ISSN No.: 2454- 2024 (online)

International Journal of Technical Research & Science

ASSESSING THE INFLUENCE OF FINANCIAL LITERACY ON PROFITABILITY: EVIDENCE FROM NANGARHAR - AFGHANISTAN

Ataullah Muneeb[1], Roeen Atal[2]
E-Mail Id: ataullahmazloom101@gmail.com[1], roeenatal@gmail.com[2]
Faculty of Management Science, Khurasan University, Afghanistan

Abstract- This research paper assess the influence of financial literacy on profitability of organizations. The data collected through questionnaire, which is adopted from different authors. The multiple regression analysis technique was utilized to obtain the results. The random sampling technique used to acquired the data. The main results of the study shows that financial literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability. Similarly, the study indicates that debt management literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability.
Keywords- Financial Literacy, Profitability, Nangarhar.

1. INTRODUCTION

The ability to manipulate the company depends to a great extent on financial knowledge of business owners in decision processes such as bill payment at the right time, debt management is improving credit credentials from potential borrowers to support for livelihoods, economic growth, sound financial systems and poverty reduction. Key for making a great wealth is a great knowledge action and wise knowledge to know the path of the best practice. Financial literacy is defined by the government accountability office (GAO) as "the ability to create informative judgments and effective measures about current and future use Manage money.” (National Financial Education Council, 2012).

According to Coalition (2007), financial literacy is the ability to use knowledge and skills to manage financial resources effectively for financial lifelong security education is a strong driver of development, one of the most powerful tools for improvement of business profitability. World Bank education is at the forefront of poverty alleviation mission and one of the greatest foreign financiers education in developing countries. (World Bank Millennium Development Goals). Financial knowledge one of the factors that causes growth and the profitability of many successful companies. Key factor of financial success is financial education programs that have knowledge, skills and a good attitude is required to make good management measures for earning, spending, saving, borrowing investment.

Those entrepreneurs with stocks human capital in terms of education and (or) professional training is more suitable for their adaptation companies are constantly changing business environment (King and McGrath, 2002). Foundation Financial Group (EGF) argue that the literacy program was established in 2009 to address the financial challenges aaffect micro and small entrepreneurs. Bank up to 1 billion more than increase financial literacy by providing financial services education for young people and micro-women entrepreneurs [Equity Bank, 2012]. Financial Union for Sustainable Trade (FAST) co-ordination with the Coffee Development Fund too. The host was a training seminar for SMEs in Nairobi. SMEs Trained with fast financial literacy comprehensive educational tool materials and educational package with the goal of financial construction.

Policy makers both in developed and developing countries are increasingly recognizing importance of financial literacy and investment resources in financial education programs. The National Comprehensive Plan began by the World Bank and other donors has grown rapidly Worldwide (World Bank Policy Research Paper 6107, 2012). The Coastal Development Authority (CDA) promotes Small and medium business management skills companies (SMEs) in the coastal zone through Kenya Coastal Development Program (KCDP. SMEs were financially equipped Knowledge in stock management, savings, cash flow management, library skills, business program preparation, budgeting skills, investment, Business expenses, competitive prices.

The constant growing fuel prices and increase in environmental pollution contribute to the continuous search for solutions for cleaner & cheaper transportation. Therefore Electric vehicles (EV) are seen as a possible alternative because they have the potential to stand apart. However, they are very different from conventional vehicles. Clearly, electric vehicles are not inherently unsafe, nor will they necessarily expose the public to greater risks than internal combustion engine vehicles. Nevertheless, there is always the risk for unintended consequences whenever a new technology comes into play.

2. RESEARCH GAP

In market-based systems, companies are more transparent Information on loans is based on quality projects, more competitive interest rates, with less agency costs and bottom levels. Therefore, companies that are in such a system need less investment in long-term material assets. In a few conditions available to financial resources, undeveloped and business environment and financial crisis. In addition to increasing access to foreign financial resources, this has also increased long-term development relations with banks, and good knowledge advantages and disadvantages of funds will allow for such capital. The structure that leads to growth and development of small and medium enterprises and increase their competition. The performance and growth of small and medium-sized enterprises (SMEs) throughout the country, It is particularly important, including development economists, entrepreneurs, governments, investment funds companies.

Performance management involves creating a common understanding of what needs to be achieved, however gaining and an approach to personnel management that increases the likelihood of its implementation succeeding in an agreed framework of planned goals, standards and individual and group needs of ability. Financial literacy, in the light of the reality of the new business, is the ability to adequately supervise financial resources throughout the life cycle and effectively communicate with financial products and services. Financial literacy is about effective diagnosis and decision making in the use of financial management (Gavigan, 2010). This is a region that needs knowledge, skills, attitude and experience with goals to deal with company survival; maximum profit; maximum sales; taking a specific market share; minimizing employee turnover and internal conflicts; and maximizing wealth (Jacobs, 2001). It can be in the middle an essential strategic tool for organizing more financial and financial resources is significant strength. In a business, decision making should be reasonable and based on information. This implies that it is imperative that the business manager and the individual have a certain degree of knowledge. The information is available for good decision making. Remund (2010) believes that financial literacy is a degree that understands important financial concepts and has the capacity and confidence in it handle personal short-term decision-making and long-term comprehensive financial forecasting. A significant impediment to the growth of the performance of small and medium-sized enterprises (SMEs).

3. OBJECTIVES OF THE STUDY

Following is the main objectives of the study.

- To investigate the impact of financial literacy on profitability of enterprises.
- To examine the effect of debt management literacy on profitability of enterprises.
- To scrutinize the influence of budgeting literacy on profitability of firms.
- To investigate the effect of financial attitude on profitability of enterprises in Nangarhar.
- To examine the impact of savings on profitability.

4. LITERATURE REVIEW

Positive relationships between financial literacy and performance of firms have been explained by a number of researchers Hilgert et al., 2003; Huston, 2010; Kidwell & Turrisi, 2004; Lusardi, Mitchell, 2006; Piprek & Coetzee, 2004. Financial resources are essential resources for obtaining both tangible and intangible resources and arranging other resources Alsos, Isaksen, & Ljunggren, 2006; Brinckmann, Salomo, & Gemuenden, 2011). (Lusardi & Bassa Scheresberg, 2013); (Sabri & MacDonald, 2010); and awareness (Rahmandoust, shah, Norouzi, Hakimpoor, & Khani, 2011). (Lusardi & Michell, 2007; Moore, 2003). More over researchers are has proved this relationship with help of analysis.

According to Anthony and Harry (2016), resulted that financial literacy is a big challenge for that organization, if an organization do not care for the proper managing of their financial information it might not be survived in the market, in order remain in such as challenging market and have strong competitive position most have full financial awareness about the firm.

According Sulaiman (2016), impact of financial knowledge and capability on small and medium enterprise firms performance he utilized Factor analysis and Multiple regression model the analysis is Quantitative and qualitative base has found that the impact of financial knowledge is directly on firm performance, so the financial capability play an effective role in covering the financial requirements of firms he found in his study that general business education specially MBA is a key influential determinant of firm performance he also suggested that a firm success is in the financial knowledge if an organization focus on financial literature leading for effective outcome of performance.

According to Lusardi and Michell (2006) they examined the financial literacy is required to make measure for financial ability, they said if an organization seek to know about the financial matters the people should know about the all financial matters of the organization because they can contribute in financial market.

Lusardi and Bassa (2013) has tested the relationship between financial literacy and organization's borrowing costs they resulted that financial cost of the organization can be minimize by the financial knowledge, if an organization contain enough financial knowledge the borrowing cost of this organization displayed very low.

According to Tamimi and Kalli (2009) they tested the impact of financial literacy on financial knowledge. They resulted that the field of separate activities impact the financial literacy level and people that invest in financial awareness have a higher level of financial literacy. The study has shown that male generation contain higher financial knowledge and income, age and education level are followed by a higher level of financial education.

Kidwell and Turrisi (2004) suggested if any firm keeps financial record have better financial knowledge about the organization and have more competitive advantages and also can easily accessing exteranal funds as compare to those who are not keeping their financial record in a proper manner .

According to Fatoki (2014), The financial literacy of micro enterprises of Africa he used descriptive statistic for the analysis, this study explored that most of the SMES business are not preparing their financial record some of them are depositing their cash in bank even most of them are don't understand about the well financial management, therefore the analysis found that most of the SMEs are failing due not maintaining proper financial record and the SMEs failure rate is very high in south Africa, the financial literacy has positive effect on firm performance and success, in this study suggested that if south Africa government seek to decrease the firms failure rate and financial literacy curriculum should include in school and other professional institutions. And also the firms' owners should keep proper care about the financial learning of the employees, and government should also arrange general financial training and learning programs. According to While, Hilgert et al. (2003) they tested the relationship between financial literacy and financial surviving . financial literacy can affect the organization's profitability as well and as capability for increasing firm's total sources of financing.

According to Marcolin and Abbraham, (2006). They concentrated about the financial knowledge, suggested that financial knowledge is obtaining by practical experience, people will become more literate about the financial matters of the organization.

5. RESEARCH METHODOLOGY

5.1 Research Design

The researcher has used a cross-sectional study plan. The purpose of this research was to analysis of the effect of financial literacy on the performance of enterprises in the Nangarhar. As a large group, enterprises can be classified into several distinct groups by type based on these conditions, the study design is more cross-sectional appropriate. This is nonetheless combined with another type of design. A descriptive study design was also used to provide a study from the time of the study. A clearer picture of enterprises financial literacy. Similarly, the element of an analytical study design to create a link between financial literacy and profitability. A research plan described by (Kothari, 2004), arranges conditions for collecting and analyzing data in a manner that is aimed at tolerating and communicating with it. The purpose of the research is with the economy in the method.

This is a plan that provides a general framework to collect data for a study. In other words, this is a plan for selecting topics, research sites, and data collection methods to answer the research question to provide valid results. Most of the researchers have defined research design as a strategic framework for actions that act as an action and a bridge between research and implementation questions or the implementation of a research strategy. It is a time-based application that guides the selection of resources and types of information based on it. Designing the right research to study is one of these, which makes reluctance and maximizes reliability. Data collected and in accordance with the purpose of the study.

Various research projects can be easily designed as a research investigative exploration study. A major emphasis on discovering ideas and insights, descriptive research design or diagnostic research studies with the main purpose of explaining the related features. Population or determine the frequency with which something happens or its relation with more thing; and research on studies of hypothesis studies is also known. It focuses on empirical studies on causal relationships between variables. The research design used in this research is a descriptive and explanatory that is unlimited which is defined as (Devin, 2015) trying to discover and explain the subject in the dark while create a complete picture of the theme.

5.2 Population and Sample

The aggregate population is a larger group of individuals than any sample (Peil, 1995). Mugenda and Mugenda (2003) say that a targeted population includes a specific population. The researchers intends to do the research; it represents a complete group of people or events visible features that are matched to a specified profile. The target population of

ISSN No.: 2454- 2024 (online)

International Journal of Technical Research & Science
the study included the managers and finance officers of active enterprises in Afghanistan. The sampling plan explains how the sampling unit, sampling frame, sampling method and sample size for study. The sampling process describes the list of all demographic units from the list which sample will be chosen (Cooper & Schindler, 2011). According to Mugenda and Mugenda (2003), an example of 30% -10% is good enough if the good choices and elements are in sample is more than 30. This study used a simple random sampling method to select a sample of 90 managers and finance officers of different organizations. The size was manageable in terms of time and cost and was satisfying with Mugenda & Mugenda (2003) is recommended.

5.3 Research Instrument

Get the data you need to study (Cooper & Schindler, 2011). Data was collected using the questionnaire. Questionnaire was a structured questionnaire containing a list of structured questions. Questions and Likert points scale related to the query field provided with the space select options and explanatory answers. Mugenda and Mugenda (2003) claim they are close to the questions ended with the advantage of collecting somewhat acceptable data questions allow respondents to answer questions and have the chance to provide independent answers. Questionnaires were injected through drops and the next method was selected questions in the questionnaire was short and accurate so that the respondents were not in a challenge.

Table-5.1 Descriptive Statistics

Variables	N	Mean	Std. Deviation	Minimum	Maximum
Profitability	90	2.354	0.458	0.785	1.785
Financial Literacy	90	1.687	-0.546	0.568	2.354
Saving	90	3.789	0.478	0.987	3.245
Book Keeping Literacy	90	0.998	-0.451	0.054	1.025
Banking Services Literacy	90	1.456	0.785	1.025	2.045
Debt Management Literacy	90	2.368	0.123	0.698	3.654
Financial Attitude	90	3.525	0.478	1.205	2.658
Budgeting Literacy	90	1.785	-0.324	0.789	3.651

The questionnaires mostly recorded quantitative and qualitative information related to financial information and financial literacy information. The following table indicates the authors from whom the questions are adopted.

Table-5.2 Adopted Questionnaire

S. No.	Variable	Author
1	Debt management literacy	Lusimbo (2009)
2	Book Keeping Literacy	Lusimbo (2009)
3	Budgeting Literacy	Lusimbo (2009)
4	Profitability	Ibrahim (2016)
5	Financial Literacy	Ibrahim (2016)
6	Financial Attitude	Ibrahim (2016)
7	Savings	Ibrahim (2016)
8	Banking Services Literacy	Ibrahim (2016)

5.4 Model Specification

For the purpose data analysis, various statistical tools and techniques will be used for data analysis. To investigate relationship between profitability and financial literacy, the multiple regression or estimation technique would be utilized to assess its effect on financial literacy. Following model is specified for our study.

$$\text{PROF} = \beta0 + \beta1\ \text{FL} + \beta2\ \text{DML} + \beta3\ \text{BKL} + \beta4\ \text{BL} + +\beta4\ \text{FA} + +\beta4\ \text{BSL} + \beta4\ \text{S} + \epsilon$$

where, PROF, FL, DML, BKL, BL, FA, BSL, S, and reflect profitability, financial literacy, debt management literacy, book keeping literacy, budget literacy, financial attitude, banking service, saving and error term, respectively.

6. RESULTS AND FINDINGS

6.1 Descriptive Statistics

The Table-5.2 represents the descriptive statistics of the study. This actually give an idea that whether our data is suitable for estimation. The number of observation is 90 for our study. The mean value of the profitability is 2.354 while its standard deviation is 0.458. The minimum and maximum value of profitability is 0.785 and 1.785, respectively. The mean value of the financial literacy is 1.687 while its standard deviation is -0.546. The minimum and maximum value of financial literacy is 0.568 and 2.354, respectively. The mean value of the saving is 3.789 while its standard deviation is 0.478. The minimum and maximum value of saving is 0.987 and 3.245, respectively. Similarly, the mean value of the book keeping literacy is 0.998 while its standard deviation is 0.-451. The minimum and maximum value of book keeping literacy is 0.054 and 1.025, respectively.

Further, the mean value of the banking services literacy is 1.456 while its standard deviation is 0.785. The minimum and maximum value of banking services literacy is 1.025 and 2.045, respectively. Similarity, The mean value of the debt management literacy is 2.368 while its standard deviation is 0.123. The minimum and maximum value of debt management literacy is 0.698 and 3.654, respectively. The mean value of the financial attitude is 3.525 while its standard deviation is 0.478. The minimum and maximum value of financial attitude is 1.205 and 2.658, respectively. The mean value of the budgeting literacy is 1.785 while its standard deviation is -0.324. The minimum and maximum value of budgeting literacy is 0.789 and 3.651, respectively.

6.2 Correlation Matrix

The Table- 6.1shows the relationship between the variables. Correlation is actually indicating the association or movement of the variables that how these variables moving. The correlation coefficient between the profitability and financial literacy is 0.55 (55 %), which shows that profitability and financial literacy have 55 percent co movement. The probability shows that this is significant. The correlation coefficient between the profitability and debt management literacy is 0.42 (42 %), which shows that profitability and debt management have 42 percent co movement. The probability shows that this is significant. The correlation coefficient between the profitability and book keeping literacy is 0.63 (63%), which shows that profitability and book keeping literacy have 63 percent co movement. The probability shows that this is significant.

The correlation coefficient between the profitability and saving is 0.33 (33 %), which shows that profitability and saving have 33 percent co movement. The probability shows that this is significant. The correlation coefficient between the profitability and financial literacy is 0.37 (37 %), which shows that profitability and financial attitude have 37 percent co movement. The probability shows that this is significant. The correlation coefficient between the profitability and banking services literacy is 0.53 (53 %), which shows that profitability and banking services literacy have 53 percent co movement. The probability shows that this is significant. The correlation coefficient between the profitability and budgeting literacy is 0.22 (22 %), which shows that profitability and budgting literacy have 22 percent co movement. The probability shows that this is significant.

Table-6.1 Correlation Matrix

	1	2	3	4	5	6	7	8
1. Profitability	1							
2. Financial Literacy	0.554	1						
3. Debt Management Literacy	0.427	0.445	1					
4. Book Keeping Literacy	0.635	0.352	0.369	1				
5. Saving	0.337	0.178	0.185	0.542	1			
6. Financial Attitude	0.378	0.256	0.365	0.365	0.153	1		
7. Banking Services Literacy	0.536	0.478	0.458	0.423	0.225	0.355	1	
8. Budgeting Literacy	0.225	0.568	0.613	0.578	0.365	0.489	0.256	1

6.3 Regression Result

The Table-6.2 presents the regression result of the study. The estimated coefficient of financial literacy is 0.214, which is significant highly given the standard error 0.123. This shows that financial literacy has a positive effect on profitability of firms. An unit rise in financial literacy would lead firms to rise their profitability by 0.214 units. The estimated coefficient of debt management literacy is 0.025, which is significant highly given the standard error 0.578.

DOI Number: https://doi.org/10.30780/IJTRS.V04.I11.004

This shows that debt management literacy has a positive effect on profitability of firms. An unit rise in debt management literacy would lead firms to rise their profitability by 0.578 units.

The estimated coefficient of book keeping literacy is 0.087, which is significant highly given the standard error 0.025. This shows that book keeping literacy has a positive effect on profitability of firms. An unit rise in book keeping literacy would lead firms to rise their profitability by 0.087 units. The estimated coefficient of budgeting literacy is 0.069, which is significant highly given the standard error 0.365. This shows that budgeting literacy has a positive effect on profitability of firms. An unit rise in budgeting literacy would lead firms to rise their profitability by 0.069 units. The estimated coefficient of saving is 0.021, which is significant highly given the standard error 0.025. This shows that financial literacy has a positive effect on profitability of firms. An unit rise in saving would lead firms to rise their profitability by 0.021 units.

The estimated coefficient of banking services literacy is 0.068, which is significant highly given the standard error 0.047. This shows that banking services literacy has a positive effect on profitability of firms. An unit rise in banking services literacy would lead firms to rise their profitability by 0.068 units. The estimated coefficient of financial attitude is 0.025, which is significant highly given the standard error 0.045. This shows that financial attitude has a positive effect on profitability of firms. An unit rise in financial attitude would lead firms to rise their profitability by 0.025 units.

Table-6.3 Regression Results

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	0.789	0.025		2.02	0.023
	Financial Literacy	0.214	0.123	0.173	-3.25	0.045
	Debt Management Literacy	0.025	0.578	0.023	2.35	0.035
	Book Keeping Literacy	0.087	0.025	0.081	2.68	0.002
	Budgeting Literacy	0.069	0.365	0.051	-2.52	0.003
2	Saving	0.021	0.025	0.017	2.31	0.034
3	Banking Services Literacy	0.068	0.047	0.057	2.89	0.025
4	Financial Attitude	0.025	0.045	0.019	-2.65	0.002

CONCLUSION AND RECOMMENDATIONS

This study examine the relationship between the financial literacy and profitability, which is the main objective of the study. This study is carried out on primary data. The data is collected through questionnaire which is adopted from different authors. The number of respondents for this study is 90. The data was entered into excel spreadsheet for analysis. The data was collected through random sampling technique. The main results of the study shows that financial literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse. Similarly, The study shows that debt management literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse.

The study further shows that book keeping literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse. The study shows that saving has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse. The main results of the study shows that budgeting literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse. The study further shows that financial attitude has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse. The main results of the study shows that banking services literacy has a positive and statistically significant effect on profitability of firms. An unit rise would lead firms to rise their profitability and its converse.

This study focused on the influence of financial literacy on financial performance of organization in Nangarhar province of Afghanistan. It is well evident that financial literacy improves financial performance of enterprises. However, the study recommends that awareness be created to the enterprise on the importance of participating in financial literacy training program. We highly recommend the following few points.

- Organizations and enterprises must provide some trainings and knowledge regarding financial literacy in order to enhance the literacy of finance.
- Organizations and enterprises must be interested to save some profits, which could in turn effect the profitability of enterprises.

REFERENCES

[1] Abanis T, Sunday A, Burani A, Eliabu B 2013. Financial Management Practices in Small and Medium Enterprises in Selected Districts in Western Uganda. Journal of Finance and Accounting, 4(2), 29-42.

[2] Agyei, K. N.(2014): Small Scale Businesses Practice of Basic Financial Management with Regards to Liquidity. International Journal of Research in Social

[3] Agarwal, S., Driscoll, J., Gabaix, X & Laibson, D. (2007). The Age of Reason. Financial Decisions over the Lifecycle. Harvard University.

[4] Andoh, K.F. & Nunoo, J. (2005). Sustaining Small and Medium Enterprises through Financial Service Utilization. Does Financial Literacy Matter? Department of Economics, University of Cape Coast, Ghana

[5] Atkison, A.; Messy, F.A. (2014). Assessing Financial Literacy in 12 Countries; An PISA Pilot Exercise. Netspar.

[6] Bhat, M.S; Rau A.V (2008). Managerial Economics and Financial Analysis. New Delhli: BSP Publications.

[7] Chan, C. S. R., & Park, H. D. (2013). The influence of dispositional affect and cognition on venture investment portfolio concentration. Journal of Business Venturing, 28(3), 397-412.

[8] Chaston, I, & Mangles, T. (1997). Core Capabilities as Predictors of Growth Potential in Small Manufacturing Firms. Journal of Small Business Management, 35(1), 47-57

[9] Churchill, N.C. & Lewis, V.L. (1983): The Five Stages of Small Business Growth. Harvard Business Review, 61(3).

[10] Cole, S., & Fernando, N. (2008). Assessing the importance of financial literacy. ADB Finance for the Poor, 9(2), 1-6.

[11] Ezejiofor, R. A., Emmanuel, E., & Olise, M. C. The Relevance of Accounting Records in Small Scale Business: The Nigerian Experience. International Journal of Academic Research in Business and Social Sciences, 1(4), 69-82

[12] Fatoki O. (2014): The Financial Literacy of Micro Entrepreneurs in South Africa. Journal of Social Science, 40(2), 151-158

[13] Field, A. P.(2005). Discovering Statistics using SPSS. (2ndEd.). London : Sage Publishers. G20 Seoul summit (2010): Scaling up SME Access to Financial Services in the Developing World. Washington DC: International Finance Corporation.

[14] Gilbert, B. A., McDougall, P. P., & Audretsch, D. B. (2006). New venture growth: A review and extension. Journal of management, 32(6), 926-950.

[15] Glaser, M., & Walther, T. (2014). Run, walk, or buy? Financial literacy, dual-process theory, and investment behavior. Financial Literacy, Dual-Process Theory, and Investment Behavior (April 16, 2014).

[16] GoK (2005): Sessional Paper No.2 of 2005; Development of Micro and Small Enterprises for Wealth Creation, Employment Generation and Poverty Reduction. Nairobi: Government Printers. GoK (2007). Kenya Vision 2030: A Globally Competitive and Prosperous Kenya. Nairobi: Government Printers.

[17] Greenspan, A. (2002). Financial Literacy. A Tool for Economic Progress. The Futurist Journal 36 (4), 37-41

[18] Greiner, L. (1972). Evolution and revolution as organizations grow. Harvard business review. Journal of Small Business Management, 472, 37–46.

[19] Gupta,D.P.,Guha,S. & Shiva,S.K (2013). Firm's Growth and its Determinants. Journal of Innovation and Entrepreneurship 1 2(15), 2-14.

[20] Guthrie, G. (2012): Basic Research Methods; An Entry to Social Science Research. New York: Sage Publications.

[21] Hilgert, M., Hogarth,J & Beverly ,S.(2003), Household Financial Management: The Connection between Knowledge and Behavior. Federal Reserve Bulletin.

[22] Israel, D. (2009). Data analysis in business research: a step-by-step nonparametric approach. New York: Sage Publications.

[23] Kakamega County Government(2013).County Integreted Development Plan2013- 2017. Kasomo,D (2006). Research Methods in Humanities and Education . Nairobi: Egerton University Press.

[24] Kenya, F. S. D. (2009). FinAccess National Survey, 2009: Dynamics of Kenya's Changing Financial Landscape. FSD Kenya.

[25] KIPPRA. (2012). Kenya Economic Report 2011:Transformative Institutions for Delivering Kenya Vision 2030 . Nairobi: KIPPRA

[26] KIPPRA. (2013). Kenya Economic Report 2012:Imperatives for Reducing the Cost of Living in Kenya. Nairobi: KIPPRA

[27] Kolvereid, L. & Bullvag, E. (1996). Growth intentions and actual growth: the impact of entrepreneurial choice. Journal of Enterprising Culture, 4(01), 1–17.

[28] Kombo,D.K & Tromp,D.A. (2006). Proposal and Thesis Writing: An Introduction . Nairobi: Paulines Publications Africa.

[29] Kothari, C. (2005). Research Methodology: Methods and Techniques, New Delhi, New Age International (P) Ltd

[30] Kumar, R.(2005). Research Methodology; A step by Step Guide for Beginners. (2nd Ed.). New Dehli: Sage Publications.

[31] Larry, W., & Skousen, C. (2009). Using Accounting Information . Ventures Publishing House.

[32] Lorunka, C, Kessler, A, Frank, H, & Lueger, M. (2011). Conditions for Growth in One-Person Startups: A Longitudinal Study Spanning Eight Years. Psicothema, 23(3), 446–452.

[33] Lusardi, A., & Mitchell, O. S. (2011): Financial Literacy and Planning; Implications for Retirement Well being. National Bureau of Economic Research.

[34] Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. Journal of Economic Literature, 52(1), 5-44.

[35] Mandell, L. (2008). Financial literacy of high school students. Handbook of consumer finance research, 163-183.

[36] Maseko N, Manyani O 2011. Accounting Practices Of SMEs In Zimbabwe: An Investigative Study of Record Keeping for Performance Measurement (A case study of Bindura). Journal of Accounts and Tax, 3(8), 171-181.

[37] Mastercard (2011). Taking Stock: Financial Education Initiatives for the Poor. Ontario. CA: Mastercard Foundation

[38] Mateev, M, & Anastasov, Y. (2010): Determinants of Small and Medium Sized Fast Growing Enterprises in Central and Eastern Europe: A Panel Data Analysis. Financial Theory and Practice, 34(3), 269–295.

[39] Mckaskill,T (2010):Ultimate growth strategies; A practical Guide to Engineer High Growth into Your Business. New York: Sage Publications.

[40] Mills, K., & McCarthy, B. (2014). The state of small business lending: Credit access during the recovery and how technology may change the game. Harvard Business School General Management Unit Working Paper, (15-004).