

**FACTORS AFFECTING PERSONAL FINANCIAL MANAGEMENT  
BEHAVIOUR OF LOWER INCOME PEOPLE IN MANMUNAI NORTH  
DIVISION OF BATTICALOA**

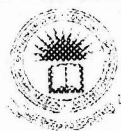


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**REG NO: EU/IS/2013/MS/18**

**INDEX NO: MS 1548**



Project Report  
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A project report submitted to the Faculty of Commerce and Management, Eastern University, Sri Lanka, as a partial fulfilment of the requirement for the Degree of Bachelor of Business Administration (BBA).

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FACULTY OF COMMERCE AND MANAGEMENT  
EASTERN UNIVERSITY, SRI LANKA**

**2019**

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## ABSTRACT

Personal Financial management behavior is considered one of the key concepts on the financial discipline. Effective personal financial management behavior could improve financial well-being of people positively and failure to manage personal finances can lead to serious long term, negative social and societal consequences not only for that person but also for enterprise and society. Hence, personal financial management behavior has received an increasing concern in recent years. Therefore, this study is aimed to identify the factors affecting to the personal financial management behavior of lower income people.

There are five variables used in this study namely, financial knowledge, financial attitude, external locus of control and subjective norms (independent variable) and personal financial management behavior (dependent variable). The primary data were collected through structured questionnaire from 360 lower income people located in Manmunai North Division of Batticaloa. The collected data was analyzed by using independent sample t-test, ANOVA, univariate, correlation and regression analysis.

Based on the finding of the study, it concludes that there is a low level of financial knowledge, financial attitude and subjective norm and high level of external locus of control. On other hand, level of personal financial management behavior among lower income people indicates the lower level. The findings also revealed that there is a strong positive relationship between financial knowledge, financial attitude and subjective norms and lower income peoples' personal financial management behaviour while, external locus of control have shown strong negative relationship. finally, factors such as Financial knowledge, financial attitude, and subjective norms have significant and positive affect on lower income peoples' personal financial management behaviour while, external locus of control significantly and negatively affect on personal financial management behaviour of lower income people in Manmunai North Divisional Secretariat Area.

**Key words:** Financial knowledge, Financial attitude, Subjective norms, External locus of control, Personal financial management behavior

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