INFLUENCE OF FINANCIAL LITERACY ON PERSONAL INVESTMENT DECISIONS AMONG KENYA FOOTBALL PREMIER LEAGUE PLAYERS IN KENYA

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DECLARATION

This project is my original work and has not been presented for a degree in any other University.

Signature………………………………………. Date………………………….

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Declaration by supervisor:

I confirm that the work in this project was done by the candidate under my supervision.

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DEDICATION

I wish to dedicate this research to my family. What I am today, and the small steps that I have taken in my life, it is all because of them. They have been a profound influence towards my intellectual, professional, and personal development. My dear wife Alice Njoki, my sons Israel, Elvins and Gitonga, my father Jesse Ndungu Waweru, my mother Catherine Wairimu, my sister Esther, brothers Anthony and Charles. My mentors The late Mrs. Jane Njuguna, Mrs. Nyamwamu, Dr. Kosimbei, Mr. & Mrs. Miriti and Mr. and Mrs. Eric Mogaka have enriched me at every step of my life. They inspired me to strive for excellence. Whereas I struggled to maintain balance at every step of my life, their unconditional love and support made me handle life's challenges with a greater resilience. Thank you for being there with me. Special credit goes to my mom Catherine, for her visionary thinking and for serving as an inspiration at every step of my life.

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OPERATIONAL DEFINATION OF TERMS

Financial Attitude:	This is the state of mind of an individual about personal money or finances.
Financial Awareness:	This is an individual's understanding on the status and the sources of personal finances.
Financial Investment:	It is an asset that an individual puts money into with the hope that it will grow or appreciate into a larger sum of money.
Financial Knowledge:	This is the understanding of finances by an individual.
Financial Literacy:	This is the capability of exercising right judgment when making decisions relating to financial matters.
Personal Investment decisions:	This is the process where a person allocates limited resources between competing opportunities (investments products) in a process known as capital budgeting.
Savings decisions:	This is the action of putting aside some money for future use.

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ABBREVIATION AND ACRONYM

FIFA: Federation of International Football Association

FKF: Football Kenya Federation

KPL: Kenya Premier League

NFL: National Football League

NZRPA: New Zealand Rugby Players Association

OECD: Organization for Economic Co-operation and Development

UK: United Kingdom

USA: United States of America

ABSTRACT

Financial literacy plays an essential role in the process of making financial decisions, as it represents a systematic effort aimed at the development of positive knowledge, and attitude. Extant literature indicates that the financial literacy among football players is low which ultimately affects their investment decisions. Therefore, the purpose of this study was to determine the influence of financial literacy on personal investment decisions among KPL players in Nairobi. The study was guided by the following specific objectives; to determine the influence of savings decisions, financial knowledge and skills, financial awareness and financial attitude on personal investment decisions among KPL players in Nairobi. The study adopted dual process theory, the exchange theory and the goal setting theory. The study employed a descriptive research design. The target population was 396 football players from the 18 teams playing the KPL for the season 2020/2021. The study covered a period of one year from November 2020 to August 2021. This study used a sample of 30% from each of the 18 KPL teams. Therefore, from each of the 18 teams, 7 football players were randomly selected making up a sample size of 126 football players. A self-administered structured questionnaire was given to the respondents for data collection. Quantitative data collected was analyzed using descriptive and inferential statistics. Statistical Package for Social Sciences (SPSS V. 23.0) was used for data analysis. Regression model was used to establish the relationship between the study variables. Before conducting the regression analysis, diagnostic tests was conducted. These tests included the multicollinearity and normality tests. The findings were presented in form of tables and figures. The findings were of importance to the football teams in Kenya as it emphasized on the need for financial literacy training. The study established that savings decisions, financial knowledge and skills, financial awareness and financial attitudes had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya. The study concluded that the most important reason why one should start planning at an early stage of making saving decision is the power of compounding, which allows you to earn extra money on the interest received from investments. Being financially knowledgeable and skilled allows an individual to be better prepared for specific financial roadblocks, which, in turn, decreases the chances of personal economic distress. Financial awareness enables players to gain the ability to use knowledge and skills to effectively manage financial resources efficiently at a personal-level and through the lifecycle. In this era of dynamic financial markets and turbulent economic environment it is very important for every individual to keep a positive mindset towards his/her finances. A positive financial attitude helps an individual strike a right balance between the utilization of money and other aspects of life, not become overly conservative and achieve long-term financial goals. The study recommended that an individual should make a financial plan by making his or her own list and then think about which goals are the most important to him or her. The players should be encouraged to subscribe to financial newsletters. The players needs a basic understanding of financial concepts to make good financial decisions. every individual needs to keep a positive outlook about personal finances and the key to this is to develop financial skills in consultation with an expert like a certified financial planner (CFP) professional, who is equipped to take one on the path to attain freedom from financial worries.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Individual's financial literacy and ability to make informed financial decisions is critical to allocate financial resources efficiently and achieve greater financial well-being. Lusardi and Mitchell (2014) note that financial markets, financial services, and financial products such as loans, mortgages, credit cards, pension accounts and annuities have become increasingly accessible to small, individual investors. Despite the rapid spread of such financially complex products to the retail marketplace, many of these have proven to be difficult to understand for financially unsophisticated investors (Lusardi & Mitchell 2014). Professional athletes might be classified as financially unsophisticated since they are susceptible to suffering financial losses or being swindled in high-risk investments due to low levels of financial literacy (Van Heerden 2018).

Extant research shows that professional athletes experience financial distress when their careers as professional athletes end. In the United States of America, a study by Carlson et al (2015) found that 16% of retired National Football League (NFL) players enter into bankruptcy within 12 years of retirement from their careers as professional athletes. Foyle (2015) in the USA notes that 50% of National Basketball Association players are broke five years after retirement and the main reason is that they do not educate themselves about finances. Farinella, Bland and Franco (2017) notes low levels of financial literacy and in particular poor budgeting, inadequate savings and excessive debt as the main reasons why professional athletes who earn millions of dollars go bankrupt.

he New Zealand Rugby Players Association (NZRPA) (2011) report that 33% of retired rugby players in New Zealand indicated that they experienced financial hardship after their retirement and 82% experienced a period of unemployment. Janor et al (2017) in the United Kingdom and Malaysia revealed that the awareness level of financial matters in both countries was still low, which affected the individuals' investments decisions.

Van Reenen (2012) states that 84% of professional rugby players in South Africa find it challenging to survive financially once they stop playing rugby. These financial challenges are intensified when athletes' sporting careers end with little warning due to injury or deselection. A study by Moolman (2019) in South Africa also found that the financial literacy among athletes was low. This is despite athletes having a short term-career. The study recommended that financial literacy training should be a necessity for all athletes across the globe.

To address the issue of bankruptcy among professional athletes, Surujlal (2016) in Poland recommends that professional athletes take responsibility for their own finances, gain financial literacy skills and start planning for their retirement at a young age because their career span as professional athletes is much shorter than most vocational occupations outside sport. Based on a comparative study by Fuller, Taylor, Brooks, and Kemp (2013) over a 10-year period, the average age of professional rugby players is decreasing with young players promoted to first team action earlier in their careers and older players retiring at a younger age. This increases the need for professional athletes to gain financial literacy skills, do financial planning and plan for a transitional career from a younger age.

Football, or soccer, is the World's most popular sport that is played in every nation without exception (Rintaugu, Mwisukha & Onywera, 2012). The sport is played by millions of people and has billions of fans and supporters. All over the world, football is played by 206 nations and members of Federation of International Football Association (FIFA), making it the world's most popular sport. Footballers thus become a very important group of focus for they affect the economy in totality.

In Kenya footballers are in charge of securing their financial well-being after retirement. Footballers' have a short span of active football career and thus personal investment decision becomes of importance. Moreover, investment opportunities have expanded beyond national borders, permitting individuals to invest in a broad range of assets and currencies (Mutuku, 2016). However, despites, the vast opportunity for investment, Irungu (2017) found that majority of the footballers are financially illiterate. Therefore, it is essential to understand how financial literacy influences investment decisions among KPL players in Nairobi.

1.1.1 Financial Literacy

Glidden and Brown (2017) defined financial literacy as the way people understand and use knowledge of basic financial concepts to plan and manage financial decision as in insuring, investing, saving, and budgeting. This definition emphasis on the specific area where money is used other than for transaction motives. Irungu (2017) defines financial literacy as the capability of exercising right judgment when making decisions relating to financial matters. Financially literate persons have the ability to make informed decisions relating to their pensions. This is because their confidence is developed out of the financial skills gained. Financial literacy therefore should be all round, from the process of earning or acquiring that money and full utilization of the money.

The Organization for Economic Co-operation and Development (OECD) (2016a) defines financial literacy as a combination of awareness, knowledge, skill, attitude, and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being. This definition is exhaustive in that all elements of the financial literacy are combined and for the purpose of this study this definition is adopted. Moolman (2019) states that financial literacy is a measure of someone's financial knowledge coupled with their applied experience to provide them with the skills to best manage their money. Potrich, Vieira, and Mendes-Da-Silva (2016) agree with this view and describe a financially literate individual as someone who comprehends financial calculations and displays financial knowledge with the ability to combine that with a sound financial attitude in pursuit of sustainable financial behaviour. Louw, Fouché, and Oberholzer (2013) expand on this to define a financially literate individual as one with the understanding to take control of his/her own finances; with a positive attitude towards his/her (personal) finances and learning; as well as "the ability to discern good from bad financial decisions; and the skills to make it practical.

In recent years, financial literacy has gained the attention in the field of sports. This is following the acknowledgement that majority of professionals lack financial literacy. Such financial literacy deficiencies can affect players day-today money management and ability to make personal investment decisions. Ineffective personal investment decisions can also result in behaviors that make consumers vulnerable to severe financial crises (Moolman, 2019). Studies by Carlson et al (2015); Foyle (2015); Farinella, Bland and Franco (2017) agree that sportsmen and sportswomen lack the necessary financial literacy to make appropriate investments decisions. Therefore, this study focusses of financial awareness, financial knowledge and skills and financial attitude to shed light on financial literacy among the KPL players.

1.1.2 Personal Investment Decision

The personal investments decision concept is that the person allocates limited resources between competing opportunities (investments products) in a process known as capital budgeting. Making this investment, or capital allocation, decision requires estimating the value of each opportunity or project, which is a function of size, timing, and predictability of future cash flows (Hodge, 2000). The goals of personal investments decisions are to gain maximum return on the investment and to attain capital protection (Raheja, 2018). Personal investors are assumed to be rational and aim at maximizing their return by evaluating the investment choice on the basis of risk and return (Wallengren & Sigurdson, 2017b). Therefore, it is assumed that the investment decisions made by an individual investor will be in line with the individual investor goals. These investment decisions should consider age, financial status, future plans, risk tolerance and needs (Rajendran, 2015).

According to Karanja, (2019) the field of investment today is even more dynamic than it was only a decade ago. World events have rapidly altered the values of specific assets that the individual has to choose from, and the amount of information available to the investors is staggering and continually growing. As literacy of people is improved, it is believed that this may also mean that an individual may be more skilled and well informed in making informed decision on the best investment decision (Mwathi, 2017). These individuals possessing information on personal investment are noticeable on their correct choices of investment they undertake and therefore derive more income which directly translates in their living standards.

A study by Ohaya, Misigah and Kinyanjui (2014) found that the personal investments decisions by KPL players were ineffective since they lacked financial literacy. According to the study most of the KPL players did not have a formal education, hence not enlightened on the investments they can make to secure their future. The study acknowledged that while the adoption of chamas and group savings that is adopted by majority of the KPL players may be sustainable in the short-term, they need to make better investment decisions that may sustain their future. There is a wide range of investment opportunities that KPL players can invest in to secure their future, namely; stock investments, retirement investments and bond investments which will be used to measure personal investments decisions in this study.

1.1.3 Financial Literacy and Personal Investment Decisions

Financial literacy is recognized as an essential life-skill and has been defined as “a combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately to achieve individual financial well-being” (OECD, 2016). Therefore, financial literacy should be pursued throughout life, and it must start early and continue to be upgraded progressively in order to pay dividends at a comfortable retirement (Hong & Fraser, 2021) Lack of information and financial illiteracy provide fertile a base for mistakes in financial decision making. Financial literacy boosts the ability to handle day to day financial problem and reduces the negative consequences of poor financial decisions that otherwise might take years to overcome (Glidden & Brown, 2017).

Farinella, Bland and Franco (2017) suggest that financial literacy is necessary to successfully navigate life’s complicated financial decisions. It has been argued (Lusardi & Mitchell 2014) that individuals should be responsible for their own financial wellbeing and that individuals should enhance their financial literacy in order to better manage their financial wellbeing and make appropriate financial decisions (Lusardi and Mitchell 2014; OECD 2016). Lusardi and Mitchell (2014) opine that several fundamental concepts about financial literacy lie at the root of gathering useful information to make saving and investment decisions in pursuit of sustainable financial well-being.

Financial literacy can assist individuals, including high-performance athletes, to live quality lives and to realize personal financial sustainability. In the sport context, Moolman (2019) argues that financial literacy can assist athletes to achieve sustainable financial well-being; since they retire relatively early and may struggle to find palatable post-athletic careers, this is critical for them. Van Heerden (2018) reports that athletes can be vulnerable to financial loss or difficulties due to their low levels of financial literacy. Professional sport privileges success, fame, and wealth (Hodges et al., 2014), but such achievements may not protect athletes from post-sport financial adversity (Moolman, 2020). Since many high-performance athletes commence their athletic careers early in life (e.g., as adolescents or young adults), they have limited opportunities to develop financial planning skills such as budgeting or decision-making (Van Heerden, 2018). Therefore, it is essential to understand the relationship between financial literacy and personal investment decisions in the context of professional athletes.

1.1.4 The Kenyan Premier League Players

The Kenyan Premier League Ltd (KPL) is a private company incorporated in October 2003 under the Companies Act 486 of Kenya (Kenyan Premier League, 2003). The KPL is fully owned and managed by the eighteen Premier League clubs which include institutional clubs and community-based clubs who participate for the league cup each season. Each season end, two bottom clubs are relegated to the second-tier national wide league which do not fall under the ambit of KPL, they are forthwith under the national football body, Football Kenya Federation (FKF). Currently, the Kenya premier league that is organized and run annually has eighteen clubs. These are the teams that serve as reservoirs of players for the national team that has never qualified for international competitions such as World Cup, Commonwealth Games and Olympic Games (Mwangi, 2017).

Many sportsmen in KPL neglect to take the likelihood into consideration that their career is relatively short. A sports team is a business and people who run the business can decide to replace a player at the end of a contract (Irungu, 2017). The problem is associated with sportsmen and their finances, as many of them are dying in bankruptcy while they made a lot of money in their prime days in sporting careers. There are 18 clubs in the KPL. This implies that many players are in the KPL. As such it is essential to determine the efforts by the KPL to promote financial literacy among its players.

1.2 Statement of the problem

Personal investments decisions are important long-term objectives that need to be made by each individual seeking a financially stable future. This is particularly important for sportsmen and sportswomen whose career are short lived and unguaranteed. Whilst high-performance athletes may have opportunities to accumulate wealth during their athletic careers, it is important to recognize that athletic careers are relatively short and that athletes may face unexpected early retirement due to injury and deselection. Moreover, Carlson, Kim, Lusardi and Camerer (2015) note that having played sports for a long time and having been a successful and well-paid player does not provide much protection against the risk of going bankrupt. Therefore, personal investments decisions play an essential role in securing the future of sports personnel.

Professional athletes are often guilty of blindly investing and squandering large sums that wind up yielding little or no return, due to ill-advised information and money managers. Professional athletes may rake in multimillion-dollar salaries; however, they also walk a tight rope of risking career ending injuries at any given moment (Dunavant, 2012). The majority spend far more than what is realistically sustainable given their income volatility and short career spans. Therefore, professional sportsmen and sportswomen must make informed personal investment decisions to protect their future from bankruptcy. In Kenya, one of the leading local footballers Allan Wanga advises players in the country to focus on the future by making appropriate investments decisions and not just blossom on current limelight (Irungu, 2017).

Different scholars have conducted research on investments decision by athletes. In the United Kingdom, Hong and Fraser (2021) found that athletes experienced financial challenges due to a lack of organizational support, reduced or terminated funding, and limited opportunities to access sponsorship. Typically, athletes made investment decisions ‘self-help’ or ‘trial and error’. The study was limited since it did not assess the relationship between financial literacy and personal investment decisions. Surujlal (2016) found that only a third of soccer players in the South African Premier Soccer League (PSL) did not have any financial literacy training. This implies that a larger portion of the league players lacked the necessary financial literacy hence could not make good personal investment decisions. The study was however based in South Africa while this study will be based in Kenya.

Locally, Ohaya, Misigah and Kinyanjui (2014) examined the factors that influence investment initiatives amongst Kenyan footballers who are locally based. They found out that there is a low financial literacy among the Kenyan footballers. The study found that the common form of investments engaged by the KFL players was the chamas and group savings. This is an implication that the players are not maximizing on other investment opportunities such as the stock investments, bonds investments and pension investments which will be the focus of the study when assessing personal investment decisions. Irungu (2017) established that the factors that influence savings amongst the footballers include: level of education, level of income, family background, peer pressure, age, knowledge about saving schemes, trust in financial institutions, perception about the future, rate of inflation, increased availability of borrowing opportunities, availability of credit facilities from shops and friends, real interest on savings deposits and the length of contract. The study however was limited to saving decisions. The study did not evaluate the personal investment decision by footballers the dependent variable 0f the current study. To the best knowledge of the researcher no study has been conducted on the relationship between financial literacy and personal investment decisions among the KPL players. Therefore, this study sought to fill this gap by answering the research question, what is the influence of financial literacy on personal investment decisions among KPL players in Nairobi?

1.3 Research Objective

1.3.1 General objective

The general objective of this study was to determine the influence of financial literacy on personal investment decisions among Kenya premier league players in Nairobi.

1.3.2 Specific Objectives

The specific study objectives were:

i. To determine the influence of savings decisions on personal investment decisions of KPL players in Nairobi.
ii. To establish the influence of financial knowledge and skills on personal investment decisions among KPL players in Nairobi
iii. To analyze the influence of financial awareness on personal investment decisions among KPL players in Nairobi

iv. To establish the influence of financial attitude on personal investment decisions among KPL players in Nairobi

1.4 Research Questions

The study sought to answer the following research questions:

i. What is the influence of savings decisions on personal investment decisions of KPL players in Nairobi?
ii. What is the influence of financial knowledge and skills on personal investment decisions among KPL players in Nairobi?
iii. How does financial awareness influence personal investment decision among Kenya premier league players in Nairobi?
iv. What is the influence of financial attitude on personal investment decisions among KPL players in Nairobi?

1.5 Scope of the Study

The study looked at the influence of financial literacy on personal investment decisions among Kenya premier league players. The study focussed on the financial knowledge, skills, awareness, and attitude of the KPL players. The target population of the study was the KPL players for the 2020/2021 season. The study aimed to assess the financial literacy of the players and understand their drive towards investment decisions. The study will cover a period of one year from Nov 2020-Aug 2021. The study was based in Kenya since it targets different KPL teams that are situated all over the country. However, majority of the data was collected in Nairobi since most of the KPL teams are based in the capital of Kenya.

1.6 Significance of the Study

The study would benefit the football players by raising awareness on the need to save and invest wisely. The players would be able to see the different solutions to the challenges facing their investment decisions. Football players would be able to understand the importance of financial literacy. The findings of the study could also be a drive for football players to undertake training on financial literacy to enable them to make correct investment decisions.

The study would benefit policy makers to come up with laws and regulations that would prevent the exploitation of young and talented footballers. The research could be used to develop a framework for negotiating a minimum wage for professional footballers in Kenya. Moreover, the findings could act as a framework for policy makers to require that all athletes undertake financial literacy training to equip them with the necessary knowledge on making appropriate financial decisions.

Researchers would benefit from this study in that areas for further study would be recommended at the end of the study. They can build on the findings and also help improve on adding more literature that can be used to raise awareness on the need for financial literacy among athletes.

1.7 Limitation of Study

The study experienced some limitations. The first limitation was that the players could find it difficult to offer the necessary information since it pertains their financial decision-making behavior. To address this challenge, the researcher assured the players that all the data collected was used for research and academic purposes only. The study could, also face the challenge of having access to the players. This was attributed to the fact that the players are often busy training. To address this issue, the researcher booked appointments with the players at their convenience time so as to collect the data necessary to answer the research questions. The study was also likely to face the challenge of meeting the football players in person due to the Covid-19 pandemic. In situations where the researcher would not be able to visit all the football players to gather data, communication was made via emails and phone calls. This ensured that the questionnaires were answered and returned without having to meet up so as to comply with the Covid-19 regulations by the Kenyan government.

1.8 Organization of the Study

The project was divided into five chapters. Chapter one of the study contains introduction, giving a background of the study while putting the topic of study in perspective. It gives the statement of the problem and outlines the objectives, research questions, scope, limitations, and the significance of the study. Chapter two outlines the theories guiding the study. It reviews the relevant literature financial literacy and investment decisions. Chapter three consists of research methodology which is used in the study. It covers the research design, target population, sample design, data collection, validity and reliability of data collection instruments, data analysis techniques, and ethical considerations. Chapter four gives the research findings and discussions and chapter five highlights the summary, conclusions, recommendations and suggestions for further studies.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter highlights extant literature on financial literacy and personal investment decisions. The chapter highlights the theories that will anchor the study followed by the empirical review of extant literature. The gaps in each study reviewed is also identified. The chapter ends with the conceptual framework, a diagram showing the relationship between the study variables.

2.2 Theoretical Framework

The study will be anchored on three theories, namely; the dual process theory goal setting theory and the exchange theory.

2.2.1 Dual Process Theory

Richard and Cacioppo (1986) projected that a dual process theory primarily focused on the ground of societal psychology (Mwaniki, 2019). It also goes deep and puts into consideration that economic assessments can be constrained by cognitive and intuitive processes which implies that financial literacy cannot always yield best possible financial decisions (Lusardi & Mitchell, 2014). The Dual Process theory disputes that the deeds of group ranked high of financial literacy may depend on the occurrence of the two philosophy styles: intuition (system 1) and cognition (system 2) (Mwaniki, 2019).

The ability to achieve awareness without implication is called intuition. Intuition gives judgments, beliefs or perceptions which cannot be observed logically. Intuition-based decisions, are rationally made because the individuals are largely influenced by their emotions. Glaser and Walther (2013) identify the milestone influence on the financial education on sound investment decisions is moderated by a high dominance of intuition.

Therefore, increased use of intuition results to sub optimal investment decisions. Cognition is a systematic way by which decisions are made whereby the contribution is altered, summarized, detailed, stocked up, recuperated, and used. Cognition is the psychological dispensation inclusion of understanding, conniving, interpreting, analyzing and administration. They noted that Individuals with high cognition have a keen eye, analytical and think critically as far as decision making is concerned. This illustrates that decision-making proficiency might be influenced by financial literacy workshops by use of simple and easy to understand tactics (Fatoki & Odeyemi, 2010). In addition, intuition use might be condensed by stipulation of significant information through financial education since individuals lean on intuition where relevant information is deficient in favor of decision making (Mwaniki, 2019).

Moll, De Oliveira-Souza, and Zahn (2008) criticized the dual process theory for not acknowledging other motivational aspects in decision making. According to the authors, the dual process theory only recognizes that decisions are either made through intuition or rational thinking. The authors argue that there are other external factors that determine decision making by individuals. Despite the criticism, the theory is relevant for the study since it acknowledges that savings decisions can be made based on intuition or rationale. Dual process theory is applicable to this study as it implies that individuals who are high on cognition will seek out for facts and are more expected to be prejudiced by the relevant message for them to make informed decisions with regards to savings. Therefore, the theory will be use to determine the influence of savings decisions on personal investment decisions by KPL players.

2.2.2 Exchange Theory

The theory was proposed by Robson and Ladner (2006), who used it to incorporate all dimensions of obtaining financial literacy knowledge. The theory argues that the procedures, the interactions, the interpersonal and information factors come together to determine the level of knowledge gained by an individual. Lusardi and Mitchell (2008) supports the theory through their research that indicated that the levels of literacy in finance attained is higher in people in working class and those in self-employment compared to those not in any work vocation. The difference in levels of knowledge is explained by the education programs offered in work places as well as interaction with colleagues with knowledge in finance. Thus, the theory is based on the ability to continually exchange knowledge through relationships with people.

The theory emphasizes the understanding of power and the ability of information to spread out through power networks. Behavioral outcomes are particularly influenced through an exchange of emotions, confidence, promises and working as a team. Networks today are growing beyond the concepts and operations of an organization. Thus, though the theory provides a good starting point to gain knowledge, the future shows a situation where knowledge will continually be gained outside a laboratory setting (Lusardi and Mitchell, 2008).

The theory was criticized by Cropanzano and Mitchell who argue that it lacks adequate information in extant literature on the different rules of exchange. The authors argue that the theory would be relevant if more studies on exchange rules such as group gain, altruism and competition were available. However, despite this limitation, the theory is essential for this study since it emphasizes on the need for financial knowledge in making personal investment decisions. According to this theory, financial literacy of an individual depends on the mode of exchange of the knowledge, the level of interaction and the type of information and how it is obtained and has an influence on how an individual makes his/her investment decisions.

2.2.3 Goal Setting Theory

This theory was advanced by Locke (1986) and Locke and Latham (1990). According to this theory, individuals' financial goals coupled with perception of the cost-benefit of financial literacy are more likely to determine how well an individual makes investment choices and perform related tasks. The theory is based on the belief that people that make goals consciously have the capability to achieve the results desired. Goals form the basis for people to perform tasks in a given manner as opposed to another. People that have the tendency to set challenging goals that are clear and well-defined have been seen to achieve higher yield than persons whose goals are vague and easy to achieve. The theory assumes that individuals are committed to the goals they set for themselves. The individuals must also have a system for getting feedback and have the capability to perform tasks that lead to achievement of results. The theory believes that financial literacy knowledge is more effective when people have the perception that they need to manage their finances for financial stability later in life to meet the goals of the individual (Locke 1986) and (Locke and Latham, 1990).

The theory was criticized by Ordóñez et al (2009) who posited that the goal setting theory was overprescribed by scholars. Moreover, the authors argued that if the goal set is difficult to attain it may result in demotivation to work towards attaining the goal. In this case, if a football player sets goals that are too far reaching, the player may be demotivated to progress with the financial goals during difficult times. However, despite this limitation, the theory is relevant for this study since it prescribes those financial goals must be aligned with financial awareness and attitude to be easily attained. The theory provides an indication that people possessing financial literacy in the form of financial awareness and financial attitude have the ability to set good financial goals and consciously works towards their achievement. As such, for decisions made by footballers on investments to ensure that they gain profits demand they possess financial awareness and financial attitude. Therefore, the theory will be used in this study to evaluate the influence of financial awareness and financial attitude on personal investment decisions among footballers at the KPL.

2.3 Empirical Review

This section highlights literature on the operationalization of financial literacy namely savings, financial education and skills, financial awareness and financial attitude and how they relate with personal investment decisions.

2.3.1 Savings Decisions and Personal Investment Decisions

Karanja (2019) evaluated that the investments preferences of individuals in the private universities in Kenya. The data gathered qualitative and quantitative data from the faculty members, students and employees of the private universities in Kenya. A correlation, Chi-test and regression analysis were conducted. The results from the gathered data indicated that the concept of savings was identified as critical by the respondents as they indicated that they grew their savings as the years progressed. From the findings it was established that savings decisions positively influence personal investment decisions. The findings indicated that older people invested in stocks while investments in retirement cut across all age groups from 25-65 years. The study was limited since it di not conduct diagnostic tests to validate the variables relationship. The study was also based on individuals in the private university sector. This study will focus on professional footballers at the KPL.

Focusing on investments decisions by employees from the Kenya Port Authorly, Kamunzyu and Kariuki (2019) evaluated the concept of financial literacy. A structured questionnaire survey was adopted to gather primary data. The results indicated that in increase in savings decisions improved the investment decisions made by the employees. The findings revealed that savings decisions by the employees was not difficult since they received financial training in the institution. The study only collected data from structured questions. This study will use bot unstructured and structured questions to give the respondents an opportunity to freely share information on their investment decisions. Moreover, the study targeted the KPA employees who have some sense of financial literacy since they received financial training. This study will target the KPL footballers whose financial literacy is low.

Kumari (2020) evaluated the impact of financial literacy on investment decisions: with special reference to undergraduates in western province, Sri Lanka. The study observed that students' level of knowledge in savings is medium whereas their knowledge in general finance, investment and insurance are low. This means that students have adequate knowledge in savings and borrowing but inadequate knowledge in the other components. The study found that the level of knowledge on savings does impact the investment decisions of the students. The study was situated in Sri Lanka while this study will be located in Kenya.

2.3.2 Financial Knowledge and Skills and Personal Investment Decisions

Mutuku (2016) assessed the effect of financial literacy on personal investment decisions amongst church employees of SDA church in Kenya. A self-administered questionnaire was given to the respondents to answer multiple choice questions and Likert scale questions. The data collected was analyzed using SPSS programme and presented on tables, figures and percentages. The study found that a high percentage of staff considers financial concepts such as returns, investment risks, holding periods, trends in interest rates among others in making investment decisions. The results indicate that in investors generally need to be financially literate in-order to make sound investment decisions. The study concluded that financial education played a major role in making financial investments. Therefore, the study recommended that information to be availed through educational sessions so as to equip individuals with requisite skills essential for effective financial decision making. The study however was limited in scope as it targeted 100 employees working for SDA church in Kenya while the current study will collect data from KPL players in Kenya.

Shibia and Kieya (2016) studied how individual's level of financial literacy affects their choices of a financial strand in Kenya. Cross sectional survey data from FinAccess study covering for 2009 and 2013 was used in this study. The study employed multinomial probit regression to achieve its objectives. Results revealed that financial literacy is positively related with the level of education. Control variables like age, income, gender and education were found to be significant in explaining access to different financial strands. The study was however limited since it relied on secondary data only while the current study will collect both primary and secondary data.

Peach and Yuan (2017) studied the relationship between undergraduates' financial knowledge, behaviors, and attitudes. Data was collected via a survey administered at a small, private university in the United States. The results suggest that a higher level of knowledge, in and of itself, does not lead to prudent financial behavior, Group differences, and the idiosyncratic relationship between knowledge, behavior, and attitudes suggests that financial educational initiatives will be more effective if they target specific financial behaviors in a way that recognizes the uniqueness of those enrolled in the program rather than through one-size-fits-all approaches. The study concluded that general knowledge on finances does not necessarily imply better investment decisions. Following this finding, this study will determine the best financial programs that KPL players can undertake to ensure they make appropriate investment decisions. The study was based in the USA and targeted undergraduate students hence the findings cannot be used to generalize a similar case in Kenya targeting football players with the acknowledgement that majority of the players have not attained higher learning education.

Matasyoh (2020) evaluated the effects of financial literacy on financial access in the country. The study used cross sectional data from FinAcess survey in 2013 and 2016. The study found that an increase in the respondent's level of education increases the probability of accessing formal financial services but decreases the probability of accessing the informal strand one. An increase in financial literacy and an increase in income were found to increase the probability of savings. From the findings, financial education positions individuals to make effective financial investment decisions since they have easy access to formal financial services. The study however was limited since it did not operationalize financial literacy in form of financial knowledge, attitude and awareness.

2.3.3 Financial Awareness and Personal Investment Decisions

Manu (2016) studied the determinants of financial inclusion and financial literacy in India. The study further investigated the degree of awareness of people on various financial services and products using both primary and secondary data. Primary data was collected from Kanuur District, Kerala. The study used multivariate tests like F and hypothesis tests to answer its objectives. Independent variables used to proxy financial inclusion were borrowings, savings, financial services used, credit refusal and refusal of financial services by the respondents. The study found a strong relationship between the categorical variables and financial inclusion. According to the study awareness on financial services improved the probability of using financial services among which include investments. The study was limited to India while this study will be limited to Kenya.

Using a sample of 25 Mandals (villages) from Krishna district, Raja (2016) investigated the level of financial literacy and financial inclusion in Krishna district. A score index of 1 to 10 was used, where one indicated the highest score and 10 the lowest. Results showed that financial literacy is a key factor for financial inclusion. 80 per cent of the Mandal villages respondents did not know about technological banking services as they were illiterate. 11 out of the 25 villages sampled ranked below 5 due to limited financial education, little understanding of banking services and little programs awareness. This study was limited by the use of descriptive statistics. The study indicated that financial awareness had a positive effect on the use of financial services including financial investments. The study did not use inferential statistics to show the relationship between the study variables.

Janor et al (2017) conducted a comparative study on the financial literacy among individuals in the United Kingdom and Malaysia. The study gathered data via a questionnaire survey. The findings revealed that the awareness level of financial matters in both countries was still low, which affected the individuals' investments decisions. According to the study, the governments from the two countries should raise awareness on financial literacy so as to improve the investments decisions of their citizens. The study was comparative in nature. This study will focus on one country, Kenya. Further, the study was based in developed countries; UK and Malaysia; this study will be based in Kenya, a developing country.

2.3.4 Financial Attitude and Personal Investment Decisions

Mugo (2016) sought to examine the effect of financial literacy on investment decision among SACCO members in Nairobi County. Purposive and stratified sampling were used to select the five SACCOS in Nairobi. Results of the study revealed that there was a positive and significant relationship between financial knowledge, financial attitude and investment decision while both financial behavior and financial awareness had positive and non-significant relationship with investment behavior. SACCO should continuously sensitize members on how to improve their financial management skills and attitude as such to foster their investment decision. The study however focused on members in SACCOs in Nairobi while this study will target football players in the KPL.

Mwathi (2017) examined the effects of financial literacy on personal financial decisions among employees at Egerton University. The study adopted the descriptive survey research design. A sample of 320 respondents was determined using sample determination table. Findings revealed that financial knowledge and financial skills were significant in determining personal financial decisions while financial attitudes did not influence significantly personal financial decisions. Financial attitude was found to be negatively related to money management; positively related to savings and investments and positively related to debt management. Financial attitude was positively but not significantly related to combined personal financial decisions components. Overall the effect of financial literacy was found to have a positive statistically significant relationship with personal financial decisions. The study was limited in scope as it collected data from employees at Egerton University while the current study will collect data from KPL players.

A study by Naiz and Malik (2019) evaluated financial attitude and its influence on investments decisions. The study was descriptive gathering data from 776 respondents.

The findings indicated that a positive financial attitude influence investment decision positively. However, the study also indicated that majority (64%) of the respondents did not understand the concept of financial literacy. Therefore, the study recommended that awareness on financial literacy should be raised so as to improve the attitude of the respondents towards making investments decisions. The study evaluated financial literacy as a moderating variable. In this study financial literacy will be the independent variable that will be measured using savings decisions, financial knowledge, financial awareness and financial attitude.

2.4 Summary of Literature Review

A summary of the reviewed literature is covered in this section in tabular format. Additionally, the research gap of each of the reviewed literature is also identified. Table 2.1 below summarizes the literature review

Table 2.1: Summary of Literature Review

Variable	Author	Objective	Finding	Research Gap
Savings decisions	Karanja (2019)	Determine investments preferences of individuals in the private universities in Kenya.	The concept of savings was identified as critical by the respondents as they indicated that they grew their savings as the years progressed	The study was limited since it did not conduct diagnostic tests to validate the variables relationship. The study was also based on individuals in the private university sector. This study will focus on professional footballers at the KPL
	Uma, Odionye, Aniagolu and Obiora (2014)	Nigeria economy as impacted by savings behavior and investments	aggregate saving behavior is a prerequisite for making investment decisions.	The study was limited in context since it did not assess how savings as a financial behavior can influence

				personal investment decisions.
	Kamunzyu and Kariuki (2019)	The concept of financial literacy and its impact on investment decisions	Savings decisions improved the investment decisions made by the employees	The study targeted the KPA employees who have some sense of financial literacy since they received financial training. This study will target the KPL footballers whose financial literacy is low.
Financial Knowledge	Mutuku (2016)	Effect of financial literacy on personal investment decisions amongst church employees of SDA church in Kenya	Financial education played a major role in making financial investments	The study was limited in scope as it targeted 100 employees working for SDA church in Kenya while the current study will collect data from KPL players in Kenya
	Shibia and Kieya (2016)	How individual's level of financial literacy affects their choices of a financial strand in Kenya	Financial literacy is positively related with the level of education	The study was however limited since it relied on secondary data only while the current study will collect both primary and secondary data.
	Peach and Yuan (2017)	Relationship between undergraduates' financial knowledge, behaviors, and attitudes.	The general knowledge on finances does not necessarily imply better investment decisions	The study was based in the USA and targeted undergraduate students hence the findings cannot be used to generalize a similar case in Kenya targeting football players with the acknowledgement that majority of the players have

				not attained higher learning education
	Matasyoh (2020)	Effects of financial literacy on financial access in the country.	An increase in the respondent's level of education increases the probability of accessing formal financial services but decreases the probability of accessing the informal strand one.	The study however was limited since it did not operationalize financial literacy in form of financial knowledge, attitude and awareness.
Financial Awareness	Manu (2016)	Determinants of financial inclusion and financial literacy in India.	Awareness on financial services improved the probability of using financial services among which include investments.	The study was limited to India while this study will be limited to Kenya.
	Raja (2016)	Level of financial literacy and financial inclusion in Krishna district	Financial awareness had a positive effect on the use of financial services including financial investments.	The study did not use inferential statistics to show the relationship between the study variables.
	Janor et al (2017)	A comparative study on the financial literacy among individuals in the United Kingdom and Malaysia	The awareness level of financial matters in both countries was still low, which affected the individuals' investments decisions.	The study was comparative in nature. This study will focus on one country, Kenya. Further, the study was based in developed countries; UK and Malaysia; this study will be based in Kenya, a

				developing country.
Financial Attitude	Mugo (2016)	Effect of financial literacy on investment decision among SACCO members in Nairobi County.	There was a positive and significant relationship between financial knowledge, financial attitude and investment decision	The study however focused on members in SACCOs in Nairobi while this study will target football players in the KPL.
	Mwathi (2017)	Effects of financial literacy on personal financial decisions among employees at Egerton University	Financial attitudes did not influence significantly personal financial decisions.	The study was limited in scope as it collected data from employees at Egerton University while the current study will collect data from KPL players.
	Naiz and Malik (2019)	Financial attitude and its influence on investments decisions.	A positive financial attitude influence investment decision positively.	The study evaluated financial literacy as a moderating variable. In this study financial literacy will be the independent variable that will be measured using savings decisions, financial knowledge, financial awareness and financial attitude.

2.5 Conceptual Framework

A conceptual framework in a study portrays how variables in the study flow and the measures that are to be used to assess the impacts of the variables in the study. The conceptual framework in this study is shown in Figure 2.1. The independent variables are savings, financial education, financial awareness, and financial attitude. The dependent variable is personal investment decisions.

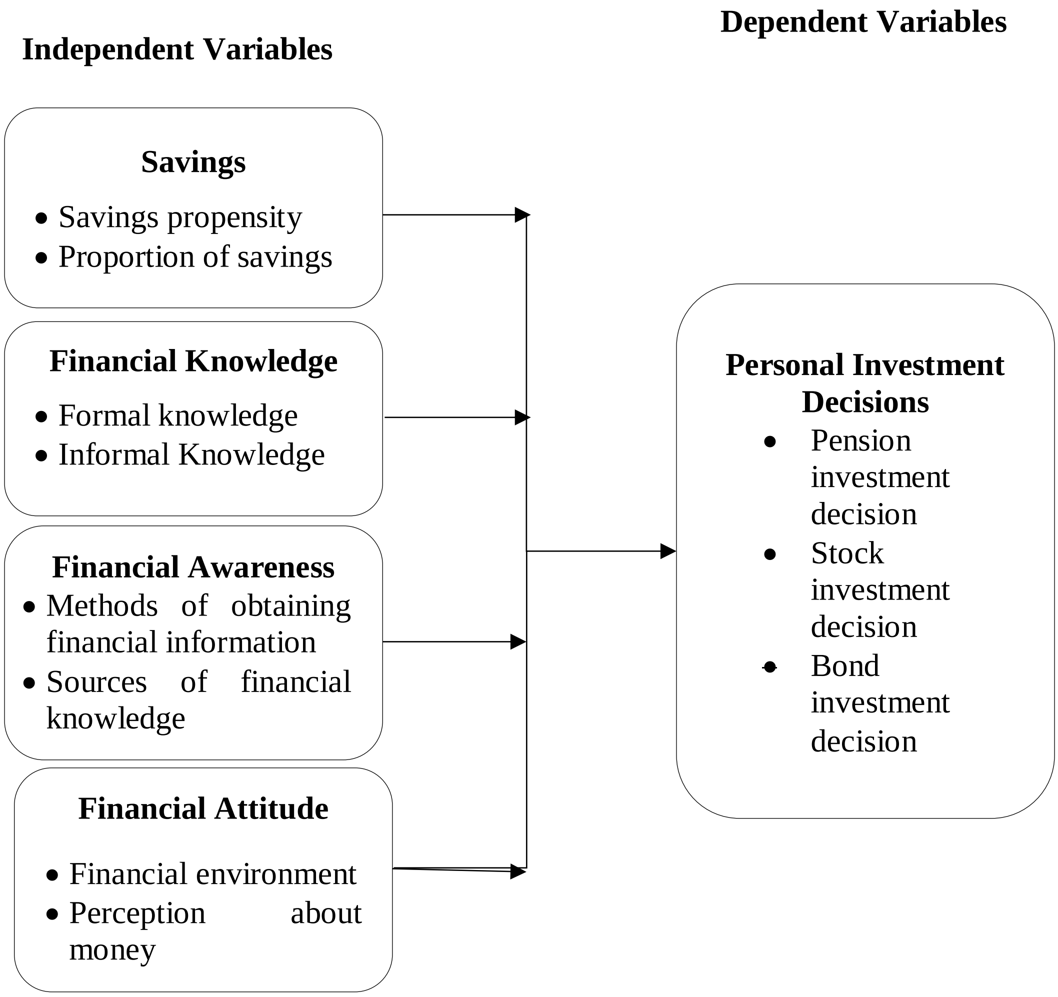

Figure 2.1: Conceptual Framework

The conceptual framework above indicates that the independent variable, financial literacy measured by savings, financial education and skills, financial awareness and financial attitude has a direct impact on personal investment decisions.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter highlights the methods that will be adopted in meeting the study objectives. The chapter outlines the research design, target population, sampling frame and sampling procedure, methods of collecting data, validity and reliability, data collection procedures, data analysis techniques, diagnostic tests and ethical considerations that will be used for the research.

3.2 Research Design

The study was conducted using a descriptive research design to determine how financial literacy influences personal investment decisions of football players at the KPL. Descriptive surveys as espoused by Mugenda and Mugenda (2008) helps a researcher to describe the variables characteristics due to its suitability in gathering data and answering the questions of the study. The design was also considered appropriate for this study because it was efficient with regards to cost and time while ensuring that adequate data is yielded from the study population.

3.3 Target Population

The target population is the entire group of items that a researcher intends to study or collect data from (Kothari 2014). The target population of the study was the KPL teams for the 2020/2021 season. Kenya Premier League teams in Nairobi for the 2020/2021 season grouped has 18 teams; with each team having a minimum of 22 starting players. Therefore the target population was 396 respondents from all of the KFL teams.

3.4 Sampling Frame and Sampling Procedure

A sample design is the architecture or the strategy used to select study participants or respondents (Creswell & Clark, 2007). Sampling refers to the systematic selection of a limited number of elements out of a theoretically specified population of elements. The basis is to draw conclusions about the entire population using the sample drawn. This study used a sample of 30% from each of the 18 KPL teams. Therefore, from each of the 18 teams, 7 football players will be randomly selected making up a sample size of 126 football players. According to Cooper and Schindler (2008), random sampling frequently minimizes the sampling error in the population and gives each item equal chances of selection. This in turn increases the precision of any estimation methods used. Table 3.1 below shows the sample population.

Table 3.1: Sample Population

Teams	**Target Population**	**Sampling**	**Sample Population**
Tusker	22	30% of 22	**7**
KCB	22	30% of 22	**7**
Bandari	22	30% of 22	**7**
AFC Leopards	22	30% of 22	**7**
Kariobangi Sharks	22	30% of 22	**7**
Homeboyz	22	30% of 22	**7**
Nairobi City Stars	22	30% of 22	**7**
Gor Mahia	22	30% of 22	**7**
Wazito FC	22	30% of 22	**7**
Ulinzi Stars	22	30% of 22	**7**
Bidco United	22	30% of 22	**7**
Sofapaka	22	30% of 22	**7**
Posta Rangers	22	30% of 22	**7**
Nzoia Sugar	22	30% of 22	**7**
Mathare United	22	30% of 22	**7**
Vihiga United	22	30% of 22	**7**
Western Stima	22	30% of 22	**7**
Zoo Kericho	22	30% of 22	**7**
Total	**396**		**126**

3.5 Data Collection Method

This study used a structured questionnaire as a primary tool for data collection. A Likert scale was employed where respondents was required to indicate their level of agreement or disagreement with regards to specific statements. The Likert scales ranged from 1-

5, where (1= strongly disagree, 2= disagree, 3= moderately agree, 4= Agree and 5= strongly Agree). The questionnaire was preferred in this study because respondents were assumed to be literate and quite able to answer questions asked adequately. Kothari (2004), terms the questionnaire as the most appropriate instrument due to its ability to collect a large amount of information in a reasonably quick span of time.

3.6 Validity and Reliability

3.6.1 Validity of the Instruments

Mugenda and Mugenda (2008) describes validity as the ability of the research instruments to measure what it intended to assess. In this study content and face validity will be employed. Content validity was measured to ensure adequate coverage of all-important aspects of the variables of the study. To measure content validity a pilot test was conducted. The pilot test measured the weaknesses of the research instrument which was corrected to develop the final research instrument to be used for the research. Face validity was measured to ascertain that the questionnaire appears to be measuring the constructs involved. Face validity was established by consulting with the academic supervisors on the research instruments developed. The suggestions by pilot study respondents and the academic supervisor was used to correct the research instruments.

A pilot test was conducted to test the validity of the questionnaire. The main reasons for the pilot study was to identify any potential deficiencies, omissions and errors in the questionnaire and eliminate them before it is used to collect the actual data (Mugenda & Mugenda, 2008).

A pilot study was conducted using 10% of the sample size of the study. The pilot study collected data from Thika United FC. This was because the team was not part of the 2020/2021 KPL season. The feedback from the pilot tests was not incorporated in the actual data collection. However, the pilot test was used to correct the research instrument.

3.6.2 Reliability of the Instruments

Reliability focusses on internal consistency of a measurement grounded on the method data collection and analysis of data (Saunders, Lewis & Thornhill, 2009). To assess reliability of scales, Cronbach's Alpha reliability test was employed. The Cronbach's alpha ranges between Zero and One. The closer the co-efficient is to one, it implies that the research item has a greater internal consistency, while if the coefficient is closer Zero, it implies that the research item has a lesser internal consistency. A pretest of the instruments with reasonable respondents can evaluate whether the instrument is going to be problematic to the research participants. This reliability measure was estimated utilizing Cronbach's alpha (α). Creswell and Clark, (2007), prescribes that instrument utilized in research ought to have reliability of about 0.70 or more. For this study, the value of 0.7 was used as the cutoff point. Any value below 0.7 was rejected since it implies weak internal consistency. The results of reliability tests are presented in Table 3.2.

Table 3.2: Results of Reliability Tests

Variable	Cronbach's Alpha Value	Remarks
Savings decisions	0.852	Reliable
Financial knowledge and skills	0.726	Reliable
Financial awareness	0.758	Reliable
Financial attitudes	0.796	Reliable
Personal Investment Decisions	0.802	Reliable
Aggregate score	**0.787**	**Reliable**

Source: Pilot Study (2022)

The results shown in Table 3.2 indicate that the measures of savings decisions had the highest reliability (α= 0.852), followed by personal investment decisions (α=0.802), financial attitudes (α=0.796), financial awareness (α=0.758) and financial knowledge and skills (α=0.726). The aggregate alpha score was 0.787 which showed that the instrument was reliable as recommended by Orodho (2005) who observe that Cronbach alpha of at least 0.7 is a commonly recommended threshold of a research instrument for good reliability.

3.7 Data Collection Procedures

Permission to collect data from the management of the football teams was sought, after the approval from the university to carry out the research. The researcher visited each of the football teams at different times and seek for permission to collect data. The researcher attached a transmittal letter in each questionnaire. The drop-and-pick later technique was employed in the collection of the primary data. This technique facilitated in a higher completion rates thus reducing potential problems associated with non-response bias. The researcher ensured personal delivery of the research instruments to guarantee high response rate, which was achieved by the researcher having two research assistants to help in the distribution of the research instruments. The respondents were given a duration of two weeks to fill in the information in the questionnaire. The researcher collected the questionnaires after the lapse of the two-week duration. Phone calls to the respondents were made to remind them to fill the questionnaire during the two-week period.

3.8 Data Analysis Techniques

The data analysis process began with editing of the survey data. In this step, the returned questionnaires were scrutinized to identify and minimize errors, incompleteness and information gaps as much as possible. This was an important undertaking as it ensured that the collected data was of good quality, that is, free from inconsistencies and incompleteness. After the data editing process, responses to the close-ended questions were coded and entered into the Statistical Package for Social Scientist (SPSS) computer program for statistical analysis.

Both descriptive analysis and inferential analysis were used in the study. The aim of descriptive analysis was to provide meaningful summaries about study variables while that of inferential analysis was to show the relationship between the study variables. Descriptive statistics provide information on the central tendency and dispersion of a given data set. Measures of central tendency represent the point where data tends to be clustered the most. The three most common measures of central tendency include mean, mode and median. For this study, mean will be used as a measure of central tendency. On the other hand, measures of dispersion provided information on how data points of a variable are scattered around the true value of average. These statistical results were presented in form of tables, charts and graphs.

A regression model was used to show the relationship between the study variables. The regression model that was used is illustrated below:

$$\mathbf{Y=\beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\varepsilon}$$

Y= Personal Investment Decisions

β_0 = Constant

X_1 = Savings

X_2 = Financial Education and Skills

X_3 = Financial Awareness

X_4 = Financial Attitude

β_1- β_4 = The regression co-efficient or change introduced in Y by each independent variable.

ε is the random error term accounting for all other variables that influence personal investment decisions but not captured in the model.

ANOVA test was conducted to determine the level of significance of the variance using a one-Way ANOVA in order to determine the existence of significant variations between the variables.

3.9 Operationalization Table

In this study, the operationalization of the study variables will be in accordance to previous studies as recommended. The operation of the variables is as shown below.

Table 3.3: Operationalization Table of Variables

Objective	Variable	Indicators	Measurement	Data analysis technique	Types of Analysis
To determine the factors influencing savings decisions of KPL players in Nairobi.	**Independent** Savings	• Savings propensity • Proportion of savings	Ordinal scale Nominal scale	Descriptive and inferential analysis	• Mean • Standard Deviation • Percentage (SPSS)
To establish the influence of financial knowledge and skills on personal investment decisions among KPL players in Nairobi	**Independent** Financial Knowledge	• Formal education • Informal education	Ordinal scale Nominal scale	Descriptive and inferential analysis	• Mean • Standard Deviation • Percentage (SPSS)
To analyze the influence of financial awareness on personal investment decisions among KPL players in Nairobi	**Independent** Financial Awareness	• Methods of obtaining financial information • Sources of financial knowledge	Ordinal scale Nominal scale	Descriptive and inferential analysis	• Mean • Standard Deviation • Percentage • (SPSS)
To establish the influence of financial attitude on personal investment decisions among KPL players in Nairobi	**Independent** Financial Attitude	Financial environment • Perception about money	Ordinal scale Nominal scale	Descriptive and inferential analysis	• Mean • Standard Deviation • Percentage (SPSS)
	Dependent Personal Investment Decisions	• Pension investment decision • Stock investment decision • Bond investment decision	Ordinal scale Nominal scale	Descriptive and inferential analysis	• Mean • Standard Deviation • Percentage (SPSS)

3.10 Diagnostic Tests

The research performed tests on statistical assumptions i.e. test of regression assumption and statistics used. To validate this relationship, regression diagnostics test, play a pertinent role by assessing whether the assumptions of regression have been violated. A violation of any assumption influences the adequacy of the model. Diagnostics will therefore be conducted to ensure that the assumptions of regression are met. This includes test of multicollinearity and normality test.

Multi-collinearity is the assumption that the predictor variables in a multiple linear regression model are not highly correlated. Multi-collinearity posits that with the increase I degree of multi-collinearity the regression model estimates of coefficients become unstable and can produce inflated standard errors for the coefficients. To assess the correlation level between the variables and in estimating the inflation of the variance the variance inflation factor (VIF) will be conducted. Multi-collinearity is present if VIF is greater than 10 and a VIF less than 5 reveals insignificant multi-collinearity.

Normality is the assumption that data is drawn from a normal population. Kolmogorov-Smirnov Test and the Shapiro-Wilk Test was employed in testing normality. The latter is best suited for smaller sample populations of < 50 sample; however, it is applicable for larger samples such as 2000. If the Shapiro-Wilk test Significance value is > 0.05, it means that the data presented is normal. On the other hand, if it is < 0.05, it means the data is not normally distributed.

3.11 Ethical Considerations

Throughout this study the researcher strived to adhere to ethical research considerations and professional guidelines. This involved avoiding acts of misconduct in research, such as data fabrication, falsification and plagiarism. Permission to conduct the study was obtained from the relevant authorities before commencement of data collection. During data collection the researcher explained the aim and significance of the study to the respondents, and consent for participating in the study will be sought. The researcher ensured that the information collected was treated with due confidentiality and was used purely for research work.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents the analysis results, which include the response rate, characteristics of the respondents and inferences made about the population, descriptive analysis results and inferential statistics results. Similarly, the chapter provides an interpretation and discussion of these analyses, as well as a comparison of the results to the literature reviewed in chapter two.

4.1 Response Rate

A total of 126 questionnaires were self-administered to the sampled respondents who sampled from KPL teams for the 2020/2021 season. The response rate achieved is presented in Table 4.1.

Table 4.1: Response Rate

Category	Frequency	Percentage
Response	122	96.8
Non response	4	3.2
Total	**126**	**100**

Source: Survey Data (2022)

Table 4.1 shows that the proportion of completed questionnaires for the purpose of the analysis was 96.8%. On the other hand, 3.2% of the questionnaires were not returned by the respondents. The response rate was sufficient for generalisation and conclusion. This is per the recommendation by Mugenda and Mugenda (2003) who show that a response rate of 70% and above is very good for data analysis.

4.3 Response Rate

The respondents' general information was evaluated in terms of age, highest level of education and the number of years played for the team. The findings are summarized as follows.

4.3.1 Respondents' Age

The study sought to establish how the age of the respondents was represented. The findings are presented in Figure 4.1.

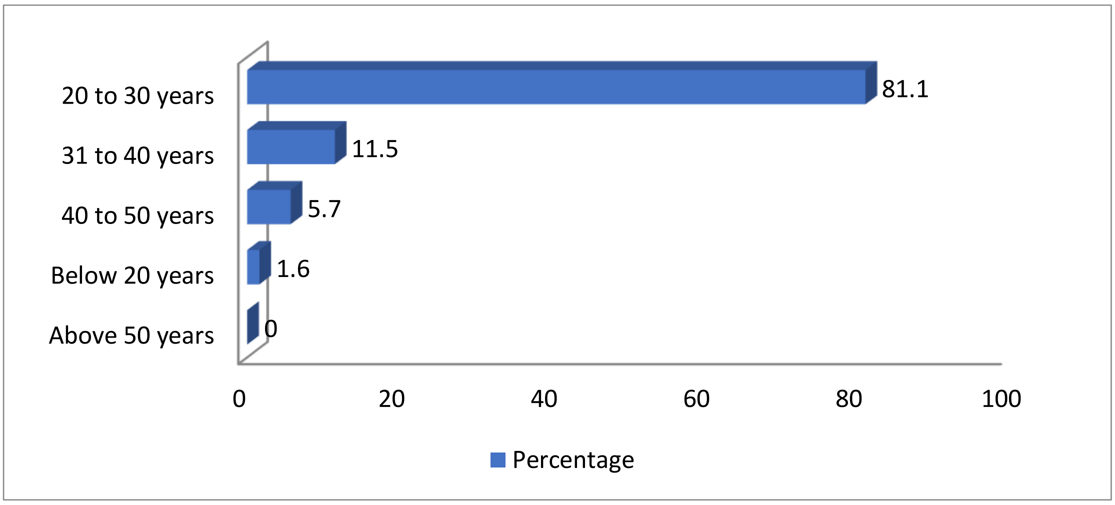

Figure 4.1: Respondents' Age

Source: Survey Data (2022)

According to the results in Figure 4.1, respondents aged between 20 to 30 years accounted majority at 81.1%, those aged between 31 to 40 years accounted for 11.5%, 5.7% represented those respondents aged between 40 to 50 years and those aged below 20 years accounted for 1.6% and none of the respondents was aged 50 and above years. This implies that the study included respondents of all ages in their teams. Such a diverse group of employees is capable of collaborating in a team setting and solving a wide range of problems within the team.

4.3.2 Respondents' Highest Level of Education

The study sought to establish how the highest level of education of the respondents was represented. The findings are presented in Table 4.2.

Table 4.2: Respondent's Highest Level of Education

Years	**Frequency**	**Percentage**
Secondary level	36	29.5
College level	69	56.6
University level	13	10.7
Post graduate level	4	3.3
Total	**122**	**100**

Source: Survey Data (2022)

The findings as presented in Table 4.2 show that the respondents who had attained a college level of education accounted majority at 56.6%, 29.5% had a secondary level of education, 10.7% had a University degree and 3.3% had post graduate level of education. This is an indicator that the team players had attained a certain level of education whereby most of the respondents were from the secondary school level.

4.3.3 Respondents' Length of Play for the Team

The study sought to establish how the length of play of the respondents was represented. The findings are presented in Figure 4.2.

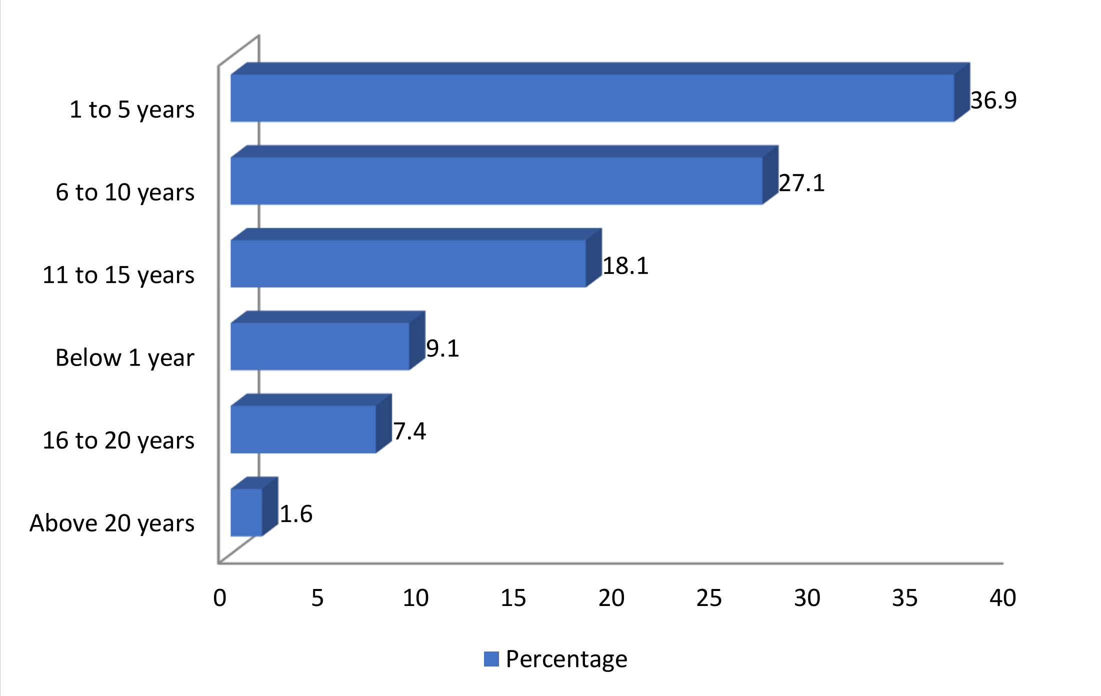

Figure 4.2: Respondents' Length of Play for the Team

Source: Survey Data (2022)

As illustrated in Figure 4.2, majority (36.9%) of the respondents had played for the team for a period ranging between 1 to 5 years, 27.1% between 6 to 10 years, 18.1% between 11 to 15 years, 7.4% between 16 to 20 years and 1.6% above 20 years. This is an implication that the team players had stayed with the team for a good number of years and therefore, they had acquired enough experience on the subject matter.

4.2 Results of Descriptive Statistics

Descriptive statistics such as means and standard deviations were used to present that quantitative data with the use of Statistical Package for Social Sciences (SPSS) version 20.0. The results are presented as per research specific objectives as follows.

4.4.1 Savings Decisions

The study sought to establish whether the respondents had savings plan that could sustain your recurrent expenditures in case of unexpected loss of employment income and established that all the respondents had a savings plan that could sustain your recurrent expenditures in case of unexpected loss of employment income. Majority (45.1%) of the respondents indicated that they save between 11% to 20% proportion of their findings, followed by 33.6% between 21% to 30% proportion of their savings, those who saved between 0 to 10% accounted for 13.9% and 7.4% represents those who saved between 31% to 40%. These findings are presented in Figure 4.3.

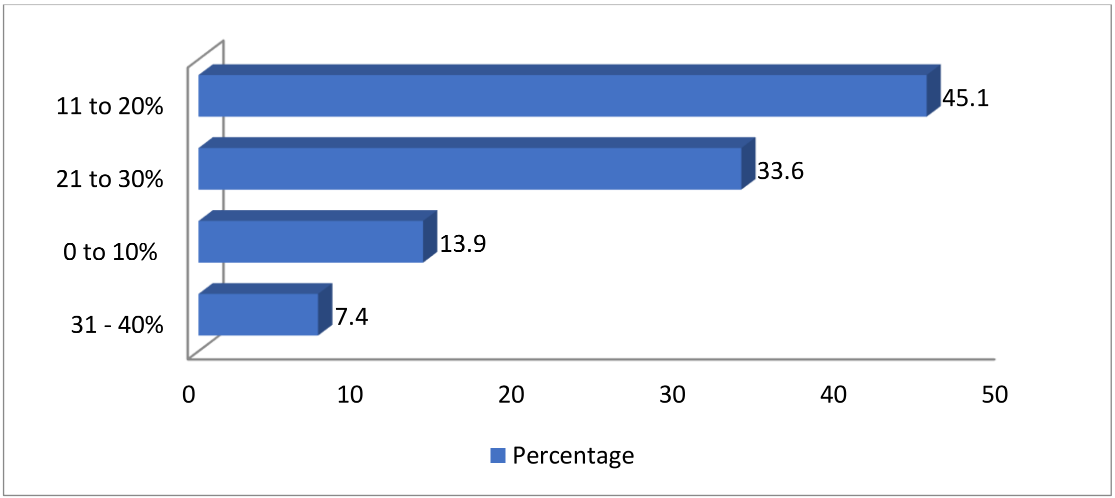

Figure 4.3: Respondents' Proportion of Savings

Source: Survey Data (2022)

The respondents were asked to indicate the length of sustenance of their substance by their savings and most (50.0%) of the respondents indicated between 4 and 6 months, 22.9% between 7 to 12 months, 19.7% between 0 to 3 months and 7.4% between 4 to 6 months. The results are given in Figure 4.4.

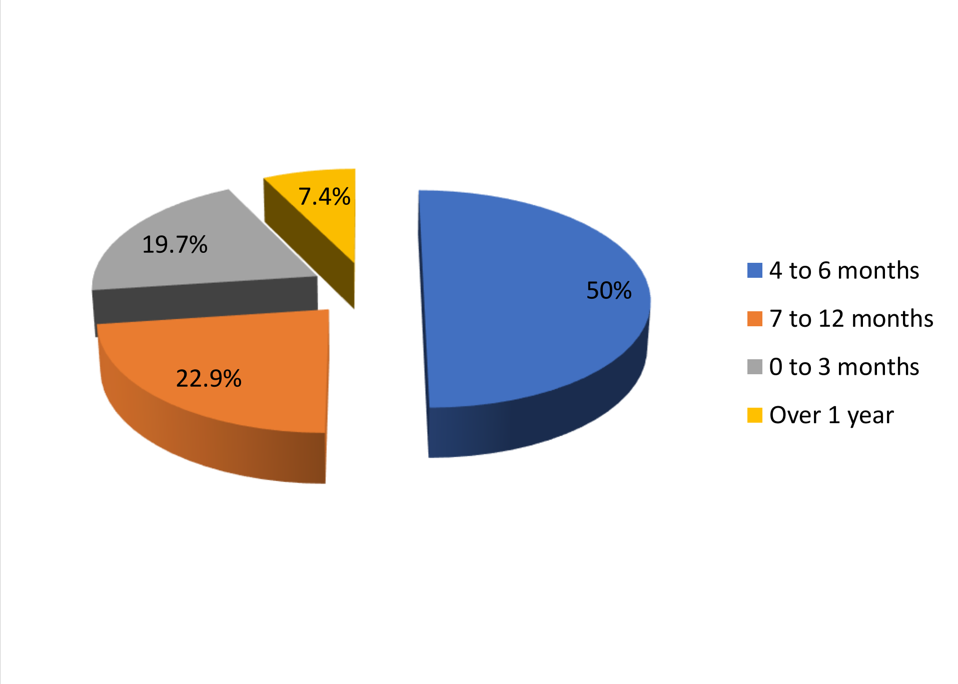

Figure 4.4: Respondents' Proportion of Savings

Source: Survey Data (2022)

The respondents were given a list of statements regarding the influence of savings decisions on personal investment decisions of KPL players in Nairobi and the descriptive results are given in Table 4.3.

Table 4.3: Savings Decisions

Statement	**Mean (M)**	**Standard Deviation (M)**
I earn a stable income to save adequately monthly	4.04	0.96
I save every month	4.09	0.91
The high cost of living limits my saving capability	4.27	0.73
I spend most of my money on entertainment	4.11	0.89
I save for the future of my family	4.42	0.58
I do not save since I have to feed my family	4.56	0.44
My extended family looks up to me financially, hindering my savings capability	4.63	0.37
Aggregate Score	**4.30**	**0.70**

Source: Survey Data (2022)

The results in Table 4.3 show that the respondents agreed that savings decisions had an influence on personal investment decisions of KPL players in Nairobi as shown by the aggregate score of 4.30 and standard deviation of 0.70. These findings concur with the findings of a study by Karanja (2019) that evaluated the investments preferences of individuals in the private universities in Kenya and the findings indicated that older people invested in stocks while investments in retirement cut across all age groups from 25-65 years.

The respondents strongly agreed that their extended family looks up to them financially, hindering their savings capability (M=4.63, SD=0.37) and that they do not save since they have to feed their family (M=4.56, SD=0.44). These findings concur with Kumari (2020) study that evaluated the impact of financial literacy on investment decisions: with special reference to undergraduates in western province, Sri Lanka and the study found that the level of knowledge on savings does impact the investment decisions of the students.

The respondents agreed on the statement that they save for the future of their family (M=4.42, SD=0.58). This was followed by the statements that the high cost of living limits their saving capability (M=4.27, SD=0.73), they spend most of their money on entertainment (M=4.11, SD=0.89), they save every month (M=4.09, SD=0.91) and that they earn a stable income to save adequately monthly (M=4.04, SD=0.96). The findings are consistent with Kamunzyu and Kariuki (2019) study focusing on investments decisions by employees from the Kenya Port Authority by the concept of financial literacy and the findings revealed that savings decisions by the employees was not difficult since they received financial training in the institution.

4.4.2 Financial Knowledge and Skills

The study sought to establish from the respondents whether they had any financial Knowledge and majority (78.7%) of the respondents indicated that they did not have any financial knowledge while 21.3% agreed they had financial knowledge. The findings are presented in Figure 4.5.

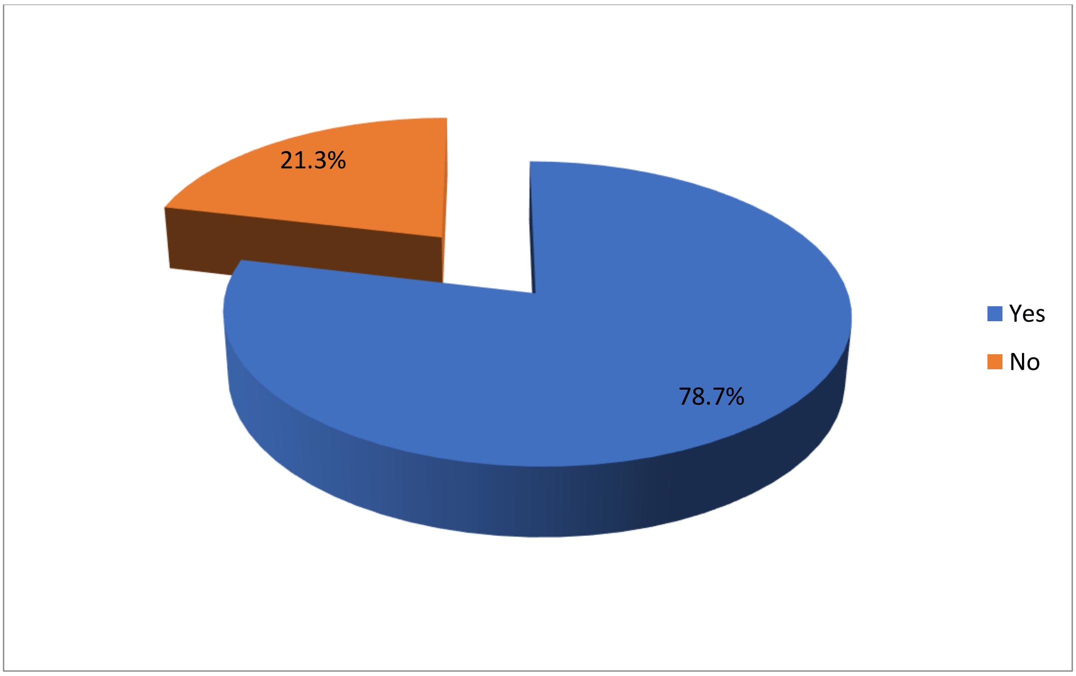

Figure 4.5: Respondents' Proportion of Savings

Source: Survey Data (2022)

Majority (71.9%) of the respondents further indicated that they possessed an informal financial knowledge and 28.1% formal financial knowledge.

The respondents were given a list of statements describing the financial knowledge and skills on personal investment decisions among KPL players in Nairobi. The descriptive results are given in Table 4.4.

Table 4.4: Financial Knowledge and Skills

Statement	Mean (M)	Standard Deviation (M)
Financial literacy classes would improve my ability to manage finances	4.42	0.58
I attend at least one investment seminar every year	4.49	0.51
I obtained my financial knowledge from watching my parents and teammates manage money	3.69	1.31
I read books on finances management	3.31	1.69
I took up classes on finances while in school	4.24	0.76
Financial knowledge is important among football players since our career is not guaranteed	4.51	0.49
I usually share new information on finances to my teammates	4.59	0.41
Aggregate Score	**4.18**	**0.82**

Source: Survey Data (2022)

The results in Table 4.4 show that the respondents agreed that financial knowledge and skills had an influence on personal investment decisions of KPL players in Nairobi as shown by the aggregate score of 4.18 and standard deviation of 0.82. The findings are in line with Mutuku (2016) study that assessed the effect of financial literacy on personal investment decisions amongst church employees of SDA church in Kenya and the results indicate that in investors generally need to be financially literate in-order to make sound investment decisions.

The respondents strongly agreed on the statements that they usually share new information on finances to their teammates (M=4.59, SD=0.41) and that financial knowledge is important among football players since our career is not guaranteed (M=4.51, SD=0.49). The findings are in line with Matasyoh (2020) study that evaluated the effects of financial literacy on financial access in the country. The study used cross sectional data from FinAcess survey in 2013 and 2016 and the study found that an increase in the respondent's level of education increases the probability of accessing formal financial services but decreases the probability of accessing the informal strand one.

The respondents agreed on the statements that they attend at least one investment seminar every year (M=4.49, SD=0.51), financial literacy classes would improve my ability to manage finances (M=4.42, SD=0.58), they took up classes on finances while in school (M=4.24, SD=0.76) and that they obtained their financial knowledge from watching their parents and teammates manage money (M=3.69, SD=1.31). This finding corresponds with Shibia and Kieya (2016) who studied how individual's level of financial literacy affects their choices of a financial strand in Kenya and the results revealed that financial literacy is positively related with the level of education.

The respondents indicated to a moderate extent that they read books on finances management (M=3.31, SD=1.69). This finding contradicts with the finding of Peach and Yuan (2017) who studied the relationship between undergraduates' financial knowledge, behaviors, and attitudes and the results suggest that a higher level of knowledge, in and of itself, does not lead to prudent financial behavior, Group differences, and the idiosyncratic relationship between knowledge, behavior, and attitudes suggests that financial educational initiatives will be more effective if they target specific financial behaviors in a way that recognizes the uniqueness of those enrolled in the program rather than through one-size-fits-all approaches.

4.4.3 Financial Awareness

The study sought to analyze the influence of financial awareness on personal investment decisions among KPL players in Nairobi. The descriptive results are provided in Table 4.5.

Table 4.5: Financial Awareness

Statement	Mean (M)	Standard Deviation (M)
I visit the bank incase I want to make financial decisions	4.75	0.25
I have a financial manager/accountant	3.98	1.02
I follow the progress of the stock exchange in-case I want to make an investment	4.52	0.48
I have engaged in conversations on different investment plans offered by investment companies	4.67	0.33
I understand how stocks operate	4.71	0.29
I am aware of treasury bills	4.04	0.96
I ask questions when taking a loan	3.92	1.08
Aggregate Score	**4.38**	**0.62**

Source: Survey Data (2022)

The results in Table 4.5 show that the respondents agreed that financial awareness had an influence on personal investment decisions of KPL players in Nairobi as shown by the aggregate score of 4.19 and standard deviation of 0.81. This finding agree with Manu (2016) who studied the determinants of financial inclusion and financial literacy in India and the study found a strong relationship between the categorical variables and financial inclusion. According to the study awareness on financial services improved the probability of using financial services among which include investments.

The respondents strongly agreed on the statements that they visited the bank incase they wanted to make financial decisions (M=4.75, SD=0.25), they understood how stocks operate (M=4.71, SD=0.29), they had engaged in conversations on different investment plans offered by investment companies (M=4.67, SD=0.33) and that they followed the progress of the stock exchange in-case they wanted to make an investment (M=4.52, SD=0.48). The findings corresponds with Janor *et al*. (2017) who conducted a comparative study on the financial literacy among individuals in the United Kingdom and Malaysia and the findings revealed that the awareness level of financial matters in both countries was still low, which affected the individuals' investments decisions.

The respondents agreed on the statements that they were aware of treasury bills (M=4.04, SD=0.96), they have a financial manager/accountant (M=3.98, SD=1.02) and they ask questions when taking a loan (M=3.92, SD=1.08). The findings are in line with Krishna district, Raja (2016) whose study using a sample of 25 Mandals (villages) investigated the level of financial literacy and financial inclusion in Krishna district. The results showed that financial literacy is a key factor for financial inclusion. 80 per cent of the Mandal villages respondents did not know about technological banking services as they were illiterate.

4.4.4 Financial Attitude

The study sought to establish the influence of financial attitude on personal investment decisions among KPL players in Nairobi. The descriptive results are provided in Table 4.6.

Table 4.6: Financial Attitude

Statement	**Mean (M)**	**Standard Deviation (M)**
I believe money should be spend once acquired	3.57	1.43
I don't believe in having an accountant/financial manager	4.01	0.99
I appreciate reading materials on financial investments	4.23	0.77
I often consult with financial institutions when making financial decisions	4.09	0.81
Aggregate Score	**3.98**	**1.02**

Source: Survey Data (2022)

The results in Table 4.6 show that the respondents agreed that financial attitude had an influence on personal investment decisions of KPL players in Nairobi as shown by the aggregate score of 3.98 and standard deviation of 1.02. The findings concur with Mugo (2016) study that sought to examine the effect of financial literacy on investment decision among SACCO members in Nairobi County and the results of the study revealed that there was a positive and significant relationship between financial knowledge, financial attitude and investment decision.

The respondents agreed on the statements that they appreciate reading materials on financial investments (M=4.23, SD=0.77), they often consult with financial institutions when making financial decisions (M=4.09, SD=0.81), they do not believe in having an accountant/financial manager (M=4.01, SD=0.99) and that they believe money should be spend once acquired (M=3.57, SD=1.43). The findings agree with Mwathi (2017) study that examined the effects of financial literacy on personal financial decisions among employees at Egerton University and financial attitude was found to be negatively related to money management; positively related to savings and investments and positively related to debt management.

4.4.5 Personal Investment Decisions

The study sought to establish from the respondents whether they do invest their money and revealed that all the respondents agreed that they do invest their money. Further, the respondents were given a list of statements regarding the type of investment they had undertaken and the results are given in Table 4.7.

Table 4.7: Personal Investment Decisions

Statement	Mean (M)	Standard Deviation (M)
I have purchased stocks in the last five years	3.91	1.09
I have borrowed a loan in the last five years	4.36	0.64
I have bought land in the past	4.00	1.00
I own and use a credit card	4.53	0.47
I have taken a car loan	4.60	0.40
I have bought a house	4.09	0.91
I have built a house	3.52	1.48
I have a life insurance policy	3.88	1.12
I have taken part in purchase of bonds	3.67	1.33
Aggregate Score	**4.06**	**0.94**

Source: Survey Data (2022)

The results in Table 4.7 show that the respondents agreed that financial literacy had an influence on personal investment decisions of KPL players in Nairobi as shown by the aggregate score of 4.06 and standard deviation of 0.94. The findings concur with Farinella, Bland and Franco (2017) who suggest that financial literacy is necessary to successfully navigate life's complicated financial decisions. In the sport context, Moolman (2019) argues that financial literacy can assist athletes to achieve sustainable financial well-being; since they retire relatively early and may struggle to find palatable post-athletic careers, this is critical for them.

The respondents strongly agreed that they had taken a car loan (M=4.60, SD=0.40) and that they owned and used a credit card (M=4.53, SD=0.47). Potrich, Vieira, and Mendes-Da-Silva (2016) agree with this view and describe a financially literate individual as someone who comprehends financial calculations and displays financial knowledge with the ability to combine that with a sound financial attitude in pursuit of sustainable financial behaviour. Louw, Fouché, and Oberholzer (2013) expand on this to define a financially literate individual as one with the understanding to take control of his/her own finances; with a positive attitude towards his/her (personal) finances and learning; as well as "the ability to discern good from bad financial decisions; and the skills to make it practical.

The respondents agreed that they had bought a house (M=4.09, SD=0.91), they had bought land in the past (M=4.00, SD=1.00), they had purchased stocks in the last five years (M=3.91, SD=1.09), they had a life insurance policy (M=3.88, SD=1.12), they had taken part in purchase of bonds (M=3.67, SD=1.33) and that they had built a house (M=3.52, SD=1.48). Farinella, Bland and Franco (2017) agree that sportsmen and sportswomen lack the necessary financial literacy to make appropriate investments decisions. Therefore, this study focuses of financial awareness, financial knowledge and skills and financial attitude to shed light on financial literacy among the KPL players. According to Wallengren and Sigurdson (2017b) personal investors are assumed to be rational and aim at maximizing their return by evaluating the investment choice on the basis of risk and return.

4.5 Results of Inferential Statistics

Inferential statistics was carried out that involved correlation analysis and regression analysis. The findings are described as follows:

4.5.1 Correlation Analysis

Correlation analysis was done to quantify the association between the independent and dependent variables. The findings are presented in Table 4.8.

Table 4.8: Correlation Analysis

		Savings decisions	Financial knowledge and skills	Financial awareness	Financial attitudes	Personal investment decisions
Savings decision	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	271				
Financial knowledge and skills	Pearson Correlation	.109	1			
	Sig. (2-tailed)	.341				
	N	271	271			
Financial awareness	Pearson Correlation	.080	.711**	1		
	Sig. (2-tailed)	.485	.000			
	N	271	271	271		
Financial attitudes	Pearson Correlation	.223*	.492**	.303**		
	Sig. (2-tailed)	.048	.000	.007		
	N	271	271	271		
Personal investment decisions	Pearson Correlation	.641**	.553**	.706**	.836**	1
	Sig. (2-tailed)	.002	.000	.000	.000	
	N	271	271	271	271	271

**Correlation is significant at the 0.01 level (2-tailed).

Source: Survey Data (2022)

The results in Table 4.8 show that savings decisions, financial knowledge and skills, financial awareness, financial attitudes and personal investment decisions variables all had a strong relationship with the organizational performance with a Pearson's r value of 0.641, 0.553, 0.706 and 0.836 respectively. This means that a change in independent variable would lead to a positive and significant on the dependent variable.

4.5.2 Regression Analysis

Regression analysis was done to establish how one variable influences the other. The findings are presented in Tables 4.9, 4.10 and 4.11.

Table 4.9: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.798[a]	.636	.631	.454

Source: Survey Data (2022)

From the findings in Table 4.9 the value of adjusted r squared was 0.631 (63.1%) an indication that there was variation of 63.1% on personal investment decisions among Kenya football premier league players in Kenya was due to changes in savings decisions, financial knowledge and skills, financial awareness and financial attitudes at 95% confidence interval. This therefore, means that factors not studied in this research contribute 36.9% of personal investment decisions among Kenya football premier league players in Kenya.

Table 4.10: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	228.895	4	57.224	217.83	.000[b]
	Residual	30.736	117	.263		
	Total	359.631	121			

Source: Survey Data (2022)

The F calculated value (217.83) is greater than the value of F tabulated (57.224) at 5% significance level showing that the model significant. In addition, the level of significance was below 0.05 at 0.00 thus showing a good fit of the model on how independent variables studied influenced the dependent variable.

Table 4.11: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.539	.490		6.610	.000
	Savings decisions	0.729	.046	0.066	2.781	.001
	Financial knowledge and skills	0.692	.098	0.118	2.980	.001
	Financial awareness	0.539	.125	0.145	3.313	.000
	Financial attitudes	0.712	.073	0.093	1.532	.001

The results in Table 4.11 show that when savings decisions, financial knowledge and skills, financial awareness and financial attitudes are held at constant, the personal investment decisions among Kenya football premier league players in Kenya would be at 0.539. The results also show that, when savings decisions are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.729, when financial knowledge and skills are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.692, when financial awareness are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.539 and when financial attitudes are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.712.

As per the above explanation, the equation ($\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon}$) becomes: $\mathbf{Y= 0.539 + 0.729\ X_1 + 0.692X_3 + 0.539X_{3\ +}\ 0.712X_4}$

Where Y= Personal Investment Decision

X_1= Savings decisions

X_2= Financial knowledge and skills

X_3= Financial awareness

X_4 = Financial attitudes

The results in Table 4.11 further show that savings decisions had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values ($t=2.781$, $P<0.05$). These findings concur with the findings of a study by Karanja (2019) that evaluated the investments preferences of individuals in the private universities in Kenya and the findings indicated that older people invested in stocks while investments in retirement cut across all age groups from 25-65 years.

The study established that the financial knowledge and skills had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values ($t=2.980$, $P<0.05$). This finding corresponds with Shibia and Kieya (2016) who studied how individual's level of financial literacy affects their choices of a financial strand in Kenya and the results revealed that financial literacy is positively related with the level of education.

The study revealed that the financial awareness and skills had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values ($t=3.313$, $P<0.05$). The findings corresponds with Janor *et al*. (2017) who conducted a comparative study on the financial literacy among individuals in the United Kingdom and Malaysia and the findings revealed that the awareness level of financial matters in both countries was still low, which affected the individuals' investments decisions.

The study revealed that the financial attitudes had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values ($t=1.532$, $P<0.05$). The findings agree with Mwathi (2017) study that examined the effects of financial literacy on personal financial decisions among employees at Egerton University and financial attitude was found to be negatively related to money management; positively related to savings and investments and positively related to debt management.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter covers the summary of the findings, conclusions, recommendations and suggestions for future studies.

5.2 Summary

The study general purpose was to determine the influence of financial literacy on personal investment decisions among Kenya premier league players in Nairobi. Specifically, the study sought to examine the influence of savings decisions, financial knowledge and skills, financial awareness and financial attitude on personal investment decisions of KPL players in Nairobi. Data was collected using structured questionnaires. Analysis of data was done using both descriptive analysis and inferential statistics. Below is the summary of the findings:

The study sought to determine the influence of savings decisions on personal investment decisions of KPL players in Nairobi and established that savings decisions had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values ($t=2.781$, $P<0.05$). The results also show that, when savings decisions are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.729.

The study sought to establish the influence of financial knowledge and skills on personal investment decisions among KPL players in Nairobi and established that the financial knowledge and skills had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values (t=2.980, P<0.05). When financial knowledge and skills are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.692.

The study sought to analyze the influence of financial awareness on personal investment decisions among KPL players in Nairobi and revealed that the financial awareness and skills had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values (t=3.313, P<0.05). When financial awareness are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.539.

The study sought to establish the influence of financial attitude on personal investment decisions among KPL players in Nairobi and revealed that the financial attitudes had a positive and significant influence on personal investment decisions among Kenya football premier league players in Kenya as indicated by the t-values (t=1.532, P<0.05). When financial attitudes are increased by one unit the personal investment decisions among Kenya football premier league players in Kenya would be increased by a factor of 0.712.

5.3 Conclusions

The study concluded that the most important reason why one should start planning at an early stage of making saving decision is the power of compounding, which allows you to earn extra money on the interest received from investments. The saving decisions provide financial security and freedom and secure an individual in a financial emergence. Personal finances are an intimate part of every person’s life because money is often a medium to help people achieve their most cherished life goals. Saving decisions reduces uncertainty around finances by providing clarity and indicating what you are expected to accomplish.

The study concluded that being financially knowledgeable and skilled allows an individual to be better prepared for specific financial roadblocks, which, in turn, decreases the chances of personal economic distress. Financial knowledge and skills enables someone to gain ability to make better financial decisions, effective management of money and debt, greater equipped to reach financial goals, reduction of expenses through better regulation, less financial stress and anxiety, increase in ethical decision-making when selecting insurance, loans, investments, and using a credit card and effective creation of a structured budget.

The study concluded that financial awareness enables players to gain the ability to use knowledge and skills to effectively manage financial resources efficiently at a personal-level and through the lifecycle. Individuals who are more financially literate have been shown to make more economically rational financial decisions. Financial awareness can play an essential role in furthering the cause of financial inclusion. Financial awareness is important because it equips people with an understanding of basic financial concepts to inform their real-world financial decisions.

The study concluded that in this era of dynamic financial markets and turbulent economic environment it is very important for every individual to keep a positive mindset towards his/her finances. Keeping a positive attitude is important in every aspect of life and as far as financial attitude is concerned, it frees one from unnecessary worries, helps avail market opportunities and also imparts happiness by freeing one from anxiety.

The study concluded that a positive financial attitude helps an individual strike a right balance between the utilization of money and other aspects of life, not become overly conservative and achieve long-term financial goals. The individual's financial attitude will help determine the individual's attitudes and behavior in terms of finances, both in terms of management, budgeting, and how individual decisions are made in selecting the type of investment to be taken.

5.4 Recommendations

The study recommended that an individual should make a financial plan by making his or her own list and then think about which goals are the most important to him or her. The players should be encouraged to have a budget of their cash, know how to use the budget, give themselves a limit for unbudgeted spending, track their spending and avoid commitment to any new recurring monthly bills.

The study recommended that the players should be encouraged to subscribe to financial newsletters. Try browsing financial blogs, newsletters, or magazines, which feature important money topics. Create a community of accountability either by physically meeting with friends regularly to share knowledge or could join an existing community in the form of a social media group. Start by learning what a credit score is and how having good credit is a valuable tool for reaching financial goals. To stay on financial track, they will need to make their budget both accurate and tolerable.

The study recommended that the players needs a basic understanding of financial concepts to make good financial decisions. The players should be directed on how to develop their skills in order to attain the necessary confidence to practice informed decision-making. The ultimate objective is to ensure individuals are empowered to act in the interest of their financial well-being.

The study recommended that every individual needs to keep a positive outlook about personal finances and the key to this is to develop financial skills in consultation with an expert like a certified financial planner (CFP) professional, who is equipped to take one on the path to attain freedom from financial worries.

5.5 Suggestion for Future Study

The regression model indicated that factors not studied in this research contributed to 36.9% of personal investment decisions among Kenya football premier league players in Kenya. Therefore, this study suggests that further studies should be done considering those factors not studied. In addition, the study suggests that suggests that other studies should be done that focus on different context apart from the Kenya football premier league players.

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APPENDIX I: LIST OF KPL TEAMS 2020/2021

1. Tusker
2. KCB
3. Bandari
4. AFC Leopards
5. Kariobangi Sharks
6. Homeboyz
7. Nairobi City Stars
8. Gor Mahia
9. Wazito FC
10. Ulinzi Stars
11. Bidco United
12. Sofapaka
13. Posta Rangers
14. Nzoia Sugar
15. Mathare United
16. Vihiga United
17. Western Stima
18. Zoo Kericho

Source: The Fishy website (https://thefishy.co.uk/leaguetable.php?table=283)

APPENDIX II: LETTER OF INTRODUCTION

Dear Sir/Madam,

RE: PERMISSION TO COLLECT DATA

I am a student undertaking a course of master's in business administration finance Kenyatta University. I am required to submit, as parts of my research work assessment, a research project project on "**influence of financial literacy on personal investment decisions among Kenya premier league players in Nairobi**". To achieve this, you has been selected to participate in the study. I kindly request you to participate in this study. This information will be used purely for academic purpose and your name will not be mentioned in the report. Findings of the study, shall upon request, be availed to you.

Your assistance and cooperation will be highly appreciated.

Thank you in advance.

Yours faithfully,

James Mathuku

APPENDIX III: RESEARCH QUESTIONNAIRE

The purpose of this questionnaire is to collect data on the effects of financial literacy on the personal investment decisions among footballers at the KPL. Please fill in the following questionnaire by answering all the questions given as instructed. All information obtained will be treated confidentially and will only be used for the purposes of this research. Please do not indicate your name in the questionnaire.

SECTION A: DEMOGRAPHIC INFORMATION

(Tick Appropriately)

1. What is your age bracket?

   Below 20 years [ ]
   20-30 years [ ]
   31-40 years [ ]
   40-50 years [ ]
   Above 50 years [ ]

2. What is your highest level of education?

   Secondary level [ ]
   College level [ ]
   University level [ ]
   Post graduate level [ ]

3. Which team do you play for? …………………………

4. How long have you played for the team?

   Below 1year [ ]
   1-5 years [ ]
   6-10 years [ ]
   11-15 years [ ]
   16-20 years [ ]
   Above 20 years [ ]

SECTION B: FINANCIAL LITERACY

Part 1: Savings

5. Do you have a savings plan that could sustain your recurrent expenditures in case of unexpected loss of employment income?

   Yes [ ]
   No [ ]

If no, Why and how do you plan to handle such an eventuality?

…………………………………...

6. What proportion of your earnings do you save?

   0 – 10% [ ]

   10 – 20% [ ]

   20-30% [ ]

   30-40% [ ]

   Above 40% [ ]

7. For how long can your savings sustain your substance?

   0-3 months [ ]

   4-6 months [ ]

   7-12 months [ ]

   Over 1 year [ ]

8. To what extent do you agree with the following statements on the factors influencing savings decisions of KPL players in Nairobi. Rate on a scale of 1 to 5 where 1= strongly disagree, 2= disagree, 3= undecided, 4= agree and 5 is strongly agree

Statement	**1**	**2**	**3**	**4**	**5**
I earn a stable income to save adequately monthly					
I save every month					
The high cost of living limits my saving capability					
I spend most of my money on entertainment					
I save for the future of my family					
I do not save since I have to feed my family					
My extended family looks up to me financially, hindering my savings capability					

Part 2: Financial Knowledge

9. Do you have any financial Knowledge?

   Yes [ ]

   No [ ]

10. If Yes to the above question, what type of financial knowledge do you possess?

    Formal [ ]

    Informal [ ]

11. If your answer is no to question 9, do you intend on obtaining any financial knowledge?...

12. If you have informal knowledge, kindly explain how you came across the knowledge……………………………………………

13. To what extent do you agree with the following statements on financial knowledge of KPL players in Nairobi. Rate on a scale of 1 to 5 where 1= strongly disagree, 2= disagree, 3= undecided, 4= agree and 5 is strongly agree

Statement	**1**	**2**	**3**	**4**	**5**
Financial literacy classes would improve my ability to manage finances					
I attend at least one investment seminar every year					
I obtained my financial knowledge from watching my parents and teammates manage money					
I read books on finances management					
I took up classes on finances while in school					
Financial knowledge is important among football players since our career is not guaranteed					
I usually share new information on finances to my teammates					

Part 3: Financial Awareness

14. What is your level of awareness on financial literacy?..................................

15. To what extent do you agree with the following statements on financial awareness of KPL players in Nairobi. Rate on a scale of 1 to 5 where 1= strongly disagree, 2= disagree, 3= undecided, 4= agree and 5 is strongly agree

Statement	1	2	3	4	5
I visit the bank incase I want to make financial decisions					
I have a financial manager/accountant					
I follow the progress of the stock exchange in-case I want to make an investment					
I have engaged in conversations on different investment plans offered by investment companies					
I understand how stocks operate					
I am aware of treasury bills					
I ask questions when taking a loan					

Part 4: Financial Attitude

16. What are your feelings towards financial literacy?......................
17. Do you think it is important to be financially literate?.................................. Kindly explain……………………………..
18. To what extent do you agree with the following statements on financial attitude of KPL players in Nairobi. Rate on a scale of 1 to 5 where 1= strongly disagree, 2= disagree, 3= undecided, 4= agree and 5 is strongly agree

Statement	1	2	3	4	5
I believe money should be spend once acquired					
I don’t believe in having an accountant/financial manager					
I appreciate reading materials on financial investments					
I often consult with financial institutions when making financial decisions					

Part 5: Personal Investment decisions

19. Do you invest your money?

    Yes [ ]

    No [ ]

20. If your answer for the above question is No, kindly explain?.............................
21. How dod you make you investments decisions?..
22. Kindly indicate below the type of investment you have undertaken

	Yes	No
I have purchased stocks in the last five years		
I have borrowed a loan in the last five years		
I have bought land in the past		
I own and use a credit card		
I have taken a car loan		
I have bought a house		
I have built a house		
I have a life insurance policy		
I have taken part in purchase of bonds		

APPENDIX IV: APPROVAL LETTER

KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke
Website: www.ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 810901 Ext. 4150

Internal Memo

FROM: Dean, Graduate School

DATE: 6th May, 2022

TO: James Mathuku Ndung'u
C/o Accounting & Finance Dept.

REF: D53/CTY/PT/33452/2015

SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL

This is to inform you that Graduate School Board at its meeting of 4th May, 2022 approved your Research Project Proposal for the MBA Degree Entitled, **"Influence of Financial Literacy on Personal Investment Decisions among Kenya Football Premier League Players in Kenya".**

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking Forms per semester. The form has been developed to replace the Progress Report Forms. The Supervision Tracking Forms are available at the University's Website under Graduate School webpage downloads.

Thank you.

KENYATTA UNIVERSITY
6 MAY 2022
GRADUATE SCHOOL
00100 NAIROBI

HARRIET ISABOKE
FOR: DEAN, GRADUATE SCHOOL

c.c. Chairman, Accounting and Finance Department.

Supervisors:

1. Dr. Farida Abdul
C/o Department of Accounting and Finance
Kenyatta University

HI/nn

APPENDIX V: RESEARCH PERMIT

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: **637182**

Date of Issue: **12/May/2022**

RESEARCH LICENSE

This is to Certify that Mr.. JAMES MATHUKU NDUNGU of Kenyatta University, has been licensed to conduct research in Nairobi on the topic: INFLUENCE OF FINANCIAL LITERACY ON PERSONAL INVESTMENT DECISIONS AMONG KENYA FOOTBALL PREMIER LEAGUE PLAYERS IN KENYA for the period ending : 12/May/2023.

License No: **NACOSTI/P/22/17414**

637182

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Verification QR Code

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