.2.3 Debt Literacy

Descriptive statistics reveal that; debt literacy affects financial management practices. As indicated by employees in public primary schools, the nature of my job making employees familiar with debt related issues such as interest rate; pricing etc. had the highest influence with an average score of 3.7100. Inferential statistics reveal a positive correlation of 0.532 and regression co-efficient of 0.144 which show that it's strongly related to the dependent variable. The findings of the study are in contradiction to that of Mayiah (2016) study which determined the effect of financial literacy on the personal wealth of employees of the Judiciary of Nairobi city county and concluded that, tax, retirement and savings literacy had an insignificant weak positive correlation to the financial management practices of individuals.

5.2.4 Taxation & Insurance Literacy

Descriptive statistics reveal that; Taxation & Insurance Literacy affects financial management practices. As indicated by employees in public primary schools, I manage

my own taxes had the highest influence on financial management practices with a mean of 4.3200. Tax and literacy have strong positive correlation coefficient of 0.660 and a significance of 0.00 regressions co-efficient of 0.703. The correlation co-efficient reveal a strong significant relationship between taxation and insurance literacy with the financial management practices and the regression coefficient shows a positive impact of tax and insurance literacy on the financial management practices of the teachers. The findings of the study are similar to that of (Njehia, 2014) who studied the effect of financial literacy on the financial management of individuals of individuals of Mumias Sugar, he concluded that a strong positive correlation between tax and financial management practices of the individuals.

5.3 Conclusions of the Study

The objective of the study was to determine the effect of financial literacy on the financial management practices of the employees of public primary schools in Mombasa County, it can be concluded that financial literacy significantly affects the financial management practices of the employees. From the regression model the coefficient of correlation between financial literacy and financial management practices is strong positive and significant. This indicates that the employees of public primary schools in Mombasa county have financial literacy and as a result they practice financial management practices. Therefore they should be made more aware of financial literacy in order to practice better financial management practices

The other objective was to determine the effect of savings literacy on financial management practices, savings literacy has a weak insignificant positive effect on financial management practices from the correlation coefficient although the regression coefficient is positive thereby indicating that improvements in knowledge of these variables can improve the financial management practices of these employees.

The study also aimed at determining the effect of retirement literacy and debt literacy on the financial management practices of the employees. The correlations are moderate and significant and the beta coefficients are also positive this indicate that the employees of public primary school should be made more aware of debt literacy so as to enable them

manage their debts and also plan for retirement so as to improve on on their financial management practices.

Tax/insurance literacy and financial management practices had a strong significant correlation coefficient and a positive beta coefficient Therefore the improvement of these variables can greatly enhance the financial management practices of the employees of public primary schools in Mombasa.

5.4 Recommendations of the study

Financial literacy and sound financial management practice has been observed with the teaching staffs, thus the similar practices should be employed to non-teaching staff. This will be beneficial to the schools as well as the employees in public primary schools.

The study recommends that; the teachers service commission make a plan to take their employees through yearly financial literacy training programs as this will not only be beneficial to the personal lives of employees, but also the schools as the employees will be in a better position in managing their funds and be in a position to advise their students on good financial management practices.

Teacher's service commission should seek partnerships with interested parties, for instance, universities and colleges, in provision of finance literacy courses for its employees. The role of Teacher's service commission will be to ensure that the courses offered have the suitable content especially relating to personal financial management practices. The other partners will be responsible for training and availing the appropriate facilities and venues. The partnerships should ensure that the courses are relevant in terms of content and are delivered in a practical and simplified mode.

It was evident from the study findings that overall level of financial knowledge among employees was generally moderate. This was attributed to lack of knowledge on financial products like investments & mutual trusts, stocks & shares as well as mortgages. This therefore calls for financial education on financial products available in the market especially on mortgage, stocks and shares and investment accounts.

Savings and investment literacy, debt literacy, retirement literacy and tax/insurance literacy have positive correlation coefficients and beta coefficients therefore more awareness is required on these, so that the financial management practices of the employees of primary schools in Mombasa County can practice better financial management.

5.5 Limitations of the Study

The researcher experienced a number of constraints while undertaking this research. The major limitation was the limited literature available on similar work done in Kenya. Time constraints and availability of funds also made it difficult to obtain a much wider sample. As a result the researcher was restricted to 300 employees of public primary schools in Mombasa County who could be accessed during the time of data collection. A larger sample would probably have provided greater reliability of data analysed. Although the questionnaire was short, it took longer to collect them because most of the respondents did not seem to have time. Some took as long as 18 days instead of the estimated 14 days, hence delaying the analysis of this research.

5.6 Suggestion for Further Studies

The findings from the study cast some doubt on the ability of finance programs in teachers colleges and higher education courses in personal financial management as currently administered to significantly improve financial decision making. This is due to the fact that the employees had a moderate understanding of good financial management practices. Therefore, either the content or the educational methods used to provide personal financial literacy that meet individuals' needs should be investigated.

The researcher recommends that, further studies should be conducted to investigate financial literacy level of other professionals in the country to identify, understand and to recommend measures that will ensure all citizens are financially literate

Lastly, a research study should be done on non-teaching staff and other individuals who did not have a chance to study at colleges and universities to ascertain the level of understanding on financial management practice concepts

REFERENCES

- Ajzen, I. (1991). The theory of planned behaviour. *Journal of Organizational Behaviour and Human Decisions Processes*, 1, 170-211.
- Al-Tamimi, Hussein, A. Hassan, Bin-Kalli, A. (2009). Financial literacy and investment decisions of UAE investors. *Journal of Risk Finance*, 10 (5), 500-516.
- Beal, D. J. & Delpachitra, S. (2003). Financial literacy among Australian university students, *Economic Papers. A journal of applied economics and policy*, 2 (2), 51-55.
- Bhattacharjee, B. J. (2014). Financial literacy and its influencing factors: an empirical study of Indian Investors. *International Journal of research in Commerce, IT & Management*, 4 (01), 43- 46.
- Bhushan, P. (2014). Relationship between Financial Literacy and Investment Behavior of Salaried Individuals. *Journal of Business Management and Social Sciences Research*, 3 (5): 555-560.
- Boone, L. E, Kurtz D. L. & Hearsh, D. (2006). *Planning your financial future* (4th ed.). Ohio, U.S.A: Thompson.
- Brown, S., Taylor, K. & Wheatley Price, S. (2005). Debt and Distress: Evaluating the Psychological Cost of Credit. *Journal of Economic Psychology*, 2 (6), 642-663.
- Campbell and John. (2006). Household Finance. *Journal of Finance*, 6 (1), 1553-1604.
- Choi, L. (2016). Financial Education for a Stable Financial Future, Special Focus. *Financial Education*, 4 (9): 511-520.

- Cummings D. (2007). Private Equity, Leveraged Buyouts and Governance. *Journal of Corporate Finance*, 13 (4), 439-460.
- Delafrooz N. & Paim L. H. (2011). Determinants of Financial Wellness among Malaysia Workers. *African Journal of Business Management*, 5(24), 123-126.
- Gachango M. (2014). Effect of Financial Literacy on Personal Financial Management Practices: A Case of Employees in Finance and Banking Institutions in Kenya. *Unpublished research project, University of Nairobi*, 61-69.
- Grable, J. E., & Joo, S. H. (2004). Environmental and Bio-Psychosocial Factors Associated with Financial Risk Tolerance. *Financial Counseling and Planning*, 15(1), 73-82.
- Guiso L. & Jappelli, T. (2008). Financial Literacy and Portfolio Diversification. *Einaudi Institute for Economics and Finance*, 4, 511-515.
- Hastings,S.,Madrian, C. & Skimmyhorn,L. Financial Literacy, Financial Education and Economic Outcomes, *Annual Review of Economics*,347-343
- Hrubes, D. Ajzen, I. & Daigle, J. (2001).Predicting Hunting Intentions and Behaviour: An Application of the Theory of Planned Behaviour. *Leisure Sciences*, 23, 165-178.
- Kariuki,M.(2018) Effect of Debt Literacy on the Indebtness of Employees of the Formal Sector Employees in Kenya.*Unpublished Ph.D thesis,Jomo Kenyatta University of Agriculture and Technology*,20-224
- Kim, J. (2000).The Effects of Workplace Financial Education on Personal Finances and Work Outcomes. *Unpublished Ph.D. thesis, Blacksburg: Virginia Polytechnic Institute and State University.*, 78-90.

- Klapper, L. & Panos, G. A. (2011). Financial Literacy and Retirement Planning: the Russian case,. *Journal of Pension Economics and Finance*, 10 (4), 511-520.
- Kumar, R. (2008). *Research Methodology-A Step-by-Step Guide for Beginners*. Singapore, MA: Pearson Education.
- Lorgat, M. (2003). Enabling Worker Finances: The Effects of Rising Costs of Living and Debt on Worker Finances. *Unpublished paper, South African Sociological Association, Durban.*, pp. 51-53.
- Lursadi, A. S. Mitchell, and V. Curto. (2010). Financial literacy among the young. *The Journal of Consumer Affairs*, 44 (2), 566-570.
- Lusardi A. and Tufano, P. (2009). Debt Literacy, Financial Experiences, and Over-indebtedness. *NBER Working Paper no 14808*. Chicago, USA.
- Lusardi, A. & Tufano, P. (2015). Debt literacy, financial experiences, and over-indebtedness. *Journal of Pension Economics and Finance*, 14 (4): 55-60.
- Lusardi, A. (2008). Financial literacy: An essential tool for informed consumer choice? Joint center for housing studies. *Harvard Business Review*, 5(4/5), 555-600.
- Lusardi, Annamarina, and Olivia S. Mitchell. (2007). Financial literacy and retirement preparedness: evidence and implications for financial education. *Business Economics*,, 42 (1), 633-640.
- Makhandia , N. (2013). The Relationship between Financial Knowledge and the Personal Financial Practices of the Youth in Kenya: A Case Study of the Financial Knowledge for Africa Programme, *Unpublished thesis ,University of Nairobi*, pp. 28-65

- Mayiah, C. (2016).Effect of financial literacy on personal wealth of judiciary employees in Nairobi city county, Kenya. *Unpublished thesis, University of Nairobi, pp. 41-50.*
- Moore, D. (2003).Survey of Financial Literacy in Washington State; Knowledge, Behavior attitudes and experiences. *Technical Report 03-39 Social and Economic Sciences Research Centre (99-103).* Washington DC, US: Prentice Hall.
- Murithi S. Narayanan, B & Arivazhagan, M. (2012).Investors Behaviour in Various Investment Avenues-A Study. *International Journal of Marketing and Technology, 2(7),164.*
- Navickas, N., Gudaitis, T. & Krajnakova, E. (2014). Influence of financial literacy on management of personal finances in a young household. *Business: Theory and Practice, 15(1), 32–40,.*
- Nyamute, W. and Maina M. (2010). Effect of financial literacy on personal financial management practices: a case study of employees of finance and banking institutions. *Unpublished thesis, University of Nairobi, 141-161.*
- Nye, P. & Hillyard, C. (2013). Personal financial behavior: The influence of quantitative literacy and material values. *Numeracy, 6(1), 3.*
- Olima, B. (2013). Effect of financial literacy on personal financial management on Kenya revenue authority employees in Nairobi. *Unpublished research project, University of Nairobi, 63-66.*
- Prawitz A. D. & Cohart, J. (2014).Workplace Financial Education Facilitates Improvement in Personal Financial Behaviors. *Journal of Financial Counseling and Planning, 25 (9), 51-69.*

- Sabina, M. (2014). Entrepreneur Financial Literacy, Financial Access, Transaction Costs and Performance of Micro Enterprises in Nairobi City County. *Unpublished Research Project, University of Nairobi, 55-60.*
- Saunders, M. Lewis, P. and Thornhill, A. (2012). *Research methods for business students.* Harlow: Pearson Education Limited.
- Saunders, M. Lewis, P. and Thornhill, A. (2007). *Research methods for business students.* Harlow: Pearson Education Limited.
- Vitt L. A, Reichbach G. M. Kent, J. L. & Siegenthaler, J. K. (2005). *Goodbye to complacency: financial literacy education in the U.S. 2000-2005.* Washington DC: AARP.
- Xu, L. & Zia, B. (2012). *Financial literacy around the world: an overview of the evidence with practical suggestions for the way forward (No. 6107).*. New York: World Bank.

Appendix I: Introduction Letter

Sellah Otieno,

University of Nairobi,

P.O. Box.....

Mombasa.

September, 2, 2019

Dear; Sir/Madam,

RE: DATA COLLECTION

As referred here in, it's my humble appeal that you find time to fill the questionnaire given to facilitate the collection of data for a research study titled, effect of financial literacy on the financial management practices. My name is Sellah Akinyi, a student of the University of Nairobi pursuing a Master's degree in Business Administration.

Assurance is hereby given that, information given will be treated with utmost confidentiality and privacy of the person filling this questionnaire will be respected.

Thank You,

Sellah Akinyi Otieno

Appendix 2: Questionnaire
Section A: Demographic information

Please tick where appropriate only one choice should be selected, if possible do not leave a question unanswered. To the best of your understanding indicate the correct choice without bias or falsifying. Integrity of the responses given is highly recommended for they will be analysed and presented as a true picture of the financial practices in your schools.

- i. Age.
25-30 years () 30-35 years () 35-40 years ()
40-45 years () 45-50 years () above 50 years ()
- ii. What is your Gender Male () Female ()
- iii. What is your marital status?
Married ()
Single ()
Divorced ()
- iv. What is your level of education?
Secondary education ()
College ()
Bachelor's degree ()
Master degree ()
PhD ()
- v. Have you attended a financial education course? Yes () No ()
If yes, elaborate.....
- vi. Do you have any business, finance, accounting or accounting
- vii. Yes () No ()

Section B: Financial Literacy

i. Savings and Investment Literacy

Kindly indicate the extent of literacy of the following aspects of financial management practices in your life. Use a scale of 1 to 5 where: *1 = not at all/not applicable; 2 = less extent; 3 = moderate extent; 4 = great extent; 5 = very great extent*

Aspects of Financial Management practices	1	2	3	4	5
1. I have the ability to discern financial choices and discuss financial issues comfortably					
2. I can use combinations of skills, resources and knowledge to make financial decisions					
3. I can make informed effective financial choices					
4. I understand financial terms and concepts					
5. I do regularly check my bank statements for inconsistencies					
6. I balance my checkbook carefully					
7. I am conversant with my present rate of savings and wealth accumulation.					

ii. Retirement Literacy

Kindly indicate the extent of literacy of the following aspects of financial management practices in your life. Use a scale of 1 to 5 where: *1 = not at all/not applicable; 2 = less extent; 3 = moderate extent; 4 = great extent; 5 = very great extent*

Aspects of financial management practices	1	2	3	4	5
1. I am aware of the performance of my investments outside of my retirement saving plans					
2. A disciplined approach to re-balancing my investment is very important					
3. I understand the importance of the TSC's pension plan that provides adequate pension upon retirement.					
4. I have determined how much income I can expect on retirement.					
5. I am fully aware of the impact of inflation on my future retirement income					
6. I have adequate knowledge to allow me to manage my wealth upon retirement					

iii. Debt Literacy

Kindly indicate the extent of literacy of the following aspects of financial management practices in your life. Use a scale of 1 to 5 where: *1 = not at all/not applicable; 2 = less extent; 3 = moderate extent; 4 = great extent; 5 = very great extent*

	1	2	3	4	5
1. My educational background in school, college and university was devoted to business, economics and finance.					
2. I enjoy reading financial articles and publication in the newspapers, magazines, mass media and internet					
3. I enjoy conversation about financial matters with friends and colleagues					
4. I have attended training seminars and conferences on debt management while in employment					
5. I interact with financial planners, advisors, and accountants in my work place					
6. The nature of my job makes me familiar with debt related issues such as interest rate, pricing e.t.c					

iv. Tax / Insurance literacy

Kindly indicate the extent of literacy of the following aspects of financial management practices in your life. Use a scale of 1 to 5 where: *1 = not at all/not applicable; 2 = less extent; 3 = moderate extent; 4 = great extent; 5 = very great extent*

	1	2	3	4	5
Insurance					
I do not have any insurance					
I have enough insurance to ensure that if I were to pass away or become sick or be disabled, my family and I would not suffer financially or be financially disabled					
I can distinguish the different types of insurance policies offered in the market					
Currently I have life insurance but no other type of insurance i.e health or critical illness, personal accident or insurance on my properties such as car and house					
I manage my own taxes					
I utilize the various tax relieves / rebates that I am entitled to when I am filling in my tax return					

Section C: Financial Management Practices

The following are statements regarding an individual financial management practices. Please select the most appropriate answer to each of the following questions:

Use a scale of 1 to 5 where: 1 = not at all/not applicable; 2 = less extent; 3 = moderate extent; 4 = great extent; 5 = very great extent

Statement	1	2	3	4	5
1. I pay my credit card bills in full each month					
2. I pay my rent/mortgage in full and on-time					
3. I pay my utilities (water, electric) in full and on-time					
4. I max out or go over the limit on my credit cards					
5. I spend more in a month than I earn					
6. I use alternative sources of credit (e.g. borrow from friends)					
7. My account has a positive balance at the end of the month					
8. I am a member of a SACCO(s) and have not defaulted on any loans					
9. I balance my credit/debit account each month					
10. I have checks returned because of insufficient funds(bounced checks)					
11. I have taken overdrafts					
12. I have a daily, weekly or monthly budget that I follow					
13. I set aside some money each month for savings					

Appendix 3: Employees in Mombasa County Public Primary Schools.

Name	Employees in school
1. AMANI PRI SCH	17
2. BAMBURI PRI SCH	23
3. BOMU PRI SCH	20
4. BONDENI GIRLS PRI SCH	25
5. BURHANIYA PRY SCH	23
6. CENTRAL GIRLS PRI SCH	22
7. CHAANI PRI SCH	19
8. CHANGAMWE PRI SCH	27
9. CHANGAMWE PRI SCH SPECIAL UNIT	15
10. CONCORDIA PRI SCH	21
11. CONSOLATA CATHOLIC PRI SCH	24
12. FAHARI PRY SCH	28
13. FRERETOWN PRI SCH	30
14. GOME PRI SCH	21
15. GURU NANAK PRY SCH	22
16. JAMVI LA WAGENI PRI SCH	18
17. KADZANDANI PRI SCH	12
18. KALOLENI PRI SCH	26
19. KASHANI PRI SCH	20
20. KENGELANI PRI SCH	23
21. KENYA NAVY PRI SCH	21
22. KHADIJA PRI SCH	30
23. KIEMBENI BAPTIST PRI SCH	24
24. KIEMBENI ESTATE PRI SCH	25
25. KIPEVU PRI SCH	21
26. KISAUNI BAPTIST PRI SCH	27

27. KISAUNI PRI SCH	32
28. KONGOWEA PRI SCH	31
29. KWA HOLA PRI SCH	23
30. KWA JOMVU PRI SCH	25
31. KWASHEE PRI SCH	16
32. LIKONI MUSLIM PRI SCH	10
33. LIKONI PRI SCH	29
34. LIKONI REHABILITATION PRI SCH	17
35. LONGO PRI SCH	23
36. M. M. SHAH PRY SCH	20
37. MAGONGO PRI SCH	29
38. MAJAONI PRI SCH	20
39. MAJENGO PRY SCH	26
40. MAJI SAFI PRI SCH	23
41. MAKANDE PRY SCH	28
42. MAKUPA PRY SCH	31
43. MARIMANI PRI SCH	29
44. MAWENI PRI SCH	25
45. MBARAKI GIRLS PRY SCH	26
46. MBHENI GIRLS PRI SCH	17
47. MIKADINI PRI SCH	24
48. MIKINDANI PRI SCH	34
49. MIRITINI PRI SCH	33
50. MIRITINI WORLD BANK PRI SCH	25
51. MIRITINI WORLD BANK SCH SPECIAL UNIT	14
52. MLALEO PRI SCH	37
53. MLALEO PRI SCH SPECIAL UNIT	10
54. MOMBASA PRY SCH	31
55. MRIMA PRI SCH	24
56. MTONGWE PRI SCH	21

57. MTOPANGA PRI SCH	15
58. MVITA PRY SCH	27
59. MVITA SPECIAL UNIT SCH	13
60. MWAKIRUNGE PRI SCH	34
61. MWANGALA PRI SCH	27
62. MWEZA PRI SCH	24
63. MWIJABU PRI SCH	20
64. OCEANIA JUNIOR SCH – PRI	23
65. OLIVES REHABILITATION CENTRE PRI SCH	17
66. PELELEZA PRI SCH	21
67. PORT REITZ SPECIAL SCH FOR HANDICAP	25
68. PUMA PRI SCH	19
69. RONALD NGALA PRY SCH	35
70. RONALD NGALA PRY SCH SPECIAL UNIT	21
71. SERANI PRI SCH	26
72. SERANI SPECIAL SCH	12
73. SHIKA ADABU PRI SCH	27
74. SHIMO BORSTAL PRI	15
75. SHIMO LA TEWA PRI SCH	17
76. ST. LWANGA PRI SCH SPECIAL UNIT	14
77. ST. LWANGA PRI SCH	26
78. ST. MARY’S PRI SCH	26
79. STAR OF THE SEA PRY SCH	30
80. THE GANJONI PRY SCH	28
81. TOM MBOYA BOYS PRI SCH	27
82. TUDOR PRI SCH	31
83. UMOJA PRI SCH	23
84. UTANGE PRI SCH – SPECIAL UNIT	15
85. UTANGE PRI SCH	27
86. VIJIWENI PRI SCH	31

87. VYEMANI PRI SCH	20
88. ZIWA LA NG'OMBE PRI SCH	24
89. ZIWANI BOYS PRY SCH	27
90. ZIWANI SCH FOR THE DEAF PRY	17
Total	2,101