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## **Corporate Interest in Financial Education, in the Context of the Digital Banking Revolution**

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### **Abstract**

Financial knowledge is necessary not only for consumers of banking products and services when making purchases, but also for the unbanked population when deciding how much

to borrow or save in order to maintain their monthly budget in a comfortable range and to achieve their medium and long-term financial goals.

**Keywords:** Financial Education, Digitalization of Banking Services, Banking Market

### **1. Specificities of the Banking Market in Romania**

On the Romanian banking market, at the end of 2022, according to BNR reports, there were 34 credit institutions operating, including 2 housing savings and loan banks, 7 branches of credit institutions from other EU member states, and one credit cooperative organization.

From a capital standpoint, according to BNR financial reports, there were 2 state-owned banks (CEC and Eximbank), 4 banks with majority domestic private capital, 21 banks with mixed capital in which foreign capital predominates, and 7 branches of foreign banks. Approximately 75% of the net assets are held by banks with majority foreign capital, a decrease from previous years, in 2018 the percentage was 91.3%. The largest share is held by banks with Austrian capital, followed by banks with French and Dutch capital.

According to BNR's aggregated indicators for credit institutions from December 2022, the average financial profitability rate (ROE) was 8.66%, while the average for the last 10 years, 2010-2017, was 0.4%. This value ranked Romania's banking sector in 8th place.

Analyzing the economic profitability rate (ROA), it was 0.95% for Romania's banking sector in December 2022. In the last ten years, the average ROA is 3.9%, ranking Romania's banking sector 12th among EU countries.

At the end of 2020, there were 4,624 bank branches and agencies in Romania. The year 2021 continued with a trend of reducing bank personnel and the number of territorial units. In a World Bank report at the end of 2021, the number of bank branches decreased to 4,018. The purpose of these reductions is to optimize operational expenses. However, the effects are negative in terms of financial inclusion, especially in rural areas and small towns. The increase in the level of digitization and access to electronic payment methods in these rural areas is not as accelerated as in heavily urbanized areas to compensate for the reduction in the physical presence of the banking sector.

There has been an increase of 11.6 percentage points in the share of banks with majority Romanian capital in the total assets of the banking market, from 14.7% in 2012 to 26.3% in 2021, mainly driven by the increased share of Banca Transilvania's assets in the market by 11.5 percentage points. There has also been an increase in the share of branches of foreign legal entities banks by 5.2 percentage points, from 7% in 2012 to 12.2% in 2021, mainly due to the growth of ING Bank by 5.4 percentage points in the total assets of the market. The group of banks with majority private capital has decreased by 16.6 percentage points due to the acquisition of Volksbank and Bancpost assets by Banca Transilvania, the cessation of activity of RBS Bank, as well as smaller increases in the absolute values of assets at BCR and BRD, the main banks in this group.

Individually, the analysis shows an increase in net assets in 2021 compared to 2012 at the main banks in the market with majority Romanian capital as follows: Banca Transilvania's assets increased by 306.4%, Eximbank increased by 116.9%, CEC increased net assets by 51.7%. In the group of banks with majority foreign capital, the most significant increases in net assets in 2021 compared to 2012 are at OTP Bank, with a 234.1% increase, at Unicredit where there is a 118% increase in net assets, and Raffeisen Bank, which recorded a 96.8% increase. BRD recorded a 17.6% increase in net assets, and BCR had a growth of only 5%. In the group of branches of foreign legal entities banks, the evolution of ING Bank is significant, from 12,047.6

million RON in 2012 to 44,621.5 million RON in 2021, representing a 270.3% increase.

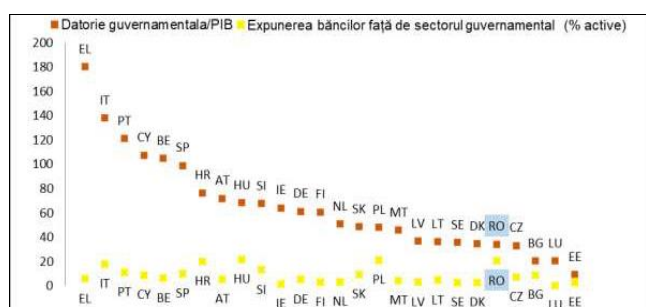
Decisions regarding operational efficiency in the banking sector, with the aim of increasing market share, also consider future consolidation, especially for banks with financial returns below the cost of capital and for banks looking to limit their exposure in the Romanian market. A recent example is Bank Leumi Romania, which ceased its banking operations starting from April 30, 2020, as a result of the merger process by absorption by First Bank.

The banking sector is predominantly focused on the retail sector due to risk diversification and higher returns, with 28% of total assets represented by loans to individuals and 41% of total liabilities represented by deposits from individuals.

Deposits with a maturity of less than one year remain the preferred choice for Romanians, accounting for 93% of total local deposits and 63% of total liabilities in the sector, as of December 2020.

Looking at the strategic importance of the corporate segment, loans to companies represent 23% of assets, and deposits from this sector represent 23% of liabilities.

The chart below illustrates the dynamics of the relationship between the public sector and the banking market in the European Union. The yellow color represents banks' exposure to the government sector, including government bonds and loans to the government, as a percentage of total banking assets in each country, as of June 2021. The graph also shows the decreasing values for government debt as a percentage of GDP.



**Fig 1:** Bank's exposure to government sector and government debt /GDP (%)

In terms of the dynamics of banks' exposure to the government sector in Romania, there has been an increase from 5.1% in December 2010 to 20.2% in June 2021. Romania has a government debt-to-GDP ratio of 34.2% (a low level compared to other countries), but this debt is accumulated with a banking sector exposure to the government sector of 20.2% (ranking third after Hungary and Poland with the highest percentages). Much of the government debt comes from borrowing from the banking market in Romania, which increases the vulnerability of the banking system.

The prospects for the profitability of the banking system are also limited by the historical risk of legislative initiatives with an impact on financing capacity, which have affected the predictability of development. To have a more detailed picture of the evolution of the top 3 banks in the Romanian banking market, financial results for the period 2018-2020 were analyzed, and year-over-year growth indicators were calculated.

Data were collected from the financial results of BRD, Banca Transilvania, and BCR banks for indicators such as loans and advances granted to customers, deposits attracted from customers, asset evolution, and net profit. The indicators for Banca Transilvania in 2020 were boosted by the acquisition of Bancpost, following the consolidation of Banca Transilvania. The bank recorded a significant increase in volume indicators and a slight recovery in net profit, a 2.82% increase from 2019, and subsequently, the strategy led to a 32.93% increase in net profit in 2021 compared to 2020. The success of this consolidation has elevated Banca Transilvania to the top spot in the banking market in terms of total assets, almost 17% higher than BCR's assets. The net profit recorded in 2021 by Banca Transilvania is also the highest among banking institutions, at 1.620 billion lei, while BRD and BCR recorded declines from 2020. BCR's net profit was influenced by the exceptional provision related to the activity of BCR Banca pentru Locuinte, following the loss of the lawsuit against the Court of Auditors at the High Court of Cassation and Justice. The bank contested the decision to reimburse the state for the bonuses granted to customers, used in the bauspar system without justifying the use of the sums for housing purposes.

Data were extracted from the financial reports of the three analyzed banks, showing the year-over-year evolution of net interest income, net fee and commission income, operating income, and operating expenses, to observe the evolution of operational results in the period 2019-2021 and operational efficiency.

The top three banks in terms of market share based on assets had a more modest performance in terms of revenue categories in 2019 compared to the previous year, with even some declines in revenue. Specifically, BRD's operating income grew by 0.28% in 2019, while Banca Transilvania saw a decline of 4.61% and BCR had a growth of 0.69%. However, there was a recovery in 2020, with increases of over 10% in net interest income and operating income. 2020 was a year in which net profit increased compared to the previous year for all three observed banks.

The evolution of the profitability of the top three banks was also analyzed, both in terms of return on assets (ROA) and return on equity (ROE), and compared to the market average in Romania (data provided by the National Bank of Romania in the interactive database in the statistics section). From the comparison with the market average, it was observed that BRD and Banca Transilvania had a level of ROA and ROE above the market average in the period 2018-2021, while BCR recorded a higher return on assets than the market average in 2018 and 2020 and a higher return on equity only in 2018.

**2. The Impact of Covid-19 on the Banking Market**

For the context of Covid-19, the impact of the pandemic on the economy is based on economic models and data from previous crises, with the disadvantage that the scenarios only partially match the current context. Scenarios that used data from the MERS, SARS, Ebola, or Spanish flu epidemics predicted a sharp decline followed by a strong recovery. The immediate and significant reduction in consumer demand also led to a significant reduction in demand for financial products. Central banks injected liquidity into the economy to prevent insolvency.

Consumer behavior and banking practices changed with the declaration of a state of emergency. At the beginning of the state of emergency in March 2020, the preference for liquidity, typical of crisis periods, led to a record level of cash withdrawals, but no disruptions occurred. The liquidity of banking sector assets is high (mostly government securities), compared to the economic crisis of 2008, and this indicator is periodically monitored and stress-tested by the National Bank of Romania.

The non-performing loan rate as of December 2019 was 4.08%, according to the definition of the European Banking Authority. The situation of the banking system subsequently underwent significant changes following the economic crisis caused by the Covid-19 pandemic, with a focus primarily on increasing digitalization and operational efficiency.

During the lockdown period, the banking system supported the population affected by the pandemic with its own solutions for payment deferral, in addition to the solution adopted by Emergency Ordinance 37/2020 to defer loan payments for 9 months. In a statement issued on April 24, 2020, the Romanian Banking Association reported that the number of requests for payment suspension received from individual customers was approximately 260,000, while the requests received from legal entities amounted to approximately 10,000. These figures represent 17% of the portfolio of individual loans and approximately 10% of loans granted to legal entities. Banks rapidly developed technical solutions to implement payment deferral for customers with upcoming due dates who experienced income reductions. To avoid affecting the sustainability of the banking sector, the recommendations of the Romanian Banking Association were that payment deferral measures should only apply to customers who have financial difficulties, in order to not affect the long-term capacity of banks to financially support the economy and continue to provide support to customers facing financial difficulties.

At the beginning of the pandemic, banks ensured business continuity by quickly redesigning operating models, access flows to spaces, and customer interaction methods, in order to minimize the risk of contamination. Front office teams were divided, with only a portion directly interacting with customers, so that in case of suspicion of contamination, they could enter a quarantine period while continuity of operations was ensured by reserve teams carrying out activities that did not involve exposure to public traffic in branches. Some banks closed bank branches in this context due to small teams, while others simply reduced the staff present in the front office at each branch.

At the same time, banks focused on improving digital solutions that support social distancing measures and facilitate access to card or banking equipment without the need to visit a bank branch. The primary priority was to protect employees and customers with whom they interacted in bank branches.

Among the measures that supported social distancing and facilitated customer access to banking resources without visiting branch premises, I mention the courier delivery of cards, waiving bank fees for cash withdrawals at ATMs of other banks, resizing contact center teams to handle the significantly increased requests received through this channel, improving internet banking applications with new utilities, and facilitating access to mobile banking services.

During this period, the government provided support to the business environment through various programs aimed at

assisting small and medium-sized enterprises in securing working capital and financing for investments. One such assistance program offered to companies was the government's IMM Invest program, in which the state guaranteed a percentage of up to 90% of loans provided by banks to firms in need of assistance to ensure the liquidity necessary to continue their operations and make investments. Under the same program, the state also subsidized a portion of financing costs.

Banks supported the economy through financing, but carefully assessing the risk conditions they can assume, as there are individuals who are left without income and companies that are unable to weather the economic crisis caused by the pandemic. Therefore, there is a risk of an increase in non-performing loan rates, and commercial credit blockages can have ripple effects.

### 3. Dynamics of the Banking Market in Romania

The strategy of a bank, viewed from the perspective of market dynamics, can be a growth strategy, a maintenance strategy, or a withdrawal strategy.

A growth strategy for a bank in the market can be achieved by choosing multiple action plans simultaneously, such as increasing sales volumes for existing services through more efficient market penetration, supported by promotional campaigns and better distribution through sales force emulation actions; developing new, digital services with faster market absorption; expanding geographically by opening new branches; merging with other banks by absorbing their client portfolios; partnerships with national retailers for selling products on installment plans; and strategic partnerships with the government to stimulate certain economic sectors, access to European funds, or subsidies.

Elements of the economic environment are closely related to bank strategies. Economic events in the business environment have a resonance in the banking market. Economic stimulation of a certain sector of activity or, conversely, the failure of certain programs creates immediate adaptability reactions from banks. Banks support growing businesses and wealth accumulation and quickly withdraw their support when a certain sector encounters problems because they are based on the leverage effect. This effect occurs when the return on borrowed capital is higher than the interest rate. Hence the saying, banks give you an umbrella when it's sunny and take it away when it rains.

The Start-up Nation program was such a partnership with the government, through which the government wanted to encourage the creation and development of new businesses and jobs. Banca Transilvania, CEC, and BCR offered service packages containing bridge loans for eligible entrepreneurs in the program, based on this financing agreement with the state.

One observed situation is related to the large fluctuations in the evolution of the exchange rate. These have direct effects on companies engaged in import/export activities but also have a braking effect in other areas where transactions are made with the Euro rate as a reference, such as the real estate market. The increase in costs related to risks also affects banks that have provided financing.

Banks, although they function as a catalyst in the economy, amplifying or reducing economic phenomena, also change and transform with them, continuously adapting their strategy to the economic environment. For these reasons,

banks sometimes choose a maintenance strategy or even a withdrawal strategy when the economic and competitive environment is no longer attractive.

**4. Objectives and Hypotheses**

The general objectives are to identify the attitudes, opinions, and behavior of organizational consumers of banking products towards financial education in general, and specifically financial education related to entrepreneurship. The study also aims to identify marketing strategies and communication opportunities between firms and banks on this subject.

In the initial phase, the following hypotheses were established as assumptions regarding the research interest: the majority of companies, as organizational consumers of banking products and services, are interested in financial education for entrepreneurship; most company management have acquired the necessary financial knowledge for financial analysis and business decisions through their own experience, mistakes, and individual study; there is a high interest in courses organized by banks on financial education for business; the level of interest in the financial education of employees is low; there is no interest from employers in offering benefits in the form of financial education courses or private pensions for employees; the preferred mode of interaction with the bank is through online services; on average, firms collaborate with at least two banks; electronic payment methods (card, internet banking, mobile payment) are preferred over traditional cash payment.

The following statistical hypotheses were considered: the average interest of firms in financial education for business is 4 (1 - Very little, 5 - Very much); the average interest of firms in financial education for business is different from 4 (1 - Very little, 5 - Very much); representatives of firms rate the level of financial skills and knowledge as an average of 3 (1 - Very weak, 5 - Very good); representatives of firms rate the level of financial skills and knowledge as different from an average of 3 (1 - Very weak, 5 - Very good); there is no concentration of responses regarding the number of banks firms collaborate with; there is a concentration of responses regarding the number of banks firms collaborate with; there is no relationship between the variable regarding the type of function held within the company and the level of appreciation of the employees' financial education in the company; there is a relationship between the variable regarding the type of function held within the company and the level of appreciation of the employees' financial education in the company; there is no relationship between the number of employees in the company and how employees are perceived to appreciate access to financial education courses during working hours; there is a relationship between the number of employees in the company and how employees are perceived to appreciate access to financial education courses during working hours.

**5. Determining the Research Population and the Sampling Method**

The sample selection was made using Listafirme.ro, a website that provides a list of companies in Romania and where selections can be made based on different criteria.

The population that was the subject of the research was made up of active companies headquartered in the county seat of Dolj, with a number of employees between 1 and

249, with at least 75% Romanian capital, a turnover according to the 2022 balance sheet between 100,000 RON and 99,999,999 RON, and a minimum profit in 2022 of 10,000 RON. Only companies that had information on email address and contact person's name were selected. The selection provided a volume of 2,267 firms in the researched population. These firms are classified according to the law as small and medium-sized enterprises (SMEs).

The method applied for data collection was an online electronic survey and the tool used for data collection was the questionnaire.

The sample selection was random, based on collecting email address information. Electronic messages were sent to all addresses provided by the website based on the selection. The selected firms were contacted at the email address provided by the website.

**6. Validation of the Sample**

During the research, follow-up messages were sent to those companies where additional questionnaires were needed to request their completion, based on the monitoring of the sample in terms of the number of employees. In the end, a total of 314 valid questionnaires were collected, resulting in a response rate of 14%.

Using the formula by Cochran William Gemmill, the sample size n was determined for a maximum allowable error  $E = \pm 5\%$ ,  $p =$  the population proportion in case of success (since the value is unknown, the maximum value of 50% is considered),  $q =$  the population proportion in case of failure (in this case, the maximum value is also considered to be 50%), and  $z = 1.96$ , the value according to the distribution table for  $\alpha = 0.05$ .

The maximum allowable error for the 314 valid questionnaires collected, where the researched population  $N = 2,267$ , will be in this case:

$$E = \frac{\sqrt{z^2 * p * q * (N - n)}}{n * (N - 1)}$$

$$E = \sqrt{\frac{1,96^2 * 50 * 50 *}{314 * (2,267 - 1)}} = 5,14\%$$

To validate the sample, stratification based on the number of employees was used.

**Table 1:** Distribution of companies based on the number of employees characteristic

Number of employees	N	%	n	%	tobs
1-9 employees	1.688	74%	219	70%	1,82
10-49 employees	495	22%	82	26%	1,73
50-249 employees	84	4%	13	4%	0,39
Total	2.267	100%	314	100%	

The following hypotheses were established to verify the validation of the sample based on the test of comparing differences between percentages: the percentage at the population level represented by firms within a certain range of the number of employees is equal to the percentage at the sample level; the percentage at the population level represented by firms within a certain range of the number of employees is different from the percentage at the sample level.

$$H_0: \pi = p; H_1: \pi \neq p$$



where:  $\pi$  = relative frequency calculated as the percentage at the population level represented by firms within a certain range of the number of employees;  $p$  = relative frequency calculated as the percentage at the sample level represented by firms within a certain range of the number of employees. It can be observed that to test if the differences are statistically significant, the critical ratio was calculated for the established hypotheses.

The final response rate obtained was 14% after follow-ups were conducted to increase the response rate. Data collection was completed with responses obtained from a total of 314 valid questionnaires. The data was exported from Google Forms into an Excel file where it was processed and formatted for use and uploading into the SPSS program.

### 7. Analysis and Interpretation of the Results

The first question in the questionnaire referred to the general interest of the respondents in financial education for businesses. The question was addressed using an interval-type numeric scale, with semantic support for extreme levels. Level 1 indicates very little interest, and level 5 represents a very high interest.

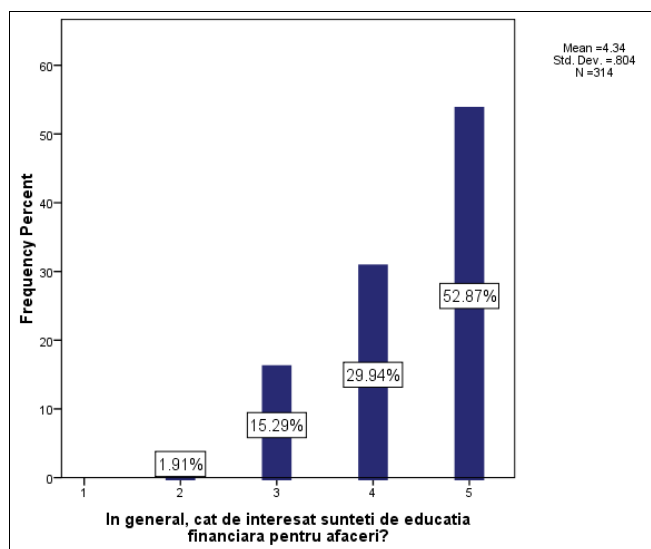


Fig 2: Level of interest in financial education for businesses

It can be observed that there is a high interest in financial education for businesses, with no responses indicating a level of 1 - very little interest. In the questionnaire, for this question, 52.87% of respondents declared a level of 5 - very high interest in financial education for businesses. The average frequency of responses on the scale from 1 to 5 was 4.34 in the sample of N = 314, with a median of 3 and a standard deviation of 0.804.

Question two aimed to collect information regarding the degree to which the respondent self-assesses their skills and knowledge in money management. A similar interval-type numeric scale was used, ranging from 1 to 5, with semantic support for the extremes where skills and knowledge are self-assessed as 1-Very poor and 5-Very good.

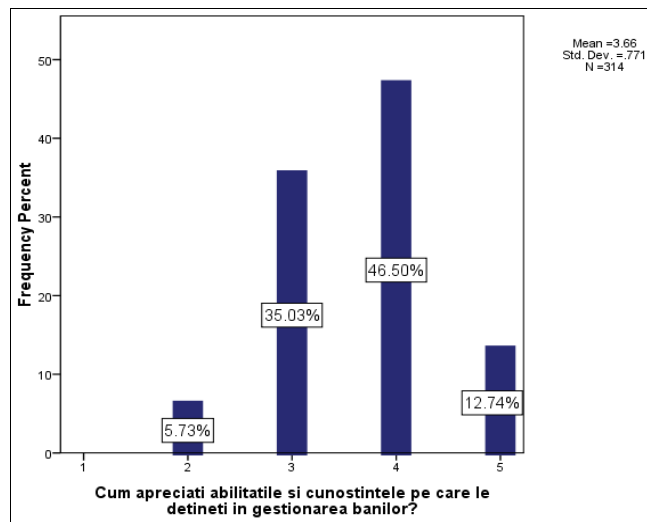


Fig 3: Self-assessment of skills and knowledge in money management

Zero responses were obtained for the minimum scale while 12.74% of respondents selected that they have very good skills and knowledge in money management. The average rating of the sample subjects was 3.66, with a median of 3 and a standard deviation of 0.771.

A multiple-choice nominal scale was used to analyze the most commonly recognized sources of financial education for acquiring financial knowledge for analysis and decision-making in business.

It can be observed that the most frequently mentioned source of financial education for entrepreneurship is personal experience and self-education. Out of the 314 respondents, 82.5% mentioned that they learned on their own (personal experience, self-taught), with this response being selected with a frequency of 48.4% out of a total of 535, while school was mentioned 73 times (13.6% of 535 responses and 23.2% of subjects).

A multiple-choice nominal scale was also used to obtain which information companies, through their representatives, would most need from a financial education course.

From the analysis of the responses, it can be seen that the highest interest of SME representatives in the sample was for the topic of investments. In the selection of the 628 responses, the need for information on what to look for when investing was selected 168 times and in a proportion of 26.8%, 53.5% of the 314 subjects.

Question five in the questionnaire aimed to collect the interest of company representatives in participating in financial education courses for businesses supported by a bank.

Descriptive statistics were calculated for the interval-type numeric scale used to collect the 314 responses. The arithmetic mean is 3.22, the standard deviation from the sample mean is 0.071, with a median of 3 and a modal value of 4. The standard deviation is 1.262 and the variance (the mean of the squared deviations) is 1.592.

It can be observed that company representatives selected an interest below 3 points in proportion to 27.39% (13.38% are

very little interested and 14.01% rated their interest as 2). At the same time, 46.50% declared a high interest (16.56% are very interested and 29.94% have a degree of interest of 4 on the scale from 1 to 5). By comparison with the responses to question 1, it was observed that only 1.91% declared a general low interest in financial education for businesses, below 3 points, while 82.81% declared a high interest (the cumulative level for 4 and 5). It can be interpreted that the interest in financial education is not found in comparable proportions and in an immediate willingness to participate in courses organized by banks.

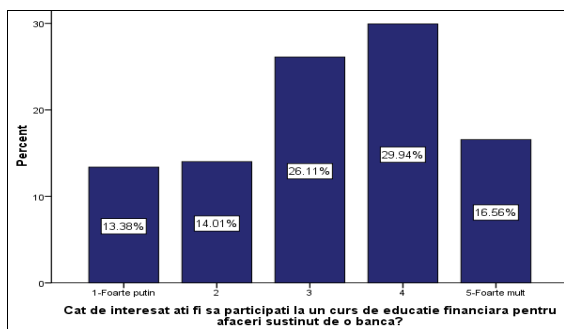


Fig 4: Degree of interest in participating in financial education courses organized by banks

A percentage of 26.11% rated their level of interest as moderate, indicating that they would consider participating in financial education courses organized by banks. They may be attracted by the event promotion strategy and influenced by certain circumstances.

This article aimed to collect information on the effectiveness of banks involved in organizing such courses in Craiova, both in terms of event promotion and participants' perception.

It can be observed that 64.33% of respondents were unaware of the existence of financial education courses organized by banks, while 35.67% had heard of such courses. It is noteworthy that the percentage of those who had heard of these courses is lower than the percentage of 46.50% who indicated an interest level higher than 3 in participating in such events. This research provides an insight into the effectiveness of the promotion policy for these types of events organized by banks in the banking market in Craiova. Among the 112 representatives of SMEs in the sample who had heard of financial education courses organized by banks, 86 did not participate in such a course, while 26 actually participated, representing 8.28% of the total 314 subjects.

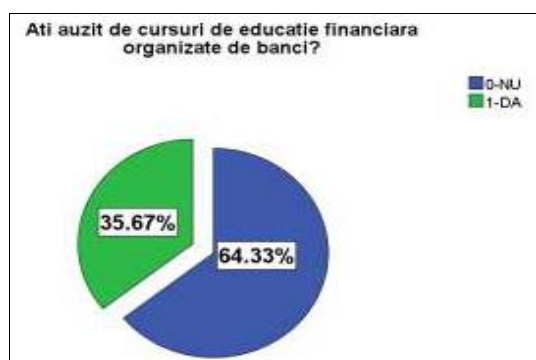


Fig 5: Level of awareness regarding financial education courses organized by banks

It can be observed that the participants in financial education courses in Craiova indicated only four banks as organizers of such events: BRD (31%), Banca Transilvania (31%), Unicredit (23%), and BCR (15%).

Regarding the assessment of the usefulness of the information received on a semantic interval scale ranging from 1 - Not useful at all to 5 - Very useful, out of the 26 respondents who declared participation in such courses organized by banks, 4 individuals (16%) rated the courses as having low utility, while 16 individuals (62%) gave a score of 4 or 5 points.

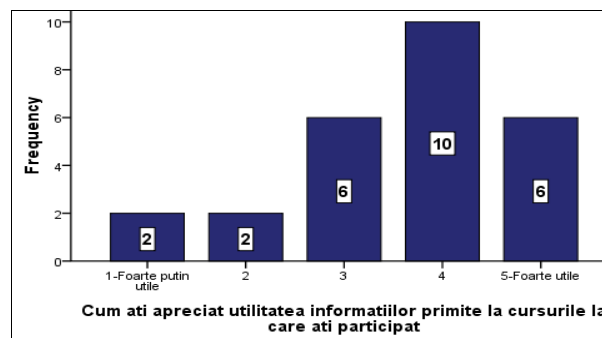


Fig 6: Level of appreciation of the usefulness of the received information

A numeric interval scale was used to assess the level of appreciation regarding the financial education level of the company's employees.

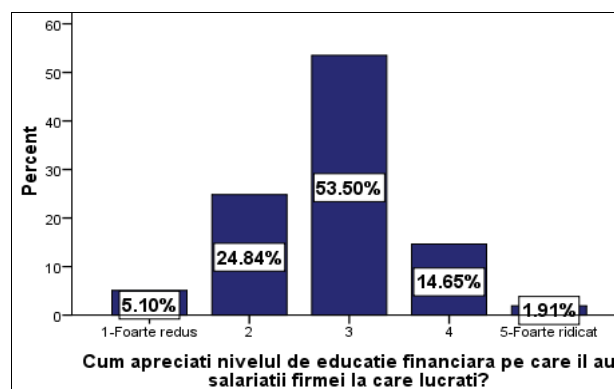
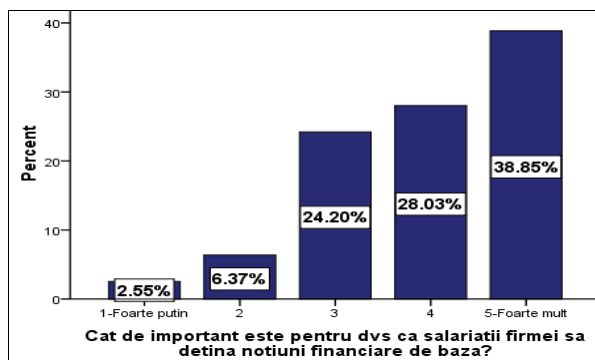


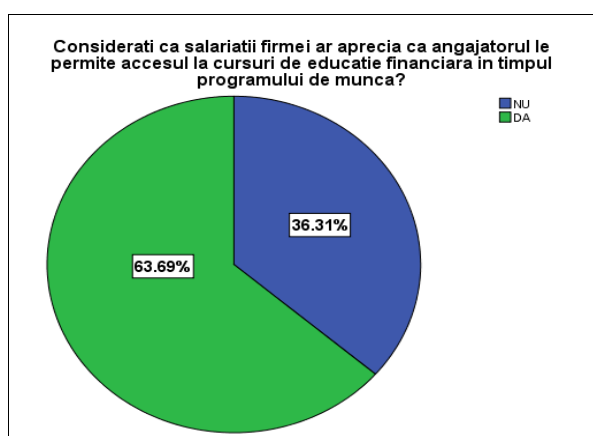
Fig 7: Level of appreciation of the financial education of the company's employees

The graphical representation of the descriptive statistics analysis reveals that 53.50% of the responses selected a level equal to 3 points, while the mean frequency of responses is 2.83. The median and mode have a value of 3, and the standard deviation is 0.806. Only 16.56% of respondents appreciated the level of financial education of the employees as high (cumulative 4 and 5 - Very high). In the research, data was also collected regarding the level of importance for respondents that employees possess basic financial knowledge. This subject holds importance on a scale from 1 to 5, with a proportion of 66.88% (cumulative 4 and 5). The mean importance assigned by respondents to employees having basic financial knowledge is 3.94 on a scale from 1 to 5 (1-Very little and 5-Very much), the median has a value of 4, the mode has a value of 5, and the standard deviation is 1.056.



**Fig 8:** Level of importance attributed to the financial education of the company's employees

The research also aimed to collect data regarding the existence of opportunities for banks to organize financial education courses at the premises of the collaborating companies.

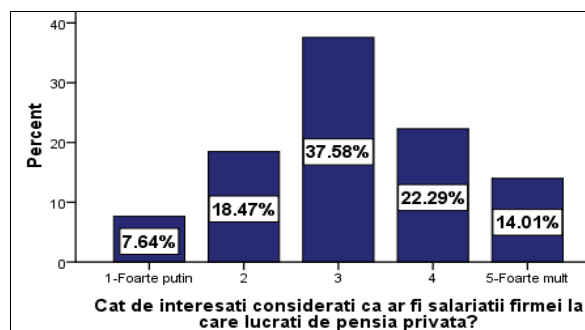


**Fig 9:** Interest in facilitating organization at the company's premises

Respondents consider in a proportion of 63.69% that the company's employees would appreciate if the employer allowed access to financial education courses during working hours, while a share of 36.31% of the total n = 314 believe that employees would not appreciate it.

One of the sensitive aspects related to financial education is the planning of financial resources in the medium and long term. The public pension system is deficient and currently unable to support a standard of living for retirees similar to that during the active working period. Optional private pensions are an alternative for increasing the income of taxpayers after retirement. Contributions to private pensions under the third pillar of pensions can be made by both employees and employers for their own employees. The amounts representing employer contributions to optional pension funds are tax deductible when calculating the profit tax, up to a limit of 400 euros annually. They can be part of the benefits package offered by companies to employees, with effects on their future and are frequently used in developed countries. In Romania, the private pension system is predominantly supported by the second pillar of pensions, which is mandatory, and less by optional pension funds, although the public pension system is deficient in demonstrating its sustainability in the long term. To capture

the interest in investing in a long-term pension fund from both the employees' and the employer's perspective, the question was asked regarding the employees' degree of interest in private pensions. The results were requested in the form of an interval-type numerical scale, and the extremes were represented by semantic meanings with opposite meanings 1-Very little and 5-Very much.



**Fig 10:** Estimation of the level of interest of employees in private pensions

The majority of company representatives (37.58%) considered that employees' interest in the topic of private pensions is moderate. It was observed that employees have very little interest in private pensions by 7.64% of respondents, and 14.01% considered that employees are highly interested (5 - Very much) in private pensions. Thus, for n = 314, the average of the responses was 3.17 points, the median and mode had a value of 3, and the standard deviation is equal to 1.118.

A section of the research aimed to study the behavior of organizational consumers of banking services in order to identify opportunities within banking marketing strategies.

The pandemic has accelerated the digitization process, and this was reflected in the research by the importance given by company representatives to the digitization of banking services and products.

It can be observed that only a cumulative percentage of 11.5% represented the frequency of responses that gave between 1 and 3 points for the utility of developing digital banking services, while a share of 88.5% of respondents gave a score of 4 and 5 points on a scale of 1 to 5, where utility was assessed using an interval numerical scale with semantic extremes where 1 - Very little and 5 - Very much. Considering the interest in marketing strategies in the banking market regarding the integration of financial education in the partnership with organizational clients, data was collected regarding the relationship with banks and the most frequently used communication channel.

Within the research, it was observed that companies predominantly prefer (81.53%) interaction through online Internet banking services, 10.19% prefer interaction at the bank's premises, 6.37% prefer telephone conversations, and 1.91% would prefer not to interact at all. Furthermore, a majority of 43.31% of respondents stated that the company works with only one bank, 37.58% reported that the company works with two banks, 15.92% stated that the company works with more than two banks, and 10 respondents out of 314 stated that they do not know/do not respond.

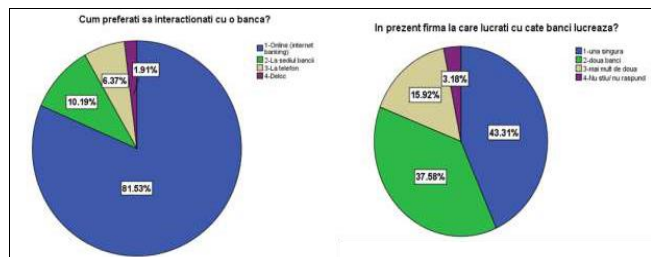


Fig 11: Company interactions with the banks

During the research, the satisfaction level of company representatives in their communication with banks was also verified to determine if the answers to the questions are correlated with the appreciation of the communication with banks.

Observing the results obtained from the descriptive statistics, the cumulative percentage of ratings with 4 and 5 points is 73.89%, while a cumulative percentage of 7.64% rated the communication with the bank with 2 points, and 1 point respectively.

In the section regarding the collection of statistical data on the characteristics of the participating companies in the sample, there was a particular interest in the representativeness of the responses. It was observed that a majority of the respondents were from the company's management, as intended.

A proportion of 62.74% of respondents declared that they are part of the company's management. In this section, the collection of information regarding the type of position held was also pursued. It can be observed that 85.99% of respondents stated that they hold a managerial position.

The viewpoints expressed by respondents as representatives of the companies mostly come from the company's management or from respondents in leadership positions within the company. For the research, this fact is a success, as it brings added relevance to the answers obtained on behalf of the company from the respondents.

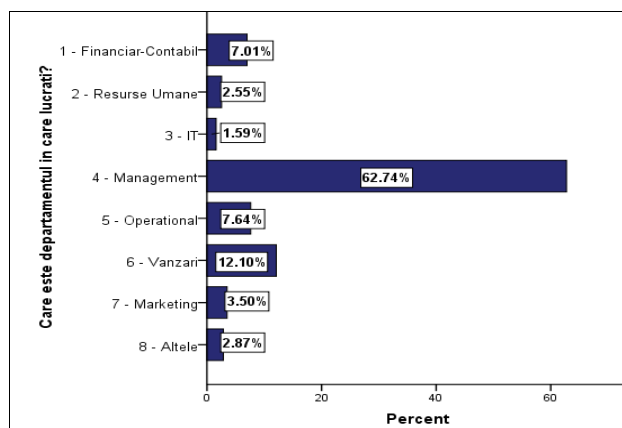


Fig 12: Department within the company where the respondent works and the type of position held

### 8. Testing Statistical Hypotheses

The average obtained for the sample regarding the level of interest in financial business education is 4.34 on a scale of 1 to 5, with a standard deviation of 0.804. The hypothesis testing in the case of univariate analysis for testing the mean parameter was conducted using the t-Student test.

It can be guaranteed with a probability of 100% that the mean ratings of company representatives regarding the level

of financial skills and knowledge held are different from 3.

After applying the Kolmogorov-Smirnov test, it is observed that  $0.076 < 0.192$ . There is no relationship between the number of employees in the company and how it is perceived that employees would appreciate access to financial education courses during working hours.

### 9. Conclusions

The measurement of respondents' interest in financial education has led to the conclusion that there is a high interest in the market for this subject, with an average score of 4.34. Respondents indicated a level above 3 (cumulative score for 4 and 5 points) in 82% of cases. This represents a potential for integrating financial education into marketing strategies in the banking market.

Regarding the self-assessment of skills and knowledge in money management, respondents rated themselves as having a high level of skills and knowledge, with an average score of 3.66 on a scale of 1 to 5. The main source through which they acquired the necessary information for analysis and business decisions was their own experience, mentioned by 82.5% of respondents.

The main information needs when it comes to financial education were mentioned as being related to what to look for when investing (mentioned with a frequency of 26.8%) and general financial management in business (mentioned with a frequency of 24.8% of total responses). As for financial education from the perspective of banks' involvement in delivering specialized courses, it was found that companies have a high willingness to participate in financial education courses organized by banks, with an average score of 3.22 on a scale of 1 to 5.

The research also examined the current status of efforts undertaken by banks present in the Craiova market. It was found that 64% of respondents had not heard that banks organize financial education courses. 36% of respondents had heard that banks organize such courses, and only 8% stated that they had participated in such a course organized by one of the following banks: Banca Transilvania, Unicredit, BRD, and BCR. They rated the usefulness of the courses they attended on average at 3.62 points on a scale of 1 to 5 (38.5% gave 4 points, and 23.1% gave 5 points).

A section of the research focused on the employer's perception of employees' financial education. This section included four questions aimed at evaluating the employer's assessment of the level of financial education held by employees, as well as the employer's interest in this perspective. Respondents, acting as company representatives involved in the research, evaluated the level of financial education of employees as being somewhat low, with an average score of 2.83 on a scale of 1 to 5.

Representatives of companies considered it important for employees to have basic financial knowledge, with the average importance score being 3.94 on a scale of 1 to 5. Additionally, 63.7% of respondents answered that employees would appreciate if the employer allowed them to participate in financial education courses during work hours, and an average of 3.17 points was appreciated that the company's employees are interested in private pensions. Both the individual, the employee, and the legal entity, the employer, can contribute to this with funds in the human resources strategy of developing benefit packages for employees. In conclusion, there is potential for developing marketing strategies in the collaboration between companies



and banks in Craiova to facilitate the banks' strategies of developing financial programs and solutions for company employees.

Another section aimed to collect data on the organizational consumer behavior of banking products and services to verify if there are correlations between the behavior of companies in relation to the bank and the data collected for the variables in other sections. The research confirmed that there is a high interest among organizational consumers of banking services in Craiova for digital banking services, as indicated by the responses of company representatives. Thus, 81.5% of respondents declared that they prefer online interaction with the bank. Additionally, regarding the usefulness of increasing the digital banking offer, the average response score was 4.22 points on a scale of 1 to 5 (1 - Very little and 5 - Very much). The majority opinion of company representatives was that they highly appreciate the usefulness of increasing the offer of banking services and products through the Internet.

A control key between the score given to questions regarding interest in digitization and the behavior of the company representative from the point of view of digital skills and availability to make payments in the digital environment was provided by the question about the preferred payment method. Thus, 54.1% answered that they prefer online payments with card authentication and internet banking, 24 (8%) preferring to pay in-store with the card, 11.5% preferring payments with the phone, and only 9.6% choosing cash payments as their preferred method.

For the characteristics of the companies in the sample, the validation of the sample was obtained based on the sizing from the perspective of the company's number of employees. This aspect was considered valuable for the interest shown from the employer's perspective for the financial education of their own employees.

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