A STUDY ON FINANCIAL LITERACY AMONG COLLEGE GOING GIRL STUDENTS OF KERALA

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Abstract

Financial literacy is often known to be the essential knowledge of financial matters and desirable attitudes which leads to outcomes related to money and finance. It is the ability to make informed judgments take effective decisions regarding the use and management of money. It enables individuals to improve their overall wellbeing and plans to secure their future. Students have tremendous scope to develop an ideal financial way of life that would tap their future earnings towards achieving financial wellbeing. The present study is conducted among 100 college going girl students at the undergraduate and post graduate levels in Arts and Science Colleges of Kottayam, Kerala with a view to understand their level of financial literacy with respect to their financial knowledge and financial Attitudes.

Key words: Financial Literacy, Financial Knowledge, Financial Attitude, College going Girl Students.

I. INTRODUCTION

Financial literacy is often known to be the essential knowledge of financial matters and desirable attitudes which leads to outcomes related to money and finance. It is an ideal measure to examine financial literacy through a combination of its most likely dimensions – financial knowledge, behaviour and attitude. The lack of a very high level of association among these different dimensions also supports such a combined measure to better capture the financial literacy. (Komal et.al, 2017). Research has been conducted globally for measuring the level of financial literacy. And also financial literacy survey has been conducted at country level by the governments. Most of the surveys have thrown light on their poor level of financial literacy.

Financial literacy is mainly concerned with better planning of retirement life, gradual wealth accumulation and better financial decision making. So to be financially literate becomes important from the initial stages of education to that of acquiring one’s career. Being financially illiterate leaves individuals with incompetent knowledge about financial dealings and illogical decisions. Therefore it is imperative to have acquaintance with financial knowledge and tools essential to make informed decisions, from the time of studentship (Sekar and Gowri, 2015). Financial literacy impacts the promotion of financial empowerment which ultimately results in financial stability of not only the
individuals but also to strongly build up any economy.

II. NEED AND SIGNIFICANCE

For a girl, in today's world, economic security is a key component of economic opportunity. It is the way in which girls adapt to the changing world and workforce, which determine, how they would improve their stability and generations ahead. Girls at the higher educational levels (college students) are the immediate pool of intellectual human resources which adds to the total workforce of the economy. When a girl student become financially literate, it helps them equip the ability to make financial decisions and identify the best use of the economic opportunities in not only running their families in a disciplined manner, but also to help them gain empowerment.

Thus the present study was conducted to examine the status of financial literacy among college going girl students of Kerala, the highest literate state in India (Kerala Census Report, 2011) with a view to understand their financial knowledge and attitudes.

Operational Definition

The key terms of the study have been operationally defined:

1. Financial Literacy: is the ability to use knowledge and skills to manage financial resources effectively for a life time. In the present study financial literacy is examined combining financial knowledge and financial attitude of girl students.

2. Financial Knowledge: Refers to the key element in making sounds financial decisions. In the study the concept is framed upon a score chart based on basic financial concepts, simple numerical calculations and credit management techniques.

3. Financial Attitude: Psychological tendency expressed in financial management practices with some degree of agreement or disagreement.

4. College-going girl students: Graduate and Post Graduate level girl students studying in Arts and Science Colleges of Kottayam, Kerala.

5. Kerala: The southern state of India on the Malabar Coast. In the present study Kottayam, the highest literate district represents Kerala.

Objectives of the Study

1. To examine Community and Educational Status of the Girl students.
2. To examine the Relationship between Financial Knowledge and Educational Status of Girl students.
3. To Identify the Financial Attitudes of Girl students.

Hypothesis

H1: There is a significant difference between Financial Knowledge and Educational Status of Girl students.

III. METHODOLOGY

The study was undertaken among 100 College going Girl Students of Arts and Science Colleges in Kottayam, Kerala. According to Kerala Census Report 2011, Kottayam ranks first in terms of literacy among the districts of Kerala. Purposive sampling method was used to carry out the study concerned. Structured questionnaires and unstructured personal interviews were conducted among the respondents to gather primary data. Information from books and journals served as secondary data. Statistical tools such as Anova and simple graphs are used to satisfy the objectives of the study concerned.
IV. RESULTS AND DISCUSSION

The results pertaining to the study are discussed as follows –

a) Community and Educational Status of Girl Students.

Table 1 Community and Educational status

<table>
<thead>
<tr>
<th>Age(yrs)</th>
<th>Educational status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Graduation Post Graduation Total</td>
</tr>
<tr>
<td>SC</td>
<td>12 1 13</td>
</tr>
<tr>
<td>***OBC</td>
<td>33 18 51</td>
</tr>
<tr>
<td>***ST</td>
<td>4 0 4</td>
</tr>
<tr>
<td>***GEN</td>
<td>27 5 32</td>
</tr>
<tr>
<td>Total</td>
<td>76 24 100</td>
</tr>
</tbody>
</table>

Table 1 represents a cross tabulation of Community and Educational status of college going Girl students. It is shown that Girl students both at the graduate (33 percent) and postgraduate levels (18 percent), in arts and science colleges of Kottayam, belong to the OBC category. On a comparison, the backward community students have a higher percentage representation (68 percent) than the General category students (32 percent). This reveals that such educational institutions encourage the intellectual upliftment of the socially and educationally backward classes.

b) Financial Knowledge and Educational Status of Girl students

H1: There is a significant difference between Financial Knowledge and Educational Status of Girl students

Table 2 Financial Knowledge and Educational status ANOVA

<table>
<thead>
<tr>
<th>Sum of squares</th>
<th>df</th>
<th>Mean square</th>
<th>F</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>3.622</td>
<td>10</td>
<td>.362</td>
<td>1.949</td>
</tr>
<tr>
<td>Within groups</td>
<td>16.538</td>
<td>89</td>
<td>.186</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>20.160</td>
<td>99</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The results from the Analysis of Variance reveals that there is no significant difference between groups as determined by one-way ANOVA (F (10, 89) =1.949, p=.049). Thus there is no relationship between Financial Knowledge and Educational Status of Girl students.

c) Financial Attitude of Girl students

Fig.1 Financial Attitude

Source: Primary data survey
The figure provides a clear picture regarding the financial attitude of College going Girl students. Financial attitude was based on a five-point scale on the basis of ten statements that reflects attitudes on financial responsibility, commitment, planning and documentation. The statements were the following:

1. I help others in financial needs: Based on the first statement, it is found that 19 percent of the respondents are in agreement, 11 percent being neutral and 70 percent are on disagreement. It reveals since majority of girls come from backward communities, and are receiving financial benefits in the form of scholarships and endowments from government, they are likely to be self centered and not troubled by the financial constraints of girls from other communities.

2. I borrow money from friends: Based on the statement, it is found that 11 percent of the respondents are in agreement, 16 percent being neutral and 73 percent are on disagreement. This shows a lack of self respect that girls have upon them that does not prevent them from financially dependent on others away from family.

3. I like to save rather than to spend: Based on the statement, it is found that 60 percent of the respondents are in agreement, 9 percent being neutral and 31 percent are on disagreement. It is found that majority of girls like to save more. This reflects a positive attitude among girls towards a good financial discipline.

4. I am interested in learning about stock markets and shares: Based on the statement, it is found that 73 percent of the respondents are in agreement, 12 percent being neutral and 15 percent are on disagreement. It is understood that young girls are positive towards growing their investments and shares. If they are acquainted with such investment avenues, it would help them to become more financially informed.

5. During a financial crunch i am prepared to take loans from private money lenders: Based on the statement, it is found that 67 percent of the respondents are in agreement, 14 percent being neutral and 19 percent are on disagreement. This shows ignorance of girls about heavy interest rates and exploitations on part of money lenders and also the urge to avail easy money. This attitude is likely to put them in debt traps.

6. I am aware of my family’s income and expenditure: Based on the statement, it is found that 18 percent of the respondents are in agreement, 11 percent being neutral and 81 percent are on disagreement. This calls attention not only towards the revelation that girls do not involve themselves in understanding their own family’s income and expenditure, but also lack concern and participation in day-to-day family affairs.

7. I feel financial freedom and status when I possess credit cards: Based on the statement, it is found that 77 percent of the respondents are in agreement, 4 percent being neutral and 19 percent are on disagreement. This reflects the extent to which banks and advertisements have influenced the respondents’ mindset that possession of credit cards is a privilege which makes life easy.

8. I am willing to take up all the financial responsibilities in my family when I get a job: Based on the statement, it is found that 32 percent of the respondents are in agreement, 5 percent being neutral and 63 percent are on disagreement. It is found that majority of the girls are not willing to take up financial responsibilities of the family after getting a job. This shows the lack of financial commitment towards their families.

9. Keeping records of financial matters is too time-consuming: Based on the statement, it is found that 11 percent of the respondents are in agreement, 16 percent being neutral and 73 percent are on disagreement. However, this shows a positive attitude towards maintaining financial records. This also
reflects the fact that the girls are capable to become financially disciplined in future.

10. *Before I buy something, I carefully consider whether I can afford it.* Based on the statement, it is found that 19 percent of the respondents are in agreement, 11 percent being neutral and 70 percent are on disagreement. This shows that girls, if given some amount of money prefer to spend more even without considering it is affordable or not. This is contradictory to statement 3 stated above. This shows the trend of girls towards irrational consumption and the inability to separate essentials from superfluity.

To summarise, girl students perspectives towards financial attitude is negative, which is not conducive for a financially secured future. The percent of disagreement in statements 1, 2, 5, 7, 8, and 10 nullifies all the positives trends of financial literacy possessed with respect to statements 3, 4 and 9 respectively.

**Conclusion**

The study undertaken among Girl students in Arts and Science Colleges, in Kerala, mirrors the fact that irrespective of the level of education (graduation and the post graduation), financial knowledge among girl students are found to be poor. Though 68 percent of the students belong to the backward community, receiving educational benefits from the State, their value towards money is under question. Students are found to be self centered and carry irrational perspectives and notions about handling money. Students, interested in keeping financial records on one hand, are found to spend money, without thinking whether they can afford it or not. 81 percent of girl students remain unaware and stands aloof from their families’ day-to-day income and expenditure affairs, with a ‘don’t care’ attitude. They are also unwilling to take up financial responsibilities in families even after acquiring jobs in the future. This not only puts the financial security of families under stake, but also blames the underlying norm followed in the society that ‘Earning income and feeding own parents are solely the boy’s duty….and that the girl is meant for another family’. These display discrepancies and inconsistency in the attitude of Girl students towards finance and money matters. Thus the study calls immediate attention on part of the higher educational institutions and educational policy makers to initiate and advocate financial education as an essential part of the curriculum. This would help the student community to equip themselves with the ability to make ideal financial decisions, identify the best use of the economic opportunities and to become financially disciplined and committed to oneself and to others.

**V.** **REFERENCE**

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