

**DOMESTIC CASH FLOW AND CREDIT MANAGEMENT:  
KNOWLEDGE, BEHAVIOUR AND PRACTICE  
AMONG THE KEDAH STATE GOVERNMENT SERVANTS  
IN THE DISTRICT KUALA MUDA**



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Tuan/Puan,

**TAJUK PROJEK PENYELIDIKAN DANA KECEMERLANGAN : "DOMESTIC CASH FLOW AND CREDIT MANAGEMENT : KNOWLEDGE, BEHAVIOUR AND PRACTICE AMONG THE KEDAH STATE GOVERNMENT SERVANTS IN THE DISTRICT KUALA MUDA"**

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Original Title as Proposed:

Domestic Cash Flow and Credit Management: Knowledge, Behaviour and Practice among the Kedah State Government Servants in the District Kuala Muda

Improved/Enhanced Title:

Nil

Original Objectives as Proposed:

The objectives of this study is to identify the knowledge level of Kedah state government servants in cash flow and credit management, whether there is a relationship between knowledge and behaviour on cash flow and credit management, and whether there is a relationship between knowledge and practice on cash flow and credit management.

Improved/Enhanced Objectives:

Nil

## 5.1 PROPOSED EXECUTIVE SUMMARY

Money, being an essentials needs, place a vital role in a human life. Therefore, good knowledge on financial management is important to individuals, families and the community at large so that they can achieve their financial objectives such as living within their financial means and increasing their financial security.

Current knowledge of domestic cash flow and credit management is scarce. According to Godwin and Carroll (1986) little research has focused on financial management attitude and behaviour of families. Moreover, Malaysia is lack of published local literature on the area of cash management particularly domestic practice. Most of the literature focused on the spending pattern. According to Godwin and Koonce (1992), family financial management is the planning, implementing and evaluating behaviour of families involved in allocating the family's flow of income toward meeting their financial goals. A study by Hilgert, Hogarth and Beverly (2003) on household financial management practices found that financial knowledge can be statistically linked to financial practices related to cash flow management, credit management, savings and investment. Research done by Jinhee and Garman (2003) found that workplace financial education, combined with individual financial counselling advice session, have some positive effects on workers financial attitudes and behaviours for U.S. employees.

The objectives of this study is to identify the knowledge level of Kedah state government servants in cash flow and credit management, whether there is a relationship between knowledge and behaviour on cash flow and credit management, and whether there is a relationship between knowledge and practice on cash flow and credit management.

The study will adopt a quantitative research by using survey strategy. The population consists of Malaysia Government employees. The instrument used in this study is a closed-end, structured and self-administered questionnaire. The questionnaire will include four sections that are demographic backgrounds, financial knowledge, financial behaviour and financial practice.

This research project will proposed whether there is a need for the government to set up additional activities or organization to educate the community on cash flow and credit management.