

# **Impact of Financial Literacy, Attitude and Behaviour on Financial Wellbeing Among Women in India**

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## **Abstract**

Indian women have been contributing in businesses, society and family since many years, but it is being recognized today. Women are being consulted in family decisions and are even participating in various economic activities. With changes in employment, education and family's earnings, she is being given importance in family decisions. When the decisions are related to investment, women are said to be risk averse, they are having lesser financial knowledge, they lack in confidence and they are more dependent upon the guidance given by someone else who could be an advisor, or they sometimes invest based on the researches conducted in the past. The husbands play a very important role and help their spouse in taking investment decision. Impact of financial literacy and financial behaviour on financial well-being has been evaluated and in all a sample of 120 women are considered in the study. The data has been collected through a structured questionnaire and further analyzed with the help of frequency and average. Hypothesis has been tested through Regression, applied by SPSS 20.

## **Keywords**

Women, Financial Literacy, Financial Attitude, Financial Wellbeing

## **1. Introduction**

Women play a very important role in their families. They have become dormant segment in the population and they have become a very active participant in different walks of life. With changes in employment, access to education and contribution in family's earnings, she is being given importance in family decisions. Women play many roles at the same time. She gives birth

to a child, focus on their child's learning and growth, as a sister, she can be relied upon. She acts as a good friend in college or school and as a wife she stands by her husband's side in different phases of life. She teaches students in school or college as well as works on different projects and shares equal responsibility as a colleague. She might be a doctor and cures diseases or might be working as financial advisor who help in growing your money. She might be serving in Army and protecting people of the entire economy. Some women are working as entrepreneurs and generating newer opportunities. She might be prime minister or president and actively contributing towards growth of their country.

The role that women play cannot be challenged. It is believed that when they participate with full co-operation towards the development of the organization, their role becomes vital and also critical as it is important for development. More women are now becoming business owners and they are financially supporting their families. There would be exponential growth in the number of females engaged in financial decisions.

When the decisions are related to investment, women are said to be risk averse, they are having lesser financial knowledge, they lack in confidence and they are more dependent upon the guidance given by someone else who could be an advisor, or they sometimes invest based on the researches conducted in the past. The husband plays a very important role and helps the spouse in taking investment decisions. The women should make an attempt to learn more about financial decisions and go through the description about different investment options. Women play a very important role in the family and their decisions are considered in different aspects of life. When there is a discussion about investment, many of them may not contribute as they lack in financial knowledge. The family members should also support them in taking investment decisions and the females themselves need to come forward and learn more about the investment options which are available, as they are having a different combination of period of investment, risk and return. There are many clauses which should be considered for investment while selecting the right investment option for making a portfolio. Women rely on the advice given by the advisor or some other family member. The married women are dependent on the advice of the husband and other family members. For taking financial decisions individually, it is important that they learn more about investment options, so that they could take financial decisions on their own and this would boost up their confidence. The husband and family members can help the married women

in taking financial decisions individually so that they could set their goals in life and continue working hard in their organization or manage their business which they have initiated.

### **1.1 Contributing Factors to Financial Literacy of Women in India**

There are different factors which affect financial literacy level among the females in India. Some of such factors have been mentioned below:

- Not being able to do things on their own: There are different ideologies regarding the freedom given to females, still there is some lack in freedom given to females as compared to males. The women of the family are not much aware about the investment options available and many a times they make mistakes while selecting the right product which suits their objectives and needs. The entire family should be a part of the financial decisions.
- Cultural Norms and Expectations: There are certain hurdles which come in the way of women getting involved in financial decisions. In some cultures, the females are not a part of the financial decisions. They are not actually allowed to even learn about investment and hence they do not even contribute towards handling of family finances. Generally it is considered that males are the decision makers in terms of finances and the women takes care of home and children.
- Inadequate financial initiatives aimed specifically for women: The banks in India provide various banking services for all the types of customers, they do not mainly focus on the women. There should be some products specifically for the females, so that they learn about financial products and such services would be an initiative from the banks to help the females to rise on their feet and plan their finances.
- Problems with accessibility: There are many branches of banks all over India, many of them are not suitably located near the residence or the place of business being operated by women. Mainly women who are residing in the rural areas have been facing such a problem, as for availing banking services, they have to strive hard.
- Poor knowledge of the available financial options and necessary steps: Many financial organizations advertise their services via mainstream media and billboards, however most women are still in the dark about their options. A lack of understanding is a barrier to learning how to manage one's money effectively. Their inability to become financially

self-sufficient is hampered by their reliance on their spouse or other family members for assistance with investing and financial planning.

- **Benefits that are less lucrative:** The financial benefits from different investment options varies and the women many a times are unable to recognize these benefits because of their lack of awareness. The interest on loans is high and the females are not much interested in paying a high interest, hence they are keen to invest their own funds. The fees charged on loans discourages the females to take loans and the interest rate on deposit is not much that they could actually benefit out of them.
- **Lack of elementary education:** The rate of literacy is quite low among women in India as compared to that of the males. There are many communities and cultures which do not provide much support to the females so that they could move ahead with higher education. Low levels of financial literacy of women in India is also attributed due to a lack of basic education and computer literacy.
- **Insufficient financial resources:** Many females are not working in our country. They have been relying on the income of their husband or their father for the financial support and this would limit the choices that she will be able to make about family's finances.

## 2. Review of Literature

**Akshita (2016)** has made an attempt to measure financial decisions making skills among women of Rajasthan based on knowledge about personal finance, financial behaviour and attitude. The author indicated poor level of financial literacy among women in India whether they are working or they are not and this is a great concern based on interdependency among women.

**Lussardi (2017)** has mentioned in the study that the financial literacy level is quite low among the females as compared to males. Financial literacy is said to be an important predictor of attitude associated with personal financial among people. The literacy level among women towards different financial terms and products is not good and it is quite alarming. It is important to focus on the literacy level among women and help them in making decisions towards financial management. The study also revealed that in majority cases, all relevant financial decisions in the family are taken by the male members.

**Gopee krishna (2018)** stated in the study that there are certain factors which help in determining financial empowerment i.e. financial decision making, financial management, financial

knowledge etc. Women working in Self-help groups in Kerala were found to be having a positive attitude towards their financial goals but they are not having skills to understand about the right medium which would help them in channelizing the hard earned money into a form of investment. Men in families encourage their women to take a loan as it is a requirement for them personally or professionally. But, they are not encouraging them to make a financial decision which is investment oriented.

**Roy (2018)** has made an attempt to create a link between financial knowledge, behaviour, attitude and financial literacy among the female respondents in Jaipur city. They have further concluded that financial awareness related to various tools as well as techniques related to financial planning among women has not been satisfactory.

### **3. Objectives of the Study**

1. To examine the awareness about financial terms and products among women
2. To identify the financial behaviour and attitude among women
3. To evaluate the impact of financial literacy and financial behaviour on financial well-being

### **4. Research Methodology**

This study is descriptive in nature. The study aimed to understand the level of awareness among women about financial terms and other financial products. Further the financial behaviour and attitude among women has been identified. Impact of financial literacy and financial behaviour on financial well-being has been evaluated. In all a sample of 120 women is considered in the study. The data has been collected through a structured questionnaire and further analyzed with the help of frequency and average. Hypothesis has been tested through Regression, applied by SPSS 20.

### **5. Data Analysis**

#### **(A) Demographic profile**

- 1) Age of the Respondents

**Table 5.1 Age of the Respondents**

Age ( In Years)	Frequency	Percent	Valid Percent	Cumulative Percent
18 - 35	57	47.5	47.5	47.5
35 – 60	63	52.5	52.5	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

The age category has been divided into two i.e. 18 – 35 years and the other age group is 35 – 60 years. Majority respondents are in the age group of 35 – 60 years i.e. 52.5% and the remaining 47.5% are in the age group of 18 – 35 years. The literacy level could increase with age and the respondents willingly can start investing at an early age or could learn more about it later on. Financial literacy is very important and those who are having higher income could learn about financial resources more and then invest in a diversified investment options.

## 2) Education Qualification of the Respondents

**Table 5.2 Education of the Respondents**

Education	Frequency	Percent	Valid Percent	Cumulative Percent
Secondary	1	.8	.8	.8
HigherSecondary	12	10.0	10.0	10.8
Graduation	90	75.0	75.0	85.8
Post Graduation	17	14.2	14.2	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

As per the table above, only a few respondents are having their education less than Graduation. Majority of them are Graduate i.e. 75%, followed by Post graduation. As the level of education increases, the literacy level about financial products also increases and this could promote them to invest in various investment options. With a higher level of education, respondents also read about some investment options like share market, insurance and other financial products.

## 3) Marital Status

**Table 5.3 Marital status of the Respondents**

Marital Status	Frequency	Percent	Valid Percent	Cumulative Percent
Single	41	34.2	34.2	34.2
Married	79	65.8	65.8	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents are married i.e. 65.8% and 34.2% are single. The investment requirements are different when a person is single or married. When they are single, they plan for themselves only and some of them might plan for their families. After marriage, they generally do not invest on their own, they consult with their spouse for investment. The amount could be required for a longer or short duration and it depends upon the needs of the family.

## 4) Occupation

**Table 5.4 Occupation of the Respondents**

Occupation	Frequency	Percent	Valid Percent	Cumulative Percent
Housewife	43	35.8	35.8	35.8
Self-employed	20	16.7	16.7	52.5
Service	57	47.5	47.5	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents are into service i.e. 47.5%, followed by housewives i.e. 35.8% and remaining 16.7% are self-employed. This also indicates that there are lesser females who are self-employed. When a female is not earning herself and is a housewife, she may sometimes

find it difficult to manage her finances with the amount which she gets from her spouse. The females who are working or self-employed or are into service, there are a few who invest on their own, they take help from their spouse and family for understanding about investment options available and their investment.

#### 5) Annual Income

**Table 5.5 Annual Income of the Respondents**

Annual Income ( in Rs.)	Frequency	Percent	Valid Percent	Cumulative Percent
0 – 2.5 Lakh	98	81.7	81.7	81.7
2.5 Lakh – 5 Lakh	22	18.3	18.3	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority females who have been a part of this study are earning Rs. 0 – 2,50,000 i.e. 81.7% and the remaining are earning between Rs. 2,50,001 – 5,00,000 i.e. 18.3%. The respondents who are in the lower income bracket should also learn about investment options so that they can invest wisely after understanding the risk and return of the options. Income plays a very important role and it should be invested maintaining a right portfolio and if they are not aware about the options available, they should take the help of advisors and then make investment.

### **(B) Awareness About Financial Terms and Products**

#### 1) Awareness About KYC Norms for Account Opening

**Table 5.6 Awareness About KYC Norms for Account Opening**

	Frequency	Percent	Valid Percent	Cumulative Percent



Strongly Agree	14	11.7	11.7	11.7
Agree	44	36.7	36.7	48.3
Neutral	39	32.5	32.5	80.8
Disagree	21	17.5	17.5	98.3
Strongly Disagree	2	1.7	1.7	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Based on the above table, majority respondents have agreed about the awareness about KYC norms. KYC is a very important tool which is used by the banks to know about the customers and this will help in tracking any kind of fraudulent activity in the bank account of the customers.

## 2) Awareness About Power of Compounding in Interest

**Table 5.7 Awareness about Power of Compounding in Interest**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	31	25.8	25.8	25.8
Agree	23	19.2	19.2	45.0
Neutral	27	22.5	22.5	67.5
Disagree	32	26.7	26.7	94.2
Strongly Disagree	7	5.8	5.8	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have disagreed about the awareness about power of compounding in interest. It is important for the banks to make people aware about power of compounding so that they could earn an extra amount of interest and the effect of compound interest could be evaluated in long run. The effect of compounding may not be visible in the short term.

## 3) Awareness About the Importance of Insurance

**Table 5.8 Awareness about the Importance of Insurance**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	18	15.0	15.0	15.0
Agree	48	40.0	40.0	55.0
Neutral	22	18.3	18.3	73.3
Disagree	25	20.8	20.8	94.2
Strongly Disagree	7	5.8	5.8	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have agreed about having awareness towards insurance and it is good that many of them are aware about insurance and the way it could be helpful in securing their future. Insurance helps in protecting the interest of family, on the death or any mishap, the family of the insured would receive the sum assured amount. The Insurance companies should aim at making people aware about insurance.

## 4) Awareness About Tax Saving Investment Options

**Table 5.9 Awareness about Tax Saving Investment Options**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	8	6.7	6.7	6.7
Agree	37	30.8	30.8	37.5
Neutral	34	28.3	28.3	65.8
Disagree	32	26.7	26.7	92.5
Strongly Disagree	9	7.5	7.5	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have agreed about awareness related to tax saving investment options. Tax saving options should be known whether the respondent is a tax payer or not. Still there are many respondents who have been neutral and this indicates that they are not much aware about tax saving options. Sometimes the friends and other members of the family might need help in finding out the best tax saving investment option.

#### 5) Awareness About Systematic Investment Plan (SIP) in Mutual Fund

**Table 5.10 Aware of the Systematic Investment Plan (SIP) Product in Mutual Fund**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	3	2.5	2.5	2.5
Agree	36	30.0	30.0	32.5
Neutral	19	15.8	15.8	48.3
Disagree	57	47.5	47.5	95.8
StronglyDisagree	5	4.2	4.2	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have disagreed about their awareness about Systematic Investment Plan (SIP) i.e. 47.5%. There are many respondents who are salaried and they are having regular income and hence it becomes difficult for them to invest in lump sum. Hence, it is possible for them to invest monthly. It is important for the people to understand about SIP, so that they could be able to invest smaller amounts every month.

#### (C) Financial Behaviour and Attitude

##### 1) More Satisfied to Save for Long Term than Spend it Now

**Table 5.11 More Satisfied to Save for Long Term than Spend it Now**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	8	6.7	6.7	6.7
Agree	41	34.2	34.2	40.8
Neutral	51	42.5	42.5	83.3
Disagree	18	15.0	15.0	98.3
Strongly Disagree	2	1.7	1.7	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have been neutral towards satisfaction for saving for long term than spending it now i.e. 42.5%. Respondents being neutral indicates that they are not much aware about their satisfaction for long term than having spent it. The respondents should make an attempt to save some amount for future and invest in the right investment option.

## 2) Before Making Any Decision Regarding Expenses, I Review My Ability to Afford

**Table 5.12 Before Making Any Decision Regarding Expenses, I Review My Ability to Afford**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	14	11.7	11.7	11.7
Agree	34	28.3	28.3	40.0
Neutral	32	26.7	26.7	66.7
Disagree	35	29.2	29.2	95.8
Strongly Disagree	5	4.2	4.2	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have disagreed towards the statement that before making decisions regarding expenses, they review their ability about affordability. The respondents should make decisions based on their affordability and then should select the right investment option for

investment. Investment decisions should be taken after taking into consideration the analysis of risk and return in an investment option.

### 3) Financial Planning is Important in Realizing One's Life Goals

**Table 5.13 Financial planning is Important in Realizing One's Life Goals**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	33	27.5	27.5	27.5
Agree	27	22.5	22.5	50.0
Neutral	28	23.3	23.3	73.3
Disagree	28	23.3	23.3	96.7
Strongly Disagree	4	3.3	3.3	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have strongly agreed about financial planning as an important aspect in realization of a person life goals i.e. 27.5%. There are many investment options and the objectives of the people would be different and this changes the amount being invested in a particular option and even the term could vary as some people invest for long term or short term.

### 4) Preparation of Budget is Important for Keeping Finances on Track

**Table 5.14 Preparation of Budget is Important for Keeping Finances on Track**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	8	6.7	6.7	6.7
Agree	56	46.7	46.7	53.3
Neutral	32	26.7	26.7	80.0
Disagree	19	15.8	15.8	95.8
Strongly Disagree	5	4.2	4.2	100.0

Total	120	100.0	100.0
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Source: Primary Data Collected

Majority respondents have agreed towards preparation of budget as being important for keeping finances on track. Budget needs to be prepared as the investment tenure could vary and people could keep their investments on track by investing regularly and with the same enthusiasm and integrity.

#### 5) Keep Money Aside for Emergency Needs

**Table 5.15 Keep Money Aside for Emergency Needs**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	3	2.5	2.5	2.5
Agree	30	25.0	25.0	27.5
Neutral	24	20.0	20.0	47.5
Disagree	51	42.5	42.5	90.0
Strongly Disagree	12	10.0	10.0	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents indicated that they disagree about keeping their money for certain emergency needs. This mentioned that there are lesser people who plan for emergency needs in advance and hence they sometimes need help from family and friends for facing cash crunch which arises during emergency needs. During the emergency needs, there is very less time for the person who is facing such an issue to arrange the finances.

#### **(D) Financial well-Being**

##### 1) Feel Satisfied With My Current Financial Situation

**Table 5.16 Feel Satisfied With My Current Financial Situation**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	5	4.2	4.2	4.2
Agree	41	34.2	34.2	38.3
Neutral	46	38.3	38.3	76.7
Disagree	27	22.5	22.5	99.2
Strongly Disagree	1	.8	.8	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have indicated a neutral response towards their satisfaction about financial situation. The financial situation needs to be evaluated based on the current condition and also future oriented. Savings which are made for the future should be evaluated based on the risk and return that was expected from the portfolio.

## 2) Feel Secured About My Future

**Table 5.17 Feel Secured About My Future**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	3	2.5	2.5	2.5
Agree	37	30.8	30.8	33.3
Neutral	41	34.2	34.2	67.5
Disagree	30	25.0	25.0	92.5
Strongly Disagree	9	7.5	7.5	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have been neutral about their feeling of being secured for future. It is important that everyone makes an attempt to learn about various investment options as this would guide them about saving amount for their future. The investment options have a unique combination of risk and return and they should be chosen based on their objective.

## 3) Feel That I Can Control My Financial Resources

**Table 5.18 Feel That I Can Control My Financial Resources**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	1	.8	.8	.8
Agree	33	27.5	27.5	28.3
Neutral	31	25.8	25.8	54.2
Disagree	49	40.8	40.8	95.0
Strongly Disagree	6	5.0	5.0	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents disagree that they could control their finances. Controlling finances would actually need many respondents to take advice from their advisors, as they might be having knowledge about a few options available like share market, fixed deposit, recurring deposit, mutual funds etc. but they may not be aware about the available options.

## 4) I Am on Track in Meeting Financial Goals

**Table 5.19 I Am on Track in Meeting Financial Goals**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	2	1.7	1.7	1.7
Agree	31	25.8	25.8	27.5
Neutral	34	28.3	28.3	55.8
Disagree	47	39.2	39.2	95.0
Strongly Disagree	6	5.0	5.0	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected



Majority respondents disagree that they are on track towards meeting of financial goals. Financial goals should be set in the very beginning. Whenever a person starts earning, they should start saving an amount for future. This amount should be invested regularly without any such gap.

#### 5) Can Handle Any Unexpected Financial Emergency

**Table 5.20 Can Handle Any Unexpected Financial Emergency**

	Frequency	Percent	Valid Percent	Cumulative Percent
Strongly Agree	2	1.7	1.7	1.7
Agree	29	24.2	24.2	25.8
Neutral	31	25.8	25.8	51.7
Disagree	52	43.3	43.3	95.0
Strongly Disagree	6	5.0	5.0	100.0
Total	120	100.0	100.0	

Source: Primary Data Collected

Majority respondents have mentioned in the study that they have disagreed with handling of any unexpected financial emergency. The financial emergency is not known to anyone, but still savings are important for them, as whenever a person faces some emergency situation, he or she needs to arrange funds and it may not be necessary that they will find funds at the right time.

#### Testing of Hypothesis

$H_{01}$  – There is no significant impact of financial literacy on financial wellbeing of women

$H_{11}$  – There is a significant impact of financial literacy on financial wellbeing of women

The above hypothesis has been tested with the help of Regression through SPSS 20. The independent variable is financial literacy and dependent variable is financial wellbeing of women.

**Table 5.21 Model Summary: Impact of Financial Literacy on Financial Sellbeing****Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889 <sup>a</sup>	.791	.789	.369

a. Predictors: (Constant), Financial\_literacy

The above table has been generated through the application of Regression for finding out the impact of independent variable on the dependent variable. The value of R is 0.889 which is positive and hence this indicates there is a positive correlation between the independent and dependent variable. The value of R square is 0.791 and this indicates the amount of variation in the dependent variable which is explained by the independent variable. The value of R square is good and this indicates that the independent variable explains the dependent variable well.

**Table 5.22 ANOVA: Impact of Financial Literacy on Financial Wellbeing****ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	60.756	1	60.756	447.075	.001 <sup>b</sup>
Residual	16.036	118	.136		
Total	76.792	119			

a. Dependent Variable: Financial\_well\_being

b. Predictors: (Constant), Financial\_literacy

The above table explains the significant value as 0.001 which is less than 0.05 (at 5% level of significance) and this indicates that the null hypothesis has been rejected i.e.  $H_{01}$  – There is no significant impact of financial literacy on financial wellbeing of women and the alternate hypothesis has been accepted i.e.  $H_{11}$  – There is a significant impact of financial literacy on financial wellbeing of women.

**Table 5.23 Coefficients : Impact of Financial Literacy on Financial Wellbeing**

<b>Coefficients<sup>a</sup></b>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.706	.112		6.317	.000
Financial_literacy	.761	.036	.889	21.144	.000

a. Dependent Variable: Financial\_well\_being

The above table helps in creating the regression equation. The equation created is mentioned below:

$$\text{Financial wellbeing} = 0.706 + 0.761 (\text{Financial literacy})$$

H<sub>02</sub> – There is no significant impact of financial attitude/ behaviour on financial wellbeing of women

H<sub>12</sub> – There is a significant impact of financial attitude/ behaviour on financial wellbeing of women

The above hypothesis has been tested with the help of Regression through SPSS 20. The independent variable is financial attitude/ behaviour and dependent variable is financial wellbeing of women.

**Table 5.24 Model Summary: Impact of Financial Attitude/ Behaviour on Financial Well-Being**

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.916 <sup>a</sup>	.839	.837	.324

a. Predictors: (Constant), Financial\_attitude\_behaviour

The above table has been generated through the application of Regression for finding out the impact of independent variable on the dependent variable. The value of R is 0.916 which is positive and hence this indicates there is a positive correlation between the independent and dependent variable. The value of R square is 0.839 and this indicates the amount of variation in the dependent variable which is explained by the independent variable. The value of R square is good and this indicates that the independent variable explains the dependent variable well.

**Table 5.25 ANOVA: Impact of Financial Attitude/ Behaviour on Financial Well-Being**

**ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	64.413	1	64.413	613.990	.012 <sup>b</sup>
Residual	12.379	118	.105		
Total	76.792	119			

a. Dependent Variable: Financial\_well\_being

b. Predictors: (Constant), Financial\_attitude\_behaviour

The above table explains the significant value as 0.012 which is less than 0.05 (at 5% level of significance) and this indicates that the null hypothesis has been rejected i.e.  $H_{02}$  – There is no significant impact of financial attitude/ behaviour on financial wellbeing of women and the alternate hypothesis has been accepted i.e.  $H_{12}$  – There is a significant impact of financial attitude/ behaviour on financial wellbeing of women.

**Table 5.26 Coefficients: Impact of Financial Attitude/ Behaviour on Financial Well-Being**

Coefficients <sup>a</sup>					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.452	.105		4.291	.000
1 Financial_attitude_behaviour	.879	.035	.916	24.779	.000

a. Dependent Variable: Financial\_well\_being

The above table helps in creating the regression equation. The equation created is mentioned below:

$$\text{Financial wellbeing} = 0.706 + 0.761 (\text{Financial attitude/ behaviour})$$

## 6. Findings

- The literacy level could increase with age and the respondents willingly can start investing at an early age or could learn more about it later on.
- Financial literacy is very important and those who are having higher income could learn about financial resources more and then invest in a diversified investment options.
- With a higher level of education, respondents also read about some investment options like share market, insurance and other financial products.
- The investment requirements are different when a person is single or married.
- When they are single, they plan for themselves only and some of them might plan for their families.
- The females who are working or self-employed or are into service, there are a few who invest on their own, they take help from their spouse and family for understanding about investment options available and their investment.

- Income plays a very important role and it should be invested maintaining a right portfolio.
- Majority respondents have disagreed about the awareness about power of compounding in interest.
- KYC is a very important tool which is used by the banks to know about the customers and this will help in tracking any kind of fraudulent activity in the bank account of the customers.
- Insurance helps in protecting the interest of family, on the death or any mishap, the family of the insured would receive the sum assured amount.
- Majority respondents have agreed about awareness related to tax saving investment options.

## **7. Conclusion**

Women play a very important role in their families. They have become dormant segment in the population and they have become a very active participant in different walks of life. With changes in employment and contribution in family's earnings, she is being given importance in important family decisions. Women play many roles at the same time. She gives birth to a child, focuses on the child's learning and growth. The women should make an attempt to learn more about financial decisions and should make an attempt to go through the description about different investment options. Women play a very important role in the family and her decisions are considered in different aspects of life. When there is a discussion about investment, many of them fail to contribute as they lack in financial knowledge. There is a significant impact of financial literacy on financial wellbeing of women. There is a significant impact of financial attitude/ behaviour on financial wellbeing of women.

## **8. Suggestions**

- Financial literacy is very important and those who are having higher income could learn about financial resources more and then invest in a diversified investment options.
- The respondents should try to read about some investment options like share market, insurance and other financial products.

- The investment requirements are different when a person is single or married, investment options should be selected very cautiously.
- Income plays a very important role and it should be invested maintaining a right portfolio.
- When respondents are not aware about the options available for investment, they should take the help of advisors and then make investment.
- It is important for the banks to make people aware about power of compounding so that they could earn an extra amount of interest.
- The Insurance companies should aim at making people aware about insurance.
- It is important for the people to understand about SIP, so that they could be able to invest smaller amounts every month.

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