

Financial Awareness and Inclusion of Women

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Abstract-

Financial awareness is simply the knowledge of income and expenditure. As far as it is concerned at the level of a family, the management and awareness of family finance i.e income and expenditure of the family is done well by women in almost every part of Indian subcontinent.

But with the growing economic complexity and the changed role of women from a family manager to a wage earner, it is important and necessary to understand the level of financial awareness among women. Now the demand of hour is not only to have a sound financial understanding among women but also there should be highest level of financial inclusion among women for rapid economic development of the country.

In this context, it is being tried to find out the present level of understanding and participation of women in financial decision –making process through primary and secondary data available.

Key word-

Financial Inclusion- Direct participation and access to financial services.

Introduction:-

Financial awareness which simply means knowledge about income and expenditure. With the growth of economic activities, the importance of managing finance is as much needed as other activities of human being. In a patriarchal society of Indian subcontinent, the earning aspects of finance is mainly entrusted to the male member and the expenditure part is mostly done by the female counterpart of the family. In another word we can say that women are taking care of exactly half part of household financial management system till the advent of economic reform by 1991. They (women) were less concerned about the earning part of finances and accordingly they had less awareness about different scheme, rates and financial system of the country.

But after the economic reform adopted in 1991, the necessity and complexity of reform increased the scope of women from a house-maker to money saver. Now due to increased education level, social awareness, government schemes and changed behavior of patriarchal society, the rate of participation of women in job market has been increased significantly. An increased participation in job market requires a better understanding of financial surroundings or system. Because any model of economic system requires a sound support of financial system. So the need of hour is to equip the necessary financial knowledge among women for better savings and investment.

Any financial awareness needs financial literacy at first. Simply by financial literacy we mean the basic knowledge about financial system available in the surroundings and the ability to manage his income and expenditure. But the simple definition requires so many skills and abilities like financial education, competency, economic capability, self-confidence and sound decision making power.

As far as financial inclusion is concerned, it is the access to formal financial services for the whole population or the part concerned. Most recently majority Indian women don't supposed to have financial inclusion as compared to his male counterpart in the family due to so many reasons and factors responsible for it. So with an increase in financial awareness it leads to more and more financial inclusion among women in the society. Previous research establishes a positive correlation between the financial awareness and inclusion among women*1*.

In the context of Indian society, women held a paradoxical position. Recently women started recognizing and realizing their true potential but still there are some aspects where women are still lagging behind i.e. Managing Finance. From experience it is being proven that women have inherently better money manager at micro level as far as their expenses and savings are limited to only at household level. Yet many women seem not to be comfortable in managing financial issues at macro aspects i.e. long term finance. In other word, the efficiency women exhibit in managing household finance is not getting extended to their personal long term finance. The reason behind it as it seems is the lack of literacy about financial market and capital market among women as it is also confirmed by NCFE (Dwivedi et al.,2015). Women, an equally half partner in Indian demography, it will be unjust to bear the less financial literacy, awareness and inclusion from the point of view of taking economic development and decision also.

To understand and bridge the gap of required level of financial awareness among women, it is being attempted to study the issues related to low level, attempt made by government to find the gap and measures for improving financial literacy among women in India.

In this study it is being tried to establish the facts related to the level of understanding of financial literacy among women through primary and secondary data and factors responsible for the scenario.

Review of Literature:-

1. Financial literacy is a major issue in developing economies in the world . It is also true with the case of Indian economies. In this paper an attempt was made to explain the factors of financial literacy especially in relation to working young in urban India. A study is conducted to investigate different the social and demographic factors that influence their financial attitude, financial behavior and knowledge of working young in urban India.

2. The study is based on one of the biggest challenge of women empowerment is the lack of financial awareness. As financial literacy helps people to take a rational decision for their well being of her family is important for the prosperity of family and country as well. Based on the data of working women in Rajasthan, it tried to find out the dependency of women in a culturally and progressively developed state. Here it is being found that majority of working women are aware of the financial products like credit cards, mortgage, secured/unsecured bank loan and insurance etc.

3. This study investigated the behavior of working Indian women in areas like saving, investment and insurance level of financial literacy. This study was conducted on 500 working women from different age and income level. It reveals that financial literacy is not only the cause but also the effect of present status of women in the society. A dependency of women in financial aspects hinders the participation rate of women in total workforce of the country. An increased level of financial literacy is needed with the increased level of literacy among women.

4. This study focused primarily to determine the level of financial literacy among women employees. Here the scholar divided the study into two broad category as basic financial literacy and advanced financial literacy. In this study the exploratory and descriptive research design method has been used. The study is conducted in Allahabad, Uttar Pradesh in India. The individual women employee of Allahabad is considered as the population. The findings of this study suggest that the women faculties have poor level of financial knowledge. They need to be improved their financial knowledge. It also suggest that the concerned agency institute and government body should take initiate to their employee to employee's financial awareness.

Research Objectives –

The objective of this research paper is

- To enquire the financial literacy level among working and non-working women in India.
- To study the cause of low level of financial independence of women in India.
- To study the level of financial participation of Indian women in the financial institution.

Research Hypothesis-

1. Financial literacy of women has a positive correlation in managing household finance.
2. Improved financial inclusion helps women independent and better quality of life.

Methodology –

The study 'financial inclusion and awareness' is based on the concept financial literacy of women, their financial independence and their financial inclusion in the society. The research study is based on the primary and secondary data. The population is both the working and non-working women from Ujjain district of Madhya Pradesh. The sample size is taken as 50 women selected randomly from different category of society and from different profile of occupation. In addition to the basic information, our questionnaire enquires about their socio-demographic characteristics, such as the level of education, age, income, marital status etc. The different statistical tools has been applied in the interpretation of data. Our questionnaire is used to assess the financial literacy among its subparts like basic financial knowledge, changing financial behavior and financial inclusion of working as well as non-working women. Those women who were selected in sampling belong to professions like teachers, professors, business employees, private sector employee, government employee, housewives students etc.

The analysis and discussion is on three parameters of financial literacy i.e basic financial knowledge, financial behavior and financial inclusion level.

Result and Analysis-

Socio-demographic Variable

The study is focused mainly on women of Ujjain district. A total of 40 female sample size is selected randomly and chosen for survey. The women respondents belong to different category in society with different age group between 10 to 60 years. The occupational profile of women is also different as self-employed, students, house wife, teacher, professor etc.

Financial Inclusion

In the study the financial inclusion aspects was studied through the possibility of account of each and every women. The 100% women responded that they have their own account in the bank or post offices.

Basic Financial Awareness and Literacy

In the study of basic financial awareness, the women are inquired about the different types of financial institution like bank, Post offices, the different types of account available for saving and investment purposes the schemes that are available in the market for higher return and investment.

They know the different types of account for saving and investment like Saving Bank Account, Current Bank Account, Saving Plus Account, etc. how to do the transaction in their account independently without any support from family members.

Financial Behaviour

The different financial behavior includes the knowledge and activities regarding the tax planning, role of PAN Card, beneficiary of Income Tax Return , long term savings like saving in shares and bonds, investment in secondary market, different investment plan like child education plan, retirement plan, the best options or schemes available for maximum return etc.

Summery and Conclusion

Based on the analysis and result it was found that the outcome of the research is positive and appreciable. The financial awareness and knowledge among women has increased significantly and has a positive impact in the women empowerment of the country. The financial inclusion that is the basis for the higher development goal of the country has been achieved significantly in the country.

Appendix

Table 1.1 Demographic Profile (Sample Size- 40)

Gender- Female		Age Group	% Frequency
Marital Status		10-20	16.2
Married	28	20-30	32
Unmarried	11	30-40	10.8
Single	1	40-50	27
		50 & Above	13.5

Data source: created by author (field work)

Table 1.2 Percent of Women responded about Financial Inclusion

Women having her own bank account	100%
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Data source: created by author (field work)

Table 1.3 Percent of Women responded about Advanced Financial Behavior (N=40)

Advance Financial Behaviour questions			
Investment in Financial Market	Share market (15.4%)	Mutual fund (38.5%)	Long term investment in bank (55.1%)
Knowledge about use of PAN Card	For economic identity (66.7%)	For residential identity (13.5%)	For citizenship identity (18.9%)
Complaint of any financial froud	RBI (48.6%)	Ombudsman (35.1%)	No complain (16.2%)

Data source: created by author (field work)

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