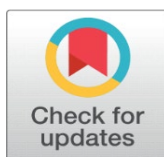


PILOT STUDY ON THE IMPACT OF FINANCIAL LITERACY PROGRAMS ON SAVINGS BEHAVIOUR AMONG RURAL WOMEN IN PUNE DISTRICT

Gayatri Shankar Khedkar ¹, Dr. Ganesh Sambhaji Lande ²

¹ Research Scholar, Dr D Y Patil School of Management, Charholi Bk., Via Lohegaon, Pune-412105 Affiliated to Savitribai Phule Pune University, India

² Research Guide, Dr D Y Patil School of Management, Charholi Bk., Via Lohegaon, Pune-412105 Affiliated to Savitribai Phule Pune University, India



DOI

[10.29121/shodhkosh.v5.i6.2024.5549](https://doi.org/10.29121/shodhkosh.v5.i6.2024.5549)

Funding: This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Copyright: © 2024 The Author(s). This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

With the license CC-BY, authors retain the copyright, allowing anyone to download, reuse, re-print, modify, distribute, and/or copy their contribution. The work must be properly attributed to its author.



ABSTRACT

This study investigates the rural women's financial awareness regarding their investment. It studies the influence of financial awareness on rural women's saving behaviour in Pune district. Indian government giving push towards the women empowerment and their financial inclusion hence it is important to understand the awareness extent of financial investment among the women's especially in rural areas. From primary data comprising 50 rural women, the awareness levels, preferences, and change in behaviour post-literacy intervention are analysed in this study. For testing the hypotheses concerning financial awareness, influence of demographics, and investment behaviour, it was decided that statistical tools such as the T-test and Chi-square test would be used. The research findings establish that financial literacy inculcates discipline to save, trusts-institution, awareness for investing avenues for rural women. Therefore, the study concludes that continuous and targeted financial literacy training in the long term will surely maximize the financial independence and economic participation of rural women.

Keywords: Financial Investment, Financial Awareness, Financial Literacy, Financial Decisions, Rural Women, Financial Inclusion Etc

1. INTRODUCTION

In today's rapidly changing economy, saving money is really important for personal financial security and the overall health of the economy. For families, especially those living in rural areas, being able to save helps them be ready for unexpected expenses, healthcare costs, education, and planning for retirement. Individuals can make their life financially stable as well as happy by promoting savings. It will also help them to reduce their burden on insecure loans that often charge a heavy interest rate. Building saving culture is very important that will strengthen the formal financial system by encouraging people to deposit money in banks, invest, or buy insurance. If the people in the rural areas adopt the habit of saving, then it will help themselves to be a part of mainstream economy. In India majority of the population lives in rural areas. Most of them are doesn't have the access to dedicated financial services. Therefore, it is very important to have the habit of savings that will result in to financial stability.

2. RURAL WOMEN EMPOWERMENT

Role of Women in Indian society is very important and crucial. In Rural areas women's manage their households and make sure their families are well taken care of it. Financial aspects of the rural families is majorly rely on women's. Still, many of them don't get enough opportunities to participate in economic activities or make financial decisions. This is often because of societal norms, limited education, or not enough exposure to banking and financial tools. Improving financial literacy among rural women can be truly life-changing—not just for them but for their entire communities. When women learn about saving, budgeting, and investing, they feel more confident and independent, which helps them contribute more to managing household money and planning for the future.

Teaching financial skills to rural women is a powerful way to support their independence. It helps them make better choices, take part in the economy, and become self-reliant. Programs that teach women basic financial concepts, how to use banks, and how to save money have proven successful in many countries. In India, government and NGO programs are slowly changing the financial environment by giving women the tools they need to manage and grow their money effectively.

3. OBJECTIVES OF THE STUDY

- 1) To identify the key factors influencing rural women in selecting financial institutions for their savings and investment decisions.
- 2) To assess the level of awareness among rural women regarding various savings and investment avenues.
- 3) To examine the relationship between financial literacy and the investment behaviour of rural women.

4. HYPOTHESES

H₀: Rural women are not significantly aware of various savings and investment avenues.

H₁: Rural women are significantly aware of various savings and investment avenues.

H₀: There is no significant relationship between financial literacy and investment behaviour among rural women.

H₂: There is a significant relationship between financial literacy and investment behaviour among rural women.

5. LITERATURE REVIEW

Author & Year	Research Theme	Key Findings / Review
Lusardi & Mitchell (2007)	Financial Literacy & Behaviour	Observed a strong association between financial awareness and knowledge and saving behaviour among the low-income populations.
Rajasekar (2013)	Rural Women & Savings Habits	Revealed that women's in rural areas are not significant aware about the saving tools and its importance. It is observed that among the rural women's most rural women lack awareness of formal savings tools; informal saving is dominant.
Agarwal & Mazumder (2016)	Financial Education Programs	Bank Initiative for Savings awareness programs increased use of bank accounts. It result in to saving habit among rural women in northern India.
Sharma & Bansal (2014)	Women Empowerment through Financial Inclusion	Study revealed that access of microfinance as well as enhancing literacy training program among women's increased the better decision-making in household finance.
Mandell & Klein (2009)	Youth & Adult Financial Literacy	Examine dthe role of early exposure that have the long lsating impact on saving pattern among the investors.
Sinha & Subramanian (2018)	Effectiveness of SHG-led Literacy Initiatives	Research study revealed that Self-Help Groups of women's helped them good habit of saving, collective savings and promoted discipline in money management.

RBI Report (2019)	National Financial Literacy Mission	Emphasized the importance of financial education, financial awareness among the rural women's due to digital divide and lack of formal education.
Das & Agarwal (2020)	Rural Finance & Savings Trends	Research work exploring the regional disparities in saving habits. It also highlighted the importance of local training initiatives for financial awareness for rural women's.
George & Thomas (2021)	Women & Digital Banking	Researcher examined the role of digital banking adoption helped the rural population in saving of their hard earned money.
World Bank (2022)	Global Financial Inclusion	Identified that women-centric programs in South Asia led to increased account usage and saving behaviour.

6. RESEARCH METHODOLOGY

Research is a systematic and scientific investigation of discovering new knowledge. In this research empirical data is used hence it is a quantitative research type. It describes the characteristics and phenomenon hence it is a descriptive research type too. In this research data has been collected through secondary and primary data sources. Detailed research design is explained as below.

Component	Details
Research Type	Quantitative Research and Descriptive Research
Data Collection	Data collected using primary as well as Secondary Sources. Primary (structured questionnaire) and secondary (published reports, papers)
Sampling Area	It is conducted in selected Talukas and Villages in Pune District
Sample Size	Total sample size is 50 Rural Women who have participated in financial literacy programs
Sampling Technique	For this study Purposive sampling is used.
Tools Used	Data is collected using a survey and questionnaire.
Data Analysis	Descriptive statistics, Chi-square test, ANOVA

7. DATA ANALYSIS

Data analysis is done as follows.

7.1. DEMOGRAPHIC INFORMATION

Variable	Category	Frequency (n = 50)	Percentage (%)
Age	18–30 years	20	40%
	31–40 years	13	26%
	41–50 years	13	26%
	51–60 years	4	8%
Educational Status	Illiterate/Primary	7	14%
	Secondary	10	20%
	Higher Secondary	11	22%
	Graduate	8	16%
	Postgraduate and above	6	12%
Marital Status	Married	49	98%
	Unmarried	1	2%
Occupation	Farming	20	40%
	Housewife	20	40%
	Business/Job/Teaching/Wages	10	20%

Descriptive Data in the above-mentioned matrix showing that the women from rural Pune, most of them, around 40%, fall between 18 and 30 years old, so we're mainly talking about young, energetic women. When it comes to education, about 42% have finished at least higher secondary school or more, so they're fairly educated. Data revealing that almost the respondents are married and only one was unmarried. About 40% are working in farming, and another 40% stay at home as housewives, showing many are juggling household duties along with managing their finances. Only around 20% have their own jobs or businesses that bring in money. All these details help us understand these women's backgrounds as we look into their financial knowledge and how they approach investments.

7.2. SOURCE OF FINANCIAL KNOWLEDGE

Question: What is your primary source of financial knowledge?	Frequency	Percentage (%)
Family and relatives	22	44%
Financial literacy program/workshops	16	32%
Media (TV, radio, newspapers)	8	16%
Bank officials/self-learning	4	8%

Above frequency table exploring the sources of financial knowledge. It is found that 44% of the respondents got the financial knowledge from family and relatives followed by 32% respondents get aware about it from financial literacy program/workshop etc. There were 16% of the respondents got this knowledge from various Media and very small 8% of the respondents got the financial knowledge from Bank officials and self learning.

7.3. RESPONDENTS FEEDBACK ON FINANCIAL INVESTMENT

Question	Response Categories	Frequency	Percentage (%)
1. Are you aware of different types of investment avenues (e.g., FDs, PPF, Mutual Funds)?	Yes / No	Yes: 32	64%
		No: 18	36%
2. Do you consider financial institutions while choosing a saving or investment plan?	Yes / No	Yes: 38	76%
		No: 12	24%
3. What is your average monthly saving from your income?	Less than ₹1,000 / ₹1,000–₹5,000 / More than ₹5,000	<₹1,000: 18	36%
		₹1K–5K: 26	52%
		>₹5,000: 6	12%
4. Has your financial behaviour changed after attending a financial literacy program?	Yes / No	Yes: 35	70%
		No: 15	30%

The essential questions evaluate knowledge of investment options along with saving patterns and the effects of financial education programs. About 64% of respondents are aware of multiple investment avenues, supporting the presence of moderate financial awareness. A significant 76% consider financial institutions when selecting saving options, indicating a trust or preference for formal financial systems. Most women save between ₹1,000 and ₹5,000 each month at 52% but only 12% manage to save more than ₹5,000. The majority (70%) stated their behaviours changed after completing financial literacy programs. The results confirm the research goals while testing relevant hypotheses. The survey results show that financial literacy programs create a constructive transformation in how people save money along with their financial choices.

7.4. PREFERENCE FOR TYPE OF INVESTMENT (SAFETY VS. RETURN)

Question: What do you prefer more while choosing an investment option?	Response	Percentage (%)
Safety of investment	36	72%
High returns	14	28%

The table shows that a majority of the rural women respondents (72%) prefer the safety of investment over high returns, while only 28% are willing to take risks for higher returns. This clearly reflects a risk-averse behaviour, which is common among rural investors, especially women, due to limited financial literacy, unstable incomes, and fear of capital loss. The preference for safety indicates a reliance on traditional and secure investment avenues such as fixed deposits, recurring deposits, or savings accounts. It also suggests that most rural women prioritize capital protection over wealth maximization. These insights emphasize the need for financial education programs to help women understand risk-return trade-offs and diversify their investment decisions.

7.5. HYPOTHESIS TESTING

H_0 : Rural women are not significantly aware of various savings and investment avenues.

H_1 : Rural women are significantly aware of various savings and investment avenues.

Test: T-Test

N	Mean	Std. Deviation	Std. Error Mean
50	3.6	0.85	0.12

Test Value = 3.0	t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference
	4.99	49	0.000 **	0.6	0.36 to 0.84

Interpretation: T-Test was performed using SPSS and result shows that t-value is 4.99, degree of freedom is 49. Significance value is very low i.e. 0.000 which is smaller than significance value 0.05. It is concluded from the results that p-value fail to prove the null hypothesis therefore alternative hypothesis is accepted. Therefore it can be concluded that rural women's are significantly aware about the financial investment avenues.

Hypothesis-II

H_0 : There is no significant relationship between financial literacy and investment behaviour among rural women.

H_2 : There is a significant relationship between financial literacy and investment behaviour among rural women.

Test: Chi-Square Test

Test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	6.82	1	0.009 **
Likelihood Ratio	7.024	1	0.008
Linear-by-Linear Association	6.682	1	0.01
No. of Valid Cases	50		

Hypothesis-II is tested using Chi-square test at 95% of confidence level and 5% of significance level. Result shows that p-value 0.009 is less than 0.005 significance level. Therefore, null hypothesis is rejected and alternative hypothesis is accepted. Therefore it can be concluded that "There is a significant relationship between financial literacy and investment behaviour among rural women."

8. FINDINGS

- 1) It is inferred that rural women's (72%) prioritize safety over high returns, indicating a risk-averse investment attitude among rural women.
- 2) Regarding Financial Awareness it is found that 64% of women are aware of multiple investment avenues. It can be depicted from the result that there is a moderate financial awareness likely influenced by external programs or SHGs.
- 3) It is found that 76% of women in rural analyse and study the financial institutions before investing. It is understood from the data that there is a growing trust in formal financial systems among the rural population.
- 4) Even through the majority respondent's income fall under the category of ₹1,000–₹5,000 monthly, showing disciplined but limited savings capacity.
- 5) Financial literacy programs result's in to positive behavioural shift as there were 70% confirming the practical impact of such interventions.
- 6) From the hypothesis testing it is indicated that there is a positive association between financial literacy and investment behaviour.
- 7) From the frequencies of Demographic variables such as age, education, and occupation showed significant linkage with financial institution familiarity.
- 8) Majority (44%) of the respondents get the knowledge of financial investment from family and relatives, hence it can be depicted that limited penetration of formal education sources.
- 9) Study shows that there is need for deeper outreach and repetition of such programs as there were 32% of the respondents replied that they get the awareness of financial knowledge from credit financial literacy.
- 10) It is found that income and expense levels significantly affect savings patterns, with lower-income women saving less despite high motivation.

9. SUGGESTIONS

From the data analysis and inferences, it is suggested that there is a need to enhance the frequency and reach of financial literacy programs among the rural women's.

Local language is suggested for the financial awareness programs.

Financial institutions can collaborate with SHG's, Anganwadis, and Panchayats.

Financial Institutions like Banks can promote the simplified and safe digital banking platforms for rural women's.

Banks are advised and encouraged to provide or offer women-centric saving schemes and investment schemes especially for women's in rural areas based on their lower income.

10. CONCLUSION

Study indicating the pivotal role of financial literacy for the upliftment of rural women and their empowerment. The data analysis and inferences confirming the significance of financial education program to enhance the awareness, encourage formal financial participation, and foster disciplined savings habits. From the respondents demographic factors it is concluded that it has a significant impact on financial investment decisions. However, a large proportion of the rural women are still depends on informal sources for financial knowledge. Therefore, it is exploring that there is a significant gap in institutional outreach. The overall analysis indicating the importance of continuous and targeted financial literacy interventions as a means to empower women, improve household financial management, and contribute to broader economic inclusion in rural India.

CONFLICT OF INTERESTS

None.

ACKNOWLEDGMENTS

None.

REFERENCES

- Agarwal, S., & Mazumder, R. (2016). Effectiveness of financial literacy programs in rural India: An impact assessment. *Indian Journal of Finance*, 10(4), 22–31.
- Das, S., & Agarwal, R. (2020). Rural finance and investment behaviour: Regional disparities in India. *Journal of Rural Development*, 39(1), 45–58.
- George, A., & Thomas, M. (2021). Digital financial inclusion among women in rural areas. *Journal of Financial Inclusion*, 12(2), 55–69.
- Jain, R., & Dhanraj, M. (2015). Balanced Scorecard and Organizational Performance: A Case Study of Indian Corporates. *International Journal of Research in Commerce & Management*, 6(6), 12–17.
- Lusardi, A., & Mitchell, O. S. (2007). Financial literacy and retirement preparedness: Evidence and implications for financial education. *Business Economics*, 42(1), 35–44.
- Mandell, L., & Klein, L. S. (2009). The impact of financial literacy education on subsequent financial behavior. *Journal of Financial Counseling and Planning*, 20(1), 15–24.
- Rajasekar, D. (2013). A study on saving and investment pattern of rural women in Tamil Nadu. *Indian Journal of Finance and Banking*, 7(2), 33–41.
- RBI. (2019). National Strategy for Financial Education 2020–2025. Reserve Bank of India. Retrieved from <https://rbidocs.rbi.org.in>
- Sharma, M., & Bansal, M. (2014). Role of financial inclusion in women empowerment. *International Journal of Commerce and Management Research*, 2(3), 12–17.
- Sinha, S., & Subramanian, P. (2018). Self-help groups and financial literacy in rural India: A study on SHG impact. *Indian Journal of Social Work*, 79(4), 521–535.
- World Bank. (2022). The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19. Retrieved from <https://globalfindex.worldbank.org>
- Huang, C. J., Chu, W. C., & Lin, C. T. (2009). Fuzzy AHP application in BSC for IT company performance evaluation. *WSEAS Transactions on Computers*, 8(6), 932–944.
- Chavan, M. (2009). The Balanced Scorecard: A new challenge. *Journal of Management Development*, 28(5), 393–406.
- Anitha, J., & Rekha, K. (2020). Balanced Scorecard as a Strategic Management Tool in Post-Pandemic Business Transformation. *Journal of Contemporary Management Research*, 14(3), 55–64.