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EMPOWERING WOMEN THROUGH FINANCIAL LITERACY: EVIDENCE FROM WORKING WOMEN IN ALAPPUZHA DISTRICT

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ABSTRACT

This study evaluates the financial literacy of working women in Alappuzha district, Kerala, focusing on how demographic variables such as age, education, marital status, income, and occupation influence their financial knowledge, attitudes, and behaviors. Using primary data from 100 respondents collected through a structured questionnaire, the research employs descriptive statistics and one-way ANOVA to analyze the relationship between educational qualification and financial literacy levels. The findings reveal that while working women exhibit strong saving habits and collaborative decision-making practices, overall financial literacy remains moderate to low for a significant portion of the sample. These results highlight the urgent need for targeted financial education programs, workplace wellness initiatives, and inclusive policy measures to strengthen financial empowerment and participation among women.

***Keywords**: Financial Literacy, Working Women, Financial Inclusion, Investment Behavior, Financial Education.*

Introduction

Financial literacy, the skill to understand and manage personal financial matters effectively, is essential for individual empowerment and economic development. In India, despite progress in women's education and employment, women financial literacy remains uneven. Women often play active roles in family financial management but rely heavily on informal saving practices and lack exposure to structured financial systems. In Alappuzha district, where women are a vital part of the workforce, this study aims to know the financial literacy levels, analyze investment and savings behavior, and identify barriers to financial inclusion. Improving women's financial knowledge is not simply a personal or family matter it is a national priority. Financially literate women are improved planned for their future, support their families, and provide to the broader economy. Permitting women with financial knowledge can lead to more informed financial choices, reduced vulnerability to exploitation, and greater economic participation. It also fosters a culture of savings and investment, which can drive long-term economic development and resilience at both the household and national levels. Interestingly, Indian women, especially in traditional households, are often the ones who manage daily expenses and find creative ways to save money.

Review of Literature

Agarwal, N. and Joshi, S. (2019) in their work titled Marital Status and Financial Decision-Making Autonomy Among Employed Women investigated the relation between marital status of women and her autonomy in making financial decisions. The study revealed that single women generally displayed higher levels of independence and willingness to take financial risks. In contrast, many married women deferred major financial choices to their spouses, despite having independent earnings.

Bansal, T. and Singh, K. (2018) assessed insurance behavior in their study titled Insurance Awareness and Coverage Adequacy Among Working Women with Dependents. They found that while life insurance coverage was generally adequate, health insurance was often insufficient. Women with dependents, particularly children, were more aware of insurance needs but frequently prioritized family coverage over their own personal protection.

Bhatt, M. and Kulkarni, P. (2020) explored entrepreneurial aspirations in their study titled Financial Literacy Impact on Entrepreneurial Intentions Among Employed Women. The research established that higher financial literacy gives confident in starting their own ventures.

Chandra, R. and Mohan, G. (2020) studied the impact of financial stress in their research titled Financial Stress and Its Impact on Career Among Women Employees. They found a correlation between financial stress and reduced job satisfaction, which in turn hindered career advancement. Women facing financial troubles were more likely to consider job changes for immediate financial relief, affecting long-term career stability.

Divya, K. and Suresh, B. (2018) explored the age and investment preferences relationship in their study titled Age-Based Investment Preferences and Risk Perception Among Working Women. The results showed that younger women preferred higher-risk investment avenues such as equities, even though their financial knowledge was limited. Older women, especially those over 40, leaned toward safer options like fixed deposits and gold. Risk tolerance was inversely related to age and family responsibilities.

Research Gap

Review reveals that financial literacy of women is shaped by education, marital status, cultural context, income etc. While higher education correlates with greater confidence, practical exposure, family support, and workplace financial programs significantly influence financial decision-making. Kerala women, though strong in savings culture, continue to show high risk-aversion and preference for traditional investments. There is need for studying the financial literacy among working women.

Statement of the Problem

Although women increasingly contribute to household income, many remain excluded from informed financial decision-making. Their reliance on others, limited knowledge of modern investment tools, and socio-cultural constraints often restrict their financial independence. The problem addressed in this study is the gap between women’s educational attainment and their practical financial literacy, which hinders their ability to secure long-term financial stability and autonomy.

Objectives of the Study

- To assess the level of financial literacy among working women in Alappuzha district.
- To evaluate the impact of demographic factors on financial literacy.
- To analyze women’s financial behavior and investment patterns.

Methodology

- **Research Design**: Descriptive and analytical.
- **Data**
  - *Primary data* collected through a structured questionnaire from 100 working women.
  - *Secondary data* from journals, government reports, and financial education resources.
- **Tools of Analysis**: Frequency, percentage, mean comparisons, and one-way ANOVA.
- **Sampling**: Convenient sampling of women employed in public, private, and other sectors.
- **Study Area**: Alappuzha district, Kerala.

Analysis and Interpretation

Hypothesis Testing

Between Educational Qualification and Financial Literacy Level of Working Women.

H_0 **(Null Hypothesis):** There is no significant relationship between educational qualification and financial literacy of working women in Alappuzha district.

H_1 **(Alternative Hypothesis):** There is a significant relationship between educational qualification and the financial literacy of working women in Alappuzha district.

Table 1: Mean Comparison - Financial Literacy Based on Educational Qualification

Educational Qualification	N	Mean	Std. Deviation
10th	5	1	0
12th	4	1	0
Diploma	4	1	0
Undergraduate	32	1.8125	0.5929
Postgraduate	52	2.3846	0.7084
Professional Course	3	3	0
Total	100	1.99	0.7977

(Source: Primary Data)

The table shows the mean comparison financial literacy scores across different levels of educational qualification. Respondents with only 10^{th}, 12^{th}, or diploma qualifications have a mean score of 1.00, indicating a low level of financial literacy. In contrast, those with undergraduate degrees have a mean score of 1.81, postgraduates 2.38, and professional course holders 3.00. This gives that financial literacy increases with higher educational attainment.

Table 2: ANOVA – Financial Literacy with Respect to Educational Qualification

Financial Literacy	Sum of Squares	df	Mean Square	F	Sig.	Decision
Between Groups	29.009	5	5.802	16.049	0.001	H0=reject, H1=accept
Within Groups	33.981	94	0.362			
Total	62.99	99				

(Source: Primary Data)

The ANOVA result shows an F-value of 16.049 with a significance level of $p < .001$, which is less than the standard 0.05. This indicates the result is statistically significant. Hence, the null hypothesis is rejected, and the alternative hypothesis is accepted. It is recognized that there is significant relationship among educational qualification and among working women's financial literacy in Alappuzha district.

Findings

- Financial literacy is moderate to low for most working women.
- Education plays a critical role in financial awareness.
- Women show strong saving instincts but rely on traditional investments like gold.
- Financial constraints are the primary barrier to investment, followed by fear of loss and lack of knowledge.
- Joint financial decision-making dominates households, reflecting collaborative practices.
- Emergency savings are common, showing prudent financial preparedness.

Suggestions

- Develop women-focused financial literacy programs with practical workshops.
- Introduce workplace financial wellness initiatives for employees.
- Create simplified digital platforms to promote modern investment options.
- Provide age-specific financial advisory services.
- Encourage diversification of investments beyond gold and deposits.
- Introduce micro-investment and low-entry schemes to overcome income-related barriers.
- Promote continuous financial education linking formal learning with real-world applications.

Conclusion

The study establishes that while working women in Alappuzha demonstrate responsible financial habits, their literacy remains insufficient for informed and diversified financial participation. Education significantly influences financial literacy, yet socio-cultural practices and income constraints limit application. Strengthening financial education, enhancing accessibility of formal financial products, and promoting inclusive policies can empower women to achieve economic independence and stability, contributing to both household welfare and broader economic growth.

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