



## IMPACT OF FINANCIAL LITERACY PROGRAMME ON FINANCIAL AUTONOMY AMONG SCHOOL GIRL'S FOR ECONOMIC EMPOWERMENT

\* Dr. Heena D. Wadhvani & \*\* Mr. Sanjay Nandi,

\* Associate Professor & Research Guide, Seva Sadan's College of Education, Ulhasnagar.

\*\*Research Scholar, Seva Sadan's College of Education, Ph.D Centre & Principal, Podar International School (Cambridge International), Kalyan.

### Abstract:

Financial literacy involves an individual's ability to interpret and understand basic financial concepts and apply that knowledge to make informed decisions related to finance in their day to day activities as also applicable as lifelong learners. As per Human Development Report 2021-22 India ranked 132 with 0.633 HDI value where 19.2% is labour force participation rate of women (age 15 & above) and 13.4 % seat share in parliament. In total population 94 is the sex ratio (2012 census) means out of 100 male members in the society women are 94, whereas National Family Health Survey 5 (2019-21) recently says its 929 i.e out of 1000 male members 929 is the number of female members exists. Hence women empowerment is the need of the hour for better development of the society and economy as a whole.

Life skill educational practices involve developing leadership, communication, collaboration, cooperation and management skills in day to day activities, all of which are extremely important for personal development of students, especially for girls. There are many benefits to being financially literate which brings more development, innovation through use of more technologies and more economic cum social prosperity. The key role students would be playing is saving, managing pocket money, understanding the power of compounding, accumulating wealth, learning debt and even retirement planning. Financially literate students are able to understand better macroeconomic problems and make informed decisions related to fiscal and monetary policies, scope and limitations of new start-ups and how to take calculated risks.

Based on this research, I would like to bring the impact of financial literacy programme on financial autonomy in school girls' students for economic empowerment. Hence financial literacy and financial autonomy should be encouraged and practiced in school years and it should be included in school education, where students learn & engage more.

**Key words:** Financial Literacy, Financial Autonomy, Inclusion, Economic Empowerment, Impact.

**Copyright © 2023 The Author(s):** This is an open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License (CC BY-NC 4.0) which permits unrestricted use, distribution, and reproduction in any medium for non-commercial Use Provided the Original Author and Source Are Credited.

### INTRODUCTION:

Financial literacy involves an individual's ability to

interpret and understand basic financial concepts and apply that knowledge in daily life. That means 'the



ability to make informed decisions and to make effective judgments regarding the use and management of money or finances.’ Financial autonomy has different meanings for everyone, here for study financial autonomy means taking financial decisions independently, without repercussion of others. There are many factors that act as a determinant of financial autonomy. Some studies stated that autonomy can only be attained through literacy & knowledge, whereas others stated that due to environmental factors such as economic, social, demographic, etc.. Hereby financial literacy means a basic understanding of various financial products and terms whereas inclusion means to access and availability of basic financial services and apply them for financial autonomy.

There could be many primary benefits to being financially literate. Financial literacy plays a key role in preventing individuals from becoming involved with fraudulent financial transactions or engaging in financially destructive behaviour. Financial literacy is also advantageous for wealth preservation. Many studies show that people who are more financially literate tend to be better at retirement planning, accumulating wealth, and knowledge of debt. In fact, people who develop financial plans tend to be 10 to 15 percent wealthier than those who do not (Schuchardt Jane, 2009) . Finally, a financially literate person is more able to understand macroeconomic problems and make informed decisions related to fiscal and monetary policies than a person that has not undergone financial education. It is important not only for personal financial management, but also to prevent macroeconomic disasters like the global financial crisis from reoccurring. Thus, financial literacy is an

important step towards long-term financial stability of the country. (Schwab, 2010).

Socio-economic independence depends on a higher level of financial literacy cum financial autonomy, where budgeting skills, credit analysis etc. are important parameters. Initially maintaining a piggy bank was considered financial knowledge but nowadays it has become more complex. Consumers have to differentiate between a wide range of financial products and services available offline and even in online platforms.

According to a recent international assessment by the U.S. Financial Literacy and Education Commission (Report 2019), 20 % U.S. high school students failed to exceed a baseline level of financial proficiency. In addition, based on a recent study of 11,000 high schools, only 16 percent of high school students were required to take financial education.

India, 3<sup>rd</sup> largest economy in the world in terms of purchasing power parity and is aiming to become a USD 5 trillion economy. Only 27% of Indians are financially literate. Shri Shaktikanta Das, Governor, Reserve Bank of India introduced **National Strategy on Financial Education (NSFE) 2020-25 in December 2020 emphasis on educating citizens via NCFE (National Centre for Financial Education) to manage money more effectively and to achieve financial wellbeing in the process.**

Therefore, there is an increasing need that people should be more financially literate and financial autonomy - has increased the responsibility of education institutions of different levels to facilitate the efforts to promote it.

#### **SIGNIFICANCE OF THE STUDY:**

This study could bring out the impact of financial literacy programmes on financial autonomy in girl



students daily life as lifelong learners and also provide food for thought to parents, schools, policy makers and researchers. This study aims to clarify the awareness and impact of financial literacy in secondary school and leads to more scope & further studies for future researchers. Introduction to basics of money, savings, wants vs. needs, budgeting, expenses; savings could be used in lower secondary level with relevant daily examples: In due course of time creating a budget geared towards long-term saving, investing in companies or buying stocks or power of compounding and visit to a bank for functioning could be introduced. The importance of handling and managing money should be useful and valuable.

It will benefit school administrators, Principals, teachers and policy makers for making use of this research and implement it for betterment of the society & nation as well.

#### **LITERATURE REVIEW:**

“Best Practices for Financial Literacy and Education at Institutions of Higher Education” by U.S. Financial Literacy and Education Commission (2019) emphasizes best practices for institutions of higher education regarding methods of teaching financial literacy and providing information to assist students with borrowing decisions. This report recommends the adoption by financial education practitioners of the Consumer Financial Protection Bureau’s (CFPB) “Five Principles of Effective Financial Education” are know the individuals and families to be served, provide actionable, relevant and timely information, improve key financial skills, build on motivation and make it easy to make good decisions and follow through.

To develop standards for professional educators,

provide on-going support, evaluate for impact could be evaluated for their programs for impact and develop a culture of continuous improvement by establishing methodologies, procedures, reporting, and metrics for measuring program effectiveness.

Hahn Jinsoo (2014) and others on Financial Literacy of Korean High School Students presented to South Korea’s Gyeongin National University of Education, investigated the effects of socio-economic status, economic & financial attitude on financial behaviour and the financial literacy using structural equation models, in which are affected a lot. The results of structural models share common and different findings which are applied as in descriptive statistics and also in simple regression models.

Their findings are like a student’s intention to select economics as the most influential factor of both financial as well as economic attitude. Economic attitude is a more influential factor of financial literacy than financial attitude. Financial attitude on financial literacy changes dramatically depending on the assumptions. The descriptive statistics show that financial attitude has positive effects on financial literacy, while its effects become insignificant in case of the simple regression model and the benchmark model. Financial literacy has a positive effect on financial behavior in mostly all models, which implies an important role of economic or financial education to change students’ financial behavior such as saving money for the future as well as avoiding unnecessary borrowing.

In National Strategy for Financial Inclusion (NSFI) 2019 stated that “To make financial services available, accessible, and affordable to all the citizens in a safe and transparent manner to support inclusive and resilient multi-stakeholder led



growth”, its Financial Literacy and Education & effort cum contributions of all stakeholders for easy to understand financial literacy modules with specific target audience orientation (e.g. children, young adults, women, new workers/ entrepreneurs, family person, about to retire, retired etc. in the forms of Audio-Video/ booklets shall be made available for understanding the product and processes involved. It is also expected that these modules would help the new entrants and help them to augment their skills and engage in meaningful economic activity and improve income generation for the future.

Shah Kamini (2019) researched on “A study on Women Empowerment through Financial Literacy”, University News 57(10) March 11-17, 2019 emphasis on financial behavior & financial knowledge. She said, “re-examination of the key component of financial literacy among women is necessary due to the fact that financial knowledge represents responsible financial behavior and financial behavior is the result of financial knowledge” and recommended for including financial education or money management subjects in primary & secondary school students.

Holani P (2021) established in their research that financial autonomy is important for financial decisions which lead towards a path of growth and prosperity. Especially for women, it's always positive. They have a great contribution for the development of the society and even for the economy; hence financial autonomy can lead towards the freedom, increase the confidence level in decision making and making the family (as well as the country) developed. So providing them

autonomy directly contributes towards the financial progress of the country.

**SCOPE & DELIMITATIONS OF THE STUDY:**

The study is limited to a selected number of girl school students and only for specific schools as a pilot. The subject area we are studying and discussing includes general personal finance knowledge, knowledge of needs & wants, savings and borrowing, knowledge of banks, insurance, knowledge of investment, power of compounding, precaution of online transactions etc.

Time is a major constraint; research of this kind requires enough time in gathering of data, implementation, distribution, collection and analysis of questionnaires. The research work presented will be restricted to students studying in class VI to X, girls only. The research work presented will be limited to “Impact of Financial Literacy programme on Financial Autonomy among girls’ students”. The findings of the research presented will depend on the information provided by the respondent.

**RESEARCH PROBLEM:**

Impact of Financial Literacy programme on financial autonomy among school girls for economic empowerment.

**OBJECTIVES OF THE STUDY:**

Depending on the research questions below, this paper seeks to achieve the following objectives.

1. To identify the pre-test scores of Girl School Students
2. To implement the Financial literacy programme.
3. To identify the post-test scores of Girl School Students
4. To compare pre-test & post-test scores of Girl School Students

**HYPOTHESIS OF STUDY:**

H<sub>0</sub>: There is no significant difference between pre-test & post-test scores of the Financial Literacy programme on Financial Autonomy of Girl School Students.

**RESEARCH METHODOLOGY:**

By using an experimental research method in one of the Cambridge Assessment International Education schools in standard VI to standard IX, single group design with Pre-test, then using the content developed by RBI<sup>13</sup>, planning the lessons, execution and finally Post-test. From the test results, we will find mean, median, mode, Standard Deviation, t-test, P-test and finally inferences.

**RESEARCH DESIGN AND DATA COLLECTION:**

Based on the following score range, the collected data as pre-test and post-test are analysed and categorised in to three levels i.e., High, Average and Low both for financial literacy and for financial autonomy

Sr.No	Score Range	Levels
1	40 to 60	High
2	30 to 39	Average
3	20 to 29	Low

**Findings and Analysis:**

After pre-test we have planned lesson as per material available from RBI and systematically implemented the steps of the experiment over a period of time and have listed the finding below:

**Table 1: Results of the Pre-Test**

No of Respondents in Pre –Test	High	Average	Low
N=35 For Financial Literacy	31 (88.57%)	4 (11.43 %)	NIL
N=35 For Financial Autonomy	32 (91.4 %)	3 (8.57 %)	NIL

**Table 2: Statistical Analysis of the Pre-Test**

Financial Literacy	Financial Autonomy
Mean (Average) 50.94	Mean (Average) 51.14
Median 51	Median 53
Range 23	Range 48
Mode 57, 55,50,56 each appeared 4 times	Mode 53 appeared 9 times
Geometric Mean 50.65	Geometric Mean 49.92
Standard Deviation, $\sigma$ : 5.312749393906	Standard Deviation, $\sigma$ : 8.1910852486725
Variance, $\sigma^2$ : 28.22530612	Variance, $\sigma^2$ : 67.09387755

**Table 3: Results of the Post-Test**

No of Respondents in Post –Test	High	Average	Low
N=35 For Financial Literacy	34 (97.14 %)	1 (2.86 %)	NIL
N=35 For Financial Autonomy	34 (97.14 %)	1 (2.86 %)	NIL

**Table 4: Statistical Analysis of the Post-Test**

Financial Literacy	Financial Autonomy
Mean (Average) 57.17	Mean (Average) 54.37
Median 58	Median 55
Range 15	Range 19
Mode 60 appeared 13 times	Mode 60 appeared 7 times
Geometric Mean 57.06	Geometric Mean 54.13
Standard Deviation, $\sigma$ : 3.333687056062	Standard Deviation, $\sigma$ : 4.934344445014
Variance, $\sigma^2$ : 11.11346939	Variance, $\sigma^2$ : 24.3477551

**Table 5: Paired *t* test results of Financial Literacy Pre-Test & Post-Test**

The two-tailed P value is less than 0.0001	By conventional criteria, this difference is considered to be extremely statistically significant
Confidence interval: The Mean: -6.29 95% confidence interval of this difference: From -8.34 to -4.23	Intermediate values used in calculations: $t = 6.2152$ $df = 34$ , standard error of difference = 1.011

**Table 6: Paired *t* test results of Financial Autonomy Pre-Test & Post-Test**

The two-tailed P value is less than 0.0343	By conventional criteria, this difference is considered to be statistically significant.
Confidence interval: The Mean: -3.23 95% confidence interval of this difference: From -6.20 to -0.25	Intermediate values used in calculations: $t = 2.2046$ $df = 34$ , standard error of difference = 1.464

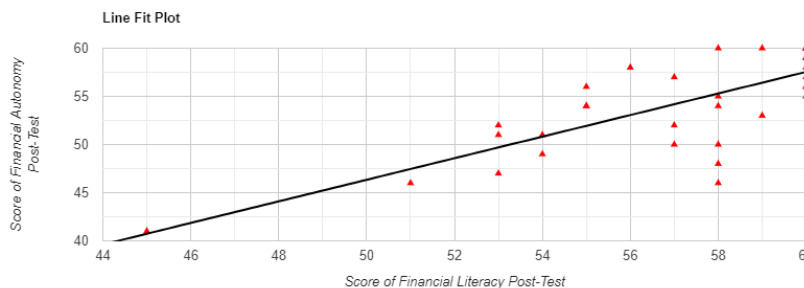
**Table 7: Paired *t* test results of Financial Literacy Post-Test & Financial Autonomy Post-Test**

The two-tailed P value is less than 0.0001	By conventional criteria, this difference is considered to be extremely statistically significant.
Confidence interval: The Mean: 2.80 95% confidence interval of this difference: From 1.67 to 3.93	Intermediate values used in calculations: $t = 5.0242$ $df = 34$ , standard error of difference = 0.557



**Table 8: Correlation between Score of Financial Literacy Post-Test and Score of Financial Autonomy Post-Test**

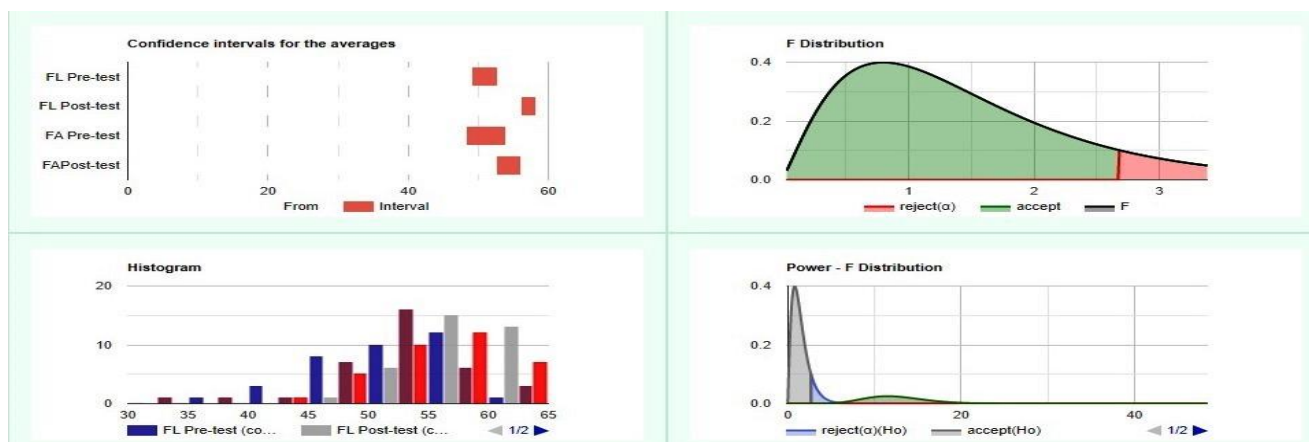
Parameter	Value
Pearson correlation coefficient (r)	<b>0.7569</b>
P-value	1.43e-7
Covariance	12.8168
Sample Size (n)	35
Test Statistic	6.6531

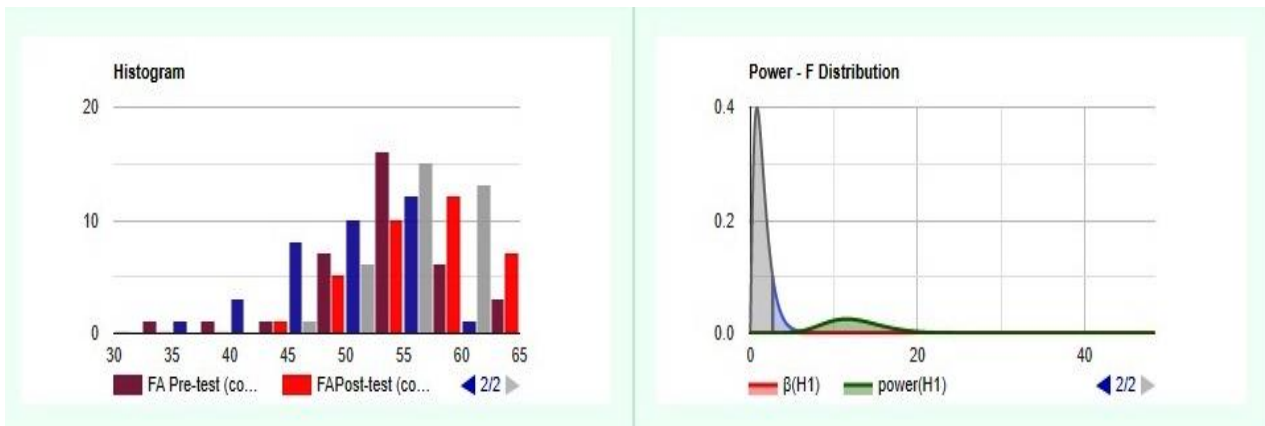


**Diagram 1:** Line graph of Score of Financial Literacy Post-Test and Score of Financial Autonomy Post-Test. Correlation-test, using T(df:33) distribution (two-tailed). Since the null correlation is zero, we use the t-distribution to test the correlation. The correlation's distribution is not symmetrical when  $r \neq 0$ , hence we use the Z distribution over Fisher transformation to create the confidence interval.

**Table 9: Result of ANOVA Test**

Source	DF	Sum of Square	Mean Square	F Statistic	P-value
Groups (between groups)	3	920.4788	306.8263	9.1163	0.00001537
Error (within groups)	136	4577.314	33.6567		
Total	139	5497.7928	39.5525		





**Diagram 2:** ANOVA Result

**INTERPRETATION OF THE DATA:**

With comparison of pre-test, in post-test, mean value increased 51 to 57 in financial literacy and 51 to 54 in financial autonomy. Median increased 51 to 58 in financial literacy and 53 to 55 in financial autonomy. Mode value also increased and reached to 60 (heights).

Range reduces in post-test and standard deviation reduces significantly. Variance also reduced in post-test which shows that there is a significant change in post-test result after experimental learning.

Results of the Pearson correlation indicated that there is a significant large positive relationship between Score of Financial Literacy Post-Test and Score of Financial Autonomy Post-Test, ( $r(33) = .757, p < .001$ ).

Since the  $p$ -value  $< \alpha$ ,  $H_0$  is rejected. The population's correlation is considered to be not equal to the expected correlation (0). In other words, the difference between the sample correlation and the expected correlation is big enough to be statistically significant. The  $p$ -value equals  $1.43e-7$ , ( $P(x \leq 6.6531) = 1$ ). It means that the chance of type I error (rejecting a correct  $H_0$ ) is small:  $1.43e-7$  (0.000014%). The smaller the  $p$ -

value the more it supports  $H_1$ . The test statistic  $T$  equals 6.6531, which is not in the 95% region of acceptance:  $[-2.0345, 2.0345]$ . The 95% confidence interval of correlation is:  $[0.5666, 0.8706]$ .

Hence there is a significant difference between pre-test & post test scores of Girls School Students. Hence null hypothesis is rejected and alternative hypothesis is accepted and it is statistically significant.

**CONCLUSION:**

Hence in this experimental research researcher concluded that with great potential and for stable economic growth and economic prosperity of the young economy (like India) we need to emphasise for financial literacy programmes on financial autonomy of school students, specially girls and leads towards financial freedom. It will help for informed judgments and better effective decision making skills for the future. More correlation, developmental socio-economic variables etc need further studies and give more wings to researchers and policy makers.

**ACKNOWLEDGEMENT:**

- Financial Inclusion and Development





Department (2018): Financial literacy for school children by Reserve Bank of India.

- Nandi Sanjay (2020): Financial literacy: basic requirement of life: can start in school. Shodh Sarita Vol. 7, Issue 26, April to June 2020, India, pp. 22-24 ISSN - 2348-2397.

- **Webliography,**

<https://shodhganga.inflibnet.ac.in>, <https://www.academia.edu/>,  
[https://www.rbi.org.in/scripts/BS\\_SpeechesView.aspx?Id=1103](https://www.rbi.org.in/scripts/BS_SpeechesView.aspx?Id=1103), <https://www.researchgate.net/>

- **Useful online tools,**

<https://www.calculator.net>, <https://www.graphpad.com>,  
<https://www.statskingdom.com/180Anova1way.html>

**REFERENCES:**

Hahn Jinsoo (2014). *Financial Literacy of Korean High School Students*  
[https://www.academia.edu/8878164/Financial\\_Literacy\\_of\\_Korean\\_High\\_School\\_Students](https://www.academia.edu/8878164/Financial_Literacy_of_Korean_High_School_Students).

Holani P (2021). *Financial autonomy- a way towards personal growth*  
<https://www.viirj.org/vol12issue2/93.pdf>

Jariwala, H., (2014). *To study the level of financial literacy and its impact on investment decision- an in-depth analysis of investment in Gujarat state.* (Thesis, Ph.D. Management, Ganpat University, Gujarat.)  
<http://hdl.handle.net/10603/39626>

Schuchardt J., Sherman D. Hanna, Tahira K. Hira, Angela C. Lyons, Lance Palmer, and Jing Jian Xiao (2009): *Financial Literacy and Education Research Priorities*  
[https://www.afcpe.org/wp-](https://www.afcpe.org/wp-content/uploads/2018/10/schuchardt_hanna_hira_lyons_palmer_xiao.pdf)

[content/uploads/2018/10/schuchardt\\_hanna\\_hira\\_lyons\\_palmer\\_xiao.pdf](https://www.afcpe.org/wp-content/uploads/2018/10/schuchardt_hanna_hira_lyons_palmer_xiao.pdf) .

Schwab, K. (2010), *The global competitiveness report 2010-2011*, Geneva: World Economic Forum.,

<https://digitalcommons.brockport.edu/cgi/viewcontent.cgi?article=1000&context=honors>

Shah, Kamini (2019). *A study on Women empowerment through Financial literacy*, (2019) University News, 57(10), March 11-17, pp 16-24.

Nandi. S (2020). *Awareness and impact of Financial Literacy among secondary school students* (Unpublished master's thesis). M.Ed., Dissertation Work, University of Mumbai, Maharashtra.

Human Development Report 2021-22, (2023)  
<https://hdr.undp.org/data-center/documentation-and-downloads>

National Family Health Survey India (2019-21) (2023) *National family health survey (NFHS-5)*, page 117 [http://rchiips.org/nfhs/NFHS-5Reports/NFHS-5\\_INDIA\\_REPORT.pdf](http://rchiips.org/nfhs/NFHS-5Reports/NFHS-5_INDIA_REPORT.pdf)

National Strategy for Financial Inclusion (NSFI) 2019  
<https://rbidocs.rbi.org.in/rdocs/content/pdfs/NSFIREPORT100119.pdf>

**National Strategy on Financial Education 2020-25 - Keynote Address by Shri Shaktikanta Das, Governor, Reserve Bank of India**  
[https://www.rbi.org.in/scripts/BS\\_SpeechesView.aspx?Id=1103](https://www.rbi.org.in/scripts/BS_SpeechesView.aspx?Id=1103)

**Only 27% Indians are financially literate: Sebi's Garg**" - Financial Express November 24, 2020



ERJ

<https://www.financialexpress.com/market/only-27-indians-are-financially-literate-sebis-garg/2134842/>

U.S. Financial Literacy and Education Commission  
(2019) *Best Practices for Financial Literacy and Education at Institutions of Higher*

*Education.*

<https://home.treasury.gov/system/files/136/Best-Practices-for-Financial-Literacy-and-Education-at-Institutions-of-Higher-Education2019.pdf>

**Cite This Article:**

\* **Wadhvani H.D.** & \*\* **Mr. Nandi S., (2023).** *Impact of Financial Literacy Programme on Financial Autonomy among School Girl's For Economic Empowerment, Educreator Research Journal, Volume– X, Issue– II, March –April 2023, 75-84.*