

Financial literacy and socio-economic status: A study of working and non-working women

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Abstract

Financial Literacy is a major challenge faced by all countries globally. Financial Literacy is the mix of one's acquaintance skill and attitude towards financial matters. It helps to make informed decisions and wellbeing of an individual.

Since we are in a growing global economy in the world, financial awareness and knowledge is very important to everyone, especially for the women. The participation of the women in economy will contribute to their own wellbeing as well as nation's economic growth. Women are responsible for the household budget, household expenses, and savings for the emergency fund as well as income generation in such situation. So many financial transformations are happening. Hence the financial literacy is a vital part to engage the women in financial inclusion prevent them from financial malpractices and include them in a present economic growth. So the present study conducted to know the level of awareness about financial literacy and their association with socio & economics status among working and non – working women.

It is concluded from the study that majority of the working women and non-working women (70% and 56% respectively) had high level of awareness towards saving and investment, while 30% of working women and 40% of non-working women had medium level of awareness. Associations of awareness towards saving and investment with the age, education and socio-economic status for working and non-working women were observed non-significant in the present study.

Keywords: financial literacy, working women, non- working women and socio-economic status

Introduction

Financial Literacy can mean that one is literate in the issues of managing money (including, saving, budgeting, investing, credit, insurance and taxes) and utilizes that knowledge to gain personal welfare through financial security. Financial Literacy is a major challenge faced by all countries globally. Financial Literacy is the mix of one's acquaintance skill and attitude towards financial matters. It helps to make informed decisions and wellbeing of an individual. In today's world which has a market with complicated products, the need for financial literacy becomes predictable.

Country like India which has high young population, the government is in position to increase the level of financial literacy among women. Women have lower knowledge than man in large countries. Not only do women appear to be less knowledge and less interest in financial issues than the men, but they are also less confident than men.

Research around the world on financial literacy raises serious concerns about the ability of individuals to secure their financial wellbeing. There is evidence that individuals under save fail to invest wisely and are often indebted. Past studies have documented low levels of financial literacy in general among different socio-demographic groups. Literacy levels are particularly low among women, and among people with lower levels of family income and education. Poor financial literacy and financial outcomes have prompted a serious review of existing financial literacy education programs and launch of new programs globally.

Agrawal (1988) observed that the decision making power of

women in India in economic field lies in the hands of their husbands irrespective of the wives' income, education and profession. Singh (2004) as well as Balasari (2004) support that working women are more aware of the type of investment instruments and take better investment decisions than non-working women. Moreover, it is found that working women spend less on themselves as compared to the non-working women.

These women made us realize that financial literacy (or in other words, the ability to spend, save and manage household income in an effective way) is a key for women in extremely poor communities to lift themselves and their families out of poverty. Having the finish line mind (saving goal), a plan of spending and saving (a budget plan), how to look at the day in a new way (time management) and brushing aside negative myths or opinions about women and money (money belief) can help women be successful and self-reliant.

Women have positive behaviour about money and finance matter reflecting their prudence, discipline and alertness while dealing with household finances. They are cautious about saving money for future despite of being from middle income group and their education level but poor financial knowledge and lack of awareness about investment products proves to be a hindrance for them.

Considering the above point the present study entitled "Financial Literacy and Socio - Economic Status: A Study of Working and Non - Working Women of Agra District" conducted to know the level of awareness about financial literacy their association with socio –economic status of

working and non – working women of Agra district of Uttar Pradesh.

This topic focuses on the ability to manage personal finance matters in an efficient manner, and it includes the knowledge of making appropriate decisions about the personal finance such as investing, insurance, real estate, paying for college, budgeting, retirement and tax planning.

Objectives

1. To study the age, education and socio-economic status of the respondents.
2. To study the awareness of respondents towards saving and investments.
3. To find the associated between level of awareness towards saving and investments and age, education and socio-economic status of the respondents.

Methodology

The research design adopted for the present study was descriptive type of research design. Multistage sampling procedure was used in the present study for selection of sample. Present study was conducted in Agra district. Agra district has total ninety wards, out of these ninety wards one ward namely ‘Khandari’ ward selected randomly. From this selected Khandari ward a total number of 100 respondents were randomly selected for the present study included 50 working and 50 non-working women.

Survey method was used for collection of data. Data regarding to the awareness of respondents towards saving and investments were collected with the help of self-made questionnaire. While for accessing the age, education and socio-economic status of the respondents Kupp Swami Scale was used.

For analyzing the data Frequency distribution, percentages and chi-square test were used.

Results and Discussion

This part deals with the findings of present investigation in the light of the specific objectives. The result and discussion has been presented under the following heads:-

1. Age, education & socio-economic status of the respondents.
2. Awareness of the respondents towards saving and investments.
3. Association between age, education & socio-economic status and awareness of the respondents towards saving and investments.

1) Age, Education and socio-economic status of the Respondents

Since the sample covered both working and non-working women therefore, separate information has been presented. Data have been presented with frequency percentage distribution as under:

Table 1: Age of respondents

S. No.	Categories	N = 50		N = 50	
		Working women		Non-working women	
		F	%	F	%
1.	Lower age [18-28]	15	30	10	20
2.	Middle age [29-39]	19	38	19	38
3.	Upper age [40-60]	16	32	21	42

Age

The data presented in the Table no. 1 indicate that majority of the working women (38%) were of middle age group, while 32% of the working women belonged to upper age groups. Data regarding to the age of non-working were concerned that majority of the non-working women (42%) were belonged to upper age group, while 38% of the non-working women were from middle age group.

Only 30% of working women and 20% of the non-working women were observed from lower age group respectively.

percent of working women were hold honours degree as compared to 22% of non-working women.

Table 3: Socio- economic status of the respondents

S.No.	Categories	N = 50		N = 50	
		Working women		Non-working women	
		F	%	F	%
1.	Upper	11	22	0	0
2.	Upper middle	37	74	30	60
3.	Lower middle	2	4	20	40

Table 2: Education of the respondents

S. No.	Categories	N = 50		N = 50	
		Working women		Non-working women	
		F	%	F	%
1.	High School	0	0	15	30
2.	Graduate	10	20	24	48
3.	Honours Degree	40	80	11	22

Education

Data in Table no. 2 regarding to the education of the respondents shows that 20% working women were educated upto graduate level as compared to 48% of non-working women. Difference was seen for the honours category of education between working and non-working women. Eighty

Socio- economic status

Socio-economic status of the respondents was again divided in three categories i.e. upper, upper middle, lower middle and presented in Table 3.

The result shows that 74% working women and 60% non-working women were belonged to upper middle socio-economic status, while regarding to the lower middle socio-economic status the data shows that forty percent of the non-working women and only four percent of the working women were belonged to lower middle socio-economic status. Difference was seen for upper category of socio-economic status that 22% of working women were belonged to upper socio-economic status, while none of non-working were belonged from this category.

2) Awareness of the Respondents towards Saving and Investments

Result regarding to the awareness of the respondents towards saving and investments have been presented in three categories viz. Low, medium and high, depending upon the range of score obtained by the respondents in Table 4.

Table 4: Awareness of the Respondents towards Saving and Investments

S. No.	Categories	N = 50		N = 50	
		Working women		Non-working women	
		F	%	F	%
1.	Low	0	0	2	4
2.	Medium	15	30	20	40
3.	High	35	70	28	56

Perusal of the table no. 4 shows the data regarding awareness of both working and non-working women.

It is evident from Table no. 4. That majority of the working women and non-working women (70% and 56% respectively) had high level of awareness towards saving and investment, while 30% of working women and 40% of non-working women had medium level of awareness.

Table further shows that none of working women (0%) had the low level of awareness, while only 4% of the non-working women scored low level of awareness score.

3) Association between age, education & socio-economic status and awareness of the respondents towards saving and investments

χ^2 were calculated to find out the association between age, education & socio-economic status and awareness of the respondents towards saving and investments at .05 levels.

Table 5: Association of awareness of the working women towards saving and investments with their age, education and socio-economic status. N = 50

S.No.	Variables	χ^2 calculated	Result
1.	Age	2.88	Not-significant
2.	Education	0.1302	Not-significant
3.	Socio-economic status	0.0039	Not-significant

At .05 level for 1 degree of freedom table value = 3.841

Perusal of the Table no. 5 shows that χ^2 calculated is 2.88 is lower than the tabulated value 3.841 in case of the age of respondents. It is non-significant at 5% level. Hence it may be revealed that awareness of the working women is independent of their age, it may be inferred with the non-significant association between age and awareness of the working women.

Table no. 5 further indicates that in case of education χ^2 calculated is 0.1302, which is less than its tabulated value i.e. 3.841 at 5% level. Thus it can be concluded that education and awareness of the respondents are non-significant associated, so the awareness of working women is independent of their education.

Regarding socio-economic status of the working women table further revealed with the χ^2 calculated is 0.0039, which is less than its tabulated value i.e. 3.841 at 5% level. Hence it is non-significant. Thus it is concluded that awareness of the working women is independent of their socio-economic status.

Table 6: Association of awareness of the non-working women towards saving and investments with their age, education and socio-economic status. N = 50

S.No.	Variables	χ^2 calculated	Result
1.	Age	2.92	Non-significant
2.	Education	0.33	Non-significant
3.	Socio-economic status	0.00	Non-significant

At .05 level for 1 degree of freedom = 3.841

Table no. 6 shows the results regarding association between awareness and age, association and socio-economic status of the non-working women.

It is clearly seen in the table no. 6. That χ^2 calculated 2.92 it is less than its tabulated value 3.841 regarding the age of the non-working women, which is non-significant at .05 level. It means that awareness and age of the non-working women are non-significantly associated.

Table further indicates that in case of education χ^2 is calculated 0.33, which is less than its tabulated value i.e. 3.841 at 5% level. Thus it can be concluded that education and awareness of the respondents are non-significant associated, so the awareness of non-working women is independent of their education.

Regarding socio-economic status of the non-working women table further reveals with the χ^2 calculated 0.00 which is less than its tabulated values i.e. 3.841 at 5% level. Hence it is non-significant. It is concluded that awareness of the non-working women is independent of their age, education and socio-economic status is accepted.

Conclusion

The silent findings reported earlier lead to the following conclusion-

1. Majority of working and non-working (38%) included in the study were found in the middle age group, while educational status of the respondents shows that eighty percent of working women were hold honours degree as compared to 22% of non-working women. The data regarding to the socio-economic status is concerned that 74% working women and 60% non-working women had upper middle level.
2. Awareness of the respondents towards saving and investment was measured under three categories viz. lower, middle and high. It is concluded from the observed result that majority of the working women and non-working women (70% and 56% respectively) had high level of awareness towards saving and investment, while 30% of working women and 40% of non-working women had medium level of awareness.
3. Associations of awareness towards saving and investment with the age, education and socio-economic status for working and non-working women were observed non-significant in the present study.

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