



A STUDY ON INFLUENCING FACTORS OF FINANCIAL LITERACY OF WORKING WOMEN IN HIGHER EDUCATION SECTOR IN ROHTAK DISTRICT

Dr. Inderjit Yadav* and Mrs. Sandeep**

* Professor, Faculty of Management and Commerce, Baba Mastnath University.

**Research Scholar, Faculty of Management and Commerce, Baba Mastnath University.

Abstract

An attempt has been made to identify the important factors that influence the level of financial literacy among working women in higher education institutions in Rohtak District. In order to achieve the objective of this research work, the researchers collected primary data from 400 respondents of selected educational institutions in Rohtak District. In this connection, ten influencing factors of level of financial literacy have been measured with the help of Likert's five point scale measurement and analysed with the help of mean, standard deviation and ANOVA test. The result reveals that the highest mean was found of Provident Funds Knowledge factor and lowest mean was of Stock market & mutual Fund knowledge factor. Besides this, a significant difference between the mean scores of financial literacy influencing factors among working women in educational institutions of Rohtak District has also been observed.

Keyword: Financial Literacy, Investment Decision, Educational Institutions.

Financial literacy involves awareness, knowledge, skill, attitude, and behaviour necessary to make sound financial decision and ultimately achieve individual financing wellbeing (Organization of Economic Co-operation and Development). Other definition by President Advisory Council on Financial literacy, financial literacy consists of ability to use knowledge and skill to manage financial resources effective for lifetime. Financial literacy as the ability to collect important information, and also differentiating between diverse financial option, discussing financial issues, planning and proficiently answer that affect financial decision making. Financial literacy is a conceptual model containing six basic components:

- (1) Saving and Borrowings: Savings and borrowings include to the knowledge of saving and borrowing to evaluate and make financial planning.
- (2) Personal Budgeting: Personal budgeting related to the understanding of budgeting based on the personal income.
- (3) Economic Issues: Economic issues related to the understanding about economic issues in a country or worldwide.
- (4) Financial Concepts: Financial concept related to understanding the basic financial concept such as capital structure, dividend, working capital, capital and money market concepts etc.



- (5) Financial Services: Financial services related to the knowledge about the current product and service such as credit rating, banking, consultation and portfolio services, merchant banking and mutual funds etc.
- (6) Investing: Investing related to the knowledge in investment and risk of the investment.

Financial literacy can be described as accepting of financial concepts to minimize risk and approach for better opportunities among various investment alternatives. It helps an individual to administer their money, make better selections in investments and set up the same business portfolios. Financial literacy has been experimental as a broader concept due to difficult market fluctuations; it is very complex to make an investment decision. Insufficient financial knowledge and understanding put the investors in a condition to invest without focusing on the risk and long run profits. It helps investors who have not enough resources but try to gain more advantages from their inadequate resources.

Review of Literature

The Foreign and Indian studies which are relevant to the concept of financial literacy are gathered and presented to support the theoretical orientation of the present study, collected from scholarly journals, relevant past studies, newspapers and other sources.

Hussain et. al. (2022) measured the effect of financial literacy on investment decision of investors. They collected required data from 504 investors through questionnaire to obtain the aim of study. They applied both OLS and logistic regression modal to analyze the data. The results reveal that the financial literacy of investors was improving with the help of increasing education, income and marital status. Whereas, they also found that guardian's occupation decreases financial literacy level. The researchers concluded that the financial literacy enhanced investment decisions.

Raut (2020) found that investment-decisions in India were significantly linked with individuals' financial literacy. The researcher found that enhance the level of financial literacy in emerging economies would increase financial empowerment, opportunities, and status of the market locally and internationally.

Brauet al. (2019) tried to investigate the efficacy of learning sources associated with financial literacy in young adults. The researchers collected data from 1,500 college undergraduate students by using structured questionnaire. They considered the various aspects related to financial literacy quiz to determine the state of the participants' existing financial knowledge. Besides this, they gathered socio-demographic data related to family background, formal learning activities and experiential learning activities. They measured financial literacy as a function of these three sources of learning. The results of the study indicated that family background has little influence. Further, while some types of formal learning activities increase



literacy, the most significant effect is associated with experiential learning.

Bhaskar and et al. (2018) focused on the fact that financial literacy can make a way for women's independence and build confidence in them to make a stand for themselves. They proponent that women not only need to be introduced to financial terms and concepts but they should also be made capable of making investments to earn money and safeguard their future.

Singh Chetna and Kumar Raj (2017) studied on educate women about various investment avenues and develop in them a habit of active financial planning and money management. They also found that women do not actively keep a check on their financial portfolio due to lack of awareness and were mostly dependant on their male family members or friends for seeking assistance.

Sebastian T. And Raju Middi A. (2016) found that most of the professional women had financial knowledge but they were not comfortable in case of money management and financial planning or decision making. They also found that most of the women investors have medium risk perception and thus they prefer SIP, though they are not fully aware about the same.

Devi Anjali (2016) conducted a study on financial literacy of women in the district of Assam in India. The researcher found that the financial literacy levels of women looks to be upgrading to a satisfactory level but there still exists a difference in the performances of women of different regions, income level, and educational levels. The researcher also found that the financial literacy levels of working women in urban areas were better than those of non working and rural women. She suggested that there is a need to implement such programmes that could focus on the overall development of women.

Agarwal Priyanka et al. (2015) revealed that people were unaware about investing aspects future security and wealth creation. They also found that women should become more aware about financial matters and should participate actively in the financial decision making in their families.

Marzieh et al., (2013) revealed that the age and education were positively correlated with financial literacy and financial wellbeing. They also found that the married people and men were more financially literate. Higher financial literacy leads to greater financial well-being and less financial concerns. Finally, financial wellbeing leads to less financial concern.

Objectives of the Study

1. To find out the important factors that influences the level of financial literacy of working women.

Area of the Study:

The present research work was carried out in Rohtak District of Haryana State.

Research Design

In order to achieve the objectives of this research work descriptive research design has been applied.



Sample Design

The purposive sampling has been applied for the selection of sample units. The sample has been drawn from University, Govt. colleges and Govt. Aided College situated in Rohtak District.

Data Collection

In order to analyse the objective of this study, primary data have been collected from 400 respondents of Educational Institutions of Rohtak District with the help of questionnaire method.

Tools of Analysis

In this study, collected primary data have been analysed with the help of descriptive statistics mean, standard deviation and ANOVA test.

Data Analysis and Interpretation

The data was collected through a structured questionnaire. It was aimed to record responses from 400 working women responded appropriately for the study. The analysis is based on the 400 responses so collected primarily from the Education Institutions of Rohtak District.

Table-1:

Factor Information for ANOVA Test

Factor	Levels	Values
Factor	10	1. Level of Financial Literacy 2. Inflation (Price Rise), 3. Interest on Loan, 4. Knowledge on Insurance, 5. Stock market, 6. Mutual Fund, 7. Bank Fixed Deposits, 8. KYC Knowledge, 9. Provident Funds, 10. Post Office Services

Table-2:

Analysis of Variance on Factors for Level of Financial Literacy

Source	DF	Adj SS	Adj MS	F-Value	P-Value
Factor	9	1611	178.973	136.46	0.000
Error	3990	5233	1.312		
Total	3999	6844			

**Table-3****Descriptive Statistics of ANOVA Test for Level of Financial Literacy**

Factor	N	Mean	SD	95% CI
1) Level of Financial Literacy	400	3.9550	0.9138	(3.8427, 4.0673)
2) Inflation (Price Rise)	400	2.7000	0.9177	(2.5877, 2.8123)
3) Interest on Loan	400	2.5900	0.9769	(2.4777, 2.7023)
4) Knowledge on Insurance	400	2.9950	1.4388	(2.8827, 3.1073)
5) Stock market	400	2.4950	1.3765	(2.3827, 2.6073)
6) Mutual Fund	400	2.4300	1.3340	(2.3177, 2.5423)
7) Bank Fixed Deposits	400	3.7400	1.0320	(3.6277, 3.8523)
8) KYC Knowledge	400	3.5650	1.1871	(3.4527, 3.6773)
9) Provident Funds	400	4.2450	0.6900	(4.1327, 4.3573)
10) Post Office Services	400	2.7350	1.3376	(2.6227, 2.8473)

Source: Primary Data

Table-4 describes the results based on objective that provides Statically Analysis based on Level of Financial Literacy. Total 400 respondents were provided their responses regarding the factor influencing level of financial literacy of working women. The result indicates that the highest mean was of Provident Funds Knowledge factor which is above high and lowest mean was of Stock market & mutual Fund knowledge factor. Its p-value is 0.000 which is less than 0.05. Its p-value shows that it rejects null hypothesis H_0 . It concludes that there is a significant difference between the mean score of financial literacy of working women in Rohtak.

Conclusion

This research study is try to find out the important factors that influences the level of financial literacy of working women in educational institutions of Rohtak City. In order to obtain the objectives of this research work 10 factors identified that influence the level of financial literacy. It is observed from the result that the highest mean was of Provident Funds Knowledge factor and lowest mean was of Stock market & mutual Fund knowledge factor. It concludes that there is a significant difference between the mean score of financial literacy influencing factors among working women in educational institutions of Rohtak district.

References

- Hussain A.a, Kijkasiwat P.b, Ur Rehman H. K.c and Ullah M.Z (2022), “Financial Literacy and Investment Decisions: Evidence from Pakistan”, South Asian Journal of



Finance, 2(2), 98–113.

- Raut, R. K. (2020), “Past behavior, financial literacy and investment decision-making process of individual investors”, *International Journal of Emerging Markets*, 15(6), 1243–1263.
- James C. Brau, Andrew L Holmes and Craig L Israelsen (2019), “Financial Literacy among College Students: An Empirical Analysis”, *Journal of Financial Education*, 45(2), 179-205.
- Taft, Marzieh, Hosein, Zareand Tabatabaei, Seyyed (2013), “The Relation between Financial Literacy, Financial Wellbeing and Financial Concerns”, *International Journal of Business and Management*.
- Chetna Singh, Raj Kumar (2017), “Financial Literacy among Women - Indian Scenario”*Universal Journal of Accounting and Finance*, 5 (2), 46 – 53.
- Devi Anjali (2016), “Financial Literacy among Women: A Sample Study in the Kamrup District of Assam”, *EPR International Journal of Economic and Business Review (JEER)*, 4 (2), 144-147.
- Agrawal Priyanka and et al, (2015), “A study on Financial Literacy among working women in Educational Sector of Jhansi district: with special reference to Investment Avenue”, *International Journal of Advance research in Science and Engineering*, 4 (1), 54-61
- Arora Akshita, (2016), “Assessment of Financial literacy among working Indian Women. extracted from <http://www.researchgate.net/publication/298790053>
- Baluja Garima, (2016), “Financial Literacy among Women in India: A Review”, *Pacific Business Review International*, Volume 9 (4), 82-88
- Bijli and Heena, K., (2012), “Financial Literacy: An Essential Tool for Empowerment of Womenthrough Microfinance”, *Studies on Home and Community Science*, 6 (2).
- Mathivathani, V.and Velumani, M., (2014), “A Study on Financial Literacy among Rural Women in Tamilnadu”, *Indian Journal of Applied Research*, 4 (12).
- Rani Amutha, (2017), “A Study on the level of financial literacy among rural women in Virudhunagar District”, *IJARIE*, 3 (2), 86-91.
- Sebastian Thanvi and Raju Appalla, (2016), “A study on the financial literacy of Professional Women in the district of Ernakulum, Kerala”, *International Journal of Technology Enhancements and Emerging Engineering Research*, 4 (7), 4-8.