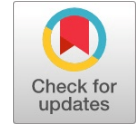


Awareness and Competence in Financial Literacy and Planning: The Financial Journey of Working Women

Kumari Priya, Panna Lal



Abstract: *The primary measure of development is literacy. It is now an essential component of life on Earth. Financial literacy reduces the possibility of being duped by empowering people to understand the financial world and make wise investment decisions. The goal of this study is to evaluate Patna women's savings habits and their degree of financial knowledge. Data for the study came from primary as well as secondary sources. Women are an essential component of contemporary society. Women make a variety of financial decisions, none of which are effective if they lack the necessary financial literacy understanding. The study would also identify the current disparity in financial literacy and make recommendations for potential solutions.*

Index Terms: *Investment Decision, Financial World, Financial Decision, and Financial Literacy.*

I. INTRODUCTION

The discipline and study of money, currencies, and capital assets is known as finance. It is associated with, but distinct from, economics, the study of the creation, allocation, and use of capital, money, assets, and products and services (the field of financial economics connects the two). Personal, corporate, and public finance can be considered the three broad categories into which finance activities fall. Financial systems operate on different scales. Financial instruments, such as currencies, loans, bonds, shares, stocks, options, futures, etc., are purchased, sold, or traded as assets within a financial system. Moreover, assets can be invested in, banked, and insured to increase value and reduce loss. In actuality, risks are inherent to all financial transactions and companies (D. U., Dr. S. Ramesh (2021) [1])[7][8][9].

Because finance is such a big area, there are many different subfields within it. The goals of asset, money, risk, and investment management are to reduce volatility and maximise value. The evaluation of an action's viability, stability, and profitability is known as financial analysis. Certain financial theories can be tested by the scientific method; this is known as experimental finance.

Midway through the 20th century, finance became recognised as a separate academic field from economics.

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(The Journal of Finance, the first academic journal, originally published in 1946.) In the 1960s and 1970s, the first doctoral programmes in finance were founded. These days, many undergraduate and graduate programmes with a career focus study finance (M. M. Chijwani (2014) [2]).

The Humanity Welfare Council reports that 62% of Indian women lack bank accounts and have restricted access to banking services, and that 80% of Indian women struggle with financial literacy. The data paints a vivid picture of Indian women's appallingly low levels of financial independence and literacy. Women must be financially empowered in order for them to play a crucial role in helping India's economy progress to the next level.

A. The Place of Women in Society: A Paradigm Change is Required

Due to prevailing cultural assumptions, women in India have historically been assigned to the position of homemakers. As a result, they are now largely uninterested in financial problems. But more and more, women are shattering preconceptions and leaving the comforts of home to succeed in a variety of fields.

The modern woman is thriving in all areas of life, including business, politics, sports, entertainment, literature, and technology, as she starts to realise her full potential. We are all living in a more advanced ecology thanks to the efforts of women generally. To help them overcome the obstacles, financial literacy then becomes crucial (Jani, S., and T. J. Malhotra (2017) [3]).

B. The Obstacles to Financial Literacy Improvement and their Remedies

Though attitudes towards women becoming financially conscious are changing, they appear to be more pronounced in urban areas. There is opposition to teaching women financial literacy in rural and semi-urban areas where there is poor general literacy. As a result, women are excluded from reliable sources of financial education.

The goal of several government initiatives is to assist women in overcoming social obstacles. Through pertinent projects and campaigns, self-help organisations and development programs—like FLCCs (Financial Literacy and Credit Counselling Centres), the National Centre for Financial Education (NCFE), etc.—continue to create and distribute financial literacy resources. Initiatives like "Beti Bachao, Beti Padhao" and Pradhan Mantri Jan-Dhan have also increased the efficacy of social programmes (Joshi, B., and Sharma, A. (July 2015) [4]).



The importance of financial literacy is increasing. Having financial literacy empowers women to make decisions on their own. A woman who is financially knowledgeable frequently makes more confident and well-informed life decisions. Women who are financially aware can so manage inflation and growing costs. There are numerous benefits:

C. It Equips them to Handle Crises

- Moms and children are frequently closer. A woman who understands money matters well can encourage her kids to maintain sound financial habits.

-Women are frequently in charge of overseeing the household's daily spending. Knowing how to use the money most effectively is therefore beneficial to them.

-In addition, having a self-sufficient income helps women even after the death of the male family member. Financial literacy encompasses a variety of skills, such as creating systematic budgets, paying off debt, making purchases and sales decisions, and eventually becoming financially independent. Other skills include tracking our spending, recognizing when a purchase is necessary, weighing the pros and cons of a particular item, filing tax returns, paying our taxes, closing real estate transactions, and more.

Although it is not expected of humans to understand every detail of financial management, it is nonetheless vital to manage our personal finances so as not to negatively impact our families or ourselves. We most definitely do not want to find ourselves starving to death and without any money at the end of the day.

A person with financial literacy may create a budgetary guide to help them keep track of their purchases, expenses, and debts. This topic also affects entrepreneurs, who significantly contribute to the strength and financial development of our economy. It supports individuals in achieving independence and self-sufficiency. You get fundamental information of capital budgeting, financial markets, and investment possibilities. People are more accountable for their personal finances than they have ever been because of longer life expectancies, growing pension costs, and straining social safety systems (D. S. Priyanka Agarwal (2015) [6].

1. It is crucial to determine whether people are capable of successfully navigating the complex maze of financial decisions they encounter on a daily basis given the quick changes and ongoing evolution occurring in both the financial industry and the overall economy. In order to provide people the tools they need to make better financial decisions, it is necessary to first determine what they already know and then what they still need to know, and to measure the distance between the two. The similarity in financial literacy between nations with differing economic development levels (Solanki, Khushboo P. D. (2020) [5][10]).

II. LITERATURE REVIEW

• (S. Ramesh, Dr., 2021) The impact of demographic factors on women's financial literacy in Bengaluru city is demonstrated by this study. This study's primary goal is to examine how women's financial literacy is impacted by demographic variables and how their financial attitudes affect that literacy. According to this study, the majority of women

only know about asset liquidity, saving habits, and individual financial planning; they know very little about the features of term insurance. Data was gathered from 660 female students in the 18–23 age range, representing the disciplines of Science, Arts, Commerce, and Business Management. This study's analysis makes use of the ANOVA test.

• (Chijwani, 2014) Finding out how well different working women plan their financial goals is the aim of this study. This study's primary goal is to determine the degree of financial literacy and the most widely used investment vehicle among female participants. 75% of respondents had little financial history, 31% correctly answered the financial literacy question, 70% made financial decisions for the household, and 13% of women had LIC life insurance. The sample consisted of women in the Pune region between the ages of 20 and 40. Primary and secondary data were gathered from a variety of journals and articles.

• (Malhotra & Jani, 2017) The purpose of the study is to analyse how age demographics affect women's monthly savings and spending in the city and to offer suggestions for improving their financial literacy. Giving less educated working women in lower-class jobs—like domestic help, maids, sweepers, hawkers, conductors, and government employees—a basic understanding of financial concepts, schemes, and tactics for prudent management and savings is essential to their empowerment and upward mobility. According to the study's findings, in order to provide working women in low-income roles—like domestic help and stall owners—with financial literacy, it is critical to close the knowledge gap between them and the general public regarding loans, savings accounts, and budgeting. This will allow the women to confidently make their way towards financial independence.

• (Joshi & Sharma, 2015) We learned from this study that the financial literacy of financially independent and employed women influences their choice of investments. Additionally, it identified many strategies for improving women's financial literacy, which aids in making investment decisions. We gathered primary data by using questionnaires. Through a structured questionnaire that included investment routes and their own investment selections, the responder provided information about their financial understanding. The study also revealed that nearly all respondents thought that knowledge and education were essential for their empowerment. It also comes to the conclusion that women concur that being financially independent gives them a sense of strength and confidence.

• (Shalini and Shoba, 2015) The perspective of women in Bengaluru regarding personal financial planning is the basis of this study. The primary goal is to use a literature base study to investigate Bangalore's financial literacy level. The study also discovered that women prioritise the needs of their families and children over their own financial demands and security. Secondary sources including websites, journals, papers, and reports are where the data is gathered from. This study has a qualitative approach and is grounded in existing literature. It would be beneficial to organise financial education programmes to raise women's understanding of the importance of financial literacy.

- According to **Meenakshi Chaturvedi and Shruti Khare's (2012)** analysis, the number of working women and double incomes are contributing to the explosive growth of middle class families. The primary goal of this study is to highlight the significance of working women in Bangalore adopting prudent financial and savings decisions. The women were given a structured questionnaire, and their answers were recorded. Over sixty percent of the ladies do not know about the basic programmes and plans that are accessible to them. It is necessary to design a methodology for accessing the current financial literacy programme.
- **(Solanki, Khushboo, 2020)** According to this report, women are disproportionately affected by financial illiteracy. The primary goals are to assess working women's financial literacy and examine the demographic profile of the respondents. The primary and secondary data used in this study were gathered from 101 working women respondents who resided in Jaipur's pink city. Additionally, gap analysis is employed as a method for obtaining conclusions.
- **(Agarwal Priyanka, 2015)** This study demonstrates the level of financial literacy among female educators. This study's primary goal is analysis. The choice of investments pertaining to saving for working women and researching potential investment avenues. This survey, which included about 40 respondents, focused on working women in the Jhansi district's educational sector. According to the study's findings, women should know more about investing.

III. OBJECTIVES OF THE STUDY

- To assess how much financial literacy exists among working women.
- To determine the obstacles that working women encounter while attempting to obtain financial planning-related financial education.
- To assess the level of planning awareness and financial literacy among various people.

IV. NEED OF THE STUDY

- Fundamental financial education: impart information on debt management, investing, saving, and budgeting.
- Helping women learn about investing possibilities: Assist women in learning about stocks, bonds, mutual funds, real estate, and retirement plans, among other financial options.
- Retirement planning: Help with long-term financial planning and retirement funds in order to provide a safe and enjoyable retirement.
- Financial goal-setting: Assist women in establishing reasonable financial objectives and creating a plan to reach them.
- Insurance and financial security: Spread awareness of the value of having insurance, such as health, life, and property insurance, to provide financial security.
- Empowerment and confidence-building: Foster an atmosphere of support for women to actively participate in financial planning, which will increase their self-assurance in their ability to make wise choices.

V. RESEARCH METHODOLOGY

The study was conducted among working women in Patna City. Women from various origins and income brackets—lower, upper, and medium—were included in this. Two

sources provided the data that was gathered. The primary data source was a structured questionnaire with questions about their understanding of savings, financial investment options, and their own investment decisions [11]. The information gathered from secondary sources, including publications, journals, websites, and reports.

VI. DATA ANALYSIS AND INTERPRETATION

Tables and pie charts are used to display the gathered data. Below is a basic explanation of analysis and interpretation.

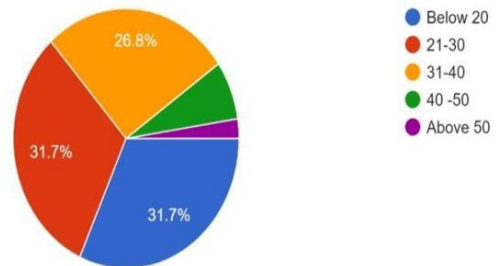


Figure 1: Age-Based Financial Planning and Awareness Among Women

VII. INTERPRETATION:

Data is gathered from women in various age groups. Based on the aforementioned graph, it can be inferred that 31.7% of respondents are under 20, 31.7% are in the 21–30 age group, 26.8% are in the 31–40 age group, 7.3% are in the 40–50 age group, and the remaining respondents are above 50.

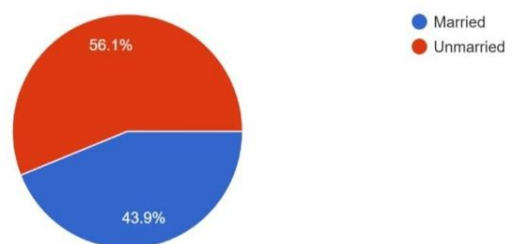


Figure 2 Shows Women's Financial Planning and Awareness Based on Marital Status

INTERPRETATION:

43.9% of respondents are married, and 56.1% of respondents are single, according to the aforementioned figure.

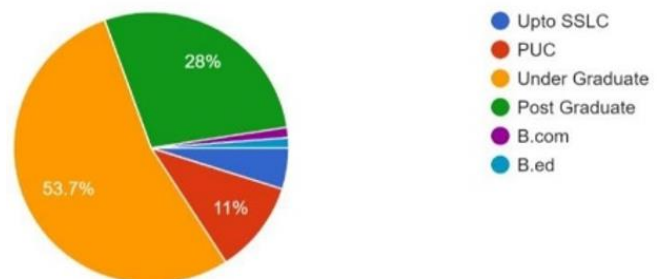


Figure 3: Women's Financial Planning and Awareness Based on Educational Background

INTERPRETATION:

Based on the data provided, we can determine that 4.9% of the respondents have completed their SSLC, 11% are qualified up to the PUC, 53.7% have completed their undergrad, 28% are postgraduate qualified, and the remaining 2.4% have done their B.com and B.Ed.

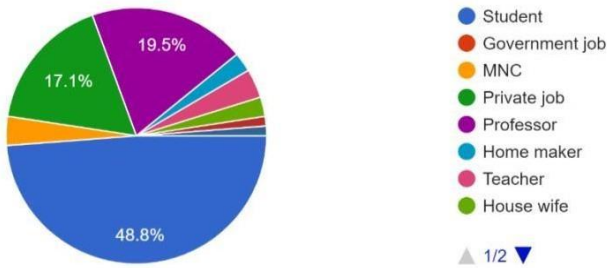


Figure 4: Women's Financial Planning and Awareness Based on Occupation

INTERPRETATION:

According to the data above, 48.8% of the respondents are students, 17.1% work for private companies, 19.5% are professors, and the remaining respondents are employed by MNCs, the government, as teachers, housewives, or in different business ventures.

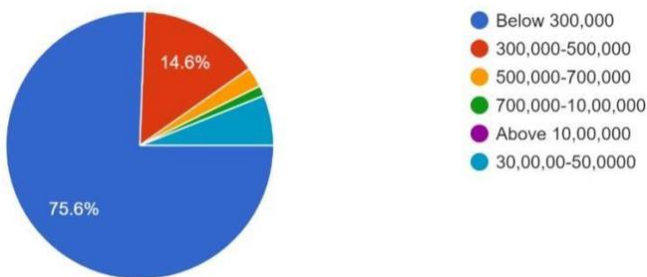


Figure 5 Shows the Respondents' Yearly Income

INTERPRETATION:

The aforementioned chart shows that: 2.4% of respondents have an annual income between 5,00,000 and 7,00,000; 1.2% of respondents have an income between 7,00,000 and 10,00,000. 75.6% of respondents have an annual income below \$3,000,000; 14.6% have an income between \$3,000,000 and \$5,000,000; 6.1% have an income between \$10,00,000 and \$30,00,000.

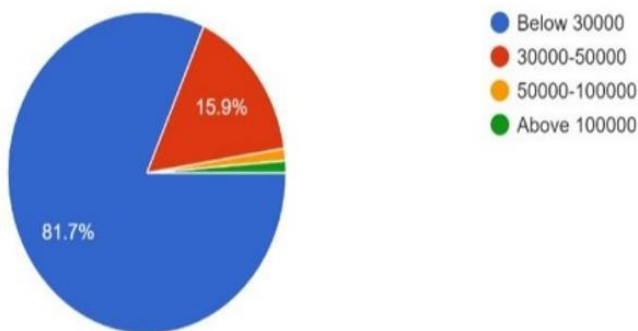


Figure 6: Respondents' Annual Savings in Relation To Financial Planning

INTERPRETATION:

The aforementioned data shows that the respondents' yearly savings are as follows. Among the respondents, 81.7% save

less than \$30,000, 15.9% save between \$30,000 and \$50,000, 1.2% save between \$30,000 and \$1,000,000, and the remaining 1.2% save more than \$1,000,000 annually.

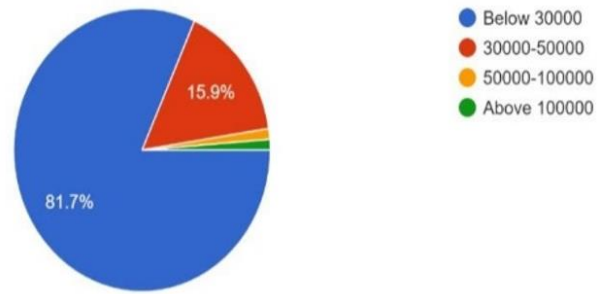


Figure 7 Shows the Respondents' Annual Savings in Relation to Financial Planning

INTERPRETATION:

The aforementioned data shows that the respondents' yearly savings are as follows. Among the respondents, 81.7% save less than \$30,000, 15.9% save between \$30,000 and \$50,000, 1.2% save between \$30,000 and \$1,000,000, and the remaining 1.2% save more than \$1,000,000 annually.

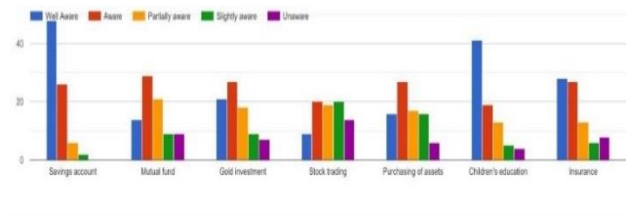


Figure 8: Respondents' Awareness of their Investment Income

INTERPRETATION:

The information shows how much people know about investment income. Everyone knows about mutual funds, savings accounts, investing in gold, and buying assets. Some people are knowledgeable about stock trading, while others only have a passing familiarity with it. People know a lot about children's education, and some people know a lot about insurance, while others don't. According to this survey, individuals are very aware of investment income when it comes to insurance, savings accounts, and children's education, but their awareness of stock trading is more erratic, with some people being quite aware of it and others only marginally aware.

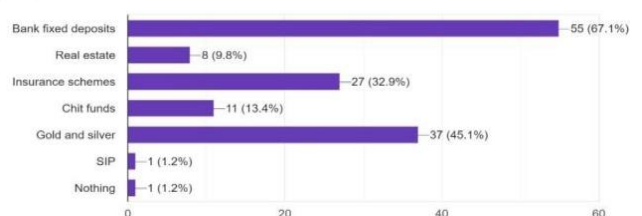


Figure 9: Respondents' Usual Places of Investment

INTERPRETATION:

The information shows respondents' preferences for investments. At 67.1%, bank fixed deposits are the most popular option. Chit funds come in at 13.4%, and real estate comes in at 9.8%.



While 45.1% of people do not choose gold and silver, insurance programmes are preferred by 32.9% of people. 1.2% of respondents mention SIP and none at all. This data shows a range of investing preferences, with the most popular option being bank fixed deposits.

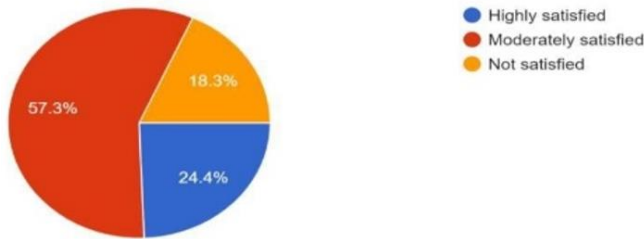


Figure 10: The Respondents' Level of Satisfaction with the Investment

INTERPRETATION:

The information shows that respondents' satisfaction levels with their investments varied widely. 57.3% of respondents say they are very satisfied, which shows that they are confident in their investing decisions. Furthermore, 24.4% report being somewhat satisfied, indicating a respectable degree of satisfaction. But 18.3% say they're not happy with their investments, which indicates a smaller but significant portion that's not happy. As a whole, the data shows a spectrum of satisfaction levels: a sizable fraction are extremely satisfied, others are somewhat satisfied, and a minority are not happy with the results of their investments.

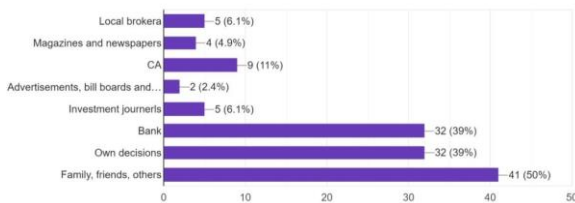


Figure 11: Respondents' Sources of Investment Decisions

INTERPRETATION:

The information shows many factors influencing financial choices. 39% of people say they trust their own judgement or ask friends and family for guidance. While magazines, newspapers, Chartered Accountants, and banks have lower influence, ranging from 4.9% to 11%, local brokers and investment journals have an impact of 6.1% each. Furthermore, 2.4% are impacted by commercials. With a limited role for other sources, this data highlights the importance of personal networks and individual judgement in investing decisions.

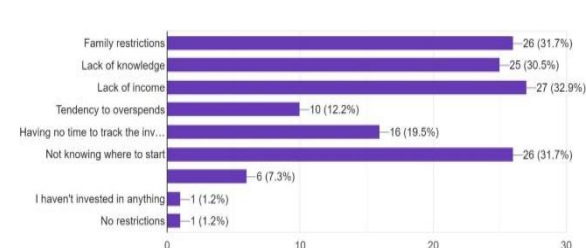


Figure 12: According to Respondents, there Are Difficulties While Selecting Investments

INTERPRETATION:

The information points to a number of difficulties in making investing decisions. Notably, the main barriers mentioned by respondents were insufficient income (32.9%), lack of expertise (30.5%), and familial restraints (31.7%). 12.2% of respondents reported a tendency to overspend, while 19.5% of respondents said they struggle to keep track of their investments and 31.7% said they don't know where to begin. 1.2% of people have not made any investments yet, and a comparable percentage is unrestricted. These difficulties highlight the value of financial planning and education in assisting people in making wise investment decisions.

VIII. FINDINGS

- The information shows how much people know about investment income. Everyone knows about mutual funds, savings accounts, investing in gold, and buying assets.
- The data indicates that people's investing decisions are influenced by a number of variables, including tax benefits (30.5%), emergency necessities (26.2%), life security and safety (40.2%), and the desire to accumulate assets (31.7%). 12.2% of people use investments to pay back loans, whereas 4.9% of people prefer regular returns. 1.2% of the total is undetermined.
- The variation in investments made by the participants. Gold and silver are less popular, with 45.1% of respondents not picking them, while bank fixed deposits are at 60.1%, real estate is at 9.8%, chit funds are at 13.4%, and insurance schemes are at 32.9%.
- The variation in investments made by the participants. Gold and silver are less popular, with 45.1% of respondents not picking them, while bank fixed deposits are at 60.1%, real estate is at 9.8%, chit funds are at 13.4%, and insurance schemes are at 32.9%.
- The range of sources impacting their investment decisions. A significant percentage of 39% rely on their judgement or guidance from friends and relatives. 2.4% and pals through commercials.
- There are difficulties when making investing decisions. Notably, respondents mentioned having little money (32.5%), not knowing where to begin (31.7%), and lack of education (30.5%).
- Over 60% of women are not aware of the basic financial benefit plans and schemes that are accessible to them.
- Only 14–15% of women manage their financial decisions on their own, according to the survey.

IX. CONCLUSION

We thoroughly examined working women's financial investments in this study paper. The people are more desirable as income producers, but their allocations to savings and investments are not well-considered. The study's conclusion is that, given their tendency to rely on their spouses or other family members, women ought to know more about investing.



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Authors Contributions	All authors have equal contributions in this article.

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