UNIVERSITY OF CAPE COAST

INVESTMENT LITERACY OF TEACHERS IN EKUMFI DISTRICT

BY

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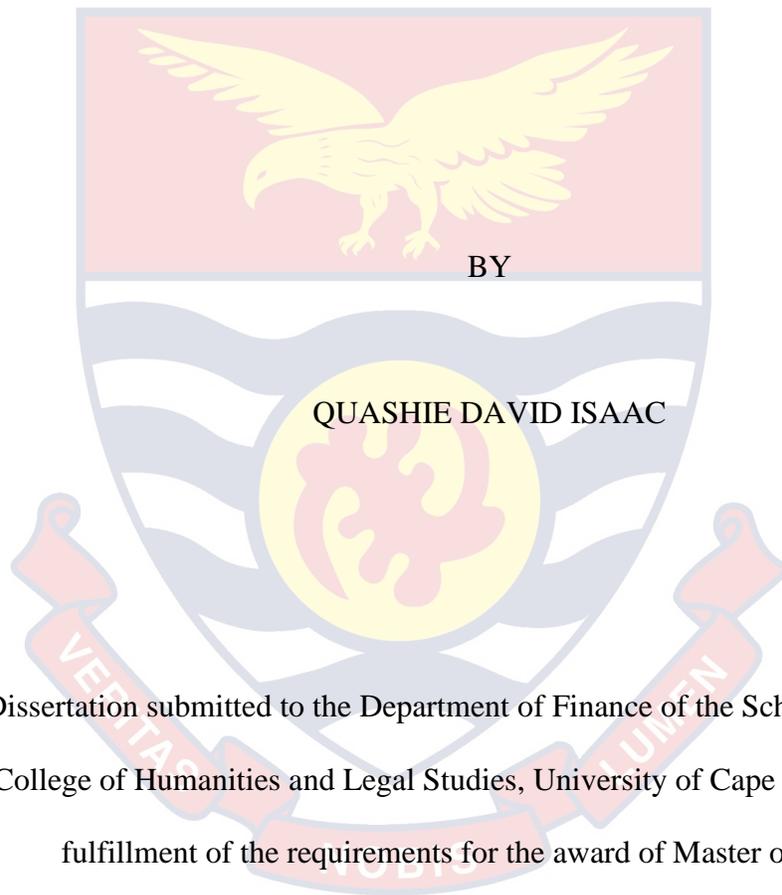
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DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is my own work and effort and that, to the best of my knowledge, it contains no material published by another person nor material which have been accepted for the award of any other degree of the university, except where due acknowledge has been made in the text.

Candidate's Signature: …………………………… Date: ………………….....

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Supervisors' Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature: ………………… Date:……………………

Name: Dr. Anokye Mohammed Adam

ABSTRACT

The utmost aim of this research was to assess the level of Investment literacy among teachers in the Ekumfi District. The key objectives of the study were to determine the level of personal investment literacy among teachers, to determine whether the demographic characteristics of the teachers have an influence on their level of investment literacy and finally, to determine if the programme of teaching by the teacher has an influence on his/her level of investment literacy. Descriptive research design was adopted for the study. The target population for this study was six hundred and seven (607) teachers in the district. Out of that a sample of one hundred and twenty-two (122) teachers was selected using convenience sampling. Questionnaire was the research instrument employed in this survey. On the grounds to determine whether the demographic characteristics of the teachers have an influence on the investment literacy of teachers, it was evident enough that respondents who were males and again in the married group were seen to be more knowledgeable in investment compared to their counterpart who are singles and this is accruing to the fact that the married group were seen to have various responsibilities at hand which needs attention, financially, hence, the need for investment. In conclusion, the findings of this work brought to light that some section of teachers in the Ekumfi District do lack knowledge in the field of investment and this behoves on the Ghana Education Service to organize investment programs for teachers which will eventually help the teachers in the long run to become financially sound and make informed investment decisions.
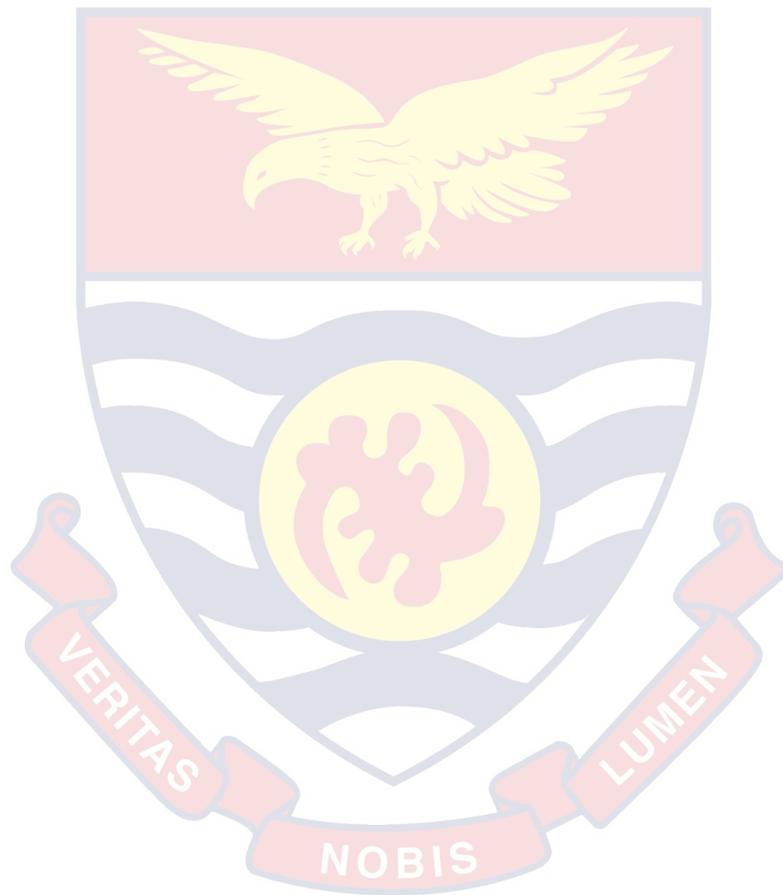
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DEDICATION

To my little angel, Theresa Akuba Quashie.

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CHAPTER ONE

INTRODUCTION

This chapter presents the background to the study, statement of the problem, objectives of the study, research questions, significance of the study and delimitation of the study.

Background to the Study

Investment literacy has been recognised all around as a basic apparatus for development with issues identifying with budgeting, savings, investment and the administration of risks which are significant for individuals, households and businesses in their developmental procedure.

Governments around the globe have expressed concerns about the low level of investment literacy among their nationals. Major issues such as improper planning before retirement, low savings, scams and fraudulent schemes which the citizenry fall into can generally be attributed to their inadequate or lack of knowledge in investment. The cost of low investment literacy rate is substantial for the general public and has been unmistakably identified by researchers Gallery, Newton & Palm (2010); Capuano & Ramsay, (2011).

There is sufficient proof that people who under-save neglects to settle on savvy investment decisions and are frequently indebted (Poterba, Venti & Wise, 2007; Mitchell, 2011). Inquiries, in any case, exist concerning the adequacy of financial education in enhancing financial literacy (Lyons; Palmer; Jayaratne & Scherpf, 2006).

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Experts in investment and financial management often say that ignorance is the greatest risk in investment and financial management. Thus, it is known that when carrying out financial management there should be considerable cultivation of financial management knowledge. Financial literacy or personal financial management is the knowledge, capabilities and decision-making ability of an individual in money management which does not just influence personal life, but also affect national economic and social stability.

Investment refers to purchase of financial assets. Brealey, Myers and Allen (2011) defined investment as the commitment of money or capital to purchase financial instruments or other assets in order to gain profitable returns in the form of interest, income, or appreciation of the value of the instrument. Investment is related to saving or deferring consumption. They further explain that an investment involves the choice by an individual or an organization such as a pension fund, after some analysis or thought, to place or lend money in a vehicle, instrument or asset, such as property, commodity, stock, bond, financial derivatives (e.g. futures or options) or the foreign asset denominated in foreign currency, that has certain level of risk and provides the possibility of generating returns over a period of time.

When an asset is bought or a given amount of money is invested in the bank, there is anticipation that some return will be received from the investment in the future. According to personal finance theories, an investment is the implementation of money for buying shares, mutual funds or assets with capital risk.

Investment literacy therefore involves the act of having information about or behaviours including stock market participation (van Rooij, Lusardi & Alessie, 2011; Kimball & Shumway, 2006; Christelis, Jappelli & Padula, 2010), choosing a low fee investment portfolio (Choi, Laibson & Madrian, 2011; Hastings & Mitchell, 2011), and better diversification and more frequent stock trading (Graham, Harvey & Huang, 2009).

Investment is an indispensable tool in one's life especially for the working force, because retirement is inevitable in every worker's work life either in public or private employment entities. For workers to have peaceful and enjoyment future, it depends on their Social Security and National Insurance Trust (SSNIT). This payment is meant to take care of a small percentage of the actual salary or income of a worker when in active service which is not adequate.

To remain consistent and resolute about one's retirement, there is the need for a secured knowledge about investments in which one would have to save and invest specifically to adequately prepare for retirement when he/she reaches the retirement age as established by law in Ghana.

According to Kiyosaki and Lechter (2001), the present generations are not properly prepared to handle the differences between the industrial age and the information age and one of those differences is how we prepare for retirement. According to him the idea of "go to school and get safe and secure a job" was a good idea for people born before 1930, but in today's world, everyone needs to go to school to learn to get a good job, but we also need to know how to invest.

Generally, people who are well prepared for their retirement have better attitude towards investment. Yet, others may feel optimistic about their retirement

but not prepared for retirement investment. Henceforth, it is important to explore factors that lead to retirement to have confidence and positive attitudes about the concept of investment for retirement planning which in itself has important implications for retirement safety, satisfaction and adjustment.

When workers invest towards retirement they feel confidently prepared for leaving office, therefore they would not reduce their age in order to remain in office, thus, making way for the youth with employable skills to get employed in order to replace them. These also contribute to the fact that the over-aged workers in the workforce reduce productivity. Iimarinen (2001) confirmed that changes in the physical function during working at old age bring about diseases which increase greatly with age therefore reducing productivity.

Retirement investment is very crucial in every worker's life; however, it does not occur in a vacuum. It normally results from consciously planning and saving regularly by investing your savings towards your retirement. Those who normally enjoy a beneficial retirement are usually those who have developed a positive attitude towards investment, started planning for their retirement when they started working and applied the principle of paying the future while they are presently in active service.

Statement of the Problem

Investment is extremely critical to families in developing countries to which Ghana is not an exception to that. It helps families to improve their standard of living in the economy. Fernandes, Lynch and Netemeyer (2014) find that consumers face many difficult financial environments. Therefore, if people

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are not investment literate they will face increasingly more dangerous challenges. However, poor access to safe, flexible, convenient, and affordable investment products may be some of the reasons why people do not see the importance of investment with some financial institutions and banks in Ghana, as this is preventing the development and growth of individuals in the country.

Efforts have been made by different researchers and academic to investigate the concept of investment literacy at the personal level. Most of these prior studies have been targeted at students and the elites in the society (Chen & Volpe. 1998; McMillon 2004). They reveal that limited investment knowledge has important implications for individual welfare. Notwithstanding, a lot has been done to create awareness of the Ghanaian financial system to encourage investment culture among tertiary students and workers in the economy. A superior educated consumer will put something aside for future and for unforeseen circumstances and crises (European Financial Education Partnership, 2011). In Ghana as of now, the Ministry of Finance and Economic Planning has set aside a week every year to educate the general public on the importance of financial and investment literacy for poverty reduction and economic development.

A study conducted by the World Bank (2009) revealed that about twenty percent (20%) adults in Ghana have entry to financial services, for example, savings, investment and insurance. This is woefully inadequate and it implies that the remaining eighty percent (80%) of adults which teachers are inclusive have no or little knowledge about financial services in the likes of investment. As the teaching field has a population of about two hundred and forty three thousand, six

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hundred and twenty five (243,625) as its members (Education Sector Performance Report, 2008) which contributes significantly to the total population of Ghana, it is however important to determine the investment knowledge teachers have. Not with standing that, Ekumfi district which is not an exception of having a handful of teachers rendering their services to mother Ghana, it is also equally prudent to assess the level of investment literacy teachers have. Therefore, the study seeks to examine the level of investment literacy among teachers in Ekumfi District.

Objectives of the Study

1. To determine the level of personal investment literacy among teachers.

2. To determine whether the demographic characteristics (sex, age, marital status) of teachers have influence on their level of investment literacy.

3. To determine whether programme of teaching of teachers has an influence on teachers' level of investment literacy.

Research Questions

1. What is the level of personal investment literacy among teachers?

2. What are the differences between the demographic characteristics (sex, age, marital status) of teachers and their level of investment literacy?

3. How do the programme of teaching of teachers influence on teachers' level of investment literacy?

Significance of the Study

This study is very significant in view of the fact that teachers constitute a sizeable portion of government workers and can be found in every nook and cranny of this country. Therefore the issues to be considered could serve as a yardstick for the government when to measure and formulate policies that would improve investment literacy in the country in general. Studies done in the US and Russia have established that lack of investment literacy results in poor retirement planning (Lusardi & Mitchell, 2011a).

According to Zimmerman and Yahya-Zadeh (2011) proof demonstrates that the individuals who are less financially literate are liable to confront more difficulties as to debt management, savings, investment and credit and are more averse to plan for the future. Based on these findings, Prawitz and Garman (2009) suggest that employees are given education and financial knowledge focusing on investment literacy. To this end, the study seeks to bring out teachers understanding of pertinent issues in investment such as buying of stocks, bonds, insurance and retirement planning. In a society where the people are able to manage their financial affairs properly, the burden on the government to provide social benefits to the citizens after retirement is considerably reduced, since some of these facilities are provided by insurance companies.

Moreover, information from this study could serve as a guide to the Ministry of Education (MOE) and in addition the Ghana Education Service (GES) in fashioning out in-service training programmes to enhance teachers' knowledge on investment. Also results from this study will be used to improve the investment decisions teachers make in the area of investment, effective preparation for

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retirement and how to avoid accumulating unnecessary debts during their active working life.

A teacher cannot perform better if his / her mind is preoccupied by the financial distress he/she is suffering. Therefore, if the Ghana Education service (GES) can offer personal investment education to teachers, it will convey a message to teachers that they are concerned with their long term welfare.

Furthermore, to the society, teachers are the people who come into regular contact with children who are the most appropriate agents of social change. The success or failure of any policy on financial education largely depends on those who are entrusted with the mandate of educating the populace. As a result their investment position should be very sound.

Lastly, it will add up to knowledge by increasing the literature base on investment. It will serve as a pool of information for other researchers to further research into personal investment of workers especially, teachers in Ghana.

Delimitation

This study is to examine the investment literacy level of teachers in the Ekumfi district. Therefore, issues concerning only investment will be considered. Generazation of the study is limited to only Ekumfi district since different place with similar geographically characteristics may have different outcome.

CHAPTER TWO

LITERATURE REVIEW

Introduction

The chapter talks about review of literature related to the study. In this chapter, a theory such as the life cycle theory was discussed. Moreover, the concept of investment is reviewed, objectives of investment, classification of investment, investment avenues, importance of investment as well as an empirical review of investment literacy was elaborated.

The Life Cycle Theory

The life cycle theory was developed by Modigliani (1966). The theory states that individual seeks to smooth consumption over the course of a life time, borrowing in times of low income and saving during the periods of high income. Modigliani and Brumgerg observed that individual build up assets at the initial stages of their working life. Later on during retirement, they make use of their stock of asset. The working people save up for their post retirement lives and alter their consumption patterns according to their needs at different stages of lives.

Modigliani's model emphasized how personal investment literacy among teachers could be used to transfer purchasing power from one phase of life to another. In early life, where investment literacy among teachers is low, teacher's income is usually low and relative to later working years. Income typically peaks in the last part of the working life, then drops at retirement. Teachers who wish to enjoy during retirement age would prefer to invest during the early low-income years, continue to build up wealth during the high-income years, and then spend

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off the accrued investment during retirement. In terms of the modern utility maximization model, wealth is

$$\Omega_0 = A_0 + \sum_{t=0}^{T} \frac{Y_t}{(1+r)^t},$$

where Ω_0 is the stock of wealth (human and non-human) as of time zero, A_0 is the value of current non-human (financial or physical) assets, Y_t for $t = 0, 1, 2, ...,$ T is the expected stream of real labor income over the lifetime, and r is the real interest rate.

The Concept of Investment

In today's scenario, money plays an important role in one's life. In order to overcome the problems in future one has to invest his or her money. Investment may be defined as sacrifice of certain present value for some uncertain future value. In other words, investment means the purchase of a financial product with an expectation of future returns. Patidar (2010) defined investment as the funds which are invested as capital or other securities of either public or private sector for earning more money. It is the employment of funds with the aim of earning additional income. Chaturvedi and Khare (2012) defined investment as instead of keeping money idle use that money so that you may get higher returns. There are various types of investment options available in the market; financial, physical, marketable and non-marketable as well as transferable and non-transferable. A person prefers to invest in particular investment according to his or her suitability and needs (characteristics).

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In a theoretical way, investment is a process of sacrificing something today for the possibility of gaining something in future. In other words, investment is an agreement for a current outflow of money for some period of time in anticipation of a future inflow that will compensate for the changes in the purchasing power of money, as well as the uncertainty regarding to the inflow of the money in future. In Finance, the purchase or possession of an asset or item having monetary value with the hope that it will generate income or appreciate in the future and be sold at the higher income is called investment.

Investment aims at multiplication of money at higher or lower rates depending upon whether it is a long term or short term investment and whether it is risky or risk free investments. Lusardi (2007) observed that a calculated risk taking is a sure way for financial breakthrough. Nkrumah (2015) postulated that investment is a security against future uncertainties. Samudra and Burghate (2012) explained investment as purchase of a financial product with an expectation of getting higher returns in the future.

Individual Investment Choice

Investment behavior is the attitude of the investor while investing in any investment product. Moreover, what an investor looks for in the beginning and at the end may influence choosing a particular investment product. There are various investment options available in the market as well as sufficient reasons why people go for investment. Brabazon (2000) depicted that people go for investment with primary objective of wealth maximization.

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Securities and Exchange Board of India (SEBI) and National council of Applied Economic Research (NCAER, 2000) found that safety and liquidity were the main objectives behind the investment. In the same shade of light, some group of people preferred to invest in public provident fund in addition to life insurance as this was recorded by Kothari (2012). However, tax relief benefit which is given to individuals who have investment with insurance companies is associated with one of the numerous reasons why individuals go for investment (Das, 2012). Income regularity which eliminates many problems in our dear lives was observed by Murugan (2012) to be the key motivating factor pushing people into investment. In spite of all these, Nkrumah (2015) indicated that anything that naturally depreciates with use and time are not investments.

Gender Difference in Investment Behaviour

Gender has been distinguished by a few observational studies to have an association with the level of knowledge in investment. Kharchenko and Olga (2011) demonstrated that gender and riches were huge in clarifying investment literacy. Shaari, Hasan, Mohammed and Sabri (2013) uncovered that age and gender are adversely connected with investment literacy. Bucher-Koenen and Lusardi (2011) examined financial proficiency in Germany and found that knowledge of essential financial thoughts is missing among women living in Germany. Meanwhile the findings of the study by Ford and Kent (2010) demonstrated that female college students were more scared by, and less interested in markets contrasted with their male counterparts.

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Another study found that women have lower financial literacy scores and are less inclined to settle on household choices contrasted with men (Fonseca, Mullen, Zamarro & Zissimopoulos, 2012). Meanwhile, Khrisna, Rofaida and Maya (2010) find diverse things that female students have the financial literacy levels higher than male students, particularly with respect to knowledge in investment, credit and insurance.

Age Difference in Investment Behaviour

Age is a key component in the life of an investor in the realms of investment. Moreover, an investors' age predominantly decides the risk taking capacity of the investor. In spite of all these, investment literacy exists regardless of age differences of an entire population. A study conducted by Bhushan and Medury (2013) confirmed that investment literacy is not influenced by age. Most research conducted around the globe has shown evidence that individuals who are youth and adult are associated with high level of investment literacy. This could be accruing from the fact that individuals who are youth and adult turn to pick their inspiration for investment from either reading of books and articles as well as just experimentation to have a taste of it. This is evident enough from the study conducted by Chen and Volpe (1998) who pointed out that participants in the age category of twenty to forty (20 to 40) years show greater knowledge in investment than the other age group.

On the contrary, the older age group is booked for lower level in investment literacy as it negatively affects their investment decision making

pattern. A study conducted by Beckmann (2013) concluded that older persons are less knowledgeable in investment and in finance.

Importance of Investment

Kulkarni and Rawal (2016) outlined the benefits of investment as financial freedom, reduction in future risk, increment in wealth, fulfilling of personal goals among others. Firstly, investment gives financial freedom, thus, investment helps to become financially independent even after retirement. If an individual starts investing early, then they need not worry about their future financial needs. This is due to the fact that the individual will reap in the future to cater for his/her needs. Reilly and Byrne (2017) observed that the best one can do for himself is to adequately prepare for retirement through investing in for the future.

Secondly, investment helps to reduce future risk. Investments reduce future risk of sudden money loss, emergency and medical expenses, etc. When people plan and invest for the future, they are able to reduce some shocks and unforeseen situations such as business failure, death, accidents among others.

Thirdly, increase in wealth is another benefit of investment. Investment makes you rich as well as financially independent. Regular investment of sufficient amount for long time shall definitely make an individual richer. Therefore, proper investment, in addition to increasing returns, makes an individual wealthy.

Fourthly, investment helps to fulfill personal goal. Investment helps in fulfilling personal goals such as buying luxurious car, flat, foreign tours among

others and helps you to become richer. Once a person plans about his/her future with appropriate investment, one can fulfill his/her dreams and aspirations.

Classification of Investments

Investments can be grouped due to its physical components, marketable or non-marketable features.

☐ Physical Investments: These are the type of investments that are tangible assets such as buildings, machinery, gold and others.

☐ Financial Investments: These are also the investments which are used for the production of goods or for the creation of assets.

☐ Marketable and Non marketable Investments: The marketable investments are those investments which can be converted into cash very easily (liquid). Non marketable investments are those investments which cannot be converted into cash very easily.

☐ Transferable and non-transferable Investments: The avenues which can be transferred to others are transferable investments. The avenues which cannot be transferred to others are non-transferable investments.

Investments Options

An investment deals with basket of avenues like bank deposits, real estate, life insurance scheme, bullions (commodity market), commercial papers, corporate security bonds, mutual funds and equity. Kulkarni and Rawal (2016) explained these investment avenues in the subsequent paragraphs.

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Equity

Equity is an investment opportunity which is able to offer the highest possible returns but is very risky and equity market is volatile. One can purchase and sell the share through BSE/NSE Mutual. Common stock may be defined as the residual ownership of a corporation that is entitled to all assets and earnings after other claims have been paid and that generally has voting control. It is one of the riskiest investment avenues with having a possibility for investor to earn high rate of return. Investment in equities can be made directly by the purchase of shares from the market or it can be done through the mutual fund route.

Mutual Funds

Mutual Funds are financial intermediaries concerned with mobilising savings of those who have surplus income and channelisation of these savings in those avenues where there is demand of fund (Gurusamy, 2011). The return from these investments is passed on to the investors either periodically or at end of a specified time period. The mutual funds charge a fee for their services referred to as management fees. Mutual funds offer moderate returns but are less risky compared to equity investments. Mutual funds sell units of the funds to investors. The key objective of mutual funds is to give an opportunity to small investors who want to invest in shares but cannot take high risk and bear market uncertainty, for making an investment in the form of shares according to their needs and provide regular income, safety and growth prospectus through diversification.

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Treasury bill

A treasury bill is a short-term investment product (from 91 days to 365 days) offered by the central bank on behalf of the Government. Treasury bills are backed by the credit of the Government. Purchasing a treasury bill is lending money to the Government. Upon maturity, the government will repay the amount it borrowed plus the determined interest rate given at the time it borrowed. The interest rate payable depends on how long you lent your money for (BoG, 2017). To those who are risk averse, they see treasury bill as the best commodity to invest in. This confirms study done by Galai and Sade (2006) which shows that treasury bills are generally considered to be one of the least risky assets available in the market.

Bonds/Debentures

These have very less risks, so it offers lower returns. A bond is the basic form of fixed income security. It is issued by a borrower as borrowing company to the lender as the investor. The bond holder receives coupon payments at periodical intervals say annually, quarterly or semi-annually and the redemption amount on the maturity date. Sometimes, bonds are issued at zero coupon bonds where no interest is paid to the investor. These bonds are issued at a discount to the face value and are redeemed at par.

Commodities

These investments are made up of commodities such as rice, wheat, metals. This is a very tricky investment and the returns from these investments

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vary. One should be able to understand the weather, crop cycle and market dynamics.

Real Estate

One can also invest in real estate. This investment offers attractive return. But the price fluctuation in bad times is very high. Real estate investing involves the possession, management, purchase, proprietorship, selling and rental of land and house property for profit. The investment is made for hedging against the inflation rates. High capital appreciation, availability of several easy loans and finance for buying or constructing a residential property, interest on these loans are tax deductible within certain limit have a very lucrative features of this investment avenue. It also provides security, social status and psychological satisfaction to investor.

On the contrary, a study done by Mogaji (2019) reviewed that house is not an investment because its primary purpose is providing shelter. That is the lack of control over the timing of buying and selling a house had a major negative effect on houses as investments during the financial meltdown.

Government Bonds

These offers fixed rate of return over period of time. A money market is a market for short-term money and financial assets that are near substitutes for money. Money markets participants are bankers. Commercial paper, Government treasury bills, certificate of deposits, call money and inter-bank term money etc. are money market instrument. In money market, a retail investor can't invest

money due to the restrictions in terms of eligibility and minimum amount of investment.

Company Bonds

A corporate bond is a debt security issued by a corporation and sold to investors. The backing for the bond is usually the payment ability of the company, which is typically money to be earned from future operations. These are same as government bonds. The only difference is that they are more risky.

Insurance Policies

Insurance provides financial protection against a loss arising out of happening of an uncertain event. A person can take this facility by paying premium to an insurance company. Sharing the risk or spreading the risk of a few people over a large group of people exposed to risk of similar type is key element of insurance. Investor has the advantage of earning a reasonable interest in their invested insurance premium and tax rebate provided by government on some insurance policies. Lajuni, Zulkeflee, Ghazali and Taunson (2007) found out that in reality, life insurance is something that we simply can't afford to ignore.

Provident Funds

A provident fund is a form of social safety net into which workers must contribute a portion of their salaries and employers must contribute on behalf of their workers. The money in the fund is then paid out to retirees or in some cases,

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to the disabled who cannot work. This one is the safest long term investment option. This is mainly for retirement purpose.

Empirical Review

Varsha (2012) investigated the saving and investment pattern of school teachers staying in Rajkot city. The objective of the study was to determine the relationship between the savings and investments pattern among the school teachers. Data was collected by distributing a structured questionnaire to one hundred (100) school teachers in different schools of Rajkot city. The findings revealed that one major impact on investment and savings is due to the level of income of the school teacher. The study also found out that investment avenue available to the school teacher is bank deposits, fixed deposit and government securities. The main purpose for the school teachers' investment is for his/her children education, marriage, and security after retirement. Notwithstanding these findings, there was the lack of awareness which is narrowing in to investment literacy concerning investment avenues in the likes of equity, mutual fund etc. Therefore, it was recommended that if a teacher wants to invest in any of these, they should regularly read newspapers, journals and articles related to investment, stock market, etc. Moreover, Pandya (2013) also confirmed in his study that the major short-term investment opportunity available to most teachers is the purchasing of treasury bills.

Sultana and Pardhasardhi (2011) conducted an investigation into the relationship between risk tolerance and socioeconomic characteristics of individual investors. The referral sampling method was used to select investors

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since most of the investors were reluctant to disclose their investment details. In all, one hundred and fifty (150) questionnaires were administered to the investors. For the analysis of the data, the risk tolerance level was measured by using cumulative scale. To study the relationship between risk tolerance level and socioeconomic factors (Marital status, Education, Earnings etc.) Chi-square test was applied. The research concludes that Indian individual investors are conservative investors since 41% of the investors are low risk tolerant or aggressive investors since 34% are high risk tolerant. Our analysis of the relationship between investor socioeconomics and risk tolerance reveals that marital status, earnings, occupation and number of dependents are significantly associated with risk tolerance. Contrarily Education, Basis of investment decisions and Regularity of investment are significantly not associated with risk tolerance level of the individual investors.

Tyagi, Tiwari and Garg (2018) conducted a study on investment preference towards different investment avenues. The main objective of the study was to identify the investment preference of the individual for various investment opportunities in the urban areas. The study was conducted by collecting data from the sample of one hundred (100) investors through the use of a structured questionnaire. Findings from the above analysis concluded that most investors prefer to invest in savings accounts, gold and silver, time deposit accounts, bank deposits. The study concluded that multiple factors such as age, gender, income, education and occupation have a major impact on the investment decision of the investor. Investors were cautioned that instead of making bad investment decisions, it was best for investors to get help from financial planners.

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Charness and Gneezy (2007) did a study on the strong evidence for gender differences in investment. The main reason for the research was to know if truly men were more willing to take financial risks than their female counterpart. The collection of data was done using both online and in the laboratory to study the separate effects of the data. A total of one hundred and seventy-seven (177) respondents were selected which were later divided randomly into three equal-sized groups, as they received instructions for the experiment. A panel data was created and OLS regression was used to analyse the data. The principal finding of the analysis was that women's portfolios are less risky than that of men. This is enough evidence that women are more risk averse then men in general and also leads to investing in less risky assets in their investment plans.

Jain and Jain (2012) examined the savings and investment pattern of school teachers in udaipur district, rajasthan of India. The aim of the study was to determine the relationship between the savings and investments literacy among the school teachers. Convenient sampling method was deployed as data were obtained by distributing a structured questionnaire to one hundred (100) school teachers in different schools of Udaipur district randomly. Descriptive statistics in the likes of chi-square test was applied to test the goodness of fit to verify the distribution of observed data with assumed theoretical distribution. Result from the study indicated that there was a significant relationship between income and saving as investment decision was influenced by high interest rate. Moreover, it was evident enough from the study that most of the school teachers are saving their money for the purpose of their children's education, marriage and as security after retirement.

Amutha (2014) investigated the effect of demographics on investment choice among investors. The motive for the research was to analyze the investment choice of individual investors across their demographic characteristics and also to explore the investment choice of investors. The sampling method used can best be described as a mix of judgmental and convenient sampling method was thereafter used to administer a pretested structured questionnaire on three hundred (300) respondents. Descriptive statistical tools like average and percentage were used to analyze the data. In addition, Friedman's test and chi square test was applied to study the preferences of investors in various financial investments. The principal findings of the study reflected that the major investment avenues were savings in banks, fixed deposits with government, post office scheme, mutual funds, life insurance policies and fixed deposits with banks.

Bhardwaj, Raheja, and Priyanka (2011) studied the analysis of income and savings pattern of government and private senior secondary school teachers. The purpose of the study was to examine the income and savings pattern of government and private senior secondary school teachers. A set of questionnaires was distributed to the respective respondents in the collection of data. The data was then analysed using descriptive statistics such as percentage, average, standard deviation and coefficient of variation were used to present the result. The principal findings of the analysis were that major source of income to Government teachers is salary while tuition fee becomes the source of income for private teachers. Secondly, mostly Government and private teachers both used bank deposits and life insurance for investing their savings. The study also revealed that the main objective of savings of Government teachers is emergency

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and security while for private teachers is children education and purchase of consumer durable.

Shivakumar and Thimmaiah (2015) examined the savings and investment behavior of school teachers with reference to Mysore city, Karnataka. A combination of pre-tested structured questionnaire was used for the primary data collection as they applied convenient sampling method in the selection of one hundred (100) respondents while that of the secondary data was obtained from journals, magazines, newspapers. The services of chi-square test were run to test the goodness of fit of the data. The findings of the study indicated that majority of the respondents are risk averse and therefore preferred to invest in bank deposit followed by the post office schemes. The study also found out that majority of the respondents (38%) invest on their own without consulting an expert and 29% consult their friends for suggestions. In conclusion, the Mysore city which is the pensioner's paradise proved that lack of investment awareness exists. So it was recommended that the awareness and the needs to be created at the school level.

Jacobsen, Lee, Marquering, and Zhang (2014) investigated into gender differences in optimism and asset allocation narrowing it down with explanations why men may hold more stocks than women as their prime objective. Based on gallup polls and university of michigan consumer sentiment index surveys, men tend to be significantly more optimistic than women regarding the economy as well as many other aspects of life. Moreover, studies based on difference in portfolio holdings claim that women are more risk averse. The paper makes it clear in the empirical finding that women invest less in stocks. The findings suggest that differences in the riskiness of actual portfolios may also be caused by

gender differences in optimism, perceived risk and differences in risk aversion alone.

Achar (2012) studied the saving and investment behaviour of teachers in udupi district of karnataka state. The main objective of the research was focused on the saving and investment patterns of primary, high school, college and university teachers since the attitude of teachers toward consumption, saving and investment greatly reflect on their economic behavior which would impact quality of life and in addition turn have a positive influence on their profession and the education system at large. For fairness and adequate representation of the teaching community in Udupi district, disproportionate stratified random sampling technique was employed in order to get qualified respondents for the study. In all, five hundred and thirty five (535) comprehensive, structured and pre-tested questionnaires were administered to the respondents in Udupi district. The field survey data was then analysed using descriptive statistics in the likes of percentages, chi-square statistics, multiple regression and Pearson correlation of Statistical Package for Social Science (SPSS). The principal findings of the study pointed out that individual characteristics of teachers such as age, gender, marital status, and lifestyle determined the savings and investment behaviour of the teaching community in the study region. It again came out that savings and investment levels were influenced by variety of factors in the likes of monthly family income, stage of family lifecycle and the upbringing status. Therefore, an increase in the propensity to consume reduces the propensity to save and invest.

Agrawal and Jain (2013) examined the investor's preference towards mutual fund in comparison to other investment avenues. The purpose of the

research was to find out the most preferred investment avenue of the investors of Mathura. Moreover, the study also seeked to analyze the investor's preference towards investment in mutual funds when other investment avenues are also available in the market. The snowball sampling procedure was followed in the selection of three hundred (300) investors who then answered a structured questionnaire. Findings from the research clearly indicated that banks, LIC investment avenues, mutual funds, real estate, National Saving Certificate (NSC) and equity shares are the most popular investment avenues among the investors of Mathura.

Das (2011) analysed the preferred investment avenues of the households in Nagaon district of Assam. For carrying out this study, a structured questionnaire was used. The findings of the study reveal that insurance products are the most preferred investment avenues of the households. Education levels, awareness about the financial system, age of investors were found to be the significant factors while making investment decisions. Income level was also found to be the important factor which influences investment decisions. The results of the study again showed that higher income group shows relatively high preference towards investment in share market. Conversely, lower and average income group shows keen preference towards insurance and banks as the most preferred investment avenues. Also, most lower income groups spend much of their income on the three (3) basic needs and this confirms the study done by Nkrumah (2015) who observed that teachers in the rural setting spent greater proportion of their income either on food or on accommodation.

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CONCEPTUAL FRAMEWORK

INDEPENDENT

VARIABLE

DEPENDENT

VARIABLE

	Demographic Characteristic
Investment Literacy ←	Sex
	Age
	Marital Status
	Program of Teaching
	Business/Economics
	Science/Arts
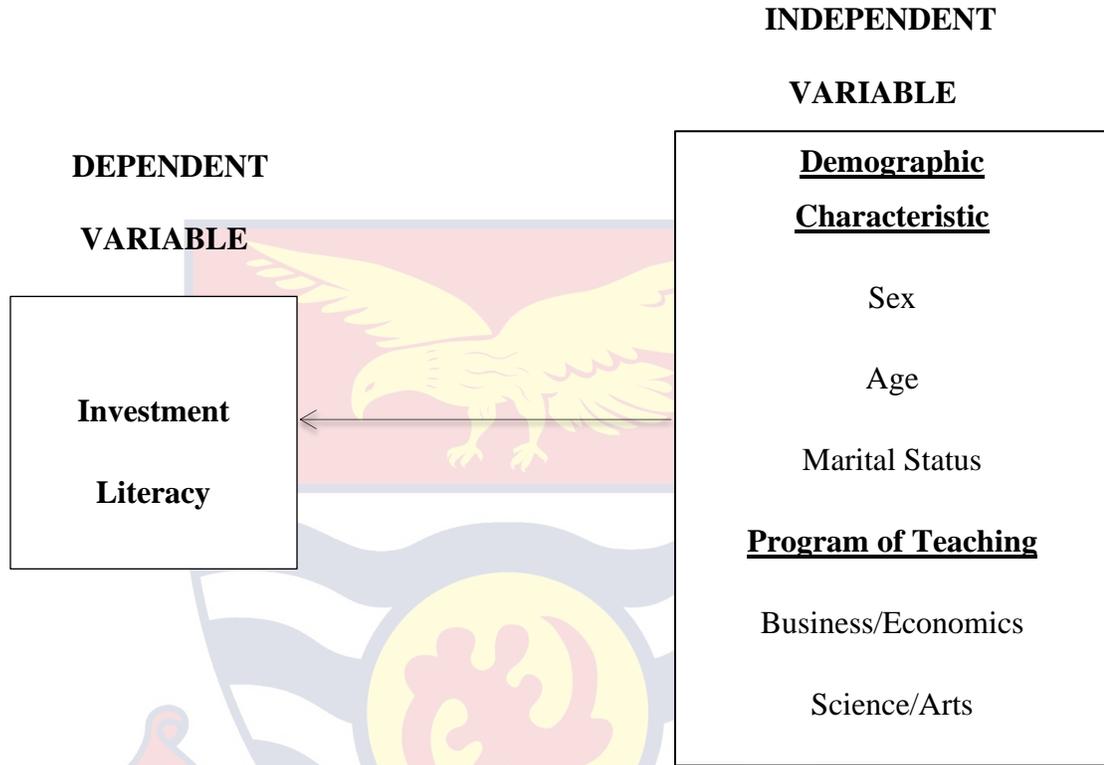
Figure 1: Conceptual framework on investment literacy

Figure 1 depicts the relationship between demographic characteristics of teachers, the programme of teaching and investment literacy. This concept guided the study. It is believed that all things being equal, the independent variables would determine the level of investment literacy among the respondent.

CHAPTER THREE

RESEARCH METHODS

Introduction

This chapter deals with the procedure used in the collection of data for research. It includes; the research design, study area, source of data, the research instrument, the target population, sample and sampling methods, the administration and data analysis procedure which is finally complemented by its limitation.

Research Design

Saunders, Lewis and Thornhill (2009) define research design as the general plan which guides a researcher in answering research questions. A research design is the blue print of the study. The design of a study defines the study type. A descriptive research design was adopted to obtain specific information from the target population, by means of questionnaire since it involves the process of observing and describing the behaviour of a subject without influencing it in any way (Shuttleworth, 2008).

According to Creswell (2012), descriptive research design helps to gather information about the present and existing condition of a research parameter by describing rather than judging or interpreting the process. A descriptive research is to portray an accurate profile of persons, events or situations (Robson, 2002). Further, the design allows the use of cross tabulation and descriptive statistical tools such as percentages, frequencies and the mean in the analysis of data collected.

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Also, data gathered could produce untrustworthy results because they may delve into private and emotional matters in which respondents might not be completely truthful. Moreover, it just gives an overview or describes the matter or situation and not an in-depth understanding. The researcher used the descriptive method.

Study Area

The Ekumfi District is one of the twenty administrative districts in the Central Region of Ghana. It was carved out of the erstwhile Mfantsiman Municipality as a result of its rapidly growing population which hampered its administration. As a means of ensuring effective administration and holistic development, Ekumfi became a district and was inaugurated in June, 2012 with Essarkyir as its capital. The Ekumfi District is located along the Atlantic coastline of the Central Region of Ghana. The District is bounded to the West by Mfantsiman Municipality, to the North by Ajumako Enyan Essiam District, to the East by Gomoa West District and to the South by Gulf of Guinea. It occupies a total land area of 276.65 square kilometres or 0.12 percent of Ghana's land area, making it the fifth smallest among the twenty districts in the Central Region *(Ghana Statistical Service*, 2017). The total population of the District stood at 52,231 representing 2.4% of the population of the Central Region. Females are 28,129 showing 53.8% while males are 24,102 showing 46.1%. This means there are more females than males in the District. The population below 15 years (0-14 years) is 42.3 percent. The total labour force (15-64 years) is 49.3 percent of the total population while the elderly population (65 years and older) is 8.5 per cent.

The age distribution of the population shows that the population age 0-4 years represents 14.5 percent followed by the 5-9 age group (14.1%). Apart from few age groups in which males are in the majority, female dominance is reflected in all age groups of the population.

There are substantial variations between males and females in terms of marital status by age group. For example, within the age group 25-29 years, 44.9 percent of males have never married compared to 19.0 percent of their female counterparts. The pace of moving out of the never married category is faster for females than males. The proportion of females who were never married declines from 84.8 percent at age 15-19 years to 44.5 percent in the age group 20-24 years and further to 19.0 percent among the 25-29 years old.

Out of the total population of 12,646 persons who had never married, 78.4 percent have had basic education, 9.1 percent have had secondary education and8.7 percent do not have any formal education. Amongst the married population of 14,563 persons, however, 50.9 percent have had basic education, 42.5 percent have had no formal education and 3.2 percent have obtained secondary education. A higher proportion of males than females are likely to have some form of education. This is a reflection of the lower level of formal education among females compared to their male counterparts in the region and the country in general (Population and Housing Census 2010).

Pineapple production is the main farming activity in the District. Other agricultural products such as vegetables and fruits are also produced on large

scales in the District. Fishing is another economic activity carried out by the people, especially along the coastal areas.

Ekumfi was chosen for the study because many of its inhabitants have least or no knowledge in investment, and therefore cannot make informed decisions and choices under investment. According to Zimmerman & Holmes (2011) proof demonstrates that the individuals who are less financially literate are liable to confront more difficulties as to debt management, savings and credit and are more averse to plan for the future. Based on these findings, Prawitz and Garman (2009) suggest that employees are given education and financial knowledge focusing on financial literacy, which includes setting financial goals, developing an expenditure plan, using credit wisely, saving for emergencies and learning not to spend exceeding their income.

Population

Amedahe and Gyimah (2002) defined population as the entire aggregation of cases that meet a designated set of criteria. This means that the group targeted for gaining information and drawing conclusion was the focal point of this research, hence, the working population. This study considered all teachers in Ekumfi District. The total teacher population was six hundred and seven (607).

Sampling Size and Sampling Procedure

Sampling involves "the use of definite procedures in the selection of a part for the express purpose of obtaining from its description or estimates certain properties and characteristics of the whole" (Kumekpor, 2002; p.123).

Convenience sampling which is a type of non-probability sampling method was conducted for this study. Convenience sampling is a technique where researchers get the sample being drawn from that part of the population that is close to hand. Convenient sampling technique was used to obtain information from three categories of teachers in the district namely primary, junior high and senior high schools. From these 59, 41 and 22 were selected from each group respectively.

Table 1: Distribution of Target Population and Sample Size

Category	Population	Sample Size Selected	Percentage
Primary	293	59	20
Junior High	205	41	20
Senior High	109	22	20
Total	607	122	20

Source: Ghana Education Service, Ekumfi District, Central Region. (2019)

Amedahe (2002) suggests a minimum of 10 percent as ideal sample size for a study if the population is large. Sudman (1976) as quoted in Israel (2009) also suggests that a minimum of 100 elements is needed for each major group or subgroup in the sample and for each minor subgroup, a sample of 20 to 50 elements is necessary to facilitate statistical inference.

Therefore, this study used a sample size of 20 percent of the target population. It was chosen because it was seen as ideal for a population that is small. Therefore, it will give an equal opportunity and fairness to teachers at all levels to participate in the survey.

Sources of Data

The primary data was obtained from the responses and information from questionnaires that were administered to teachers in Ekumfi District. This was first-hand information from the respondents on the set objectives of the study; therefore, the needed data was gathered for achieving the purpose of the study. Secondary sources of information included books, internet search, articles, and journals among others were consulted in the study.

Data Collection Instrument

This study employed a questionnaire which is a survey method to empirically gather the necessary data to answer the research questions for the study. The primary aim of this research is to examine the investment literacy level of teachers in Ekumfi District. This makes questionnaire the most appropriate research instrument for this study. The questionnaire was made up of close-ended questions in four sections; Section A focused on demographic characteristics; Section B centered on knowledge on investment; Section C focused on the preferences of investment instruments; Section D looked at investment behaviour of teachers. The questionnaires were administered personally to the sampled teachers from the sampling frame.

Research Instrument Validity

The questionnaire was given to our supervisor to examine whether it will be able to gather the necessary data for the study and the mandate was given to administer it since it covered all the spheres of the research objectives.

Data Analysis

The questionnaires that were retrieved from the field were analyzed through the use of quantitative tools. Since the research was mainly descriptive, the Statistical Package for Social Science was used to organize, analyze and interpreted using descriptive statistics including means, standard deviations, frequency and percentages. Also, correlation and regression was used to establish the relationship between teachers' demographic characteristics and their level of investment literacy as well as the relationship between teachers' level of investment literacy and their decision on investment.

Ethical Consideration

Permission was sought for an introductory letter from the School of Business to go to all the Schools sampled for the study in Ekumfi District. The research also assures absolute confidentiality and consent of the respondents by providing introductory information to the respondents to make an informed decision on whether they will participate or not. The respondents were given the right to withhold information that they may consider private.

Moreover, researcher ensured that the respondents were not harmed physically or psychologically during and after the research. Respondents' confidentiality was assured by using the information that was gathered for the study purpose only. Furthermore, researchers ensured that others whose works were useful in the study were acknowledged adequately and appropriately.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter of the study presents the results of the study by analysing the responses of respondents of the thesis questionnaires. It presents the descriptive statistics of respondents as well as the main findings of the study.

Demographic Statistics

Informed by findings in previous studies, the research was designed to ensure adequate representation within the demographic variables found to have an influence on investment literacy of teachers. Data on sex of respondents, age, marital status and number of dependents supported by the respondents was gathered to determine if equitable representation within demographic classes had been attained and presented in Table 2.
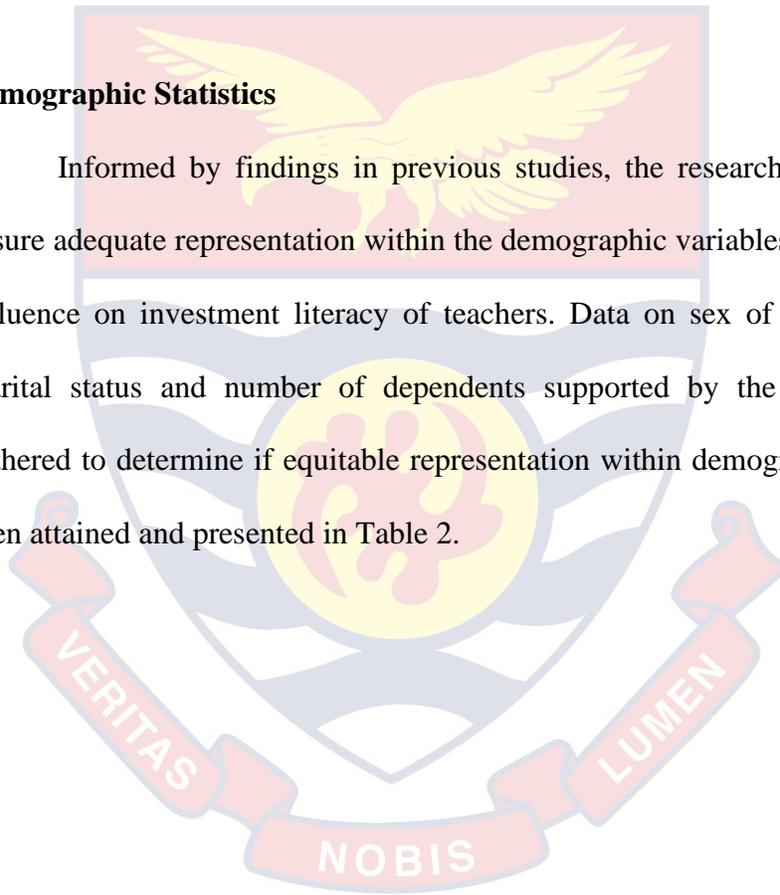
Table 2: Demographic Characteristics of Respondents   **n =122**

Variable	Sub-scale	Frequency	%
Sex	Male	77	63.1
	Female	45	36.9
Age (in years)	20 – 29	50	41.0
	30 – 39	42	34.4
	40 – 49	21	17.2
	50 – 59	8	6.6
	60 and above	1	0.8
Marital Status	Married	73	59.8
	Divorced	4	3.3
	Widowed	1	0.8
	Co – Habiting	2	1.6
	Single	42	34.4
Number of Children	No child	41	33.6
	One child	32	26.2
	Two children	15	12.3
	Three children	14	11.5
	Four children	10	8.2
	Above five children	6	4.9

Source: Field Survey, Quashie (2019)

Out of the one hundred and twenty-two (122) teachers who responded to the research questionnaires, seventy-seven (77) of the respondents representing sixty-three point one percent (63.1%) were males and forty-five (45) of the

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respondents translating to thirty-six point nine percent (36.9%) of the respondents were females. This translates into the situation where male teachers dominate female teachers in this project. Kharchenko and Olga (2011) demonstrated that gender and riches were huge in clarifying investment literacy. Ukrainian people aged 20-60, the study reasoned that males perform superior to anything females in answering the questions of investment literacy. From the statistics gathered, there is a sufficient representation of both genders in the study area. The result from the study then showed that male teachers compared to their female counterpart have significant influence on their level of investment literacy among teachers.

The 20 – 29 years age cluster represented the highest proportion of respondents' at 41.0%, followed by the 30 – 39 years age group at 34.4%. The 40 – 49 year age group had the third largest number of respondents at 17.2% whilst the 50 – 59 years age group had eight respondents representing 6.6% that fall within this age group. The 60 and above age category had one respondent representing 0.8%. This statistics was deemed to be representative of the demographics in the teaching profession and each age group had a sufficient representation. The findings of the study indicated that the stage of being a youth and for that matter, a teacher of course had a positive influence on their level of investment literacy.

Analysis of the Respondents Characteristics

The section presents discussion on the respondents' characteristics which are ready to influence the person's investment literacy.

Table 3: Respondents Characteristics   **n=122**

Variable	Sub-scale	Frequency	%
Religion affiliation	Christian	90	**73.8**
	Muslim	32	**26.2**
Educational level	Teacher's Cert A	10	**8.2**
	HND/Diploma	51	**41.8**
	B.Ed/BA/BSc	49	**40.2**
	Med/MA/MSc/MPhil/MBA	10	**8.2**
	WASSCE	2	**1.6**
Highest Field of Study	Business	18	**14.8**
	Economics	13	**10.7**
	Humanities (other than 1&2)	49	**40.2**
	Science	24	**19.7**
	General mathematics	7	**5.7**
	Diploma in Basic Education	4	**3.3**
	Early Childhood Education	2	**1.6**
	Building Technology	1	**0.8**
Personal yearly income (GhȻ)	Under GhȻ 999	30	**24.6**
	Under GhȻ 1999	44	**36.1**
	Under GhȻ 2999	12	**9.8**
	Under GhȻ 3999	12	**9.8**
	Above 3999	24	**19.7**
Working experience	Less than two years	16	**13.1**
	Two to three years	21	**17.2**
	Four to five years	23	**18.8**
	Six years and more	62	**50.8**

Source: Field Survey, Quashie (2019)

Data was collected on respondents' religion affiliation. This is to enable the researcher to know the religion affiliations of respondents within the research area since religion play a role in the financial decisions of individuals. From the total responses provided to this research question, ninety (90) of the respondents

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representing 73.8% were Christians while thirty two (32) of the respondents representing 26.2% were Muslim. The responses provided indicates that there are more Christians who are teachers in the District than Muslim teachers. Concerning educational level, ten (10) teachers representing 8.2% of total respondents have Cert A certificate. Fifty one (51) of the respondents representing 41.8% of the total respondents also hold HND/Diploma certificates while forty nine (49) of the respondents representing 40.2% of total responses received are B.Ed/BA/BSc holders. Other ten (10) respondents representing 8.2% also hold M.ed/MA/MSc/MPhil/MBA. Two of the respondents representing 1.6% of the total responses received for this section were WASSCE holders. The result from this section of the research shows that the teachers who responded to the questionnaire item were well educated and can provide valid responses on issues concerning finance and investment literacy. The educational background of the teachers contributed massively and brought to light the positive influence on the level of investment literacy among teachers as the study reflected.

As teachers handle different subjects or courses, the field of study of the teachers was therefore very critical. From the data gathered, eighteen of the respondents representing 14.8% were teaching business while thirteen of the respondents representing 10.7% were economics teachers. Other forty nine (49) teachers representing 40.2% of the total respondents were teaching humanities. The result also indicates that twenty four (24) of the respondents representing 19.7% were science teachers. Concerning the teaching of general mathematics, the result showed that there were seven (7) respondents representing 5.7% of the total respondents. Four (4) respondents representing 3.3% were teachers in basic

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education. The result from the study showed that teachers in the field of business, economics and humanities had a great deal of significance to influence their level of investment literacy among their fellow teachers.

Information was also gathered on teachers' personal income. This section deals with monies that come into the hands of various respondents for personal use in the previous year. This will guide the researcher to know the total amount of income that respondents receive and the extent to which they invest such income. In all thirty (30) respondents representing 24.6% received yearly income of under GH₵999. Other forty four (44) respondents representing 36.1% of the total responses received yearly income of under Gh₵1999. Twelve (12) respondents representing 9.8% of total respondents indicated that they received yearly income of under Gh₵2999. Other twelve (12) respondents representing 9.8% of total respondents indicated that they received yearly income of under Gh₵3999. Twenty four of the respondents representing 19.7% indicated that they received yearly income of over GH₵3999. The overall responses received for this questionnaire item indicated that the total amount of yearly income received by respondents within Ekumfi district is huge enough for teachers within the district to prove the extent of their financial literacy.

Out of the total respondents who provided information on their working experience, sixteen (16) of them representing 13.1% of the respondents have less than two years working experience. Twenty one (21) other respondents representing 17.2% indicated that they have less than four years working experience. Twenty three (23) other respondents representing 18.8% of total respondents who responded to this questionnaire item also indicated that they

have four years to less than six years working experience. Those who have over six years working experience were 62. This number represents 50.8% of the total responses received. In all the result shows that majority of the respondents have worked for a long time and can provide adequate information on finance as well as on their investment literacy. Moreover, it could be deduced from the result that experience in life as well as experience in the teaching field had a great influence on the level of investment literacy among teachers.

Section B: Knowledge in Investment

The overall result on respondents' knowledge in investment is presented in Table 4 below. Information on the total responses received for each questionnaire item under this section, percentage representation of total responses received had been provided.

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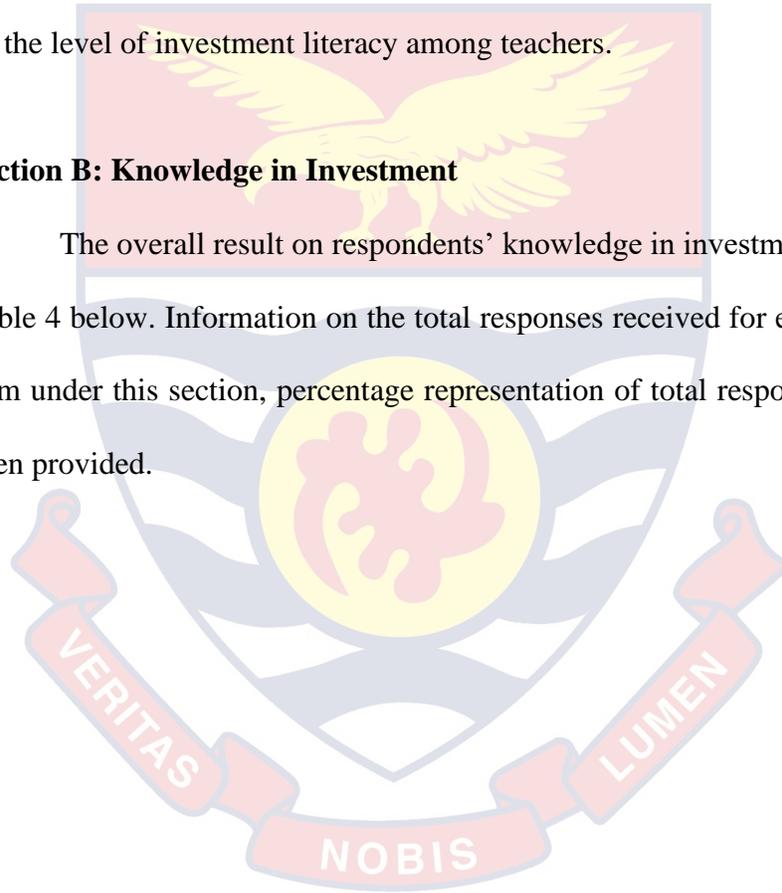
Table 4: Knowledge in Investment n=122

Variable	Sub-scale	Frequency	%
Meaning of investment	Purchase of financial asset	107	87.7
	Borrowing of money	2	1.6
	Saving money under your bed	8	6.6
	Buying a set of living room chair	5	4.1
Short term investment	Shares	17	13.9
	Treasury bill	63	51.6
	Bond	6	4.9
	Mortgage	8	6.6
	Do not know	28	23.0
Percentage of income for savings	5%	32	26.2
	10%	41	33.6
	15%	18	14.8
	20%	30	24.6
	25%	1	0.8
Proportion of income spent on	Food	90	73.8
	Clothing	10	8.2
	Transport	8	6.6
	Books	14	11.4
Not seen as investment	Building a house for own use	83	68.0
	Purchase of treasury bill	4	3.3
	Purchase of shares	4	3.3
	Purchase of land for resale	2	1.6
	Building a house for rent	1	0.8
	None of the above	28	23.0
Things considered as investment	Treasury bills	41	33.6
	Fixed deposits	15	12.3
	Shares	22	18.0
	Bonds	6	4.9
	Real estates (housing)	38	31.1
Sources of information on investment	Radio	42	34.4
	Television	40	32.8
	News paper	16	13.1
	Personal tuition	24	19.7

Source: Field Survey, Quashie (2019)

Respondents' knowledge in investment is very vital in this competitive financial environment. It is in this direction that the researcher sought to know respondents' knowledge of the meaning of investment, meaning of short term investment etc. In all, out of the total respondents who gave their responses to this questionnaire item, one hundred and seven (107) of them representing 87.7% of valid responses think that the meaning of investment is purchasing of a financial asset. Two (2) respondents representing 1.6% indicated that borrowing of money is the meaning of investment. Eight (8) other respondents representing 6.6% of the total respondents answered that saving money under one's bed is the meaning of investment while five (5) respondents representing 4.0% showed that the meaning of investment is buying a set of living room furniture. This is an indication that most of the respondents know that purchasing of financial asset is in an investment. The results from this study confirms theoretical expectation and empirical research conducted by (Nkrumah, 2015) who indicated that anything that naturally depreciates with use and time are not investments. The findings from the study reflected a very high level of personal investment literacy among some teachers.

Teachers' knowledge on short term investment was also collected. From the information gathered, seventeen (17) respondents representing 13.9% of valid responses received indicated that buying of shares represent a short term investment. Sixty three (63) other respondents representing 51.6% showed that buying of treasury bills is a short term investment. Six (6) respondents representing 3.9% of valid responses received indicated that buying of bonds is a short term investment. Other eight (8) respondents representing 6.6% of the total

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respondents showed that mortgage is a short term investment. Twenty eight (28) of the respondents representing 23.0% indicated that they do not know what constitute a short term investment. From the responses provided, a higher number of the respondents (51.6%) indicated that buying of Treasury bill is a short term investment. The outcome from this questionnaire item showed that most teachers know something about short term investment which is in line with the result obtained by (Deng et al., 2013) who observed that the major short term investment opportunity available to most teachers is the purchasing of Treasury bills. The findings from the study concluded on a high level of personal investment literacy among the teachers.

Concerning the percentage of respondents income that goes into savings, the results obtained indicates that thirty two (32) of the respondents representing 26.2% showed that they save five percent (5%) of their income. Forty one (41) other respondents representing 33.6% indicated that they save 10% of their income. Another set of thirty (30) respondents representing 24.6% indicated that they save 20% of their income. One respondent representing 0.8% of total valid responses gathered indicated that 25% of income received is saved. The result obtained from the responses showed that five to twenty (5 - 20) percent of income of large number of teachers in Ekumfi districts goes into savings. This confirms the outcome obtained by (Kefela, 2010) who observed that investment literacy in developing countries is observed through the level of savings among workers.

As part of the ways to determine the level of respondents' knowledge in investment, the researcher collected information on proportion of respondents' income that is spent on food, clothing, transport and on books. The result shows

that ninety (90) respondents representing 73.8% of valid responses received indicated that greater proportion of their income is spent on food. Ten (10) other respondents representing 8.2% also spent greater proportion of their income on clothing. Eight (8) respondents representing 6.6% also observed that transportation takes a greater proportion of their income. Fourteen (14) respondents representing 11.4% spent greater proportion of their income on books. It then came to light that most of the respondents spend larger portions of their salary on a major basic need of man which is food. The result obtained confirms the outcome by (Nkrumah, 2015) who observed that teachers in the rural setting spent greater proportion of their income either on food or on accommodation.

Respondents were also tasked to provide responses on what they do not consider as investment. The results obtained indicates that eighty three (83) of the respondents representing 68.0% showed that building a house for own use is not considered as an investment. Four (4) other respondents representing 3.3% of total responses received for this questionnaire item indicated that purchase of Treasury bill is not considered as an investment. Another set of four (4) respondents representing 3.3% indicated that buying of bonds is not considered as investment. Two other respondents representing 1.6% indicated that they buying land for re-sale is not considered as an investment. One respondent representing 0.8% of total valid responses gathered indicated that building a house for rent is not considered as an investment. Twenty eight (28) representing 23.0% of the respondents observed that none of the categories mentioned in this section can be considered as an investment. A large number of teachers in Ekumfi district

according to the responses do not consider building a house for own use as an investment. The result obtained from the survey is in line with the result obtained by (Mercadante, 2017) who also observed that a house is not an investment because its primary purpose is providing shelter. The lack of control over the timing of buying and selling a house have a major negative effect on houses as investments during the financial meltdown. The findings from the study then depicted a high level of personal investment literacy among the teachers.

The respondents were further requested to indicate what they consider as an investment. The results obtained indicated that forty-one (41) of the respondents representing 33.6% showed that purchasing Treasury bill is considered as an investment. Fifteen (15) other respondents representing 12.3% of total responses received for this questionnaire item indicated that keeping a fixed deposit account is considered as an investment. Another set of twenty two (22) respondents representing 18% indicated that buying of shares is considered as investment. Six other respondents representing 4.9% indicated that the buying of bond is considered as an investment. Thirty eight (38) respondent representing 31.1% of total valid responses gathered indicated that real estate (housing) is considered as an investment. It was gathered that a huge number of respondents in Ekumfi district do consider Treasury bill and real estate as an investment. This is in line with results obtained from the survey by (Leao1 & Lagoa1, 2015) who observed that Treasury bills are generally considered to be one of the least risky assets available in the market while investing in a real estate can be a smart move. The result from the study again indicated a high level of personal investment literacy among some teachers.

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Respondents' source of information on the investment opportunities mentioned in the previous section was also tested. In all, the results show that Forty two (42) respondents representing 34.4% of valid responses received indicated that radio is their source of information on investment. Forty (40) other respondents representing 32.8% also receive their investment information on the television. Sixteen (16) respondents representing 13.1% also indicated that newspapers provided them with the information on investment. Twenty four (24) respondents representing 19.7% of valid responses also gained their information through personal tuition.

It is widely concluded by the result of this research that radio and television are the major sources of investment information to teachers in Ekumfi district. The result obtained confirms the findings by (Tripathi, 2018) who observed that radio and television is fast becoming the major source of information on investment to most rural dwellers due to the slow pace of development of internet facilities particularly in developing countries.

Kinds of Financial Account

The study analysed the various financial accounts teachers kept and Table 5 presented the findings below.

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Table 5: Kinds of Financial Account

Variable	Sub-scale	Frequency	%
Type of account	Savings	33	**27**
	Mutual fund	67	**54.9**
	Current account	15	**12.3**
	Fixed deposit	4	**3.3**
	Stock	1	**0.8**
	Bond	2	**1.6**

Source: Field Survey, Quashie (2019)

The result revealed that thirty three (33) respondents representing 27% of total respondents maintained savings account followed by sixty seven (67) other respondents representing 54.9% keeping mutual fund and current account was third with fifteen (15) respondents indicating that their financial accounts include current account. Four (4) respondents representing 3.3% have a fixed deposit account while stock and bond having one (1) and two (2) percent respectively. It can be concluded that teachers in the district prefer saving accounts, mutual fund and current account. On the contrary, fixed deposit, stock and bond are not so popular among teachers in Ekumfi district. The result obtained in this analysis is in line with the result obtained by (Nkrumah, 2015) whose observation showed that teachers prefer savings, mutual fund and current account as a way of keeping their monies.

Section C: Preferences of Investment Avenues

With an appreciable knowledge in investment by the teachers, the opinions of teachers on preferences of investment avenues were assessed as indicated in Table 6.

Table 6: Preferences of Investment Avenues   **n=122**

Factors	Don't Agree F (%)	Undecided F (%)	Agree F (%)	Mean
Investment is putting some of your income aside	8 (6.6)	4 (3.3)	110 (90.2)	**2.84**
Planning for retirement	5 (4.1)	13 (10.7)	104 (85.2)	**2.81**
Basic needs before investment	46 (37.7)	13 (10.7)	63 (51.6)	**2.14**
Information on investment	37 (30.3)	30 (24.6)	55 (45.1)	**2.15**
Conducive environment	61 (50.0)	32 (26.2)	29 (23.8)	**1.74**
Management of investment by non-financial institution	41 (33.6)	31 (25.4)	50 (41)	**2.07**

Source**:** Field Survey, Quashie (2019)

Out of the total respondents who responded to this section of the research questionnaire, eight (8) respondents translating to 6.6% of valid responses gathered do not agree with the statement that their preference for investment involves putting some of their income aside to earn returns on them in future. However, four (4) respondents were undecided on this statement while one hundred and ten (110) respondents representing 90.2% of all the responses received for this section agree to the statement that their preference for investment

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avenue is putting some of their income aside to earn some returns in the future. As a rule of the thumb, variables are said to be significant if their mean score is 2.5 and above. It can therefore be observed that an overwhelming majority (90.2%) of respondents do think that investment is about putting some of your income aside to earn some returns in the future and this is clearly exhibited in the mean score of 2.84 which is in consensus with the findings. In today's world money plays an important role in one's life and to overcome the problems in the future, one has to invest his or her money for a possible future returns. This is in agreement with Chaturvedi and Khare (2012) who concludes that instead of keeping money idle use that money for an investment so that you may get higher returns for it.

Planning for retirement was the second preference investment avenue which had five (5) respondents representing 4.1% which do not agree to the statement. Thirteen (13) respondents translating to 10.7% of the total responses received are undecided and one hundred and four (104) of the respondents representing 85.2% responded to this questionnaire item indicated that they do agree on the preference of investment avenue as planning for retirement as soon as one get employed and start earning an income. It can be deduced from the study that a larger number of the respondents (85.2%) do believe that a preference for investment avenue should be in line with planning for retirement the very moment an individual secures himself a job and this is highly seen in the mean score of 2.81 which is significant to the study.

Data on Basic needs before investment was also collected. Out of the total respondents who responded to this section of the research questionnaire, forty six (46) of the respondents representing 37.7% of the total responses received do not

agree, thirteen (13) respondents leading to 10.7% are undecided while sixty three (63) respondents representing 51.6% of the respondents agree to the fact that for an individual to start any investment he must first get his basic needs. It can be summarized from the work that total respondents of (51.6%) which is a little above average do share the view of obtaining the basic needs before any investment should happen and this is clearly in contrast to the mean score of 2.14 which is insignificant to the study.

On availability of information on investment, thirty-seven (37) of the respondents translating to 30.3% of the teachers in the Ekumfi district who responded to the questionnaire item in this section indicated that they do not agree to the statement that their preference of investment avenue is dependent on the availability of information on investment opportunities. Another set of thirty (30) respondents representing 24.6% of the total respondents had the undecided view whereas fifty five (55) respondents representing 45.1% of the responses received agree to the statement that readily available information on investment opportunities determines their preference of investment avenues. The result generated by the work is not encouraging due to the fact that does teachers who agree to the fact that preference of investment avenue is dependent on the availability of information on investment opportunities is less than fifty (50) percent. On the other hand, the mean score of 2.15 further elaborates the findings of this work which makes it insignificant to the study. Perhaps, there might be other contributing factors to it.

Conducive environment for investment by the government determines a preference of investment avenue. In all, sixty one (61) respondents resulting in

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50% of the total number of teachers of Ekumfi district indicated that they don't agree while another set of thirty two (32) respondents representing 26.2% of the total respondents are undecided with twenty nine (29) of the respondents 23.7% do agree to the statement. It can be gathered from the work that though conducive environment is much needed for a business and investment to thrive as well as a preference on investment avenue, the picture from this work is the direct opposite to it. An insignificant total of respondents (23.7%) share the view that government has provided conducive environment for investment but this is not in agreement to the mean score of 1.74 as divergent views are created and makes it insignificant to the study.

Finally, respondents gave information on the management of investment by non-financial institution which revealed that forty one (41) responses representing 33.6% do not agree and thirty one (31) respondents leading to 25.6% are undecided while fifty (50) of the respondents representing 41% agree to the statement. We can conclude from this work that management of investment by non-financial institution is not a major preference of investment avenue to teachers in the Ekumfi district as it evident in the mean score of 2.07 which is insignificant to the study.

Section D: Investment Behaviour of Teachers

This section looks at the behavior of teachers towards investment and why they behave in such manners. Below is how the investment behavior of teachers was discussed.

Table 7: Investment Behaviour of Teachers   n=122

Factors	Not Important F (%)	Little Important F (%)	Very Important F (%)	Utmost Important F (%)	Mean
Personal advancement	3 (2.5)	12 (9.8)	59 (48.4)	48 (39.3)	3.25
Savings	4 (3.3)	11 (9.0)	71 (58.2)	36 (29.5)	3.14
Life insurance	8 (6.6)	32 (26.2)	57 (46.7)	25 (20.5)	2.81
Investment	2 (1.6)	15 (12.3)	59 (48.4)	46 (37.7)	3.22
Planning for retirement	3 (2.5)	10 (8.2)	59 (48.4)	50 (41.0)	3.28
Doing business	3 (2.5)	25 (20.5)	61 (50.0)	33 (27.0)	3.02
Risk taking	13 (10.7)	39 (32.0)	60 (49.2)	10 (8.2)	2.55
Job security	4 (3.3)	13 (10.7)	60 (49.2)	45 (36.9)	3.20

Source: Field Survey, Quashie (2019)

In all, out of the total respondents who responded to this questionnaire item three (3) of them representing 2.5% of valid responses think that personal advancement is not important. Twelve (12) respondents representing 9.8% attached little importance to personal advancement. Fifty nine (59) other respondents representing 48.4% of the total respondents answered that personal advancement is very important while forty eight (48) respondents representing 39.3% showed that personal advancement is utmost important.

Savings, viewed as an investment behavior was provided with this data by the respondents. Four (4) responses representing 3.3% of valid responses received indicated that savings is not important. Eleven (11) other respondents representing 9.0% showed that savings has little importance to them. Seventy-one (71)

respondents representing 58.2% of valid responses received indicated that savings is very important. Other thirty-six (36) respondents representing 29.5% of the total respondents showed that savings is utmost important.

Life insurance being investment behavior of teachers in the Ekumfi district had these responses. The results indicate that eight (8) of the respondents representing 6.6% showed that life insurance is not important. Thirty-two (32) other respondents representing 26.2% indicated that life insurance is of little importance to them. Fifty-seven (57) other respondents representing 46.7% indicated that life insurance is very important. Another set of twenty-five (25) respondents representing 20.5% indicated that life insurance is of utmost importance to them.

Information was gathered on investment as a behavior of teachers. It came to light that two (2) respondents representing 1.6% of valid responses received indicated that investment is not important. Fifteen (15) other respondents representing 12.3% showed that investment has little importance to them. Fifty nine (59) respondents representing 48.4% of valid responses received indicated that investment is very important. Other forty six (46) respondents.
representing 37.7% of the total respondents showed that investment is utmost important.

On the part of planning for retirement, three (3) respondent representing 2.5% of total valid responses gathered indicated that planning for retirement is not important. Ten (10) respondents representing 8.2% of the responses received answered that planning for retirement have little importance to them. Another set of fifty-nine respondents representing 48.4% considers planning for retirement to

be very important. Fifty respondents out of the total respondents who answered the research questionnaire indicated that planning for investment is of utmost important to them. Data was collected on the art doing business, which saw three (3) respondents representing 2.5% of valid responses saying that doing business is not important. Twenty-five (25) other respondents representing 20.5% showed that doing business has little importance to them. Sixty-one (61) respondents representing 50% of valid responses received indicated that doing business is very important. Other thirty-three (33) respondents representing 27% of the total respondents showed that doing business is utmost important.

Risk taking is also regarded as investment behavior. The results obtained shows that thirteen (13) respondent representing 10.7% of total valid responses gathered observed that risk taking is not important. Thirty-nine (39) respondents representing 32.0% of the responses received answered that risk taking has little importance to them. Another set of sixty (60) respondents representing 49.2% considers risk taking to be very important. Ten respondents out of the total respondents who answered the research questionnaire indicated that risk taking is of utmost importance to them.

On the part of job security, four (4) respondent representing 3.3% of total valid responses gathered indicated that job security is not important. Thirteen (13) respondents representing 10.7% of the responses received answered that job security has little importance to them. Another set of sixty respondents representing 49.2% considers job security to be very important. Forty-five (45) respondents out of the total respondents who answered the research questionnaire indicated that job security is of utmost important to them.

Apart from life insurance and risk taking which had mean scores of 2.81 and 2.55 respectively, the remaing factors of investment behavior of teachers recorded high mean indexes ranging from 3.02 to 3.28 which is on the strong side. From the research, it can therefore be concluded that all the factors play a significant role in terms of investment behavior of teachers in the Ekumfi district.

Table eight (8) further explains respondents' opinions as well as reasons why Ghanaian teachers to be precise, teachers in the Ekumfi district may not be interested and willing to invest as it has been analyzed and discussed below.
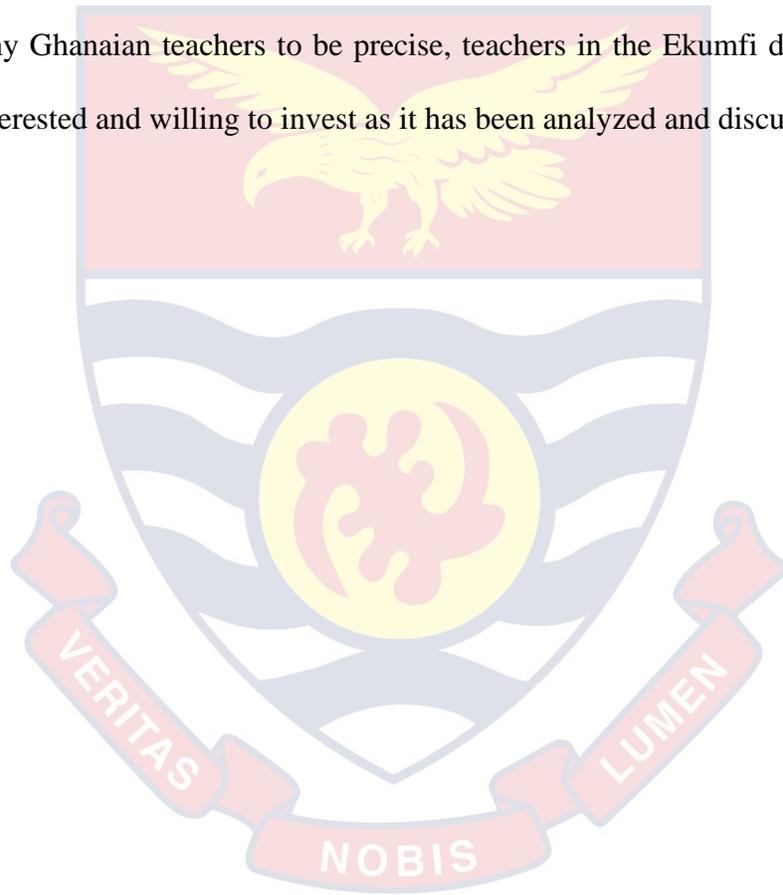
Table 8: Poor Investment Attitude by Teachers n=122

Variable	Sub-scale	Frequency	%
Reasons teachers do not invest	Low income	62	50.8
	Lack of knowledge on investment	5	4.1
	Lack of confidence in financial system	17	13.9
	Non availability of investment opportunities	7	5.7
	Difficulty in acquiring land	8	6.6
	High cost of building materials	6	4.9
	Lack of start-up capital for business	4	3.3
	The risk of losing money	13	10.7
Areas of investment	Real estates	64	52.5
	Financial assets	55	45.1
	Business	3	2.5
Do you have savings accounts	Yes	95	77.9
	No	27	22.1
Is savings an investment	Yes	71	58.2
	No	51	41.8
Ideal age to start preparing for investment	20 – 29	46	37.7
	30 – 39	38	31.1
	40 – 49	28	23.0
	50 – 59	8	6.6
	60 and above	2	1.6
Are you preparing for retirement	Yes	91	74.6
	No	31	25.4
Do you have life insurance policy	Yes	68	55.7
	No	54	44.3
Income to depend on during retirement	SSNIT	53	43.4
	Remittance from children and relatives	1	0.8
	Income from investment	64	52.5
	Farm produce	4	3.3
Children's education is an investment towards retirement	Yes	98	80.3
	No	24	19.7

Source: Field Survey, Quashie (2019)

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In all, out of the total respondents who responded to this questionnaire item, sixty-two (62) of the respondents translating to 50.8% of valid responses think that low income is a major contributing factor to which Ghanaian teachers to be precise, teachers in the Ekumfi district may not do an investment. Five respondents (5) representing 4.1% are also of the view that lack of knowledge on investment on the part of the Ghanaian teachers may be the reason why they may not be investing. A total of seventeen (17) respondents resulting in 13.9% of valid responses stand by the point that lack of confidence teachers have in the financial system may also be a good reason why they may not invest. In the same shade of light, seven (7) respondents representing 5.7% share the view that non-availability of investment opportunities may be the reason why teachers may not be investing.

Difficulty in the acquisition of land is regarded by a section of the teachers as a reason why teachers may not invest attracted eight (8) respondents leading to 6.6% of valid responses gathered. Six (6) respondents leading to 4.9% indicated that high cost of building materials have an influence on the reason why teachers may not invest. Four (4) other respondents translating to 3.3% of the total respondents answered that lack of start-up capital may be the reason why teachers may not invest. Finally, thirteen (13) respondents representing 10.7% of valid responses also think that risk of losing money may be the reason why teachers may not invest. From the research, it can be concluded that low income, lack of confidence in the financial institution as well as the risk of losing money may be the core reasons why teachers in the Ekumfi district may not invest.

The researcher also found out from the teachers as part of their personal financial opinion and decisions where they will like to invest their funds. The

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result indicated that sixty-four (64) respondents representing 52.5% indicated that they will love to invest their funds in a real estate development. Fifty-five (55) other respondents indicated that they will like to invest their funds in any financial asset like buying of bonds, debenture or buying of shares in any reputable organisation. Three (3) other respondents representing 2.5% of total responses received indicated that they will be happy to invest their funds in any lucrative business. The implication of these outcomes is that the respondents have adequate knowledge in investments since the decision to buy interest bearing asset is hinged upon clear knowledge in investment issues. This is in clear agreement with Samudra and Burghate (2012) who says that investment is the purchase of a financial product with an expectation of getting higher returns in the future.

Again, the views of the respondents were sought to know how well the teachers own an account in a financial institution. Ninety-five (95) valid responses from the respondents resulting in 77.9% indicated that each of them own a savings account with a financial institution whereas only twenty-seven (27) responses yielding 22.1% stand with the option that they do not have a savings account with any financial institution. It can be inferred from this report that majority of the respondents own a savings account with a financial institution and this can have a positive effect on the investment attitude of the teachers in the Ekumfi district.

On the issue that whether savings is regarded as an investment by the teachers in the district, it came to light that seventy-one (71) of the respondents representing 58.2% agreed that savings can be seen as an investment. On the contrary a sizeable number of fifty-one (51) respondents resulting in 41.8% also

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share the view that savings is not considered as an investment. From the percentages above one can say that teachers in the Ekumfi district do regard savings as an investment avenue in the financial sector. This attest to Samudra and Burghate (2012) who found out that people preferred to invest in bank deposits (savings).

Concerning the ideal age for an individual to start preparing for retirement, the responses showed that from age twenty (20) to age sixty (60) and above, an individual can start preparation for it in these age ranges. This outcome is evident in the result obtained from the respondents who responded to the questionnaire. Out of the total responses received forty-six (46) respondents representing 37.7% of the total responses received indicated that the ideal age for retirement preparation is from age twenty to twenty-nine (20 - 29). Another set of thirty-eight (38) respondents resulting in 31.1% showed that the ideal age is from thirty to thirty-nine (30 - 39). Again, twenty-eight (28) respondents representing 23.0% of valid responses received were of the view that the ideal age for retirement preparation is from age forty to forty-nine (40 - 49) while eight (8) respondents representing 6.6% answered that the ideal age is fifty to fifty-nine (50 -59). Those respondents who think that the ideal age for an individual to start preparing for retirement is age sixty (60) and above had two (2) respondents representing 1.6% of the questionnaire responses. These respondents are the views of teachers sampled for the study, hence, the views of teachers in the district. Findings of the study can therefore be summarized that most of the teachers prefer to start preparation for retirement at an early age as they are very young working. Investment gives financial freedom, thus, investment helps to become financially

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independent even after retirement. If an individual starts investing early, then they need not worry about their future financial needs. This is due to the fact that the individual will reap in the future to cater for his/her needs. Reilly and Byrne (2017) observed that the best one can do for himself is to adequately prepare for retirement through investing for the future.

The researcher again deemed it fit to inquire from the respondents whether they have really started making preparations towards retirement. Out of a total of one hundred and twenty-two (122) respondents who gave their responses to this questionnaire item, a whopping number of ninety-one (91) respondents resulting to 74.6% of valid responses indicated clearly that, yes, they have really started preparation towards retirement which is inevitable in life. On the contrary, some section of the teachers in the Ekumfi district have not made an attempt against retirement preparation. In that shade, thirty-one (31) respondents were recorded with 25.4% of the valid responses accrued to it. The findings make it clear that many of the teachers think of retirement as something that will eventually happen to them one day to come and this requires maximum attention from them in terms of preparation towards it. These responses from the survey confirm theoretical expectation and empirical research conducted by (Reilly and Byrne, 2017) who observed that the best one can do for himself is to adequately prepare for retirement through investing in for the future.

Insurance policy is now one of the modern ways in protecting lives and property and it is widely accepted by many people. The consent of teachers in the Ekumfi district was sought for this research as they answered a questionnaire item on whether they hold a life insurance policy. It was gathered from the work that a

total number of sixty-eight (68) respondents representing 55.7% of valid responses indicated that yes, they hold a life insurance policy with one of the insurance firms in Ghana. On the other side of the coin fifty-four (54) respondents leading to 44.3% also shared the view that they do not have a life insurance policy with any insurance firm. It then came to the conclusion that many of the teachers sampled for this work hold an insurance policy with one of the insurance firms in the industry. Notwithstanding that insurance policy poses many benefits to its holders in times of crucial moments. As such, teachers can be encouraged to take a policy for themselves and even for their children. This then calls for massive education by the insurance companies to reach out to many people especially teachers. Lajuni, Zulkeflee, Ghazali and Taunson (2009) found out that in reality, life insurance is something that we simply can't afford to ignore.

The level of one's financial knowledge goes a long way to influence very key financial management practices that ensure financial discipline. It is based on this grounds that personal financial management practices of the teacher in relation to some key important decisions about their life after retirement was assessed. From Table 7, fifty-three (53) respondents translating to 43.4% indicated that they will depend on their SSNIT contribution after retirement. One (1) respondent representing 0.8% of the responses received indicated that he will depend on remittances from his children and relatives. Another set of sixty four (64) respondents representing 52.5% of valid responses indicated that they will depend on the income from their investment. Four (4) respondents translating to 3.3% of the total responses received indicated that after retirement they will depend on the income from their farm produce.

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The findings of this research suggest that majority of teachers in the Ekumfi district concluded that they would prefer to rely on their own investment as a source of income after their youthful working age rather than relying on the state institution mandatory for pension issues like Social Security and National Insurance Trust (SSNIT) as well as income from children and relatives. From the work it points out clearly that the avenues many teachers use as a means of investment is through the mutual funds operated by the Ghana National Association of Teachers (GNAT), treasury bills which is rolled out by the government through the commercial banks, fixed deposit being operated by the banks themselves, shares and many more. As a matter of fact, the mutual fund should be given the full attention as it turns to have positive effect on any teacher who does investment with them. In today's world, money plays an important role in one's life. In order to overcome the problems in future one has to invest his or her money. Tahir, Khan and Shah (2015) found that mostly people made an investment for retirement, future obligation, health insurance and many more.

Concerning the last item on the table the opinions of teachers were gathered to know if educating your children is regarded as an investment towards retirement. The result showed that out of the total respondents who responded to this questionnaire item ninety-eight (98) of them translating to 80.3% of valid responses think that educating your children is an investment towards retirement. However, a minority section of the sample space totaling twenty-four (24) representing 19.7% of responses think otherwise that educating your children is never an investment towards retirement. The analysis of the result indicates that a colossal number of teachers in the Ekumfi district do believe and regard education

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of children as a massive investment towards their retirement. The results from this study is in no doubt to the findings of Jain and Jain (2012) who concluded that most of the school teachers are saving their money for

the purpose of their children's education, marriage and as security after retirement.

Table 9: Level of confidence in investment institutions   **n=122**

Factors	None at all F (%)	Not very much F (%)	Quite a lot F (%)	A great deal F (%)	Mean
The banks	23(18.9)	33 (27.0)	40 (32.8)	26 (21.3)	2.57
The stock exchange (Shares)	13 (10.7)	46 (37.7)	40 (32.8)	23 (18.9)	2.60
Mutual funds	7 (5.7)	31 (25.4)	53 (43.4)	31 (25.4)	2.89
Real estate investment funds	11 (9.0)	33 (27.0)	33 (27.0)	45 (36.9)	2.92

Source: Field Survey, Quashie (2019)

Table nine (9) looks at the level of confidence the respondents (teachers) have in the investment institutions which included banks, stock exchanges, mutual funds, real estate investment funds and many more. From the result collated on the confidence level the respondents had in the banks as a vehicle for investment, twenty-three (23) of the total respondents resulting to 18.9% of valid responses indicated that they have none at all confidence in the banks as an investment institution. Moreover, thirty-three (33) other respondents representing to 27% of total responses are of the view that confidence in the banks as an investment institution is not very much. A section from the total respondents of one hundred and twenty-two (122) translating to forty (40) respondents representing 32.8%

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have quite a lot of confidence in the banks as an investment institution while twenty-six (26) respondents translating to 21.3% of valid responses indicate that they have a great deal of confidence in the banks as an investment institution.

This implies that a little bit above half (54.1%) of the total respondents do have confidence in the banking institutions as a vehicle for investment and this is more elaborated with the mean score of 2.57 making it significant for the study. This outcome supports the empirical research result obtained by Samudra and Burghate (2012) who observed that people preferred to invest in bank deposits which is rolled out by commercial banks due to confidence and satisfaction customers derive from these banks.

On the grounds of confidence level in the stock exchanges as an investment institution thirteen (13) respondents yielding 10.7% of valid responses showed that they have none at all confidence in this institution. On the same line a large number of forty-six (46) respondents translating to 37.7% are also of the view that their confidence level in these stock exchanges is not that very much. However, a section of forty (40) respondents representing 32.8% stand by the fact that they have quite a lot of confidence for the stock exchanges as another twenty-three (23) respondents of 18.9% do have a great deal of confidence in the stock exchanges as an investment institution. It can be deduced from the analysis of the work that more than half (51.7%) of the teachers sampled for the study in the Ekumfi district do have confidence in the stock exchanges as an investment institution and it is more evident in the mean score of 2.60 which is significant to the study. Davar and Gill (2009) investigated the underlying dimensions in the selection of different investment avenues (shares, bonds, real estate, comodities)

for the households. The results of the study revealed emphasis on satisfaction, confidence, familiarity opinion and demographic dimensions for all investment avenues. Because of confidence and trust people would do business with a particular institution.

Furthermore, the confidence, teachers in the Ekumfi district had in the teachers' mutual fund was assessed to known the extent of it. It came to light that out of the total respondents who gave their consent to this questionnaire item seven (7) respondents representing 5.7% of valid responses have none at all confidence in the teacher's mutual fund. A large number of thirty-one (31) respondents resulting in 25.4% share the view of not very much confidence in the mutual fund. An overwhelming majority of fifty-three (53) respondents leading to 43.4% turn to have quite a lot of confidence in the mutual fund whereas thirty-one (31) respondents representing 25.4% indicated that they have a great deal of confidence in the mutual fund. A total of sixty-eight point eight percent (68.8%) representing a larger portion of the teachers in the Ekumfi district do share the view that there is a large portion of confidence in stock for the mutual fund and its activities as well as it operations which is widely accepted. Based on this revelation the operators of the mutual fund should really organize themselves to live to expectation to bear the full confidence reposed in them. The outcome of this research is in agreement with Verma (2008) who studied the effect of demographics and personality on investment choice among Indian investors and concluded that mutual funds were popular amongst professionals, students and the self-employed due to the confidence people and organizations have in them.

On the part of confidence in real estate investment fund, it was gathered that eleven (11) respondents leading to 9% of valid responses received made it clear that they have none at all confidence in the real estate investment fund. Furthermore, a section of thirty-three (33) respondents representing 27% shared the view of not very much confidence in real estate fund. On the contrary, another group of thirty-three (33) respondents also have the strong feeling for quite a lot of confidence in the real estates. A vast majority of forty-five (45) respondents representing 36.9% stand by the view of having a great deal of confidence in the real estate fund. The results depict that an over whelming majority (63.9%) of respondents do have much confidence in the real estate investment and this is in consensus with the mean score of 2.92 which is really significant to the study. The outcome support the empirical research result obtained by Warren, Stevens and Mc Conkey (1990) and Rajarajan (2000) who predicted individual investment choices (e.g., stocks, bonds, real estate) based on confidence, lifestyle and demographic attributes. This may be related to the gradually increasing of the rent charges which many people turn to see it as a cash cow for them.

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CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

As a concluding chapter to this research work, this section of the report provides the summary of the findings from the study as well as conclusions drawn from the analysis of data on teachers collected in the Ekumfi District of the Central Region. Also, it suggests some recommendations with respect to the major findings on the investment literacy level, the challenges and the way forward to improve the investment literacy of teachers in the Ekumfi District and the country at large to ensure proper and efficient investment management practices among teachers.

Summary

The study sought to determine the investment literacy of teachers in the Ekumfi Distict. To achieve this, three (3) major objectives were set to determine the investment literacy of teachers in the Ekumfi District. The study adopted the convenience sampling procedure where one hundred and twenty two (122) respondents were sampled from a total of six hundred and seven (607) as the population. A structured questionnaire was used for this survey. All the teachers sampled for the study responded to the questionnaire and this was used for the analysis. The data was analysed using descriptive statistics such as frequency distribution, percentages and means. The following were the key findings drawn from the study:

The findings on the level of personal investment literacy among teachers in the Ekumfi District relied on some key concepts ranging from meaning of investment, items not regarded as investment, short term investment and things considered as investment. It then came to bear that a section of teachers (60.2%) on one half of the coin do have much knowledge in investment whereas teachers on the other section of the coin lack knowledge in the field of investment.

The second objective of the study was to determine whether the demographic characteristics of teachers have an influence on their level of investment literacy. The characteristics that were analyzed were gender, age, marital status, educational background and experience of the teacher. The result clearly showed some investment literacy among the teachers in the Ekumfi District. Male teachers in the District were considered to be more knowledgeable in the field of investment than their female counter part with percentage scores of 39.95% and 20.28% respectively. On the grounds of the age factor, it came to light that teachers whose age fell from twenty (20) to twenty nine (29) were regarded as more knowledge in investment with a percentage score of 23.15%. However, the old age group which is from sixty (60) years and above recorded the smallest percentage score of 0.81%. It was then deduced that the youthful age ranging from twenty (20) to forty five (45) years were considered to be more knowledgeable in investment than the old age group. Marital status produced a picture in favour of the married group. Those who are married were seen to be more knowledgeable in investment than their counter-part who was singles with percentage scores of 36.67% and 20.89% respectively. On the educational background of the respondents diploma holders were concluded to be more

knowledgeable with a score of 26.02% whereas degree holders were the second group chosen as knowledgeable in the field of investment with a score of 23.35%. It was obvious that degree holders were really matching the diploma holders. The difference in the level of investment literacy is also accounted for by years of experience in teaching. Teachers who have been in the field from six (6) years and over were considered to be more knowledgeable in investment with score of 32.37% whiles their colleagues who have spent less than two (2) years in the field are regarded to have least knowledge with investment with a percentage score of 7.16%.

Also, programme of teaching by the teachers has an influence on his/her level of investment literacy. On the whole, teachers who studied humanity programmes in the likes of social sciences, languages and many more recorded the highest percentage scores of 40.16% and comparatively are seen to be more knowledgeable in investment than their counter part in the sciences, business and economics with percentage scores of 19.67%, 14.75% and 10.65 respectively.

Conclusion

The act of investment among teachers and the many working population in Ghana is on a low patronage with the banks, the stock exchange and the mutual funds which eventually turn to have a great effect on the nation either on short term basis or going to have the long term effect on the economic development of the people and the country at large. The poor investment attitude among teachers in the Ekumfi district and Ghana as a whole is vehemently contributed by meager salaries earned by workers (teachers), lack of confidence in the financial

institution, the risk of losing money, non-availability of investment opportunities and the lack of knowledge about investment. Investment illiteracy and its resultant consequences on the participants (teachers) could potentially hinder their productivity since the teacher's performance and output can be heavily affected as they will always have financial worries and challenges to think about.

Recommendations

With regard to the results, findings and conclusion of this study, the following recommendations could be made to improve the investment attitude of the people of this country:

1. The findings showed some major reasons why there is poor investment attitude among teachers in the Ekumfi district. They include meager salaries earned by workers (teachers) and the lack of knowledge about investment. In view of this, teachers and potential teachers should be educated on some of the basic investment and financial issues alongside some best practices in the course of their studies or training irrespective of their field of study, so as to have a nation full of it citizens with investment mentality.

2. It also recommended that policy makers and management of the various mutual funds of the teacher associations should incorporate a better investment opportunities in their policy formulation. The study found non-availability of investment opportunities and the risk of losing money as factors greatly contributing to poor investment attitude among teachers in the Ekumfi district. Therefore, teacher associations who have mutual

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funds have to organize their activities very well to attract the full attention of teachers as they make it one of the investment avenues available to every teacher in Ghana which eventually will make each teacher financially sound in the future.
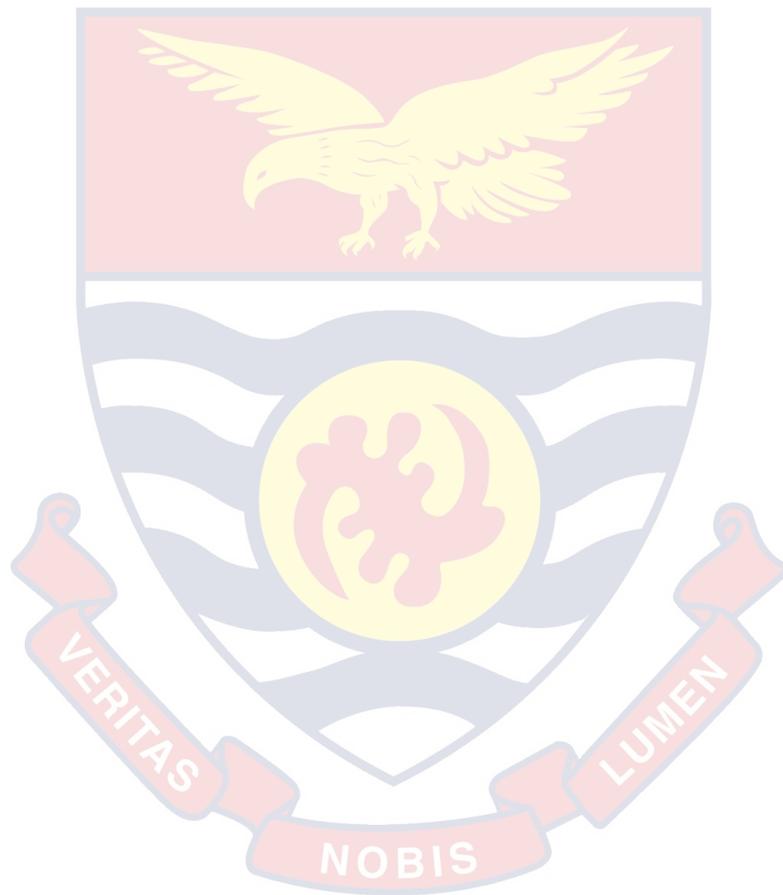
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APPENDIX A

QUESTIONNAIRE FOR RESPONDENTS

UNIVERSITY OF CAPE COAST

COLLEGE OF HUMANITIES AND LEGAL STUDIES

DEPARTMENT OF ACCOUNTING AND FINANCE

I am a student from the School of Business of the University of Cape Coast conducting a study on the topic **"examine the investment literacy of teachers in the Ekumfi District"** the study is purely for academic purpose. Your identity would neither be required nor disclosed in any way and confidentiality would be strictly assured.

SECTION A: BACKGROUND OF RESPONDENTS

Please tick in the spaces provided:

1. Sex: Male [   ]   Female [   ]
2. Age: 20-29 [   ]   30-39 [   ]   40-49 [   ]   50-59 [   ]   60 and above [   ]
3. Marital status:

   Married [   ]   Divorced [   ]   Widowed [   ]   Co-habiting [   ]

   Single [   ]
4. Religion: Christian [   ]   Moslem   [   ]   c. Traditionalist

   [   ]
5. Educational level:
   [   ] Teachers cert 'A'
   [   ] HND/Diploma
   [   ] B.Ed./B.A/BSc
   [   ] Med/MA/MSc/MPhil/MBA
   [   ] Other specify…………………………………

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6. What was your field of study at the highest level?

[   ]   Business
[   ]   Economics
[   ]   Humanities (arts, social sciences, language etc.) other than A & B
[   ]   Sciences
[   ]   Others, specify……………………………………………
[   ]   Not Applicable

7. How many children (dependants) do you have? 0 [   ]   1 [   ]   2 [   ]

3 [   ]   4 [   ]   5 [   ]   Above 5 [   ]

8. Which of the following best describes your personal income (monies that comes into   your hand for personal use) for last year?

[   ]   Under GHS 999
[   ]   GHS 999 – GHS 1999
[   ]   GHS 2000 – GHS 2999
[   ]   GHS 3000 – GHS 3999
[   ]   Above 3999

9. How many years of working experience do you have? Include full or part-time, experience etc.
[   ]   Less than 2 years
[   ]   Two to less than 4 years
[   ]   Four to less than 6 years
[   ]   Six years or more

SECTION B: KNOWLEDGE IN INVESTMENT

10. Investment refers to
[   ]   Purchase of financial asset
[   ]   Borrowing of money
[   ]   Saving money under your bed
[   ]   Buying a set of living room chairs

11. If you invest GHS 1,000.00 at 20% for a year, your balance in a year will be
[   ]   Higher if the interest is compounded daily rather than monthly
[   ]   Higher if the interest rate is compounded quarterly rather than weekly
[   ]   Higher if the interest rate is compounded yearly rather than quarterly
[   ]   Ghs 1,200.00 no matter how the interest is computed
[   ]   Do not know

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12. Which of these is short term investment?

[   ]   Shares
[   ]   Treasury bill
[   ]   Bonds
[   ]   Mortgage
[   ]   Do not know

13. What kind of financial accounts do you have? (Tick all that apply)

[   ]   Savings
[   ]   Current account
[   ]   Fixed deposit
[   ]   Mutual fund
[   ]   Stock
[   ]   bond
[   ]   Other(s) (specify): ……………………………………………………

14. What percentage of your income do you save?

[   ]   5%   [   ]   10%   [   ]   15%   [   ]   20%

15**.** A greater portion of my income is spent on:

[   ]   Food
[   ]   Clothing
[   ]   Transport
[   ]   Books

16. Which of the following do you consider NOT to be an investment?

[   ]   Building a house for personal occupant
[   ]   Purchase of Treasury bill
[   ]   Purchase of shares and bonds
[   ]   Purchase of land for resale in the future
[   ]   Building a house for rental purposes
[   ]   None of the above

17. Which of the following do you consider as an investment?

[   ]   Treasury bills
[   ]   Fixed deposits
[   ]   Shares
[   ]   Bonds
[   ]   Real estate (housing)

18. Where did you obtain information on the above?

[   ]   Radio
[   ]   Television
[   ]   Newspapers
[   ]   Personal tuition

SECTION C: **PREFERENCES OF INVESTMENT AVENUES**

To what extent do you agree with the following statements? Tick (√) the answers provided according to your preferences.

	Don't Agree	Undecided	Agree
19. Investment involves putting some of your resource/income aside to earn some returns in the future.			
20. Planning for retirement should begin as soon as a person gets employed and earning income.			
21. Before a person starts investment he must obtain his basic needs			
22. Information on investment opportunities is readily available			
23. The government has provided a conducive environment for investment.			
24. Non-bank financial institutions (mutual fund) can be trusted for managing your investment.			

SECTION D: **INVESTMENT BEHAVIOUR OF TEACHERS**

In your private life, how important is each of the following to you? (Please tick (√) the appropriate answer in each line).

	Not Important	Little mportant	Very important	Utmost important
25. Personal advancement				
26. Savings				
27. Life insurance				
28. Investment				
29. Planning for retirement				
30. Doing business				
31. Risk taking				
32. Job security				

33. What in your opinion may be the reasons why Ghanaian teachers may not be interested in investing? (Please tick not more than three options and number 1, 2, 3 in the order of importance)

    [   ]   Salaries/ income are low

    [   ]   Lack of knowledge about investment

    [   ]   Lack of confidence in the financial system

    [   ]   Non availability of investment opportunities

    [   ]   Difficulty in acquiring land

    [   ]   High cost of building materials

    [   ]   Lack of start-up capital for business

    [   ]   The risk of losing money

34. When given the option, which of the following areas will you invest?

    [   ]   Real assets   (housing for rentals or land for resale)

    [   ]   Financial assets   (T/bills, stocks, bonds, shares, mutual fund only)

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35. Do you have savings in the bank?

    [   ] Yes

    [   ] No

36. Do you consider savings as an investment

    [   ] Yes

    [   ]   No

37. What is the ideal age to start preparing for retirement?

   20-29 [   ]   30-39 [   ]   40-49 [   ]   50-59 [   ]   60 and above [   ]

38. Are you preparing for your retirement?

    [   ] Yes

    [   ]   No

39. Do you have life insurance policy?

    [   ] Yes

    [   ] No

40. On what income do you hope to depend when you go on retirement?

    [   ] SSNIT pension

    [   ] Remittance from my children and relatives

    [   ] Income from my investments

41. Do you believe that educating your children is an investment towards

   retirement?

    [   ] Yes

    [   ] No

How much confidence do you have in the following institutions as a vehicle for investment? (Please tick √ one answer in each line across)

	None at All	Not very much	Quite a lot	A great deal
42. The banks				
43. The stock exchange (shares)				
44. Mutual funds (E-pack)				
45. Real estate investment funds (RELT)				

THANK YOU