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DETERMINANTS OF EMPLOYEES SAVING BEHAVIOR

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A STUDY ON DETERMINANTS OF EMPLOYEES SAVING BEHAVIOR

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ABSTRACT

Individuals are faced with making important financial decisions regarding regular income, savings, investing, and retirement plan etc. Across the globe, developed and emerging economies are experiencing growth in the sophistication of financial markets and banking services. Individuals require a greater degree of financial literacy to understand and explore these sophisticated and emerging financial markets and products. This study aims to identify the saving behavior of Embassy Staffs in Yangon and to explore the influencing factors on embassy staffs' saving behavior. Therefore, the determinants of saving behaviour among the Embassy Yangoon staffs are used in this study. In this study,150 respondents are selected with simple random method and survey questioners are collected in July 2019. To explore the factors influencing, there are four determinants of saving behaviour which are financial literacy, parental socialization, peer influence and self-control. According to the finding of the study, saving behaviour varies on level of financial knowledge. Financial literacy is found to influence on individual saving behaviour. This could be due to their educational level too. The findings show high level of financial illiteracy among the respondents. Besides, parents play an important role in affecting their children in the conduct of saving. Furthermore, peer influence can have a great impact on saving behaviour of embassy staffs due to their close relationship other than parents. Lastly, no one can affect another easily. In other words, self-control plays an important role for staff to practice saving. Thus, based on this study, financial literacy is most important influencing factors to save money. This study has positive social change implications in that it could lead to improvement in financial well-being of employees as well as the nation's economy. Therefore, to enhance knowledge of advantages of saving, financial institutions likes banks should do activities for encourage of financial literacy.

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LISTS OF ABBREVIATIONS AND ACRONYMS

MPU	Myanmar Payment Union
ATM	Automated teller machine (cash machine)
Mobile ATM	A type of automated teller machine that is designed to be moved from location to location carried by car
NPS	National Payment System
COD	Cash on Delivery
MMK	Myanmar Kyat
FOC	Free of charge
CSR	Corporate Social Responsibility
HR	Human Resources
Debit Card	A plastic card that can be used instead of cash when making purchases
E-commerce	The activity of buying or selling of products on online service over the Internet
CVC	Card Verification Code
CVVC	Card Verification Value Code
POS	Point Of Sale
GIZ	the Deutsche Gesellschaftfur Internationale Zusammenarbeit
PIN	Persional Indentification Number
JCB	Japan Credit Bureau
UPI	Union Pay International
USD	United States Dollar

CHAPTER I

INTRODUCTION

Saving is one of the important behaviors that can promote a long run economic growth particularly at individual and household level. Certainly, adequate level of saving amount will give more financial freedom and opportunities for investment as well as future financial planning. Saving should be contemplated in the conditions of financial forethought and financial management practices.

From the perspective of investment, saving takes place when individual is able to spend less than income and set aside some amount of money every month. Yet, saving decision depends on many significant factors such as financial habits of spending expenditures, saving etc, status of wealth, preferences of consumption and real interest rate. In fact, the current economic landscape with the implementation of Goods and Services Tax (GST) will also affect the saving pattern. Moreover, the reasons for saving vary amid income levels, with families at lower income levels saving for more immediate expenditures such as rent and holiday gifts, compared to the longer timeframe of savings by higher income groups for future expenditures such as children's education and retirement. But on the other hand, it turns into increasing in income, however, that does not necessarily motivate people to save because some of them tend to spend more of their earnings. Consequently, in order to motivate saving habit, government policies should be attentived in providing more incentives and opportunities to save by offering wide range of instruments.

In today world with the high percentage of youth unemployment globally, everyone is struggling for living and individual debt rate is increasing faster than inflation. With the declining of job opportunities and job security, income instability and eroded purchasing power of Myanmar labor forces, employees have to decide not only how much they have to save for retirement but also how they need to allocate their pension benefit. Many significant factors contribute to the annual statistics and discourage people not to save consistently as regular basis. Overuse of credit cards and credit loans, overspending the unnecessary commodities, goods and products, lack of budget plan, high interest rates for loans and debts, inadequate spending skills, low income or salary and lack of knowledge on individual household financial control are main causes of employees' financial problems. Based on the scientific researches and studies, people tend to achieve their dreams or life goals will come true if they have good saving behavior. More surprisingly, the high education of each individual does not necessarily represent being better financial management unless the values of living within our means are cultivated along financial knowledge.

1.1 Rationale of Study

In order to realize economic situation of a country, saving behavior can be defined as an understanding on how people save in a country. It is common sense that if people save more, they tend to spend more meaning that the levels of their personal disposable income will likely to be increasing as well. This also implies that the living standard of people (wellbeing of each citizen) will increase as well (World Finance Mapping)

In Union of Burma, folks are unlikely to avoid wasting cash, however, culturally they are keen on shopping for gold, gems and jewelries as their saving property. In line with the standard market apply and a few incidents of bankruptcy within the past, they have a tendency to consider shopping for and saving such valuable things that they feel additional reliable and fewer risk technique of saving. They believe that over the years, the value of gold is improving better and better therefore it's worth to shop and for save. Recently once 2015 election, Union of Burma has reformed politically and economically in elementary socio-economic sector, the private sector and personal industry get boomed. . Employees with certain level of education, skilled background and IT information have gotten additional and more exposure with digital banking services and processes. To support on this apply, to boot, the financial institution of Union of Burma has removed its sanctions on personal banks and has provided additional flexibility on spare rules and laws. As a second result, , additional personal banks are emerged promptly. Among these new banks and pre-existing ones, KBZ is one of the largest cooperate banks, that provides with variety of product and services for its customers to encourage saving cash, like mounted deposit, decision deposit, and traditional deposit etc. Among all be stressed here during this study to debate.

The benefit includes calculation of principle plus interest on monthly interest calculation, the bank also arranges for the accountholder not to lose any interest even the accountholder stop the saving. As Su Pwar Account is regular deposit saving type, when the accountholder failed to save the deposit for any reason, the bank will wait for another 5 working days as grace period. If the accountholder unable to save within the grace period, the bank will close the account, calculate the existing amount with the Interest rate of (8.25%) accordingly with the deposit regulation and transfer the total of principle and interests amount to the related account. Saving money indicates that people have more room from their income after they spend on essential expenses such as livings, food, housing, education and health care. The indicator shows that people has accomplished their daily basis life plan and life expenses. While, some people who are not afford to save extra money, still want to do good deeds, charity sharing and donations but they do not have

enough savings to do so. Some people want to improve themselves in term of academically or professionally by taking required course and trainings, but they do not have extra money to pay for the tuition fees. Likewise, some other people want to take trips and vacation during their holidays for better work-life balance but they have few or no chance to do so as lack of own saving. Other people want to buy fixed assets such as mobile phones, smart watches or electronics stuffs. These are some of the stories and troubles they are facing every day. However, my study will focus on people can achieve their dreams and goals by using the Future Plus service from KBZ Bank.

From this study, the employees from the Embassy will get to know what is the Future Plus plan and they will get motivated to make their goals achieved by practicing regular (monthly) saving habit. The bank will also get new customers as the numbers of employees come and purchase its services. Therefore, it will gain mutual benefits to both bank an employee.

Thus, this study will emphasis on the Future Plus Su Pwar service of KBZ bank that the embassy employees are using.

1.2 Objectives of the Study

The following are the objectives of this study

1. To identify Su Pwar saving behavior of KBZ Bank.
2. To explore the determinants of employees saving behavior.

1.3 Scope and Method of Study

This study intends the determinants of employees saving behavior on future plus service (Su Pwar) in KBZ Bank. There are 180 Branches of KBZ in Yangon Region, among them; this study will focus on University Avenue Branch (Premium Banking). The scope of this study tries to cover the saving behaviors of embassy staffs who are working in public service, international aids and development sectors in Yangon. Total sample size will be 150 employees out of 300 the Embassy employees of sampling frame. These 150 respondents who are 18 years and above, both male and female, with passed secondary or tertiary education are selected based on random sampling method to research for this study.

The quantitative research method is use in this survey. The descriptive form is used to present the demographic factors of response dents. The primary data is collected from sample respondents by survey using structured questionnaires. The survey data is collected from KBZ bank New University Avenue branch (Premium Banking). Saving amount can also differ according to the respondents' salary rate and their year of service. The secondary

data is obtained from many data sources such as previous researches and findings on similar subjects, journals, articles from Myanmar Times 05 November 2018, UNCDF paper January 2016, reliable academic based website from the Internet and other related reports. The hypothesis of this research is "The higher the earning of the Embassy Employees, the saving of each Embassy Employees will be rising".

1.4 Organization of the Study

There are five chapters that explained and stated in this study. Firstly, Chapter I describes the introduction, with the rationale, concept and objectives of the study, Scope and method of the study and organization of the study. Subsequently, Chapter II discusses about the theoretical frameworks that are relevant to this topic, the proposed conceptual framework designed for the study. Meanwhile, Chapter III describes the profile of demographic factors of respondents, afterward, In Chapter IV, SPSS software is used to analyze influencing factors of saving behavior. Last but not least, Chapter V provides summarization on all the inferential and descriptive analyses previously stated in the Chapter IV. It presents the major findings and implications of the study concluding with the limitations of study as well as recommendations for future study.

CHAPTER II
THEORETICAL BACKGROUND

This chapter explains the theory applied for the research and discover how each dependent variable affects the independent variable by viewing past literatures related to the topic. This chapter also includes a proposed conceptual framework developed for the research objective.

2.1 Definition of Saving

Keynes (1936) stated that saving as the remaining of income over what is spent on consumption. In details, saving also can be described as a part of disposable income which left after spending on consumer goods.

Saving = income - consumption

In the line with globe finance mapping, saving behavior can be defining as an understanding on how people saves in a nation in order to realize the economic situation of that country. The fact is that when people are saving more, the stage of their personal non-returnable earning are growing and this also improving the living standard of people. (Maps world of finance).

Saving is a common word use by individuals on daily basis. Saving means depositing something alongside for time ahead use or what will be contemplated as deferred expenditure. Several definitions of saving exist according to those who had written on the topic. According to Miller and VanHoose (2001), savings is a foregone consumption. They explained forgone consumption as when one does not spend all the income that is earned within a given period. To Miller and Van Hoose(2001), once, part of what is earned today is left for future use , there is savings. In terms of personal finance, saving generally specifies low-risk preservation of money, in a saving account, versus investment, which has higher. In economics, its broadly referred to any income not used for immediate consumption.

2.2 Saving in Personal Finance

Personal finance is the financial management where an individual or a family is needed to do to obtain, budget, save and spend monetary assets over time, taking into

account a variety of financial risks and future life events, Lusardi, A (2008).When organizing personal finances the personal would contemplate the suitability to his or her needs of align of banking products (checking ,saving accounts, credit cards and consumer loan) or investment (stock market, bonds, mutual funds) and insurance (life insurance, health insurance, disability insurance) products or involvement and monitoring of individual or employer-sponsored retirement plans, social security satisfaction and income tax management.

Within personal finance, money can be to buy shares, put in a collective investment plan or used to buy any asset where there is an component of capital peril and that is deemed in investment. This distinction important for both the investment and the saving because the investment risk can cause a capital loss when an investment is realized, unlike cash saving(s). Cash saving accounts are considered to have minimal risk. In the United States, all the banks needed to have deposit insurance, typically provided by the Federal Deposit Insurance Corporation or FDIC. In uttermost occurrence, a bank failure can cause deposit to be lost as it happened at the begin of the big Depression. The FDIC has prevented that from happening since.

2.3 Saving Behavior

The world's average saving rate has been reducing since the first oil shock and past the early 1990s. (Loayza.N., Lopez.H., Schmidt-Hebel.K., and Serven.L. (1998)). Nevertheless, this trend conceals a large and increasing dispersion of saving rates, especially among developing nationals. The huge heterogeneity in saving behavior is related with nation and time variances in types of development, growth recital, and economical and financial policies. (Loayza.N., Lopez.H., Schmidt-Hebel.K., and Serven.L., 1998)).

A few common types like Money Market, Savings Account,, Savings Bonds Certificates of Deposit, and etc are used to save their money (Vohwinkle.J.). According to Sun2Surf, Gold investment account is the speedy acquiring popularity which imparted 5% of the bank's new customers. The reasons for buying vary, but the run-of-the-mill foundational theme is the uncertainty in the global economic environment, and the consequent pressure come under the US dollar. The continued low interest rate regime globally has also built prospect of eventual inflation pressures, and gold has always been viewed as the hedge against inflation. (Kang.S.L. and Eva.Y. (2011).).

Saving is influenced by current real income, demographic effect and the real rate of return. (Hufner.F. and Koske.I., 2010). According to Bartzsch (2006), his result shown that households with higher income uncertainty tend to save more. According to the (Dynan,

Skinner, Zeldas (1995); Lillard and Karoly (1997)), he stated that household with higher levels of lifetime income have a higher lifetime saving rate. Under the life-cycle hypothesis household saving differ with length of life. With the further presumption of overlapping generations, demographic changes such as the aging of a baby boom can have important implications for saving rates. (Braun, R.A.(2008).

According to McKinnon and Shaw (1973) results showed that financial liberalization tends to greater interest rates which identified the demand and supply of savings. The lower interest rates lead to decreased savings and financial intermediation in decreasing the efficiency of savings and investment. The greater actual interest rates increase the enlarge of financial intermediation which in turn raises the rate of economic growth in developing countries (Balassa, 1989).

A rise in household saving could be interconnected to greater opportunity costs of consumption today given the subsidization of this form of retirement saving. Logeay et al. (2009) find that a time trend starting in 2001 has a significant impact on the savings rate and interpret this as evidence for an impact of the subsidized private pension. By contrast, Corneo et al. (2009) find that this scheme has not raised the saving ratio for low-income recipients, suggesting that households rather substitute their previous saving by the subsidized one.

2.4 Saving and Investment

Savings are the money we do not spend right away, but saving for later. People respond to incentives, and heterogeneous incentives resulting in people to save money. The number one incentive is the money acquired in a saving account from the interest of the account. With greater interest rates, people will save more as they can receive much money from higher interest rate. This is a productive connection and creates a positive slant when drawn on a graph.

Folks often accept investment as the money individually put into companies and other entities in desires of attaining more money as dividend. However, by economic terms, this is only partly correct. The investment type expressed above is what is known as financial investment in economics. Investment refers to the purchase of capital goods by both companies and the government. Investments in most cases, are made through loans from banks, the public, or other companies. Because investments are purchased by loans, interest rates affect the investment and the decisions regarding investment in order to save money to increase profits, business typically take out loans which has lower interest rates to

keep business costs down. As interest rates increase, savings decrease for this reason. Investment and interest rate are opposite to savings, thus having a negative correlation (an indirect relationship)

Saving for retirement – generally considered quantitatively as the most important saving motive -forming the basis of Life Cycle Hypothesis (LCH) models of household consumption behavior. Models according to the LCH generate the time profile of consumption over the economic lifetime of the households, the underlying assumption being that the household maximizes its utility from the inter-temporal consumption stream subjecting to an available resource constraint. This requires that at any times the discounted present value of all future consumption equals the sum of present net worth plus the discounted present value of all future earned income. The main features of the model can be conveniently presented with graphic. As seen from chart A, the household accumulate wealth (i.e. saves) during the pre – retirement period by spending less than its disposable income. Eventually wealth reaches its maximum value at retirement age, following by the gradual decreasing of wealth to finance current consumptions. This implies that saving are positive during the pre-retirement phase of the household life circle, and negative there after averaging zero over the entire life span if bequests are neither made nor received. The time profile of household consumption (and thereby saving) will depend on various factors, which include the market interest rate, the individual rates of time preference and degree of risk-aversion, and the functioning of capital market are considered to be the most important factor. The household saving ratio during the earning period of the life cycle will also be strongly affected by the length of the retirement time span relative to the income earning period. Thus, both the expected lifetime and retirement age should be important determinants of individual saving behavior.

A Major Tenet of the ``pure'' LCH model of household consumption, namely that households disserve during retirement, is however not supported by the evidence of US household budget studies (cf. Mirer, 1979). 'Similarly, it was found that the LCH is unable to account for the observed size of distribution of wealth in the United Kingdom (cf.Atkinson,1971) and in the U.S (cf.Wolf,1981)'. Therefore, it seems necessary to introduce additional saving motives in order to explain satisfactorily observed household saving and wealth holding behavior.

One way in which observed household saving behavior can be reconciled with the LCH is by allowing for a bequest motive, i.e. to assume that households accumulate wealth beyond the levels required to finance required consumption. In the case with most saving determinants, a bequest motive changes the size of the saving ratio only in an economy

expanding due to population growth, productivity growth or both. In a stationary economy the bequest motive would simply lead to the transference of a constant level of assets from one generation to the another, with no positive or negative effect on the (zero) saving ratio. In a growing economy, the bequest transferred from one generation to the next is growing, requiring positive lifetime saving of each generation to assure heirs with a constant ratio of inherited wealth to initial income. The quantitative impact of the bequest motive on the household saving ratio depends on the interest rate and the size (relative to income) of the bequest. Simulations by Farrell (1970) Imply that a bequest equaling the annual income of a new entrant to three labor force would increase the steady- state saving ratio by 5 percentage points for a real interest rate of 3 percent and real income growth of 4 percent annually. While intergenerational gifts or bequest are indeed usual, it is not clear whether they originate from the desire to leave bequest or from the fact that due to the uncertainty on the date of death, unspent retirement and precautionary savings will be left.

In the basis LCH model the household bases its decisions on events, the dates and magnitudes of which are assumed to be known with certainty – the future income stream, the date of death, and the interest rate in each period. But in reality, future events are uncertain, therefore, it is relevant to ask whether and how individual behavior will be modified by such uncertainty. Yaari (1965) investigated the question of uncertainty with respect to life time. He concludes that if household have access to a competitive annuities market, the optimal life plan is basically unchanged, with saving decisions based on expected life time and saving held in the form of annuities market does not exit, or it is not used uncertainty about the date of death can be expected to lead to increased saving if the household concerns prefers the possibility of an unintended bequest to ``bankruptcy''.

Uncertainty relating to the future income stream has been investigated by Leland (1968) in a two- period income – consumption framework. In such model, increased income uncertainty will increase the demand for precautionary assets (for conventional utility functions), a finding that is supported by evidence. Nagatini (1972) analyses income uncertainty in the setting of a continuous time life- cycle model and finds that it, as the following double effect:

a) The lifetime consumption profile will become dependent on the household income profile (rather than growing at a constant rate as in a LCH model without uncertainty):
b) The Lifetime consumption profile is twisted towards increasing age, implying a more rapid buildup of assets (and higher consumption levels during retirement) than in the absence of uncertainty.

In a growing economy both effects show an increase in the aggregate saving ratio, given the performance of age – income profiles which typically reach their maximum in the latter part of people's earing life span.

While there is small disagreement in principle on the enlarging effect of uncertainty on the demand for safety assets and saving, it is difficult to quantify this relationship. In reality there are no available operational quantitative measures of uncertainty. Customarily in empirical research income uncertainty is measured indirectly by proxy variables, such as the rate of inflation, the rate of unemployment, or some transformations of these. Given the difficulty of measuring uncertainty directly and abjectly it is hard to calculate the extent to which precautionary saving will contribute to the observed overall level of saving. Interest rate uncertainty's impact on saving depends on the sign of the interest elasticity of saving. As most empirical evidence shows that the interest lead to significant increase in precautionary saving.

The purchase of ``big ticket'' consumer item is often preceded by an accumulation of savings. While such ``target saving'' is most common with respect to consumer durable purchases, it can also occur for current consumption expenditures, such as wedding celebrations, vacation spending and education expenses. For the period in which the planned expenditure materializes, the household's saving will reduce correspondingly. Basically, such alternating period of target saving and dissaving during the lifetime of the individual household are due to the imperfect synchronization of income receipts and consumption expenditures. An alternative way of acquiring consumer durables would be buying the big ticket item first (by accumulating net liabilities if needed) and make the necessary saving later while repaying the debt. These alternative ways of acquiring consumer durables (or housing) may influence the measured aggregate household saving ratio quite significantly, as discussed below in part II which method predominates in a given country will depend on the social habits and/ or the functioning of capital markets of the country in question; a topic discussed in Part III.

The flawed synchronization of income receipts and consumption expenditures is not undoubtedly confined to the purchasing of durables. This gives rise to a households transaction required for (Liquid) assets which are periodically replenished when income is received and then gradually run down as they finance current consumption though the various determinants of the average level of transaction balances can easily be identified , they are not discussed here in detail : the transaction demand for liquid asset is likely to affect the composition of household net worth rather than its level, and will leave the saving

ratio the same, though within an income payment period (i.e. a month) total wealth will differ from its average level in a predictable pattern.

After discovering the independent variables and dependent variable by reviewing appropriate studies review and theoretical models, an intellectual framework is presented along with the developed hypotheses to be tested. In the chapter 4, the methodologies used to conduct the research are discussed in detail.

2.5 Influential Factors on Saving Behavior

Financial Literacy (German & Forgue, 1997), Parental Socialization (Webley and Nyhus (2005)) , Peer Influence (Erskine, Kier ,Leung and Sproule(2005)) and Self-control ((Baumeister, 2002) are determinant factors of saving behavior on private staff.

1. Financial Literacy

Delafrooz and Laily (2011) studied to examine the degree to which financial literacy that influence the saving behavior. This research had been held via quantitative method by delivering of self-managing questionnaires to 2246 employees in the common and individual sectors. The finding shows that saving behavior is significantly influenced by the financial literacy whereby individuals with truncated stage of financial literacy are not envisaging to save and in the end run into financial issues in future. The study of Hilgert, Hopgrath and Beverly (2003) showed consistency with above study. The researchers explore the connection between knowledge and behavior of US Household by using the secondary data collected from the University of Michigan's monthly Surveys of Consumers which was conducted in 2001. This survey was carried out by interviewing 1004 households inside the state via phone. The researchers discovered that the association between financial understanding and saving practices was prestigious. Result shows that households obtain greater financial outcomes (answered the quiz correctly) are more likely to have greater outcomes on saving implication (achieved more saving practices). Therefore, the researchers ended that lofty financial knowledge can conduct to better saving behavior.

In addition, the research of Sabri and MacDonald (2010) also demonstrates that financial literacy had a positive and prominent effect on college students' saving behavior. They had included 3850 students from 11 universities located in Malaysia and questionnaires were given to 350 students randomly selected from each of the targeted universities. The result of this research suggests that participants who have greater knowledge on personal finance tend to have effective saving behavior.

2. Parental Socialization

In pervious study, Webley and Nyhus (2005) have examined the conceiving facet of parent's behavior in influencing the economic behavior of their children. The outcomes prove that parental behavior and parental intention have tiny but comprehensible effect on the economic behavior of their children and even in adulthood. The research was conducted in Netherlands with 690 Dutch candidates who are 191 husbands, 191 wives and 308 children aged from 16 to 21. DNB Household Survey (DHS)was used in this research which includes detailed data on financial behavior and numerous Psychological concept of the parents and their children.

On the report of Otto (2009), there is empirical verification that parents can aid the expertise need to their children that are salient for saving. The objective of the study is to examine the importance of parents in developing their children's saving ability and competence in adolescence. A total number of 446 students aged 18 and 14 from Devon, England took part in this research. A survey on money management was assigned to the students during their normal school lesson.

A research was carried out by Fumhan (1999) to investigate the saving and spending habits of young people. A total amount of 158 males 122 female's British children and adolescent from South East of England participated in the research. The participants were requested to answer a set of questionnaires and the results revealed that most of the children and adolescents saving behavior was caused by parental influence and requirements.

3. Peer Influence

This study was performed by Leungand Sproule (2005) and Erskine Kier, to scrutinized some great extent predictors for the saving behavior of young folks. The study was piloted in Toronto, Canada and a total number of 2806 of young Canadians aged 13 to 34 joined in this research. According to the economic theory of time discounting and psychological theories about teenaged hordes, they predicted that the groups would be more patient and more likely to save money if they are positioned lofty on the grown person or academic- oriented proportions while the groups that are placed high on the peer-oriented dimension were anticipated to be less persistent and less likely to save money. Thus, the result indicates that peer influence has an impact on individuals' saving behavior.

In the study of Duflo and Saez (2001), the researchers found that peer effects play an important role in retirement saving decisions. The survey was conducted in United Stated by using individual's data from employees of a large university with 12,172 employees which divided into 358 departments. The goal of the research was to investigate the

connection of role of information and social interaction in retirement plan decision. These findings suggested that members of the same group share a common environment, which may influence their behavior. The purpose is people with same preferences tend to a part of the same group. Both of these factors generate a correlation between group behavior and individual behavior which consequently affect their saving behavior.

Besides, Beshears, Choi, Laibson ,Madrian and Milkman (2010) have conducted a field experiment involving 15000 employees from 500 manufacturing firms in USA about retirement saving behavior. The population is divided into two major groups which are employees who contribution to company retirement saving plan and employees who had no contribution to the plan . They found that there is a weak correlation between peer influence and retirement saving behavior as the peer influence only encourages a small amount of co-workers to participate in the retirement saving plan.

4. Self – Control

Self – control is the capability to distinguish and synchronize one's emotions and aspiration. It is identified by the travail of will, self – discipline, and ability to detain satisfaction (Baumeister ,2002). In research of Esenvalde (2020) has supported empirical evidence that self -control was definitely linked with saving behavior. The author claimed that self -control is a very both concretely and uniformly factor used to describe saving behavior. In this research, snowball sampling technique has been endorsed and survey questionnaires were mailed to target respondents.

Primary data were received from 272 employees with regular earning in the United States, according to Lim, Sia and Gan (2011), there is a significant impact of self -control on a saving behavior. This study was conducted whereby 500 survey questionnaires were distributed to participants who aged above21. In this study, the researchers found that ability of solitary to perpetuate self-control for saving depends on the strength of duet rival impacts known as desire and willpower. The finding show that people are more likely to save if they are able to control themselves via achieving sound budgeting and economic cost assessment.

In the study of Otto (2009) which is pointed to investigate the count that intensify our understanding and predict saving during adolescence. Yet, the paper also studied on whether the adolescent likes spending a lot or finds it strenuous to withstand inclination. From the research, it was found that conscientiousness was associated with positive saving attitudes (Nyhus,2002) and financial self- control (Warner yd 1996). In addition, it was found that psychological variables relevant to adult saving yet highlight that self -control and ability to delay gratification are principal skills for saving when young. The researcher

was conducted by requesting 290 students from two colleges which are Bemouth Community College and Clyst Vale Community College in United Kingdom to complete four pages anonymous questionnaire that consists of five parts.

2.6 Conceptual Framework of the Study

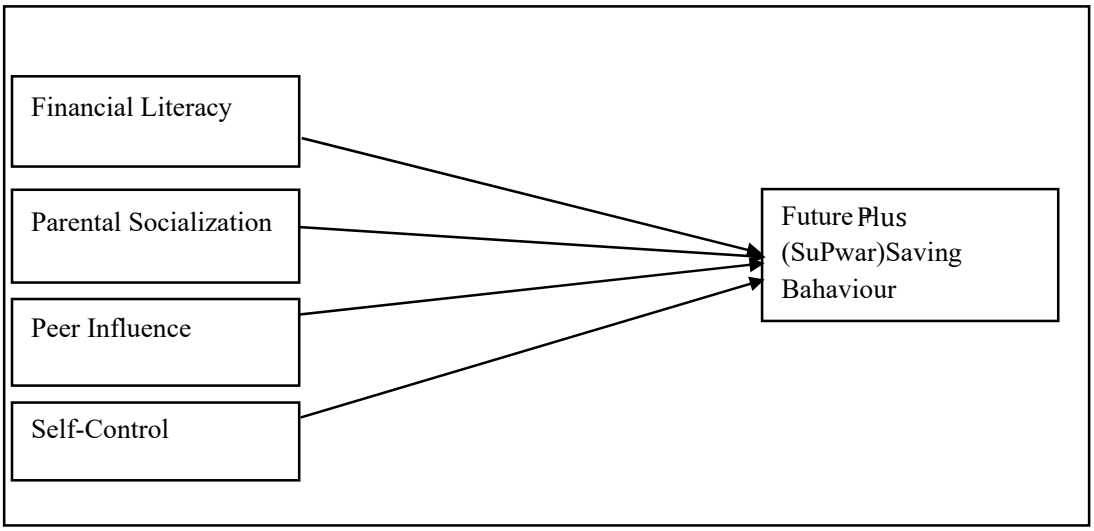
The connection in the middle of financial literacy and saving behavior identified in the advocated framework is support by the study of Sabri et al. (2008) that warp up that financial literacy is a key component in determining the saving behavior and financial problems. Other researchers (Lusardi, 2005; Lusardi 2008; Delafrooz et at., 2011) comprise financial literacy as the major determinant of saving behavior in their respective studies.

The economic behavior of an isolated can be contrived by parental socialization. This is underpinned by the study of Cude et al. (2006) he found out about parents are playing the major sector in the financial socialization of their children. This is found compatible to the research finished by Michel (1961) whereby he has showed that parents can control the saving behavior of their children. Moreover, previous research of (Otto, 2009; Bodnar, 1997; Furnham,2001) also validated that the enlargement of saving behavior of juniors is connected to the interrelation with their parents.

From the study of Inkeles (1969), peer groups are more dominant during adolescent. Additionally, Youniss and Haynie, (1992) stated that the influence of peers, parents endure powerful socialization representatives throughout juniors. This is because juniors become less dependent on their parents and more oriented in the direction of their peers as well as to the grown globe (Otto,2009). Additionally, Tooth (2006) carried out a survey together with the outcome of one person's answer of consumption is based on the consumption solution of the person's peers.

Self- control is occurrence mentioned as a major determinant of an Individual's saving and spending, not only in economic but also in economic psychological literature. Many previous analyses (Ainslie, 1975; Strotz,1956; Warneryd ,1999;Wood 1998) showed that this factor has collision on scope of economic and other resolutions. Apart from, the speculation was reconnoitered at a greater distance in the research study by Webley and Nyhus (2005).

Figure 2.1 Conceptual Framework of the Study



Source: Lim et al. (2001)

The above framework is adapted from the framework developed by Lim et al. (2001) and serve as the foundation of this study. The framework is formulated to explain the relationship of the independent variables (Financial Literacy, Parental Socialization, Peer Influence and self – Control) and dependent variable (Saving Behavior).

CHAPTER III
EMPLOYEE SAVING BEHAVIOR & PROFILE OF KBZ BANK

This chapter consists of three parts. The first part is the saving behavior in Myanmar. The second presents saving behavior employees and final part is the profile of KBZ bank.

3.1 Saving Behavior in Myanmar

As described in the report of Myanmar Insider at November 2018, the rate of domestic savings has been low for the last few decades. Low incomes, primarily rural population engaged in agriculture and related activities, lack of proper education and alternative employment opportunities meant that even survival was not a given, leave alone saving. Saving implies a portion of present consumption is saved for future consumption purpose, in the absence of a regular flow of income due to some unseen factors. This give the impression of being appropriate for agricultural populations that may see a healthy crops single year, and a failed one the following, or the crops being damaged by floods. Unfortunately, there is seldom any surplus for the poorer farmers. The same holds true for the urban poor as well, who can barely make ends meet.

Thus an income level that is marginally above the subsistence level is required to do saving. Due to the fact of Myanmar has become developed in business and employment opportunities have emerged, income level has gradually reached to the certain well standard. Nevertheless, there are few underlying limitations to perform saving by the individual. The underprivileged class earn barely enough to meet their basic needs of food and shelter, which also often keeps them under the burden of debt. The middle class is not encouraged to save, due to the absence of save avenues of keeping savings till recently, banks' unreliability due to past history of losing savings, and very low returns made people prefer spending to saving. As inflation rates increase along the way, the rate of savings reduces.

Myanmar, till very recently, offers limited access to basic financial services. This partly explains the low level of formal savings. Over 62% of the population does not report any savings at all and around 26% save at home, or with people they know. This when compared to the GDP and saving rates of neighboring Asian

countries, this looks undersized. Financial reform process started from a very low base, with few banks and formal financial institutions. During previous five years, the financial sector has seen tremendous change and has made rapid strides. From only 17% of citizens holding bank accounts in 2013, the number is slowly increasing, and the ignored population is not using banking service has become the target for all banks, to switch from saving with companies in the informal sector.

Surveys conducted reveal that over half the savers keep their savings at home, while 29% keep it in the form of gold and jewelry, with an intention to sell back when gold and jewelry price increased, both being highly profitable. Past doubt of the banking system prevented banks being considered as safe havens for hard earned money. Informal financial service companies were favored by certain amount of people, and it was these, that people turned to, for borrowing small amounts to meet emergency expenses with high interest rate, often above 2% per month. This is where the lower classes got caught in cycle of dues.

3.2 Employee Saving Behavior

Myanmar history is characterized by many demonetizations, which have furnished to the shared view amidst Myanmar citizens that 'cash is for transactions, not for saving.' Most of Embassy employee in Yangon do save in KBZ bank. 'Gold jewelry is like having money in a bank account in the absence of bank fees,' and when underprivileged people save in cash, 'they do it for very precise reason and they would even keep respective tins and clay pots in the household for non-identical classes of savings. There are people who save to cope with everyday needs, people who save to make ready for extremities (medical emergencies, funerals), and people who save to attain a programmed purchase (equipment, vehicle, household furniture, electronic equipment). Female Employees are more keen to save money as nature and male employees are likely to do saving less than 4 times as females do. So that this paper could recommend that Saving promotion need to boost more for male clients for new members finding what hinder them not using saving at Bank and at the same time, trying to maintain decent number of female clients as constant supported customers.

3.3 Profile and Background History of KBZ Bank

The KBZ was one of the first established private banks in Myanmar dated on 1st of July 1994 with the permission of Central Bank of Myanmar Law and the Financial Institution of Myanmar Bank Law. The very first bank is situated in Taungyi, Southern Shan State. The name Kanbawza is related to a traditional name of the Shan State, an ethnic minority state of the Union of Myanmar. Initially, the bank catered the local population in Taungyi and opened the KBZ Bank Branch No.1 in Taungyi State as the very first branch of KBZ Bank. Nowadays, it is the biggest and most reliable branch in all over the branches of KBZ Bank. In late 1999, KBZ Bank's present Chairman, U Aung Ko Win, took over the management and reformed the organization into one of the biggest private banks in Myanmar. Since January 3rd 2000, the KBZ Bank performed banking operations under the guidance of KBZ Bank's Chairman and became the leading bank of Myanmar private banks.

Kanbawza Bank (KBZ Bank) is the first to have expanded internationally, with representative offices in Singapore, Thailand and Malaysia. With 18,000 staff, more than 500 branches including mini branches (partial services available) and 40% market share of both retail and commercial banking, KBZ is leading the way for Myanmar's rapidly developing financial services industry through an approach that understands the unique context of the country's economy as it transitions towards a digital future, KBZ Group boasts two airline, Air KBZ and Myanmar Airways International, and holds stakes in the agriculture, insurance, mining, cements, and real estate and tourism industries.

Its 500th branch has opened at the corner of Anawrahta Road and Shwe Dagon Pagoda Road, Pabedan Township. It aims to expand the bank network by around one hundred branches a year, with a target if reaching 1,000 branches across Myanmar by 2023. For more and speedy reach of financial inclusion throughout Myanmar population; it is significantly promoting KBZ pay, mobile money services with national sales blitz events. The bank aims to support and strengthen the banking sector, which is critical for the development of the country. Not only has the bank achieved these goals, it strives to act as a responsible business and has been the highest corporate tax payer for six consecutive years.

The followings are vision, Mission and Core values of KBZ Bank.

Vision: To become the best-managed bank in the world. That is simply what Myanmar needs and deserves.

Mission: To improve the quality of life through banking.

Core Values: KBZ Bank is guided by a belief and a culture and a culture that runs throughout the entire organization: being good to people and doing the right thing. That is why they are driven by three values – Metta, Thet Ti, Virya- loving kindness, perseverance and courage. KBZ Bank's Motto is "STRENGTH OF MYANMAR".

The Bank sets the vision as 'To become Myanmar's premier bank with a strong base in Myanmar Financial Market' and tries to get the customer's satisfaction through the following mission statement:

- To ensure the highest level of customer satisfaction and trust by providing excellent banking services
- To continuously improve quality of our financial services through innovative thinking, investment in new technology and enhancement of human capital
- To offer rewarding career opportunities and promote staff accountability at all levels
- To act as a responsible corporate citizen by combining commercial pursuits with ethical business practices and socially responsible behavior

Initially started in 2016 and for the future, their goals are-

- To implement Small and Medium Enterprise
- To be a steady and competitive bank in private banking sector
- To be a biggest bank which own the most branches network among other private banks of Myanmar.

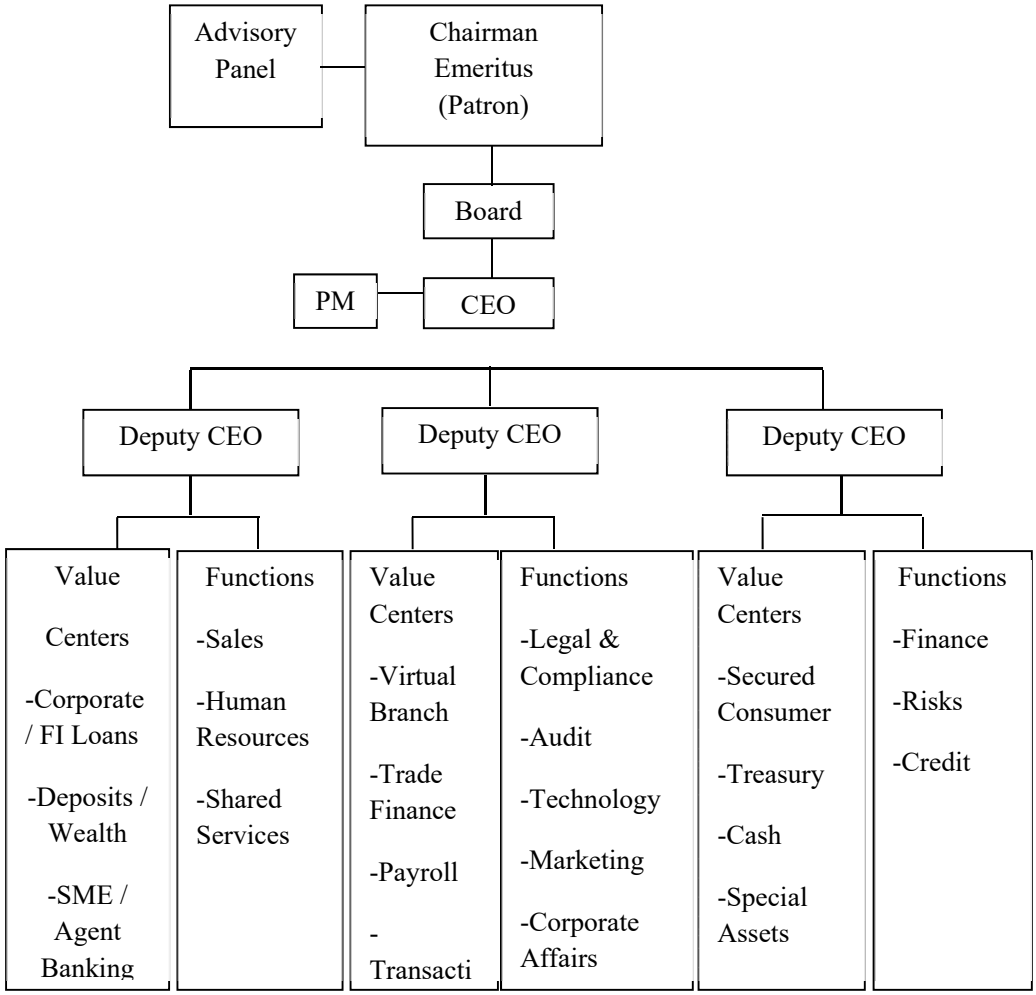
KBZ Bank limited has restructured a new organizational structure since appointed Mr. Mike DeNoma as special advisor and CEO of KBZ bank in May; 2017.It was established by advisory panel mainly by Chairman Emeritus, BOD and senior officials. Boards of Directors are Chairman Emeritus, Chairman, Vice Chairman (1), Vice Chairman (2) and CEO, the executive directors have been promoted as Deputy CEO (1) and Deputy CEO (2), Deputy CEO (3) and Senior Officials are Deputy Chairman, Sr. Managing Director, Managing Directors and Deputy Managing Directors. The organization structure of KBZ Bank Ltd is shown in the **appendix iii.**

According to the organizational structure, CEO holds the authority that can manage directly by Managing Director and is on the highest level followed by GM, manager, supervisor and operational staffs. As a bureaucratic feature, their management is a top down system and all the department are under control of Chairman, Deputy Chairman and Board

of Directors. Over view the whole organization, it is cleat that chairman has the full authority to achieve its mission.

At present twenty-four main departments have been organized in banking operation of Kanbawza Bank Limited. These main departments, Head Office departments of KBZ Bank are Accounting and Financing Department, Administration Department, Human Resource Development Department (HRD), Loans Department, Brand Communication Department (BC), Service and Sales Department, Internal Audit and Branch Supervision Department, Information Communication and Technology Department (ICT), Currency Department, International Relations Department (IR), International Banking Division (IBD), Card Department, Security and Information Department, Legal and Compliance Department, Multi-channel Banking and Business Development, Risk Management Department, KBZ Bank Training School, Insurance Department, KBZ Industry Department, Consultant Department and Securities Department.

Figure 3.3 Organizational structure of KBZ Bank



Source: KBZ Website 2019

CHAPTER IV
ANALYSIS OF ON THE DETERMINANTS OF EMPLOYEE SAVING BEHAVIOR

This chapter comprises of presentation results how employee saving behavior performs on financial managing effectively and their interpretation how they get into it. The presentation in this chapter also shows the results as tested and according to the objectives of the study, it is emphasized on the behavior. During data collection, out of the 250 questionnaires were returned giving a response rate of 100%.

4.1 Respondents' Profile Based on Demographic

This chapter mainly states that the demographic characteristics of the respondents such as designation, gender, duration of organization, educational level, regular saving and saving amount department, which were all presented using for the purpose of the Demographic Profile. Later in the chapter, frequency tabulations, were used more to be descriptively presented by analyzing on the responses of employee and their behaviors.

By examining sample survey responses such as multiple choice and Likert scale questions, the research will be used by descriptive method output data. The survey responses are also in the way of scale questions which are in Demographic characteristics frequency count. In the form of percentage, it will be used to see more and distinct illustration on each of every survey questionaries' items. If details have to be explained, gender, age, educational level etc. Likert Scale questionnaires will be used in average (Mean) and Percentage.

All the independent and dependent variables are measured via five-point Likert scale ranging form as Strongly disagree (1), Disagree (2), Neutral (3), Agree (4) and Strongly agree (5). The respondents were asked to rate on the statements that describe their saving behavior. The answers of respondents will be executed as important concluded statement which will lead to the good understanding of this research. A higher scale demonstrates the respondents practices effective saving behavior and vice versa. It can be shown different practice, value and believes of different people's spending and saving style which will effect on their life style.

Table (4.1) Demographic Factors of Respondents

Sr	Demographic Factors	No. of Respondents	Percent
1	Gender		
	Male	25	16.7
	Female	125	83.3
	Total	150	100.0
2	Age Group		
	21-30	46	30.7
	31-40	80	53.3
	41-50	22	14.7
	50 Over	2	1.3
	Total	150	100.0
3	Material Status		
	Single	103	68.7
	Married	47	31.3
	Total	150	100.0
4	Education		
	Under graduate	4	2.7
	Graduate	65	43.3
	Post graduate	81	54.0
	Total	150	100
5	Regular Saving		
	Yes	129	86
	No	21	14.0
	Total	150	100
	Saving amount		
6	Less than 1 Lakh	20	13.3
	1 -2 Lakh	11	7.3
	2-3 Lakh	8	5.3
	3-4 Lakh	15	10
	Above 4	96	64
	Total	150	100
7	Saving amount		
	Income Level (USD)		
	Less than $ 1000	45	30.0
	$1000-1500	40	26.7
	$1500-2000	25	16.7
	$2000-2500	13	8.7
	$2500 above	27	18
	Total	150	100

Source Survey Data, 2019

Among 150 respondents, the result indicated that the majority of the respondents were male (16.7%) and (83.3%) were female. According to the result in Table 4.1, there were on embassy staff of 30.7% the age of 21-30 years. The majority of the respondents fell in the age of 31-40 with a percentage of 53.3%. The respondents were aged 41-50 years are 14.7% and over 50 years of age constituted 1.3% the results imply the the composition of the

respondents was made up of embassy staff who were mature enough and possessed the required experience to work at the Embassies in Yangon.

Both married and single construction workers are included into sample. Table 4.1 shows marital status of respondents of the sample. Table 4.1 indicated that out of 150 respondents, 103 are single staff and 47 are married. According to the table 4.1, 2.7% of the respondents were Undergraduate, 43.3% of the respondents were graduate level whereas, and 54.0% were Post graduate level of the respondents. From the findings, the majority of the responses were Post graduate level. The implies the respondents had relevant knowledge on financial literacy and credit access thus they had ease in addressing the question and provided the correct responses.

The details of table 4.1 under specific data as follows: By these figures we can know that females are keener to save money as nature and males are likely to do saving less than 4 times as females do. So that this paper could recommend that Su Pwar promotion need to boost more for male clients for new members finding what hinder them not using Su Pwar saving system and at the same time, trying to maintain decent number of female clients as constant supported customers. As they get near to retire, they are less concern about to earn long saving plan then. So that this paper can recommend that saving should focus on employee for saving or using KBZ bank as the penetration in over for target type saving is pretty low.

According to table and figure 4.1 say that single people have more percentage of saving or using Su Pwar system than married people. While 68.7% of single people are saving, only 31.3% of married people are able to save. Out of 150 sample size, more than 100 who are single can save for various reasons whereas less than 50 of respondents who are married are struggling to steady saving. So that this research finds that in general, Su Pwar system are aimed to help for elder people or married family people for better financial planning, however, in reality, those targeted groups people are still struggling to practice the maximum benefit of Su Pwar system.

Under this data, there are three educational group divided: 1) Undergraduate 2) Graduate and 3) Postgraduate. Among all three groups, the Post graduate group which is 54% of the total crowd are most actively saving Su Pwar. Significantly, the Undergraduate group is only 2.7%. therefore, it can be assumed that the more educated the people are, the more they are likely to know the advantages of saving and are likely to use Su Pwar system.

This table and figure say that there are four saving amount groups divided 1) less than 1 lakh 2) 1-2 lakh 3) 2-3 lakh 4) 3-4 lakh 4) above 4lakh. The majority of the saving,

64% of the respondents are more than above 4 lakh groups and the second largest group, 13.3% of respondents, is less than 1 lakh group. With that given findings, it can be assumed that people tend to save as much as they can, however, many people (Second largest population) are managing barely to save regularly less than 1 lakh per month.

As commonly found, the majority of respondents earn lower income while a small group of respondents earn higher income. Table 4.2 illustrate the income level of respondents per month. The first income level is above less than $1000 with 30.0% respondents and the second income level is between $1000-1500 with 56.7% respondents and thirds income level is between $1500-2000 with 73.3 % respondents. The 82% of total respondents are with the income of 82%. The remaining income level is $ 2500 and above with 100% respondents. This means that people with less than $ 1000 and people with $ 1000 -1500 income have high interest to take this survey about saving habit and Su Pwar.

4.2 How Influencing Factors Analyze on Descriptive Way

Measurement refers to the assignment of numbers to objects or event systematically. The nominal, ordinal, interval and ratio are the four level of measurement scales. Interval scale measurement is employed to measure the independent variables and dependent variable. Five-point Likert scales are used to measure dependent and independent variables , ranging from 1 strongly agree to 5 strongly agree. The respondents were asked to rate on the statements that describe their saving behavior. In this study higher mean value of responses represents the practice of effective saving behavior.

4.3 Proficiency on Learning and Understanding of Financial Literacy

Ten questions are designed to obtain the level of respondents on the extent to which the financial literacy they possessed. The higher level of mean score indicates respondents possess greater financial literacy and vice versa.

Table 4.3 Financial Literacy

Sr.	Statement	Mean	Std. Deviation
1	Interested in regular saving.	3.60	1.11
2	Managing on my income.	3.59	1.14
3	Saving is for future retirement.	3.66	1.11
4	Recording income and expenditures.	3.35	1.12
5	Having difficulty in managing my money.	2.99	.94
6	Better understanding of financial instruments (Fixed deposit, ATM, MPU and Future plus Supwar)	3.47	1.02
7	Preparing my monthly expenditures.	3.35	1.02
8	Never organize monthly expenditures.	2.87	.94
9	Better knowledge of Banking services and saving account.	3.47	1.07
10	Better understating about banking policies in country	3.22	1.09
Overall Mean		3.35	.75

Source: Survey Results, 2019

Table 4.3 shows that concerning with managing their income has the highest mean score of 3.66 which means that the respondents possess the greatest financial literacy while regarding of difficulties in managing their income has the lowest mean score of 2.87.

The second highest mean score of 3.60 and slightly less one 3.59 which mean that the respondents posse the high interest to regularly save and they have good management of their income monthly. In this paper, there are 10 factors for Financial Literacy as shown in above table 4.3 According to Financial Insight Canada, October 2013, Financial literacy is the ability to understand how money works: how someone makes, manages, saves and invests it, and also expends it especially when one donates to charity or community development to help others or state or nation. In-depth knowledge of financial literacy is required to understand how money works and how it can work for you– by saving and or investing in profitable areas like the stocks or money market. To understand money and how it works, it's important to understand common

financial literacy principles such as; financial goals, budgeting, investments, superannuation, contracts and employment models. My questions in table 4.3 are structured under the concepts of these ideology. Research studies across countries on financial literacy have shown that most individuals (including entrepreneurs) do not usually understand the concept of compound interest of saving and some consumers do not actively seek out financial information before making financial decisions. Most financial consumers lack the ability to choose and manage saving service or credit service efficiently, and lack of financial literacy education is responsible for lack of money management skills and financial planning for business and retirement. In this paper, the questionnaires were measured the financial literacy of the respondents.

4.4 Effectiveness on Relation of Parental Socialization and Saving Behavior

Ten questions are constructed to test the relationship between respondents' saving behavior and their parents. The higher level of mean score indicates respondents possess greater financial literacy and vice versa.

Table 4.4 Parental Socialization

Sr.	Statement	Mean	Std. Deviation
1	Parents are Role Model for saving behavior.	3.48	1.01
2	Discuss about saving with parents.	3.04	1.04
3	Parents advise how to spend and save money.	3.36	1.01
4	Parents does not concern about saving money.	2.81	1.02
5	Parents are proud of me for saving	3.37	.87
6	Appreciate parents' advices on my saving.	3.57	.87
7	Parents teach about saving when young.	3.58	.82
8	Never follow parents' practices even these are good to apply.	2.71	.93
9	Saving money because parents give financial support to me.	2.86	1.06
10	Saving money because parents ask me to do so.	2.98	.95
Overall Mean		3.18	.67

Source: Survey Results,2019

As reported in Table 4.4 regarding of appreciate of parent's advices on saving has the highest mean score of 3.58 and parents cannot concern about saving has the lowest mean score of 2.71 among the ten statements which means that appreciate of parents' advices on saving is the greatest influence of parental socialization to saving of the respondents. The

second highest score of 3.37 which is parents are proud of respondent's saving habit. From these data, we can observe that particularly in Myanmar as an Asian culture, there are big influence of parental guidance or socialization on financial management of their children even when they become adults independently. This study investigates the impact of financial literacy and parental socialization and norms impact on money management.

According to Vitt and Anderson, 2001; Atkinson and Messy, 2012. Parental Socialization on individual money management is pivotal in the today era because young adults, married people especially those from the medium to low income family are expected to make crucial decision on finance related matters at every stage of their life cycle based on the experiences of their parents in the past and present practices.

4.5 Peer Influence and Growing Environment

In addition to formal financial education and its commitments towards financial literacy, interaction of an individual with socialization proxies, for example, parents, friends, educators and media is important amongst young adults towards money and wealth optimization.

Table 4.5 Peer Influence

Sr.	Statement	Mean	Std. Deviation
1	Some colleagues have saving account in Bank.	3.43	1.11
2	Discuss about saving with colleagues.	3.01	1.02
3	Compare the amount of saving & spending with colleagues.	2.72	1.07
4	Involve in saving activities together with colleagues.	2.59	.95
5	Never discuss about saving with colleagues and friends.	3.00	.97
6	Never organize monthly saving plan.	2.73	.95
7	Always hit the ceiling of my monthly saving amount.	2.96	.82
8	Barely save every month.	2.76	.93
9	Always save independently.	3.55	.93
10	Have a joint saving account with my family.	2.88	1.09
Overall Mean		2.96	.56

Source: Survey Results, 2019

A process by which individuals obtain necessary skills, information and attitude to maximize their ability in the financial marketplace is called Peer Influence on financial socialization (Ward, 1974)

In measuring the extent of peer influence, ten questions are constructed. These questions aid in rating the extent to which respondents are being influenced by their peers upon their saving behavior. Hence, a higher level of mean score indicates respondents possess greater peer influence and vice versa. In my findings below, the highest mean of 3.55 which is for those who always save independently are indicated that in Myanmar people would like to save more independently rather than save as a group or joint account. Second highest mean of 3.43 which indicates many of the respondent know having a secure bank account and do saving which relates good financial literacy mentioned in above section.

4.6 Self-Control to be Balance on Spending and Earning

Another ten questions have been developed to analyze the influence of self-control on the saving behavior of embassy staff. A higher mean score indicates respondents have been greater influenced which results a lower self-control and vice versa.

Table 4.6 Self Control

Sr.	Statement	Mean	Std. Deviation
1	Saving is too hard for me.	2.93	.89
2	Enjoy spending money. / Hate to save.	2.69	.96
3	If extra money is earned, spend it immediately.	2.59	1.02
4	Always failed to control from spending money.	2.81	.89
5	When saving goals are set, rarely achieve them.	2.81	.88
6	Saving can be a positive addicted habit.	3.46	.94
7	Save more if there have social/financial pressure to do so.	3.37	.87
8	If there is a side business, it's likely to save more.	3.62	.99
9	Never meet maximum saving goals.	2.92	.89
10	Never break the rule of minimum saving amount.	3.10	.91
Overall Mean		3.02	.61

Source: Survey Results,2019

"Many empirical studies have shown that people do not save enough before retirement, however, the relationship between self-control and financial behavior is still inconclusive." *Strömbäck, et al. (2017)*

In the table 4.6, the highest means in a row are 3.62 which is respondent likely to save more if s/he has a side business, 3.46 which is respondent thinks saving can be a positive addicted habit and 3.37 which is respondent save more if s/he has social/financial pressure to do so. So in general, the majority of the respondents who are employees from the Embassy have quite a good self-control upon saving and financial management. The Std. Deviation is very decent and nothing exceeds than 1.

4.7 Analysis of Employee Saving Behavior

Likert scale are used to measure the saving behavior of the respondents. The respondents were asked to rate on the statements that describe their saving behavior. A higher scale demonstrates the respondents practices effective saving behavior and vice versa. This research enhances the further understanding on the saving behavior of embassy employees.

Table 4.7 Saving Behavior

Sr.	Statement	Mean	Std. Deviation
1	Saving regularly for future.	3.59	.93
2	Often compare prices in purchasing of something.	3.56	.92
3	Always consider whether or not things are really necessary in purchasing.	3.45	.87
4	Always follow a monthly budget carefully.	3.27	.92
5	Aim of saving is to be ready for emergency.	3.59	.91
6	Draw a plan to reduce my expenditures.	3.21	.81
7	Save to the bank via bank deposit for the future.	3.57	.79
8	Have a financial record to know my balance.	3.54	.93
9	Reduce frequency of going to the shop.	3.33	.67
10	Tend to spend less for clothing and accessories and spend more for saving rather.	3.37	.77

Overall Mean	3.45	.63

Source: Survey Results, 2019

This research can let financial institution, in this case, KBZ Su Pwar saving system, know more about the saving behavior of ordinary people which can help them improve their operation. According to the table 4.7, the saving behaviors of each respondent are not significantly different. They all are positively similar to each other. For example, the highest mean of 3.59 which are both for those who saves regularly for his/her future and for those whose aim of saving is to be ready for emergency. The second highest mean of 3.57 which is respondent saves to the bank via bank deposit for the future. So, it means that people have good awareness of saving and its advantages. And still many likely to keep track of their financial records which stands 3.54 of the high mean. The mean of 3.33 do not want to go shopping frequently so that they can save more for future. Therefore, in general, the saving behavior of embassy employees are positively practicing.

4.8 Pearson Correlation Analysis on Determinants of Saving Behavior

Table 4.8 Analysis on Determinants of Saving Behavior

Variables		Saving Behavior
Financial Literacy	Pearson Correlation Sig. (2-tailed)	.685** .000
Parental Socialization	Pearson Correlation Sig. (2-tailed)	.483** .000
Peer Influence	Pearson Correlation Sig. (2-tailed)	.475** .000
Self-Control	Pearson Correlation Sig. (2-tailed)	.538** .000
Saving Behavior	Pearson Correlation Sig. (2-tailed)	1

Source: Survey Results, 2019

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

In this study, the indicators are used to measure the financial literacy, peer influence, parental socialization, self-control, and saving behavior on money management of employees from the embassy via Pearson Correlation. The significant level is 0.05 in the Pearson Correlation test, which means there is 95% of confidence level. Therefore, the hypotheses only can be accepted if the significant p value is less than 0.05 (Malhorta,2010). According to Table 4.8, all the independent variables have positive association with the dependent variable. Financial Literacy has the strongest relationship with Saving Behavior r = 0.685, followed by the Self-Control r = 0.538 and Parental Socialization r = 0.483. On the other hand, Peer Influence has the weakest correlation with saving behavior r = 0.475. It means that Financial Literacy is the highest influencing factor on saving behavior of Embassy staff. If respondents are more awareness on Financial Literacy, consequently saving will be increased

To analysis the effect of each of indicators on respondents, Linear Regression model is applied. Results from the regression between Financial literacy and Financial Institution by generating this model are show in Table below.

Table 4.9 Durbin Watson Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.749[a]	.56	.55	.43	1.62

a. Predictors: (Constant), Self-Control, Peer Influence, Parental Socialization and Financial Literacy

b. Dependent Variable: Saving Behavior

Notes *** Significant at 1% level, **Significant at 5% level, *Significant at 10% level

According to Table (4.9), the specified model could explain very well about the variation of the organizational environment at embassy since the value of R^2 is almost 56.1%. The model can explain 54.9 % about the variance of the independent variable and dependent variable because Adjusted R square is 0.511. The value of F test, the overall

significance of the model, is highly significant at 1% level. This specified model can be said valid.

The Durbin Watson value is close to 2 (1.62). Therefore, it indicates that there is no auto correction in the sample. All VIF values of four independent variables; are less than 10. Thus, there is no substantial multi collinearity problem in this case. This means that there is no correlation among independent variables.

CHAPTER V

CONCLUSION

This chapter will be included three parts. First part is findings which represents why the study was conducted, what aspects of the problem were, considered, what the outcome was and it consists of the finding of the demographic factors and the results of opinion upon the saving behavior of the Embassy employee in Yangon. The second part represents and suggestions and recommendation and the final part presents need for further study.

In summary, the objective of this study is to study the determinants of employees saving behavior on future plus service in KBZ bank. This study examined the embassy staff via questionnaire survey and explored embassy staff's saving behavior on dependent and independent factors. 150 sets of questionnaire distribute are returned from the respondents and the data is processed via SPSS version 22. The purpose is to ensure the data are in the standard of quality. The process includes checking, editing, coding and transcribing. Initially, reviewed each questionnaire to verify its completeness and incomplete questionnaire and incomplete questionnaire will be discarded.

5.1 Findings

The majority respondents are female and fall into age group between 31 and 40 years old. Besides, nearly all the respondents are still single and most of them are post graduate. Most of the embassy staff reported that they received monthly income between less than $1,000.00 per month from their job. The finding shows that 64% of regular saving and 36% target type saving of KBZ future plus services with target amount of over 2,000,000 and saving habit of 86%.

There is a positive correlation between the independent variables (Financial Literacy, Parental Socialization, Peer Influence & Self Control) and the dependent variable (Saving Behavior). The findings show that Financial Literacy has the strongest relationship with Saving Behavior. In contrast, independent variable which has the weakest relationship with saving behavior is peer influence. There is sufficient evidence to conclude that the financial literacy has a significant relationship with saving behavior of the embassy employee in Yangon. This finding indicates that embassy staffs with higher level of financial literacy are more likely to save. Therefore, the respondents who have higher level

of financial literacy are more likely to save as they have the ability identify the importance and knowledge of savings.

5.2 Suggestions

After reviewing the result findings, the suggestions will be presented for improvement of good saving behavior and to enhance the better results of the research. This research highlighted the significant influencing factors on the embassy staff's saving behavior. Understanding about the fact that parents could play a vital role in facilitating their children saving behavior is important for banks to design their marketing strategies in targeting the young savers. Instead of directly communicate the financial products to the young savers, KBZ bank can offer more attractive saving schemes to encourage saving among parents since their attitude and behavior are highly adhered by their children. For instance, embassy staff who surrounded by press who do practice saving are more likely to save as they believed by doing so ensure them to fit into the group easily. As a result, private banks should provide relevant information to spread this information among their peers. Thus, this study eventually helps the retail bank to design an effective marketing strategy and alleviate the cost of advertising. Whilst the retail banks are possible to attain more potential customers since the effect of peer influence is tremendous.

The finding of study is also important for policy makers. Having identified that financial literacy is important for embassy staff to maintain an effective saving behavior; it becomes clear that increasing of financial literacy will enable the embassy staff to manage their money effectively. As most research has emphasized, financial education is the best way to enhance embassy staff's financial knowledge and skills.

5.3 Needs for Future Research

This study has suggested several directions for further study in the future. According to the law of large numbers, larger sample size is more likely to be representative and the sample mean is more likely to equal the population mean. Therefore, future study should draw a larger sample size to generate a more accurate and representative manners.

Briefly, it is essential for conducting future study in deep on this topic because the saving of embassy staff is foreseen as a vital issue for our country to achieve high saving generation. Besides, the future study should be conducted a longitudinal research to observe the saving behavior not only embassy company staff and but also government staffs. This would facilitate the researchers to gain valuable data which would provide a robust finding

on how each factor affection the company staff saving behavior government staff saving behavior