THE ROLE OF FINANCIAL LITERACY IN IMPROVING THE LEVEL OF FINANCIAL KNOWLEDGE, FINANCIAL SKILLS AND RESPONSIBILITIES AMONG NON-GOVERNMENT ORGANISATIONS FINANCIAL MANAGERS IN KWAZULU-NATAL

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Abstract
The lack of empirical evidence on key drivers of financial illiteracy among financial managers within non-governmental organisations (NGOs) sector can be the trigger of the current rate of NGOs collapsing in South Africa. Using a quantitative research strategy, this study investigated the role of financial literacy in improving the level of financial knowledge, financial skills and financial responsibility among 53 NGOs finance staff who were purposively and conveniently sampled. The respondents comprise financial managers, accountants, and senior managers and project managers. Data generated were analysed using descriptive and inferential statistics. The results of the study revealed that all the independent variables of the study correlated between .247 and .569. The findings of the study revealed that the ability to prepare a strategic business plan and the respondents' capability to cope with their organisations' financial shortfalls have a positive and significant relationship with their level of financial literacy. The study further found that (1) dealing with financial diversification (2) comparing their organisations' financial performance against the financial objectives (3) writing financial objectives and (4) their ability to raise funds from different funders for their organisations have a positive and significant influence with their financial literacy. This article is the first to explore the financial literacy status among NGOs financial managers in KwaZulu-Natal (KZN). Relying on these empirical findings for the financial literacy variables. This study will fill a gap in understanding the variables identified that drive the financial literacy of NGOs financial managers. These findings will help NGOs financial managers to choose the financial literacy practices model to improve their financial knowledge, skills and responsibilities and eventually enhance the financial viability and sustainability of their entities. This study contributes to the current body of knowledge and further offer insight into constructs for measures of financial literacy among NGOs context.

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financial literacy, financial responsibility, NGOs, and financial managers.

JEL Classification
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Introduction

It has been widely acknowledged that financial literacy skills enable individuals to navigate the financial world, make informed decisions about money and minimise chances of being misled on financial matters (Aziz et al., 2021). However, a robust debate among scholars on how non-government organisations' financial managers in South Africa and elsewhere can improve their financial knowledge, financial skills and financial responsivity is currently occurring (Ghazali et al., 2022; Rashid et al., 2020). Other studies, such as Lusardi (2019) highlighted poor financial management and lack of financial literacy among financial managers as one the factors contributing to the failure of non-profit organisations such as NGOs. Further to that, numerous studies have been done on financial literacy and its role in promoting financial sustainability around the globe (Nanziri & Olckers, 2019; Ye & Kulathunga, 2019; Zietlow et al., 2018), and from these, three important problems have been identified. Firstly, the majority of financial managers within the NGOs sector suffer from insufficient financial knowledge, financial skills and financial responsibility relating to financial literacy (financially illiterate). Secondly, lack of empirical evidence on key drivers of financial illiteracy among financial managers within the NGOs sector, which is the trigger to the rise of the rate of NGOs collapsing. Thirdly, there is a lack of critical theoretical and empirical models on key measurements of financial literacy in NGOs sector. These three problems cause confusion in the way financial literacy in NGOs financial managers is understood and interpreted globally and in the South African context. Addressing these problems is of utmost importance to achieving financial growth and wealth among NGOs, particularly in South Africa and globally at large.

Therefore, evidence related to financial literacy among NGOs' financial managers, especially cognitive understanding of financial knowledge, skills and responsibility, is still needed and highly relevant (Jana et al., 2019). Increasing their knowledge of financial literacy could affect their financial responsibility and financial behaviour, is expected to benefit their NGOs in making informed judgments and effective decisions regarding the use and management of money, elevate financial literacy and benefit not only their NGOs but also at a macro level it affects.

Aydin and Akben Selcuk (2019) postulated that the rate of NGOs collapse could be reduced or eliminated by applying financial literacy practices. Frisancho (2020) identify three main factors for enhancing financial literacy practices that can be grouped into three broad dimensions, namely: cognitive understanding of financial knowledge and understanding, skills and responsibility. This study thus empirically investigated the impact of financial literacy in improving financial knowledge and understanding, skills and responsibility among NGOs financial managers in KwaZulu-Natal, focusing on the Pietermaritzburg Central Business District.

NGOs in KZN were selected because poor financial literacy of financial managers is known as a being factor that influences the failure of SMEs including NGOs in KZN (Ardila et al., 2021). This study was also motivated by the fact that this is an unexplored area and that the financial literacy of NGOs financial managers as a tool to improve their financial knowledge, financial skills and financial responsibility has not been researched.

Thus, this study was conducted to assess the impact of financial literacy among NGOs' financial managers, particularly on their cognisance of financial knowledge, financial skills, financial behaviour, and responsibility of a group to be studied, with financial literacy practices as a primary focus. Therefore, this research makes the following specific contributions:

- The empirical findings and discussions provide unique insights into financial knowledge, financial skills and financial responsibility in the NGOs context.
- The study adds to the body of existing knowledge and a guide for future researchers to further research on the subject matter.

The remainder of this paper is structured as follows: the next section presents a literature review and theories. The third section discusses the research methodology employed; the fourth section presents the study's empirical analysis, discussion of results and implications. The final section offers the study's conclusions, and recommendations based on research findings and contribute to the science, limitations and suggestions for future research.

1. Review of the scientific literature

1.1. Accounting theory

Watts and Zimmerman (1986) postulate that the accounting discipline is concerned with aspects of human society. Boland and Gordon (1992) further add that the accounting discipline is a robust "system of thought" designed to help people in decision-making and influence human financial behaviour. Glautier and Underdown (2001) sufficiently specified and described the accounting theory as a critical tool to deductively arrive at and produce optimal input values for useful decision models. NGOs financial managers are conscious of every transaction accruing from their organisations, and hence they are highly placed in a better position to control the use of their organisations' resources (Deb, 2019).

The decision usefulness accounting theory emphasises the recording of the business transaction for the purpose of effective decision-making in the organisation (Agburuga, 2019). Hence, the accounting theory was appropriate for this study as it sets out the formal procedure whereby NGOs financial managers can make wise decisions given their subjective probabilities in the process of providing relevant financial information to the relevant decision-makers (Johnstone, 2018).

This decision usefulness accounting theory underpins the current research objective as NGOs financial managers are expected not only to exhibit financial capability but also to make the most accurate and wise financial decisions based on financial reports that would potentially bring financial viability to their organisations by monitoring their business transactions.

1.2. Financial knowledge, skills and behaviour theory

It has been widely acknowledged that financial literacy influences financial decision-making (Panos & Wilson, 2020). Many studies have documented a strong connection between financial knowledge, skills and behaviour variables (Huston, 2010; Keyser & Duvenhage, 2019; Lusardi & Mitchell, 2014; Sabri & Aw, 2019; Sirisakdakul & Khornjamnong, 2020). Mohamed (2017) briefly states that, the acquisition of additional information can result in improved behaviour in financial matters.

Ghazali et al. (2022) further found that financially literate individual behaves in a manner that improves their financial well-being because of the sound financial decisions they take. However, Rashid et al. (2020) argue that the wrong decision-making by individuals can result in negative and defective financial behaviour that may not contribute to financial well-being. While the overarching objective of financial literacy training is to impart knowledge that will ultimately, improve financial behaviours, the assumption is that the presence of more information can lead to sound financial decision making (Totenhagen et al., 2019).

Totenhagen et al. (2019) further postulate that financial literacy has an effect on financial behaviour, which is an important factor that plays a vital role in sound decision-making. Other studies have disputed the link between financial literacy and financial behaviour and decision-making (Widyastuti et al., 2020). Huston (2010) argues that there are other variables that have a positive influence on the ability of an individual to make financial decisions. Jentzsch (2022) asserts that other studies failed to establish a relationship between financial literacy and decision-making. Klapper and Lusardi (2020) argue that factors such as demographic features, financial maturity, practical experience derived from daily use of financial products and the amount and quality of information available at the time of decision-making, make financial decision feasible. Nevertheless, more studies argue in favour of financial literacy and the link with decision making and behaviour (Fong et al., 2021; Lusardi, 2019; Ozili, 2021).

According to Firli (2017), the coupling of financial knowledge and responsible financial behaviour yield financial literacy, which improves decision-making. Arifah and Dalimunthe (2020) argue that an increase in knowledge will lead to improved financial behaviour. Lusardi (2019) further implied that there is a positive connection between financial knowledge and responsible financial behaviour and it has an association with sound financial decision-making. Hung et al. (2009) conceptual model of financial literacy is illustrated in the figure below.

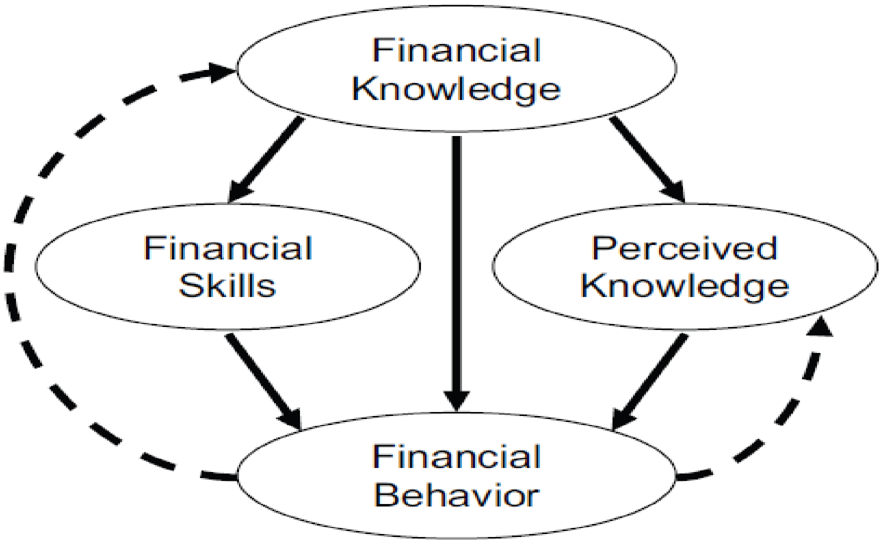

Figure 1:Logical relationships among financial literacy components.
Source: Adapted from Hung et al. (2009).

Financial knowledge and understanding have been postulated by Aydin and Akben Selcuk (2019) as influential and contributing factors in enhancing individuals' financial literacy. Frisancho (2020) further emphasised that financial literacy is influenced by financial understanding and knowledge. Fan and Chatterjee (2018) alluded that wise financial decisions are taken by individuals with financially literate persons with high financial knowledge and understanding, which proves the critical role of knowledge and understanding through financial literacy.

The significant relationship between financial skills and competence has also been highlighted (Frisancho, 2020). While Mohamed (2017) and Agnew (2018) in their studies on the interaction between financial attitude and financial literacy, revealed a significant positive relationship between financial responsibility and financial literacy. These four variables were used in the correlation analysis where (1) the overall financial literacy score was used as the dependent variable, (2) financial knowledge and understanding, (3) financial skills and competence scores, and (4) financial responsibility scores were used as independent variables. These four variables are expected to impact the level of financial literacy of the NGOs financial managers, which is the main purpose of this research study.

1.3. Constructs for Measures of Financial Literacy

In South Africa, the National Income Dynamics Study (NIDS) measures financial literacy using three and five multiple questions which test numeracy, understanding of inflation, understanding of compound interest and understanding of risk diversification. This description is in line with the work of financial scholars (for review, see, (Bielova et al., 2018; Dewi et al., 2020) measure of financial literacy, which requires a multidimensional score that would incorporate financial awareness, knowledge, skills, attitude and behaviour. The sophisticated multifaceted methodological approach adopted by the South African Social Attitude Survey (SASAS) subdivided financial literacy into four domains. These domains are: (a) financial control, (b) choosing and using appropriate financial products, (c) financial planning, (d) knowledge and understanding (Dundure & Sloka, 2021).

The Organisation for Economic Co-operation and Development (OECD) and International Network on Financial Education (INFE) provide a brief synopsis of what is known about financial literacy and subdivide them into seven themes: (i) financial knowledge and understanding, (ii) financial decision making, (iii) prudent financial behaviour and attitudes, (iv) saving behaviour, (v) experiencing and coping with financial shortfalls, (vi) money management, and (vii) credit and loan behaviour (Bielova et al., 2018).

The measurement of financial literacy levels is, therefore, widely recognised as a priority for countries or entities seeking to deliver financial education in a different manner and evaluate its impact at an institutional level. Oliver-Márquez et al. (2021) further state that, such measurement exercise allows policymakers to identify potential needs and gaps in relation to specific aspects of financial literacy.

1.4. Empirical literature

The impact of financial literacy on Small and Medium Enterprises has been investigated by Ye and Kulathunga (2019) and they found that many factors, such as lack of financial education, contributed further to poor budgeting skills, poor financial skills, poor financial decision making and lack of financial behaviour. However, this research did not consider whether the use of financial literacy can influence NGOs financial managers to improve their financial knowledge, financial skills and financial responsibility.

The findings from the study done in Uganda by Kasozi and Makina (2021) also revealed that the higher the financial literacy, the higher the benefit for people because it helps them to make better financial decisions and gives them more control over their money. However, the study did not propose the financial knowledge and skills and financial behaviour recommended in the literature to tackle the issues of illiterate NGOs financial managers. It also failed to prove or disprove whether or not financial literacy could potentially be influenced by financial knowledge and understanding, as was done by

Nanziri and Olckers (2019) and did not empirically validate the factors that positively impact the financial soundness of NGOs.

The role of financial literacy in global business was also investigated by Lusardi (2019), who found that many entities' financial managers generally do not have a sufficient level of financial literacy to enable them to make informed financial decisions, concluding that behaviour biases have a distorting influence on financial managers' decision making. However, Lusardi (2019) focused only on for-profit entities and their findings may thus not be relevant to non-government organisations. It also failed to prove or disprove whether or not financial literacy could potentially be influenced by financial skills and competence, as was done by Hastings and Mitchell (2020).

Similarly, the relationship between financial literacy and financial attitude was also investigated by Aziz et al. (2021), who found a significant positive relationship between these variables. However, their studies did neither consider financial responsibility issues specific to NGOs financial managers nor offer a detailed analysis of the relationship between financial literacy and financial responsibility.

2. Research methodology

The research design for this study was based on a quantitative descriptive survey strategy of collecting and analysing primary data with the aim of discovering and testing the relationship or interaction among study variables, namely: (i) demographic characteristics (ii) financial knowledge and understanding, (iii) financial skills and competences, and (iv) financial responsibility. The primary source of data was used. It was anticipated that all these variables would impact the financial literacy practices of NGOs financial managers. The size of the population was unknown. This research study focuses on selected NGOs financial managers. The targeted population of this study were Financial Officers, Bookkeepers, Project Managers, Chief Finance officers and Accountants in KwaZulu Natal, who were selected using purposive or judgemental and convenience sampling techniques (Obilor, 2023). Purposive and convenience sampling techniques were suitable since a complete list of all NGOs in KZN was unavailable and hence the sample is not randomly selected) (Suen et al., 2014). The results produced are thus not generalisable to represent the population. Respondents were chosen as they had better knowledge of the subject matter. Access was primarily negociated with CEOs. Informed consents were obtained prior to the distibution of the anonymous questionnaire. The study used a well-structured Likert scale self-developed questionnaire. The well-structured Likert Scale questionnaire (a cross-sectional survey) was ethically administered to 53 anonymous NGOs financial managers. Likert scale questions were scored as follows: 1=Very Poor, 2=Poor, 3= Satisfactory, 4= Good and 5= Very Good. All were correctly filled and returned, showing a respondence rate of 100%. Data generated were analysed using descriptive and inferential statistics; correlation analysis was used to explain how independent variables relate to financial literacy. The Cronbach's alpha coefficients for all 36 items was found to be excellent as it yielded a (α= .897) which shows the relevant acceptable level of internal consistency consistent with prior literature (Pallant, 2011).

3. Results and discussions

3.1. Demographic data

Table 1:Demographic Data

Response type	Questionnaire items	%
Gender	FEMALE	29 (54.7%)
	MALE	24(45.3%)
Age	Below 21	1(1.9%)
	21-25	1(1.9%)
	26-35	3 (5.7%)
	36-48	18(34.0%)
	49-55	12(22.6%)
	56-65	14(26.4%)
	Above 60	4(7.5%)
Level of Education	Matric	1(1.9%)
	Certificate	6(11.3%)
	Diploma	14(26.4%)
	Degree	21(39.6%)
	Honours	7(13.2%)
	Masters	3(5.6%)
	Doctorate	1(1.9%)
Position	Financial Officer	8(15.1%)
	Bookkeeper	10(18.9%)
	Project Manager	22(41.5%)
	Chief Finance Officer	7(13.2%)
	Accountant	6(11.3%)
Work Experience	Less than 1 Year	1(1.9%)
	Less than 3 Years	5(9.4%)
	Less than 5 Years	1(1.9%)
	Less than 10 Years	14(26.4%)
	Over 10 Years	32(60.4%)
		53(100%)

Source: Researcher's computation (2022) using SPSS version 28.

Table 1 shows that, 29 (54.7%) of the respondents are women and 24(45.3%) are men. Thus, there were more females than males. Although the empirical finding of this research evidence that gender does not have a significant impact on financial knowledge, skills and responsibilities. Prior study's results, have, however found that

females across all age groups in many nations, are less financially literate than their counterpart males (Bucher-Koenen et al., 2017; Chen & Garand, 2018; Lee et al., 2019; Reyers, 2019; Tinghög et al., 2021).
Table 1 also illustrates that, 1(1.9%) of the respondents were below 21 years old, 1(1.9%) were between the ages 21 and 25, 3 (5.7%) fell into the 26 to 35 age group, 18(34.0%) of the respondents were between the ages of 36 and 48, 12(22.6%) of the respondents were between the ages of 49 and 55, 14(26.4%) of the respondents fell into the age group 56 to 65, and 4(7.5%) of the respondents were above 60 Years old. Respondents between 36 and 48 years were dominated the study. This empirical finding is in consonance with Finsel et al. (2022), who found that the financial literacy of managers is not determined by their age.
Table 1 further illustrates that, 8(15.1%) of the respondents held Matric certificate, 6(11.3%) a certificate, 14(26.4%) a diploma, 21(39.6%) of the respondents held degree, 7(13.2%) held honours, 3(5.6%) a masters, and 1(1.9%) of the respondents held a doctorate. Although this research evidences that the level of education does not have a significant impact on financial knowledge, skills, responsibilities and capability, some studies in the prior literature, such as Sabri et al (2021) revealed “a positive link between financial capability and the level of education”. However, this contradicts the findings of Abdullah et al. (2019) and Jana et al. (2019), who found that negative relationship between level of education and financial capability among individuals in India. Also, other studies, such as Rai et al. (2019), Potocki (2019b) and Czar (2019) found education to not predict financial capability and financial knowledge.

Table 1 reveals that, 8(15.1%) of the respondents were financial officers, 10(18.9%) were bookkeepers, 22(41.5%) of the respondents were projects managers, 7(13.2%) were chief finance officers, and 6(11.3%) were accountants. It was also crucial to gauge whether the respondents had relevant working experience and financial literacy. This finding enjoys overwhelming support in the literature and is an indication that the findings of this study are consistent with the situation across the globe (Abdullah et al., 2019; Jana et al., 2019; Lee et al., 2019). However, studies such as Ramana and Muduli (2019) and Bharucha (2021) did not provide evidence of a link between positions and financial capability.
Table 1 above illustrates the demographic distribution of the respondents. Panos and Wilson (2020) found that “a high level of financial literacy among entity managers may be explained by gender, age, level of education and the average years of experience within an entity”. Soldat (2021) also concluded that there is an association between these factors and financial literacy. These findings contrast with those of Ouachani et al. (2020), who found that gender, position, education and years in the business or company do not serve as suitable predictors of an individual’s financial literacy. Other studies, have, however found that females across all age groups in many nations, are

less financially literate than their counterpart males (Bucher-Koenen et al., 2017; Chen & Garand, 2018; Lee et al., 2019; Reyers, 2019; Tinghög et al., 2021).

3.2. Analysis of Variance (ANOVA)

The analysis of variance is used to test whether the financial literacy model is fits for prediction. The results indicate the P-value was less than 1% indicating statistical insignificance result. This result indicates that the null hypothesis is rejected.

Table 2:ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	**4.083**	**7**	**.583**	**2.900**	**.014[b]**
	Residual	**9.049**	**45**	**.201**		
	Total	**13.132**	**52**			

a. Dependent Variable:

b. Predictors: (Constant), Independent variables

Source: Prepared by the researchers from SPSS version output

From the analysis of variance (table 2), the study established the regression model had an insignificant level of <.001, which is an indication that data was ideal for drawing a valid conclusion on the population parameters. The finding confirms the objective of this study which investigated the impact of financial literacy in improving the level of financial knowledge, skills and responsibility of NGOs financial managers in KwaZulu-Natal.

3.3. Descriptive analysis and respondents' rating

Table 3:Descriptive analysis and respondents' rating on whether or not financial literacy can improve financial knowledge, skills and responsibility among NGOs' financial managers in KwaZulu Natal.

Item Nº	Financial Knowledge skills and responsibility	Descriptive statistics	
		Mean	Std. Deviation
1	How do you prepare a written budget of income and expenditure for your business for the year?	3.06	1.680
2	How do you rate your financial diversification for your organisation?	3.15	1.183
3	How do you compare your organisation' financial performance to the financial objectives you previously set?	2.98	1.217
4	How do you write a financial objective of what you want to achieve in a year for your organisation?	3.09	1.458
5	How do you rate the ability of your organisation to prepare strategic business plan?	3.00	1.401
6	How do you rate the ability of your organisation to raise funds from different funders?	2.51	1.154
7	How do you rate your cope with financial shortfalls?	2.74	1.403

Source: Prepared by the researchers from SPSS version output

Table 3 presents the data analysis and results produced based on the research questions that participants answered during a survey. Table 3 further presents low levels of financial knowledge, skills and responsibilities among respondents, which has the interpretation of poor financial literacy. Table 3 indicates that there is no statistical significance between dependent and independent variables. The findings of the current study are overwhelmingly supported by the current body of knowledge that found that financial literacy, knowledge, and skills in financial decision analysis is a major factors that impacts positively on sustainability and growth of NGOs (Mikeladze, 2021; Ngek, 2016; Oliver-Márquez et al., 2021; Valaskova et al., 2019).
The results of the current study also support the findings of other studies that concluded that, poor financial management and lack of financial knowledge, skills and capability among financial managers as one of the factors contributing to the massive failure of non-profit organisations such as NGOs (Klapper & Lusardi, 2020). Lusardi (2019) highlighted that poor financial management and lack of financial knowledge among financial managers as one of the factors contributing to the massive failure of non-profit organisations such as NGOs. These findings contrast with those of Ngek (2016), who concluded that Small business Owners had a high level of financial literacy. Bahl et al.

(2020) note that increasing NGOs financial literacy and knowledge of financial literacy could affect their financial responsibility and financial behaviour, which is expected to benefit their NGOs in making informed judgments and effective decisions regarding the use and management of money, elevate financial literacy and benefit not only their NGOs but also at a macro level its effects. However, the findings of the current study contradict Hastings and Mitchell's (2020) findings which found that financial managers within NGOs generally do not have a sufficient level of financial knowledge in order to enable them to make informed financial decisions, concluding that behaviour biases have a distorting influence on financial managers' decision making. Lusardi (2019) and Amagtome and Alnajjar (2020) described poor financial decision analysis as the primary root cause of the failure of NGOs.

3.4. Correlations Analysis

Table 4: Correlations Matric between dependent and independent variables

Financial Knowledge, Skills and Responsibility	BI&E	FID	CFP&O	WFO	APSBP	RFFDF	ACFS
Budget of income and expenditure	**1.000**	**.247**	**.659**	**.689**	**.784**	**.689**	**.569**
Financial income diversification	**.247**	**1.000**	**.483**	**.594**	**.325**	**.337**	**.140**
Comparing financial performance and objectives	**.659**	**.483**	**1.000**	**.901**	**.722**	**.596**	**.527**
Writing financial objectives for the Year	**.689**	**.594**	**.901**	**1.000**	**.772**	**.691**	**.492**
Ability to prepare strategic business plan	**.784**	**.325**	**.722**	**.772**	**1.000**	**.595**	**.627**
Raising funds from different funders	**.689**	**.337**	**.596**	**.691**	**.595**	**1.000**	**.417**
Ability to coping with financial shortfalls	**.569**	**.140**	**.527**	**.492**	**.627**	**.417**	**1.000**

Source: Prepared by the researchers from SPSS version output.

The relationships between all financial literacy variables were estimated using a Pearson correlation. The correlation matrix shows the results between each of the variables included in the model. The results presented in Table 4 reveal that all independent variables of the study correlate between .247 and .569. Table 4 showed a positive correlation coefficient .569 between preparing a written budget of income and expenditure for their organisations for the year and financial literacy. The positive coefficient between financial literacy among NGOs financial managers literacy practices relationship is an indication that there is association between financial literacy and NGOs financial managers in KZN.

This support the current body of knowledge that found that some financial managers do have financial knowledge needed for sound financial management to growth their organisations (Gilchrist et al., 2021; Kartini et al., 2021).

Table 5 further revealed positive coefficients for their rate the ability of their organisation to prepare strategic business plan, and their capability to cope with their organisations' financial shortfalls. These correlations, therefore, are highly statistically significant, indicating that NGOs financial managers in KZN are highly financially capable in preparing strategic business plan, and coping with their organisations' financial shortfalls with the following values .627, and .569 respectively. The results of the current study are overwhelmingly supported in the literature (Keyser & Duvenhage, 2019; Klapper & Lusardi, 2020; Potocki, 2019a). Positive correlations have also been found between financial behaviour and financial practices by Bahl et al. (2020).

Furthermore, Table 4 further revealed that a positive correlation coefficient for dealing with financial diversification for your organisation, comparing their organisations' financial performance against the financial objectives their previously set, they always write a financial objective of what they want to achieve in a year for their organisations, and they also had the ability to raise funds from different funders for their organisations with the following values .527, .492, and .417 respectively. These negative coefficients among these variables clearly indicates that NGOs financial managers are financially literate. The results support the body of knowledge that found a considerable high level of financial literacy among NGOs financial managers in Malaysia (Fan & Chatterjee, 2018; Rahman et al., 2021).

The results of the current study also support the findings of Lusardi et al. (2021), who found that financial managers were not financially literate nor knowledgeable in financial matters and this would tend to impact negatively on the entities future through incompetent financial literacy. These results of poor or careless and financial management and financial illiterate have been sighted as major cause of business failure among not for profit-oriented organisations such as NGOs (Mbukanma & Rena, 2022; Nanziri & Olckers, 2019). In contrast, Derbyshire and Fouché (2018) found that the overwhelming majority of their South African-based respondents did undertake financial planning through budgeting. Several similar studies have affirmed that financial professionals are most likely to be financially literate that non-financial professionals (Jana et al., 2019; Khosravi & Banitalebi Dehkordi, 2021; Moloi & Madikizela, 2018). Also, some studies have revealed non-finance professionals are less financially literate due to the lack of education and experience and exposure (Agarwal et al., 2017; Clark et al., 2017; Sabri et al., 2021).

The study's results offer evidence of the insignificant results between financial literacy and financial knowledge, financial skills and financial responsibility among NGOs financial managers in KZN which could lead to their organisations' financial vulnerability. Our study's results imply that the low level of financial literacy among

NGOs financial managers in KZN significantly justify the urgent need of financial literacy training within this segment. This concurs the findings of (Hayeemaming, 2022; Kartini et al., 2021; Noor et al., 2020).

Conclusions

Empirical evidence showed that in South Africa and elsewhere many NGOs have collapsed due to their managers who are financially illiterate which limits these entities from economically growing exponentially. This study investigated the impact of financial literacy in improving the level of financial knowledge, skills and responsibility among financial managers in South African NGOs in KwaZulu-Natal. This was achieved through an investigation into whether financial literacy influenced financial knowledge, financial skills and financial responsibility among 53 NGOs financial managers in KwaZulu-Natal. Overall descriptive statistics, and correlation analysis on financial literacy among NGOs financial managers show a statistically significant relationship among all the study variables.

This article, provided theoretical and practical contributions in the field of financial literacy. Firstly, the study's findings will improve the level of financial literacy, particularly among NGOs' financial managers in KZN as well as lead towards financial health of NGOs sector. Thirdly, this study will shed new light on key drivers of financial illiteracy among financial managers within NGOs sector, which is the trigger to the rise of NGOs collapsing. Fourthly, applying financial literacy will promote and improve the level of financial knowledge, skills and responsibility among NGOs financial managers in KZN with respect to capability and ability to meet an ongoing financial obligation in order to make the right and sound financial decisions. Fifthly, this research is key to empowering NGOs financial managers with better financial literacy to take appropriate actions involving stronger financial planning and activities that could lead to better financial behaviour. The empirical findings of this study have several implications for both financial literacy practitioners and policymakers.

The findings of this research highlighted the strengths and weaknesses of the NGOs financial managers' financial literacy skills. This study added to the body of knowledge on the financial literacy of NGOs financial managers in South Africa. Areas of financial literacy that require NGOs financial managers' attention were identified and the recommended remedial action may curtail future NGOs failure in KwaZulu-Natal.

The study was limited to NGOs financial managers that attended the conference in Pietermaritzburg. The results of this study should not be generalised to other populations, such as South Africa or even the KwaZulu Natal province, because the sample was not randomly drawn. Future research could investigate the financial literacy of NGOs financial managers across an entire province or and country. This study relied on a quantitative research design and all limitations linked with this methodology apply to this research; future research could be conducted using a mixed-method approach.

Future research could be tailored to unearth challenges that this study did not identify and to address the questions that remain unanswered.

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