

Financial Literacy of Women in South Bangalore



ISBN: 978-1-943295-14-2

Priya Jain
Sowjanya Bhat
Manikandan. k
Karthikeya Adiga

R.V. Institute of Management
(priyajain.rvim@rvei.edu.in)
(s_bhat@yahoo.com)
(mailto:yeris@gmail.com)
(karthikeyasadiga@gmail.com)

In this paper we have tried to find out the financial literacy among women in Bengaluru region. Research was carried to know the financial knowledge of the women through self-administered questionnaire in the south Bangalore. Findings of the study reveals that women prefers bank deposit and insurance as most convenient and safe investment avenue. This research will help financial companies, government organizations and policy makers to introduce appropriate strategies targeted at increasing the literacy level of the women's and also motivate them to invest in other investment avenues which can help in capital formation for the country..

Keywords: Financial Literacy, South Bangalore, Women, Finance

1. Introduction

To prevail throughout everyday life and get something other than what's expected training is significant apparatus for everybody. Information picked up all through the instruction enables every single person's sure about their life. In improving the estimation of instruction in rustic zones numerous mindfulness programs have been controlled by the administration. It advances development and improvement of the nation. To engage individuals socially, monetarily, politically and socially training can be utilized as viable device. Accordingly, the proficiency pace of the two people is rising yearly. Despite the fact that the proficiency rate has improved, there is a momentous absence of money related education extraordinarily among ladies which prompts failure of individual to contribute carefully or secure their monetary prosperity. In the majority of the families Women are the essential budgetary directors. Women manage financial resources like saving to invest, protect their families and their children's future, stretching meagre and irregular incomes to meet daily needs and to budget over the long-term for life's unexpected occurrences like poverty in old age. People are not well equipped to make decisions related to financial management without an understanding of basic financial concepts. Without significant financial knowledge it will be very difficult to evaluate the proper and informative financial products. Budgetary Literacy is increasing a great deal of consideration from global advancement offices, Governments and money related specialist co-ops as an over-whelming assortment in monetary administrations and items alongside risk of extortion has prompted a need to comprehend the monetary ramifications and to settle on educated choices with respect to one's close to home budgetary prosperity. The significant boundaries to ladies' work-power and money related prosperity are the inconsistent family unit duties and childcare. The individuals increasing a pragmatic comprehension of monetary issues and act as needs be for their budgetary prosperity is a definitive point of the money related education. It can likewise be characterized as the information on raising assets and utilizing it in a gainful manner like investment funds, reinvestments of benefits, monitoring dangers in business and so forth. As indicated by the previous Finance Minister of India, Mr. P. Chidambaram, "Monetary education should be installed in our lifestyle. Everybody who wins a salary is a potential saver, each saver is a potential speculator and each speculator should be monetarily literate. "Women are engaged to settle on educated decisions, stay away from entanglement, realize where to go for help and take different activities to improve their present and long haul budgetary prosperity by the procedure of which individuals can improve their comprehension of money related items, administrations and ideas. In the ongoing year because of the bringing issues to light among masses, money related education has become a significant issue of discourse and it is the significant difficulties looked by all nations all-inclusive as it is significant pieces of supportable improvement. It is useful for the individuals all things considered and the change of economy from general education to budgetary proficiency is extremely urgent for ladies. To help ladies monetarily proficient just as increment the strengthening of gathering individuals the self-improvement gatherings (SHGs) assume a significant job. For monetary strengthening of ladies, educated budgetary basic leadership is turning out to be need in light of persistently changing in money related market and with the expansion in singular duty. Having the money related information by ladies is the key component for settling on sound monetary choices. It encourages the ladies to develop and oversee funds in an appropriate and reasonable manner. As the budgetary proficiency contributes in the prosperity of individuals and in helping them to turn out to be financially enabled, it can't be disregarded. So as to oversee home and having their significant influence in the public arena and economy, ladies should be enabled monetarily. In this day and age, working ladies are considered as monetarily educated and they have positive monetary frame of mind where utilization of money related items and administrations autonomously just as related to the relatives. For money related ignorant among provincial ladies' need monetary help is the principle reasons. Despite the pay voting demographic to which they have a place budgetary proficiency among ladies turns into a significant piece of this

procedure. There is a need to a superior comprehension of their money related rights, duties and their chances for money age, partner dangers and costs included. As there is quick monetary and money related change is happening it is significant especially to India. As new items and budgetary administrations become across the board, monetary markets far and wide have gotten progressively open to the little financial specialists. One of our targets in this paper is to evaluate of how these complex budgetary choices are made by well-prepared the present family units.

The main focus is on financial literacy, through which we can understand the peoples' ability to process economic information and to make informed decisions about financial planning, wealth accumulation, and debt. In society, today the financial activities are spread out and it is too complex, tough for understanding the basic terms even though people are connected through financial activities in their personal life, this awareness & knowledge is to come in literacy which is known as financial literacy. As a result of the increasing complexity of financial products and services the need for financial literacy has grown and concerns that most of the people do not have the necessary skills to make informed choices. One requires advices and services to be available, accessible, useful and usable to become financially literate. The knowledge relating to the financial terms can be divided into two term known as basic financial literacy and advance financial literacy. The basic knowledge about compound interest, inflation and percentage calculation is included in the basic financial literacy and on the other hand advance level financial terms use that is knowledge about function of stock market, bonds, mutual fund, equity shares etc. are included in advance literacy .In financial literacy the possession of knowledge and understanding of financial matters play a vital role and it is used in connection with personal financial matters. Financial literacy includes intimate knowledge of financial concepts like compound interest, financial planning, the mechanics of credit card, advantageous savings methods and consumer rights and many more.

Spreading among all the poor and especially to women, through building the financial awareness, knowledge and skills to enable them to manage their finances which make them financially self-reliant and provide them a better, secured future is the main goal of financial literacy. Women are more important force in economy as they are engaged in both formal and informal sectors. Women can manage transactions to their advantage, promote their greater engagement in the current economic environment and prepare them for the future through introducing the financial literacy. The main purpose of this study is to investigate and analyse the financial literacy, financial attitude and financial wellbeing on the economic empowerment of working women in Jayanagar, Bangalore.

2. Methodology

The exploration philosophy utilized for leading the examination is expressive in nature. The geological zone of the examination is restricted to Bangalore South. The information for the examination was gathered through self-arranged survey which contains questions identified with budgetary proficiency and was coursed through google structures. Information is examined through different measurable apparatuses like tabulations, percentage and pie diagrams and so on. Predominantly non-working women were focused as an example for the examination. Roughly 100 reactions were watched for the information investigation

3. Objectives

The above research was directed by keeping following objectives,

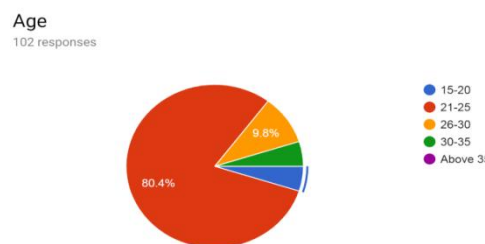
1. To analyse the money related education among the ladies' in Bangalore.
2. To know the different needs and reasons of ladies for future ventures.
3. To know the most favoured preparing association who can convey the money related education programs.

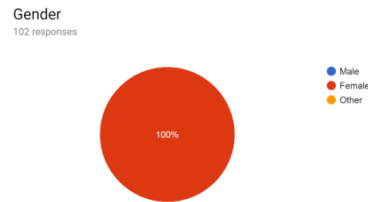
4. Data Specification

Our study is mainly focuses on the southern Bangalore region. Google form containing 17 questions has been used to collect the data which is analysed to know the literacy status of women's of Bangalore region. About 105 responses from women working in various fields were collected. And among them 100 responses were used for analysis. The responses recorded there were converted and shown in the form charts and graphs below.

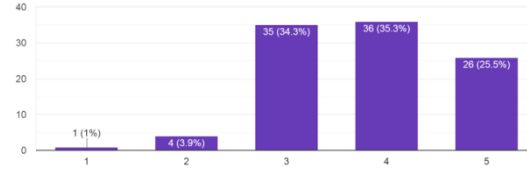
5. Data Specification

Data collected using the questionnaire acts as a primary source of our data for the purpose of this study. The answers thus obtained are represented in the form of graphs and the data is then analyzed.

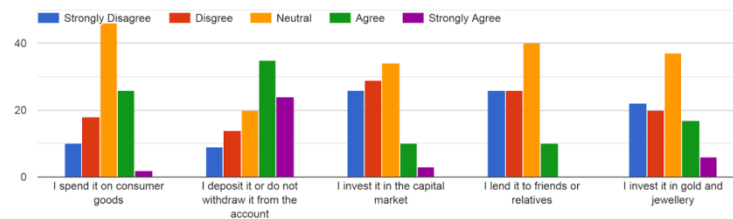




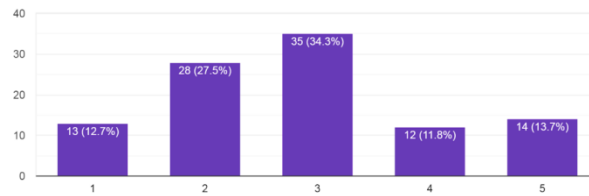
1. I track my income and expenses on a monthly basis
102 responses



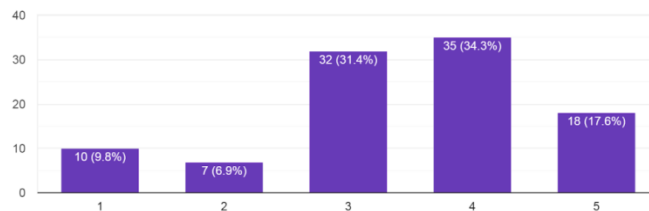
2. If you have/has any money left right before the next revenue arrives, what would you usually do with it?



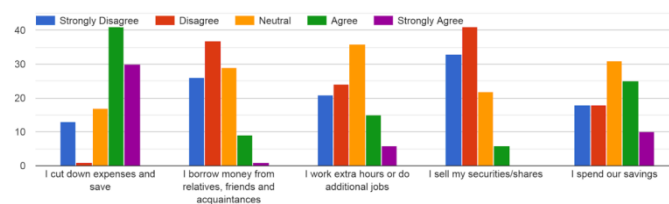
3. I run out of money from previous earnings before the new money arrive.
102 responses



4. I depend on the guidance of family members to make financial decisions
102 responses

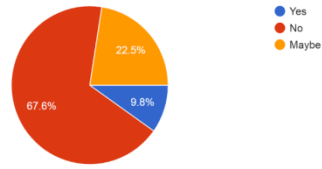


5. What do you usually do when you run out of money before the next income arrives?



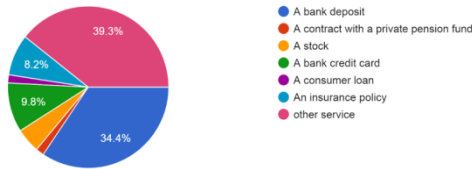
8. Did you happen to buy a financial service during the last five years which you were sorry about later as the service...cluded that the seller of the service ?

102 responses



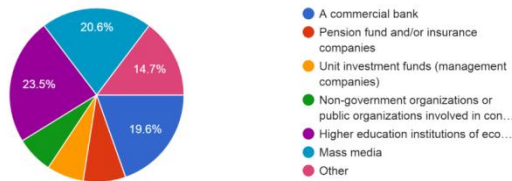
9. What kind of service was it?

61 responses

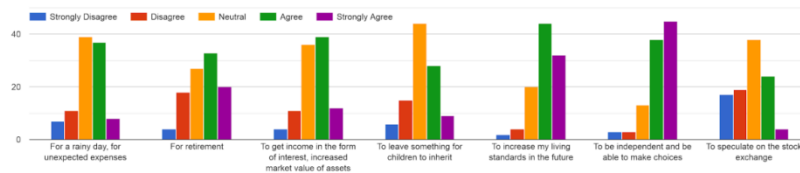


11. Currently many organizations related to capital markets declare their preparedness to deal with improvement ...o deliver financial literacy program?

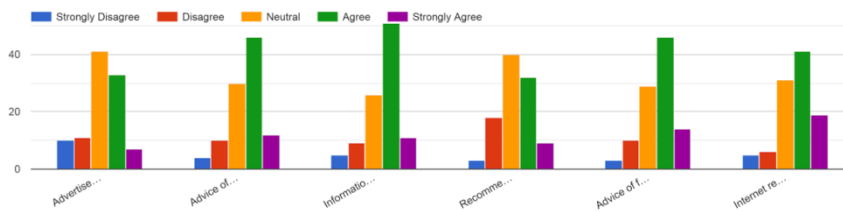
102 responses



12. I save or invest for different reasons.

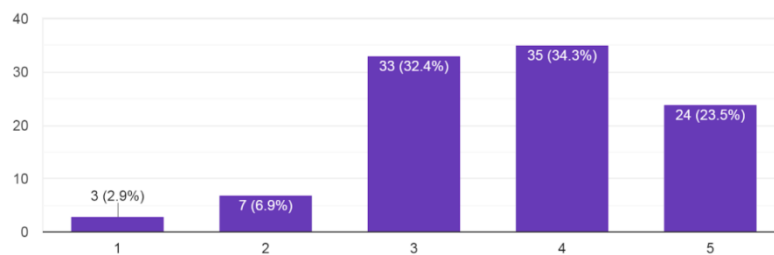


13. I pay attention to following while choosing a company to buy a service from



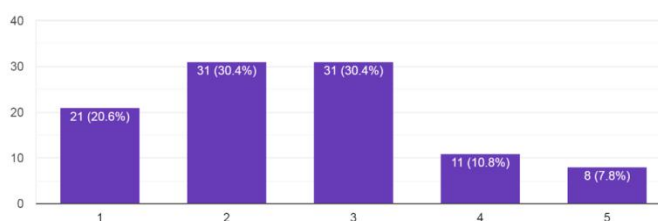
14. It is challenging to make progress toward my financial goals.

102 responses



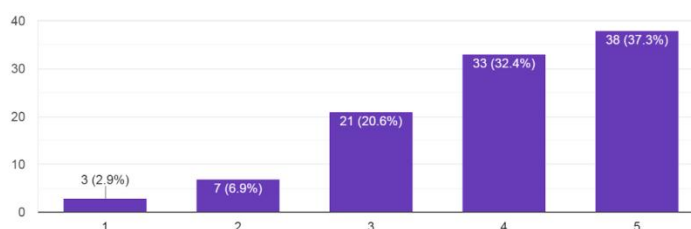
17. For good money management, I regularly read finance books or attend finance workshops.

102 responses



16. I alone responsible for daily money management decisions related to my personal income.

102 responses



6. Results and Discussions

This section deals with various results and findings obtained out of the questionnaire. The results are divided among the areas of various questions as done in the questionnaire. We have attempted to analyze each question with the help of graphs and thereby analyzing the results.

- 6.1 Age:** The Graph 1 depicts the age of people who have contributed to the questionnaire. The questionnaire contained 5 sections (15-20, 21-25, 26-30, 30-35 and above 35). The answers obtained was majorly from the age group of 20-25 years.
- 6.2 Gender:** The questionnaire was conveyed to females of the whole way across the chose territory with the end goal of research thus this poll has been addressed distinctly by Females. (Confined it to just females as the examination was done to comprehend the money related Literacy among ladies)
- 6.3 Expense Tracking:** The response for the Expense Tracking was positive. It was found that there was a tight close between Neutral response (3) and slightly agree (4). Thus it can be concluded that people are not so concerned about tracking the expenses while a slight majority of the people agree that they track their expenses.
- 6.4 Left over Investment:** It is discovered that most of the individuals will in general spend the left-over cash on purchaser items. Not very many individuals like to contribute the rest of the piece of the cash in Capital Markets or resources. In this way it very well may be reasoned that individuals have almost no little enthusiasm for putting resources into the capital market. This explanation can be a result of absence of possible information and absence of availability to the business sectors.
- 6.5 Running out of Money:** This section of the questions tries to understand the spending pattern of the people. It was found out that many people tried to be neutral about losing out money. However, the next majority of the people have said that they do not agree. Thus it can be concluded that very few people in the population run out of money while majority retain money and do not have irrational purchasing pattern.
- 6.6 Financial Guidance:** For any individual to have information about the Finance it very well may be ascribed to the close relatives and their insight in the monetary markets. In the reaction of the populace it is discovered that most of them rely upon the relatives for the direction to settle on money related choices. The other explanation that can be expressed for this is the chosen populace for this examination lies significantly from the age gathering of 21 to 26 and there may be monetary reliance on the relatives. Anyway it is constantly savvy to counsel the seniors or experienced experts for money related direction.
- 6.7 Other Sources when Running out of Money:** It is discovered that the individuals who come up short on cash will in general chop down their costs. The blemish that can be seen with this is individuals will in general chop down their costs simply after the under monetary crunch. It is prudent to consistently keep a specific measure of cash instead of scaling back the costs as crises may jump up whenever. This likewise prompts the unreasonable conduct where the individuals go through extreme measure of cash during the beginning and afterward scale down the costs later. The other beneficial thing that can be seen is that individuals cease from selling their protections/shares and think about it as a venture.
- 6.8 Financial Service Purchases:** The study results reveal that the people (from the population) have not purchased any financial services in the last 5 years. The reason that can be attributed to this behavior of the population may be as previously stated people tend to spend more money on Consumer goods rather than financial goods.

- 6.9 Type of Financial Services:** Of the people who opted for purchase of Financial services in the last five years (22.5% of the population) have mostly opted of Banking services (savings and FD). The other major sources of purchase of financial service purchases is the “Others” which is vague and can be presumed to be purchase of chit funds etc.
- 6.10 Reasons for Saving/Investing:** Out of the total selected population it is found that majority of them save/invest money to be financially independent. Very few people like to speculate in the stock market (to emphasis this the previous answers stand as testimony where people chose to use Bank as a medium of Financial services). People also save for interests which acts as a other sources of income and also acts as falling bag in times of distress. The other highlighting answers that are seen in the responses are people wish to increase their standard of living.
- 6.11 Financial Goal Progress:** It is discovered that the individuals think that it’s difficult to accomplish their monetary objectives and gain ground in this. This might be for some reasons, for example, chance hunger, money related markets information, absence of clearness and nonsensical conduct of the individuals. Along these lines, there is a requirement for the instructing individuals in the field of account.
- 6.12 Financial Responsibility:** The people have strong affiliations towards their responsibility of money management and people are ready take responsibility for their money management.

7. Conclusions

In this paper we have explored the Financial Literacy of Women in South Bangalore. The outcomes show that there is a requirement for Financial Education and different wellsprings of contributing/Saving cash. There is likewise a requirement for controlling the individuals particularly ladies (as this paper explicitly centers around ladies) in the field of cash the executives. Individuals additionally will in general spend nonsensically without keeping certain whole for the stormy days. Anyway with this position and almost no information individuals need to increase Financial Independence and improve their way of life. Therefore to accomplish this there is a requirement for Financial Education for the individuals and basic masses. Since the example uncovers such data it very well may be presumed that the entire populace or the general masses may likewise uncover comparable outcomes.

8. References

1. Wellington G. Bonga & Nelson Mlambo. “Financial Literacy Improvement among Women in Developing Nation: A Case for Zimbabwe”. *Quest Journals: Journal of Research in Business and Management*, Volume 4 ~ Issue 5(2016) pp: 22-31. ISSN (Online): 2347-3002
2. Dr. Pradipta Banerjee and KalachnadSain. “A Case Study on Women Empowerment and Financial Literacy through SHGs”. *International Journal of Research in Economics and Social Sciences*, Vol. 6 Issue 11, November- 2016, pp~295~301. ISSN(o): 2249-7382
3. Annamaria Lusardi, O. S. (2009). *Financial Literacy among the young: Evidence and Implications for Consumer Policy*. Centre for Research and Pension & Welfare Policies.
4. B. Smith. (2005). *Improving Financial Literacy and Capacity*. OECD's Financial Education Report.
5. OECD (2008). *Improving Financial Literacy: Analysis of Issues and Policies*.
6. Bijli, Heena K. “Financial Literacy: An Essential Tool for Empowerment of Women Through Microfinance.” *Studies on Home and Community Science*, Volume 6, No.2 (2012): 77-85
7. Dashottar, Upasana. “A Report: Training of Trainers Programme on Micro Entrepreneurship Development Program for CRPs and Block Coordinators.” Paper presented to the Indian School of Microfinance for Women in Udaipur, Rajasthan, 5-10 October, 2014.
8. Nair, Tara S. “Microfinance: Lessons from A Crisis.” *Economic and Political Weekly*, Vol XLVI, No. (February 2011): 23-26. Accessed 12 October, 2014.