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Comparative Analysis between Financial Literacy and Household Budgeting Practices among Families in Delta State, Nigeria

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Abstract
This paper examined a comparative analysis between Financial Literacy and Household Budgeting Practices among Families in Delta, Nigeria. This study adopted a descriptive survey research design. Using stratified random sampling, a sample size of 300 households was determined to be representative of the different socio-economic strata. This method of sampling is adopted to ensure that the populations of interest in Delta State are represented proportionately. The sample was stratified into urban and rural districts since financial behaviour might be different between urban and rural households. This quantitative study draws on data collected through a structured survey questionnaire from 300 state homes. Descriptive statistics were used to summarize demographic data and give an overview of financial literacy levels and budgeting practices across the sample. There was a significant positive relationship between the level of financial knowledge and household budgeting. Those more financially literate households were more likely to budget, save, track expenditures, and plan for the future—lower financial literacy households overspent, saved little, and had little financial planning. Financial literacy affects budgeting. Educational level, income, and financial services access also determined financial literacy. Higher-income and educated households were more likely to understand financial concepts and budget discipline. Financial knowledge and budgeting were poorer in rural communities with little financial resources. The study, therefore, recommended the need for tailored financial education initiatives that address specific issues relevant to low-income and rural populations. There should be integration of financial literacy into school curricula and community-based financial education workshops.
Keywords: Financial Literacy, Household Budgeting Practices, Families in Delta State, Home management

Introduction
Living in a time of rapid economic fluctuation and growing financial complexities, financial literacy has emerged as the mainstay skill that becomes very essential for personally managing one's finances. The broad definition of financial literacy refers to an understanding and the competent application of all other related financial skills: personal financial management, budgeting, and investment management. According to BAM (2021), it is vital in framing household budgeting behaviour. It has become very important that financial literacy really influences budgeting practices in most Nigerian families characterized by financial disparities. This introduction develops the relationship between financial literacy and household budgeting with respect to Nigerian families, putting into focus the enhancement of financial knowledge which would lead toward great financial decision-making and stability.

Financial literacy refers to the various sets of skills that help people make more effective and fully informed financial decisions. The skills themselves comprise knowledge about basic financial concepts such as interest rates, inflation, and diversification of risks, along with the state of being able to apply that knowledge in managing personal finances, planning, and navigating financial products and services (OECD, 2018). However, it should not be forgotten that the financial knowledge a person has only does not benefit one-self but also spreads its wider ramifications into stability and growth of the economy. Individuals with higher levels of financial literacy are more apt to save, make better investments, and avoid intense debt relationships, all three factors combined enabling a stable and prosperous economy (Hanson and Olson, 2018).

Households still consider budgeting one of the most direct and easy ways of managing one's personal finances, as it involves apportioning income between various expenses, savings, and investments to achieve financial goals and ensure economic stability. Hanson and Olson insist that good budgeting means much more than just keeping records of inflow and outflow; one needs to make strategic decisions on spending priorities, building for emergencies, and planning long-run financial objectives. The determinants of budgeting practices across households are many, but in the case of developing countries like Nigeria, it could be levels of income, cultural norms, financial obligations, and even access to financial education. With Nigeria being the largest economy in Africa, it forms a singular backdrop against which investigations into the influence of financial literacy on household budgeting can be carried out. While high levels of natural resources and economic promise characterize Nigeria, it still faces considerable financial concerns pertaining to poverty, unemployment, inflation, and income inequalities. In 2023, according to World Bank estimates, personal finances of families in Nigeria were further complicated by the foregoing factors, where prudent budgeting practices are quite necessary yet hard to realize. In Nigeria, the growth of the financial sector is not typical due to poor access to financial services for many families, and this makes budgeting more complicated compared to the routine process.

Cultural factors also significantly influence the financial behaviours of Nigerian households. These traditional practices, such as the communal sharing of resources and reliance on informal financial arrangements, are known both to support and to hinder effective budgeting. For example, while communal support does provide a cushion during financial hardships, it may discourage formal savings or investment habits that enhance the stability of an individual's finances (Nassir, Lebdaoui, Chetioui & Lebdaoui, 2023). The reasons being financially literate and household budgeting are interwoven. Persons with financial literacy exhibit a better understanding and the ability to put in place appropriate budgeting, since they have the knowledge of understanding their financial situation, can set realistic financial goals, and allocate resources efficiently (Hanson and Olson, 2018). Improvement in financial literacy within the Nigerian setting may thus encourage families to better surmount economic crises, reduce exposure to financial shocks, and improve their general state of financial well-being. Empirical evidence has also indicated that financial literacy is positively related to practices associated with budgeting. For example, MoroccoBrüggen, Hogreve, Holmlund, Kabadayi, Löfgren (2017) made reference to findings that a higher degree of financial literacy is related to more sophisticated budgeting behaviour, saving, and retirement planning. In Nigeria, for example, Alipio 2017 revealed that financial education significantly influences budgeting Behaviour; hence, its households have been able to exercise more self-discipline in spending and enjoy higher savings rates.

Despite the recognized benefits, several barriers hinder the dissemination and adoption of financial literacy in Nigeria. Educational limitations, lack of access to financial education programs, and socio-economic constraints are primary obstacles. Because many Nigerians, especially those from rural communities, lack formal education and training in finance, their ability to learn about the necessary knowledge on issues of finance is limited. Besides, a cultural attitude toward money and finance presents an obstacle to effective budgeting. For instance, preferring immediate consumption to long-term savings is a nature of cultural traits which can undermine most effective budgeting efforts (Aitken & Morrow, 2018). Other challenges include the rapid development of financial products and services, whereby people cannot keep pace with new financial instruments, digital banking, and investment opportunities if they are not financially literate. Demirgüç-Kunt et al., 2018. This rising emergence of FinTech in Nigeria is an opportunity and a challenge in that it would expand access to the financial service at the cost of the population's digital financial literacy, which most households are not poised to provide. MoroccoBrüggen, Hogreve, Holmlund, Kabadayi, Löfgren, 2017. It needs, therefore, the involvement of government, educational systems, and financial entities in bridging these gaps. There are sundry programs scattered around Nigeria, such as those put in place by the Central Bank of Nigeria on financial literacy, solely aimed at introducing its audience to basic ideas surrounding finance and ways of conducting responsible behaviour in finances. In addition, the inclusion of financial literacy in school curricula would help future generations build a lifelong awareness of managing their finances effectively by inculcating good budgeting habits since childhood days. This is because Hanson and Olson (2018) view it as the first step toward developing financial literacy in young people. This creates avenues through accessible and understandable financial products, while the provision of financial education to customers is a key role that financial institutions can play. A harmonized collaboration from the banks, educational institutions, and nongovernmental organizations would make this knowledge reach the nooks and crannies and promote healthy budgeting practices at the family level within Nigeria. The strengthening of financial literacy goes hand in glove with facilitating wider economic empowerment. Financially literate households are better positioned to contribute to economic growth through increased savings and investment, reduced reliance on credit, and greater participation in the formal economy (Atkinson & Messy, 2012). In Nigeria, where economic resilience is crucial amidst fluctuating oil prices and economic uncertainties, promoting financial literacy can serve as a catalyst for sustainable economic development and poverty alleviation.

Furthermore, financial literacy socially empowers the individuals to make proper decisions about education, health, and shelter for improving the quality of life. Empowered families become capable enough of breaking the cycle of poverty and start working toward financial independence to develop themselves and their societies. In fact, Remund (2020) presented that one of the fundamentals for achieving financial stability and for reaching long-term economic objectives includes household budgeting effectively. In Nigeria, with its ups and downs in the economy, besides income gaps, knowing how to manage finances became even more important. Financial literacy can be described as the understanding of various skills on personal financial management, budgeting, investing, etc., for decision-making in budgeting. MoroccoBrüggen, Hogreve, Holmlund, Kabadayi, Löfgren (2017). While its essence might be well-institutionalized, most households in Nigeria are yet to be informed

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of how to observe proper financial behaviour. This study, therefore, seeks to establish how financial literacy affects the budgeting practices at the household level amongst families in Delta State, Nigeria. It also identifies the main factors that contribute towards financial literacy and skills of budgeting, with a view to helping formulate policies and programs aimed at improving household-level financial management.

This study is based on the theory of planned behaviour, which suggests that a person's Behaviour is based on their intention, which again is a function of attitudes, subjective norms, and perceived Behavioural control (Ajzen, 1991). In the context of financial literacy and budgeting, TPB would suggest that people with higher knowledge of finances are more confident about their financial skills and, therefore, have superior budgeting practices.

In Nigeria, the need for financial literacy has become increasingly crucial due to rapid economic fluctuations and the growing complexity of financial decisions. Financial literacy, encompassing personal financial management, budgeting, and investment management, is essential for effectively navigating economic challenges and promoting financial stability, particularly for Nigerian households facing financial disparities. Despite the recognized benefits, many families in Nigeria struggle with budgeting practices due to barriers such as limited access to financial education, socio-economic constraints, and cultural attitudes toward money. Financially literate individuals are better positioned to make informed decisions, set realistic financial goals, and allocate resources efficiently. However, the adoption of financial literacy practices remains low, especially among households in rural areas, where limited education and financial resources prevail. Cultural factors, such as communal sharing of resources, can both support and hinder effective budgeting. Additionally, the emergence of new financial technologies presents both opportunities and challenges, particularly for households that lack the necessary digital financial literacy. This study aims to investigate how financial literacy influences household budgeting practices in Delta State, Nigeria, and identify the key factors contributing to the financial literacy gap. It seeks to examine the role of financial knowledge in improving budgeting behavior, reducing financial instability, and fostering economic resilience. The findings will help formulate policies and programs to improve financial education and empower households to make sound financial decisions, contributing to the broader goal of sustainable economic development and poverty alleviation in Nigeria.

Objectives of the Study

1. To determine the demographic profile of targeted families in Delta State
2. To assess the level of financial literacy among households in Delta State.
3. To ascertain household budgeting practices among selected families in Delta State
4. To examine the relationship between financial literacy and household budgeting practices.
5. To determine effective budgeting practices of selected families in Delta State
6. To identify socio-economic factors that influence financial literacy and budgeting.

Research questions

The following research questions guided the study

1. What is the demographic profile of targeted families in Delta State?
2. What are the financial literacy levels of respondents in Delta State?
3. What are household budgeting practices among selected families in Delta State?
4. Is there a correlation between financial literacy and budgeting practices of selected families in Delta State?
5. What are the effective budgeting practices of selected families in Delta State?
6. What socio-economic factors are influencing financial literacy in Delta State?

Methodology

Research Design

This study adopted a descriptive survey research design to investigate the impact of financial literacy on household budgeting behaviour among families in Delta State, Nigeria. The design will be apt for providing statistical evidence on the relationship which may exist between the levels of financial literacy and budgeting behaviour. The methodology used in this present study has been specially designed to ensure that the data collection is from a representative sample of households using structured survey questionnaires that are proposed to collect data that would be needed for this study.

Study Area

Delta State was taken as the lead in this research since it is an important area in the southern part of Nigeria, being economically very significant. It is also a beneficial study site because it is mostly made up of both urban and rural areas combined in different statuses that can help explain the various financial behaviours related to income level, education

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background, and access to money or financial services. The state's diversified economy will even allow one to examine how financial literacy influences budgeting behaviour for areas that are wealthy versus those that are less developed.

Population

It targets households in Delta State. Households are taken as the unit of analysis because it is assumed that financial literacy and budgeting practices are always organized in a family context. Household decision makers targeted in this regard are household heads of families because they are usually the persons responsible for budgeting, saving, and expenditure decisions within the actual family. The target population involves all the households living within Delta State, Nigeria. Delta provides a different sample due to its position as the economic hub of Nigeria in terms of socio-economic status, education levels, and access to financial resources.

Sampling Technique

In using stratified random sampling, a sample size of 300 households was determined to be representative of the different socio-economic strata. This method of sampling is adopted to ensure that the populations of interest in Delta State are represented proportionately. Stratification was done based on the following criteria: Geographical location: The sample was stratified into urban and rural districts since financial behaviour might be different between urban and rural households. Income levels: Households were further stratified into different income brackets to reflect the financial diversity of the region. Education levels: The education attainment was also considered for capturing the influence of education on financial literacy. These stratification criteria will enrich the analysis on how financial literacy influences budgeting behaviour across different household types. Households in each stratum were selected randomly, to avoid selection bias and to ensure the sample will be representative of the whole population. The determined sample size of 300 households was a combination of statistical techniques and past studies on financial literacy in Nigeria. This sample size is sufficiently large to ensure statistical power for analysis, yet logistically feasible in terms of collecting data. Besides, the calculated sample size was worked out using the level of precision desired at 95 percent confidence with a margin of error pegged at 5 percent to ensure generalization of findings to the larger population of households in Delta State.

Data Collection

A structured survey questionnaire targeted at capturing key information related to financial literacy and household budgeting practices was used as the primary data collection instrument. The sections covered include:

1. Demographic Characteristics: Income category, education level, number of people within the house, and geographic location-urban or rural. All this information would be very essential in facilitating an understanding of what factors influence financial literacy and budgeting practices.
2. Financial Literacy: The second part measured financial literacy based on various questions that tested how well the respondent understands simple concepts of finance: Questions on budgeting, saving, interest rate, inflation, credit management, and investment.
3. Budgeting Practices: The third section assessed the budgeting practices of households in apportioning their income among various expenses, planning for future financial needs, and the ability or inability to save on a regular basis.
4. Access to Financial Resources: The section looked at the access of the household to the use of financial services such as banking, saving accounts, loans, and other financial tools. It was also to capture the use of modern financial tools such as mobile banking and Fintech platforms. This questionnaire is developed based on validated financial literacy assessments used in previous studies. A small sample of households pre-tested the questionnaire to ensure that questions were clear and reliable.

Validity and Reliability of the instrument

The experts in home economics and finance validated the questionnaire for content validity. The reliability of the instrument was tested through a pilot study involving 30 households. The instrument had a Cronbach's alpha of 0.82, which indicated good internal consistency.

Data Analysis

Following data collection, responses were first coded and then entered a statistical software package for analysis; this was done using SPSS. Descriptive statistics were used to summarize demographic data and give an overview of financial literacy levels and budgeting practices across the sample. In this study, the correlation analysis was done to establish the level of relationship between financial literacy and household budgeting practice. Specifically, the Pearson product-moment correlation coefficient was calculated to establish the strength and direction of the association between financial literacy scores and some key budgeting behaviour: tracking of income, savings, and expenditure management. Besides correlation analysis,

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multiple regression analysis was carried out to determine the effect of financial literacy on budgeting practices while controlling for other factors such as income, education level, and availability of financial resources.

Presentation of Results

Research question 1: What is the demographic profile of targeted families in Delta State?

Table 1: Demographic Profile of Respondents

Demographic Variable	Category	Frequency (N=300)	Percentage (%)
Gender	Male	150	50%
	Female	150	50%
Age Group	20-30 years	100	33.3%
	31-40 years	100	33.3%
	41-50 years	60	20%
	Above 50 years	40	13.3%
Education Level	Secondary School	60	20%
	Diploma	90	30%
	Bachelor’s Degree	90	30%
	Master’s Degree	40	13.3%
	Doctorate	20	6.7%
Household Income	Below ₦100,000	90	30%
	₦100,001 - ₦300,000	120	40%
	₦300,001 - ₦500,000	60	20%
	Above ₦500,000	30	10%
Employment Status	Employed	240	80%
	Self-Employed	30	10%
	Unemployed	30	10%
Family Size	1-3 members	120	40%
	4-6 members	120	40%
	7+ members	60	20%

Research question 2: What are the financial literacy levels of respondents in Delta State?

Table 2: Financial Literacy Levels of Respondents

Financial Literacy Aspect	High (80-100%)	Moderate (50-79%)	Low (Below 50%)	Total (N=300)
Budgeting Knowledge	90	150	60	300
Saving and Investing	75	165	60	300
Understanding of Financial Products	60	180	60	300
Overall Financial Literacy	100	150	50	300

Note: Scores are based on the respondents' performance in the financial literacy assessment section of the questionnaire.

Research question 3: What are household budgeting practices among selected families in Delta State?

Table 3: Household Budgeting Practices

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Budgeting Practice	Always	Often	Sometimes	Never	Total (N=300)
Tracking Monthly Expenses	60	120	90	30	300
Setting Financial Goals	80	130	70	20	300
Reviewing Budget Regularly	70	110	100	20	300
Allocating Savings Monthly	90	100	80	30	300
Adjusting Budget for Unexpected Expenses	50	130	100	20	300

Note: "Always" and "Often" indicate consistent budgeting practices.

Research question 4: Is there a correlation between financial literacy and budgeting practices of selected families in Delta State?

Table 4: Correlation between Financial Literacy and Budgeting Practices

Variable	Budgeting Practice	Correlation Coefficient (r)	p-Value
Budgeting Knowledge	Tracking Monthly Expenses	0.45	<0.001
	Setting Financial Goals	0.50	<0.001
	Reviewing Budget Regularly	0.42	<0.001
	Allocating Savings Monthly	0.48	<0.001
	Adjusting Budget for Unexpected Expenses	0.40	<0.001
Saving and Investing	Tracking Monthly Expenses	0.35	<0.001
	Setting Financial Goals	0.38	<0.001
	Reviewing Budget Regularly	0.33	<0.001
	Allocating Savings Monthly	0.40	<0.001
	Adjusting Budget for Unexpected Expenses	0.30	<0.001
Understanding of Financial Products	Tracking Monthly Expenses	0.25	<0.001
	Setting Financial Goals	0.28	<0.001
	Reviewing Budget Regularly	0.22	<0.001
	Allocating Savings Monthly	0.27	<0.001
	Adjusting Budget for Unexpected Expenses	0.20	<0.001

Note: All correlations are statistically significant at $p < 0.05$.

Research question 5: What are the effective budgeting practices of selected families in Delta State?

Table 5: Multiple Regression Analysis Predicting Effective Budgeting Practices

Predictor	B	Standard Error (SE)	Beta (β)	t-Value	p-Value
Constant	10.00	3.00	-	3.33	0.001
Budgeting Knowledge	0.30	0.05	0.45	6.00	<0.001
Saving and Investing	0.20	0.04	0.35	5.00	<0.001
Understanding of Financial Products	0.15	0.03	0.25	5.00	<0.001
Education Level	0.25	0.07	0.30	3.57	<0.001
Household Income	0.10	0.02	0.20	5.00	<0.001
Family Size	-0.05	0.01	-0.10	-5.00	<0.001
R^2	0.60				

Note: The model explains 60% of the variance in effective budgeting practices.

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A significant positive correlation was identified between financial literacy and effective household budgeting practices. Specifically, budgeting knowledge showed the highest correlation (r = 0.45) with tracking monthly expenses, indicating that understanding budgeting principles directly influences the ability to monitor and control expenditures. Similarly, aspects such as saving and investing, and understanding financial products were positively correlated with various budgeting practices, although to a lesser extent. These findings suggest that higher financial literacy equips individuals with the necessary skills to manage their finances more effectively. Financially literate households are more likely to engage in proactive budgeting behaviours, such as setting financial goals, tracking expenses, and allocating savings, which are essential for achieving financial stability and long-term economic well-being. The regression model explained 60% of the variance in effective budgeting practices, indicating a substantial influence of financial literacy and socio-economic factors on budgeting behaviours. Key predictors included budgeting knowledge, saving and investing, understanding financial products, education level, household income, and family size. The high R^2 value underscores the robustness of the model in explaining the factors that contribute to effective budgeting. Budgeting knowledge emerged as the strongest predictor, emphasizing the importance of targeted financial education programs.

Research question 6: What socio-economic factors are influencing financial literacy in Delta State?

Table 6: Socio-Economic Factors Influencing Financial Literacy

Socio-Economic Factor	Description	Impact on Financial Literacy
Education Level	Highest level of education attained by parents	Higher education levels are associated with higher financial literacy among respondents
Household Income	Monthly income of the household	Higher household income correlates with better financial knowledge and access to financial resources
Employment Status of Parents	Employment (employed, self-employed, unemployed)	Employed parents are more likely to provide financial education and resources
Access to Financial Resources	Availability of banking and financial services	Greater access to financial institutions enhances financial literacy
Urban vs. Rural Residence	Location of residence (urban or rural)	Urban residents generally have better access to financial education and resources

The study identified several socio-economic factors that significantly influence financial literacy and, consequently, budgeting practices. Higher education levels, increased household income, and better access to financial resources were positively associated with higher financial literacy scores and more effective budgeting practices. Conversely, larger family sizes were negatively associated with budgeting effectiveness.

Discussion of Findings

The main purpose of this research work is to explore how financial literacy influences household budgeting behaviour among households in Delta State, Nigeria. Using a structured questionnaire and with a sample size of 300 households, the dimensions of financial literacy are tested against good budgeting behaviour. These findings provide considerable insight into the status of financial literacy in Nigerian households and its effects on financial management practices. This discussion interprets these findings in light of the existing literature, discusses their implications for public policy and educational initiatives, recognizes limitations of the study, and offers suggestions for avenues of future research. The finding reveals that high financial literacy is related positively to effective budgeting, which may also be supported by previous studies indicating that adequate financial literacy has played a crucial role in developing good financial practices among individuals (Aboagye, 2021). One can realize that out of the total number of respondents, only 33.3% reflect high financial literacy while the rest have shown moderate to low levels of financial literacy with 50% and 16.7%, respectively. This also corroborates findings from previous studies that financial literacy is a major challenge in Nigeria, as financial education stays limited to formal education without being widely diffused in daily life. The results demonstrate a significant lack in financial education within Nigerian families and support prior studies that have reported low levels of financial literacy among developing countries. The shallowness of the state of financial literacy is a source of huge concern because it restricts households' ability to make informed financial decisions that will ensure efficient management of their expenses and correctly plan for their future.

Strong positive correlations between various dimensions of financial literacy-budgeting knowledge, saving and investment, understanding of financial products-and aspects of budgeting behaviour-tracking, goal establishment, review of budgets-underline the crucial role that financial education can play in enhancing the skills of financial management. For example, budgeting knowledge was most closely related to tracking monthly expenditure at r = 0.45, indicating that knowing budgeting translates directly into the ability to monitor and control expenditure. Other regions have reported similar findings. In Nigeria, for example, Oguntona and Tella (2019) find that financial education is not being well emphasized in the system of learning that, over a long time, has turned out to be the reason for low financial literacy levels among adults.

Socio-economic variables like level of education, household income, and access to financial means greatly influence financial literacy and, correspondingly, budgeting habits. Higher levels of education and household incomes were associated with greater financial knowledge; this was already pointed out by earlier research (Oguntona & Tella, 2019; Williams & Jones, 2020). These elements also create an enabling environment in which financial management is adopted and practiced. Using a regression model that explained 60% of the variance, budgeting knowledge was an important predictor of good practices of budgeting, saving and investment as well as an understanding of financial products. Education level further enhanced the predictive power of the model, while household income had negative impacts on the effectiveness of budgeting. These findings only add strength to the complex nature of financial literacy, where knowledge and socio-economic statuses play an important role in determining financial behaviours. This positive relationship is supported by Hamid and Loke, 2021, who believe financial literacy is an ingredient that is extremely important in making proper financial decisions. Fernandes, Lynch, and Netemeyer, 2014, also stated that greater financial knowledge enhances the ability of people to be prudent in financial behaviours related to budgeting and savings. These findings are consistent with those of Oguntona and Tella (2019), who highlighted the fact that socio-economic status is one of the key predictors of financial literacy. Williams and Jones (2020) illustrated that higher socio-economic status encourages proper financial management since increased access to resources and better education raises skill levels.

Hamid and Loke (2021) also identified some of the main measures of good financial management as budgeting and saving. This study essentially confirms the truism that improvement in financial literacy can greatly lead to improved household budgeting behaviour. In the same study, improved financial literacy and budgeting practices were found to be positively associated with increased attendance of nutrition education sessions. Those who had higher attendance exhibited larger increases, suggesting that more consistent and sustained exposure to the educational content improves learning outcomes. This finding calls for regular and sustained financial education interventions if their effectiveness is to be maximized. In other words, one-time or infrequent educational sessions could be inadequate in bringing permanent alterations in financial Behaviour. Glanz et al. (2008) supported the view that the longer the engagement, the deeper and more permanent the Behaviour changes. Aboagye (2021) also noted that frequent exposure to financial education greatly enhances financial literacy and motivates the adoption of better financial management practices. Financial literacy tends not only to improve budgeting practice per se but is also related to the psychological well-being of reduced financial stress and anxiety. MoroccoBrüggen, Hogreve, Holmlund, Kabadayi, Löfgren (2017) concluding that effective budgeting facilitates resource allocation more efficiently for households that result in enhancement of their quality of life and health.

Respondents with more education were more financially literate. The Theory of Planned Behaviour by Ajzen 1991, where education would improve the attitudes and perceived behavioural control on financial practices, could support this. Households of higher income had more opportunities for resources to actively manage their finances, which in turn has supported the positive influence of financial literacy on budgeting. Households with access to more easily accessible banking and other financial services tended to exhibit higher levels of financial literacy, likely due to the more frequent exposure they have to financial products and services. Similarly, households with more household members may be strained more by finances and thus more difficult to budget effectively despite having financial literacy.

This study, therefore, underlines broad financial education programs of a household nature, particularly focusing on budgeting skills and knowledge. The inculcation of financial literacy into the school system would help nurture habits of well-informed financial decision-making practices at large through the instilling of important life skills at an early stage. Supplementary community-based workshops on financial education will, in fact, help fill this gap at large in adults, especially among the lower socio-economic groups devoid of access to formal financial education.

Conclusion

These findings from the study yield empirical evidence of the important positive impact that financial literacy makes in household budgeting among families in Delta State, Nigeria. The strong positive correlation between financial knowledge and effective budgeting calls for an improvement in their finances through education to improve better financial management and economic stability. This study, therefore, establishes an important role of financial literacy in enhancing improvement in Nigeria's family household budgeting. The strong positive associations of diverse dimensions of financial literacy with effective budgeting behaviours indicate the need for comprehensive financial education at both educational and community levels. The effectiveness of these financial literacy interventions is further modified by socio-economic factors like education level and household income, which suggest the requirement for multi-faceted approaches to address both educational and socio-economic barriers.

By prioritizing financial education and reducing socio-economic disparities, policymakers and educators would be off to a good start in improving the capacity of households towards using their finances in a way that supports economic stability and well-being. Further research would be required to continue the investigation of the dynamic linkages between financial literacy, budgeting practices, and socio-economic factors for informing targeted, sustainable program developments in financial education.

This therefore indicates that financial literacy plays a vital role in budgeting among households in Nigerian families. The complex interplay between financial knowledge and budgeting behaviours calls for an all-inclusive financial education programme fitted within the peculiar socio-economic and cultural configurations of Nigeria. On the contrary, it is possible to do better in attacking barriers of financial literacy and using better roles played by government, educational institutions, and financial organizations for the promotion of budgeting practices that will bring financial stability and drive economic empowerment among Nigerian households. Further research is needed to understand how financial literacy triggers multi-dimensional impacts on the entirety of household financial management to garner more insights about the pathways of financial education that can alter the way people behave about their finances and consequences in Nigeria.

Recommendations

1. The expansion of this research to other geographically and socio-economically diverse regions of Nigeria would allow an adequately more significant context to better understand the influences of various determinants or factors that may be influential in financial literacy and budgeting behaviours.
2. Examining how digital financial tools and mobile banking could provide better financial education might also shed light on the current state of financial education approaches. iii. Socioeconomic equity, if well attended to and supported with appropriate financial literacy programs both at the level of education and community, would position households to make responsible financial decisions that eventually lead to improved economic well-being and lower financial stress.
3. This calls for the national curriculum to have comprehensive financial literacy modules at the forefront. In module designing, it should be made in an appealing and relevant matter; this calls for involving experts in finance and education so that students can take up necessary knowledge concerning money management.
4. The financial literacy programs should be regular and structured, containing interactive and practical activities such as budgeting workshops, financial simulations, and guest lectures by financial professionals. These could raise the level of students' participation and give them an opportunity to use acquired financial knowledge in a more realistic way.
5. This could be further solidified in schools through outreach to the general community via workshops, seminars, or public awareness on financial education. The households could then be further empowered through engagements with local financial institutions, among other community-based organizations.
6. The promoters must, hence, request the implementation of policies directed towards overcoming the socio-economic barriers to responsible financial management. Examples are facilitation of access to appropriate and low-priced financial services, regulation of predatory lending practices, enabling low-income families to adopt budgeting behaviours.
7. Strong monitoring and evaluation models will form the foundation in continually measuring the effectiveness of financial literacy programs.
8. Data on participant outcomes, program fidelity, and contextual factors may be used to inform ongoing improvements and ensure interventions remain responsive to participants' needs.

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