Government interventions in the financial literacy of the law-enforcers: A case study of Emalahleni’s South African Police Services (SAPS)

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A B S T R A C T

Financial literacy (FL) is a crucial skill set that police officers must possess, particularly in managing their funds during their tenure in the police force and as they approach retirement from their service. The extent of an individual’s FL will directly impact the extent of their financial planning knowledge and budgeting abilities required as a police officer, commencing from the initial stages of their career. The primary objective of this study is to investigate the level of FL within the police force, with a particular emphasis on the factors of financial knowledge, attitude, and behaviour. The study employed a simple random sampling technique to gather data from a sample of 68 law enforcement employees stationed in Vosman and Klipfontein. The data was descriptively analysed using the Statistical Package for the Social Sciences (SPSS). The results of the study suggest that police officers often possess low to moderate levels of FL. However, there is a positive correlation observed between the variables under investigation. The recommendation proposes that the government should implement ongoing training and short-term interventions focused on FL, with a particular emphasis on tailoring these initiatives to individuals’ income levels and lifestyles. This study utilized intervention and transformational learning theory to support law enforcement professionals in enhancing their financial planning both prior to and following their employment, by means of financial education.

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INTRODUCTION

The importance of financial literacy (FL) in the areas of personal budgeting, savings, and investing has been widely acknowledged on a global scale (Davoni & Rodriguez-Planas, 2020; Oteng, 2019). According to research, the results from the Standards & Poor survey reveal that a significant proportion of persons worldwide lack FL, with almost two-thirds falling into this category (Jayaraman, Jambunathan & Counselman, 2018; Klapper & Lusardi, 2020; Klapper, Lusardi & Van Oudheusden, 2015). Hence, possessing FL is a crucial asset in facilitating personal growth in relation to financial matters. Within developing economies, it is imperative to educate an average individual about personal budgetary equilibrium, acquiring assets, children’s educational investments, and savings for unanticipated circumstances, as well as retirement planning (Oteng, 2019; Sari, Aisyah, Ilnyaa & Hermawan, 2022). The term “average individual” denotes an individual who has successfully completed further education and training phase (Grade 12). Recent study conducted in South Africa, by the South African Social Attitude Survey (SASAS) in 2020 reveals that more than 70% of adult’s population, lacks proficiency in financial matters (Robert, Struwig, Gordon & Zondi, 2021).

Organisation for Economic Cooperation and Development (OECD) (2020) in 2020 insight survey indicating that the average levels of financial knowledge, behaviour, and attitude among South Africans were 33%, 43%, and 54% respectively. Although the majority of adults have the means to utilize financial institutions and services, many lack fundamental financial knowledge and skills. This deficiency in FL often leads to tendencies that have significant implications for their current and future financial well-being (Gallo,
2020). Therefore, it is possible that South African law enforcement officials may have comparable difficulties in their understanding of fundamental aspects related to FL, such as managing black tax. Consequently, it is imperative to implement FL interventions to stimulate individuals’ consideration of strategies and decisions for optimizing the efficient utilization of monetary resources (Hastings, Madrian, & Skimmyhorn, 2013).

According to Pondong, Espinosa, and Rodriguez (2022), individuals who possess little understanding of fundamental financial concepts may have limited knowledge and self-assurance on financial management linked judgements. The FL of law enforcement personnel, encompassing knowledge, attitude, and behaviour, holds significant importance in upholding their financial competence and well-being, hence promoting integrity and reducing financial strain. According to scholarly sources, it has been suggested that FL plays a significant role in enhancing individuals’ comprehension of fundamental financial principles. Additionally, it enables individuals to acquire the necessary skills and confidence to effectively manage their personal finances through the implementation of trustworthy and prudent financial planning strategies (Pondong et al., 2022; Remund, 2010).

Previous studies have examined FL from various perspectives, including age, education, culture, and economic factors. These studies have also explored the influence of race, gender, society, professionals, retirement, and different backgrounds on FL (De Clercq, 2020; Goyal & Kumar, 2021; Noviarini, Coleman, Roberts, & Whiting, 2021; Rink, Walle & Klasen, 2021). Additionally, research has investigated the level of FL knowledge in developed economies (Amagir, Groot, Van den Brink & Wildschut, 2020; Douissa, 2020) and the role of financial wellness and coaching for law enforcement professionals (Scovil, 2021).

Nevertheless, the existing body of research on FL primarily focuses on European, Asian, and American economies, with limited attention given to South Africa. Moreover, the studies conducted in South Africa have predominantly centered around the corporate and academic sectors (Booyse, 2018; Gallo, 2020; Matemane, 2018, Moolman, 2019; Nkabinde, 2021; Rossouw & Greeff, 2020). Therefore, there has been a scarcity of research undertaken within the law enforcement field regarding FL. Consequently, the research purpose of this study is to ascertain if government interventions in FL education can enhance individuals’ degree of FL. This objective is viewed from the perspective of intervention and transformational theory, with the aim of utilizing previous experiences to enhance understanding of FL ideas and address the persistent issue of low FL by influencing behaviour and attitude. The literature is being examined and analysed on the following section.

Literature Review

Nowadays individuals are required to be financially literate to acquire valuable knowledge linked to the development of individual potential and mind liberation which can result in overall improvement of the citizen’s condition at large (Gibson, Sam & Cheng, 2022; McKeever, 2017; OECD, 2022). Individuals need to learn basics on how to read and write financially especially those growing up in financially challenged society or complex financial landscape (Lusardi, 2019; OECD, 2020). For instance, comparing interest rates when borrowing and measuring risk associated with the decision. Furthermore, financial education can be more effective when it helps individuals to develop their skills in knowing how to achieve specific goals than to generally accept particular facts about knowledge of financial products and services (Cossa, Madaleno & Mota, 2021).

It is imperative for individuals residing in diverse socio-environmental and financial-economic contexts to prioritize the safeguarding of their financial well-being through heightened vigilance in their financial planning (OECD, 2013; OECD, 2022). According to Dewi (2022), there is evidence to suggest that financial awareness and knowledge might vary across different socio-demographic categories. However, it is possible to improve this situation by promoting equal comprehension of FL ideas. Consequently, governments worldwide are collectively concerned with identifying effective methods to enhance the FL of their citizens. This is achieved through the establishment or enhancement of national strategies aimed at providing educational opportunities at various stages of employment (Atkinson and Messi, 2012). Hence, the extent of individuals’ FL education plays a crucial role in shaping their financial prospects and utilization of funds (Shinu & MullappallyKayamkulath, 2022).

According to Amagir et al. (2020), the possession of FL does not necessarily ensure the ability to effectively manage money or achieve financial inclusion. However, Lusardi and Mitchel (2014) found empirical evidence that savings and investment are a result of better financial knowledge including retirement planning. Recent scholarly research defines FL as acquiring knowledge and skills towards daily money management (Chen, 2022; OECD, 2022). Moreover, being financial literate can serve as a protective measure against falling prey to financial fraud, pyramid schemes, and high interest borrowing (Lusardi and Tufano, 2015; Sibanda & Sibanda, 2016). On a global scale, most individuals belonging to various demographic groups exhibit a significant deficit in financial knowledge. This deficiency can be attributed to the absence of adequate FL education during their formative years.

According to Fernandes, Lynch Jr, and Netemeyer (2014), as well as Fong, Koh, Mitchell, and Rohwedder (2021), it is asserted that possessing a deep understanding of financial matters is not a prerequisite for achieving FL. Rather, individuals just need to acquire a foundational knowledge to establish a strong financial footing. Hence, it is imperative to possess a comprehensive comprehension of fundamental financial principles to enhance one’s financial acumen and aptitude, thereby fostering informed decision-making in the realm of financial planning, budgeting, saving, and borrowing (Chen, 2018; Morduch & Siwiki, 2017; Chen, 2022). While many

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1 Black tax: a monthly financial obligation that successful black professionals are expected to give to support their disadvantaged family and extend families (Dyomfana, 2022).

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people recognize the significance of budgeting and financial planning, a considerable portion of the population remains uninformed about the advantages associated with these practices (Robert et al., 2021; Sharif, Ahadzadeh, & Turner, 2020). According to Chen (2022), the concept of FL is often regarded as having multiple dimensions, with metrics encompassing a diverse array of knowledge that is not limited in scope leading to enhancements of financial well-being. However, the growing body of accounting educational research necessitates the use of many conceptual frameworks to establish connections and elucidate various elements of the issue (Özkale & Özdemir Erdoğan, 2022). To elucidate the connection between the aspects, the subsequent conceptual framework is delineated.

![Figure 1: FL dimension. Source: Author's own](image)

According to Firli (2017), the advancement of FL is giving rise to many branches that integrate educational, economic, and psychological elements. These branches contribute to the exploration of novel research dimensions that impact the theory of FL through the lens of perceptions. To date, there remains a lack of consensus over the standardized methodology and definition for assessing FL education (Gallego-Losada, Montero-Navarro, Rodríguez-Sanchez, Gonzalez-Torres, 2022; Lyons & Kass-Hanna, 2021a).

**Empirical review**

Lusardi, Michaud, and Mitchell (2017), provide evidence that the introduction of FL at an early stage of work yields more significant effects on financial outcomes over an extended duration. Hence, the implementation of financial intervention can aid in the identification of prevalent patterns by employing an appropriate comparable instrument that can be used as a benchmark to ascertain shared solutions for analogous financial challenges (De Clercq, 2020; OECD, 2022). Moreover, the identification of variables and mechanisms that contribute to the disparity in FL is an essential undertaking in the pursuit of fostering financial responsibility and enhancing overall financial welfare within the realm of law enforcement. The presence of diverse levels of FL has been identified as a contributing factor to the increasing disparities observed among various social groups in terms of their access to opportunities and available financial resources within their respective communities (Loomis, 2018). One possible narrative suggests that white law enforcement officers may possess a higher level of FL in comparison to their black counterparts due to the acquisition of financial education during their formative years, either within their household or school setting. To elucidate, it is perceived that law enforcement officers of different racial backgrounds, namely white/coloured/Indian individuals, possess the necessary FL to independently submit their annual tax returns. Conversely, it is observed that individuals of Black ethnicity tend to seek external assistance for this task, often incurring a cost. According to McKeever (2017), it is feasible to mitigate this variability by implementing a standardized educational intervention aimed at addressing a significant portion of the disparity and practices. Lusardi et al. (2017), states that intervention is a necessary technique to enhance opportunities in FL and address the significant disparities in equity and equality that result from existing inequities.
Factors affecting financial literacy

The existing body of research indicates a strong correlation between financial illiteracy and persons who possess low income, low education, and minimal wealth holdings (Lusardi & Mitchell, 2011; OECD, 2022). In the present setting, some elements have the potential to influence the knowledge and behaviour of law enforcement personnel. The following factors are identified.

Work and Income Level

Research suggests that persons working in financially exposed environments possess a greater understanding of fundamental financial concepts when compared to individuals who do not (Ibrahim, Ismail, Engkamat & Kawit, 2016; Özkale and Özdemir-Erdoğan, 2022). According to Hendrawaty, Irawati, and Sadalia (2020), the degree of income has a significant impact on individuals’ FL understanding in relation to their risk choices and tolerance. It can be inferred that those with low incomes may be less inclined to undertake risks due to limitations in their financial capabilities.

Peers and colleagues

According to Özkale and Özdemir-Erdoğan (2022), the influence of peers and coworkers can have a negative impact on the information delivered and its relevance to an individual’s needs. Misinformation may be disseminated among law enforcement officials on an individual’s subjective beliefs and financial conduct, leading to the replication of certain behaviours.

Media

According to Lusardi et al (2017), the media serves as the primary and influential means of conveying information through manipulation. Consequently, it is important to acknowledge that the information derived from media sources pertaining to financial matters may possess a degree of unreliability or potential risks (Oehler & Wendt, 2017; Sharif et al., 2020). Lyons and Kass-Hanna (2021b) states that the dissemination of financial information through media platforms has the potential to influence individuals’ financial awareness and therefore impact their decision-making processes in financial problems. Moreover, it is worth noting that financial institutions have the propensity to strategically disseminate marketing information with the intention of persuading individuals, potentially resulting in adverse financial consequences (Dewi, 2022)

Family and Parents

The development of an individual’s FL at a young age is influenced by their family or parental background (Goyal & Kumar, 2021). Scholarly investigations indicate that individuals of white/Indian/Asian/coloured ethnic backgrounds exhibit higher levels of FL compared to individuals of black ethnicity (Matemane, 2018; Sibanda & Sibanda, 2016). Furthermore, the lack of involvement in parents’ budgeting and other financial obligations underscores the potential consequences of not actively obtaining FL information when one transitions into adulthood (Angulo-Ruiz & Pergelova, 2015; Sharif et al., 2020). Furthermore, the failure to observe and comprehend FL basic concepts within a familial context impacts financial planning abilities (Hasting & Mitchell, 2020). Therefore, it is crucial to elucidate the significance of implementing FL intervention.

Importance of FL interventions

As the field of study on FL continues to advance in emerging economies, it becomes evident that persistent financial and economic issues stem from a lack of FL. Consequently, there is a need for further studies to enhance the effectiveness of government interventions aimed at promoting FL (OECD, 2022). Small financial education interventions can improve individual’s financial practices impacting their personal and economic development (Custodio Mendes & Metzger, 2019). Agarwalla et al. (2015), agrees that targeted interventions play a crucial role in augmenting individuals’ financial knowledge and fostering improvements in their behavioural and attitudinal skills. It is imperative for governments and stakeholders across the globe to implement policies that prioritize FL interventions, on the distinctions between financial access, affordability, and capacity. In the absence of appropriate policies, specific demographic groups may be justified by their limited FL levels and may incur expenses in their pursuit of financial understanding. Therefore, considering the restricted and expensive availability of FL programs, governmental intervention becomes necessary upon the identification of poor literacy levels (Lusardi et al., 2013).

South Africa, which has a historical background of educational content segregation, has resulted in the persistence of looming financial and economic issues among the majority population (Gallo, 2020). Even during democratic dispensation, individuals have consistently pursued financial emancipation, social inclusion, and economic prosperity. Nevertheless, the absence of a foundational FL such as planning for, for example, education, retirement, health, unforeseen circumstances, and savings, that goal will impede the realization of said objective (Hsiao & Tsai, 2018; Lusardi et al., 2017). The majority of individuals may have access to the financial sector but be at high risk due to poor levels of FL, which may not align with their behaviour and attitude (Gui, Huang, & Zhao, 2021). According to Davoni & Rodriguez-Planas (2020), implementing targeted interventions aimed at poor FL groups and examining the factors that influence comprehension of financial matters is a robust strategy for addressing and reducing disparities. Hence, government FL interventions are imperative to interpret and benchmark basic financial concepts in light of contemporary financial economic conditions (Li & Qian, 2020; Thaler & Ganser, 2015). Therefore, the dissemination of fundamental information can be accomplished by utilizing academic resources, financial institutions, and experts through various interventions (Kozup & Hogart, 2008). According to Oehler and Wendt (2017), it is contended that both individuals and financial institutions involved in such
interventions have the potential to disseminate inaccurate information in response to certain knowledge requirements. Scholars are currently addressing the issue of FL intervention, which encompasses a range of approaches aimed at enhancing individuals' financial requirements, hence promoting improved financial behaviour and independence (Lusardi, 2019; Xiao, 2020). According to Lusardi and Mitchell (2014), interventions have a rigorous impact in terms of providing information that can significantly enhance an individual's competence.

Governments and private entities on a global scale have implemented initiatives aimed at enhancing individuals' knowledge, attitudes, and behaviours through a range of financial education programs (Chen, 2022). Private organizations in South Africa, have undertaken projects aimed at promoting FL in public schools (Sibanda & Sibanda, 2016). Nevertheless, while the provision of this training has proven to be effective, its effectiveness can also be enhanced if the government periodically offers it to law enforcement personnel. Hence, engaging in interventions such as financial education programs can mitigate individuals' inclination to engage in high-risk investments or financial concerns due to their lack of knowledge in this domain (Gui et al., 2021). Moreover, the extent of an individual's FL has a significant role in their capacity to make financial decisions that are aligned with their financial well-being (Calvet, Gonzalez-Eiras & Sodini, 2004; World Bank, 2015). The enhancement of FL among law enforcement personnel can be facilitated through the provision of educational interventions that incorporate various financial concepts. These concepts encompass an understanding of inflation, budgeting, investment and taxation mechanisms, the behaviour and calculation of interest rates, the calculation of retirement contributions, and the amortization of property. These examples serve to illustrate the practical application of financial concepts within the context of financial welfare, as highlighted by Özkale and Özdemir Erdoğan (2022). The subsequent issue has been identified.

Hypothesis development

The majority of law-enforcer lack understanding and knowledge of basic FL concepts which affects behaviour and attitude in their financial matters.

Research objective

The objective of the study was:

To determine the law-enforcer’s level of knowledge in terms of basic FL concepts towards financial behaviour and attitude, and whether government interventions are necessary.

Research methodology

Research design and approach

An empirical design using descriptive approach through a questionnaire as a survey to test how well law-enforcer understand and aware of basic FL concepts towards their financial and retirement planning that can trigger the needs to have a government intervention to determine if training is needed. As such, Basic Financial Literacy Survey (BFLS) using a questionnaire as an instrument to collect data about respondents’ FL, and other relevant information used to measure level of knowledge about inflation, savings and borrowings and investment (Chen, 2022, Anderson, Kent, Lyter, Siegenthaler & Ward, 2000; Worthington, 2006) was employed. However, the researcher has used selected questions which will cover the scope of the research about knowledge and awareness of basic financial concepts. This method is regarded prevalent by policymakers in pursuit to understand and address concerns to be included in an intervention (Pondong et al, 2022; Pressley, Graham & Harris, 2006).

Target population and sampling

68 law enforcement employees were targeted using purposive sampling for this research study. Primary data were collected through a questionnaire by physically visiting the police stations. First section of the questionnaire consisted of questions related to General information such as education level. Second, third and fourth section consisted of Financial knowledge, Financial behaviour and Financial attitude questions, respectively.

Data Analysis and Discussions.

The study collected 68 questionnaires with 11 spoiled therefore only 57 were analysed using SPSS for simultaneous observations and analysis. Results from factor analysis within the FL scale is the reliable solution to provide details of values for explanation (Van Roi, Lusardi & Alessie, 2011).
Table 1: General information.

<table>
<thead>
<tr>
<th>Sample</th>
<th>Yes</th>
<th>No</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>What is your highest education level?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 12</td>
<td>49</td>
<td>95%</td>
<td>0</td>
</tr>
<tr>
<td>National diploma</td>
<td>6</td>
<td>11%</td>
<td>0</td>
</tr>
<tr>
<td>Bachelor's Degree</td>
<td>2</td>
<td>4%</td>
<td>0</td>
</tr>
<tr>
<td>Post-graduate Degree</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Master's Degree</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Did you study any of these subjects (Accounting, business, or economics)?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have you ever attended any financial education programme?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>15%</td>
<td>85%</td>
<td>0</td>
</tr>
<tr>
<td>57</td>
<td>0</td>
<td>95%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Table 2: Financial knowledge

<table>
<thead>
<tr>
<th>Sample</th>
<th>Yes</th>
<th>No</th>
<th>Not sure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you know what inflation means?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>63%</td>
<td>12%</td>
<td>25%</td>
</tr>
<tr>
<td>Do you know what interest rate is?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>100%</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Do you know what interest compounding means?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>13%</td>
<td>87%</td>
<td>0</td>
</tr>
<tr>
<td>Do you know what a prime rate is?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>6%</td>
<td>80%</td>
<td>14%</td>
</tr>
<tr>
<td>Do you what repo rate is?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>6%</td>
<td>80%</td>
<td>14%</td>
</tr>
<tr>
<td>Do you what is meant by increase or decrease of basis point?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>7%</td>
<td>93%</td>
<td>0</td>
</tr>
<tr>
<td>Do you know or aware what Retirement Annuity Fund (RAF) is?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>57</td>
<td>68%</td>
<td>21%</td>
<td>11%</td>
</tr>
<tr>
<td>Are you aware what a tax bracket is?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>88%</td>
<td>12%</td>
<td>0</td>
</tr>
</tbody>
</table>

All respondents have post school qualification (Grade 12) but only 15% has tertiary qualifications and analysing the financial knowledge scores, 63% indicated that they do not know what inflation means and 12% indicated that they know what it means while 25% is not sure. Reason could be respondents who are “not sure” and “don’t know” may be part of the 85% that did not do commercial subjects in Grade 12 and supported by fact that 95% have not attended any financial education programme.

All respondents indicated that they know what interest rate is but 87% indicate that they don’t know what interest compounding is. Explanation could be that respondents who know interest rate are based on assumption of being car/homeowners/personal loaners. In addition, respondents who know what interest rate is could have done commerce subject in Grade 12 in terms of accounting, economics, or business. More than 90% respondents indicated “No” and “Not sure” what prime rate and repo rate is as well as what is meant by increase or decrease in the basis points. Hastings and Mitchel (2020) assert that majority of individuals lack basic FL key concepts to make interest computation which may affect their suboptimal financial planning and decision making.

Even with credit finance, respondents do not know what prime and repo which are content with activities that affect the interest rate changes which emanates from fluctuation of basis point as a starting point. These components of FL affect adult’ daily management of finances because any volatility impacts direct on their financial matters undoubtably. However, this indicates negative association of knowing the basic concepts of FL which led to response of not knowing prime, repo and basis points which links towards what an interest compounding is. On the contrary, most respondents (88%) are aware what a tax bracket is as respondents’ income differ by ranks.
**Table 3: Financial behaviour**

<table>
<thead>
<tr>
<th>Question</th>
<th>Sample</th>
<th>Yes (%)</th>
<th>No (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you save for unforeseen circumstances or emergency?</td>
<td>57</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>if not why?</td>
<td>11</td>
<td>31%</td>
<td>0</td>
</tr>
<tr>
<td>Believe that their income is not enough to save for such circumstances</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Already paying for house or a car finance</td>
<td>28</td>
<td>69%</td>
<td>0</td>
</tr>
<tr>
<td>Do have any credit finance (home or car)?</td>
<td>57</td>
<td>69%</td>
<td>31%</td>
</tr>
<tr>
<td>Do you have a credit card or use overdraft?</td>
<td>57</td>
<td>86%</td>
<td>14%</td>
</tr>
<tr>
<td>Do you have a Retirement annuity fund (RAF) contribution?</td>
<td>57</td>
<td>72%</td>
<td>28%</td>
</tr>
<tr>
<td>Do you have any investment products with your current financial institution?</td>
<td>15</td>
<td>80%</td>
<td>20%</td>
</tr>
<tr>
<td>if so, which one?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kid’s education plan</td>
<td>9</td>
<td>75%</td>
<td>0</td>
</tr>
<tr>
<td>RAF</td>
<td>3</td>
<td>25%</td>
<td>0</td>
</tr>
<tr>
<td>Do you complete your own tax return?</td>
<td>57</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>If not, who does?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Go to South African Revenue Services office</td>
<td>8</td>
<td>14%</td>
<td>0</td>
</tr>
<tr>
<td>Pay someone</td>
<td>41</td>
<td>66%</td>
<td>0</td>
</tr>
<tr>
<td>Do you use internet banking or cell phone banking?</td>
<td>57</td>
<td>100%</td>
<td>0</td>
</tr>
</tbody>
</table>

Analysing financial behaviour results, 68% of the respondents indicated that they do not save for unforeseen circumstances as their employment does not generate sufficient income or inductive to be part of the 69% paying for finance debt. While 86% respondents indicated to have credit card or use overdraft. As such, respondents could be using credit facilities should such circumstances emerge. Individuals have certain strengths in 1 or 2 some aspects of FL. Previously, 68% of the respondents indicated to know or aware what RAF is because of having contribution or respondents may know the terminology but not the meaning of. Furthermore, part of the positive response could be confusing RAF with pension fund as both funds are contributions towards retirement. Hence 72% of the respondents indicated to contribute to RAF. Respondents (80%) have investment products such as education plan and retirement plan. However, 42 respondents who did not respond to the question may not know what an investment vehicle is. Yet, 72% responded to contribute to RAF which is an investment product.

As such, it is important to interlink the antecedents of financial knowledge to financial behaviour and financial attitude. Respondents who save for unforeseen circumstances may not have finance debt (house/car) compared to those who have credit finance. As such, if respondents knew about interest compounding which is mostly linked to variable or fixed rate, they would have been interested in knowing what happens or what makes an income generated from savings to increase or decrease. Furthermore, reason for respondents who save and have credit access could be that when their monthly operational budget is not according to plan, they use such access. Hence, 86% that indicated to use credit card or overdraft. 86% of respondents do not complete their annual tax returns as they could be outsourcing the service to tax consultants or go to revenue services offices. Random question on internet/cellphone banking as part of digital FL was asked, all responded to use the practice. Reason was motivated by automatic tax return form where completion can be done individually without any consultation.
Analysing financial attitude scores, 90% indicated not to compare retirement contribution benefits while also more than 70% is not comparing interest rate on investment as well. Logically explanation would be that respondents are satisfied by making contributions in their RAF and investment and not concerned about the benefit of comparing and benchmarking with other service provider’s offers. Majority of respondents prefer long-term loan while most of respondents do not know what interest linked or fixed rate is. These factors are associated with changes in prime rate caused by effects of basis points which impacts on financial matters. Repeatably, majority (51%) indicated to use credit card or overdraft, (11%) skip credit payments and 32% use savings if their budgeting is not according to plan. Respondents are unaware that any changes in basis point have a major effect on prime and interest rate which will eventually impacts prices to debts in their budgeting in the long run.

Conclusions

Most respondents exhibit moderate financial behaviour and attitudes, yet their level of financial understanding is poor. However, this phenomenon can be attributed to the restricted financial knowledge individuals possess and are exposed to within their respective environments. Therefore, it is recommended by this study that the government should provide FL interventions like financial education programmes that have the potential to modify law enforcement official's behaviour and attitude. Furthermore, it is recommended that the government collaborates with academics and professionals in the field of Accounting, Financial Planning and Investment to develop tailored financial education initiatives targeted specifically at law enforcement personnel, considering their socioeconomic status, income levels, and unique lifestyles. Moreover, it is suggested that the government should periodically administer a Personal Financial Literacy Survey (PFLS) to get insight into the challenges faced by law enforcement officials in managing their personal finances in relation to their current salary and job performance. In this way, policymakers can effectively identify deficiencies and develop a suitable framework to enhance and shape the FL of law enforcement personnel across different levels. Dewi (2022) asserting that providing FL orientation can enhance the level of awareness among law enforcers, therefore leading to improvements in their financial knowledge, behaviour, and skills.

The study's drawback was the omission of age, gender and rank as factors in relation to participants' FL skills. In relation to future investigations, it is proposed to conduct a comparative examination of the degree of FL between the South African Police Service (SAPS) and the Metropolitan Police, with a specific emphasis on fundamental concepts. Further qualitative research on FL basic concepts can be conducted across all sectors of public service employees.

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