

Vol. 7 No. 3-A December 2017

ISSN 2249 - 8117

MIRROR

Vol. 7 No. 3-A December 2017

ISSN 2249 -

MIRROR

ISSN 2249 - 8117

International Research
Management & Social Sci
Journal (No. 64272)

Self collected
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Scholars Association of Kerala

Emancipation of Women through Savings - Feasibility and Impediments

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ABSTRACT

Throughout their lives, as women, they will be faced with different financial challenges than their male counterparts. If women are going to take control of their financial future, it is important that they recognize those differences and empowers themselves. Thus, women empowerment has greater importance in the modern world. It is only feasible by putting their balanced amount, after meeting the basic necessities, in an effectual manner. In the initial stage, Women had considered as the weaker slice of the society when compared to men. In ancient days women were not given any right to take any important decision. But now the trend has been changing slowly but surely, women are educated, they are allowed to work and to take financial decisions. However, saving decision of women will be affected by various factors. This study is conducted to analyze the factors which will affect the saving decisions of women and also tried to find out the major constraints faced by women while taking an investment decision. This study exhibits that savings helped women to increase their confidence level and security with weighted average score of 3.78, reduces their future financial worries with the score of 3.04 and helps in taking big investment decisions with a score of 2.88. This study also focused to explore the obstacles faced by women in their saving habits and to make out their dependency level in making saving decision.

Keywords: women empowerment, financial literacy, savings habits.

INTRODUCTION

Saving is considered as the major determinant of the economic growth and development. Sustained growth of output is possible when there is an increase in the propensity to save and invest. For economic growth, developing countries need to promote intended saving habit among people especially women in the country. These savings that must be directed to the rationally planned profitable investment and add value to individual satisfaction and economic growth. A woman, if employed, she is the best asset not only to her husband but also to their entire family and economy.

Women's are the vital part of social structure not only because of their importance in keeping of human race but also by virtue of their significant contribution to socio-economic progress. The place of

an Indian woman in social, economic and political spheres was more down in the dumps in earlier days. But now women have been contributing significantly to the social and economic progress of the country. This is due to the education she is getting, the women-centered policies, programmes of the government and the job opportunities available to her in the wake of modernization, urbanization, industrialization, liberalization, globalization etc. Empowering of women pre-supposes a dynamic and democratic change in the perception and expectation form women in our society. They make the most in shaping the future generation of any country through virtues like endurance, kindness, candor, and modesty. Given the capabilities they possess, nothing is impossible for women. Women are the backbone of the economy. When women move forward, the family and the country moves. So the empowerment of women in society judged through like parameters like employment, sex ratio, education, women liberalization and women safety and women financial literacy.

The prosperity and growth of a nation are measured by the status and development of its women as they not only constitute half of its population but also influence the growth of the remaining half of the population. As part of the change made in the economy, women come forward and they actively participated in the entire sphere of the economy. They get into different types of jobs and started to earn. By getting employment to women, they can share resources with the family needs and thereby they helped to reduce the financial stress of the family. Some part of their earnings, after meeting their household expenses, will be saved to meet their future requirements. Saving of the women has a great importance in the capital formation of the nation.

Saving is a key macro variable with micro foundations, which play a significant role in economic growth. Savings enable people to manage emergencies, to smoothen out peak income and expenditure to make an investment in homes, families, and businesses and to provide for old age. Even though the women investors are poor, they contribute some amount of money as savings on a regular basis. Most of the women investors feel that savings are an important activity but the amount they save every month is not uniform. Though some of the women investors are uneducated, they come to know about various women in investors provide the source of funds to make small investments such as LIC schemes, Post office savings schemes, Bank Deposits, Chai Fund, Mutual Funds are some of the key saving instrument. The reason for selecting these instruments was 1) they can withdraw their amount at times of necessity 2) installment amount is very cheap, 3) Security, 4) relation with agent etc. saving habits will be helpful to make economic self-sufficiency among women and also it is a greater indicator of the development of the economy.

Status of women in India and in Kerala

'The status and role of women are vacillating all over the world. Women's stepping out of the confines of the households multiplied their roles and responsibilities. They have to shoulder their domestic responsibilities as well as say themselves in the professional arena. The status of women in India has been subjected to many great changes over the past few millennia. From equal status with men in ancient times through the low points of the medieval period, to the promotion of equal rights by many reformers, the history of women in India has been eventful.

In modern India, women have adorned high offices including that of the President, Prime minister, Speaker of Lok Sabha etc. As per the latest census in 2011, In India, there are 591.4 million women as against 628.8 million men and the total female ratio in India 940 per 1000 males. The overall female sex ratio has increased by 0.75 % in the census 2011 as compared to the previous census. In Kerala, As per census, from Census 2011, female population are 17,378,649 which females were 16,372,760 in 2001

Kerala has been different from the rest of the country in terms of the indicators of women's development. Kerala has a favorable sex ratio of 1084, while the all India figure stands at 940 as per the

2011 census. Similarly in terms of literacy, life expectancy and mean age at marriage, women in Kerala have a higher score when compared with women in the rest of the country. As per the 2011 Census, Kerala's female literacy is 92 percent while the corresponding figure at the national level is only 65 percent. The female life expectancy in Kerala as per the latest available secondary source is 76.3 years when the same for women at the national level is only 64.2 years.

Statement of the problem

The structure and growth of savings assume great importance in the economic development of a country. Saving habit among women explicit the economic independence of women together in the consumption pattern and in making financial decisions. These liberties among women empower their strength. The lion share of her earnings and savings spend for the wellness and future requirements of her family. They have the potential to change their own economic status, as well as that of the communities and countries in which they live. However, women spend their entire earnings for the family requirement and to purchase unnecessary luxurious items without making any savings. Unfortunately, the majority of the women are not aware of the emerging financial instrument which is more beneficial and risk-free. This study intended to explore the saving habits of women in Kerala and also tries to elicit the problems and prospects in taking a saving decision.

Scope of the study

The scope of the study limited to Malappuram District in Kerala. A sample of 80 women respondents was selected using judgment sampling method.

Objectives

- To ascertain the purpose of saving decision taken by women
- To understand the factors affecting the women's saving Decision.
- To identify whether the women's are taking saving decision alone or whether they are dependent on others.
- To ascertain the problems and prospects of women while taking an investment/saving decision.

Methodology of the study

The present study is based on both secondary and primary data. Secondary data were collected from different sources like journals, magazines, books and periodicals, websites etc. The population of the study consists of women in Malappuram District. The study is mainly based on the primary data. The required data for the study has been collected through the survey method with the help of a structured questionnaire. The survey was carried among 80 women investors of Malappuram District. Selection is based on judgment sampling technique. Collected data were tabulated and analyzed by using percentage, weighted average, ranking table, and garret ranking method were used for data analysis.

Women and Saving- An Overview

A woman is a female human. The term woman is usually reserved for an adult, with the term girl being the usual term for a female child or adolescent. According to the world Banks Gender Statistic database, women have a higher unemployment rate than men in virtually every country. In general, women also make up the greater part of the lower paid, unorganized informal sector of most economies. Women countenance a lot of vulnerabilities. It is accepted fact now that women have to play a prominent role in the overall economic development of our nation, as they constitute 50 percent of the total population, "when women move forward, the family moves, the village moves," claimed Jawaharlal Nehru. It is recognized throughout the world that only when women are in the mainstream of progress can economic and social development be possible and meaningful. Women today have more earning potential and more influence over financial decision than ever before. Women represent almost half of the workforce of all many businesses are owned or managed by women. Many women persuade or control the majority of all consumer purchase decisions and many of the investment decision. As a result, it is important for women

to focus on finances now more than ever. However, the Gender gap in financial literacy (knowledge and capability) shows many women are not informed to make decisions on which products and services to take up as well as how to manage their finances. Thus, they often turn to risky and expensive informal savings products and services.

Throughout their lives, as women, they will be faced with different financial challenges than their male counterparts. If women are going to take control of their financial future, it is important that they recognize those differences and empowers themselves. Thus, women empowerment has greater importance in the modern worlds. It is only possible through education, employment, and financial safety. Earning money is only never be a tool for achieving financial independence; it is only feasible by putting their balanced amount, after meeting the basic necessities, in an effectual manner.

Results and Discussion

Purpose of women's savings

The following table provides information relating to the purpose of women in saving their money in Malappuram District

Factors	Table.1: Saving Objectives					Total Score	Mean Score
	5	4	3	2	1		
Regular income	R-1 37	R-2 14	R-3 14	R-4 11	R-5 4	309	3.86
Children's Education	11	34	7	17	11	257	3.21
Wealth Creation	8	18	25	10	19	226	2.82
Provide for retirement	12	13	18	9	28	212	2.65
Meeting Medical expenses	7	19	11	19	24	206	2.58
Tax benefit	13	11	16	23	17	220	2.75

Source: primary data

The table 1 shows the objectives of women in taking savings decision in Malappuram district. All the investors felt that regular income is the primary investment objective for their investment with the mean score of 3.86 (total score:309); children's education is ranked as the second investment objective as the majority of the investors belongs to the age group of 25-35 and are married. Wealth creation is held the third rank with the mean score of 2.82. More than 75 percent of the investors are employed and thus they ranked Tax benefit as fourth important objective with the total score of 220

Factors considering while taking saving decision

Table: 2 Ranking of Factors considering while taking saving decision

Options	Number of Respondents					Total
	1	2	3	4	5	
Long term growth	6	10	28	32	4	80
Risk	14	20	14	16	16	80
Return	18	12	22	12	16	80
Retirement income	11	14	12	8	35	80
Liquidity	31	24	4	12	9	80

Source: Primary Data

Majority of the women are of the opinion that liquidity is the most important factor to be considered while making a saving decision. The risk is the next important factor to be considered as women avoid taking high risk. Their main concern is not returning; it has been ranked 4 as they are happy with the moderate return and low risk. As most of the respondents were in the age group of 30-40, it is evident that retirement income is the end of the priority list as per table 2.

Level of Dependency while taking saving decision

Table 3 - Level of Dependency while taking saving decision

Particulars	Number of Respondents	Percentage
Dependent	58	73
Independent	22	27
Total	80	100

Source: Primary Data

Out of 80 respondents, 22 of them are free to take their own investment decisions and 58 investors depend on their relatives and friends for their investment decision. More than 70 percent of the surveyed investors are educated; however, they take investment decisions by depending others.

Feasibility and impediments in taking in saving decision

Table 4- Feasibility

Particulars	SA	A	N	DA	SD	Total score	WAS
I feel confident and secured due to my investment	33	22	6	12	7	302	3.78
My investment reduces future financial worries	11	8	40	15	6	243	3.04
I can financially support my family with the help of investment	8	13	15	27	17	208	2.6
I can easily work on my own idea without depending on others	22	3	14	12	29	217	2.71
I can take financial decision	6	34	5	14	21	230	2.88

Source: Primary Data (SA=Strongly Agree, A=Agree, N=Neutral, DA=Disagree, SD=Strongly Disagree)

The five-point rating scale was used to find the opinion of the women investors in respect of their social empowerment. The investment made by them increases the confidence level and security with weighted average score of 2.78, reduces their future financial worries with the score of 3.04 and helps in taking big investment decisions with a score of 2.88 as per table 4.

Table 5- Problem faced in savings

Particulars	Score	Rank
Low Income/ under employment	59.35	1
Inflation/increased Price of the goods	53.3	3
Lack of in-depth knowledge	54.38	2
Repayment of Debt	46.60	4
Unexpected expenses	31.45	5

Source: Primary data

Garret ranking method is used to find out the major problem faced by women while taking a saving decision. Low income / under employment is ranked first in the problems faced by women with a score of 59.35. Lack of in-depth knowledge about various saving avenue is held the second rank with a score of 54.38. Unexpected expenses are the Fifth rank in the difficulty while taking decision regards savings.

Summary of findings, suggestions and conclusions

During the twenty-first century, more women are working than the twentieth century. It is also same in rural women. In this era, they are earned into different types of jobs and started to earn as well as save. In the case of rural women, they are spender rather than a saver. They are more concern about their family and save for the betterment of their family which will lead to the economic and social developments of the nation. They save for their family rather than for her personal purpose.

All the investors felt that regular income is the primary investment objective for their investment with the mean score of 3.86 (total score 309); children's education is ranked as the second investment objective. More than 75 percent of the investors are employed and thus they ranked Tax benefit as fourth important objective with the total score of 220. This study revealed that 64 percent of women saving only below the thirty percent of their income. These data exhibit that they are used their income for more consumption purpose than savings. Majority of the women are of the opinion that liquidity is the most important factor to be considered while making a saving decision. The risk is the next important factor to be considered as women to avoid taking high risk. Out of 80 respondents, 22 of them are free to take their own investment decisions and 58 investors depend on their relatives and friends for their investment decision. More than 70 percent of the surveyed investors are educated; however, they take investment decisions by depending others. The five-point rating scale was used to find the opinion of the women investors in respect of their social empowerment. The investment made by them increases the confidence level and security with a weighted average score of 3.78, reduces their future financial worries with the score of 3.04 and helps in taking big investment decisions with a score of 2.88.

Garret ranking method is used to find out the major problem faced by women while taking a saving decision. Low income / under employment is ranked first in the problems faced by women with a score of 59.35. Lack of in-depth knowledge about various saving avenue is held the second rank with a score of 54.38. Unexpected expenses are the Fifth rank in the difficulty while taking decision regards savings.

CONCLUSION

Women who constitute half of the world population are denied to access income, assets decision making power and other opportunities that could embark on a more substantive performance. Statistics show that women constitute nearly 60 percent of the world as poor. Besides, it is seen that maternal mortality rate and infant mortality rate are high, there are gender gaps in literacy, drop out are high among girl students and incidents of crime against women are on the increase. They are always depending on their partner or any family member. Financial independence is helpful to women to create confidence and security and provide better status in the society. This study revealed the major constraints faced, like under employment, lack of in-depth knowledge etc., by the women while taking investment decision and also offer valuable suggestions, saving the campaign, the role of government, tax-free investment scheme etc to promote saving habit among women in Kerala. Thus, saving habit empowers women to be confident, to be forward-looking and trains them to take an independent financial decision in their long-term interest of their family.

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