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ROLE OF EDUCATION ON FINANCIAL LITERACY AMONG GIRL STUDENTS: WITH REFERENCE TO KURNOOL DISTRICT

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Abstract:

Due to the growing importance of financial freedom and empowerment among women, women turning out to be financial literates is highly essential irrespective of their economical contribution. In order to improve their lives, girls' education should enhance them in every aspect. Providing them money management skills during the education itself makes them utilize the resources efficiently. Hence, the study focused on analysing the Financial literacy among girl students and role of education and teachers in imparting the basic financial knowledge pertaining to the Kurnool District. The results are stating that graduating commerce students are aware of 87% of money-management principles and 61% curriculum is helping to gain initial exposure, but only 48% are acquiring conceptual knowledge. But still relying on parents for financial decisions. The study highlights the areas needing improvement, such as deepening comprehension of financial concepts and promoting independent financial decision-making.

Keywords: Financial Literacy, Commerce Graduates, Girl students, Curriculum, Decision-making

Introduction:

Earning without the knowledge of spending is similar to being unproductive. Managing money should be taught before earning to use the resources judiciously especially to women, as their need for financial security is increasing. Women, who are called as Ghar ki Laxmi should be well versed with money management as she deals with monetary matters. With government initiatives like Beti Bachao, Beti Pado and growing globalization, Girl child education has gained prominence turning them literates, employees, entrepreneurs and empowered. Education has a great role in changing the perceptions, influencing the behavior, attitude and enables decision-making. Henceforth, education has a greater role in building financial attitudes and financial literates too.

Meaning:

Financial literacy equips students with essential life skills that are critical for their personal and financial well-being both in the short term and throughout their lives. It empowers them to make informed choices, achieve their goals, and navigate the complex financial world with confidence. Financial Literacy refers to the knowledge and understanding of various financial concepts and skills necessary to make informed and effective decisions regarding money. This includes topics like budgeting, saving, investing, student debt management, and understanding financial products and services. Being financially literate empowers individuals to make sound financial choices and navigate the complexities of personal finance. It encompasses a wide range of concepts and skills that are crucial for managing money effectively.

Key Concepts: Some of the key concepts are discussed below:

Budgeting: It involves creating a plan to cover expenses, save, and invest through the income effectively.

Saving: It is important to understand different types of savings accounts for emergencies

Investing: Understanding risk tolerance, asset diversification, and investment strategies to gain returns

Understanding Debt: Knowing different types of debt, interest rates, terms, and the impact of debt on your overall financial health.



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Consumer Rights and Responsibilities: Knowing your rights as a consumer like contracts, warranties, and consumer protection laws.

Economic Concepts: Basic economic principles like inflation, education loan interest rates, and supply and demand can have a significant impact on personal finances.

Review of Literature:

Agrawal. K. (1988)¹ investigated the influence of various socio-demographic factors on different dimensions of financial literacy among the working young in urban India. In the study of Akben-Selcuk, E., & Altioek. A. (2014)², financial literacy was measured by the College Student Financial Literacy Survey, which assesses knowledge in four areas: general financial management, saving and borrowing, insurance, and investing and the regression results showed that formal finance education in college, a deep approach to learning, and direct financial teaching by parents were significantly associated with higher financial literacy scores. Mathivathani.V. and Velumani.M. (2014)³ conducted a study to know the level of financial literacy among women in rural areas of Tamilnadu. Dwivedi, M. et al. (2015)⁴ analyzed the NCFE report on financial literacy and financial inclusion in India on the basis of occupation, geographical area and gender mix. The study found that the urban population is more financially literate than the rural population. Also, men are found to be more financially literate than women. Moreover, the study observed that women have higher financial attitudes but less financial behavior and less financial knowledge. The government is taking initiatives for making the people more financially literate, yet there persists a lot of gap in the financial literacy level of men and women. Hence, more women specific financial literacy programs should be introduced and new universities should be established to make the women more literate Baluja, G. (2016)⁵. Kaiser, T.(2017)⁶ also opined that success depends crucially on increasing education intensity and offering financial education at a “teachable moment.” Potrich. A. (2018)⁷ observed a significant relationship between financial literacy and gender and found that the proportion of men is higher among those with a high level of financial literacy. However, the conclusions suggest that greater efforts should be made to reach women, particularly to those who are single and have lower levels of education and income.

Need of the Study:

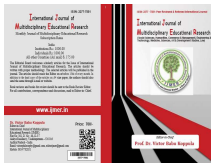
Few studies have been conducted in India that focused on the difference in the level of financial literacy of men and women, and on factors that influence such differences. Few studies on financial literacy pertained to working women, specific states. A very few related to the role of education on financial literacy. Hence, this study has been carried out to understand the role of formal education on analysing the financial literacy among the girl students with special reference to Kurnool district, as none of the studies were carried out in that area. Further, it can be extended to other parts of the State.

Objectives:

- i) To analyze the financial literacy among the girl students of Kurnool District.
- ii) To establish the role of formal education in imparting financial literacy.

Methodology:

- i) Source: The data has been collected from degree girl students through a questionnaire and secondary data has been collected through websites, articles.
- ii) Sample: Data of 100 girl degree students of Commerce stream has been collected to make a pilot analysis of the financial literacy among girl students.
- iii) Geographical location: Data from questionnaire has been collected from the Kurnool district.



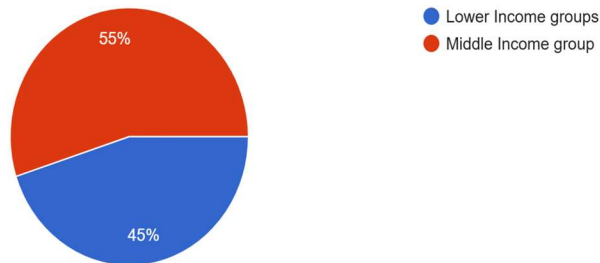
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Analysis:

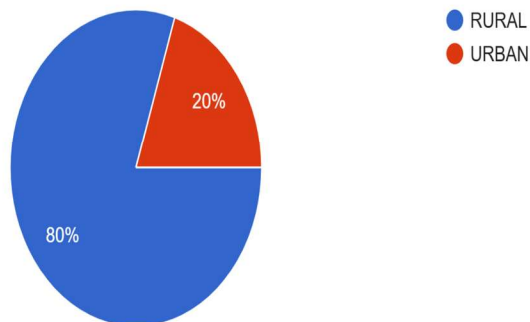
INCOME GROUP

100 responses



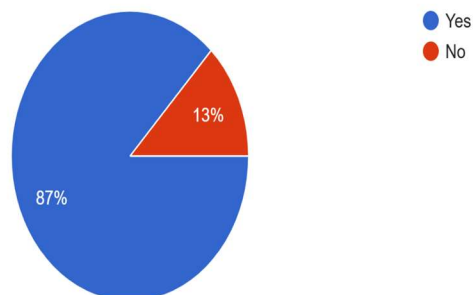
GEOGRAPHY

100 responses



Have you ever learned to manage your money?

100 responses



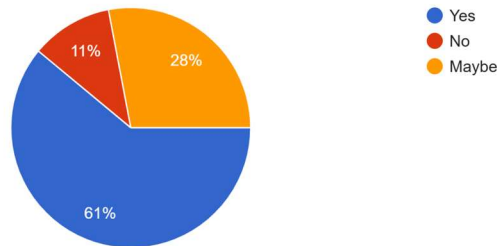


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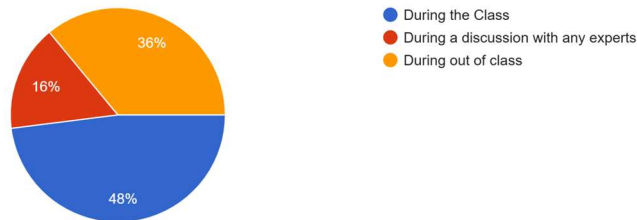
Have you ever had a subject or chapter that talks about money management?

100 responses



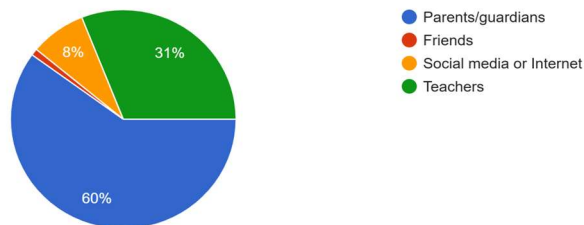
Did anyone tell you that money value decreases with the time

100 responses



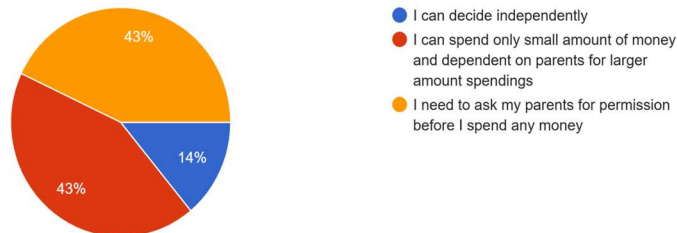
Where do you get the information you need about money matters?

100 responses



How you handle your money?

100 responses

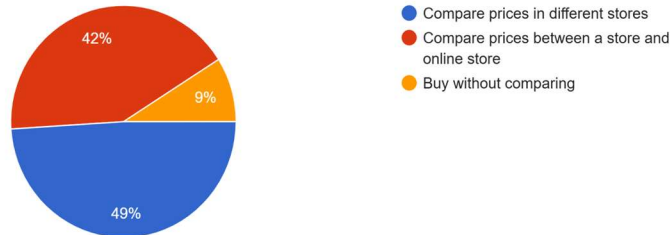




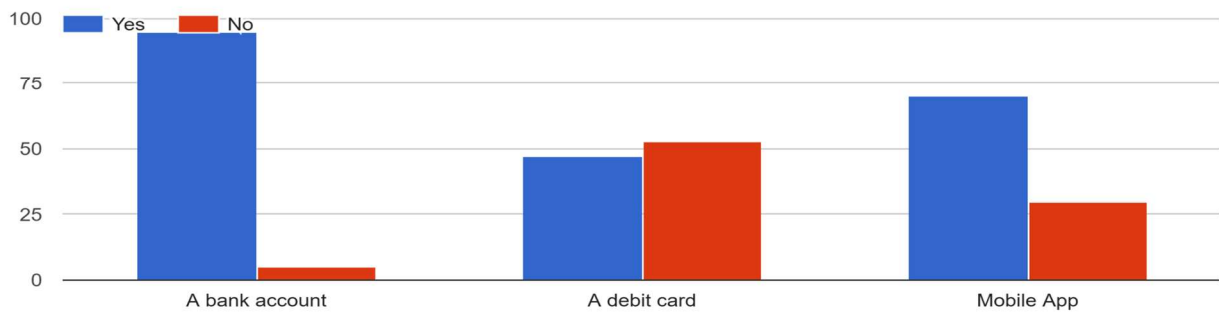
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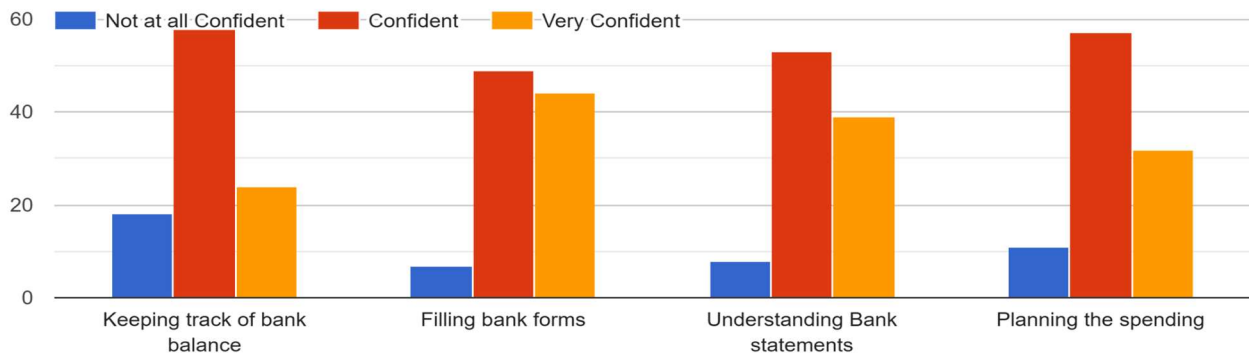
What you do when you buy a new product from your allowances or earnings
 100 responses



Do you have following things?



How confident would you feel about doing the following things?

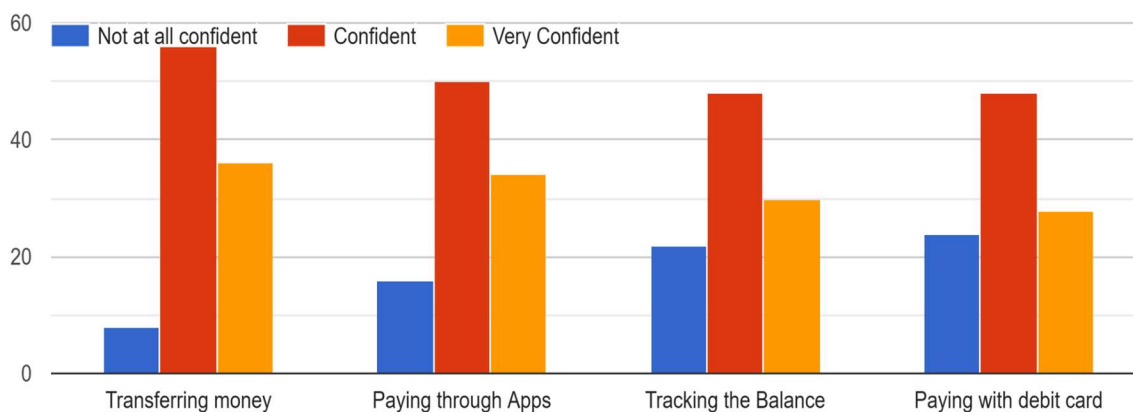




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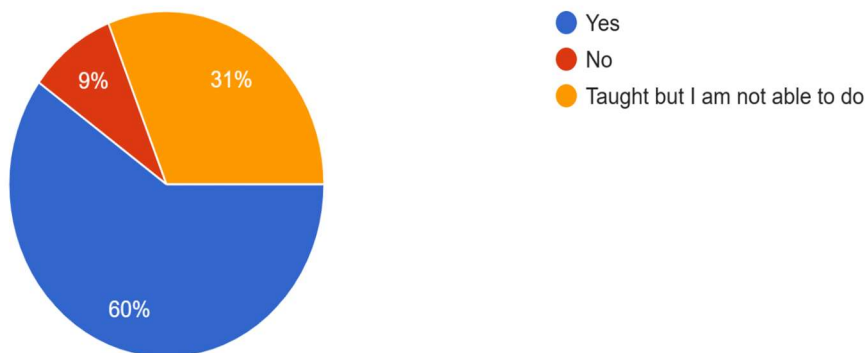


How confident you are while using digital payments?



Did your teachers or curriculum taught you to plan your budgets?

100 responses

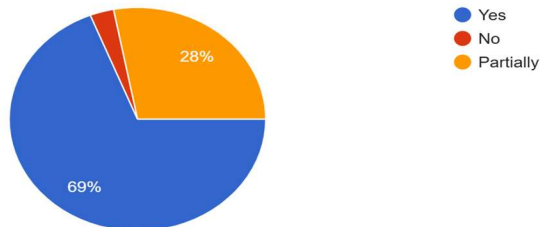




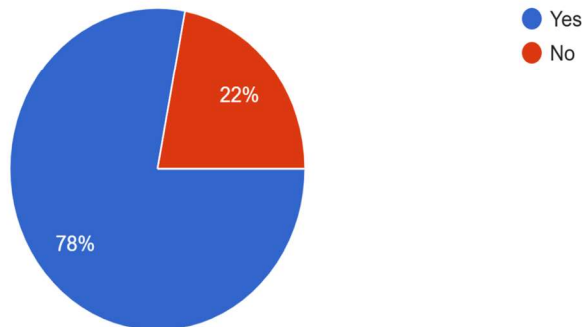
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Did your teachers or education helped you to learn banking necessities like filling bank forms, drawing money from ATM
 100 responses



Did your teachers or curriculum taught you to use digital platforms?
 100 responses



Conclusion:

From the visual representation of the data collected, it is represented that the observations are drawn from Commerce graduating girl students mostly belonging to the age group of 18-21 of the Kurnool district where only 20% of the sample belongs to urban areas and remaining 80% are from rural areas as Kurnool is constituted with majorly of rural areas and 55% are of Middle income and 45% are of Low income groups. 87% of the respondents are aware of managing money. 61% of the students' awareness regarding money management has been provided by the curriculum of formal education. 60-75% of the students learned about different financial terms through the education, but only 48% are able to understand. Though the curriculum includes the financial concepts, the majority of the information has been provided by the family as the knowledge-sharing in rural areas happens through huge gatherings of family and society succeeding with teachers.

Regardless of learning money management, the majority of the respondents still don't make decisions on their own, but are able to manage fewer amounts under the guidance of parents. Only 9% of the students are not spending consciously showing their weak financial attitude whereas, 91% are conscious while spending and comparing the costs before buying (49% with other stores and 42% with online prices). A very exceptional percentage are not possessing bank accounts. Due to digitalization and govt schemes like scholarship, bank accounts have become common for the graduate students even for girl students. However, use of debit cards does not get that hype as a digital payments app. Usage of digital payments in the



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Cashless economy has surpassed the interest and use of debit cards among the youth. To conclude, the curriculum of formal education significantly contributes to understanding the terms of financial literacy, but the need to deepen the understanding and foster independent financial decision-making is still needed.. The findings underscore the role of curriculum improvements and targeted teacher-led interventions especially in rural contexts in order to bridge knowledge gaps and empower young women financially.

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