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Examining the Impact of Financial Literacy Among Working Women in Haryana

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Abstract:
This study explores the relationship between demographic variables (age, education and income) and financial literacy levels among working women across four cities in Haryana: Rohtak, Sonipat, Panipat and Karnal. A structured questionnaire was used to collect primary data from a sample of 440 participants (110 from each city). The data was screened, coded and analyzed using SPSS 23, employing descriptive statistics and regression analysis. Key findings reveal that while age does not moderate the relationship, education and income significantly influence financial literacy levels. Models with educational qualifications and income as moderators demonstrated statistically significant effects, underscoring their critical role in shaping financial literacy. The study provides actionable insights for policymakers and educators to tailor financial literacy programs to demographic needs, enhancing economic empowerment among women.
Keywords: Financial literacy**,** Working women**,** Demographic variables**,** Age moderation

Introduction

Financial literacy has emerged as a critical skill in today's complex economic landscape, empowering individuals to make informed decisions about managing resources, investments and savings. Among working women, financial literacy assumes even greater significance, as it directly impacts their ability to achieve economic independence, manage household finances and contribute to long-term financial stability. Despite its importance, research indicates significant disparities in financial literacy levels, influenced by demographic factors such as age, education and income. In India, the role of women in the workforce has been steadily increasing, yet their financial literacy remains a challenge due to various socio-economic and cultural barriers. Understanding how demographic variables influence financial literacy can help bridge this gap, enabling targeted interventions to enhance women's financial knowledge and capabilities. This study focuses on working women across four cities in Haryana—Rohtak, Sonipat, Panipat and Karnal—to examine the relationship between demographic variables and financial literacy. Using primary data collected through structured surveys, it investigates the moderating effects of age, education and income on financial literacy levels. The findings provide insights into the factors shaping financial literacy among working women and contribute to the broader discourse on gender and financial inclusion. By addressing these dimensions, the study aims to inform policymakers, educators and stakeholders about the demographic-specific challenges and opportunities in promoting financial empowerment among women in the Indian context.

Literature Review

Kumar (2024) states that age is a significant factor influencing financial literacy, as individuals tend to gain financial experience over time. However, younger working women often display lower levels of financial literacy compared to their older counterparts, which indicates the need for targeted financial education for younger demographics. Similarly, Adams and Rau (2023) highlighted that age-related differences in financial literacy are also impacted by the varying exposure to financial decision-making processes over one's lifetime.

According to Rai, Dua and Yadav (2023), education is one of the strongest predictors of financial literacy. Women with higher educational qualifications generally demonstrate better financial knowledge and behaviors. Bahadur (2022) emphasizes that integrating financial education into school and college curricula can significantly enhance financial literacy levels, especially among women, by preparing them to handle complex financial decisions.

Joshi (2022) argues that income levels are directly linked to financial literacy, as individuals with higher incomes are more likely to have access to financial services and resources. However, Geoghegan (2021) notes that income alone is insufficient; financial literacy also depends on one's ability to utilize financial tools effectively. Moreover, Struckell et al. (2020) found that financial literacy among women could be improved by addressing both income disparities and financial attitudes through structured interventions. Lazar and Chandrasekar (2021) explored the combined impact of age, education and income on financial literacy among working women. Their findings revealed that while education had the most significant effect, the interplay of all three factors shaped overall financial literacy levels. Kumar (2024) similarly suggests that comprehensive financial education programs must consider these demographic intersections to address the unique needs of working women effectively.

Methodology:

- **Sample Selection**: A total sample of 440 working women was chosen across Rohtak, Sonipat, Panipat and Karnal (110 per city), using structured questionnaires for data collection.
- **Data Collection**: Primary data was gathered through self-administered surveys focusing on women in the workforce, ensuring voluntary participation.
- **Data Screening, Editing and Coding**: Data was screened, cleaned and coded using SPSS 23 to ensure reliability and consistency, with descriptive statistics applied for analysis.

Objective:

- To examine the relationship between demographics variables and financial literacy among working women.

Hypothesis:

- There is a significant relationship between demographic variables (such as age, education and income) and the financial literacy level among working women.

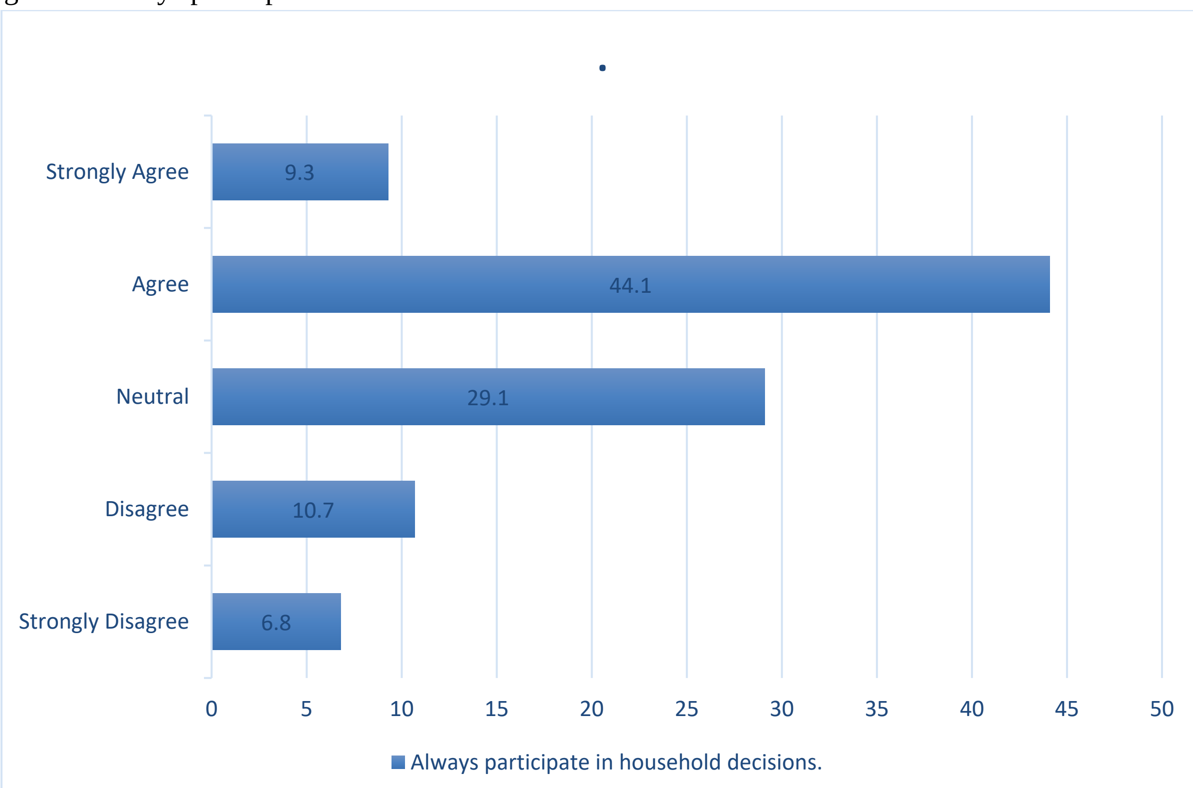
Findings:

Financial knowledge levels vary widely across populations, with higher understanding observed among individuals with tertiary education, urban residents and those from higher income brackets. Younger adults exhibit better awareness of basic financial concepts like budgeting and saving, while older age groups often have more experience-based knowledge of credit and investments. Gender disparities are evident, with males generally demonstrating higher proficiency in complex financial topics such as risk management and portfolio diversification. Despite these strengths, significant knowledge gaps persist, particularly in understanding insurance, retirement planning and advanced investment strategies, emphasizing the need for targeted financial literacy programs.

Table 3: Summary statistics of financial knowledge

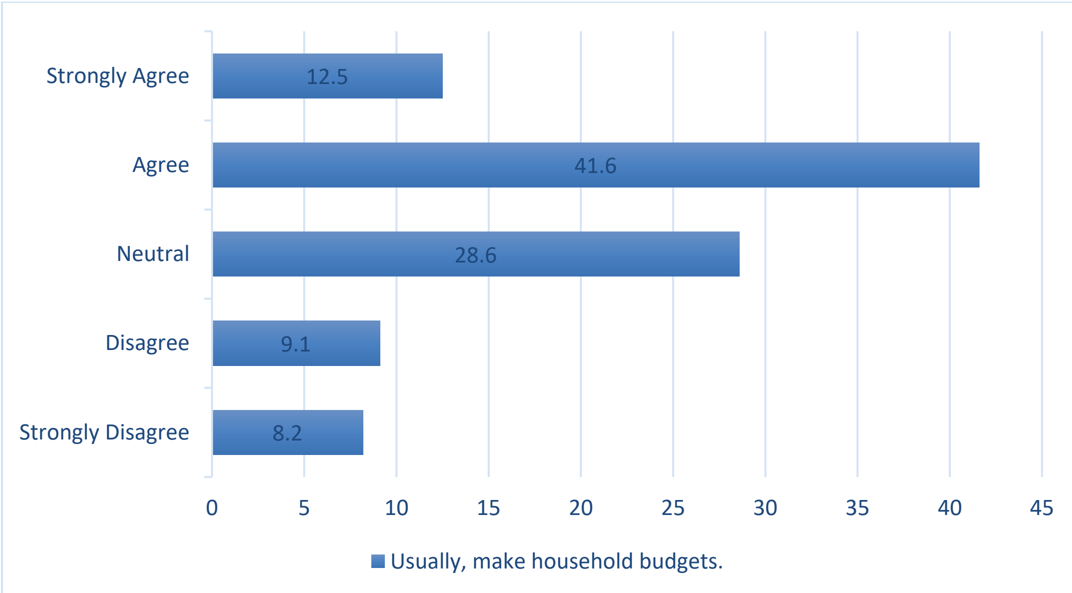
S.No	Statements	SD	D	N	A	SA
1.	Always participate in household decisions.	6.8	10.7	29.1	44.1	9.3
2.	Usually, make household budgets.	8.2	9.1	28.6	41.6	12.5
3.	Always make proper documentation/records of financial matters.	7.5	5.7	30.7	42.3	13.4
4.	I file my returns/ pay income tax on time.	7.3	6.4	30.5	42.5	13.4
5.	Before buying anything, I compare the prices.	8.4	9.5	27.3	41.6	13.2
6.	Spend much time thinking about financial information before I make a financial decision.	8.2	10.0	23.4	45.2	13.2
7.	Usually, asses my financial position at the end of every year.	7.7	16.8	33.0	35.0	7.5

Figure 1: Always participate in household decisions



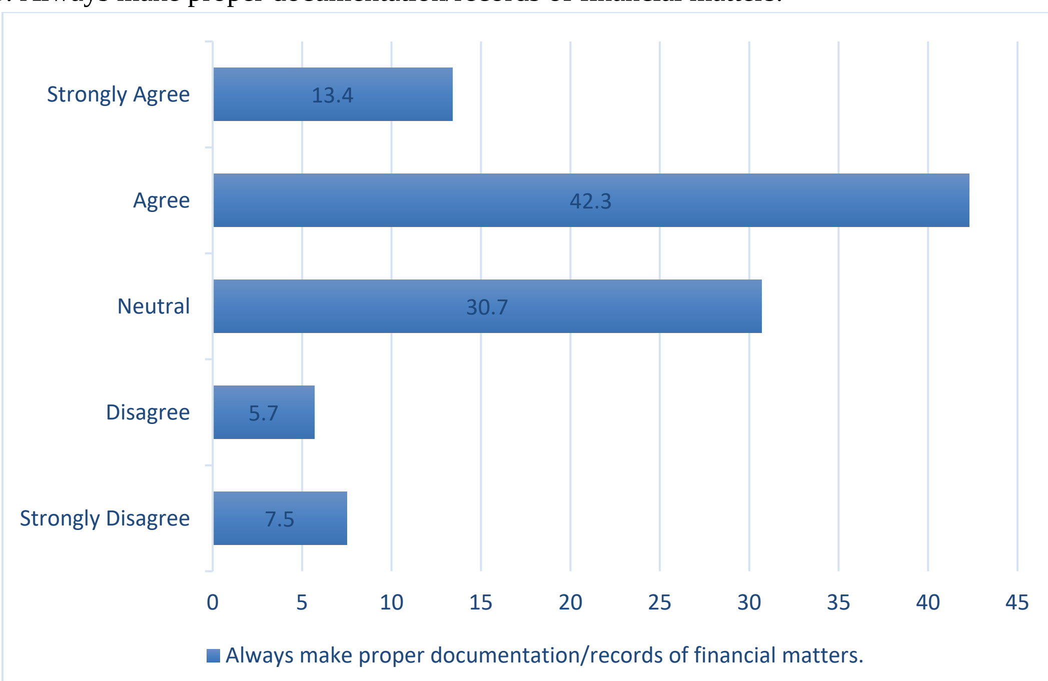
From above table 4.3, it is observed that 10.7 percent respondents disagree the always participate in household decision, 6.8 percent strongly disagreed, 29.1 percent respondents are neutral about it, 9.3 strongly agreed and 44.1 percent respondents are agreed with the statement.

Figure 2: Usually, make household budgets.



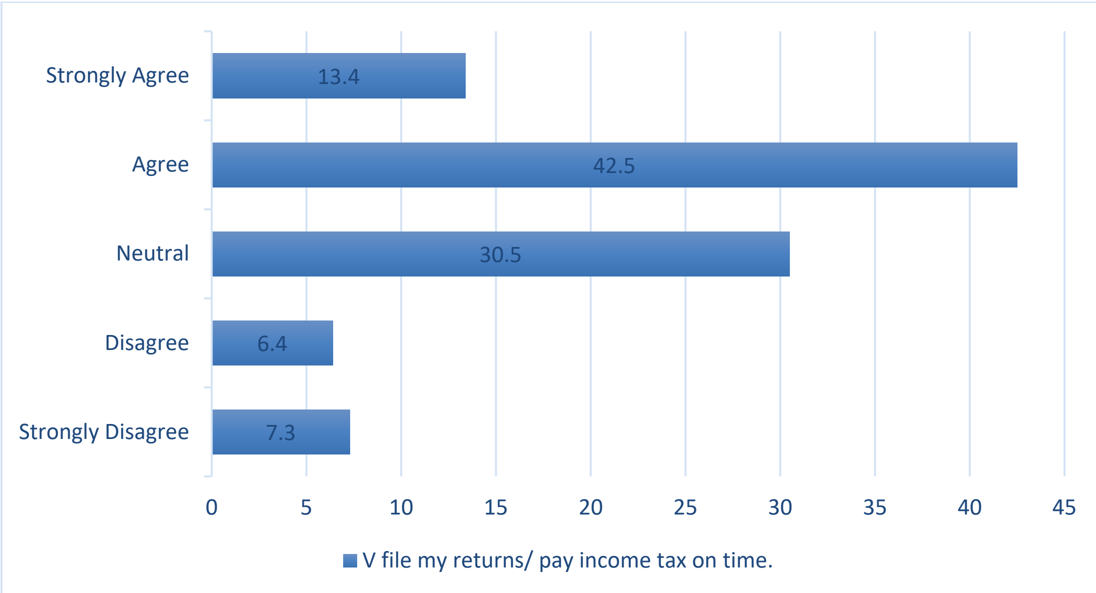
From above table 4.3, it is observed that 9.1 percent respondents disagreed that they make household budgets, 8.2 percent strongly disagreed, 28.6 percent respondents are neutral about it, 12.5 strongly agreed and 41.6 percent respondents are agreed with the statement.

Figure 3: Always make proper documentation/records of financial matters.



From above table 4.3, it is observed that 5.7 percent respondents disagree the they always make proper documentation/records of financial matters, 7.5 percent strongly disagreed, 30.7 percent respondents are neutral about it, 13.4 strongly agreed and 42.3 percent respondents are agreed with the statement.

Figure 4: I file my returns/ pay income tax on time.

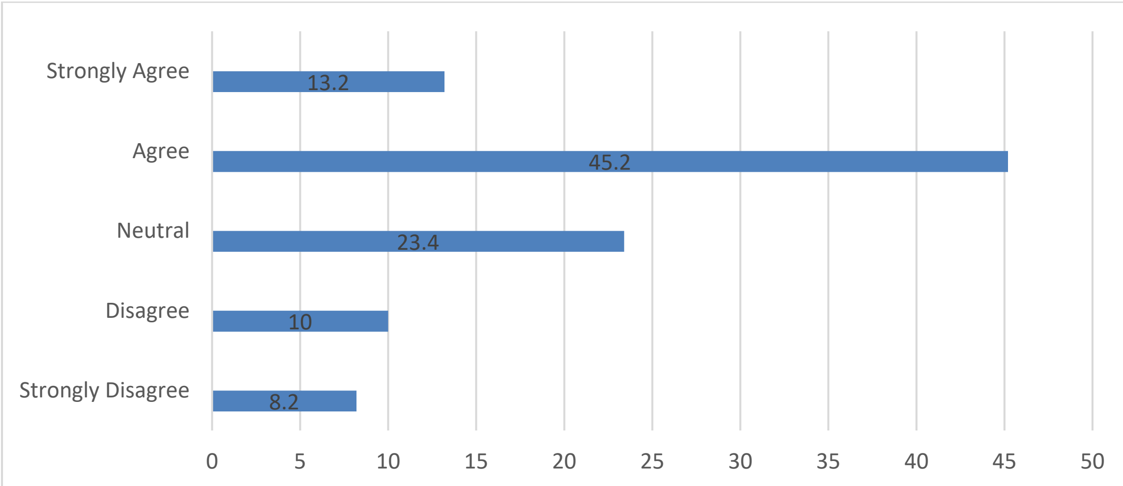


From above table 4.3, it is observed that 6 percent respondents disagree that, i file my returns/ pay income tax on time, 7 percent strongly disagreed, 31 percent respondents are neutral about it, 13 strongly agreed and 43 percent respondents are agreed with the statement.

Figure 5: Before buying anything, I compare the prices.

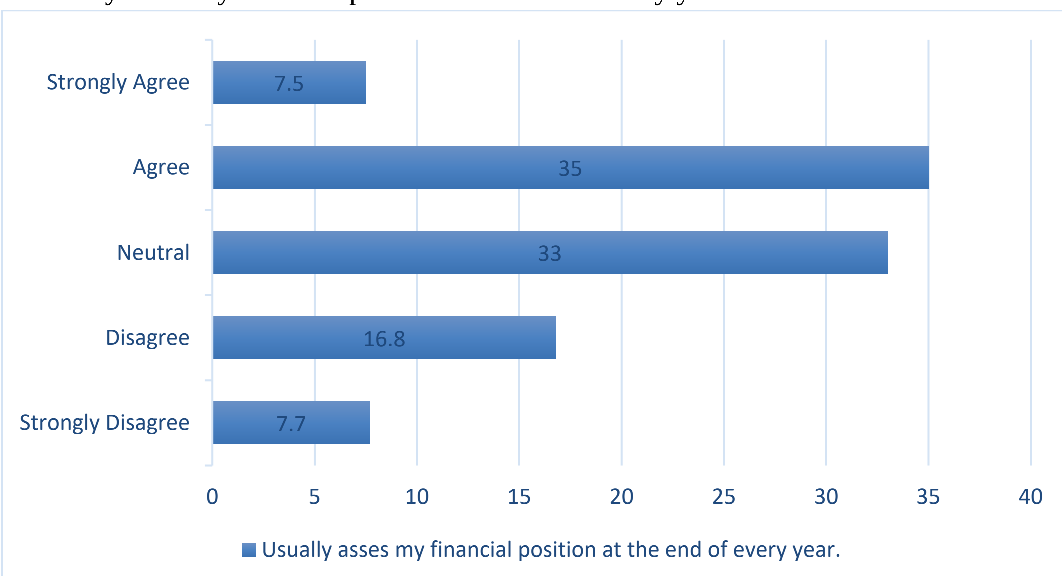
From above table 4.3, it is observed that 9.5 percent respondents disagree that, before buying anything, they compare the prices, 8.4 percent strongly disagreed, 27.3 percent respondents are neutral about it, 13.2 strongly agreed and 41.6 percent respondents are agreed with the statement.

Figure 6: Spend much time thinking about financial information before.



From above table 4.3, it is observed that 10 percent respondents disagree that they spend much time thinking about financial information before they, 8.2 percent strongly disagreed, 23.4 percent respondents are neutral about it, 13.2 strongly agreed and 45.2 percent respondents are agreed with the statement.

Figure 7: Usually asses my financial position at the end of every year



From above figure, it is observed that 17 percent respondents disagree the always participate in household decision, 8 percent strongly disagreed, 33 percent respondents are neutral about it, 7 strongly agreed and 35 percent respondents are agreed with the statement.

There is a significant relationship between demographic variables (such as age, education and income) and the financial literacy level among working women.

H1a: Age moderates the relationship among working women and financial literacy

In order to understand the relationship between working women and financial literacy in presence of age, a model needs to be formulated for which regression analysis would be done. Results of this analysis are shown in below table.

Table 2: Regression analysis of working women and financial literacy with reference to Age

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	Coefficient	T-statistic	p-value	R^2	Adjusted R^2	F ratio
Model with moderation effect						
Constant	5.106	13.066	0.000	0.87	0.80	48.574
Working women	-.519	-9.560	0.000			
Age	-.005	-.089	.929			
WA Interaction	.012	.217	.829			

After the moderation effect of age, the p-value for working women is 0.00 which is less than 0.05. As the moderation effect p-value (.829) is greater than the significance level, thus the null hypothesis that age has no moderation impact on the relationship between working women and financial literacy is accepted.

H1b: Educational qualification moderates the relationship among working women and financial literacy

In order to understand the relationship between working women and financial literacy in presence of educational qualification, a model needs to be formulated for which regression analysis would be done. Results of this analysis are shown in below table.

Table 3: Regression analysis of working women and financial literacy with reference to Educational qualification

	Coefficient	T-statistic	p-value	R^2	Adjusted R^2	F ratio
Model with moderation effect						
Constant	5.123	10.34	0.000	0.88	0.81	44.214
Working women	-.545	-9.789	0.000			
Educational qualification	-.014	-.091	.0000			
WE Interaction	.015	.229	.0000			

After the moderation effect of educational qualification, the p-value for working women is 0.00 which is less than 0.05. As the moderation effect p-value (.000) is smaller than the significance level, thus the null hypothesis that educational qualification has no moderation impact on the relationship between working women and financial literacy is rejected.

H1c: Monthly income moderates the relationship among working women and financial literacy

In order to understand the relationship between working women and financial literacy in presence of monthly income, a model needs to be formulated for which regression analysis would be done. Results of this analysis are shown in below table.

Table 4: Regression analysis of working women and financial literacy with reference to monthly income

	Coefficient	T-statistic	p-value	R^2	Adjusted R^2	F ratio
Model with moderation effect						
Constant	6.675	19.121	0.000	0.90	0.84	39.577
Working women	-.573	-9.881	0.000			
Monthly income	-.017	-.094	.0000			
ME Interaction	.011	.231	.0000			

After the moderation effect of monthly income, the p-value for working women is 0.00 which is less than 0.05. As the moderation effect p-value (.000) is smaller than the significance level, thus the null hypothesis that monthly income has no moderation impact on the relationship between working women and financial literacy is rejected.

The findings of this study demonstrate a significant relationship between demographic variables—age, education and income—and financial literacy levels among working women. The regression analysis results reveal nuanced effects of these variables on financial literacy. For age, the p-value (.829) indicates that it does not moderate the relationship between working women and financial literacy, leading to the acceptance of the null hypothesis that age has no significant moderation effect. This suggests that while age contributes to financial experiences, its role as a moderating factor is limited. In contrast, educational qualifications exhibit a significant moderating effect, as evidenced by the p-value (.000), which is well below the significance threshold. This finding underscores the importance of educational attainment in enhancing financial literacy, highlighting it as a critical variable in understanding financial behaviors among working women. Similarly, monthly income also significantly moderates the relationship, with a p-value (.000), indicating that higher income levels facilitate better financial knowledge and behavior. These results emphasize the interconnected nature of demographic variables in shaping financial literacy and underscore the need for tailored financial education programs that address education and income disparities to empower working women.

Conclusion

This study provides a comprehensive understanding of how demographic factors—age, education and income—influence financial literacy among working women. The findings reveal that education and income significantly moderate financial literacy, highlighting their crucial roles in shaping women's financial knowledge and behaviors. While age does not exhibit a direct moderating effect, it still plays an important role in determining financial experiences and exposure over time. The results emphasize the importance of tailored financial education programs designed to address demographic-specific needs. For younger women, early interventions focusing on foundational financial concepts can be highly effective. In contrast, for older women, programs emphasizing advanced financial management tools and retirement planning may yield better outcomes. Additionally, ensuring access to education and addressing income disparities are essential for enhancing financial literacy among women, enabling them to make informed financial decisions.

The study underscores the need for policymakers, educators and stakeholders to adopt a multifaceted approach to improve financial literacy, combining educational reforms, financial inclusion initiatives and culturally sensitive interventions. By empowering working women with financial knowledge, we can contribute to their economic independence, reduce gender disparities in financial decision-making and promote inclusive economic growth.

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