



AWARENESS OF PERSONAL FINANCE AMONG WOMEN COMMUNITY

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Introduction:

Personal finance relates to the financial needs and the ways to meet that need. It includes savings, investments, planning to meet certain financial goals we need to lead our life in more comfortable way.

Personal finance caters to the priority among the individuals for assured comfortable life.

Personal Finance deal with management of funds earned. Keeping in mind the income sources and necessary savings, spending list has to be decided.

Familywise financial planning differs. Personal Finance plays a vital role that decides the standard of living of a person and his family.

In a male dominated society, personal finance is managed mostly by male candidates in the family. Since women have started earning for years now, they are supposed to take interest in managing their earned money. Non-working women also play a great role in financial planning as she knows the monetary outflows to lead daily life.

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The objective of the study:

- To know How much Women in Society knows about Personal finance.
- To understand participation of women in financial planning of the family.

The methodology used :

- ✓ **Primary data** : Questionnaire method
Sample study from women community inclusive of working, non-working and retired. 75 respondents
Discussion in female groups
- ✓ **Secondary data** : Articles, websites, blogs

Scope of Personal Finance:

- Personal Finance include all that where one needs money for making one's life worth living with some assured safe future especially after retirement or attaining the age as a senior citizen.
- Personal finance discusses the available income with available options for savings, investments, risk cover

by insurance policy, Tax liability, Tax saving investible options, monthly income plans after retirement etc.

- Financial intermediaries, Banks, Mutual funds, stock markets, Post office offer many investible options to help us find suitable alternatives as per our requirements.

Need of the Study :

- In a **nuclear family** with quite a limited family members, the necessity is felt that family members should have necessary knowledge of the financial matters of their family.
- **Inflationary conditions** create restrictions to balance income and expenses keeping aside savings for emergencies
- —**Pandemic situation** raised questions about financial management when income sources took a pause for quite a longer time span.



- Recent **COVID 19 affected period** posed challenges to necessary spendings for a family.
- The **lockdowns** leading to loss of jobs, closure of business created difficulties for women to manage family financial affairs.
- In Some cases of Death of breadwinner husband in a family left wife with total ignorance about investments, insurance cover, loan liabilities leading to more insecurity of the future.
- Rising cases of single woman with dependents in family
- Increased rate of divorce cases, untimely death of husband/ father
- Notable rise of children settling abroad leaving senior citizen parents to manage their affairs.
- **Male dominated society** keeping women in the family away from financial planning

❖ **The advisable period to start working on Personal Finance :**

Once one starts a job and starts earning can be the ideal period to start thinking on funds management.

This will realise the person how more he needs to earn and how to keep his spending list in control.

Woman in a family is an important member to run the house. She knows where she needs money to cater to the basic needs of all family members. Once she starts managing the family financial matters, she starts understanding more about personal finance. Here there may be differences as far as each family is concerned.

❖ **The Past and Present scenario:**

- In earlier years, ladies in the family were not given authority to manage funds. Since ours is a male dominated society, financial matters considering important to be handled by able person especially the earning father/ husband, woman was not at all considered a member to be taken into consideration over financial affairs of the home. This deprived women community in

the society to manage finance related matters of the family. Even in case of death of husband or father, other male members in the family used to take charge of the financial affairs of the house. Often kitchen and looking after children and old age persons was considered the sole responsibility of the women in the family.

- Things changed as the Joint family size reduced to nuclear family. This radical change gave some opportunity to the female member of the family to handle financial matters to some extent.
- As girls started getting educated, their awareness and confidence raised with opportunity to work and earn. As she started earning, she realized more the management of funds. Keeping shopping list in control and save for the emergencies became her priority. She started thinking for options to save money. **Bank Savings account** became her treasury. Then she realized the value of keeping money in **Fixed deposits** attracting rate of interest that increases her savings. **Postal savings schemes** was another option as postal agents in nearby vicinity known to her narrated one investible option.
- As she started getting promotions, increments, good salary package she started looking more options. **Investment in Gold** was one religious cause to invest money. Gradually she started listening from media and others about Mutual funds. She got more inputs from family and friends and started investing in **Mutual funds, Public Provident fund.**
- As she approached retirement, she needed to plan for post-retirement period. She took help of financial experts, investment consultants to invest her retired benefits to assure monthly income to her.
- The involvement of non- working women in the financial planning and handling financial affairs



depend upon the trust and confidence the family members show towards her. But it is advisable that she must know basic things to handle bank accounts.

- From various incidents it is understood that every woman in the family should have sufficient knowledge of the financial affairs of the home. Her involvement in the financial planning will make her more alert, cautious towards spending and savings.
 - In case of emergencies every woman should be able to make arrangements of funds. For that she should have knowledge of bank accounts, investments, insurance cover and process to withdraw money, put insurance claims etc.
- ❖ **The need of awareness and participation of women in financial affairs of the family was felt quite more during Pandemic of COVID 19.**
- ✓ The family members required hospitalization, medical treatment for which *funds management became need of the hour.*
 - ✓ *Many lost their jobs.* So regular monthly income stopped till the situation became normal. Some received less pay due to lockdowns and restrictions on the movements.
 - ✓ Many faced the *difficulty of repaying home loans* especially during this period.
 - ✓ **Health insurance** gained more recognition due to unexpected rise in medical expenses of the family.
 - ✓ *Insurance claim settlement cases increased* due to death of insured persons.
 - ✓ Financial burden increased on families with *uncertain income.*
 - ✓ *Arrangements of digital devices* became necessary due to distant learning and work from home policy.
 - ✓ *Online transactions became necessary* due to social distancing and lock downs.

All these matters highlighted the need of women in the family to have knowledge of handling monetary transactions and related matters.

The points below require attention by female members in the family.

- **Bank accounts** of all family members and the respective passbooks, cheque books, ATM cards, debit cards, credit cards
- **Life Insurance and Health insurance cover** for individual, and for family, insurance policy documents, procedure to put up insurance claim
- **Investment documents**, FD receipts, Postal investment certificates
- **Loan documents** if any, repayment schedule and loan liability
- Accounts from where regular bills payment take place towards insurance premium, electricity charges, telephone expenses, house maintenance charges, educational fees etc.
- **Nominations** for Bank accounts, provident fund, investments
- **Agreement** of ownership home
- **Insurance policy cover documents of personal vehicles**
- **Important Passwords** of accounts, lockers
- **Important files** having details of investments, agreements

Suggestions :

- ✓ The female members should not remain dependent on the male members of the family as far as financial matters are concerned.
- ✓ Male members in the family should consider the opinions of the female members in the family.
- ✓ Female member should get opportunity to learn how to handle funds at least at family level.
- ✓ Male members should leave that thinking that ‘ I am there to look after everything about money matters. Women in the family need not have to give attention.’



Literature Review:

• Women's financial planning for retirement

Satish_Kumar,_Sweta_Tomar,_Deepak_Verma

International Journal of Bank Marketing ISSN: 0265-2323

Article publication date: 13 September 2018

Issue publication date: 13 February 2019

The purpose of this paper is to examine the status of the research on women's financial planning for retirement. This paper provides a brief review of the work carried out so far along with a conceptual framework of factors influencing women's retirement financial planning. In addition, it lists significant gaps and recommends avenues for future research.

Most of the literature on women's financial planning for retirement indicates a lack of financial management amongst women and their susceptibility to poverty in postretirement years. The majority of the research works in this field have taken place in developed economies. Empirical research with regression-based models for analysis is the most popular research design. This review also highlights the significant determinants of women's retirement financial planning as identified through literature. These include socio-demographic factors, psychological constructs, financial literacy, economic and circumstantial forces.

• Financial Literacy and Women: A Review Of Literature Ruchi Jain (April 2021)

Ruchi Jain April 2021

Financial literacy is the knowledge acquired by an individual who then uses it to attain the best of its financial resources in hand. Therefore, attaining financial literacy is very vital as it gives a person to get the maximum output from its resources. This paper aims in understanding how the terms financial literacy and women come together to build a better economy for their country and in the process develop a sense of individualism and women empowerment. Through the Global Financial Literacy Excellence Center recent

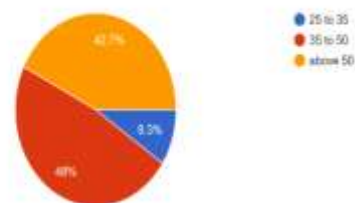
study on the gender gap, this paper attempts to learn and analyse the gender gap that has been rendered and the

suggestions to avoid the gender gap in future.

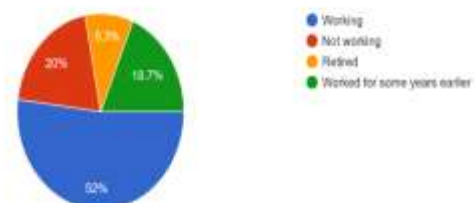
Primary Data Analysis :

Respondents : 75 ladies

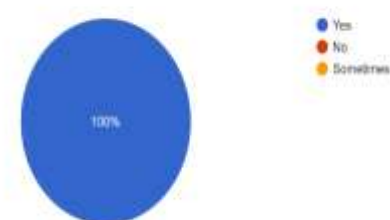
Age group
75 responses



Status
75 responses



1. Do you think it necessary to do financial planning well in advance?
75 responses



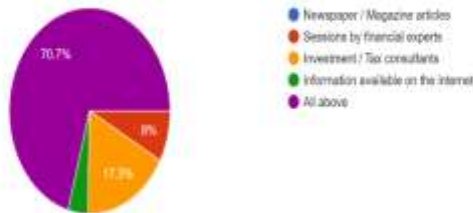
2. Does financial planning helps to make future more assured and secured ?
75 responses





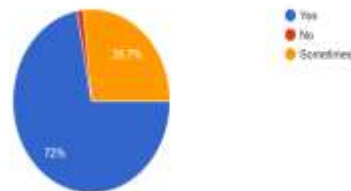
3. Which of the following offer guidelines useful for managing personal finance?

75 responses



4. Do discussion within family/ friends help in deciding investible options ?

75 responses



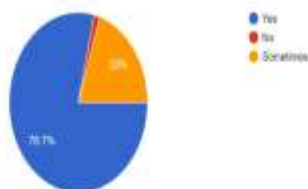
5. Has Pandemic highlighted the necessity of health insurance ?

75 responses



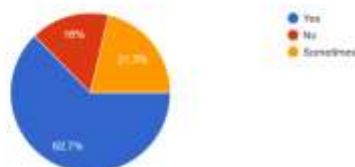
6. Do you participate in decision making while doing investments?

75 responses



7. Do you handle some work related to financial matters? (Making investments/ handling bank accounts/ enquiring with consultants for tax saving investible options etc.)

75 responses



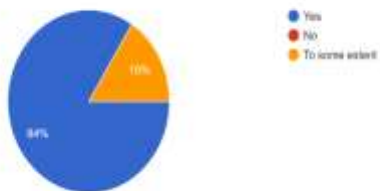
8. Are you aware about the Risk and Return concept in Investments ?

75 responses

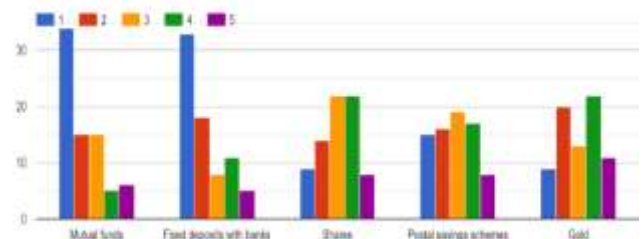


9. Do you think that Pandemic made realise people the importance of financial planning ?

75 responses

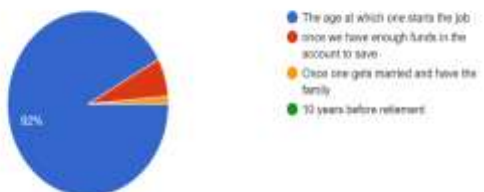


10. Which options you prefer to invest with preference ? (Mark the option with preference order)



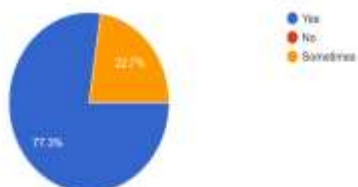
11. Which stage do you think is the proper to start doing planning to manage personal finance?

75 responses



12. Is your opinion/ suggestion listened while deciding on personal finance?

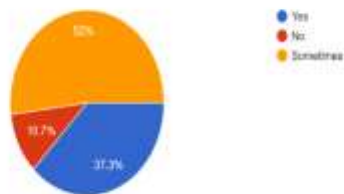
75 responses



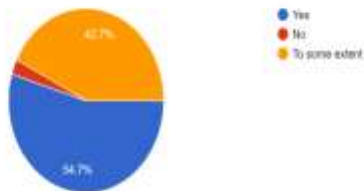
13. Do you know how much is monthly expenses of your family?
75 responses



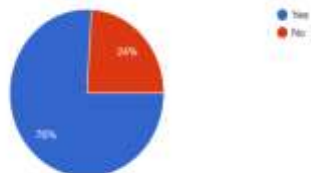
14. Do you restrict family spending to attain decided financial goals?
75 responses



15. Are online mode options, procedures helping to work on personal finance?
75 responses



16. Do you feel you should give more time and get more information to take decisions for financial planning?
75 responses



Conclusion :

- ✓ There is acute need to create awareness among women community in regard to financial matters at least at home front.
- ✓ Male members in the family should leave their thinking as they are there to look after all financial affairs of family and there is no need for the female members in the family to look into financial planning of family.
- ✓ Women should take interest and read more, get knowledge of various investible options and must keep themselves updated for making their future more secured.
 - With hope to have more financial literacy rate of female members in coming days.....let's spread the word and help each one of us to strengthen the women community from all income range.
 - Financially aware and conscious woman will lead her life and home status better making the society stronger ultimately leading to *Atmanirbhar Bhartiya Nari*.

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