

IMPLEMENTATION OF FINANCIAL LITERACY AN INTERNSHIP PROGRAMS: A STUDY IN THE LIGHT OF NEP 2020

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Abstract:

An internship in financial literacy is the study or determination of an internship of finance literacy in light of NEP 2020. This research paper explores the implementation of financial literacy and internship programs within the framework of the National Education Policy (NEP) 2020. In an era marked by economic complexities and rapid technological advancements, fostering financial literacy and providing practical exposure through internships is crucial for equipping among the youth with the necessary skills for a dynamic future. The NEP 2020 emphasizes holistic education, skill development, and experiential learning, making it imperative to investigate the integration of financial literacy and internships within this policy framework. NEP 2020 has implemented the current education system, the 10+2 system to be replaced by a new 5+3+3+4 curricular structure corresponding to ages 3-8, 8-11, 11-14, and 14-18 years respectively. And also the financial literacy of an internship given the most importance by undergraduate and postgraduate students. Implementing the NEP 2020. Has been given more importance.

KeyWords: *financial literacy, National educational Policy, Financial Education, Internship Programs, vocational training.*

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Introduction:

Financial literacy:

Financial literacy is more than just balancing a checkbook or saving spare change. It's about empowering yourself to make informed decisions that align with your goals and values. It's about understanding the intricacies of budgeting, saving, investing, and managing debt. It's about knowing how to protect your assets and make your money work for you. In essence, financial literacy is the key to unlocking a world of financial possibilities, allowing you to take control of your financial well-being and achieve your financial aspirations.

Main components of Financial Literacy:

Financial literacy encompasses a range of essential financial concepts and skills. Here are some of the key pillars that form the foundation of financial understanding:

- 1. Budgeting:** Budgeting is the cornerstone of financial management. It's about creating a roadmap for your money, ensuring that every dollar serves a purpose. By tracking your income and expenses, you can identify areas where you can cut back, allocate funds effectively, and achieve your financial goals.

2. **Saving:** Saving is not just about putting money aside for a rainy day; it's about building financial security and preparing for the future. Whether you're saving for a down payment on a home, a dream vacation, or retirement, cultivating a savings habit is essential for long-term financial success.
3. **Debt Management:** Debt is a common financial reality, but managing it wisely is crucial for financial stability. Understanding the different types of debt, their impact on your finances, and effective debt management strategies is essential for achieving financial freedom.
4. **Setting Financial Goals:** Setting realistic and achievable financial goals is a powerful motivator and a driving force for financial success. Whether you're aiming to save for a specific purchase, eliminate debt, or build wealth for the future, clearly defined financial goals provide direction and purpose.
5. **Understanding Income:** Your income is the foundation of your financial well-being. Understanding different sources of income, such as traditional employment, investments, and side hustles, empowers you to make informed decisions about how to maximize your earning potential.
6. **Introduction to Investments:** Investing can be a powerful tool for building wealth over time. Understanding the basics of investments, including stocks, bonds, and real estate, provides the knowledge necessary to make informed decisions about growing your money and achieving your financial goals.

An internship financial literacy:

Among a few, literacies like cyber literacy, social literacy, ecological Literacy, health literacy, financial literacy, emotional literacy, media literacy, computer literacy and so on, financial literacy is one the most important but underrated and neglected one. Financial literacy is the cognitive understanding of financial components and skills such as budgeting, investing, borrowing, taxation, and personal financial management. Being financially literate allows an individual to be better prepared for specific financial roadblocks, which, in turn, decreases the chances of personal economic distress. Achieving financial literacy is crucial in today's society due to everyday facets of life, such as debts, student loans, mortgages, credit cards, investments, and health insurance. It is crucial for youth especially, to have a basic understanding of finance in order to be able to effectively manage their expenses and avoid any financial instability in the future. Being Financially literate will further allow youth to make better financial decisions, effectively manage their money and debt, reduce their expenses through better regulation, lead to less financial stress and anxiety, increase ethical decision-making when selecting insurance, loans and investments.

New National Education Policy:

Recently, the Union Cabinet has approved the new National Education Policy (NEP), 2020 with an aim to introduce several changes in the Indian education system - from the school to college level. The NEP 2020 aims at making "India a global knowledge superpower". The Cabinet has also approved the renaming of the Ministry of Human Resource Development to the Ministry of Education. The NEP cleared by the Cabinet is only the third major revamp of the framework of education in India since independence. The two earlier education policies were brought in 1968 and 1986. The current 10+2 system to be replaced by a new 5+3+3+4 curricular structure corresponding to ages 3-8, 8-11, 11-14, and 14-18 years respectively.

History background of NEP 2020:

The **10+2 system** is substituted with a **5+3+3+4 system**. This pedagogical transformation aims at bringing multiple pathways to learning. This policy does not increase the number of years it just breaks down the existing structure and reframes it. The new structure is divided based on cognitive developmental stages, that is, early childhood, school years, and secondary stage.

Stage 1: Foundation stage (5 years program):

It is given the name of the '**Foundation stage**'. Children of age group 3 to 8 fall in this category. It encompasses the first three years of a child at Anganwadi/preschool/ playschool and kindergarten catering up to 3 to 6 years of age. To the same set, children aged 6 to 8 years who will be in grades 1 or 2 are also added to keep pace with their language skills, basic concepts, and activity curriculum.

Stage 2: 'Preparatory stage' (3 years program):

It is categorized as the '**Preparatory stage**'. Includes students from classes 3rd to 5th. Their age group varies from 8 to 11. From now onwards, more attention will be diverted to the cognitive development of the child starting from classroom activities to interactive classroom learning sessions to making them understand numeracy skills. Till class fifth, the medium of language between the student-teacher would **either be a regional one or mother-tongue as decided by the state**.

Stage 3: 'Middle stage' (3 years program):

This is regarded as the '**Middle stage**'. It came into play for students of classes 6th to 8th. Coding will be taught from class 6th onwards to develop critical thinking. Promote experiential learning, learning in sciences, mathematics, social studies, and arts. It discouraged rote learning and promoted analytical and critical development.

Stage 4: Secondary stage (4 years program):

It is the '**Secondary stage**'. It includes classes 9th to 12th. It includes a multidisciplinary study where students can pick any combination of subjects they want.

Objectives of Study:

- 1- To study the NEP 2020
- 2- To study the Financial Literacy among youth
- 3- To study the Implementation of internship of financial literacy in the light of NEP 2020
- 4- Assess the effectiveness of financial literacy internship programs.

Literature Review:

Agarwal, Barua & others (2013) mentioned in their working paper that the level of financial literacy among the working youth in urban India is not satisfactory. Among the three dimensions namely financial knowledge, behavior and attitude, financial knowledge got the lowest score. Despite the high education level of the respondents, that does not translate into adequate financial literacy. Researchers suggested including relevant material on financial literacy in the general education program of schools and colleges.

Research Methodology:

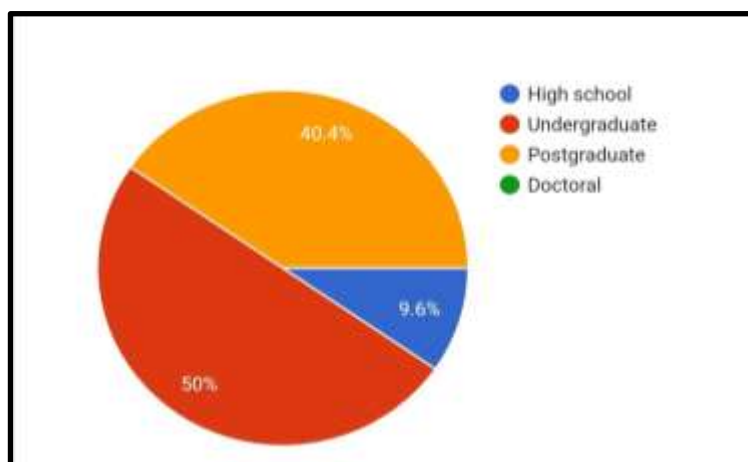
Primary Data: Research is done through observation and data collected through questionnaires

Secondary Data: Secondary data is collected through journals, books, and websites.

Sample Size: The sample size is determined as 50 respondents' opinions from the customers and shops.

Data Analysis & Interpretation:

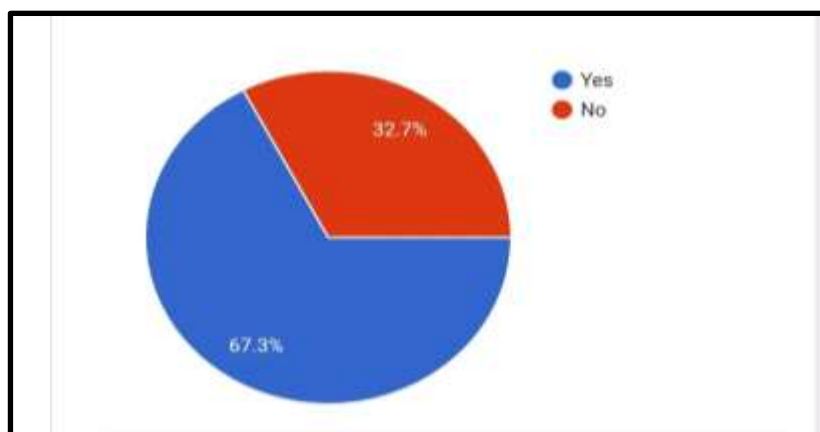
1. What is educational background?



Interpretation:-

In the above Pie Diagram, you can see that there are different streams of respondents who have given their responses. So you can see that maximum responses from undergraduate level i.e. 50% and 40.4% from postgraduate level and remain from high school.

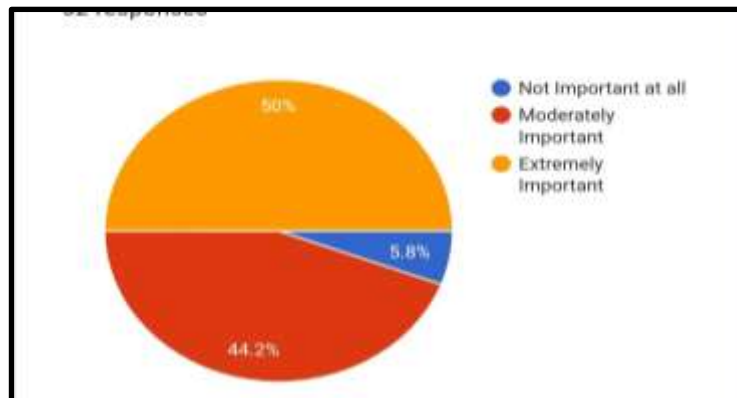
2. Have u participate in any financial literacy programs before the internship



Interpretation:-

In the above Pie Diagram, you can see that 67.3% respondents have participated in the financial literacy internship program and the 32.7% respondents have not participated in the financial literacy internship program.

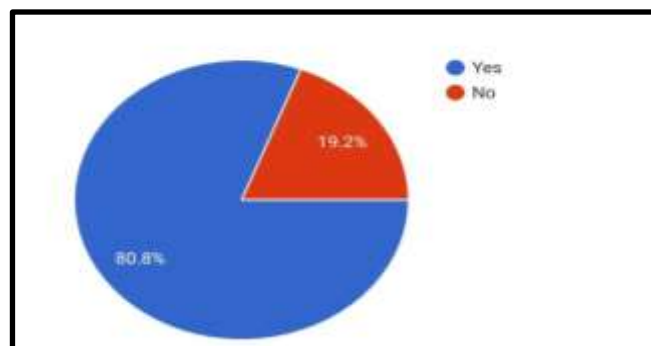
3. How important do you consider financial literacy in current education system



Interpretation:-

In the above Pie Diagram, you can see that 50% respondents responded that financial literacy in the current education system is extremely important and the remaining 44.2% respondents were given moderately important financial literacy and 5.8% not participating in the financial literacy.

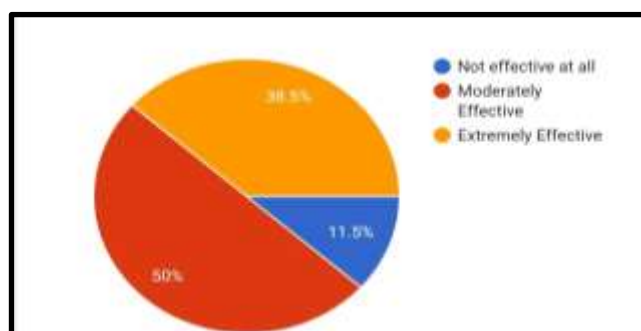
4. Have you applied any concept or skills learned during the internship to your personal financial management?



Interpretation:-

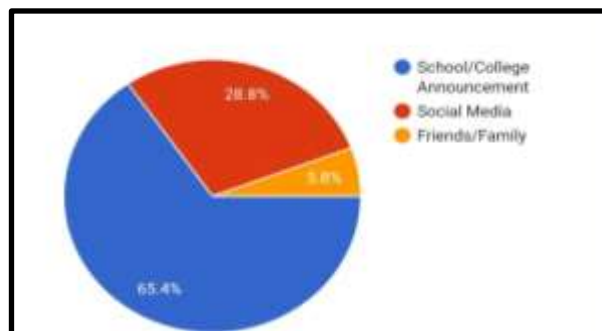
In the above Pie Diagram, you can see that 80.8% respondents responded to the concept or skills learned during the internship to your personal financial management and the remaining 19.2% respondents were not given financial literacy management.

5. Financial literacy compared to traditional classroom teaching methods



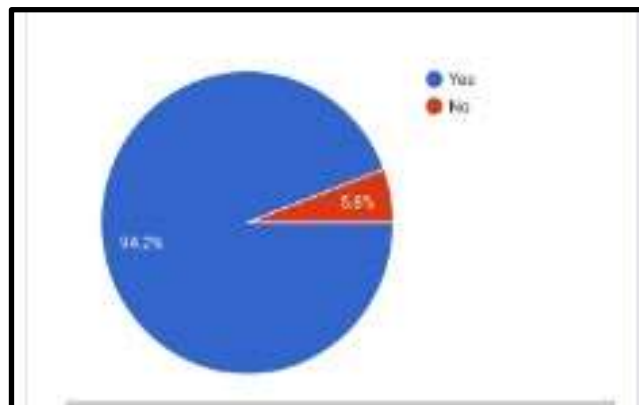
Interpretation:- In the above Pie Diagram, you can see that 50% respondents responded that moderately effective compared to teaching classroom teaching methods and 38.5% extremely effective and 11.5% not effectively.

6. Financial literacy internship program



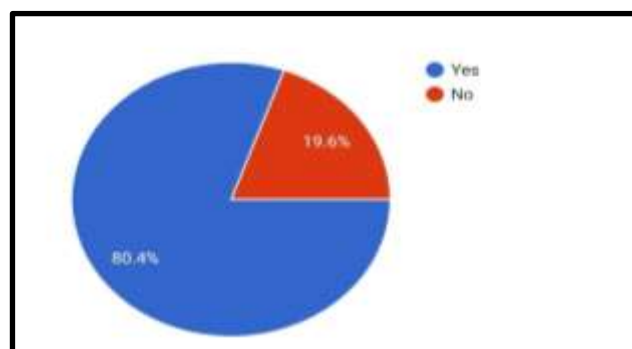
Interpretation:- In the above Pie Diagram, you can see that 65.4% of respondents responded that financial literacy programs are from college and 28.8% from social media and the remaining 5, 8% from friends and family.

7. Do you feel more confident in managing personal finances after completing the internship?



Interpretation:- In the above Pie Diagram, you can see that 94.2% respondents responded that people feel confident while completing an internship.

8. Have you applied any concept or skills learned during the internship to your personal finance management.



Interpretation:-

In the above Pie Diagram, you can see that 80.4% respondents responded that they have applied for skills learned during the internship to personal management.

Conclusion:

1. As part of NEP 2020, vocational education will be re-positioned as an important and dignified part of society and the education system as a whole. Students can choose their career paths based on their interests and abilities through vocational education that is recognized, respected, and afforded equal opportunities.
2. NEP 2020 holds a new era for vocational education in India. By giving due importance to vocational education and integrating it into mainstream learning, the policy aims to empower students. And, with the right implementation and sustained efforts, NEP 2020 can potentially transform India's education system.

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