AGE-RELATED EFFECTS ON FINANCIAL LITERACY, PERSONAL FINANCIAL MANAGEMENT, AND UTILIZATION OF FINANCIAL PRODUCTS AMONG Y-SAVE MULTI-PURPOSE COOPERATIVE MEMBERS IN UGANDA.

Mark D. Walugembe[1], Olutayo K. Osunsan[2], Dunstan Kisuule[3], Norah Kiwabudde[4]

[1]Africa Renewal University.
[2]Cavendish University Uganda.
[3]Y-Save Multi-Purpose Cooperative Ltd.
[4]Africa Renewal University.

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Abstract: This study explores age-related effects on Financial Literacy (FL), Personal Financial Management (PFM), and Utilization of Financial Products (FPU) among members of Y-Save Multi-Purpose Cooperative in Uganda. Different age groups categorised as young adults (18-30 years), middled adults (31-50 years) and older adults (Above 50 years) exhibit different FL levels and financial behaviours towards PFM. The study utilised a mixed-methods approach, combining a quantitative online survey of 322 members analysed using descriptive and inferential statistics with a qualitative document review of relevant Y-Save Multi-Purpose Cooperative reports that were selected purposively. The study was guided by the following hypotheses: (i)There is no significant difference in FL among different age groups of members of Y-Save; (ii)There is no significant difference in PFM among different age groups of members of Y Save; and (iii) There is no significant difference in FPU among different age groups of members of Y Save. The findings showed that there was a statistically significant difference in Financial Literacy and PFM among different age groups while there was no significant difference with FPU. The document review indicated that Y-Save had been carrying out FL and PFM programs, however, there was need to measure the extent of involvement of the different age groups. The findings indicated low FL and PFM among the young adults as compared to their counterparts. All age groups were utilizing the available financial products with the loan product having been consistently utilised over the years. The recommendations include; providing FL programs for young adults below 25 years and 25-35years on savings, budgeting, investing, managing debt and risk diversification. These constituted about 70% of the population, and the revitalization of the share capital product.

Keywords: Financial Literacy (FL), Personal Financial Management (PFM), Financial Product Utilization (FPU), Savings, Budgeting, Investment and Cooperatives.cc

1.0 INTRODUCTION

In developing economies where formal financial security mechanisms such as social safety nets, inclusive pensions, and developed stock markets are still growing, individuals must take greater responsibility for their financial growth and well-being. The limited reach of Micro Deposit-taking Institutions (MDIs) and Microfinance Institutions (MFIs), combined with the concentration of commercial banks in urban centres, further complicates savings' efforts for low-income populations. *According to the thematic report on banking in Uganda*, the disparity in access to financial services between urban and rural areas is significant, with only 7% of rural adults being 'banked' compared to 24% in urban areas. This limited reach of financial institutions in rural regions poses challenges for low-income populations striving to save and manage their finances (Financial Sector Deepening Uganda, 2019). In such circumstances, cooperatives have become crucial for fostering financial inclusion, providing a platform for mutual support and financial security among underserved communities. These cooperatives enable low-income earners to pool resources, promoting a culture of savings and filling the gap left by formal financial institutions (Jima & Makoni, 2023). The objectives of Y-Save as a cooperative summarily show that it focuses on promoting financial literacy and personal financial management among its members, encouraging saving, responsible spending, and constructive use of savings through prudent investments. The cooperative also offers relevant financial products, such as credit, savings opportunities, and investment products to improve the financial well-being and overall development of its members. It is also important to note that in 2020, Y-Save shifted its vision from focusing more on just providing financial services to improving the members' financial wellbeing through supporting and mentoring them to acquire sustainable sources of income as stipulated in its vision, "A Y-Save member with sustainable sources of income." The founder of Watoto Church from which Y-Save draws its membership, states an important aspect in the foreword of one of their books that, "Wise generosity, consistent saving and investment of money does grow financial wealth over time" (Y-Save, 2010).

2.0 LITERATURE REVIEW

2.1 Age and Financial Literacy

Financial literacy (FL) is the "knowledge and understanding of skills in managing finances and financial activities such as financial concepts" that include; saving, budgeting, investing, managing debt, risk diversification, inflation, time value for money, operation of financial systems and financial numerical calculation skills (Lusardi, 2019 & Afransell et al, 2022).

In this aspect, financial literacy can be associated with the knowledge or education of individuals (both young and adults), on any financial activity.

Young adults (18–30 years) generally exhibit lower levels of financial literacy compared to older age groups. Lusardi et al. (2010) argue that limited exposure to financial decision-making opportunities and lack of formal education on financial concepts contribute to this trend. Similarly, Brown et al. (2016) emphasize that many young adults struggle with basic financial principles, making them susceptible to debt accumulation and poor financial choices. Specifically, in the age range of 25-34 years, that is cutting across young and middle adults, this category was reported to be increasingly burdened with debt (Scheresberg, 2013). However, financial literacy among this group tends to improve with targeted financial education programs. Financial literacy tends to peak during middle adulthood (31–50 years). According to Agarwal et al. (2009), middle-aged individuals are typically more financially knowledgeable due to life experiences such as homeownership, investments, and retirement planning. This group demonstrates greater competency in managing complex financial products, although gaps in understanding specific topics like risk diversification persist (Lusardi & Mitchell, 2011). As individuals age goes beyond 50, financial literacy begins to decline. Studies by Finke et al (2017) suggest that cognitive aging significantly impacts the ability to process financial information. Although older adults may have accumulated substantial financial knowledge, their ability to apply this knowledge diminishes over time. This decline raises concerns about financial vulnerability and exploitation among the elderly.

Different studies on age and financial literacy indicate consistent findings with "an inverse -U shape of financial proficiency" where the highest is at middle adulthood and declines at older ages (Lusardi & Mitchell, 2006; Lusardi & Mitchell, 2007; Agarwal et al., 2009). In the study on financial literacy and financial behaviour in four different age groups in Malaysia, the findings indicated that the subjective financial knowledge of younger age groups is inferior to that of older age groups (Afransell et al., 2022). Scheresberg (2013) also stated in his findings on financial literacy and behaviour among 4500 young adults that financial literacy was negatively correlated with use of high-cost borrowing methods while positively correlated with having precautionary savings and planning for retirement. However, Lusardi and Mitchell (2011) highlight that regardless of age, financial literacy levels are generally low worldwide, necessitating appropriate interventions across all demographics. A number of researchers do show in their findings that those who are financially literate are most likely to manage their finances well in the future in aspects like; retirement, wealth accumulation and stock investment (Lusardi & Mitchell, 2007; Lusardi & Mitchell, 2008; Lusardi & Mitchell, 2009; Stango & Zinman, 2009; Lusardi & Mitchell, 2011; Van Rooij etal., 2011; Yoong, 2011; Scheresberg, 2013)

H01: There is no significant difference in Financial Literacy among different age groups of members of Y Save.

2.2 Age and Personal Financial Management

Personal financial management (PFM) refers to the set of individual behaviour and decision making related to planning, implementing, and evaluating activities in areas of cash, credit, investments, insurance, retirement, and estates. This definition is supported by rudiments indicated in the articles of; Deacon and Firebaugh (1988), Xiao & Dew (2011), and Kaiser & Lusardi (2024). Monohsamy and Brunei (2015) further suggest that it involves the process of controlling income and organizing expenses through a detailed financial plan. A detailed financial plan includes the following key aspects; goal setting, budgeting (income and expense management), savings' planning, investment planning, estate planning, debt management, retirement planning, tax planning and risk management (Bojang, 2024). Age significantly influences financial management behaviours, with different life stages presenting unique challenges and opportunities. Afransell et al. (2022) indicate this in their findings that monthly income affects the financial behaviour among age groups that were studied.

Kaiser and Lusardi (2024) extend their understanding of financial literacy beyond just the knowledge perspective to the following aspects that enhance personal financial Management: (i)Application of the financial knowledge on different concepts for proper financial decision making in daily life; (ii)"Development of financial behaviours and attitudes" that contribute to long-term financial health such as good financial habits, like regular saving and responsible borrowing; and (iii) Awareness of how "economic changes and policies" affect personal finance.

According to Schwab Moneywise (2009), young adults stated that they felt insufficiently equipped to handle financial decisions regarding areas such as; debt management (28%), savings (40%) and investing (43%) in that order respectively due to limited financial literacy and inexperience. This group is particularly prone to debt accumulation, including student loans and credit card debt (Lusardi etal., 2010; New York Federal Reserve, 2013). Additionally, they are less likely to engage in long-term financial planning. Afransell et al. (2022) emphasise this when they state that these young adults are naturally more burdened by debts compared to older adults as a consequence of having to make early necessary commitments at younger ages. However, Xiao and Porto (2017) highlight the positive impact of financial education and parental guidance on improving financial behaviours among these young adults. Middle adulthood is typically associated with increased financial responsibilities, including homeownership, raising children, and retirement planning. Individuals in this age group are more likely to engage in financial planning, driven by the need for financial stability and future security (Hira & Mugenda, 2000). However, Poterba et al. (2011) note that many middle-aged individuals still fall short of their retirement saving goals, indicating a need for better long-term financial strategies. Older aged groups have better financial behaviour as compared to younger aged groups because increase in age is proportional to life experience and better emotion regulation (Eberhardt, 2017). Financially literate older adults shift their focus from wealth accumulation to wealth preservation and income management. Cognitive decline in older adults can impair their ability to make sound financial decisions, leaving them vulnerable to financial exploitation (Finke et al., 2017; Agarwal et al., 2009). Many rely on past financial experience or delegate financial decision-making to trusted family members or advisors. This however does not negate the fact that aged people with experience gain a lot of knowledge that enables them to make wise financial decisions (Mokhtar etal., 2020).

H02: There is no significant difference in Personal financial management among different age groups of members of Y Save.

2.3 Age and Utilization of Financial Products

Utilization of financial products refers to the regular and effective use of financial services such as savings, credit, insurance, and payment systems to manage personal or business finances. It is a key aspect of financial inclusion, which comprises access, usage, and quality of financial services. While access ensures availability, utilization focuses on how frequently and effectively individuals engage with these services to meet their financial needs (Demirgüç-Kunt, Beck, & Honohan, 2008). The utilization of financial products varies across different age groups, influenced by factors such as financial needs, literacy, technological proficiency, and life goals. There should be ongoing learning and adaptation of different age groups as financial products, and services evolve over time (Kaiser & Lusardi, 2024). This indicates an element of the people being aware of the financial products on the markets and utilizing them.

Scheresberg (2013) states that young adults have ample borrowing opportunities and access to a wide range of financial products including savings and student loans even before entering the job market. Lusardi et al. (2010) emphasize that financial literacy among young adults is low, which limits their engagement with complex financial products like investments and retirement accounts. Additionally, their financial behaviour in regards to taking up financial products is influenced by limited income and a preference for short-term financial goals (Afransell et al., 2022). However, the rise of fintech solutions has increased access to digital financial products among this demographic, enabling greater engagement with mobile banking and peer-to-peer payment platforms (Beck et al., 2018). Poterba et al. (2011) highlight that middle-aged adult are the primary users of long-term investment products, driven by the need to save for retirement and fund their children's education. These financial products include; mortgages, retirement accounts, and life insurance. Hira and Loibl (2005) note that this age group often demonstrates better financial planning skills and is more likely to engage in diversified investments. However, disparities in financial literacy and risk tolerance can still affect the extent to which individuals utilize complex financial instruments. Finke et al. (2017) found that while older adults have accumulated financial knowledge over time, cognitive decline may affect their ability to make complex financial decisions, leading to a preference for low-risk financial products such as fixed-income investments, annuities, and health insurance that provide stability and income security. Additionally, barriers such as technological challenges can hinder their adoption of digital financial tools due to unfamiliarity and lack of adaptation as compared to the young adults (Charness & Boot, 2016). Technology adoption among older adults is influenced by various factors, including education level, with well-educated individuals more likely to embrace new technologies, while those with limited education may face barriers (Bertolazzi, Quaglia & Bongelli, 2024). It is important to note that some studies do show that less financially literate individuals usually pay higher interest fees on the available loan products and are apathetic about using high-cost methods of borrowing (Lusardi & Tufano, 2009; Lusardi & Scheresberg, 2013).

H03: There is no significant difference in Utilisation of Financial Products among different age groups of members of Y Save.

3.0 METHODOLOGY

The research employed a self-administered questionnaire survey as a quantitative method to gather data from a target population of 1,338 individuals. The survey was administered online using Survey Monkey, achieving a final valid sample size of 322 respondents after data cleaning. The non-probability sampling technique allowed voluntary participation, which, despite its limitations, provided a sufficient sample size within the population. Data were analyzed using Excel, Stata, and SPSS statistical software. Descriptive statistics such as frequencies, means, and standard deviations were generated, providing an initial understanding of the data. Furthermore, SPSS was employed to test the homogeneity of variances and perform one-way ANOVA, ensuring statistical significance and offering deeper insights into group differences. These methods contributed to the robustness and reliability of the quantitative analysis.

Additionally, a qualitative document review methodology that involved selecting of reports using the non-probability purposive sampling was employed to examine the selected reports. The purposive sampling was used because there was a need to review reports that provided the required data on financial literacy, personal financial management, and financial product utilization. The review included, two comprehensive books on the journey of Y-Save from 2000 to 2018. The document review method allowed for thematic analysis, identifying patterns in the variables that were under study. This approach has been supported by previous studies in organizational research (Bowen, 2009; Mogalakwe, 2006).

4.0 RESULTS

Y-Save multipurpose cooperative has published two books and numerous reports from its inception in 2000. There was a need for the findings of the reviewed reports to supplement the quantitative analysis on the aspects that were under study; financial literacy, personal financial management and utilization of financial products. The table below exhibits these:

Table 1: Findings from the Different Documents of Y-Save in regard to Financial Literacy, Personal Financial Management and Financial Product Utilization.

Financial Literacy (FL)	Personal Financial Management (PFM)	Financial Product Utilization (FPU)
(a) It is important to understand that the birth of Y-Save was ignited by a financial literacy seminar on tithing, offering, budgeting, savings, loans, debt, banking and microfinance in July of 1999 (Y-Save,2010: 2). (b) The first core values of Y-Save that were agreed on included two key aspects that required financial literacy and these were: promoting a saving culture and financial literacy (Y-Save, 2010:44). (c) The cash flow game by Robert Kiyosaki was used predominantly to enhance financial literacy in the beginning years, to the extent that a number of boards were bought to get as many members involved as possible. Many members gave testimonies of the impact it had on their financial literacy and management (Y-Save, 2010:56). (d) Between 9th and13th of March, 2009, Y-save had a key documented financial literacy training from Enterprise Uganda on the following key aspects; entrepreneurship, business opportunity identification and its translation into business, sources of business capital, managing business partnerships, producing simple business plans (Y-Save, 2010: 70-74). (e) According to the strategic review of the 2020 to 2024 strategy, the attendance of the financial literacy practice learning was at an attendance of 5% against the projected 70% by	(a) In the authored books of Y-Save, testimonies of members do indicate that in the first 20 years of Y-Save 's existence, majority of the members had gained the culture of saving, increase of financial knowledge on budgeting, investment, debt management, and financial planning. These are core aspects of personal financial management. (b) As a way of guiding members in regard to personal financial management, Y-Save was founded and operated on biblical principles that are: Tithing, Stewardship, budgeting, saving and investment. (Y-Save, 2018: 18-21). (c) The shift of vision and mission of Y-Save at the end of the 2014-2019 strategy from focusing more on organization growth and provision of financial services and products to the members' financial wellbeing especially in the area of acquiring sustainable sources of income was a shift to personal financial management focus through member empowerment initiatives. The 2006 to 2019 vision and mission were; "To be a world class financial institution" and "To contribute to the effective development of our clientele and impact society with Godly values and principles respectively." The 2020-2024 vision and mission were; "A Y-Save member with sustainable sources of income" and "To support and mentor 50% of Y-Save members to maintain at least two sustainable sources of income by 2024" respectively. (d) In the 2021 annual general meeting report, it was reported that, "Our members are at the center of everything we do" and that "this is the central organizing principle in our bid to enable them attain sustainable sources of income	(a) Between May to July of 2000, at the inception of Y-Save, the chosen leadership of Y-Save emphasized three major financial products that is saving, shares and loan accounts. About 50% of the members were already using the savings product. Y-Save was strict on the monthly saving that at some point it suspended members who were not saving. (b) In September of 2000, 607 of the called up 1000 shares had been bought (Y-Save,2010: 7-11). In February of 2001, only 2 loans had been approved and processed. (c) Later, the education and pension products were developed for the members. (d) In 2005, when Y-Save opened up an office, there was a significant increase in the purchase of shares and members' monthly savings (Y-Save, 2010:36). (e) Currently, Y-Save has 11 financial products for utilization for its members and of these 9 are actually savings' products that enhance the culture of saving among the members. According to the strategic review of the 2020 to 2024 strategy, the savings were $ 3.1 million by December 2019, and by September 2024 the Savings had increased by 34% to $ 4.1 million) against a targeted 25% ($ 3.9 million) by Dec 2024. The products are; compulsory savings account, share account, target savings account, loan account, pension savings account, school fees account, dollar account, children savings account, medical savings account, investment clubs and business Account. (f) According to the strategic review report, at the end of the 2020 to 2024 strategy, the product uptake in Y-Save had grown by 41% against a projected growth of 31%. In the same strategic review, the members' satisfaction survey on the access of financial products and services conducted

December 2024. This was mainly affected by the Covid-19 pandemic lock-down restrictions in 2020 and 2021, and the after effect of people opting for on-line engagements. Also, the method of engagement (practice learning) is different and unique from what people were used to as it is more participative than the usual financial literacy trainings of power point presentations.	through developing an entrepreneurship and investment culture." (e) In the year 2023, Y-Save started a member empowerment program using the action-based model of experiential and practice learning. However, this was affected by the Covid-19 pandemic as it required in-person engagements.	in January of 2024 did indicate a satisfaction rate of 85.52% against a projected rate of 85%.

4.1 Demographics

The demographic breakdown of respondents reveals a clear gender imbalance, with women accounting for 64% of the group and men making up 36%. In terms of age, the largest segment falls within the 26-35 years range, which comprises 41% of the total, followed by those under 25 years at 30.9%, and individuals in the 36-45 years bracket at 27.3%. Only a small portion, 0.8%, is in the 46-55 years category. When it comes to marital status, the majority are married, representing 58.6%, while 34.4% are single. Smaller groups are widowed (5%), separated (1.5%), or divorced (0.5%).

Educationally, the members are highly qualified, with a significant portion holding advanced degrees. Of the respondents, 38.3% have earned a Master's degree, while 37% hold a Bachelor's degree. A smaller share has diplomas (14.5%), PhDs (3%), undergraduate certificates (2.9%), tertiary certificates (2.7%), and UACE qualifications (1.7%).

A majority of members are relatively recent joiners, with 36.1% having been with Y-Save for 5 years or less, and 32.7% between 6-10 years. The number of members decreases with longer membership duration: 17.4% have been with the organization for 11-15 years, 9.1% for 16-20 years, and only 4.7% for over 20 years.

Regarding income, most respondents fall into the middle-income range. Specifically, 21% earn between $136.24 and $272.48, while 20.7% earn between $272.48 and $545. The higher salary brackets show more even distribution, with 13.8% earning $545 to $817, 9.3% earning $817 to 1090, and 11.9% earning $1362.4 to $2724.8 (Considering an exchange rate of $1= UGX 3670). The lowest salary range, under $136.24, makes up 9.5% of the respondents, while those earning more than $2724.8 account for 6.7%.

Table 2: Descriptive statistics of the variables

	N	Minimum	Maximum	Mean	Std. Deviation
Financial Literacy	329	.00	4.00	2.0881	.77751
Personal Financial Management	330	.33	4.67	2.9005	.81408
Utilisation of Financial Products	323	1.00	2.00	1.8398	.18343
Valid N (listwise)	322				

Though the sample size for the bigger study was 596 respondents, table 2 shows that the analysis for the variables of interest was conducted on a valid sample size of 322 respondents who completed this section of the questionnaire.

4.2 FINANCIAL LITERACY

Table 3a: Descriptive statistics of Financial Literacy

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Below 25 years	4	1.2500	.66081	.33040	.1985	2.3015	.60	2.00
25-35 Years	97	1.9464	.71444	.07254	1.8024	2.0904	.20	3.80
36-45 years	127	2.1449	.78384	.06955	2.0072	2.2825	.00	4.00
46 to 55 years	71	2.2056	.79568	.09443	2.0173	2.3940	.20	3.80
Over 55 years	30	2.1400	.83070	.15167	1.8298	2.4502	.60	4.00
Total	329	2.0881	.77751	.04287	2.0038	2.1725	.00	4.00

Table 3b: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.430	4	324	.787

Table 3c: ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	6.229	4	1.557	2.627	.035
Within Groups	192.055	324	.593		
Total	198.284	328			

Table 3d: Multiple Comparisons of Age and Financial Literacy

Tukey HSD

(I) How old are you?	(J) How old are you?	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Below 25 years	25-35 Years	-.69639	.39281	.391	-1.7740	.3812
	36-45 years	-.89488	.39097	.151	-1.9674	.1776
	46 to 55 years	-.95563	.39565	.114	-2.0410	.1297
	Over 55 years	-.89000	.40982	.193	-2.0142	.2342

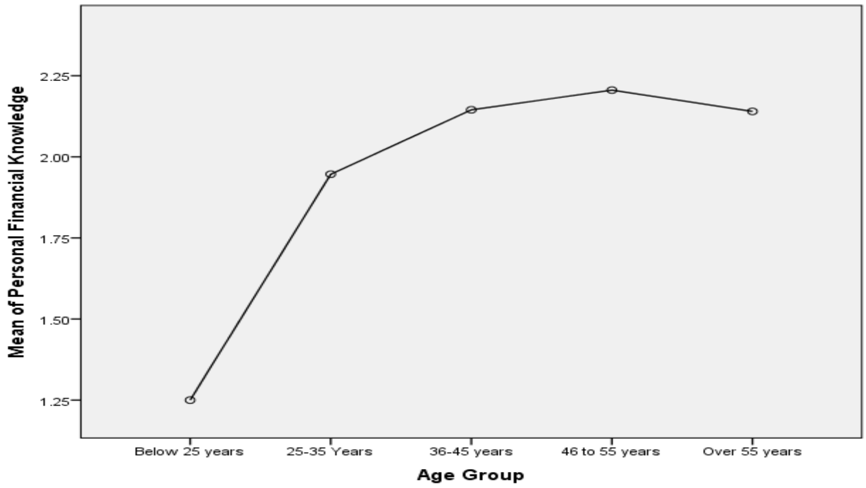

Figure 1: Mean plots of age group and mean Financial Literacy

According to Table 3c, a one-way between-groups analysis of variance was conducted to explore the impact of age on levels of Financial Literacy. Subjects were divided into five groups according to their age (Below 25 years, 25-35 years, 36-45 years, 46 to 55 years and Over 55 years). There was a statistically significant difference at the $p<.05$ level of Financial Literacy scores for the five age groups [$F (4, 324) = 2.627$, $p=.035$]. Post-hoc comparisons using the Tukey HSD test (Table 3d) indicated that the significant mean differences suggest that certain age groups exhibit varying levels of Financial Literacy. Particularly, younger age groups, such as those below 25 years and 25-35 years, tend to have lower Financial Literacy compared to older age groups, as evidenced by the negative mean differences. On the other hand, older age groups, particularly those aged 46 to 55 years and over 55 years, demonstrate higher Financial Literacy scores. Though, the comparisons yield non-significant results, indicating similarities in Financial Literacy between certain age groups. Table 3b shows that the Test of Homogeneity of Variances confirms that the assumption of homogeneity of variances is fulfilled ($p = .787 > .05$).

4.3 PERSONAL FINANCIAL MANAGEMENT

The findings from the reviewed 2023 survey report indicated that 10% of the Y-Save members had good financial management practices with most of this percentage saving consistently on a monthly basis. Despite the fact that about 18% of the members were budgeting, about 6% of them were not spending according to their budgets. Pursuing of investments and starting of businesses were very poorly adapted among the members. Figure 2 below indicates this and more about personal financial management.

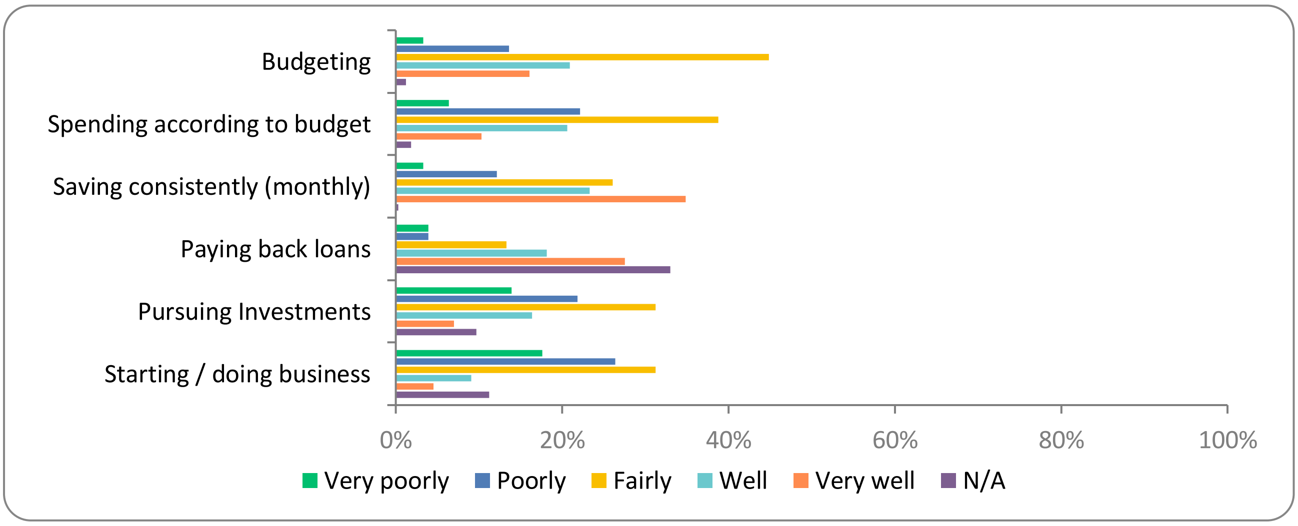

Figure 2: Adapted from the monitoring and evaluation survey report done in 2023.

Table 4a: Descriptive statistics of Personal financial management

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Below 25 years	4	2.0000	1.04527	.52264	.3367	3.6633	1.17	3.33
25-35 Years	98	2.7636	.80374	.08119	2.6025	2.9247	1.00	4.67
36-45 years	127	2.9987	.79779	.07079	2.8586	3.1388	.50	4.50
46 to 55 years	71	2.9695	.75609	.08973	2.7905	3.1484	.33	4.67
Over 55 years	30	2.8889	.93294	.17033	2.5405	3.2373	1.00	4.67
Total	330	2.9005	.81408	.04481	2.8123	2.9887	.33	4.67

Table 4b: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
.578	4	325	.679

Table 4c: ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	6.646	4	1.662	2.555	.039
Within Groups	211.392	325	.650		
Total	218.039	329			

Table 4d: Multiple Comparisons of Age and Personal financial management

(I) How old are you?	(J) How old are you?	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Below 25 years	25-35 Years	-.76361	.41140	.343	-1.8921	.3649
	36-45 years	-.99869	.40955	.108	-2.1221	.1248
	46 to 55 years	-.96948	.41445	.135	-2.1064	.1674
	Over 55 years	-.88889	.42929	.235	-2.0665	.2887

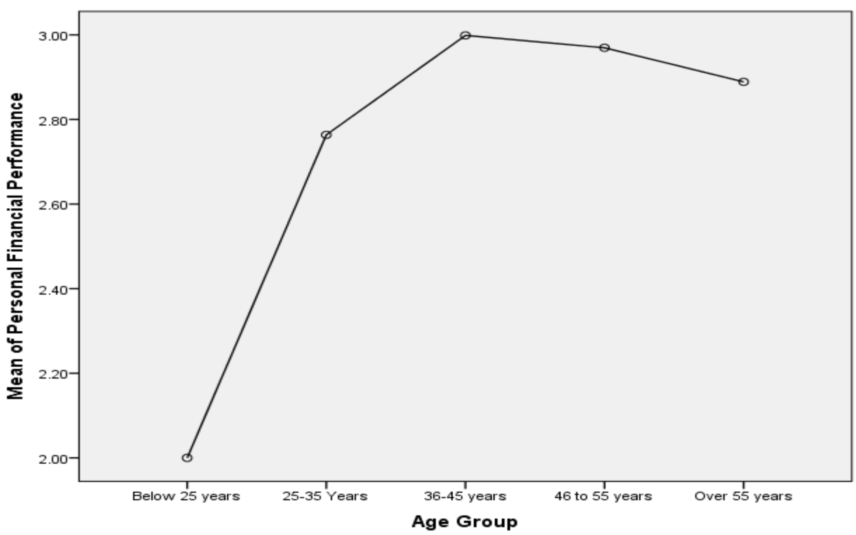

Figure 3: Mean plots of age group and mean Personal financial management

According to Table 4c, a one-way between-groups analysis of variance was conducted to investigate the influence of age on levels of personal financial management. Subjects were categorized into five groups based on their age (Below 25 years, 25-35 years, 36-45 years, 46 to 55 years, and Over 55 years). Results revealed a statistically significant difference at the $p < .05$ level of Personal financial management scores across the five age groups [F (4, 325) = 2.555, p = .039]. Post-hoc comparisons using the Tukey HSD test (Table 4d) indicated that significant mean differences exist among certain age groups, suggesting varying levels of personal financial management. Particularly, younger age groups, such as those below 25 years and 25-35 years, have lower personal financial management compared to older age groups, as evidenced by the negative mean differences. Older age groups, particularly those aged 36-45 years, 46 to 55 years, and over 55 years, exhibit higher Personal financial management scores. Additionally, Table 4b shows that the Test of Homogeneity of Variances confirms the assumption of homogeneity of variances ($p = .679 > .05$). Figure 3 displays mean plots of age groups and mean Financial Literacy, visually representing the differences observed among the age groups.

4.4 UTILIZATION OF FINANCIAL PRODUCTS

Growth of Utilization of the Different Financial Products between 2010 -2014 in Ugandan Shillings:

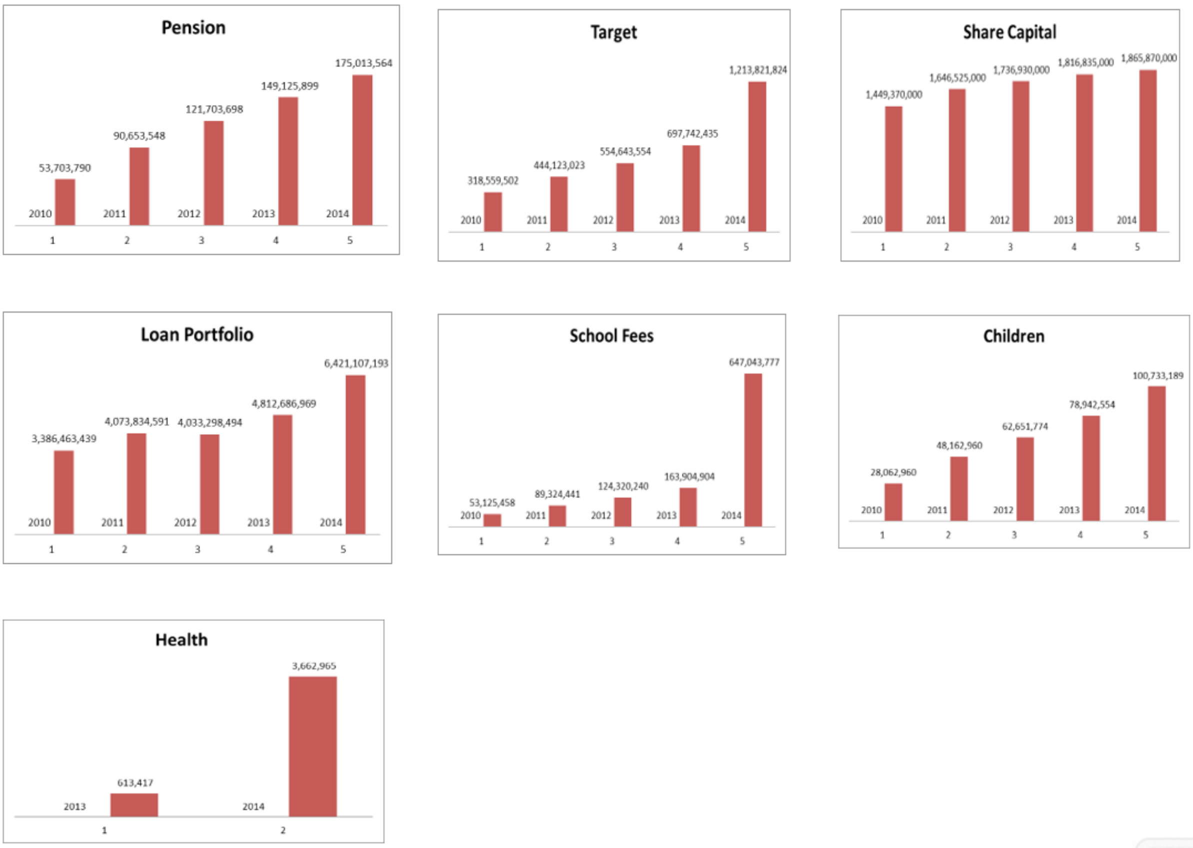

Figure 4: Adapted from the 2015 Y-Save Annual General Meeting Report

Figure 4 shows graphs depicting product utilisation between 2010-2014. The Share capital and loan products were more utilised than the other financial products while the health product was the least utilised by the Y-Save members between. Figure 5 below shows that the extent of utilization of financial products in 2023 indicated that the target and loan product accounts were more utilized than the other products, while the dollar and health accounts were the least utilized products respectively.

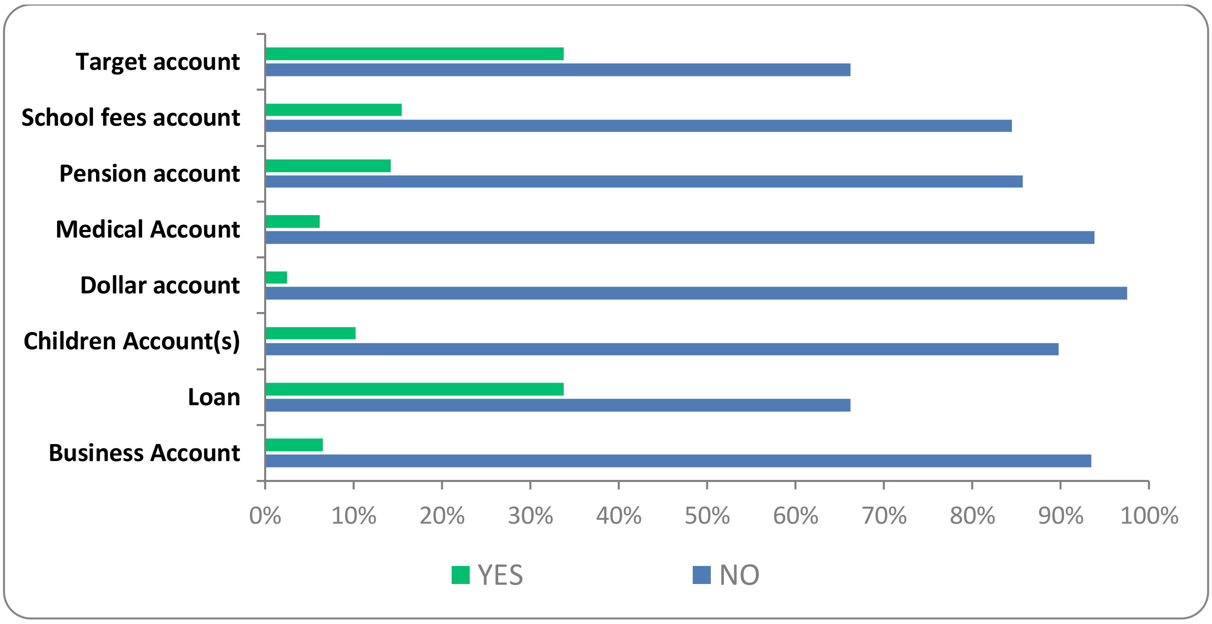

Figure 5: Adapted from the monitoring and evaluation survey report done in 2023

Table 5a: Descriptive statistics of Utilization of financial products

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
Below 25 years	4	1.9375	.07217	.03608	1.8227	2.0523	1.88	2.00
25-35 Years	96	1.8776	.15913	.01624	1.8454	1.9098	1.13	2.00
36-45 years	127	1.8366	.16926	.01502	1.8069	1.8663	1.13	2.00
46 to 55 years	67	1.8004	.19950	.02437	1.7517	1.8490	1.13	2.00
Over 55 years	29	1.8060	.25788	.04789	1.7079	1.9041	1.00	2.00
Total	323	1.8398	.18343	.01021	1.8197	1.8599	1.00	2.00

Table 5b: Test of Homogeneity of Variances

Levene Statistic	df1	df2	Sig.
2.328	4	318	.056

Table 5c: ANOVA

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.314	4	.078	2.372	.052
Within Groups	10.520	318	.033		
Total	10.834	322			

Table 5d: Multiple Comparisons of Age and Utilization of financial products

(I) How old are you?	(J) How old are you?	Mean Difference (I-	Std. Error	Sig.	95% Confidence Interval

		J)			Lower Bound	Upper Bound
Below 25 years	25-35 Years	.05990	.09282	.967	-.1947	.3145
	36-45 years	.10089	.09236	.810	-.1525	.3543
	46 to 55 years	.13713	.09362	.586	-.1197	.3940
	Over 55 years	.13147	.09701	.657	-.1347	.3976

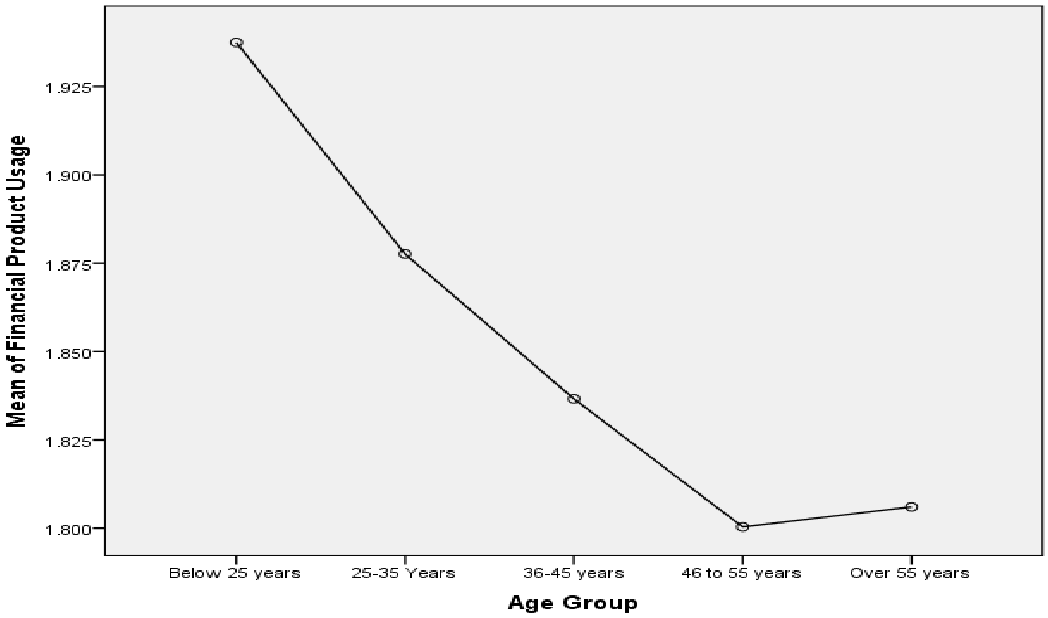

Figure 6: Mean plots of age group and mean Utilisation of Financial Products

Table 5c shows that a one-way between-groups ANOVA was also performed to assess the impact of age on levels of utilization of financial products. The analysis revealed a slightly significant difference at the $p < .05$ level in utilisation of financial products scores across the five age groups [$F (4, 318) = 2.372$, $p = .052$]. Post-hoc comparisons (Table 5d) did not indicate significant mean differences between age groups, suggesting similarities in utilization of financial products. However, it is important to note that the test approached significance, indicating a potential trend. Table 5b confirms the assumption of homogeneity of variances ($p = .056 > .05$), ensuring the validity of the analysis. Figure 6 displays mean plots of age groups and mean Utilization of financial products, providing a visual representation of the observed trends. While there are no significant differences between age groups in Utilization of financial products, the analysis suggests a trend towards higher usage among older age groups.

5.0 DISCUSSION

This study sought to export the effect of age on financial literacy, personal financial management and utilisation of financial Products among members of Y-Save. In the analysis of Financial Literacy (FL), a significant difference was found among different age groups (Table 3c). Post-hoc comparisons (Table 3d) revealed that younger age groups, below 25 years and 25-35 years, displayed lower FL compared to older age groups, particularly those aged 46 to 55 years and over 55 years. Lack of education on financial concepts and limited exposure to financial decision-making opportunities have contributed to this trend (Lusardi et al., 2010). This is congruent with the monitoring and evaluation survey report of 2023 that indicated that older members, particularly those aged 55 years and above, displayed greater financial literacy compared to their younger counterparts. Afransell et al (2022) indicates in his study findings that older age groups have higher levels of financial knowledge as compared to younger age groups. This higher knowledge level can be attributed to: (i) financial literacy programs that have been ongoing since the inception of Y-Save and (ii) their life experiences and extended involvement in personal finance and investment management as indicated in their testimonies (Y-Save, 2010).

With regards to Personal Financial Management (PFM), there was a significant difference in scores across age groups (Table 4c). Post-hoc comparisons (Table 4d) showed that younger age groups exhibited lower PFM compared to older age groups, particularly those aged 36-45 years, 46 to 55 years, and over 55 years. Despite the fact that about 18% of the members were budgeting, 6% of them were not spending according to their budgets as depicted in fig 2 (Monitoring and Evaluation Report, 2023). This indicates a need to regularly measure the different personal financial management elements to check growth of members in personal financial management growth aspects. These are well stipulated as goal setting, budgeting (income and expense management), savings' planning, investment planning, estate planning, debt management, retirement planning, tax planning and risk management (Bojang, 2024).

In the analysis of utilisation of financial products (FPU), a marginally significant difference was observed among age groups (Table 5c). Post-hoc comparisons (Table 5d) did not yield significant mean differences, suggesting similarities in FPU between age groups. Essentially, all age groups utilise the available financial products although literature depicts which products are utilised by the different age groups. Younger adults easily take up the loan product which burdens them along the way (Scheresberg, 2013) and their low financial literacy limits their utilization of certain financial products like investments and retirement accounts (Lusardi, 2010). Middle adults utilise more of the long-term investment products like retirement and investment accounts (Poterba etal., 2011; Hira & Loibl, 2005). Older adults prefer products that provide security such as fixed income investments, annuities and health insurance (Finke etal., 2017).

5.1 Recommendations

On the basis of the findings of this study, the following recommendations can be made:

1. There is a need for Y-Save to come up with targeted financial literacy interventions which include but not limited to: providing FL programs for young adults below 25 years and 25-35years on savings, budgeting, investing, managing debt and risk diversification to improve their financial literacy and financial decision-making skills. The demographics indicated that these were the majority (approximately 70%), and they exhibited lower financial literacy and personal financial management as compared to the other groups (Afransell etal., 2022; Brown etal., 2016; Lusardi, 2022). To regularly measure the extent of involvement of members in the financial literacy and personal financial management programs and track member participation and alignment to the mission. There should be continuous and deliberate communication of the mission in alignment to the essence of financial literacy.
2. Pursuing of investments and starting of businesses were very poorly adapted among the members (Monitoring and Evaluation Report, 2023). Agarwal et al (2009) state that middle aged individuals are knowledgeable with investments and retirement planning and therefore should be offered more opportunities for investment to promote an investment culture alongside the saving culture.
3. Over the years, 2010 to 2023, the loan product had been consistently utilized by the members (Annual General Meeting Report, 2015; Strategic Review Report of 2020- 2024, 2023). There is a need to come up with a variety of well branded loan products for all age groups addressing various established needs through a needs' assessment tool.
4. Findings from a document review report (Fig 4 and Fig 5) indicate that the share capital product which was one of the most utilized financial products from 2010 to 2014 (Fig 4: Annual General Meeting, 2015) had dropped, giving way for the target savings account product at the end of 2023 (Fig 5: Monitoring and Evaluation Review Report, 2023). This is due to the following possibilities: (i) diminished returns or dividends on shares hence discouraging investment; (ii) lack of understanding of the importance of share capital and its benefits; and (iii) competition from other micro-financial institutions, banks that are providing better returns on people's investments. The organization should seek out more lucrative business investment opportunities that will enhance growth of its annual surplus and avail dividends to encourage the members to purchase more shares thus reviving the share capital product.

Financial education about the benefits of this product through success stories of utilization this product may attract many to it.

5.2 CONCLUSION

This study explored age-related effects on Financial Literacy (FL), Personal Financial Management (PFM), and Utilization of Financial Products (FPU) among members of Y-Save Multi-Purpose Cooperative in Uganda. In regard to the hypotheses that were under study, there was a significant difference in financial literacy and personal financial management among the different age groups of members of Y-Save unlike utilization of financial products among the different age groups of members of Y-Save. It is clearly evident that there is a need to engage the young adults in financial literacy programs starting with the basics of obtaining a source of income, budgeting, saving and investment. There is no doubt that there is a high possibility that financial literacy affects personal financial management and utilization of financial products. This implies that if members are not continually given purposeful financial literacy programs, then, personal financial management and product utilization will be low. Although all the different age groups utilize the available financial products, there is a need to determine in the future studies which products are occasionally utilised by each age group in this cooperative to serve each category appropriately.

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