

EMPOWERING WOMEN: FINANCIAL INDEPENDENCE AND DECISION-MAKING DYNAMICS IN MODERN SOCIETY

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Abstract

Purpose: The present research study is undertaken to study the women empowerment with respect to financial independence and decision making potentials of women. **Design/ Methodology:** Primary data for the research study was collected from 150 women respondents who reside in Mumbai. Convenient sampling method was used to collect the data from women respondents. **Findings:** It was found that women were financially independent and they do take their financial decisions on their own. **Practical Implications:** The present study will help us to understand the empowerment of women with respect to their financial management skills and encourage them. **Originality/ value:** The study emphasizes that women are financially independent and they do take their financial decision based on their own analysis and judgement.

Keywords: Financial Independence, Financial Decisions

INTRODUCTION

Financial independence is undeniably a cornerstone of individual empowerment and autonomy, crucial for one's personal and professional growth. It signifies a state where individuals have the means to support themselves financially, without relying on external sources such as family members or spouses. However, despite the increasing participation of women in the workforce and their capacity to generate substantial income, there persists a prevalent pattern of financial dependence among them in many societal contexts.

In numerous instances, women find themselves in a position where they are economically capable of sustaining themselves, yet remain reliant on their family or spouse for financial decision-making. This phenomenon highlights a complex interplay of socio-cultural norms, institutional barriers, and individual attitudes that shape women's financial behaviour.

Various factors contribute to this phenomenon. Firstly, entrenched gender roles and societal expectations often dictate that financial matters are primarily the domain of men, relegating women to secondary roles in decision-making processes. This ingrained perception can deter women from actively engaging in financial planning and investment activities, leading them to defer such decisions to their male counterparts or family members.

Moreover, historical disparities in access to education and financial literacy programs have perpetuated a lack of confidence and knowledge among women regarding financial matters. As a result, they may feel ill-equipped to navigate the complexities of investment strategies or financial planning independently, opting instead to rely on others for guidance.

Furthermore, structural barriers such as unequal pay, limited access to credit, and discriminatory practices in the financial sector can impede women's ability to attain true financial independence. These systemic inequalities exacerbate their dependence on familial or spousal support for financial stability.

Addressing these challenges requires a multifaceted approach that encompasses both structural reforms and cultural shifts. Initiatives aimed at promoting financial literacy among women, enhancing their access to resources and opportunities in the financial realm, and challenging gender stereotypes surrounding money management are essential steps towards fostering greater financial autonomy.

Ultimately, empowering women to assert control over their financial futures not only benefits individuals but also contributes to broader societal goals of gender equality and economic development. By dismantling barriers to financial independence and promoting inclusive decision-making processes, societies can unlock the full potential of women as economic agents and catalysts for positive change.

Present research study is undertaken to study the financial independence of women and their financial decisions based on their level of independence.

REVIEW OF LITERATURE

(Yadav, 2017) in their research study has attempted to study the financial literacy of women in today's world. The researcher has collected primary data from women faculties of University of Allahabad. Financial literacy of women faculties were measured in terms of basic and advance financial literacy. The study concluded that financial literacy level of women faculties were low with respect to questions of compound interest and inflation, stock market and unit trust etc. The study suggested that government and financial institutions should create awareness about financial literacy for women so that they can take informed and wise decision for their finances.

(AARA & ARUNKUMAR, 2022) in their research study has made an attempt to study financial independence of women who were home makers in Coimbatore city. The study concluded that women home makers were financially independent and were appreciated by their family members for their financial spending.

OBJECTIVES OF THE STUDY

- To study the demographic profile of women with reference to Mumbai.
- To analyse financial independence of women with reference to Mumbai.
- To find out factors influencing financial decisions of women with reference to Mumbai.

RESEARCH METHODOLOGY

Methods of data collection: Primary data collection methods were used for research study. For collection of primary data, researcher has prepared questionnaires and survey forms to collect data from women respondent.

Sampling Method: Researcher has used convenient sampling method to get the samples for the collection of primary data.

Sample Size: The sample size for the study is 150 respondents from Mumbai Region.

Statistical Tools and Techniques: Frequency and percentage has been used for data analysis. Further weighted mean and ranking has been used for analysis of Likert scale data.

SCOPE OF THE STUDY

The scope of the study is focused to collect primary data from women to understand their financial independence. The researcher has tried to study the demographic factors to understand the background of the women which will help us to understand their financial independence.

LIMITATION OF THE STUDY

The present research study is limited to study the financial independence of women for their financial decisions. Other factors like financial literacy and knowledge of women are not covered in the study.

Data Analysis and Interpretations:

The present study aims to find out financial independence of women with respect to their financial decision. The researcher has tried to analyse financial independence of women with various parameters as mentioned in the tables and charts in the paper.

Table no.1 depicts the demographic profile of women respondents with respect to age, qualification, occupation, monthly income and marital status.

From the table no. 2 it can be seen that own salary is the source of finance for approximately 84% of the women respondents whereas for approximately 22% of the respondent's spouse/ partner is a source of finance. The table no.3 shows that approximately 95% of the respondents have their own saving bank account to manage their finances and still approximately 5% of the respondents don't have their own saving bank account.

It can be seen from the graph no.1 that approximately 93% of women respondents are using debit card services whereas approximately 68% of women respondents are using Net banking services to manage their finances. Approximately 69% of women respondents are using mobile wallet like paytm/ G-pay to manage their finance. From the table no. 4 it can be seen that saving bank account is the 1st option used by approximately 72% of women respondent to save their money whereas fixed deposit and mutual fund ranked 2nd in the list of investment options exercised by women respondent. Investment in gold and stock market ranked 4th and post

office investments and real estate ranked 6th and 7th respectively in the above list. Investment in PF/PPF along with RD and LIC ranked 8th and 9th respectively amongst the other preferences for investment.

In the table no.5 weighted mean is calculated to analyse the financial independence of women respondent. Further ranking is applied to the mean value of each factor. The above table shows that with mean value 62.33 most of women respondent save money for their future whereas women respondents with a mean value 61.33 denotes that they find themselves independent to take their financial decisions. Further, mean value 60.67 indicates that women respondent's do invest their savings. Mean value 57.33, 55 and 51 indicates that women respondent is financially independent in terms of investment decisions, to plan their monthly expenses and financial dependence on partner/ family respectively.

In the table no. 6 weighted mean is calculated in order to analyse the results of Factors influencing financial decision of women respondents based on their financial independence. Further ranking is applied to the mean value of each factor. Highest mean value is ranked as first factor which influences their financial decision whereas lowest mean value is ranked as last i.e. 10th factor which influences their financial decision. In simple terms, Commitment or loyalty towards your spouse/ family is the foremost factor which influences financial decisions of women respondents.

FINDINGS OF THE STUDY

- Maximum of woman respondents were highly qualified with Post-graduate degree and were working as a salaried employee. Monthly incomes of most of the women respondents were up to Rs. 25, 000.
- It was observed that own salary was the biggest source of finance for maximum of women respondents. However, spouse/ partner were the second major source of finance for women respondents.
- It was found that maximum women respondents had their own saving bank account to manage their finances.
- It was also observed that investment in fixed deposit and Gold were the maximum opted financial decisions taken by the women respondents. Apart from that investment in Post office, Real Estate/ Property, RD, PF/ PPF and LIC were some other investment options opted by women respondents.
- It was found that debit card service is the mostly used financial services by women respondents.
- It was also observed that credit card is the least used financial services amongst women respondents.
- It was observed that maximum women respondents find themselves independent to take their financial decisions and they plan for their savings and expenses on their own.
- It was observed that Commitment or loyalty towards your spouse/ family was most influenced factor for women to take their financial decisions.
- Some of the other factors that influence financial decisions of women were regular extra income opportunity, friend's advice, past experiences, risk return analysis, standard of living, socialization etc.

Tables and Graphs:

Table no.1 illustrates the demographic profile of the respondents with various parameters such as age, qualification, occupation, monthly income and marital status.

Table no.1 Demographic Profile

Parameters	Category	Frequency	Percentage
Age	21-30	78	52
	31-40	48	32
	41-50	20	13
	51-60	2	1
	60 & Above	2	1
	Total	150	100
Qualification	SSC/HSC	6	4
	Graduate	16	11
	Post-Graduate	90	60
	Professional Degree	34	23
	M.Phil./DSc, PhD	4	3
	Total	150	100
Occupation	Salaried	116	77
	Business	4	3
	Self-employed Professional	12	8
	Home maker	12	8
	Student	6	4
	Total	150	100
Monthly Income	Up to Rs. 25000 p.m.	78	52

	25000 - 50000 p.m.	46	31
	50000 - 75000 p.m.	6	4
	75000 - 1,00,000 p.m.	8	5
	1,00,000 & Above	12	8
	Total	150	100
Marital Status	Unmarried	48	32
	Married	98	65
	Separated	4	3
	Total	150	100

Source: Primary Data

Table no.2 exhibits sources of finance for women respondents.

Table No.2 Sources of Finance

Sources	Percentage	Ranking
Own Salary	84	1
Own Business Income	8	4
Parents	13.3	3
Spouse/ Partner	22.7	2

Source: Primary Data

Table no.3 exhibits the no. of women respondents having their own saving bank account.

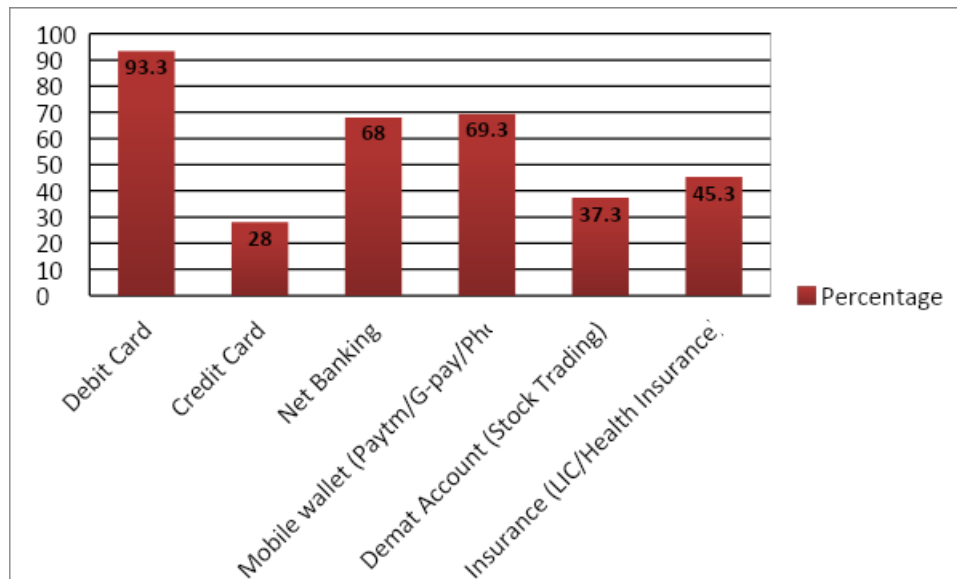
Table No. 3 Women Respondents with Saving Bank Account

Do you have your Saving bank account in any of the Bank?	
	Percentage
Yes	94.7
No	5.3

Source: Primary Data

Graph no. 1 exhibits list of financial services used by women respondents to manage their finances.

Graph No. 1 Financial Services used by Women Respondents



Source: Primary Data

Table no. 4 exhibits investment options used by women to save money.

Where do you invest your saved money?		
Sources	Percentage	Ranking
Saving Bank	72	1
Fixed Deposit	41.3	2
Post office	16	6

Gold Investment	29.3	4
Mutual Fund	41.3	2
Stock Market	29.3	4
Real Estate/ Property	10.7	7
RD	1.3	9
PF/ PPF	2.6	8
LIC	1.3	9

Source: Primary Data

Table no. 5 exhibits the financial independence of women respondents based on various factors.

Table No. 5 Financial Independence of Women

Particulars	Always	Sometimes	Never	Total	Weighted Mean	Ranking
How often you save money for your future?	86	52	12	150	62.33	1
Do you find yourself independent to take your financial decisions?	80	58	12	150	61.33	2
How often you invest your savings?	72	70	8	150	60.67	3
How often do you take your Investment Decisions on your own?	68	58	24	150	57.33	4
How often you plan for your monthly expenses in consultation with your Partner/ Family?	56	68	26	150	55.00	5
How often do you find yourself financially dependent on your partner/ family?	28	100	22	150	51.00	6

Source: Primary Data

Table no.6 exhibits the Factors influencing financial decision of women respondents based on their financial independence.

Table No. 6 Factors influencing Financial Decision of Women

Particulars	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total	Weighted Mean	Ranking
Commitment or loyalty towards your spouse/ family	54	60	20	12	4	150	39.87	1
Regular extra income opportunity	40	62	38	6	4	150	38.53	2
Family decision	26	82	32	6	4	150	38.00	3
Risk return analysis	28	68	46	6	2	150	37.60	4
Past Experiences	22	72	48	6	2	150	37.07	5
High standard of living	30	62	46	6	6	150	36.93	6
Emotions influence your financial decision	18	72	40	12	8	150	35.33	7
Socialization influence your financial decision	12	72	48	12	6	150	34.80	8
Friends advice	8	72	52	14	4	150	34.40	9
Lack of trust in outsiders (eg. financial advisor)	20	42	68	18	2	150	34.00	10

Source: Primary Data

CONCLUSION

The present study focused on to understand the financial independence and financial decision making power of women in the society. The study concludes that women are financially independent in the today's era. As a result they do take their financial decisions on their own. Taking advices from family and friends doesn't make

them less independent financially but it strengthens them more to execute their decisions with respect to managing their finances.

In summary, the present study delved into the evolving landscape of women's financial independence and decision-making prowess within contemporary society. The findings unequivocally affirm that women have attained significant strides in achieving financial autonomy in today's era. This newfound independence is not merely superficial but extends to their ability to make informed financial decisions autonomously. Moreover, the study highlights that seeking advice from family and friends does not diminish women's financial independence; rather, it serves as a means to bolster their confidence and capability in managing their finances effectively. Thus, it is evident that women have emerged as empowered agents in the realm of financial management, capable of navigating complex economic landscapes with resilience and cleverness.

In conclusion, the study underscores the pivotal role of women in shaping their financial destinies and underscores their ability to assert control over their economic well-being. With increasing access to resources and support networks, women are leveraging their financial independence to make decisions that align with their goals and aspirations. Furthermore, the study sheds light on the collaborative nature of financial decision-making among women, emphasizing the importance of familial and social networks in reinforcing their autonomy rather than detracting from it. Ultimately, the findings affirm a paradigm shift towards greater inclusivity and empowerment, wherein women are not only equal participants but also leaders in shaping the trajectory of their financial futures.

Women are known for the best financial management practices. They just need right wings to fly high in the sky with their knowledge and wisdom.

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