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Exploring Financial Culture and Revenue Planning in Small and Medium-Sized Enterprises and Public Sector Entities

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Abstract

This study investigates the relationship between financial culture and financial planning, emphasizing their critical impact on organizational success and economic resilience. Financial culture, defined as the combination of financial knowledge, attitudes, and behaviors, directly influences decision-making, revenue management, and long-term sustainability. Despite global challenges and economic disruptions, the relevance of financial culture persists, particularly in fostering innovation and adaptability within organizations. The research adopts a mixed-methods approach, combining a detailed literature review with in-depth interviews conducted with representatives of SMEs and public sector entities. The literature review highlights disparities in financial literacy and its implications for different sectors, focusing on legislative frameworks, financial decision-making processes, and sustainable financial practices. Primary research findings reveal that SMEs often face challenges such as limited resources and intense competition, while public institutions are shaped by strict regulatory frameworks that emphasize fiscal responsibility. The integration of circular economy principles into financial planning emerges as a significant strategy, offering opportunities to enhance resource efficiency and align financial practices with sustainability goals. Key results demonstrate the importance of financial literacy programs tailored to organizational needs, particularly for SMEs operating in dynamic and resource-constrained environments. Furthermore, adopting circular economy principles proves particularly beneficial in industries such as tourism development, which require sustainable resource management to ensure long-term viability. The findings offer practical insights for policymakers, educators, and business leaders, emphasizing the need for interdisciplinary collaboration to strengthen financial culture. By fostering financial literacy and incorporating sustainable practices, organizations can enhance their economic stability, competitiveness, and contribution to broader societal goals.

Keywords: *Financial Culture, Circular Economy, Tourism Development, Sustainable Practices, Small and Medium-Sized Enterprises (SMEs).*

Introduction

The research examines the multifaceted concept of financial culture, a topic that has garnered significant attention in both academic and professional circles for many years. Despite evolving global economic conditions and successive crises, the relevance and timeliness of financial culture remain undiminished. This is due to its profound impact on financial decision-making, revenue development, and ultimately, economic growth across various sectors and organizational types.

The quality and level of financial culture within an organization or business are pivotal in shaping its financial strategies and long-term success. Decisions related to financial planning, resource allocation, and

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risk management are deeply rooted in an entity's financial culture. The complexity of financial decisions underscores the need for a comprehensive understanding of the economic context, supported by robust financial knowledge and information.

Financial literacy is a cornerstone of financial culture, playing a crucial role in the sustainability and growth of organizations. It enables decision-makers to make informed choices regarding budgeting, investments, and risk assessment, thereby optimizing resources, enhancing profitability, and ensuring long-term stability. Financially literate organizations are better equipped to adapt to market changes, maintain transparency with stakeholders, and navigate uncertainties effectively. Conversely, inadequate financial knowledge can lead to critical challenges such as mismanagement of funds, poor investment choices, or difficulties in securing external financing.

The importance of fostering financial literacy extends beyond individual organizations to the broader economic system. For instance, businesses with strong financial culture are better positioned to contribute positively to the national economy, while those lacking financial awareness may pose risks to economic stability. This makes financial culture a key area of focus for policymakers, educators, and business leaders alike (Mansoor et al., 2022).

The current economic landscape further emphasizes the importance of financial culture. Global challenges such as inflation, geopolitical tensions, and the lasting effects of recent economic disruptions have underscored the need for organizations and individuals to possess a strong foundation in financial principles. The rapid digitalization of financial services has also introduced new complexities, necessitating continuous learning and adaptation to emerging technologies and tools.

Financial culture is not a static concept but evolves with societal and economic changes. It encompasses not only financial knowledge but also attitudes, behaviors, and values that influence how individuals and organizations approach financial matters. The interdisciplinary nature of financial culture, which draws from economics, psychology, sociology, and education, makes it a rich and complex area of study. Financial culture also intersects with research on ecological sustainability, circular economy, and sustainable development goals, further emphasizing its interdisciplinary relevance in shaping tourism development and other sectors (Rahmat et al., 2024).

One of the key objectives of this research is to explore the relationship between financial culture and organizational success, focusing on how financial literacy and attitudes impact decision-making processes. By investigating these aspects, the study aims to provide actionable insights for improving financial awareness and planning within businesses and public institutions.

In conclusion, this research underscores the critical role of financial culture in today's dynamic economic environment. By enhancing financial literacy and cultivating positive financial attitudes, organizations and individuals can make more informed decisions, adapt to changing circumstances, and contribute to sustainable economic growth. The findings of this study will shed light on effective strategies for fostering financial culture and promoting long-term stability and resilience in both private and public sectors.

Literature Review

This chapter provides a comprehensive review of the relevant literature on financial literacy, financial culture, and revenue planning, serving as the foundation for the study's theoretical and methodological framework. The purpose of the literature review is to contextualize the study within the broader academic discourse and to identify key themes, gaps, and contributions in this rapidly evolving field. The review begins by exploring the conceptual underpinnings of financial literacy and financial culture, emphasizing their multidimensional nature and interdisciplinary scope. Financial literacy is not merely the possession of financial knowledge but encompasses a combination of skills, attitudes, and behaviors that collectively influence financial decision-making. The discussion further investigates the role of financial culture as an organizational characteristic, which shapes strategic decisions, resource allocation, and resilience to external pressures.

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Building upon these foundations, the chapter examines the legislative and regulatory frameworks that govern financial planning and budget management, particularly in the public sector. By reviewing key legal provisions, the analysis highlights how statutory requirements influence financial practices and contribute to the development of financial culture within budgetary institutions. The chapter also focuses on the financial dynamics of small and medium-sized enterprises (SMEs), which are recognized as critical contributors to economic growth and innovation. Drawing on prior studies, the review identifies the specific challenges faced by SMEs, including limited financial resources, regulatory compliance, and market competition. These challenges underscore the importance of fostering financial literacy and cultivating a robust financial culture to enhance organizational effectiveness and sustainability. Furthermore, this review integrates insights from international comparative studies, such as those conducted by the Organisation for Economic Co-operation and Development (OECD), to provide a global perspective on financial culture. The analysis underscores the disparities in financial literacy levels across countries and sectors, emphasizing the need for targeted interventions and policies to address these gaps. In addition to reviewing the technical and theoretical aspects, the chapter incorporates a discussion of emerging trends, such as the increasing relevance of circular economy principles and sustainable financial practices. The interplay between financial literacy, sustainability, and economic resilience is explored to highlight the broader implications of financial culture for long-term organizational and societal development.

By synthesizing these diverse perspectives, the literature review not only situates the current study within the existing body of knowledge but also identifies areas for further research and practical application. This comprehensive analysis establishes a robust foundation for the subsequent empirical investigation and contributes to a deeper understanding of financial culture and its role in fostering economic stability and growth.

The Concept and Elements of Financial Culture

The definition of financial culture varies widely in the literature. There is no single, universally agreed and used definition. In the course of our research, I came across several different definitions, which were similar in many respects. Generally speaking, the different definitions try to describe financial literacy as a kind of financial knowledge and financial awareness. Without being exhaustive, let us look at some of the definitions.A Practical Tool to Measure Financial Literacy is a short study from 2012 by Robin Henager, Associate Professor of Economics in the School of Business, Whitworth University. In this study, financial literacy is defined as *"the extent to which individuals are able to obtain, process, and understand the basic financial information and services needed to make sound financial decisions."*(Henager, 2012)

The cooperation between the Hungarian Financial Supervisory Authority (hereinafter: PSZÁF) and the National Bank of Hungary (hereinafter: MNB), established in 2008 to promote financial culture, contains the following wording. *"A level of financial knowledge and skills that enables individuals to identify and interpret the basic financial information necessary to make informed and prudent decisions, and to make decisions based on this information, assessing the potential future financial and other consequences of their decisions."*(MNB & PSZAF, 2008).Perhaps the best-known and most widely used definition, the Organisation for Economic Co-operation and Development (OECD) defines *financial literacy as "the combination of awareness, knowledge, attitudes and behaviours necessary to make informed financial decisions and achieve individual financial well-being."*(Atkinson & Messy, 2012 p.14). Suganya, an associate professor of Indian origin, shares the OECD's view. In the words of Suganya and his colleagues, financial literacy is not just about knowledge, but also about skills. Financial knowledge alone does not mean financial culture. It is the combination of knowledge (skills) and abilities that individuals use to make financial decisions. (Suganya, Sakthivelrani, & Durai, 2013)

In the course of studying the literature on the subject of financial culture, we can also find a domestic formulation, which no longer defines financial culture only for individuals, but also for enterprises. *"Corporate financial culture is the conscious and company-specific application of the knowledge and tools that are part of the financial management toolbox within the company, on the one hand, and the macro-environmental financial variables outside the company, on the other, which improve the company's effectiveness, efficiency and competitiveness."*(Tóth, 2020)

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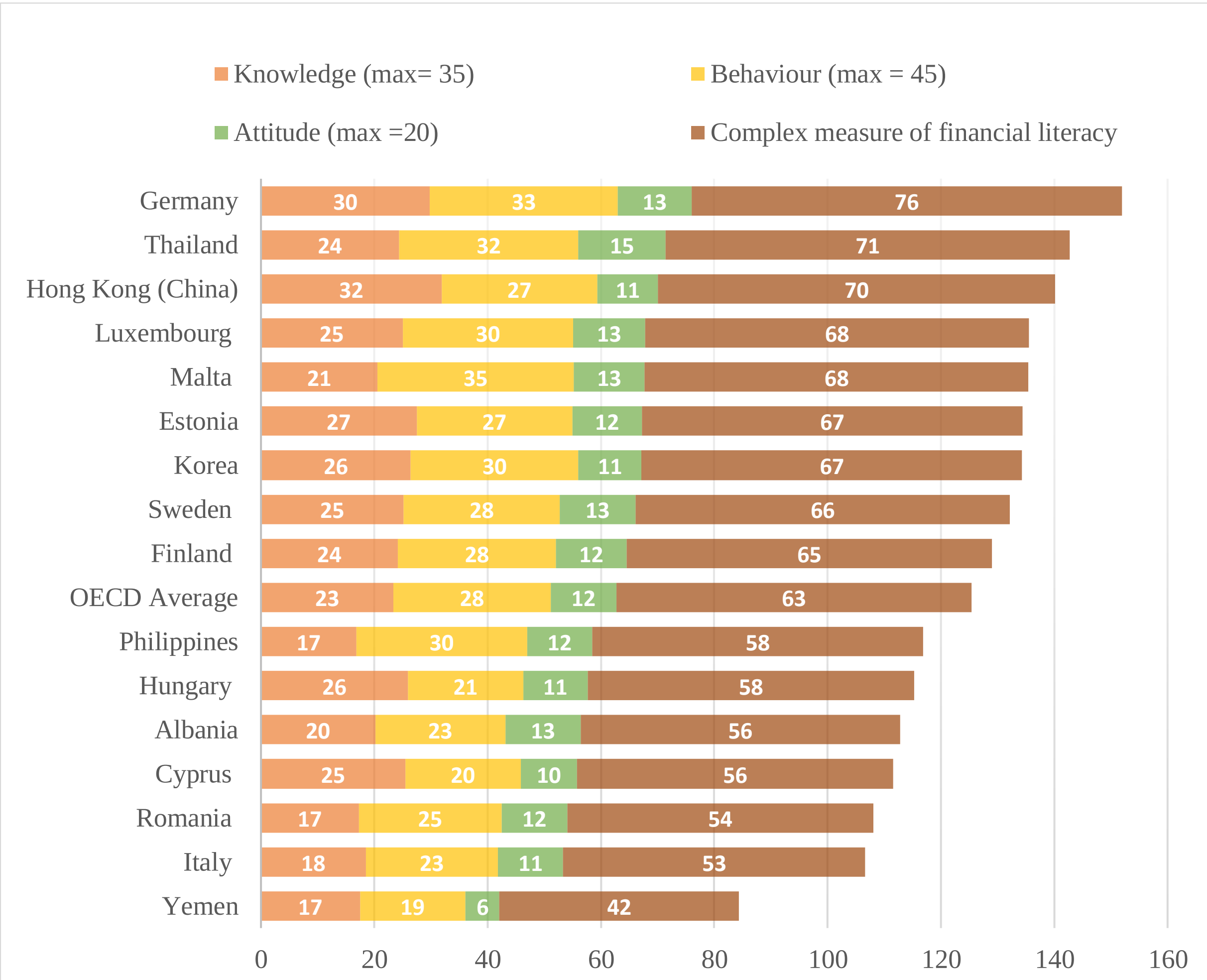
If I have already mentioned the OECD definition as the best known and most widely used definition of financial culture, let us take an international perspective by describing the OECD survey.The OECD has conducted an international comparative analysis of the level of financial culture in 39 countries, including Hungary, in 2022. Using a standard questionnaire, the survey examined the financial culture of countries in three categories: financial knowledge, financial behaviour and financial attitudes. A total of 68,826 people, (N = 68,286) adults aged 18-79 years were represented in the survey. The maximum score was 35 for knowledge, 45 for behaviour and 20 for attitude. A total of 100 points could be achieved and the score obtained would be the respondent's financial literacy index. (OECD, OECD/INFE, 2023).

Looking at the data in **Figure 1**, Hungary's composite score (58) is below the OECD average (63), as are its scores for financial behaviour (20) and financial attitude (11), while its score for financial knowledge (26) is above the OCED average (23). The OECD's financial literacy surveys are international surveys of the adult population (aged 18-79), i.e. they measure the financial literacy of the population. Nevertheless, they provide important information on the financial literacy of those actively involved in economic life (whether in the business sector or in the public sector).Financial literacy plays a crucial role in ensuring sustainable business growth and development. It equips entrepreneurs with the knowledge necessary to make informed decisions regarding investments and resource allocation, which are essential for maintaining operational efficiency. The application of tools like the yield stability index provides valuable insights for assessing the stability and sustainability of economic decisions, which are essential for tourism development and fostering circular economy practices (Bacsi & Hollósy, 2019).

Figure 1. Financial Literacy Scores (Normalised To 100)



(Source: own editing (based on OECD Survey 2023 table)

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Businesses that cultivate a strong financial culture are better prepared to manage risks and navigate uncertainties, thereby enhancing their resilience in a dynamic economic environment.

Moreover, financial literacy supports the development of effective budgeting strategies, enabling enterprises to optimize their operations and maintain solvency while avoiding excessive debt. Incorporating circular economy principles into financial and budgeting strategies can significantly enhance resource management and sustainability, especially in tourism development, which is highly sensitive to environmental and economic factors (Kabil et al., 2024).

A sound understanding of financial principles also fosters innovation, as it allows businesses to assess the feasibility and potential profitability of new projects. Accurate financial forecasting and strategic planning are other key benefits of a robust financial culture, contributing to long-term stability and growth. Entrepreneurs who possess financial literacy are more likely to secure external funding from investors or financial institutions, as they can present well-structured financial plans and demonstrate fiscal responsibility. This competence enhances a company's competitiveness and ensures compliance with legal and tax obligations.

The Role and Importance of Financial Culture

The different literatures examine the issue from different perspectives, but they all agree on the importance of the quality of financial culture and its impact on the functioning of enterprises and economic organisations, and also on the results of the national economy. Most definitions in the literature approach and examine financial culture from the perspective of knowledge and skills, but the attitudinal dimension, which is an important part of financial culture, should not be overlooked. Consequently, the topic would require interdisciplinary research (Vass, 2017).

„A comprehensive theoretical and practical understanding of economic and financial concepts and processes is essential to navigate in today's world. It is therefore important that young people are given the opportunity to acquire a basic knowledge of finance during their primary and secondary school years. Particular attention should be paid to raising financially literate generations who, after completing their technical education, will have the financial skills to enter the labour market almost immediately." (Szőke & Tóth, 2024) In examining attitudes, several studies (Kovács & Mészáros, 2015)(Vass, 2017) also use Selfridge and Sokolik's "iceberg model" (Selfridge & Sokolik, 1975), which aims to illustrate the financial attitudes lurking beneath the surface - attitudes and attitudes towards money, finance and financial institutions. The attitudes that lie beneath the surface have a significant impact on the nature of financial culture, as they can determine the extent to which the knowledge and skills acquired are applied and put into practice. (Mészáros, 2017) Halász and colleagues (1979) found that in social psychological terms, attitude can be divided into three components. In relation to the study of attitude, Atkinson and colleagues (1995) made a similar point to the one made above. (Atkinson, Atkinson, Smith, & Bem, 1995) Research has shown that the three components together shape our attitude towards a given thing, so that if we generate change in two factors, the third factor will also change.

A good example is the effect of advertising. As a consequence of the effect on the cognitive and affective components, our buying habits change/may change. (Halász, Hunadi , & Marton, 1979)Attitude - as an attitude towards a particular thing - is a determinant of financial culture. The concept of attitude also generates another concept, namely the concept of trust. Trust is important in the life of both SMEs and fiscal bodies. Maintaining research integrity is equally vital in fostering financial culture, particularly in areas like circular economy and tourism development, as unethical practices such as citing hijacked journals can undermine trust and credibility (Dadkhah et al., 2023). Covey et al. put it this way about trust: "The trust is 'hard.' It is real. Quantifiable. Measurable. (...) It affects time, money - but also quality and value." (Covey & Merrill, 2011)

The title of the publication focuses on examining the financial culture of small and medium-sized enterprises (SMEs) and budgetary institutions. Our first hypothesis states: *" The sector in which an organization operates has an impact on the level of financial culture within companies and organizations".* Based on our research and

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experiences, it can be concluded that in the case of budgetary institutions, the highly stringent legal regulations of the public sector significantly impact the level of financial culture. For businesses, factors such as the business environment, government economic policies, the tax system, and the prevailing business "climate" play a decisive role in shaping the level of financial culture. The vulnerability of SMEs, the external factors affecting financial culture, and the impact of economic, social and regulatory measures must also be taken into account if the nature and presence of financial culture is to be assessed. In her study (Győri, 2018), Ágnes Győri examined the external environmental influences of SMEs that can have a negative impact on financial culture.

The results are summarised in Table 2.

Table 2. External Environmental Factors Negatively Influencing Financial Culture, Ranked By Importance

Rank	External environmental factors negatively influencing financial culture
1	Cost-related factors (high taxes, contributions, utility fees, and rental costs)
2	Workforce-related challenges (insufficient professional training, recruitment problems, and high employee turnover)
3	Intense market competition, rapid changes in legal regulations, and difficulties in adapting to financial resources
4	Administrative bureaucracy
5	Improper functioning of the state or local governments (kickbacks, corruption)

(Source: Own compilation based on utilized literature. (Győri, 2018))

(*Regarding the last factor, I would like to note and emphasize that the utilized literature was published in 2018.)

There is a legal framework for the operation, activities and budget management of budgetary bodies. The first one to be mentioned is the Fundamental Law of Hungary of 25 April 2011 (hereafter the Fundamental Law). Furthermore, the procedure and rules for budget planning are laid down in Act CXCV of 2011 on Public Finances (hereinafter: Áht.) and its implementing decree, Government Decree No. 368/2011 (XII. 31.) (hereinafter: Ávr.).

The fact of legal regulation is then an important factor when examining financial culture, budget management and revenue planning. In all cases, processes are regulated by law or regulation. The concept of a budgetary body is defined in the General Tax Code. *"A budgetary body is a legal person established by law or by a statute to perform a public task."* (Article 7(1) of the Áht.). A budgetary body performs public tasks for non-profit purposes. It may also be described as a non-profit-making body, which carries out its public tasks as a core activity and the requirements and conditions for the performance of its public tasks are laid down by law. It carries out its public tasks within the area of its competence and scope of operation defined in its statutes, and primarily manages its budget resources.

However, the management of budget resources does not exempt budgetary organisations from their responsibility, since their primary task is to protect national assets and to manage them carefully and responsibly. Consequently, the economic weight of organisations operating in the sub-system of public finances is very significant at the macroeconomic level. (Nagy, 2014)

The second hypothesis states: „*The size of the company or organization affects the quality of its financial culture.*"The Győri - Czakó study classified the businesses in the study into three groups according to the financial behaviour indicators, using cluster analysis, creating the categories of thrifty (traditional) (42.5%), resource-poor (35.5%) and skilful financiers (22%), and this clustering is summarised in Table 3.

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Table 3. Classification of Smes Based on Financial Culture – Indicators

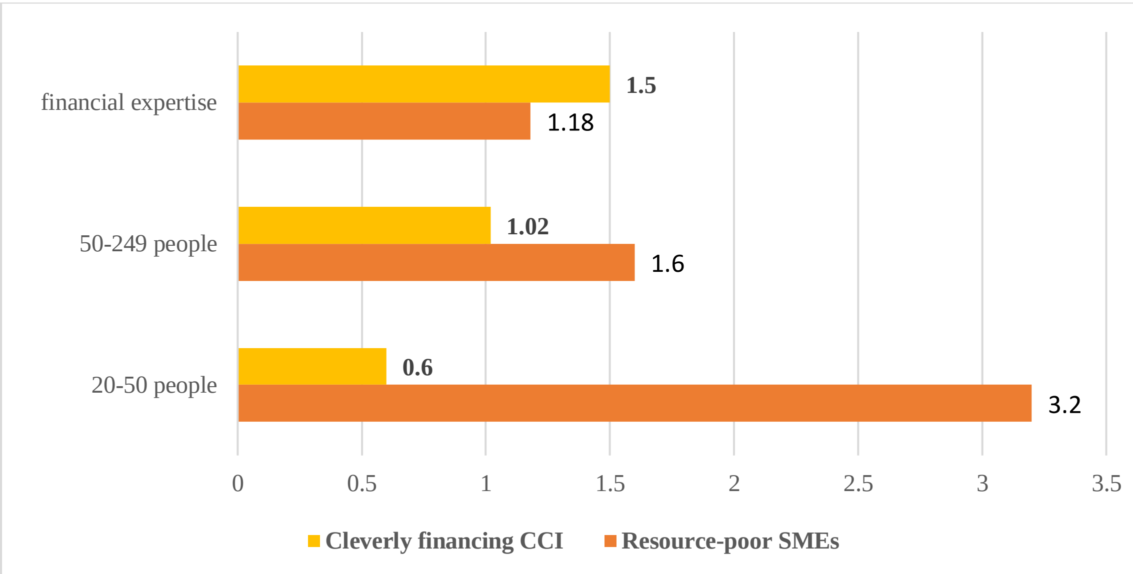
Financial culture indicators	Traditional, frugal SMEs (42.5%)	Resource-limited SMEs (35.5%)	Skillful financial SMEs (22%)
Frequency of using online banking and modern banking services	Low	Lowest	Highest
Occurrence of savings	Highest	Lowest	Medium
Use of credit	Lowest	Medium	Highest
Frequency of late payments (by partners)	Lowest	Medium	Highest

(Source: Own compilation using Győri–Czakó study (2018))

Using the largest group as a benchmark (traditional, 42.5%), the study further investigated the likelihood of SMEs being placed in the resource-poor and the financially savvy group, based on the size of the undertaking and financial expertise.

The results are illustrated in Figure 2.

Figure 2. Knowledge And Company Size As Odds Ratios For Financial Culture



Source: own editing, based on literature used (Győri & Czakó, 2018)

The figures in Figure 2 show that the odds of being in the **resource-poor** group are increased by the size of the enterprise, more than three times higher for enterprises with 20-50 employees and 1.6 times higher for enterprises with 50-249 employees than for traditional SMEs, which have an average of 10 employees.In the case of financial knowledge, we can see from the data in Figure 8 that the odds of being in the Skilful financier group are 1.5 times higher than the relative group. Larger company size results in a higher level of financial awareness, which consequently leads to a more advanced financial culture.In the case of budgetary institutions, the size of the organization is not a relevant or influencing factor with regard to the level of financial culture.

Methodology

This research employed a combination of secondary and primary research methods to thoroughly investigate the research questions and evaluate the hypotheses. The following section provides a detailed

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explanation of the methodologies, the rationale behind their selection, and the specific processes involved in the research.

Secondary Research

The secondary research component focused on analyzing existing studies, scientific articles, surveys conducted by research institutions, as well as national and international statistics, government reports, and data from universities and educational institutions. These sources were carefully selected to ensure their credibility and objectivity, as the use of unreliable or irrelevant information could compromise the quality of the research findings. The literature review served as a foundation for understanding the existing body of knowledge on financial literacy and financial culture, helping to identify gaps, similarities, and differences across various studies.

To achieve these objectives, reputable databases such as the Hungarian Central Statistical Office (KSH) and the Organisation for Economic Co-operation and Development (OECD) were utilized. Additionally, academic journals such as the Financial Review, published by Corvinus University of Budapest, and the Economic Review, issued by the Hungarian Academy of Sciences, provided valuable insights and data. The analysis and interpretation of these sources were instrumental in shaping the hypotheses and guiding the primary research process. Relevant data from these sources were summarized and visualized using charts and graphs that were created or adapted to support the arguments and findings presented in the publication.

Primary Research

To complement the secondary research, face-to-face, in-depth interviews were conducted as part of the primary research. This qualitative method was chosen due to its effectiveness in exploring complex topics, such as financial culture and awareness, in a nuanced manner. Unlike quantitative research, which relies primarily on numerical data, qualitative research allows for the incorporation of non-verbal cues and a deeper understanding of participants' perspectives. This approach ensured a more comprehensive exploration of the subject matter.

The interviews were semi-structured, combining a set of standardized questions with the flexibility to delve into new topics that emerged during the discussions. Each interviewee was carefully selected based on their expertise, knowledge, and experience in financial practices, ensuring the relevance and depth of the information collected. This approach enabled the study to validate, expand upon, or challenge theoretical concepts with practical insights.

Conduct of the Interviews

The primary research involved four in-depth interviews conducted in a quiet and undisturbed setting, ensuring that participants could focus fully on the discussion. Each interview lasted approximately two hours and was conducted on separate days to allow for adequate preparation and reflection between sessions. Although the participants initially displayed some hesitation, this was successfully mitigated, resulting in engaging and insightful conversations. Three interviews were centered on financial culture and revenue planning within budgetary authorities. One interview was conducted with the owner-manager of an accountancy firm, offering valuable insights into financial practices within the SME sector.

These interviews provided an opportunity to explore financial culture from a practical perspective, considering both theoretical frameworks and real-world applications. The conversations were rich in detail, yielding findings that were instrumental in addressing the research questions and hypotheses.

The research adopted an interdisciplinary perspective, as financial culture is widely recognized as a multifaceted phenomenon that cannot be adequately examined through a purely economic lens. The integration of insights from various disciplines enriched the analysis and contributed to a more holistic understanding of the subject. As Vass (2017) highlights, financial culture requires an approach that

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incorporates elements from economics, sociology, and psychology, among other fields. This perspective was central to both the secondary and primary research components of the study.

The Research Was Guided By Two Key Hypotheses

H1: The sector in which an organization operates influences the level of financial culture within companies and organizations. This includes a comparison of economic sectors such as business enterprises and public finance.

H2: The size of the company or organization has an impact on the quality of its financial culture.

These hypotheses were formulated based on insights gained during the secondary research phase and were evaluated through the data and findings derived from the primary research.

In conclusion, the methodology combined a rigorous review of existing literature with carefully conducted primary research to address the research objectives comprehensively. The secondary research established a strong theoretical foundation, while the qualitative interviews provided practical insights that enriched the analysis. By integrating these two approaches, the study offers a detailed and nuanced exploration of financial literacy, culture, and awareness, contributing to a deeper understanding of the topic.

Results and Discussion

This study builds on extensive literature and prior research on financial culture and planning, supplemented by findings from in-depth interviews conducted during the primary research phase. The results and discussion synthesize insights from secondary sources and primary data, highlighting key themes, patterns, and implications for understanding financial culture.

Key Findings from Secondary Research

The secondary research revealed significant disparities in financial literacy levels across various sectors and organizational sizes. Drawing from international studies, such as the OECD's 2022 survey on financial literacy, it was found that Hungary's composite score of 58 falls below the OECD average of 63. This is further broken down into scores for financial knowledge (26), financial behavior (20), and financial attitudes (11). While Hungary's financial knowledge score exceeds the OECD average of 23, its financial behavior and attitudes lag behind. These findings underscore the critical need for targeted interventions to improve behavioral and attitudinal aspects of financial literacy within the country.

Primary Research Insights

The in-depth interviews provided nuanced perspectives on financial culture and planning. Four interviews were conducted, three with budgetary authorities and one with an SME owner-manager. Key insights include:

- *Budgetary Authorities***:** Participants emphasized that strict regulatory frameworks significantly shape financial practices in the public sector. Compliance with laws such as the Fundamental Law of Hungary and Act CXCV of 2011 was highlighted as a key determinant of financial behavior. The focus here is less on growth and profitability and more on fiscal responsibility and safeguarding national assets.

- *SME Sector:* The SME interview revealed that financial culture is influenced by external environmental factors, such as high taxes, workforce challenges, and market competition. SMEs often face financial vulnerability, as highlighted by prior research (Győri, 2018), with factors like administrative bureaucracy and corruption further compounding challenges.

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Patterns in Financial Culture

The study identified three primary classifications of SMEs based on financial behavior indicators:

- **Traditional SMEs (42.5%):** Characterized by high savings but minimal use of modern banking services.
- **Resource-Limited SMEs (35.5%):** Struggle with low savings and limited financial resources.
- **Skillful Financial SMEs (22%):** Demonstrate advanced financial management practices, frequent use of online banking, and strategic financial planning.

Larger SMEs were more likely to exhibit advanced financial culture, with organizational size being a significant determinant of financial practices. However, within budgetary institutions, organizational size was not found to influence financial culture significantly.

Interdisciplinary Nature of Financial Culture

The analysis confirms that financial culture is inherently interdisciplinary, involving elements of psychology, sociology, and economics. Emotional regulation, as noted by Husz and Szántó (2011), plays a crucial role in financial decision-making. Furthermore, Selfridge and Sokolik's "iceberg model" was instrumental in illustrating the deep-seated attitudes and beliefs that underpin financial behavior.

Addressing Attitudinal Challenges

The study highlights the difficulty of measuring financial attitudes, which are often intangible yet profoundly impactful. Emotional and attitudinal factors significantly influence financial culture, requiring further research to better understand their interplay with knowledge and behavior. In China, governmental environmental target constraints play a pivotal role in shaping low-carbon development paths, which are closely aligned with the goals of the circular economy and tourism development (Bai et al., 2023). Combining insights from multiple disciplines is essential for developing effective interventions and policies.

Hypotheses Evaluation

H1: Sectoral Influence on Financial Culture

Findings confirm that the sector significantly influences financial culture. Public sector entities adhere to stringent legal frameworks, while SMEs are shaped by external environmental factors such as economic policies and market dynamics.

H2: Organizational Size and Financial Culture

Results indicate that larger SMEs tend to exhibit higher levels of financial culture due to greater resources and expertise. Conversely, organizational size has a minimal impact within the public sector.

Practical Implications

The findings suggest several actionable strategies:

- *Policy Development*: Strengthening financial literacy initiatives targeted at SMEs, particularly in behavioral and attitudinal aspects.
- *Education and Training*: Enhancing financial education in schools and workplaces to foster a culture of informed financial decision-making.

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- *Interdisciplinary Collaboration*: Encouraging joint research and policy initiatives across disciplines to address complex financial challenges.

In summary, this study underscores the critical role of financial culture in shaping organizational and individual financial behaviors. By combining insights from secondary literature and primary interviews, the research provides a comprehensive understanding of the factors influencing financial culture and highlights areas for future exploration and policy intervention.

Conclusion

The succession of crises affecting the economy and the wars beyond our borders have highlighted the need to strengthen and stabilise the economic functioning of both SMEs and public sector organisations.Research in the literature shows that one of the ways to strengthen businesses and organisations, to ensure their growth and competitiveness is to have financial awareness, which can be achieved by developing and raising the level of financial culture. It is therefore important to continuously research and study financial culture.It analyses and examines the concept of financial culture through the triad of knowledge, behaviour and attitudes found in the literature (national and international). Most of the time, the focus is on knowledge and attitudes, because these can be measured by numbers and examined by statistical methods. The role of the public sector in developing financial awareness and financial literacy, especially in the SME sector, is crucial. The creation of the government programme "SME Strategy 2019-2020", which aims to support Hungarian businesses with measures to strengthen and develop SMEs, is a cause for optimism.

The study of financial culture has almost constantly focused on knowledge, skills and the need to raise them to a high level, as it has been proven that highly educated human capital contributes to a higher level of financial culture. Continuous improvement in the quality of education and professional training should be an important objective for the future. Consideration should also be given to ensuring that the duration of training courses is of sufficient duration and that they are well structured in terms of subject matter, so that their practical application produces the expected results in terms of financial literacy. The question of attitudes also arises again in this respect, since there is a need for a good attitude to learning on the part of both the business community and employees. Many entrepreneurs, as confirmed by the personal interview in the article, believe that all they need to solve economic and financial issues is a good accountant to do it all, or that they can just use 'common sense' to work it out.

Cooperation between universities, higher education institutions and the SME sector on economic issues is an important objective. Rudimentary forms of this kind of cooperation can already be found in some universities, but true "thinking together" and "researching together" are not yet widespread.

The conclusion that can be drawn about the financial culture of the organisations operating under the budgetary system is that the financial culture is really determined by the statutory and legal regulations of the governing body, the requirement to have a higher education qualification for the employment of employees, and the timely fulfilment of reporting and reporting obligations. It is not relevant here to talk about growth, competitiveness or profit growth. During the preparation of our research on financial culture, financial awareness and financial planning, the following suggestions were formulated in relation to the problems and difficulties identified and encountered, and the tasks that still need to be solved in the future:

- the continuation of the state's involvement, the continuation of the SME Strategic Programme, which has been launched and is still ongoing, supplemented by the problems and current issues that have been formulated and have arisen in the meantime

- updating the research, conducting new research on financial literacy, also an important future task, continuous monitoring of the population, youth and the SME sector is recommended (youth are the future entrepreneurs)

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- it is also proposed to strengthen the attitudinal research within the research, the results of which could answer several questions on financial awareness that previous research has not been able to answer

- it is more difficult to make proposals in respect of organisations operating under a budgetary system, where there are limits imposed by legislation and economic governance through regulations,

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