

**FINANCIAL LITERACY AND WOMEN EMPOWERMENT IN
KATHMANDU VALLEY**

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Certification of Authorship

I hereby corroborate that I have submitted the final draft of the dissertation entitled "**Financial literacy and women empowerment in Kathmandu Valley**". The work of this dissertation has not been submitted previously for conferral of any degrees nor has it been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work have been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

.....

Sunita Bhusal

Report of Research Committee

Miss. Sunita Bhusal has defended the research proposal entitled “**Financial literacy and women empowerment in Kathmandu valley**” successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and submit the dissertation for evaluation and viva voce examination.

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Approval Sheet

We have examined the dissertation entitled “**Financial literacy and women empowerment in Kathmandu valley**” presented by Miss. Sunita Bhusal or the degree of Master of Business Studies. We hereby certify that the dissertation is acceptable for the award of degree.

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Abstract

This study examines the relationship between financial literacy and women empowerment. The researcher took financial literacy (financial knowledge, financial skill, financial behaviour, financial attitude, financial awareness as independent variables in order to evaluate the women empowerment with moderating variable age and education.. The data are collected through the different structure questionnaire survey and physical distribution of questionnaires to age group 18-44 of Kathmandu valley taken 385 samples of population. The data are analyzed using statistical software i.e. SPSS and data are collected using convenience sampling technique. The appropriate statistical treatment applied in research is descriptive analysis and inferential analysis (Correlation & Multiple regression) for relationship and hypothesis test. The research finding shows that financial knowledge and financial skills has negative and significant relationship with women empowerment. And financial behaviour, financial attitude and financial awareness has positive and significant relationship with women employment. Furthermore, moderating variable age and education has positive and significant. The finding of the research can be useful for reader to know to improve the financial knowledge and financial skills must need to improve to live standard of women to improve finance.

Keywords: women empowerment, financial knowledge, financial skills, financial knowledge, financial attitude, financial behaviour

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Financial literacy is the ability to understand the financial concepts to make a information decision about the financial transactions, which helps to control their finance, to achieve their financial goals and build a solid foundation for their future financial security (Goode , 2023). Financial knowledge is essential for the women for the financial freedom. So, financially literate, particularly women, are more equipped to make their own judgements. An informed financial person knows what to do in case of emergency or unanticipated events. (Smile Foundation, 2023). In recent years, financial well-being has grown in importance. Numerous academics have noted the disparities between genders in terms of financial well-being, as well as its causes and effects (Goncalves et al., 2021). One of the key factors influencing both financial empowerment and well-being is financial literacy. With the increasing complexity of the financial world, financial literacy is becoming ever more crucial. In order to increase financial well-being and empowerment, it is now necessary to have a better understanding of financial ideas and financial products in order to build the skills necessary to make wise financial decisions (Philippas & Avdoulas, 2020).

A greater understanding of the necessity of taking a comprehensive approach to addressing this issue has emerged in recent years. Numerous academic articles have emerged, providing insight into the complex relationship between women's empowerment and financial literacy. These articles explore the intricate interactions between cultural norms, institutional barriers, educational access, and social norms that lead to the gender gap in financial participation and knowledge (Allen & Clarke, 2021). This study aims to identify the most recent viewpoints, approaches, and findings regarding women's financial literacy and its impact on empowerment by means of a methodical review of recent articles from credible scholarly sources. Strict standards are applied to the inclusion and exclusion of studies during the review process, a method carefully designed to ensure the quality and reliability of the carefully examined research (Morduch & Schneider, 2020).

Financial literacy has become a key determinant of women's empowerment and gender parity in today's societies. Studies have consistently shown that women tend to have lower financial literacy and participate less in economic activities than their male peers. This gap not only impacts women's individual financial health but also leads to wider gender inequalities in the economy, which impedes progress towards achieving sustainable development objectives. Financial literacy encompasses more than just mathematical skills and basic literacy. It is a broad field of knowledge that includes comprehension, behavior, attitudes, perception, and overall understanding of the financial environment. This broad concept includes basic mathematical skills, reading comprehension proficiency, understanding of money, exchange mechanisms, origin and destination of funds, understanding of potential risks associated with financial products and the ability to make informed decisions about personal financial matters.

Women's empowerment is a broad term that encompasses the development of women's agency, independence, and involvement in decision-making in various spheres of society (Kabeer (2005)). It refers to providing women with the resources, tools, and opportunities to challenge and overcome gender-based inequalities and discriminatory norms, allowing them to take charge of their lives and make a positive contribution to society. Recent research shows that investing in women's education, economic opportunity, and decision-making space can have transformative effects, promoting inclusive development and promoting a more equal world for all (Duflo (2012)). Studies have shown that women's empowerment not only represents a fundamental human right, but also plays an important role in promoting social progress and interrupting the cycle of inter-generational inequalities.

Furthermore, the advent of digital technology has brought new opportunities for enhancing financial literacy among women. Recent studies have explored the effectiveness of digital platforms and online resources in providing accessible and tailored financial education, thus bridging the gap between women and financial knowledge (Haliassos et al., 2022; Jappelli & Padula, 2019).

As a result, due to the rapid shift in the financial landscape, there have been increasing financial crises in both developed and developing economies in recent years. Monetary proficiency helps in engaging and teaching buyers so they are proficient about finance

in significant ways to their lives and empowers them to utilize this information to assess items and pursue informed choices (Wachira and Kihiu, 2012).

1.2 Problem Statement

Monetary proficiency prepares people, especially women, with the information, abilities, and certainty to actually deal with their monetary assets, pursue informed choices, and explore many-sided monetary scenes (Lusardi and Mitchell, 2014). Enabled with monetary education, ladies are better ready to get to monetary administrations, take part in business venture, and contribute considerably to financial development. Monetarily educated ladies are bound to take part in pay creating exercises, practice judicious reserve funds, make clever ventures, and plan decisively for their monetary fates (Klapper et al., 2015).

Financial literacy as a means of empowering marginalized Nepalese people, with the concern that the dynamic relationship between financial literacy and women's empowerment is mutually reinforcing (Chaulgain & Devkota). 2018). Ali and co., (2021) shows the education of ladies strengthening as a mindfulness programs. As monetary education develops, ladies' certainty floods, empowering them to challenge conventional orientation jobs, declare their freedoms, and arrange worked on financial open doors (Lusardi and Mitchell, 2014). Enabled ladies, thusly, are better ready to take part in monetary training and apply their abilities really, consequently sustaining the pattern of strengthening. This peculiarity rises above individual prosperity, as monetarily engaged ladies can altogether add to the financial advancement of their families, networks, and countries.

Moreover, various investigations have connected monetary education with the nature of speculation choices. Beal and Delpachitra (2003) analyzed that monetarily educated people make more educated choices about their cash and limited the possibilities being deluded on monetary issues. Essentially, Rooij et al., (2011) evaluated that monetary proficiency influences monetary decision-production since people with low education are bound to depend on family and for monetary exhortation and are more averse to put resources into stocks. In this way, further developing monetary proficiency contributes decidedly to the monetary business sectors and the economy.

Notwithstanding a ton of exploration zeroing in on the significance of monetary education, it is many times quite possibly of the most un-considered factor expanding the monetary improvement of ladies on account of Nepal. The majority of the association are hoping to further develop the ladies monetary status. In Nepal, for example, female financial literacy is 17.9 percentage points higher than male financial literacy (NRB, 2022). Because of this reason additionally is association can further develop the ladies strengthening. As a result, the aim of this study was to investigate the relationship between women's employment and financial literacy.

1. What is the status of financial literacy on women empowerment?
2. What is the effect of financial literacy factors on women empowerment?

1.3 Objective of the Study

The general purpose of the study is to examine the status of financial literacy on women empowerment. So, the specific purposes of the study are as follows:

1. To examine the current status of financial literacy and women empowerment.
2. To know the effect of financial knowledge, financial awareness, financial behavior, financial skills and financial attitude on the women empowerment.

1.4 Hypothesis of the Study

Hypothesis is particularly necessary in the research for cause and effect relationship. The following hypotheses are formulated:

Financial knowledge has a key role to play in shaping the economic behaviour of individuals and influencing their ability to make informed decisions on budgeting, saving, investing and debt management, NRB (2022). The quality of financial decision making and overall well-being of the individuals is directly affected by their level of financial knowledge, which leads to a direct effect on each other (Lusardi & Mitchell, 2014).As studies have shown, individuals with higher levels of financial literacy are more likely to engage in responsible financial practices, leading to greater economic security and a better ability to achieve long-term financial goals (Lusardi & Tufano, 2009).

H1: Financial knowledge significantly affects women empowerment

Financial behavior pertains to the decisions and actions individuals undertake in relation to their financial assets. This encompasses choices regarding saving, spending, investing, and debt management (NRB, 2022). Studies have shown that the level of financial literacy significantly influences decision-making, while concepts from behavioral economics, such as cognitive biases, impact financial choices. Research also delves into various aspects including savings habits, retirement planning, consumer debt management, investment behaviors, and risk tolerance, with a focus on age, gender, and economic factors. Through the examination of these elements, researchers strive to unravel the intricacies of financial decision-making and its implications on individuals' overall financial well-being (Lusardi & Mitchell, 2014; Thaler & Sunstein, 2008; Madrian, 2014; Gathergood, 2012.)

H2: Financial behaviour significantly affects women empowerment

Financial attitudes encapsulate individuals' beliefs, emotions, and values toward money and financial matters, shaping their decisions in areas like spending, saving, investing, and debt management (NRB, 2022). Research highlights the link between positive financial attitudes, such as proactive financial planning and a willingness to learn about personal finance, and improved financial outcomes. The interplay between attitudes toward risk, debt, and financial goals impacts decision-making, offering insights for promoting responsible financial choices (Lown & Grable, 1993; Mann, 2013). Understanding the connection between financial attitudes and behaviors aids in refining financial education strategies and fostering healthier financial habits for individuals and households.

H3: Financial attitude significantly affects women empowerment

Financial awareness refers to an individual's level of understanding and knowledge about various financial concepts, products, and practices (NRB, 2022). It encompasses being informed about topics such as budgeting, savings, investments, taxes, loans, and retirement planning. Financially aware individuals are better equipped to make informed decisions, set goals, and navigate the complexities of personal finance. Research emphasizes the importance of financial education in enhancing awareness and underscores the positive impact of increased awareness on individuals' financial well-being (Hastings, Madrian & Skimmyhorn., 2013). Improved financial awareness

empowers individuals to engage more effectively in financial planning and make choices that align with their long-term financial goals.

H4: Financial awareness significantly affects women empowerment

Financial skills refer to the practical abilities and competencies individuals possess in managing their financial resources effectively (NRB, 2022). These skills encompass a range of tasks, including creating budgets, tracking expenses, understanding financial statements, making investment decisions, and employing strategies for debt management. Research underscores the correlation between strong financial skills and improved financial outcomes, as individuals with better financial skills are more likely to make informed decisions, achieve financial goals, and navigate financial challenges (Peng & Bartholomae, 2014). Enhancing financial skills through education and training equips individuals with the tools they need to navigate complex financial landscapes, fostering greater financial resilience and overall well-being.

H4: Financial awareness significantly affects women empowerment.

1.5 Rationale of the Study

The significance of financial literacy and women's empowerment is profound. Financial literacy equips individuals with the knowledge and skills needed to make informed financial decisions, leading to personal empowerment, sustainable financial health, and informed choices. On the other hand, women's empowerment involves enabling women to reach their full potential, fostering gender equality, and driving economic growth. The intersection of these two concepts is transformative. Financially literate women are better positioned to achieve economic independence, bridge the gender wealth gap, and succeed in entrepreneurial ventures. Moreover, their empowered financial decisions positively impact their families' education and well-being, creating a cycle of intergenerational empowerment. This synergy between financial literacy and women's empowerment has the potential to reshape societies and contribute to a more equitable and prosperous future.

1.6 Limitations of the Study

The study is also limited by some constraints:

- The survey is limited in Kathmandu valley only
- This research is based on primary source of data collected from the different sector employed women.
- This study is based on primary information collected from different field working and no working women through a questionnaire survey of 385 people.

CHAPTER II

RELATED LITERATURE

This chapter has reviews and presentations of relevant books, articles, research papers, and other studies that are similar to the research issue at hand. The related financial literature and women empowerment.

2.1 Conceptual Review

In this chapter, the focus lies on delving into the conceptual aspects surrounding financial literacy, while simultaneously conducting a comprehensive examination of relevant literature that pertains to financial literacy and its influence on investment choices. The literature related to the determinants of financial literacy is also thoroughly analyzed and clarified. Within this chapter, the researcher delves into exploring the fundamental definitions and theories that underpin both the independent and dependent variables, with the primary objective of uncovering the inherent connection between these variables. Additionally, a synthesis of previous empirical studies conducted by different researchers in this field is presented. Ultimately, these empirical investigations highlight potential research gaps, offering valuable insights for the researcher to direct their attention towards specific areas that could contribute substantially to the advancement of knowledge in this particular subject area.

2.1.1 Definition of Financial Literacy

Financial literacy is a comprehensive understanding of financial concepts, tools, and principles that enable individuals to make informed and effective financial decisions, manage resources, and navigate complex financial environments. It involves a combination of financial knowledge, skills, and attitudes that enable individuals to understand and address a variety of financial issues such as budgeting, saving, investing, borrowing, and planning for the future (Lusardi & Mitchell, 2014; Demirguc-Kunt & Klapper, 2012).

Financial literacy is the knowledge of basic economic and financial concepts and the ability to use this knowledge and other financial skills to effectively manage financial resources and ensure financial well-being throughout life (Hung et al., 2009). This is the extent to which someone understands important financial concepts and how well

they manage their personal finances through appropriate short-term decisions and sound long-term financial planning, taking into account life events and changing financial circumstances. It is a measure of one's ability and confidence to manage (Amoah, 2016).

It helps women better understand financial issues, process financial information, and make informed decisions about their finances. Financial literacy is directly related to personal well-being (Sharma & Joshi, 2015). In recent years, financial literacy has attracted the attention of a variety of large banking companies, government agencies, grassroots consumer and community interest groups, and other organizations.

Stakeholders, including policymakers, are concerned that consumers lack a working knowledge of financial concepts and the tools they need to make decisions for their financial health. This lack of financial literacy can impact individuals and families' day-to-day financial management and ability to save for long-term goals such as buying a home, pursuing higher education, or financing retirement and inefficient financial management can also lead to behaviors that make consumers vulnerable to severe financial crises (Mandell & Lewis, 2006).

2.1.2 Definition of Women Empowerment

Women's empowerment has evolved to encompass multidimensional aspects, focusing on enhancing women's agency in social, economic, and political realms, along with their ability to assert control over their lives and decisions. It entails ensuring equal access to opportunities and resources, active participation in various domains including education, employment, and governance, and addressing systemic inequalities and discriminatory barriers that hinder women's full engagement (Kabeer, 2005; Sen, 1999). Women's empowerment is vital for achieving gender equality and sustainable development, fostering a more inclusive and equitable society (UN Women, 2021; UNDP, 2020).

2.1.3 Financial Literacy and Women Empowerment

In this section which show the relationship with financial literacy.

Financial Knowledge and Women Empowerment

The relationship between financial knowledge and women's empowerment has been extensively studied in recent years (Smith & Johnson, 2018; Miller et al., 2020). Financial knowledge, defined as the comprehension of financial concepts, tools, and practices, has been recognized as a significant factor in shaping women's empowerment outcomes (Lusardi & Mitchell, 2014).

Research indicates a strong correlation between women's financial knowledge and their ability to make well-informed financial decisions (Agarwal et al., 2013; van Rooij et al., 2011). Women who possess higher levels of financial knowledge are more likely to effectively manage their finances, including budgeting, investing, and saving, leading to greater financial security and independence (Hilgert et al., 2003; OECD/INFE, 2016).

Furthermore, financial knowledge has implications for women's participation in economic activities. Studies highlight that women equipped with financial knowledge are better positioned to engage in income-generating activities, entrepreneurship, and investment ventures (Klapper et.al 2013). This enhanced capability contributes not only to their personal growth but also to strengthening their role within households and communities (Karlan et. al, 2015).

Financial Attitude and Women Empowerment

The relationship between financial attitude and women's empowerment is noteworthy, as underscored by Bender and Gustafson (2011) and Delgadillo et al. (2015), who highlight how a positive financial attitude corresponds to increased financial engagement and decision-making among women. Such a constructive attitude fosters confidence in managing financial resources, empowering women to seek information and make informed financial choices (Hilgert et al., 2003; Lyons et al., 2006). Moreover, research by Duflo and Saez (2014) and Klapper, et al., (2013) underscores that favorable financial attitudes contribute to women's active participation in economic activities, indicating an expanded role in income-generating endeavors and enhanced financial independence. However, acknowledging the influence of cultural norms and

education, efforts should address unfavorable attitudes by imparting knowledge and skills to alleviate psychological barriers (Klapper et al., 2014), advancing women's financial control and their significant contributions to their own well-being and communities.

Financial Behavior and Women Empowerment

The intricate relationship between financial behavior and women's empowerment is a pivotal focus in contemporary research. Financial behavior, reflecting the decisions and actions individuals undertake in managing their finances, significantly impacts various dimensions of women's empowerment. Positive financial behavior not only amplifies women's economic agency and control over resources but also fosters their active engagement in income-generating activities and financial planning, thereby bolstering their financial autonomy and overall empowerment (Duflo & Saez, 2014). Additionally, sound financial behaviors facilitate women's access to financial services and resources, enabling them to pursue education, healthcare, and entrepreneurial ventures, ultimately advancing their well-being and societal contributions (Coleman, 2013). However, recognizing that financial behavior is influenced by multifaceted factors, comprehensive strategies addressing cultural, educational, and policy dimensions are crucial to fostering positive financial behaviors that enhance women's empowerment (Fafchamps & Gubert, 2007).

Financial Awareness and Women Empowerment

Financial awareness, encompassing knowledge about financial concepts and opportunities, significantly impacts women's decision-making and economic participation. Informed women are better equipped to manage their financial resources, fostering control over their economic well-being (Lusardi & Mitchell, 2014; Agarwal et al., 2013). Moreover, financial awareness empowers women to engage in income-generating activities, entrepreneurship, and investment, contributing to their financial independence and overall empowerment (Duflo et al., 2014; Klapper et al., 2013). However, addressing gender disparities in financial awareness remains vital, necessitating targeted educational efforts that enable women to navigate the financial landscape confidently and contribute to their own empowerment (OECD/INFE, 2016; Beal & Delpachitra, 2003). Ultimately, fostering financial awareness equips women

with the knowledge and skills needed to make informed financial decisions, access resources, and advance their economic agency and empowerment.

Financial Skills and Women Employment

Financial skills empower women within the workforce by enabling effective negotiation of wages and benefits, fostering entrepreneurship, and enhancing long-term financial security (Duflo et al., 2014; Klapper et al., 2013; Agarwal et al., 2013). Women equipped with strong financial skills are better equipped to navigate the economic landscape, contributing to their economic agency and overall empowerment. Efforts to address disparities and provide comprehensive financial education are essential to ensure equitable benefits and enhance women's career growth and economic empowerment (OECD/INFE, 2016; Kusakawa et al., 2017).

2.2 Theoretical Review

In this section the research used three theories which are related to this study.

2.2.1 Maslow's Need Hierarchy Theory

Maslow's Hierarchy of Needs theory, developed by Abraham Maslow, is a psychological framework that elucidates the sequence of human needs and motivations. This theory posits that individuals are driven by a hierarchical arrangement of needs, progressing from basic physiological needs such as food, water, and shelter, to safety, belongingness, esteem, and ultimately self-actualization—fulfillment of one's full potential (Maslow, 1943). According to Maslow, as individuals satisfy lower-level needs, they ascend the hierarchy towards higher-level needs. This theory offers insights into understanding human behavior, motivation, and personal development, and has applications in various fields, including psychology, education, management, and marketing. So, the higher needs of the individuals are not directly related to the survival but related to the quality of life and life enhancement (Jariwala, 2013).

The financial needs hierarchy is given below (Jariwala, 2013).

Survival money: The money that an individual spends simply on the purchase of the basic needs that is required to survive.

What-if money: The money that an individual requires in order to protect themselves from future uncertainties.

Freedom money: The money that an individual requires in order to do things that brings joy and fulfillment to their lives.

Gift money: This is the replacement for love.

Dream money: This is the elusive self-actualization level where an individual finds true happiness and meaning.

The financial need priorities which a household has and the resource availability at each stage of household's life cycle determines the sequence of financial service and instruments that is acquired by the household.

2.2.2 Goal Setting Theory

The Goal Setting Theory of motivation, initially formulated by Edwin Locke, underscores the integral role of effective goal establishment in assessing task performance. This theory highlights the vital interconnection between setting goals and achieving tasks. It remains a potent tool for driving progress, ensuring that individuals within a collective striving for a shared objective possess a clear comprehension of their anticipated contributions to attaining the goal (Locke, 1968). Significantly, the scope of the goal setting theory extends beyond conventional areas such as industrial and organizational psychology, permeating the domain of financial behavior. Within the context of personal finance, financial planning, and investment choices, goals must align with the SMART criteria—Specific, Measurable, Achievable, Relevant, and Time-bound—facilitating individuals to effectively align their aspirations with sound financial strategies (Securities and Exchange Board of India, 2013).

2.2.3 The Classical Theory of Portfolio

The Classical Theory of Portfolio, often referred to as Modern Portfolio Theory (MPT), is a foundational concept in finance introduced by Harry Markowitz. This theory emphasizes the importance of diversification and risk management in constructing investment portfolios. MPT asserts that by combining different assets with varying levels of risk and return, investors can optimize their portfolios to achieve higher returns for a given level of risk or minimize risk for a targeted level of return. The key principle of MPT is that an investor should not solely focus on individual asset returns, but rather consider the correlations and interactions between assets in a portfolio to achieve an

efficient balance between risk and reward (Markowitz, 1952). The theory has been instrumental in shaping modern portfolio management strategies and has led to the development of tools like the Capital Asset Pricing Model (CAPM) and the concept of the efficient frontier, contributing significantly to investment decision-making and portfolio optimization.

2.3 Empirical Reviews

The review of empirical literature gives an evidence-based and factual analysis of related works done in the country or outside and in the same area of study or related.

Table 1

Summary of Literature

| Source | Objectives | Methodology | Findings |
|---------------------------------|---|---|---|
| Abidin, et al., (2023) | To examine the factor influencing financial literacy related to retirement planning behavior among single working women | Qualitative Semi-structure interview | Financial security, motivation to debt free, unexpected, financial set back and influence financial audience plays significance role in financial literacy. |
| Rachmadini and Damayanti (2023) | To examine the impact of financial literacy and financial inclusion on women empowerment. | Quantitative and qualitative approach Self-explanatory and close ended questions | Financial literacy is insignificant with women empowerment Financial planning, financial decision, financial crisis, financial inclusion 1 and financial inclusion 2 has significant with women empowerment. |

| | | | |
|--------------------------|---|---|---|
| Elliya, et al., (2023) | To examine the women to empower to improving financial literacy. | Qualitative research approach Structure questions | Several methods including understanding the basic of financial literacy, taking control of personal times, using of technology. |
| Struckell et al., (2022) | To analyze the significant moderating effect of financial literacy upon investment diversity in relation to financial attitude and decision behavior | Research Design: Descriptive research. Nature & Sources of data: Primary data were used. Data Collection: Structured | <ul style="list-style-type: none"> - Financial literacy is positively associated with self-employment. - Women with higher financial literacy are more likely to be self-employed than men. |
| Mishra et al., (2022) | Measuring the importance of financial knowledge in making women socially and economically empowered. To ascertain how women can become socially and economically empowered through financial literacy. | Structure of questionnaire Convening sampling | Financial literacy is making women socially and economically empowered is found to be significant. |

- Tinghog et al., (2021) To examine the gender gap in financial literacy - Data from Swedish Standardized Scholastic Aptitude Test Large-scale online data collection (survey and experiment) Gender gap in financial literacy observed in nonnumeric contexts. Gender gap in financial literacy attributed to stereotype threat.
- Ali et al., (2021) To examines the role of financial literacy and financial socialization, in the development of financial self-efficacy, financial coping behaviors, and financial empowerment among Saudi women using social cognitive theory (SCT). Self-administered, structured survey questionnaires Online data collection platforms Positive association between financial literacy, financial coping behavior, and financial well-being. Positive role of financial self-efficacy and financial coping behaviors in the development of financial empowerment.
- Rajan et al., (2020) To examine the financial awareness on saving and investment behavior of rural females in India. Qualitative and quantitative research approaches Semi-structured questionnaire survey Financial literacy level is encouraging in rural areas. Government efforts are leading to positive change.

| | | | |
|------------------------|--|---|---|
| Islam et al., (2020) | To examine the effect of financial literacy and entrepreneurship on women empowerment | Qualitative and quantitative research approaches Semi-structured questionnaire survey | 74% of FELP beneficiaries showed a positive attitude towards their family. 90.83% of women were able to update their business book and keep daily income-expenditure records. |
| Dat et al., (2020) | To analyzed impact of financial literacy among rural poor on their economic empowerment | Multilevel mixed sampling method Partial least squares structural equation model (PLS-SEM) | Financial literacy has a significant impact on women's economic empowerment among the rural poor. |
| Niazi and Malik (2019) | To analyze the significant moderating effect of financial literacy upon investment diversity in relation to sociodemographic, financial attitude and decision behavior | Descriptive research. Population & Sample: 775 respondents. | Financial well-being and control over time allocation are the dimensions of women's economic empowerment that are significantly influenced by financial literacy. There was low financial awareness among the respondents as 64% respondents could not understand even the literacy questions. |

Elliyana et al., (2023) investigated that women tend to have lower levels of financial literacy and participation in economic activities compared to men. This research aims to find out how women can empower themselves by improving their financial literacy. This research design is a literature study, which aims to identify and objectively evaluate relevant research findings on the subject of women's financial literacy, determinants, and applicable criteria approaches to improve financial literacy. As such, it is based on a review of papers using appropriate keywords. A transparent process to minimize research bias. Although this systematic literature review is not comprehensive, the research was complex. A systematic review involves a thorough literature search, clear criteria for study inclusion and exclusion, and a reliable assessment of the quality of cited studies. This research will help you understand the basics of financial literacy, manage your personal finances, utilize technology, invest wisely, seek professional financial management help and advice, and more.

Abidin et al., (2023) examined Rachmadini and Damayanti (2023) examined the influence of financial literacy and financial inclusion on women's empowerment, recognizing their significance in promoting gender equality and sustainable development. The research methodology involves the collection of primary data through questionnaires administered to a sample of housewives residing in West Java. In addition, secondary data is utilized to augment the analysis. Key variables examined encompass women's financial literacy, planning capabilities, decision-making authority, crisis management, financial inclusion, and overall empowerment. The data is subjected to descriptive statistics and regression analysis to extract meaningful insights. Need of understanding in monetary things regularly leads people to form rash monetary choices, which can have negative results for their retirement plans. Investigate shows that roughly one out of each three Malaysians considers their monetary information to be constrained. Moreover, around one in ten people concede to missing monetary teach. All inclusive, ponders uncover that 35 percent of men have way better budgetary proficiency compared to 30 percent of ladies. By improving women's monetary proficiency, it gets to be conceivable to relieve existing financial abberations and imbalances, contributing to the achievement of the 2030 Economical Advancement Objectives. This article's essential objective is to dig into the components impacting money related education related to retirement arranging behavior among single working ladies. The consider utilizes the hypothesis of arranged behavior and

the components of budgetary education sketched out by the OECD as the establishment for dialog. Utilizing a subjective technique, the investigate included five meet sessions with utilized single ladies. Information was assembled through semi-structured interviews and hence analyzed specifically. The study's discoveries emphasize that angles such as yearnings for budgetary security, the inspiration to be debt-free, startling monetary difficulties, and powerful budgetary direction operators all play critical parts in forming monetary proficiency behaviors relating to retirement arranging among single working ladies.

Wahab et al. (2023) examined Women Farmers Group of Puspa Mandiri could be a village activity outlined to upgrade women's strengthening in Gunungkarang village, Bobotsari Locale, Purbalingga Rule. Inside this bunch, there are predominant issues such as repeating mistakes in monetary explanations and inadequately capital for compelling trim surrender administration. These challenges are connected to the levels of monetary education and Sharia monetary consideration. In this way, the objective of this think about is to survey the degrees of budgetary proficiency and Sharia budgetary incorporation inside the Ladies Agriculturists Gather of Puspa Mandiri. This inquire about embraces a quantitative graphic approach as portion of field inquire about. The factors beneath investigation include budgetary education and Sharia money related consideration. Information collection utilizes a survey as the essential instrument, dispersed to 23 respondents. Clear insights are utilized to analyze the investigate information. The findings are along these lines ordered and categorized employing a graphic rate table. The results uncover that the level of Sharia monetary proficiency inside the Ladies Agriculturists Bunch of Puspa Mandiri falls inside the medium category (61.35%), whereas the Sharia monetary incorporation is categorized as moo (29.92%). The distinguished issues are complicatedly tied to the levels of Sharia money related proficiency and consideration inside the Ladies Ranchers Gather or "Kelompok Wanita Tani" (KWT), posturing a potential risk to the sustainability of the Gunungkarang village activity.

Ankita (2022) one of the biggest challenges of our country is women empowerment which can be attained by making them educated, financial independent. Financial literacy can be define as a set of knowledge and skills that allow individual to make informed and effective decision related to money. In India, women assess to financial services has increased substantially faster in the past few years. The increasing

liberalization in women social status has shown positive change in condition of women in India. Women are good in saving, budgeting and managing household expenses but they take their steps back when it's come to take large financial decision and they depends on their male counterpart, believing them to be financial experts. A minimum level of financial literacy is necessary for the women so that they can take their financial decision. The present study was conducted to assess the level of financial literacy among the women of Lucknow region. Thus a structured questionnaire was distributed among women in Lucknow region. The result of the analysis revealed that financial literacy level of women in Lucknow region not enough and strong variation in various socio- demographic and economic variables.

Raman (2022) examined in January 2021, the population of India had surged to 1.39 billion. Within this total population, 48.0% constituted women, while 52.0% represented men. Geographically, 35.20% of the population resided in urban areas, while the remaining 64.80% inhabited rural regions. However, according to a report from the Global Financial Literacy Excellence Center, merely 24% of the adult population in India possessed financial literacy. Remarkably, India's financial literacy rate stands as the lowest among major emerging economies, attributed to inter-state disparities, a lack of formal training, and awareness. Although other emerging economies boast superior financial literacy rates, there is still considerable room for further enhancement. Amid the COVID-19 pandemic, the urgency of financial literacy has escalated. Particularly affecting the middle-class, this crisis has brought forth financial challenges stemming from job loss, lockdowns, liquidity constraints, substantial medical expenditures, suboptimal investment practices, and a nonchalant attitude towards savings. Amid this context, women's circumstances have become more daunting than ever. This paper critically evaluates the current state of financial literacy and examines its potential to empower women within economies like India.

Tinghog et al. (2021) aimed to understand the reasons behind the gender gap in financial literacy. They explored whether this gap is present in contexts not involving numbers, whether it's linked to confidence in financial matters, and if stereotypes affect women's financial knowledge. The research used data from the Swedish Standardized Scholastic Aptitude Test with over 40,000 participants and conducted a large online study with almost 2,000 participants. Various methods, including vocabulary surveys and experiments, were employed. The results indicated that the gender gap in financial

literacy persists even when dealing with non-numerical financial topics. This suggests that the gap extends beyond just numbers to encompass understanding financial concepts presented differently. It was also found that the difference in financial literacy between genders wasn't due to differences in displayed confidence levels. Instead, the analysis revealed that gender influences financial literacy indirectly through financial anxiety. This implies that stereotypes about women's financial abilities contribute to the observed gap. Improving women's financial literacy is extremely important because of the differences in financial asset management that women now have over males. While a great deal of research has been done on the factors that lead to women's financial empowerment in developed countries, little is known about these factors in traditionally male-dominated social regimes such as Saudi Arabia. This study offers a conceptual demonstration underpinned by social cognitive theory (SCT) to explore the relationship between financial education and socialisation and the development of financial self-efficacy, behaviour adaptation, and overall strengthening in Saudi women. The study collected data via a pattern study including 1,368 women from various socioeconomic strata in Saudi Arabia, and hypotheses were tested using partial least squares (PLS) approach modelling with SmartPLS. Outstandingly, the study emphasizes the positive commitment of budgetary self-efficacy and adapting behaviors to improving budgetary strengthening. For all intents and purposes, the study proposes the arrangement of money related proficiency instruction and preparing, nearby endeavors to cultivate monetary socialization, to development the budgetary well-being of Saudi ladies.

Koomson et al. (2021) examines the impact of a combination training programme that emphasises financial literacy and women's empowerment on household spending, a critical measure of wellbeing. Using data from a randomised controlled experiment conducted in Ghana, we assessed initial balance and measured the subsequent impact using ordinary least squares methodology. The study's findings demonstrate that how financial literacy influences household spending depends in part on how the course is designed and implemented. A more muted effect is observed when financial literacy teaching is provided in isolation. However, there is a greater short-term impact on household consumption when a module on women's empowerment is combined with financial literacy instruction. The cooperative approach significantly raises household consumption, particularly in households headed by younger and female individuals.

However, investigate the effects on household spending, a crucial indicator of welfare, of a combination training curriculum that promotes financial literacy and women's empowerment. We measured the subsequent impact using ordinary least squares methodology, and we tested initial balance using data from a randomised controlled trial carried out in Ghana. The results of the study show that the way the course is created and delivered affects how financial literacy affects household expenditure. When financial literacy instruction is given in isolation, the effect is more subdued. But when financial literacy training is included to a curriculum on women's empowerment, the short-term impact on household consumption is larger. The collaborative strategy dramatically increases household consumption, especially in families led by women and younger people.

Iran et al. (2021) examined the element that affects entrepreneurship, especially in poor countries. However, there is still a lack of research on the variables influencing financial literacy and how it affects the investments made by female entrepreneurs. In order to close this gap, the study suggests that the degree of financial literacy of female entrepreneurs acts as a mediator between the behavioural components of the prospect theory framework—namely, loss aversion, regret aversion, mental accounting, and self-control—and their decision-making process when making investments. In order to investigate the proposed correlations between these variables, the study uses structural equation modelling on a stratified sample of 579 women entrepreneurs who operate in Punjab, Pakistan. The findings show that women entrepreneurs' financial literacy and investment decision-making processes are highly influenced by loss aversion, regret aversion, mental accounting, and self-control.

Bhaskaran et al. (2021) aimed to assess how financial awareness influences the saving and investment behaviors of rural women in India. The manner in which people invest bridges the gap between their savings and personal needs. A nation's economic growth can be gauged significantly by the accumulation of capital and trends in investment within financial markets. This study specifically examines the investment behaviors of 335 rural women in Jalandhar district, India, with a focus on the impact of financial awareness. The association between financial literacy and saving and investment behaviors is explored across five key domains: demographic variables, financial control, financial planning, financial product selection, and financial literacy. Findings indicate that rural women are aware of diverse investment options available in the

market; however, their investment choices are influenced by factors such as familiarity, safety, and assured returns. This study underscores the need for policymakers to prioritize enhancing financial awareness rather than exclusively concentrating on financial literacy initiatives.

Islam et al. (2020) analyzed the effects of business and financial literacy on women's empowerment, with an emphasis on households and women living close to Sundarban protected areas, who suffer from low levels of literacy and poor money management abilities. By empowering individuals to take advantage of opportunities and resources, the Financial and Entrepreneurship Literacy Programme (FELP) aims to improve their prospects for a living. The study uses a combination of qualitative and quantitative research methodologies to collect primary data from FELP participants via semi-structured questionnaire surveys. To determine the effectiveness of the FELP programme, research is carried out about a year after it is put into place. Statistical software like Stata and Microsoft Excel are used in data analysis. According to the study's findings, 74% of FELP beneficiaries play a positive role in their families, whereas 90.83% may keep track of daily revenue and expenses and manage business records. Additionally, 81.67% of recipients work outside the home to support their families by engaging in income-generating activities. The FELP framework significantly increases the chance of women's empowerment, as evidenced by the significant difference in empowerment scores between the FELP and non-FELP groups ($t = 6.06$, $p < 0.000$) as revealed by a two-sample t-test. The positive relationship between financial literacy and women's empowerment is confirmed by regression analysis, which also reveals that women who are empowered by FELP score higher. This study explores the complex relationship between financial literacy and women's empowerment and promotes the advancement of women's empowerment via the merger of sound financial literacy and entrepreneurship.

Kumari et al. (2020) investigated the impact of financial literacy on rural Sri Lankan underprivileged women's ability to pursue economic empowerment. The sample consists of low-income families from all nine provinces in the nation who are below the poverty line. A total of 386 completed questionnaires were taken into account for the final analysis out of 426 that were disseminated. The study uses a 24-item assessment questionnaire to evaluate the five main areas of women's economic empowerment: financial well-being, community leadership, control over income and

expenses, decision-making authority, and control over time allocation. A 25-item scale that covers financial awareness, knowledge, abilities, attitudes, and behaviour is also used to evaluate financial literacy. Data are gathered by researcher-administered questionnaires, and Cronbach's Alpha coefficients are used to evaluate the study's reliability. From among the 25 districts in each province, a sample of women-headed rural households is chosen using multilevel mixed sampling. For data analysis, a partial least squares structural equation model (PLS-SEM) is used, with Smart PLS 3 being the primary analytical tool. With SPSS 22, descriptive analysis is carried out. The results show that financial literacy has a substantial impact on rural poor women's ability to take charge of their own economic destiny.

Niazi and Malik (2019) analyzed the moderating effect of financial knowledge on investment decision-making and financial attitude. The study's main goal was to examine how financial literacy significantly modifies investment variety in relation to sociodemographics, financial attitudes, and decision-making behaviours. Descriptive research design was used in the study by the researchers. A questionnaire was used to gather primary data. A questionnaire was created, and 775 respondents' answers were gathered. A correlation matrix and descriptive statistics were used in the data analysis. Furthermore, investment variety improves as age, education, and income rise. The fact that 64% of respondents were unable to understand even the basic questions highlights the need for lawmakers to declare a financial literacy emergency. As a result, the study's findings indicate that the respondents' level of financial awareness is low.

2.4 Research Gap

Financial literacy leads to make effective knowledge of financial knowledge to improving the living standard. Where the lack of financial literacy is not unique to Nepal, but is a widespread problem among various population groups worldwide, regardless of the level of economic development. Additionally, recent research has highlighted the importance of integrating digital financial literacy in understanding women's empowerment in the digital era, emphasizing the need to examine the impact of technological advancements on financial inclusion and women's economic agency (Vegas et al., 2021; Goyal & Sahn, 2017).

Although current research suggests a positive association, further research is needed to disentangle sociodemographic factors, cultural norms, and institutional barriers. The

study aims to assess the contribution of financial knowledge, behavior, attitude, awareness and skills to women's empowerment in Nepal. The study aims to highlight the importance of financial literacy for women entrepreneurs and households in the country. The expected results can provide valuable information about the specificities of Nepal and promote future research in this critical area.

CHAPTER III

RESEARCH METHODOLOGY

The chapter discusses, in detail, the methodology the researcher adopted in undertaking this research. It provides a description of methods and reasons for their adoption during the data gathering process of the study. This chapter begins with the research design of the study followed by the population and sample, data collection, data collection techniques, validity test, reliability test, data analysis and software used.

3.1 Research Design

The research design is a carefully structured plan and strategy that guides investigations in order to address research questions effectively and control variables. The study used a descriptive and inferential research design was used. This design is focused on comprehensively examining the subject of research, providing detailed insights, and elucidating the facts and characteristics that pertain to the research problem. Descriptive research designs are characterized by their structured and formal approach, which seeks to depict phenomena or traits associated with the variables under investigation. These designs are particularly valuable for uncovering factual information (Cooper & Schindler, 2009).

3.2 Population and Sample Size

The purpose of the research, based on primary sources, is to target population is a specific group of people from where the data are collected. The population for the study is women from the age group of from 15-24 years, 25-34 years, 35-44 year and 45 years above (Preston, Qiu & Wright, 2022), which researcher has taken 385 sample. The sampling technique for the study followed non- probability sampling technique i.e. convenience sampling. As the population size is large, we have used the Cochran's formula to determine the sample size. Using the above formula, the sample size $n = \frac{z^2 pq}{e^2} = 385$ (Singh & Masuku, 2014). Where Z is the selected critical value of desired level, i.e., 95%, p is the probability selecting male, $q=1-p$ and $e=$ error, i.e., 0.05.

3.3 Nature and Sources of Data

The research used primary data collection method. Primary data refers to the data that is first used to test the working hypothesis and then used as an evidence to support a researcher's claim. The primary data was collected with questionnaire survey and was administered to obtain quantitative data. In order to obtain responses for the research, Google form was developed, and the link was sent to the respondents using internet as a medium to conduct survey.

3.4 Data collection Techniques

Data collection is a process of gathering information from identified respondents to answer the research questions. This study was mainly based on the primary data. Primary data source includes observations, experiments, social surveys like questionnaires and interviews. Questionnaire method is used in this research to get information from the respondents.

3.5 Instruments

Our methodological approach is to use a questionnaire in order to measure financial literacy and women empowerment. In order to conduct the study, structured questionnaires were used. A research questionnaire containing carefully framed questions was used to collect data for the study. The questionnaire was in two parts. The first part aimed at the collection of demographic information on the participants. This included age, sex, educational and income level.

A structured questionnaire was prepared and distributed to the respondents. The respondents filled out the questionnaire following the instructions given in the questions. Then, the responses were collected from the respondent. The questionnaire contained close-ended questions which were measured using 5-point rating scale. Scores on the scale items vary from a low of 1 (Strongly Disagree) to a high of 5 (Strongly Agree), with Disagree, Neutral and Agree as interval points.

Likewise, the data was also collected using secondary sources like several journal articles, research reports, portals, websites, books and dissertations, etc.

3.6 Method of Analysis

The research used primary data collection method. Primary data refers to the data that is first used to test the working hypothesis and then used as an evidence to support a researcher's claim. The primary data was collected with questionnaire survey and was administered to obtain quantitative data. In order to obtain responses for the research, Google form was developed, and the link was sent to the respondents using internet as a medium to conduct survey.

Reliability Analysis

Reliability test is one of the important elements to make sure that instrument developed to measure a particular concept is indeed accurately measuring the variable and that, in fact, actually measures the concept set out by the study to measure. Reliability ensures consistent measurement across various items in the instrument. In this study, Cronbach's Alpha is used to measure the reliability of the various items. Acceptable for $\alpha > 0.7$, Questionable for $\alpha > 0.6$, Poor for $\alpha > 0.5$ and Unacceptable for $\alpha < 0.5$ (Nunnally & Bernstein, 1994).

All the questions of five variables that are used for collecting the data have been tested for the reliability using Cronbach's alpha. Questions with alpha value less than 0.5 have been excluded from the analysis.

Descriptive Analysis

Descriptive Analysis was used to utilize the data collected from the respondents that has been interpreted. In order to summarize the data, various tools like percentage, frequencies, mean and standard deviation were computed.

Mean

Mean is used to calculate the average of the responses. Higher mean shows that the respondents are in favor of the responses, and lower mean shows that the respondents are not in favor of the responses.

$$\bar{x} = \frac{\sum x}{n}$$

Where

\bar{x} = Mean

$\sum x$ = Sum of no. of observations

n = No. of observations

Standard Deviation

Standard deviation is used to calculate the deviation of value from the mean. Higher standard deviation shows high fluctuation among the responses inferred from the respondents. However, low standard deviation is preferable.

$$SD = \sqrt{\frac{\sum(x - \bar{x})^2}{n - 1}}$$

Where

SD = Standard Deviation

\bar{x} = Mean

n = No. of observations

Inferential Analysis

Inferential analysis is a collection of approaches for estimating what the population characteristics, determining correlations, and finding association and influence between variable. The major area of inferential analysis is estimating parameter, inferences from specific data to more general situation sand testing hypothesis (Kern, 2013). SPSS will be used through various processes.

Correlation Analysis

The correlation coefficient will show how closely the variables are related to one another. In this study, the relationship between dependent and independent variables for which Likert scale questions will be assessed by employing a correlation matrix was examined using the correlation coefficient. It does not tell us anything about cause-and-effect relationship. Correlation may be positive or negative. Correlation lies between -1 & +1. When Pearson's correlation(r) is close to 1 then there is strong relationship between two variables. This means that will be change in one variable is strongly

correlated with change in second variable. When correlation(r) is close to zero then there is weak relationship between two variables.

The following formula that is used to calculate correlation analysis is given below:

$$r = \frac{n(\sum xy) - (\sum x)(\sum y)}{\sqrt{[n \sum x^2 - (\sum x)^2][n \sum y^2 - (\sum y)^2]}}$$

Where

r = correlation coefficient

n = no. of observations x and y are the variables

Multiple Regression Analysis

Regression is a statistical technique that's will be used in finance and other fields to assess the nature and degree of the relationship between the dependent and independent variables. The impact of independent and dependent factors will be examine using this tool. Women Empowerment = f (FK, FB, FA, FW, FS)

Model I will tire to find out the effect of variable with financial literacy and women empowerment. The model given below:

$$WE_{it} = \beta_0 + \beta_1 FK + \beta_2 FB + \beta_3 FA + \beta_4 FW + \beta_5 FS + \varepsilon_i \dots \dots \dots (i)$$

Where

β_0 = Constant term

WE = Women Empowerment

β_1 FK = Coefficient of Financial Knowledge

β_2 FB = Coefficient of Financial Behavior

β_3 FA = Coefficient of Financial Attitude

β_4 FW = Coefficient of Financial Awareness

β_5 FS = Coefficient of Financial Skills

ε_i = error terms

3.7 Theoretical Framework

A diagrammatic representation which shows the relationship between the independent and dependent variables is known as theoretical framework. In the study, the financial literacy is the independent variable whereas the personal investment decision is the

dependent variable. The financial literacy is operationalized as Financial Knowledge, Financial Behavior, Financial Attitude and Financial Awareness.

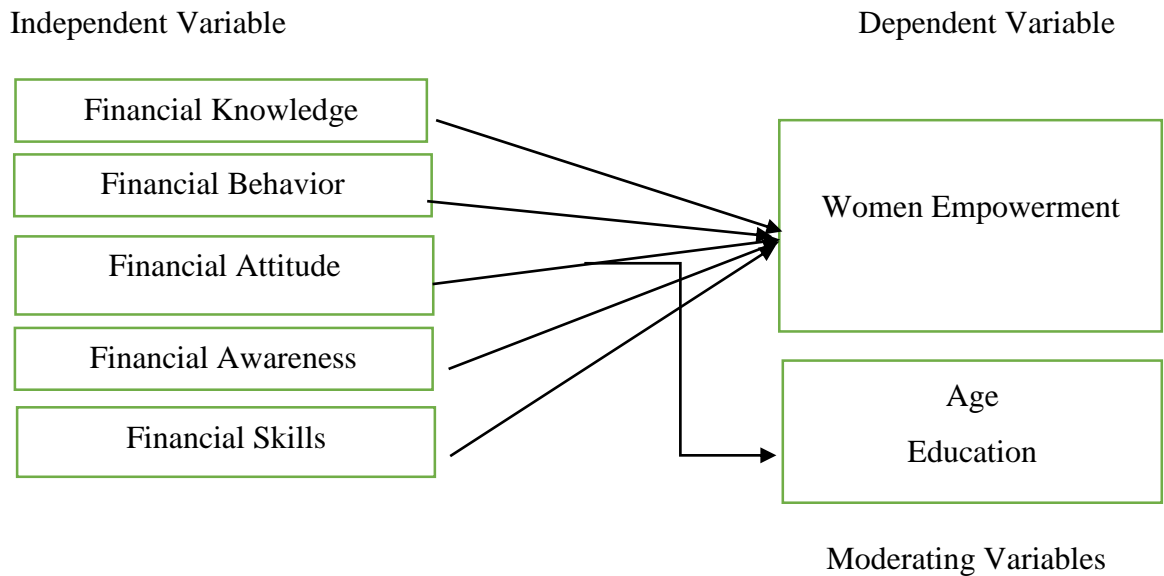


Figure 1 Theoretical framework of the study

Source: [(NRB, 2022), (Rachmadini & Damayanti, 2023), (Shrestha et al, 2023) & (Shanti & Murty, 2019)]

Independent Variables

Financial Knowledge:

Financial knowledge is defined as understanding key financial terms and concepts needed to function daily. It includes knowledge about items related to banking checking and savings, auto-life-health and insurance, using credit, taxes, and investing (Bowen, 2002).

Financial Attitude:

Financial attitudes refer to one's beliefs and values related to various personal finance concepts, such as whether one believes it is important to save money (Gina et al., 2012). It is the ability to choose and make investments and preference of some alternative over the other (Pankow, 2012). Financial attitude is the willingness and readiness of an individual to invest the time and other various resources required to apply their knowledge and exercise their skills (Nepal Rastra Bank, 2022).

Financial Awareness:

Financial awareness is essential for individuals to navigate complex economic landscapes successfully. Research by Ameriks et al. (2003) emphasizes the significance of wealth accumulation and the propensity to plan for retirement, highlighting the need for informed decisions in long-term financial management. Additionally, Lusardi and Mitchell (2007) stress the importance of financial literacy in retirement preparedness, underlining the positive impact of financial education programs.

Financial Skills:

Managing money is an important aspect of financial well-being than making or earning money. A financially skilled person makes more money by managing the available money and such skill of money management is alternatively known as financial skill (Akims & Jagongo, 2017).

Financial Behavior:

Financial behavior can be defined as any human behavior that is relevant to money management. The common financial behavior includes cash, credit, saving, and investment (Xiao, 2008). Moreover, it is the actual application of knowledge, skills, and attitudes in the everyday lives of an individual (Nepal Rastra Bank, 2020).

Women Empowerment:

Women empowerment is a multifaceted concept encompassing the social, economic, political, and cultural dimensions of enhancing women's status and agency. It involves granting women the tools, resources, and opportunities necessary to achieve gender equality and participate fully in all aspects of society (Gina et al., 2012). Empowering women includes ensuring their access to education, healthcare, economic opportunities, and decision-making processes.

CHAPTER IV

RESULTS AND DISCUSSION

This chapter focuses on the organized presentation, interpretations, and analysis of primary data obtained from the questionnaire that was given out in order to determine the level of customer satisfaction and service quality. The fundamental processes in the analytical process involve issue identification, assessing the availability of appropriate data, choosing which methods are suited for addressing the questions of interest, implementing the methods, and evaluating, summarizing & presenting the results. For this, a number of the statistical and economic instruments mentioned in chapter three have been mandated.

So, the findings and analysis of the data are collected from the questionnaire. SPSS was used to analyze the data collected from the questionnaire. Then, the results were obtained and explained using statistical tools. The data analysis presents particularly demographic characteristics, the descriptive analysis of the survey and the application of the various statistical techniques to test the research hypothesis. Therefore, all the findings are used to answer the research questions and meet the research objectives as well.

4.1 Respondent's Profile

From 385 questionnaires distributed to the people within the Kathmandu Valley, the entire questionnaire was used for analysis. The following tables show the profile of the respondents by age, gender, education level, occupation, marital status, level of income.

4.1.1 Respondent's Profile by Age

The age of the respondents is categorized into five different groups as 18-24 year, 25-34 year and 35-44 above.

Table 2

Respondent's of age group

| Age | Frequency | Percent |
|-------------|-----------|---------|
| 15-24 | 120 | 31.2 |
| 25-34 | 142 | 36.9 |
| 35-44 | 86 | 22.3 |
| 45 or older | 37 | 9.6 |
| Total | 385 | 100.0 |

Source: Field survey, 2023

Based on the result from table 2 which investigates the age level, where the highest percentage was the age of 25-34 years old at 36.9 percent or 142 respondents, followed by age of 15-24 years, which was 31.2 percent or 120 respondents. Similarly, the age of 35-44 years was 22.3 percent or 86 respondents and 45 or above was 9.6 percentage or 37 respondent from the total of 385 respondents, respectively. It can be concluded that the highest respondent's age group were 25-34 (36.9 percent).

4.1.2 Respondent's Profile by Education Level

The education level of the respondents is categorized into four groups as Intermediate level, Bachelor's and Master level. The frequency distribution and percent composition of the different education level is shown.

Table 3

Respondent's education level

| Educations | Frequency | Percent |
|--------------------------|-----------|---------|
| Intermediate degree (+2) | 99 | 25.7 |
| Bachelor's Degree | 180 | 46.8 |
| Master's degree | 106 | 27.5 |
| Total | 385 | 100.0 |

Source: Field survey, 2023

From the given table 3 which shows educational qualifications within a sample of 385 individuals. It reveals that 25.7% of the sample have Intermediate degrees (+2), 46.8% hold Bachelor's degrees, and 27.5% possess Master's degrees. This information

highlights the educational diversity of the sample, with a significant proportion having completed at least a Bachelor's degree. This data can be valuable for understanding the educational composition of the group and may have implications for various decision-making processes, such as recruitment strategies or educational program development.

4.1.3 Respondent's Profile by Occupations

The occupation of respondents is divided into seven groups as professional, government, self-employed, student and others. The frequency distribution and percent composition of different occupation is shown in Table 4 as:

Table 4

Respondent's occupations

| Occupation | Frequency | Percentage |
|---------------|-----------|------------|
| Professional | 69 | 17.9 |
| Government | 47 | 12.2 |
| Self employed | 44 | 11.4 |
| Student | 91 | 23.6 |
| other | 134 | 34.8 |
| Total | 385 | 100.0 |

Source: Field survey, 2023

Table 4 shows the occupations held by a sample of 385 individuals. It demonstrates a diverse range of occupations within the sample, with the largest group being students at 23.6%, followed by professionals at 17.9%, and individuals engaged in other occupations constituting the highest percentage at 34.8%. Government employees and self-employed individuals make up 12.2% and 11.4%, respectively. This information is valuable for understanding the occupational distribution within the sample, which could inform various decisions, such as educational program targeting, employment strategies, or demographic analysis of the group's professional composition.

4.1.4 Respondent's Profile by Marital Status

The marital status of the respondents is categorized into two groups as unmarried and married. The frequency distribution and percent composition of the different marital status group is shown.

Table 5
Marital status of respondent

| Marital status | Frequency | Percent |
|----------------|-----------|---------|
| Single | 151 | 54.5 |
| Married | 121 | 39.2 |
| Divorced | 24 | 6.2 |
| Total | 385 | 100.0 |

Source: Field survey, 2023

In the table 5 shows that the highest respondent are individual or single, with a frequency of 151 and a percentage of 54.5 percent. The next most common marital status is married, with a frequency of 121 and a percentage of 39.2 percent. The least Common marital status in the sample is divorced, with a frequency of 24 and a percentage of 6.2 percent.

4.1.5 Respondent's Profile by Income Level

The income level of the respondents is categorized into five groups as less than 10,000, 20,001 to 30,000, 30,001 to 40,000, 40,001 to 50,000, and 50,000 above. The frequency distribution and percent composition of the different income group is shown.

Table 6
Respondent's Income level

| Income Level | Frequency | Percent |
|-------------------------|-----------|---------|
| Less than Rs. 10000 | 102 | 26.5 |
| Rs. 20,001 – Rs. 30,000 | 102 | 26.5 |
| Rs. 30,001 – Rs. 40,000 | 88 | 22.9 |
| Rs. 40,001 – Rs. 50,000 | 67 | 17.4 |
| Rs. 50,000 and above | 26 | 6.8 |
| Total | 385 | 100.0 |

Source: Field Survey, 2023

Table 6 shows the monthly income of the respondents where majority of respondent have income level less than 10000 i.e. 102 respondents (26.5 percent) From the above table it is clear that among 385 respondents, 102 respondents i.e. 26.5 percent were people having income Rs. 20,001 – Rs. 30,000, 88 respondents i.e. 22.9 percent were

people having income Rs. 30,001 – Rs. 40,000, 67 respondents i.e. 17.4 percent were people having income Rs. 40,001 – Rs. 50,000 and 26 respondents i.e. 6.8 percent were people having income Rs. 50,001 and above.

4.2 Descriptive Analysis

A descriptive statistical analysis was conducted to determine the mean and standard deviation of each scale item as well as the overall variable. It displays a summary of the data with the mean, standard deviation, and other metrics. We may rationally simplify vast volumes of data related to these variables with the use of descriptive statistics. In addition, survey participants were asked to rate all characteristics on a five-point Likert scale: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = strongly agree. There were 385 responders (N) for each question item. The following list of questions relates to each determinant and displays the descriptive statistic for each, along with the respondents' degree of agreement.

4.2.1 Descriptive Analysis of Financial Knowledge

Financial knowledge is termed as a key dimension of financial literacy. Herd et al. (2012) measured financial knowledge as the person's knowledge of his own financial situations, instead of basic financial concepts, and treated it as a pre-requisite to take financial decisions effectively.

Table 7

Descriptive statistics of financial Knowledge

| Code | Statement | Mean | Std. Deviation |
|------|--|------|----------------|
| FK1 | Bonds provide lower interest return compared to stocks over same investment period | 4.39 | .91 |
| FK2 | Bond price raised when the interest rate falls | 4.26 | .91 |
| FK3 | Money invested today will yield more returns compared to money invested one year later | 4.48 | .83 |
| FK4 | Investing in various assets will spread the risk of losing money | 4.23 | .89 |

Source: Calculation using SPSS

The results in table 8 show the descriptive statistics of an individual item and as whole of Financial Knowledge. There are four statements used to measure the content. Each of the 385 respondents submitted their responses in the five-point Likert scale. The table 8 shows that the items have a mean value ranging from 4.23 to 4.48 i.e., the response is positive. The table shows that FK3 has the highest mean and FK4 has the lowest. The highest mean of 4.48 indicates that it is the most agreed statement, stating that investing in various assets will spread the risk of losing money. Lowest mean of 4.23 shows that respondents are less agreed by the statement, stating that money invested today yield will more returns compared to money invested one year later. Additionally, the table shows that FK1 and FK2 has the highest standard deviation i.e., 0.91 whereas FK3 has the lowest standard deviation i.e 0.83. This means that respondents have more deviation with the statement “Money invested today will yield more returns compared to money invested one year later.” i.e., the values in the data set are farther away from the mean, on average. Finally, it shows that the mean of overall Financial Knowledge is 4. 48 and the overall standard deviation is 0.91.

4.2.2 Descriptive Analysis of Financial Behavior

Individuals with high financial behavior were more likely to participate in stock market and formal financial markets (Jariwala, 2013). Which is self-disciplined when dealing with household finance and personal money and were more likely.

Table 8

Descriptive statistics of financial behavior

| Code | Statement | Mean | Std. Deviation |
|------|--|------|----------------|
| FB1 | I have retirement benefits plan for my future | 3.86 | .927 |
| FB2 | I always allocate certain portion of my income in saving | 4.10 | 1.127 |
| FB3 | I always keep aside money for future contingencies | 3.43 | .642 |
| FB4 | I constantly review the investments I have made | 4.24 | .869 |

Source: Calculation using SPSS

The provided data table 8 presents survey responses related to financial behavior (FB) statements, along with their corresponding means and standard deviations. These statements assess individuals' financial habits and attitudes. On average, respondents indicated a relatively high level of agreement with these statements, with mean scores ranging from 3.43 to 4.24 on a scale where higher values indicate stronger agreement. Notably, respondents expressed the strongest agreement with statement FB2 ("I always allocate a certain portion of my income to savings") with a mean score of 4.10, indicating a proactive approach to saving. Statement FB4 ("I constantly review the investments I have made") also received a high mean score of 4.24, suggesting a tendency among respondents to actively manage their investments. Conversely, statement FB3 ("I always keep aside money for future contingencies") received a slightly lower mean score of 3.43, indicating a somewhat lower level of financial preparedness for unforeseen events. Overall, this data provides insights into the financial behaviors and attitudes of the surveyed individuals.

4.2.3 Descriptive Analysis of Financial Attitude

Financial attitude refers to the state of mind or opinion and judgment about one's finances relating a position one has taken. It involves the preference of one investment opportunity or project over the other. Financial attitude refers to that state of mind or opinion and judgment about one's finances reflecting a position one has taken (Pankow, 2012).

Table 9

Descriptive statistics of financial attitude

| Code | Statement | Mean | Std. Deviation |
|------|--|------|----------------|
| FA1 | I am accountable for managing money in order to satisfy my current and future economic choices | 4.25 | .69 |
| FA2 | I have developed a spending and savings plan (personal budget) | 4.67 | .60 |
| FA3 | I track all my incomes and expenses | 4.05 | 1.09 |

| | | | |
|-----|---|------|------|
| FA4 | I depend on financial experts for guidance and advice on a wide variety of financial issues | 4.14 | 1.09 |
|-----|---|------|------|

Note: Calculation using SPSS

The result shows in table 9 presents survey responses related to financial attitudes (FA) statements, accompanied by their respective means and standard deviations. These statements gauge individuals' attitudes and behaviors towards financial management. The data indicates that, on average, respondents generally exhibit a strong sense of financial responsibility and engagement. They reported the highest mean agreement with statement FA2 ("I have developed a spending and savings plan (personal budget)") at 4.67, suggesting a proactive approach to financial planning. Respondents also expressed a high level of agreement with statement FA1 ("I am accountable for managing money in order to satisfy my current and future economic choices") with a mean score of 4.25, indicating a sense of personal financial responsibility. While statement FA3 ("I track all my incomes and expenses") received a slightly lower mean score of 4.05, it still reflects a strong inclination towards monitoring financial transactions. Additionally, respondents indicated a relatively moderate agreement with statement FA4 ("I depend on financial experts for guidance and advice on a wide variety of financial issues") at 4.14, suggesting a moderate level of reliance on financial professionals for guidance. In summary, the data highlights a positive and engaged approach to personal financial management among the surveyed individuals.

4.2.4 Descriptive Analysis of Financial Awareness

Financial awareness focuses on need of financial education and the source of financial education (Jariwala, 2013). Financial education is increasingly important for all individuals in fact, it is essential for every family trying to balance its budget.

Table 10

Descriptive statistics of financial awareness

| Code | Statement | Mean | Std. Deviation |
|------|--|------|----------------|
| FW1 | I understand my statement of financial position | 3.91 | 1.38 |
| FW2 | I am aware about the prevailing interest rates available in Market | 4.09 | 1.14 |

| | | | |
|-----|---|------|------|
| FW3 | I am aware about the prevailing tax rates. | 4.23 | 1.07 |
| FW4 | I am well informed about “Know Your Customer” (KYC) document. | 4.10 | 1.04 |

Source: Calculation using SPSS

Table 10 presents survey responses related to financial awareness (FW) statements, along with their associated means and standard deviations. These statements assess individuals' knowledge and awareness of various financial aspects. The data reveals that, on average, respondents generally display a reasonable level of financial awareness. They showed the highest mean agreement with statement FW3 ("I am aware about the prevailing tax rates") at 4.23, indicating a relatively strong awareness of tax rates. Statement FW2 ("I am aware about the prevailing interest rates available in the market") received a mean score of 4.09, suggesting a good understanding of interest rates. Respondents also reported a solid understanding of "Know Your Customer" (KYC) documents (FW4) with a mean score of 4.10. However, statement FW1 ("I understand my statement of financial position") received a slightly lower mean score of 3.91, indicating a moderate level of understanding regarding financial position statements. Overall, the data reflects a reasonably good level of financial awareness among the surveyed individuals, with some variation in their comprehension of specific financial concepts.

4.2.5 Descriptive Analysis of Financial Skill

Financially skilled person makes more money by managing the available money and such skill of money management is alternatively known as financial skill.

Table 11

Descriptive statistics of financial skills

| Code | Statement | Mean | Std. Deviation |
|------|---|------|----------------|
| FS1 | Suppose I have Rs. 100 in a saving bank account, earning an annual interest rate of 2 % under simple interest rate method. After five years I will have Rs 110 in my account. | 4.19 | 1.09 |
| FS2 | I plan to purchase financial products that suits my needs and conditions. | 4.12 | 1.15 |

| | | | |
|-----|--|------|------|
| FS3 | I make financial decisions considering various factors like investment horizon, risk, return, etc. | 4.32 | .96 |
| FS4 | I always read and understand the terms and conditions on use of financial products/services. | 4.06 | 1.15 |

Source: Calculation using SPSS

From the given table 11 shows the financial skill (FS) statements, along with their corresponding means and standard deviations. These statements assess individuals' financial knowledge and sophistication in making financial decisions. The data indicates that, on average, respondents exhibit a relatively high level of financial sophistication. They displayed the highest mean agreement with statement FS3 ("I make financial decisions considering various factors like investment horizon, risk, return, etc.") at 4.32, suggesting that they consider multiple factors when making financial decisions, including factors like investment duration, risk assessment, and potential returns. Additionally, respondents expressed a strong inclination toward understanding the terms and conditions associated with financial products and services (FS4) with a mean score of 4.06. They also demonstrated an understanding of simple interest rate calculations (FS1) with a mean score of 4.19. Moreover, respondents indicated a proactive approach to purchasing financial products that align with their needs and circumstances (FS2) with a mean score of 4.12. In summary, the data reflects a high level of financial sophistication among the surveyed individuals, highlighting their ability to make informed financial decisions considering a variety of factors.

4.2.6 Descriptive Analysis of Women Empowerment

Women empowerment accept the women viewpoints, making an effort to seek them and raising the status of women through the different sectors.

Table 12

Descriptive statistics of women empowerment

| Code | Statement | Mean | Std. Deviation |
|------|---|------|----------------|
| WE1 | Women should have equal access to education and career opportunities as men | 4.35 | .86 |
| WE2 | The service officers provide convenience service without a burdensome process | 4.09 | .70 |

| | | | |
|-----|--|------|------|
| WE3 | Empowering women benefits not only them but also the entire community | 3.91 | 1.38 |
| WE4 | I believe that women are capable of being leaders in various fields | 3.82 | 1.03 |

Source: Calculation of SPSS

In the given table 12 shows the women's empowerment (WE) statements, along with their respective means and standard deviations. These statements gauge individuals' attitudes and beliefs regarding gender equality and empowerment of women. On average, respondents expressed strong support for women's empowerment and gender equality. They showed the highest mean agreement with statement WE1 ("Women should have equal access to education and career opportunities as men") at 4.35, indicating a widespread belief in the importance of equal opportunities for women in education and careers. Respondents also indicated positive views on the convenience of services provided by officers (WE2) with a mean score of 4.09. However, statement WE3 ("Empowering women benefits not only them but also the entire community") received a slightly lower mean score of 3.91, suggesting that while there is support for women's empowerment, some respondents may have reservations about its broader societal impact. Similarly, statement WE4 ("I believe that women are capable of being leaders in various fields") received a mean score of 3.82, indicating a positive but somewhat lower belief in women's leadership capabilities across different fields. Overall, the data reveals a generally favorable stance toward women's empowerment and gender equality among the surveyed individuals, with slight variations in perspectives on its broader implications and leadership roles for women.

4.2.7 Descriptive Analysis Summary

The descriptive analysis of investment decision is shown

Table 13

Summary Descriptive Statistics

| Code | Variables | N | Mean | Std. Deviation |
|------|---------------------|-----|------|----------------|
| FK | Financial Knowledge | 385 | 4.34 | .71 |
| FB | Financial Behavior | 385 | 3.91 | .48 |
| FA | Financial Attitude | 385 | 4.28 | .55 |

| | | | | |
|----|---------------------|-----|------|-----|
| FW | Financial Awareness | 385 | 4.08 | .94 |
| FS | Financial Skill | 385 | 4.17 | .88 |
| WE | Women Empowerment | 385 | 4.04 | .55 |

Note: Calculation using SPSS

Table 13 summarizes survey results for six different variables related to financial knowledge (FK), financial behavior (FB), financial attitude (FA), financial awareness (FW), financial skill (FS), and women's empowerment (WE), each with 385 respondents. The mean values for these variables provide insights into the overall characteristics of the surveyed group. Notably, respondents demonstrated a high level of financial knowledge (mean of 4.34), indicating a strong understanding of financial concepts. Their financial behavior (mean of 3.91) suggests a generally responsible approach to managing finances. The positive financial attitude (mean of 4.28) reflects an optimistic outlook on financial matters. Respondents also displayed a reasonable level of financial awareness (mean of 4.08) and financial skill (mean of 4.17), indicating an awareness of financial concepts and confidence in financial decision-making. Lastly, the data shows strong support for women's empowerment (mean of 4.04), indicating a belief in gender equality and women's access to opportunities. Overall, the surveyed group appears to have a solid foundation in financial knowledge and a positive attitude towards financial matters while valuing gender equality and empowerment.

4.3 Correlation Analysis

Correlations Analysis between variables was studied to find relations among them. Pearson's correlations analysis was carried out for variables having simple multi option answers. Correlation matrix was computed to assess the extent or degree of relationship in between the research variables. A positive correlation reveals that the direction of the relationship is positive with one increasing in reaction to the other's increase.

Table 14
Correlations Coefficients

| | WE | FK | FB | FA | FW | FS |
|----|-------|-------|-------|-------|-------|----|
| WE | 1 | | | | | |
| FK | .17** | 1 | | | | |
| FB | .27** | .23** | 1 | | | |
| FA | .40** | .39** | .15** | 1 | | |
| FW | .53** | .49** | .16** | .51** | 1 | |
| FS | .16** | .39** | .03 | .27** | .52** | 1 |

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Calculation using SPSS

The correlation table 14 provides insights into the relationships between Women Empowerment (WE) and five independent financial variables: Financial Knowledge (FK), Financial Behavior (FB), Financial Attitude (FA), Financial Awareness (FW), and Financial Skill (FS). Each correlation coefficient (r) measures the strength and direction of the linear relationship between the variables, with values ranging from -1 (perfect negative correlation) to 1 (perfect positive correlation), and 0 indicating no linear correlation.

Relationship between women empowerment and financial knowledge

The correlation coefficient between Women Empowerment (WE) and Financial Knowledge (FK) is 0.169. This positive correlation suggests that as individuals' financial knowledge increases, their women's empowerment levels also tend to increase. While the correlation is statistically significant ($p = 0.001$), it's relatively weak.

Relationship between women empowerment and financial behavior

The correlation between WE and Financial Behavior (FB) is 0.274, indicating a moderate positive relationship. This suggests that individuals with more favorable financial behaviors tend to have higher levels of women's empowerment. The correlation is statistically significant ($p = 0.000$).

Relationship between women empowerment and financial attitude

The correlation coefficient between WE and Financial Attitude (FA) is 0.405. This moderate to strong positive correlation suggests that individuals with more positive financial attitudes are more likely to have higher levels of women's empowerment. The correlation is highly statistically significant ($p = 0.000$).

Relationship between women empowerment and financial awareness

The correlation between WE and Financial Awareness (FW) is 0.533, indicating a strong positive relationship. This suggests that individuals with higher financial awareness tend to exhibit higher levels of women's empowerment. The correlation is highly statistically significant ($p = 0.000$) and represents one of the strongest correlations in the table.

Relationship between women empowerment and financial skill

The correlation between WE and Financial Skill (FS) is 0.161, indicating a relatively weak positive relationship. This suggests that individuals with greater financial skills tend to have somewhat higher levels of women's empowerment, although the relationship is not as strong as with other financial factors. The correlation is statistically significant ($p = 0.002$).

4.4 Regression Analysis

The link between multiple independent factors and a single dependent variable is examined using regression analysis. Using this kind of analysis, researchers can demonstrate the extent to which a group of independent factors accounts for the variance in the dependent variable. When examining the link between a dependent variable and one or more independent variables, it encompasses a wide range of modelling and analysis methodologies. Regression analysis, in particular, clarifies how changes in any one of the independent variables, while holding the other independent

variables constant, affect the usual value of the dependent variable (Sharma & Chaudhary, 2018).

4.4.1 Regression Assumption Tests

Before running the regression analysis, its assumption must be satisfied. The regression assumption test was done in four ways normality test, linear test, multicollinearity test and independence of error.

Normality Test

The multiple regression analysis makes the assumption that the residuals have a normal distribution. Relationships and significance tests might be distorted by variables that are not regularly distributed. To evaluate these hypotheses, the researcher might benefit from visual evaluation of data plots, skew, kurtosis, and P-P plots, among other information. Each of these provides information regarding normalcy. Histograms and frequency distributions can be visually inspected to spot outliers, or data can be converted to z scores.

Figure 2: Normality test

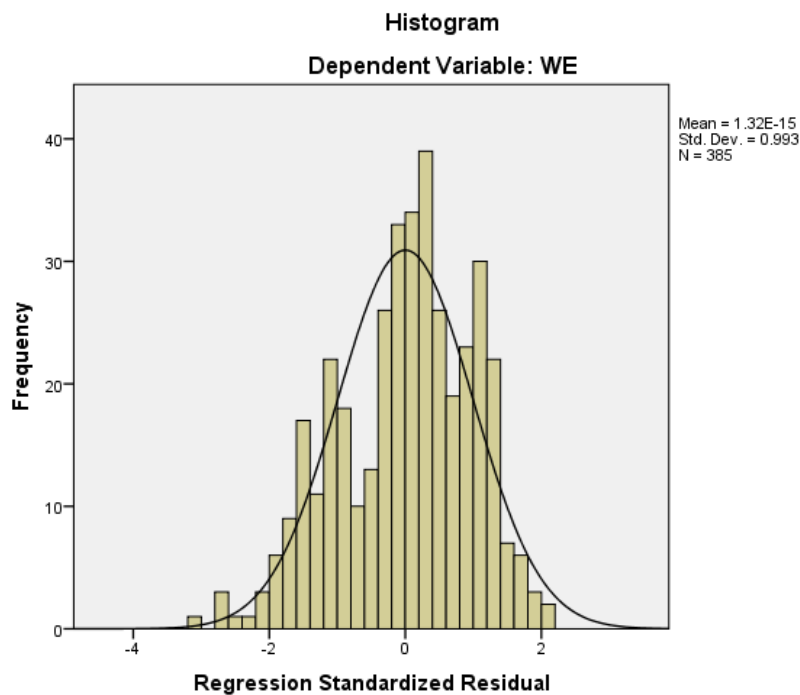


Figure 2 shows that data from the research results are normally distributed.

Linearity Test

Linear regression attempts to model the relationship between two variables by fitting a linear equation to observe the data. One variable is considered to be explanatory variable, and the other is considered to be a dependent variable. If the relationship between the dependent and independent variable is not linear, the result of the regression analysis will underestimate the true relationship.

Figure 3: Linearity test

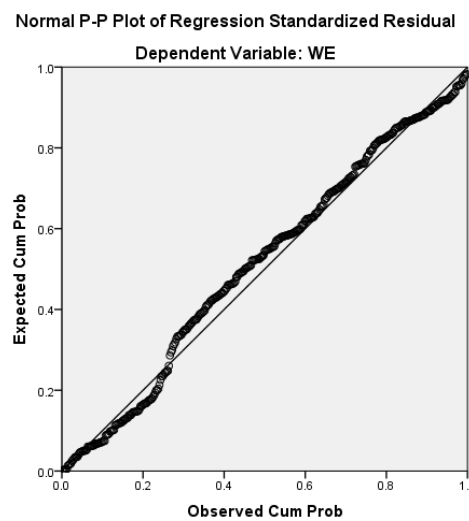


Figure 3 shows that the data are in linear position i.e., the data from the research results are near to the mean, or are not highly diverged from the mean.

Multi-Collinearity Test

It occurs when two or more predictor variables in multiple regression models have a high degree of correlation, which allows them to be accurately predicted linearly from other variables. In this case, a slight modification to the model or the data may cause the coefficient estimates of the multiple regressions to alter. Multicollinearity only has an impact on the computations pertaining to specific predictors; it has no effect on the model's dependability or predictive capability. In other words, correlated multiple regression models show how well each predictor as a whole predicts the outcome variables, even if they may not provide meaningful information about any particular predictor..

Table 15

Multi collinearity test

| Independent Variables | Tolerance | VIF |
|-----------------------|-----------|------|
| Financial Knowledge | .68 | 1.46 |
| Financial Behavior | .93 | 1.07 |
| Financial Attitude | .71 | 1.41 |
| Financial Awareness | .54 | 1.85 |
| Financial Skill | .69 | 1.44 |

Source: Calculation using SPSS

Above table 15 predicts that the tolerances of variables are less than one and VIF are all less than 10 (Belsley et al., 1980). As it is detected with the help of tolerance and its reciprocal called variance inflation factor (VIF) which says that if the value of tolerance is greater than 0.1 and VIF is less than 1 or 10 there will be no multicollinearity. So, I can conclude that the regression analysis can be run.

4.4.2 Multiple Regression Analysis

Statistical technique has been used to examine the relationship between a dependent variable and two or more independent variables. It extends simple linear regression, which deals with only one independent variable, to situations where multiple factors may influence the outcome of interest. In multiple regression, the goal is to model the relationship between the variables in a way that allows for prediction, explanation, and hypothesis testing.

Table 16

Model Summary

| Model | R | R square | Adjusted R square | Std. Error of estimate |
|-------|-----|----------|-------------------|------------------------|
| 1 | .61 | .38 | .37 | .44 |

Predictors: (Constant), FK, FB, FA, FW, and FS

Note: Calculation using SPSS

From the table 16 which shows model summary indicates the R-square also known as coefficient of determination which can help in explaining variance. R-square value is 0.377 i.e., 33.7% variation in Investment Decision is explained by independent variables (FK, FB, FA, FW, and FS). However, it is still leaving 61.4% (100% - 37.7%) unexplained in this research. In other words, there are other additional variables that are important explaining Investment Decisions that have not been considered in this research.

Similarly, adjusted R-square is 0.37 which means 36.9 % variation in Investment Decision is explained by independent variables after adjusting degree of freedom (df). Model summary also indicate the standard error of the estimate of 0.44 which shows the variability of ed value of Investment Decision from regression line is 0.44235 units.

Table 17

ANOVA

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|-------|------|
| 1 | Regression | 44.84 | 5 | 8.97 | 45.83 | .00 |
| | Residual | 74.16 | 379 | .19 | | |
| | Total | 118.99 | 384 | | | |

a. Dependent Variable: WE

b. Predictors: (Constant), FS, FB, FA, FK, FW

Source: Calculation using SPSS

The ANOVA table 17 reveals that the regression model, comprising the predictors FS (Financial Skill), FB (Financial Behavior), FA (Financial Attitude), FK (Financial Knowledge), and FW (Financial Awareness), is highly statistically significant ($F = 45.83$, $p < 0.001$). This implies that at least one of these financial factors significantly influences the dependent variable, WE (Women Empowerment). The model explains a substantial portion of the variance in WE, as evidenced by the large sum of squares for the regression (44.84) compared to the residual sum of squares (74.16). These results indicate that the financial variables collectively play a significant role in predicting women's empowerment levels, and further examination of individual predictor coefficients and their associated p-values would provide insights into the specific contributions of each financial factor to women's empowerment.

4.4.3 Multiple Regression Analysis

A set of statistics which process for estimating to know the effect between the dependent and independent variables. So, this analysis is done under the more than two variables so, it shown as below:

Table 18

Multiple regression

| Model | Unstandardized | | Standardized | t | Sig. | |
|-------|----------------|------------|--------------|------|-------|-----|
| | Coefficients | | | | | |
| | B | Std. Error | Beta | | | |
| | (Constant) | 1.86 | .25 | | 7.36 | .00 |
| 1 | FK | -.13 | .04 | -.17 | -3.55 | .00 |
| | FB | .23 | .045 | .20 | 4.77 | .00 |
| | FA | .19 | .05 | .19 | 4.05 | .00 |
| | FW | .32 | .03 | .55 | 9.89 | .00 |
| | FS | -.07 | .03 | -.11 | -2.34 | .02 |

a. Dependent Variable: Women Empowerment

Source: Calculation using SPSS

From Table 18 which displays the unstandardized and standardized coefficients for each independent variable (FK: Financial Knowledge, FB: Financial Behavior, FA:

Financial Attitude, FW: Financial Awareness, and FS: Financial Skill) in predicting the dependent variable, WE (Women Empowerment).

In the context of unstandardized coefficients, the "Constant" term has a value of 1.86, indicating the estimated value of WE when all independent variables are zero. For the standardized coefficients, Beta represents the standardized measure of each independent variable's contribution to the prediction of WE. For instance FW (Financial Awareness) is 0.55, which is the highest among the predictors. This suggests that an increase of one standard deviation in FW is associated with an increase of 0.546 standard deviations in women's empowerment. Similarly, the FK (Financial Knowledge), FB (Financial Behavior), and FA (Financial Attitude) are all positive, indicating that improvements in these financial aspects are positively related to women's empowerment levels.

However, FS (Financial Skill) is negative (-0.11), suggesting that an increase in financial skill is associated with a decrease in women's empowerment, although this effect is relatively weaker compared to the other predictors. It's important to note that the significance values (Sig.) associated with each coefficient are very low (all < 0.05), indicating that each of these financial factors significantly contributes to predicting women's empowerment, as evidenced by their t-statistics.

4.4.4 Moderating of Age

The following table shows the moderating of age with women empowerment

Table 19

One way Anova test of Age with women empowerment

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|----------------|-----|-------------|------|------|
| Between Groups | 3.81 | 3 | 1.27 | 4.19 | .01 |
| Within Groups | 115.19 | 381 | .30 | | |
| Total | 118.99 | 384 | | | |

Note: Calculation using SPSS

The analysis of variance (ANOVA) present in table 19 reveals that there are statistically significant differences in Women Empowerment (WE) scores among four different ages groups. The between-groups variation, which assesses differences among these

categories, is statistically significant ($F = 4.19$, $p = 0.01$), indicating that the groups differ in terms of their Women Empowerment scores. This suggests that there are distinct factors or conditions contributing to variations in women's empowerment within the dataset.

4.4.5 Moderating of Education

The following table shows the moderating of education with women empowerment

Table 20

One way ANOVA test of education

| | Sum of Squares | df | Mean Square | F | Sig. |
|----------------|----------------|-----|-------------|------|------|
| Between Groups | 5.38 | 2 | 2.69 | 9.04 | .00 |
| Within Groups | 113.62 | 382 | .29 | | |
| Total | 118.99 | 384 | | | |

Source: Calculation using SPSS

The Table 20 indicates that there are statistically significant differences in the dependent variable (which is not specified in the table) among various groups or categories. The substantial sum of squares between groups (5.38) compared to within groups (113.62) suggests that a significant portion of the variation in the dependent variable can be attributed to differences between these groups. The F-statistic of 9.04, with an associated p-value of 0.00, reinforces the statistical significance of these differences, indicating that the groups or categories being compared exhibit distinct characteristics or factors that contribute to variations in the dependent variable. Further investigation or post hoc tests would be needed to pinpoint which specific groups or conditions are responsible for these significant variations.

4.5 Hypothesis Testing

Descriptive analysis is conducted on the independent variables Financial Knowledge, Financial Behavior, Financial Attitude, Financial Awareness and Financial Skill and the dependent variables Women empowerment. The analysis continued with correlation analysis with the aim of testing research hypothesis of this research study. This section

of analysis covers all the statistical analysis made to verify the hypotheses and ascertain the impact of financial literacy on women empowerment.

Pearson correlation test is conducted to see the correlations between the independent variable and dependent variables. In addition to the Pearson correlation test, a simple bivariate analysis is conducted for the hypotheses testing using Women empowerment as a dependent variable and Financial Knowledge, Financial Behavior, Financial Attitude, Financial Awareness and Financial Skill as independent variables in order to see if there are relationships and to determine the impact of financial literacy on women empowerment. Five hypotheses were drawn for the purpose of the relationship between dependent and independent variables Test of each hypothesis is discussed below at the level $p < 0.05$.

H1: Financial knowledge significantly affects women empowerment

There is negative and significant relationship between financial knowledge which coefficient is -0.135, and p value is 0.00 which is less than 0.05 so, H1 is accepted.

H2: Financial behavior significantly affects women empowerment

Financial behavior 0.232, which indicating that for every one-unit increase in Financial Behavior, Women Empowerment is estimated to increase by 0.232 units. The standardized coefficient (Beta) of 0.200 suggests that FB has a moderate positive impact on Women Empowerment. Both the unstandardized and standardized coefficients are statistically significant ($p = 0.000$), supporting the alternative hypothesis that there is a significant relationship between Financial Behavior and Women Empowerment. So, H2 is accepted.

H3: Financial attitude significantly affects women empowerment

Financial analysis is 0.198, indicating that for every one-unit increase in Financial Attitude, Women Empowerment is estimated to increase by 0.198 units. The standardized coefficient (Beta) of 0.195 suggests that FA has a moderate positive impact on Women Empowerment. Both the unstandardized and standardized coefficients are statistically significant ($p = 0.000$), supporting the alternative hypothesis that there is a significant relationship between Financial Attitude and Women Empowerment. So, H3 is accepted.

H4: Financial awareness significantly affects women empowerment

Financial awareness is 0.324, indicating that for every one-unit increase in financial awareness, Women empowerment is estimated to increase by 0.324 units. The standardized coefficient (Beta) of 0.546 suggests that FW has a strong positive impact on Women Empowerment. Both the unstandardized and standardized coefficients are statistically significant ($p = 0.000$), supporting the alternative hypothesis that there is a significant relationship between Financial Awareness and Women Empowerment. So, H4 is accepted.

H5: Financial skills significantly affects women empowerment,

Financial skill is -0.072, indicating that for every one-unit decrease in Financial Skill, Women Empowerment is estimated to decrease by 0.072 units. The standardized coefficient (Beta) of -0.114 suggests that FS has a relatively weaker negative impact on Women Empowerment compared to the other factors. The unstandardized coefficient is statistically significant ($p = 0.020$), supporting the alternative hypothesis that there is a significant relationship between Financial Skill and Women Empowerment. So, H5 is accepted.

4.6 Discussions

The statistical result of liner regression shows impact of financial literacy on women empowerment with moderating variable age and educations. Where the financial literacy is taken as financial knowledge, financial behavior, financial attitude, financial welfare and financial skills as independent variables and dependent variables it taken as women empowerment.

As the result shows that financial knowledge has negative and significant relationship with empowerment, where the beta coefficient is -0.135 and p-value is $0.00 < 0.05$. So, decrease in financial knowledge lead to decrease in women empowerment. So, the result is differ with (Abinfin, et al, 2023), (Raman. 2022) and (Ali et al., 2021) shows the positive relationship with empowerment.

(Abinfin et al., 2023, Raman, 2022 & Ali et.al 2021) shows the positive relationship with empowerment. So, the result of financial behavior and women empowerment has positive and significant relation with women empowerment which beta coefficient is

0.23 and p value $0.00 < 0.05$. Which differ with Rachmadini and Damayanti (2023) shows the insignificant relationship with empowerment.

As shown in regression financial attitude has positive significant relationship with women empowerment which beta coefficient is 0.198 and P-value $0.00 < 0.05$. Which mean increase in one units of financial attitude increase the women empowerment. So, the result is consist of (Abinfin, et al., 2023), (Patel et al., 2022), (Struckell et al., 2022) and (Ali et al, 2021) found that the women with the higher financial literacy are more like to self-employed.

The result shows financial awareness has positive significant relationship with women empowerment which beta coefficient is 0.324 and P-value $0.00 < 0.05$. So, the result is similar to (Raman, et al., 2022), (Struckell, et al., 2022). Which the increase in one units financial awareness increase in women empowerment.

The results shows financial skill has negative significant relationship with women empowerment which beta coefficient is -0.072 and P-value is 0.020. So, the result is consist with Rachmadini and Damayanti (2023) and differ with (Abinfin, et al., 2023), (Mishra, Pham, Cavaliera, et al., 2022), (Struckell et al., 2022) and (Ali et al., 2021) which shoes that there is positive impact on the empowerment.

As the moderating variables shows that the age and education plays the vital role to increase the financial literacy. It seems that there is positive significant relationship between the financial literacy on women empowerment. The result shows that increase in age and education increase the empowerment and financial literacy.

CHAPTER V

SUMMARY AND CONCLUSION

5.1 Summary

The study examine the impact of financial literacy on women empowerment. However knowing the relationship between independent, moderating variables with women empowerment. The study aim to understand the impact of financial literacy (financial knowledge, financial behavior, financial attitude, financial awareness and financial skill) on women empowerment.

To achieve the objective of the study the researcher collected the data through survey questionnaire distribution to women age group from 18 to 44 years old who are involved in different sector and self-employed. The study used mean, standard deviation and inferential analysis (correlation, regression, one-way anova test). So, the study used both quantative and qualitative research using five Likert scale using total 385 valid respondent response were collected and interpreting the result using different statistical skills.

The provided correlation matrix show strong positive correlation between financial literacy and women empowerment. Financial knowledge, financial skills, financial attitude, financial awareness and financial skills has positive significant relationship with women empowerment. Where the study shows the regression assumption test i.e. normality test, multicollinearity test, and linearity test. The financial knowledge and financial skills has negative and significant relationship with women empowerment. Which means that the decrease in financial knowledge and skills decrease the women empowerment. And all the other factors are positive and significant relationship with women empowerment.

5.2 Conclusion

The study aimed to explore the multifaceted relationship between financial literacy and women's empowerment, with a focus on understanding how various financial dimensions influence empowerment outcomes. Through a rigorous analysis of financial knowledge, financial awareness, financial behavior, financial skills, and financial

attitudes, the research uncovered important insights into the empowerment of women in the context of financial literacy.

The findings of this study affirm a robust connection between financial literacy and women's empowerment. Financial factors, represented by financial knowledge, financial behavior, financial attitude, financial awareness, and financial skill, collectively contribute to the empowerment of women. These results underscore the pivotal role that financial literacy plays in advancing gender equality and women's socio-economic status.

Among the financial dimensions analyzed, Financial Behavior, Financial Attitude, Financial Awareness, and Financial Skill were found to have significant and positive impacts on Women Empowerment. This suggests that promoting positive financial behaviors, fostering a favorable financial attitude, increasing financial awareness, and enhancing financial skills can significantly enhance the empowerment of women. These findings provide actionable insights for policymakers and organizations aiming to design effective empowerment programs.

Moreover, the study's objectives also included assessing the influence of demographic variables on Women Empowerment. While the specific findings related to demographic factors are not detailed, this objective underscores the importance of tailoring empowerment strategies to specific groups. Recognizing the diversity among women and understanding how demographic variables interact with financial literacy is essential for creating contextually relevant and effective empowerment initiatives.

5.3 Implications

The primary objective of this research was to analyze the impact of financial literacy on women empowerment. The research has taken only five variables of financial literacy, such as Financial Knowledge, Financial Behavior, Financial Attitude, Financial Awareness and Financial Skill to study the various dimensions of financial literacy. However, various other variables can be taken into consideration for the future research works. There are a lot of areas that need further study and consideration. Some of the implications are listed as follows:

1. Financial literacy in Nepal enables women to achieve economic independence and break traditional economic barriers.

2. Informed decision-making skills empower women to actively participate in household financial management, leading to better budgeting and overall stability.
3. Enhanced entrepreneurial skills resulting from financial literacy contribute to economic development at the community level through the effective management of businesses.
4. Improved financial decision-making positively impacts education and career choices, fostering professional growth and economic self-sufficiency.
5. Financially literate women are better equipped to navigate economic challenges, ensuring greater financial security for themselves and their families.
6. Knowledge of investment options and financial planning enables women to accumulate assets, build wealth, and plan for long-term financial goals, including retirement.
7. Active participation in decision-making processes, both within families and in broader societal contexts, contributes to reduced gender inequality.
8. Closing the gender gap in financial literacy is essential for ensuring equal access to financial resources, opportunities, and decision-making power for women.
9. Efforts to promote financial education among women can lead to transformative changes in their lives, fostering empowerment and community development.

Ultimately, financial literacy plays a pivotal role in advancing women's empowerment and contributing to sustainable economic progress.

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IMPACT OF FINANCIAL LITERACY ON WOMEN EMPOWERMENT

Dear respondent,

I am doing a research on "Financial literacy and women empowerment" information provided by you will be used only for research purpose and not for any commercial activity. I will be grateful if you provide me just few minutes to answer my questions appearing in the enclosed questionnaire. Your ideas and information will be of great importance for my research. I do assure you that your information will be kept confidential.

Thank you for your cooperation

Sunita Bhusal

MBS (Finance)

Shankar Dev Campus

Section 1: Respondent Personal Detail

Please mention your age (Year). (Please make the tick (√) mark)

| | |
|-------------|-----|
| 15-24 | 95 |
| 25-34 | 129 |
| 35-44 | 105 |
| 45 or older | 44 |

Please mention your marital status. (Please make the tick (√) mark)

| | |
|----------------------------|-----|
| Single | 150 |
| Married | 210 |
| Divorced/widowed/separated | 25 |

Please mention your academic qualification. (Please make the tick (√) mark)

| | |
|-------------------------|-----|
| SLC/SEE | 72 |
| Intermediate degree(+2) | 109 |
| Bachelor's degree | 150 |
| Master's degree | 54 |

Please mention the occupation. (Please make the tick (√) mark)

| | |
|---------------|-----|
| Professional | 20 |
| Government | 100 |
| Self employed | 130 |
| Student | 130 |
| Other | 5 |

Please mention your monthly income. (Please make the tick (√) mark)

| | |
|-------------------------|-----|
| Rs. 10001 – Rs. 20,000 | 108 |
| Rs. 20,001 – Rs. 30,000 | 102 |
| Rs. 30,001 – Rs. 40,000 | 75 |
| Rs. 40,001 – Rs. 50,000 | 50 |
| Rs. 50,000 and above | 50 |

Section B

This section attempts to collect responses regarding **Financial Literacy** of the individuals. Please make a **tick on a criterion** (√) which is most appropriate to you.

(1= Strongly Disagree, 2= Disagree, 3= neutral, 4= Agree, 5= Strongly Agree)

| S.N | Particular | 1 | 2 | 3 | 4 | 5 |
|-----|---|-----|----|-----|-----|-----|
| FK | Financial Knowledge | 82 | 70 | 93 | 105 | 35 |
| FK1 | Bonds provide lower interest return compared to stocks over same investment period. | 100 | 87 | 32 | 60 | 106 |
| FK2 | Bond price rises when the interest rate falls. | 70 | 92 | 108 | 65 | 50 |
| FK3 | Money invested today will yield more returns compared to money invested one year later. | 69 | 82 | 105 | 39 | 90 |

| | | | | | | |
|-----|---|-----|-----|-----|-----|-----|
| FK4 | Investing in various assets will spread the risk of losing money. | 20 | 103 | 130 | 32 | 100 |
| FB | Financial Behavior | | | | | |
| FB1 | I have retirement benefits plan for my future. | 49 | 44 | 129 | 53 | 110 |
| FB2 | I always allocate certain portion of my income in savings. | 0 | 55 | 50 | 100 | 180 |
| FB3 | I always keep aside money for future contingencies. | 20 | 30 | 35 | 110 | 200 |
| FB4 | I constantly review the investments I have made. | 39 | 39 | 93 | 110 | 104 |
| FA | Financial Attitude | | | | | |
| FA1 | I am accountable for managing money in order to satisfy my current and future economic choices. | 75 | 10 | 132 | 108 | 60 |
| FA2 | I have developed a spending and savings plan (personal budget). | 78 | 77 | 140 | 40 | 50 |
| FA3 | I track all my incomes and expenses. | 55 | 60 | 50 | 110 | 110 |
| FA4 | I depend on financial experts for guidance and advice on a wide variety of financial issues. | 108 | 39 | 152 | 71 | 15 |
| FW | Financial wareness | | | | | |
| FW1 | I understand my statements of financial position. | 25 | 27 | 190 | 70 | 73 |
| FW2 | I am aware about the prevailing interest rates available in the market. | 180 | 100 | 122 | 30 | 25 |

| | | | | | | |
|-----|---|-----|-----|-----|-----|-----|
| FW3 | I am aware about the prevailing tax rates. | 78 | 10 | 57 | 132 | 108 |
| FW4 | I am well informed about “Know Your Customer” (KYC) document. | 90 | 100 | 122 | 30 | 25 |
| FS | Financial Skill | | | | | |
| FS1 | Suppose I have Rs. 100 in a saving bank account, earning an annual interest rate of 2 % under simple interest rate method. After five years I will have Rs 110 in my account. | 49 | 129 | 44 | 53 | 110 |
| FS2 | I plan to purchase financial products that suits my needs and conditions. | 132 | 73 | 30 | 110 | 40 |
| FS3 | I make financial decisions considering various factors like investment horizon, risk, return, etc. | 30 | 20 | 100 | 35 | 200 |
| FS4 | I always read and understand the terms and conditions on use of financial products/services. | 20 | 32 | 103 | 100 | 130 |
| WE | Women Empowerment | | | | | |
| WE1 | Women should have equal access to education and career opportunities as men | 49 | 63 | 218 | 30 | 25 |
| WE2 | Empowering women benefits not only them but also the entire community | 18 | 18 | 120 | 139 | 90 |

| | | | | | | |
|-----|---|-----|-----|-----|----|-----|
| WE3 | I believe that women are capable of being leaders in various fields | 132 | 103 | 130 | 11 | 10 |
| WE4 | Efforts to empower women should be a collaborative endeavor involving both men and women. | 75 | 50 | 100 | 49 | 111 |

Thank you for your kind information and cooperation