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## **THE IMPACT OF FINANCIAL LITERACY ON RETIREMENT PLANNING AND HOUSEHOLD WEALTH**

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### **ABSTRACT**

The present paper entitled as “The impact of financial literacy on retirement planning and household wealth: a case study of master students in Business Administration\_ financial trends, entering Islamic Azad University of Abhar in 2012” aims to investigate the effect of financial literacy on retirement planning and household wealth. Personal finance is considered as one of the most important components of development. Among the important instances of personal finance, it can be pointed to cases such as the use of banking facilities and loans for marriage, buying cars and houses, credit cards, and life and retirement insurances. In terms of the purpose, this study is considered an applied research while it is a descriptive one based on characteristics of the subject; on the other hand, considering the research method, it is placed in the category of field-survey studies. The research population consists of all master students of Business Administration (financial trends) entering Islamic Azad University of Abhar in 2012 and being still studying in the university at the time of research (spring, 2014). According to the information received from the university, the size of this population is reported equal to 59 people. In this research, a questionnaire has been used as the data collection tools. The research hypotheses have been tested using the Pearson’s correlation coefficient and the regression analysis. The results showed that risk diversification, retirement and savings planning, and creating tools for self- mastering and controlling directly and positively affect financial literacy.

**Keywords:** *Financial Literacy, Savings, Retirement Planning, Risk*

### **INTRODUCTION**

Over the past few years, it seems that promoting financial education has increased in programs used by policymakers as well as instructors who train in business social groups, organizations, and government agencies. Conscious consumers who have financially trained should make the best decisions for their families to increase their economic security and welfare. Families with better financing are able to influence prosperous societies as well as the economic development of the society. Therefore, financial education is important not only to families and individual households, but also equally to their societies. Financial behavior involves individuals’ approaches and attitudes toward money and how it is spent, saved, and invested; in other words, it refers to the role that money plays in life and its style, which is so-called “financial behavior”. The purpose of financial behavior is to enable people for the financial management process and provide insights which empower a person or family to achieve their life goals. Financial management is a complex set of behaviors and decisions with different importance and priorities, which are achieved according to the needs of an individual or family, preferences, and skills. Individuals and families are able to change their behaviors at different times and for different reasons. Accordingly, the present paper aims to explore patterns of financial behaviors using a set of specific and new information to assist trainer’s of professionals’ community (in developing the society) and policymakers who set the goals of financial education programs.

Today, families save different amounts of money. Several reasons contribute to the dispersion of wealth maintenance; the most important of these reasons which have been widely investigated include heterogeneity in earnings of life, the desire to leave a legacy, incentives for savings and cross-sectional variation in time preferences, expectations, health, longevity, and other income shocks. So far, very little attention has been given to the relationship between saving and accumulating wealth and financial capabilities; this inattention is mainly resulted from the lack of information about the level of financial

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skills. However, recently, progress has been made in investigating the measurement of financial literacy and its impact on household behavior (Lusardi and Alessie, 2007).

Retirement seminars are appropriate places to comprehensively increase financial information or the importance of society effects in increasing savings. A high level of financial skills reduces the cost of collecting and processing information as well as barriers to investing in the stock market (Haliassos and Bertaut, 1995). Financial skills foster participation in the stock market and provide opportunities for families to benefit the equity of brokerage (premium) in stock investments. Financial skills drive families' retirement planning by creating an important mechanism for saving wealth (Caplin and Leahy, 2003). Financial skills cannot be proven; however, financial education plays an important role in acquiring them, as families who have financial skills better manage their savings. A reason for the importance of this issue is that many families enter retirement with very little wealth (Venti and Wise, 1998). This issue has a deep meaning not only for personal welfare, but also equally for public policy and interest; for example, families with little savings that have no chance to deal with negative shocks are likely to be dependent on monthly government receipts. Financial education initiatives should help to reduce the dispersion in wealth which is much greater than the inequality in income often discussed.

### **Literature**

Although personal finance is one of the most important dimensions of household economy, unfortunately, there is no specific and organized program for its education at school and even university levels in Iran. An important part of households' lifestyle stems from their decisions relating to personal finance. In Iran, the level of financial literacy (knowledge) is low among individuals and families and studies show that even graduates or students of related majors such as financial management and accounting do not necessarily have a complete understanding of personal finance knowledge. Mosayebi (2013) in a research as "studying personal financial behavior of high school teachers in Khorramdarreh County-Iran" scientifically investigated high school teachers' understanding of personal finance knowledge in Khorramdarreh-Iran. Xiao *et al.*, (2008) conducted a study as "Financial behavior and life satisfaction of college students in US". This study aimed to investigate the relationship between financial behavior and life satisfaction of college students; in other words, its main purpose was to examine the role of financial behavior in academic satisfaction and its impact on general life satisfaction. The results of this study showed that financial literacy contributes to life satisfaction. Armel (2011) in a study as "Financial literacy and customer adoption in Uganda" showed that dealing with some financial products through mobile phones still requires a basic level of financial literacy among poor low-income end-users. In this regard, Davidson in another study showed that solely around 15% of mobile money initiatives led to successful activities in using the service. In fact, the main purpose of this study has been to assess whether there is any relationship between the financial literacy level and mobile money of end-users? As observed, these two researchers (Armel and Davidson) studied low-income people and core values that motivate them to use mobile services and found that there are some main and personal values involved in their mobile services usage; the most important of these values include speed, safety, being cost-effective, and accessibility. On the other hand, personal values, the quality of life, and responsibilities varied among families. Anyhow, the people's lack of confidence which is related to their low financial literacy was identified as the main reason for their reluctance to use the services. In another study conducted by Kool *et al.*, (2006, published in Elsevier) as "Risk-return preferences in the pension domain", the independency of employees, pension preferences, and the related investments in Netherlands were investigated using a representative survey of about 1000 Dutch citizens. The results of this survey show that the average of respondents are financially unsophisticated and reluctant to take control of retirement savings investment, even when offered the possibility to increase expertise. In a conference held in Kuala Lumpur in 2013, the financial literacy of students of management was discussed; accordingly, it was concluded that financial terms and affairs should be taught to students during adolescence and they should be allowed to show their skills in this regard. AnnamariaLusardi and Alessi (2008) in a study entitled "Financial literacy and stock market participation" found that people with lower financial literacy are less inclined to invest in stocks. In the following, the research variables are defined.

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*Financial Literacy:* Literacy derives from the Latin *litteratus* which, in Cicero's time, meant "a learned person". The term "financial literacy" has been defined preferably as appropriate information and in general, as the ability to access, evaluate, organize, and use financial resources. To be financially literate, it is needed to know the clarity of an issue or the area of required instructions. Financial education system should be commensurate with the rapid movement of science and technology as well as the explosion of information governing the world today. Also, it should provide the information required in the area of its expertise for people, so that they acquire the ability of planning for financial issues and their future, especially the retirement time.

*Savings:* Savings is defined as income not spent or deferred consumption; namely, the amount of income which is not spent or the property which is put aside for future use.

*Retirement Planning:* It is defined as the design and implementation of a set of predictions and financial operations that estimate the financial needs of each individual and family in retirement.

*Risk Diversification:* The chance that the real return on an investment to be different from the expected amount. Some authors consider the risks and uncertainties synonymous with each other and ultimately believe that risk is a kind of subjective uncertainty that exists to accidents. Investors, based on the impact of uncertainty on outcomes, consider the investment risk in addition to returns. Keeping a number of shares reduces the investment risk, because all stocks in the market do not have the same behavior. If the number of shares increases in an investment portfolio, the return volatility of the portfolio will be reduced; for example, the climate warming ruins the umbrella market, but it promotes the sale of ice cream; so, if someone owns shares of companies in both industries, he can protect himself from the effects of climate, but if he owns only the shares of one of these industries, he will be impressed by the heat of the weather.

*Creating Self-Control Tools:* Control and management of financial issues is much easier than what is imagined. Different strategies can be used to control expenses and incomes, determine the exact budget, and accordingly achieve financial successes. For this purpose, it is not necessary to get help from a financial adviser, but it is enough to plan for incomes and fixed expenses and note the detail of expenses on a monthly basis. In this way, it is possible to find out what the money is monthly spent on. It also helps to become aware of extra expenses over time and avoid them.

### **Research Hypotheses**

- 1- Retirement planning and household wealth positively and directly affects financial literacy.
- 2- Risk diversification positively and directly affects financial literacy.
- 3- Retirement plans positively and directly affects financial literacy.
- 4- Savings planning positively and directly affects financial literacy.
- 5- Creating tools for self- mastering and controlling directly and positively affect financial literacy.

### **MATERIALS AND METHODS**

The statistical population is defined as a group of people or objects which are common in the properties or characteristics under study and related to the purpose and subject of the research (Saei, 2011). The smaller the statistical population is, the more accurate the study of it will be. Here, the research population consists of all master students of Business Administration (financial trends) entering Islamic Azad University of Abhar in 2012 and being still studying in the university at the time of research (Spring, 2014). According to the information received from the university, the size of this population is reported equal to 59 people. Since the number of people in the statistical population is specified, the size of statistical sample is equal to the population. A sample is a member of the statistical population which contains most features of the statistical population members; in other words, it represents the population or the set of subjects and the results obtained from its study can be generalized to the entire population (Saei, 2011). The statistical samples of this research were selected through the simple random sampling method. In terms of the purpose, this study is considered an applied research while it is a descriptive one based on characteristics of the subject; on the other hand, considering the research method, it is placed in the category of field-survey studies; accordingly, library studies along with a field study (performed at the

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Islamic Azad University of Abhar) were used to collect data. In this research, a questionnaire whose validity and reliability were confirmed has been used as the data collection tools. The questionnaire consisted of two parts: demographic questions and questions evaluating the research variables. In this regard, questions 1-3, 4-6, 7-9, and 10 and 11 respectively examined the variables of self-control, savings planning, retirement planning, and risk diversification. Also, the dependent variable, financial literacy, was examined by questions 12 and 13. The 5-point Likert scale was used to score the questions. In fact, this scale is considered as one of the most common scales of measurement. Since the scale is an interval scale composed of a number of items and response options, it is a composite scale. Response options at this scale, usually indicates very high or very low attitude of a respondent (whether positive or negative) to a given topic or concept; in other words, the respondent’s belief or attitude can be determined by the scale (Khaki, 2010). According to this scale, the options from “very low” to “very high” are respectively scored from 1 to 5.

**Table 1: The ratings range of 5-choice Likert**

Switch	Very little	Low	Average	High	Very much
Experience	1	2	3	4	5

In this research, the opinions of specialists, particularly supervisor and advisor professors were used to confirm the validity of the questionnaire. Accordingly, the final questionnaire was provided based on their opinions. In fact, the content validity of a measurement tool (the combination of measurement scales) is the extent that provides adequate coverage for the study questions. Regarding the reliability of the questionnaire, it should be noted that despite using a standard questionnaire, the Cronbach’s alpha has been used to localize the questionnaire. Table 2 shows the data related to the Cronbach’s alpha test.

**Table 2: Cronbach's alpha coefficient of reliability**

Variables	Coefficients	Items
Financial Literacy	0/84	2
Diversify the risk	0/76	2
Retirement Planning	0/71	3
Savings Planning	0/76	3
Createa tool to control and dominate their	0/75	3
Total	0/85	13

In this research, the value of alpha for all items has been obtained higher than 70%, which indicates the reliability of the questionnaire. The closer to 100% the value, the more reliable the questionnaire will be.

**RESULTS AND DISCUSSION**

Here, descriptive statistics were firstly used to evaluate the characteristics of the statistical population; then, the hypotheses have been tested.

**Descriptive Statistics:** In terms of gender, women and men respectively made up 35.6% and 64.4% of the respondents. Most respondents were in the age range of 25-30 years old.

**Inferential Statistics:** The correlation test has been used to examine the relationship between the dependent and independent variables as well as testing the research hypotheses. Here considering the results of the Kolmogorov–Smirnov test, the Pearson’s correlation coefficient test has been used for this purpose. Table 4 shows the results of the tests using the SPSS software; accordingly, the correlation coefficients between variables are at the 5% level of error detection and 95% confidence interval.

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**Table 3: Results of the Kolmogorov-Smirnov test**

Variable	Significance level	Kolmogorov-Smirnov
Financial Literacy	0/311	0/964
Diversify the risk	0/221	1/049
Retirement Planning	0/084	1/258
Savings Planning	0/171	1/108
Create a tool to control and dominate their	0/086	1/254

**Table 4: Results of the Pearson correlation coefficient**

Create a tool to control and dominate their	Savings Planning	Retirement Planning	Diversify the risk	Financial Literacy and Retirement Planning		
				1	Correlation coefficient	Financial Literacy and Retirement Planning
				0	Significance level(two-sided)	
			1	0/373**	Correlation coefficient	Diversify the risk
			0	0/004	Significance level(two-sided)	
		1	0/401**	0/334*	Correlation coefficient	Retirement Planning
		0	0/002	0/010	Significance level(two-sided)	
	1	0/413**	0/367**	0/486**	Correlation coefficient	Savings Planning
	0	0/001	0/004	0/000	Significance level(two-sided)	
1	0/282	0/265*	0/207	0/273	Correlation coefficient	Create a tool to control and dominate their
0	0/030	0/043	0/116	0/036	Significance level(two-sided)	
3/99	4/096	3/85	3/99	3/64	The average	
0/70	0/58	0/725	0/712	0/820	Standard deviation	

*Is the correlation coefficient is meaningful at 05/0.*

After confirming the validity and reliability of data collection tools as well as achieving a significant relationship between the research variables, the next step includes testing the research hypotheses using the regression analysis. The results obtained from testing the hypotheses are as follows:

**Regression Analysis**

*Hypothesis1:* Retirement planning and household wealth positively and directly affects financial literacy

H<sub>0</sub>: Retirement planning and household wealth positively and directly affects financial literacy

H<sub>1</sub> :Retirement planning and household wealth positively and directly affects financial literacy.

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**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.515 <sup>a</sup>	.265	.252	.70937

a. Predictors: (Constant), total

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.343	1	10.343	20.553	.000 <sup>b</sup>
	Residual	28.683	57	.503		
	Total	39.025	58			

a. Dependent Variable: y

b. Predictors: (Constant), total

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.111	.785		.142	.888
	total	.887	.196	.515	4.534	.000

a. Dependent Variable: y

Since the value of P-value (Sig) is lower than 0.05, the null hypothesis is rejected; namely, at a confidence level higher than 95%, the significance of correlation coefficients is confirmed; in other words, there is a direct and effective relationship between financial literacy and the factors related to it (including risk diversification, retirement planning, savings planning, and creating tools for self-mastering and controlling). Hence, considering the regression table, the linear regression model obtained based on the stepwise method is as follows:

$$Y = 0.111 + 0.887x$$

In above equation, Y and x respectively stand for financial literacy and independent variables (risk diversification, retirement planning, savings planning, and creating tools for self-mastering and controlling).

*Hypothesis 2:* Risk diversification positively and directly affects financial literacy.

H<sub>0</sub> :Risk diversification positively and directly affects financial literacy.

H<sub>1</sub> :Risk diversification positively and directly affects financial literacy.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.373 <sup>a</sup>	.139	.124	.76781

a. Predictors: (Constant), tanavo risk

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.423	1	5.423	9.198	.004 <sup>b</sup>
	Residual	33.603	57	.590		
	Total	39.025	58			

a. Dependent Variable: savadmali

b. Predictors: (Constant), tanavo risk

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**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	1.936	.572		3.384	.001
	tanavo risk	.429	.141	.373	3.033	.004

a. Dependent Variable: savadmali

Regarding the casual relationship between the variables “risk diversification” and “financial literacy”, the regression analysis showed that at a significance level of 99%, risk diversification significantly and positively affects financial literacy. In addition, the results showed that there is a casual and direct relationship between risk diversification and financial literacy. The coefficient of this relation is reported equal to 0.373; in other words, a unit increase in risk diversification (assuming that other variables are constant) leads to 0.373 units increase in financial literacy and vice versa.

*Hypothesis 3* :Retirement plans positively and directly affects financial literacy.  $H_0$  :Retirement plans positively and directly affects financial literacy.  $H_1$  :Retirement plans positively and directly affects financial literacy.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.334 <sup>a</sup>	.112	.069	.77981

a. Predictors: (Constant), bazneshastegi

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.363	1	4.363	7.175	.010 <sup>b</sup>
	Residual	34.662	57	.608		
	Total	39.025	58			

a. Dependent Variable: savadmali

b. Predictors: (Constant), bazneshastegi

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	2.184	.554		3.940	.000
	bazneshastegi	.378	.141	.334	2.679	.010

a. Dependent Variable: savadmali

Regarding the casual relationship between the variables “Retirement plans ” and “financial literacy”, the regression analysis showed that at a significance level of 99%, Retirement plans significantly and positively affects financial literacy. In addition, the results showed that there is a casual and direct relationship between Retirement plans and financial literacy. The coefficient of this relation is reported equal to 0.334; in other words, a unit increase in Retirement plans (assuming that other variables are constant) leads to 0.334 units increase in financial literacy and vice versa.

*Hypothesis 4* :Savings planning positively and directly affects financial literacy.  $H_0$  :Savings planning positively and directly affects financial literacy.  $H_1$  :Savings planning positively and directly affects financial literacy.

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**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.486 <sup>a</sup>	.236	.223	.72320

a. Predictors: (Constant), pasandaz

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.213	1	9.213	17.616	.000 <sup>b</sup>
	Residual	29.812	57	.523		
	Total	39.025	58			

a. Dependent Variable: savadmali

b. Predictors: (Constant), pasandaz

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	.817	.680		1.202	.234
	pasandaz	.690	.164	.486	4.197	.000

a. Dependent Variable: savadmali

Regarding the casual relationship between the variables “Savings planning” and “financial literacy”, the regression analysis showed that at a significance level of 99%, Savings planning significantly and positively affects financial literacy. In addition, the results showed that there is a casual and direct relationship between Savings planning and financial literacy. The coefficient of this relation is reported equal to 0.486; in other words, a unit increase in Savings planning (assuming that other variables are constant) leads to 0.486 units increase in financial literacy and vice versa.

*Hypothesis 5* :Creating tools for self- mastering and controlling directly and positively affect financial literacy.

H<sub>0</sub> :Creating tools for self- mastering and controlling directly and positively affect financial literacy.

H<sub>1</sub> :Creating tools for self- mastering and controlling directly and positively affect financial literacy.

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.273 <sup>a</sup>	.075	.058	.79600

a. Predictors: (Constant), kontrol bar khod

**ANOVA<sup>a</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.910	1	2.910	4.592	.036 <sup>b</sup>
	Residual	36.116	57	.634		
	Total	39.025	58			

a. Dependent Variable: savadmali

b. Predictors: (Constant), kontrol bar khod

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**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients Beta		
1	(Constant)	2.368	.604		3.919	.000
	kontrol bar khod	.320	.149	.273	2.143	.036

a. Dependent Variable: savadmali

Regarding the casual relationship between the variables “Creating tools for self- mastering and controlling” and “financial literacy”, the regression analysis showed that at a significance level of 99%, creating tools for self- mastering and controlling significantly and positively affects financial literacy. In addition, the results showed that there is a casual and direct relationship between creating tools for self- mastering and controlling and financial literacy. The coefficient of this relation is reported equal to 0.273; in other words, a unit increase in creating tools for self- mastering and controlling (assuming that other variables are constant) leads to 0.273 units increase in financial literacy and vice versa.

**Discussion and Conclusion**

The present research studied the relationship between financial literacy, retirement planning and household wealth in the form of 5 hypotheses where the independent variables included risk diversification, retirement planning, savings planning, and creating tools for self- mastering and controlling. Due to the normality of the research variables, the Pearson’s correlation test and multivariate regression were used to examine the hypotheses. According to the results, there is a direct and positive relationship between financial literacy and independent variables (risk diversification, retirement planning, savings planning, and creating tools for self- mastering and controlling). The results also showed that respondents desire to achieve more and better financial goals (compared to their parents); in other words, they are interested in surpassing their parents in terms of financial goals, which indicates that the family performance and the training or education provided by them affect the financial behavior of children.

In a study conducted by Rooij (2008) entitled “With or without selection”, it was found that by default, selection behavior regarding a fixed issue is differently driven in different situations in two countries. One of the main and strong reasons for this issue is financial illiteracy leading to the lack of control over behaviors, which represents the relationship between financial literacy and self-control.

Annamaria and Alessi (2008) in a study entitled “Financial literacy and stock market participation” found that people have increasingly delegated responsibility for their financial security to retirement time. In addition, the field of complex financial products has considerably grown over the years and economically aware people are more likely to buy shares. These researchers used questions measuring financial knowledge before investing in the stock market to investigate the casual relationship between the variables. Also, they found that people with lower financial literacy are less inclined to invest in stocks. Thus, there is a relationship between financial literacy and retirement planning as well as financial literacy affects retirement planning.

In another study conducted by Kool *et al.*, (2006, published in Elsevier) as “Risk-return preferences in the pension domain”, the independency of employees, pension preferences, and the related investments in Netherlands were investigated using a representative survey of about 1000 Dutch citizens. Over the past three decades, across countries, risks and responsibilities have been transferred from employers to workers. Also, according to the results of this research, risk aversion is the most important domain dependent on pensions. The vast majority of respondents was proponent of the pension system and wanted a guaranteed pension of at least 70% of their workforce. The average of respondents is financially unsophisticated and reluctant to take control of retirement savings investment, even when offered the possibility to increase expertise. On the other hand, most of them tended to convert risks to incomes for the future, which indicates that many respondents, due to financial illiteracy, currently lack the skill of

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investment independence for retirement. This research also showed the relationship between financial literacy and savings planning and risk diversification.

Ansari (2008) in a study as “Investigating personal financial behaviors” concluded that among the important instances of personal finance, it can be pointed to cases such as the use of banking facilities and loans for marriage, buying cars and houses, credit cards, and life and retirement insurances. The researcher also concluded that financing and the related knowledge is a necessary skill which should be taught to students during adolescence; on the other hand, financial behaviors and personal finance are important aspects of social behavior that have significant impacts on the lives of both individuals and communities. Therefore, public awareness in this field helps them better manage their own financial resources and plan for their future, especially their retirement time.

### **Practical Suggestions**

Since there is a direct and positive relationship between risk diversification and financial literacy, people should concentrate their efforts on diversifying risk, because the increase in risk diversification can positively affect their financial literacy; however, it should be noted that various factors influence risk diversification; hence, the factors should be identified and used to drive people towards increasing risk diversification and continuously improving their financial literacy.

According to the results, there is a direct and positive relationship between retirement planning and financial literacy; and since today there is a variety of plans for retirement, it should be attempted to inform people about how to plan for their retirement and what the best way of planning for retirement is. On the other hand, people should search for the best retirement plans and solutions.

Since there is a direct and positive relationship between savings planning and financial literacy, people should be informed about the best and most appropriate ways of saving. On the other hand, today there are various ways for saving; so it should be attempted to provide people with new ways through which they are motivated to increase their financial literacy.

According to the results, there is a direct and positive relationship between “creating tools for self-mastering and controlling” and “financial literacy”. So, it should be attempted to train people to focus on their ways of spending money and purchasing and try to increase their self- mastering and controlling tools to avoid unplanned purchases and thereby increase their financial literacy.

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