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Financial Literacy Among Working Women in India: A Review of Existing Literature and Emerging Research Directions

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ABSTRACT

Financial literacy has become an essential component of economic well-being and financial inclusion, particularly among working women who increasingly contribute to household and national economic development. In India, the growing participation of women in the workforce has highlighted the need for greater financial awareness and informed financial decision-making. Financial literacy empowers women to effectively manage personal finances, make investment decisions, plan for retirement, and achieve financial independence. Despite significant progress in education and employment opportunities, several studies indicate that working women continue to face challenges related to financial knowledge, confidence, and access to financial information.

This review paper aims to examine the existing literature on financial literacy among working women in India and identify emerging research directions in the field. The study adopts a systematic review approach by analyzing published research articles, reports, and scholarly works related to financial literacy, financial behavior, investment decision-making, and women's financial empowerment. The review synthesizes findings from national and international studies to understand the determinants, outcomes, and challenges associated with financial literacy among working women.

The findings reveal that factors such as education, income, occupation, age, and digital financial exposure significantly influence financial literacy levels. Moreover, higher financial literacy is positively associated with improved savings behavior, investment participation, financial planning, and economic empowerment. The review also identifies gaps in existing research, particularly concerning digital financial literacy and women in rural and semi-urban areas. The study concludes by emphasizing the need for targeted financial education initiatives and future research to strengthen financial inclusion and economic empowerment among working women in India..

Keywords: Financial Literacy, Working Women, Financial Behavior, Financial Inclusion, omen's Empowerment, India...

INTRODUCTION:

Financial literacy has emerged as a critical component of individual financial well-being and economic development in the twenty-first century. As financial markets become increasingly sophisticated and diverse financial products become more accessible, individuals are required to possess adequate financial knowledge and skills to make informed decisions regarding savings, investments, borrowing, insurance, and retirement planning. Financial literacy enables individuals to understand financial concepts, assess risks and opportunities, and effectively manage their financial resources to achieve long-term financial security. Consequently, it has gained considerable attention from policymakers, researchers, financial institutions, and international organizations as a key driver of financial inclusion and economic empowerment.

In recent decades, India has witnessed significant growth in women's participation in the workforce across various sectors, including education, healthcare, banking, information technology, entrepreneurship, and public administration. This increasing involvement of women in economic activities has enhanced their contribution to household income and national economic development. However, greater participation in the workforce does not necessarily translate into greater financial capability. Despite earning an income, many working women continue to face challenges in managing personal finances, making investment decisions, planning for retirement, and utilizing financial products effectively. These challenges are often influenced by socio-cultural norms, limited financial awareness, inadequate access to financial information, and lower confidence in financial decision-making.

Financial literacy plays a pivotal role in enhancing women's financial independence and empowerment. A financially literate woman is better equipped to make informed financial decisions, accumulate savings, participate in investment opportunities, manage debt responsibly, and safeguard her financial future. Furthermore, financial literacy contributes to broader developmental goals by promoting financial inclusion, reducing economic vulnerability, and supporting sustainable economic growth. In the context of India, where gender disparities in financial knowledge and access to financial services continue to exist, improving financial literacy among working women remains an important policy priority.

Existing literature suggests that factors such as education, income, occupation, age, and access to financial information significantly influence financial literacy levels among women. Studies have also established a positive relationship between financial literacy and desirable financial behaviors, including savings, investment planning, and wealth creation. However, the findings remain fragmented across different demographic groups, occupational categories, and geographical regions. Moreover, the rapid expansion of digital financial services has introduced

new dimensions of financial literacy that require further exploration, particularly among working women.

OBJECTIVES OF THE STUDY

To review existing literature on financial literacy among working women in India.

To identify factors influencing financial literacy.

To examine the relationship between financial literacy and financial behavior.

LITERATURE REVIEW

Tilak, Murgai, and Harchekar (2023) examined the level of financial literacy among working women in India through a survey of 500 respondents from diverse occupational backgrounds. The study found that financial literacy among working women remained relatively low, particularly in areas related to investments, insurance, and retirement planning. Education, income, age, and work experience were identified as significant determinants of financial literacy. The authors emphasized the need for targeted financial education programs to enhance women's financial decision-making capabilities.

Saluja, Singh, and Kumar (2023) conducted a systematic review of women's financial inclusion and empowerment. Their findings revealed that limited financial literacy, socio-cultural constraints, and restricted access to formal financial services continue to impede women's economic empowerment. The study highlighted financial education and digital financial inclusion as critical interventions for improving women's financial outcomes.

Lavanya and Mamilla (2024) performed a bibliometric analysis of global research on women's financial literacy. Their study identified education, financial inclusion, income, digital literacy, and behavioral factors as the most frequently examined determinants of women's financial literacy. The authors noted a growing research interest in digital financial literacy and financial technology adoption among women.

Gupta, Aggarwal, and Bamba (2025) investigated the relationship between financial literacy, financial inclusion, and financial well-being among working women in India. The study found that financial literacy significantly enhances financial well-being both directly and indirectly through increased financial self-efficacy and financial inclusion. The authors concluded that improving financial literacy can strengthen women's economic security and financial independence.

Kaur and Sawhney (2025) conducted a bibliometric analysis of women's financial literacy research using 304 Scopus-indexed publications. Their findings revealed a substantial increase in scholarly attention toward women's financial literacy, particularly in emerging economies. The study identified financial behavior, financial inclusion, investment decisions, and digital finance as emerging research themes.

Vahi and Kumar (2025) systematically reviewed predictors, behaviors, and financial outcomes associated with women's financial literacy. The review concluded that education, employment status, income level, and banking access significantly influence financial literacy. Moreover, financially literate women demonstrated stronger savings behavior, better investment decisions, and greater financial autonomy.

Satyavani, Kamaraju, and Seshagiri (2025) explored the dimensions of financial literacy among organized-sector working women. Using exploratory factor analysis, the study identified financial knowledge, budgeting ability, investment awareness, and financial planning as key components of financial literacy. The research emphasized that despite increasing female workforce participation, knowledge gaps persist in advanced financial decision-making.

Kumari and colleagues (2025) examined the impact of digital financial services on financial behavior among working women in India. The study found that financial literacy positively influences the adoption of digital financial services, which subsequently improves financial behavior and financial confidence. The findings suggest that digital literacy is becoming an integral dimension of overall financial literacy.

RESEARCH METHODOLOGY

The present study adopts a **systematic literature review (SLR) approach** to examine the existing body of knowledge on financial literacy among working women in India.

As a review-based investigation, the study relies exclusively on **secondary data** collected from published academic literature, research reports, conference proceedings, government publications, and institutional documents.

The primary objective is to critically analyze, evaluate, and synthesize existing research findings in order to understand the determinants, outcomes, challenges, and emerging trends related to financial literacy among working women.

RESEARCH DESIGN

This study is descriptive and exploratory in nature and employs a systematic review methodology. The review focuses on scholarly contributions related to financial literacy, financial behavior, financial inclusion, investment decision-making, and women's financial empowerment.

Table: Research Gaps Identified in Existing Literature on Financial Literacy Among Working Women in India

S. No.	Research Gap	Description
1.	Limited Studies on Tier-II and Tier-III Cities	Most existing research focuses on metropolitan and urban areas, while working women in smaller cities and towns (Tier-II and Tier-III) remain underrepresented in the literature.
2.	Lack of Comparative Studies Across Occupations	There is limited research comparing financial literacy levels among women employed in different sectors such as education, healthcare, banking, corporate, government, self-employment, and others.
3.	Insufficient Research on Digital Financial Literacy	Despite the rapid growth of digital financial services and fintech adoption, studies examining women's awareness, usage, benefits, challenges, and barriers related to digital financial literacy are still limited.
4.	Limited Longitudinal Studies	Most existing studies are cross-sectional and provide a snapshot of financial literacy at a particular point in time, with very few studies tracking changes and trends over an extended period.
5.	Few Studies Focusing on Working Women in the Informal Sector	Research predominantly examines women in the formal workforce, while working women in the informal sector receive comparatively less attention despite their significant contribution to the economy.

RESEARCH GAP

Findings of the Study

Financial literacy among working women remains moderate.

Most working women possess basic financial knowledge related to savings and banking; however, awareness of investments, insurance, taxation, and retirement planning remains limited.

Education and income significantly influence financial literacy.

Women with higher educational qualifications and income levels generally exhibit better financial knowledge and are more likely to engage in financial planning and investment activities.

Financial literacy positively affects savings and investment behavior. Financially literate women tend to save regularly, make informed investment decisions, manage finances effectively, and plan for long-term financial security.

Digital finance creates both opportunities and challenges.

Digital financial services improve accessibility and convenience, but concerns related to digital literacy, cybersecurity, fraud, and privacy continue to hinder their effective adoption among many working women.

SUGGESTIONS

Financial education programs at workplaces

Organizations should conduct regular financial literacy workshops and training sessions to help women improve their financial planning, budgeting, and investment skills.

Government-sponsored financial awareness campaigns

The government should organize awareness programs through digital and community platforms to educate women about financial products, savings, and investment opportunities.

Inclusion of personal finance education in higher education

Personal finance and money management should be incorporated into college curricula to equip young women with essential financial knowledge before entering the workforce.

Promotion of digital financial literacy among women

Training programs should focus on the safe and effective use of digital banking, online payments, and investment platforms while addressing cybersecurity concerns.

Special programs for rural and semi-urban working women

Targeted financial literacy initiatives should be designed for women in rural and semi-urban areas to improve financial inclusion and access to formal financial services.

CONCLUSION

Financial literacy has emerged as a vital component of financial well-being, economic empowerment, and financial inclusion among working women in India. The review of existing literature reveals that financial literacy significantly influences financial behavior, including savings, investment decisions, retirement planning, debt management, and overall financial security. As women's participation in the workforce continues to increase, the ability to make informed financial decisions has become increasingly important for achieving both personal and economic independence.

The reviewed studies indicate that factors such as education, income, occupation, age, financial awareness, and digital literacy play a crucial role in determining the level of financial literacy among working women. Higher levels of financial literacy are consistently associated with improved financial confidence, greater participation in formal financial systems, enhanced investment behavior, and better long-term financial planning.

This review underscores the need for targeted financial education programs, workplace financial awareness initiatives, and policy interventions aimed at enhancing women's financial capabilities. Strengthening financial literacy among working women can contribute not only to individual financial well-being but also to broader objectives of gender equality, financial inclusion, and sustainable economic development. Future research should focus on longitudinal studies, regional comparisons, and the impact of digital financial literacy to develop a more comprehensive understanding of the financial challenges and opportunities faced by working women in India..

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