# A STUDY ON FINANCIAL MANAGEMENT TECHNIQUES USED BY WOMEN IN THOOTHUKUDI CITY

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**ABSTRACT:**

This study delves into the financial management techniques adopted by women in Thoothukudi City, aiming to understand their strategies, challenges, and effectiveness in navigating financial responsibilities. Data was collected through questionnaire. Findings reveal a diverse array of financial management practices employed by women, including budgeting, savings, investment, and borrowing. Cultural and socioeconomic factors significantly influence these practices, with familial expectations and traditional gender roles shaping financial decision-making. Despite facing constraints such as limited access to financial resources and educational opportunities, women exhibit resilience and creativity in managing finances. The study identifies strengths and areas for improvement in current financial management techniques, highlighting the need for tailored interventions and support mechanisms. By shedding light on the unique financial management landscape in Thoothukudi City, this study contributes to the broader discourse on women's empowerment and economic development.

**KEYWORD:** Savings, Investment, Women, Spending habit.

## INTRODUCTION:

Compared to old times, women of today have started getting involved more in decisions related to family, society, and business. Women were considered the most dormant part of society but have now come up and begun to participate in every walk of life. Women have not just become a significant part of society but have started making contributions to almost every decision taken in everyday life. The role played by them cannot be afforded to ignore but should be given more importance. As education, level of literacy, social status and awareness, and their significance is getting better, their involvement has also increased, and presently women have started making contribution of income to their family. Previously majority of finance-related decisions were taken by the male members of the family. Still, with the rise in the importance of women, they have started taking part in decision making activities related to finance more actively. Discussing about investment related decisions, women found to be more risk reluctant because of their conservative attitude, less knowledge about finance, and less confident. Financial education and counseling usually take place most of the time at an individual level.

On the other hand, decisions related to finance take place at household and at the level of intra household. All family members, along with children, now influence family financial decisions. There is a need for financial educators to understand not just the importance of spouse impact in financial decisions but also their incapable involvement in economic decisions of family by distinct genders and their succeeding results. There might be more finance related decisions makers in family like elder children. Thus, education on finance and its counseling at individual level might not reach other decision makers of the family, particularly partners and elder kids. Though, working with decision makers of family might be proved effective because approach of whole family would be practical in long term. Women are taking part in household financial decisions not just in urban cities but also in rural areas, as it has become essential for them to get involved. A positive association was found between women's participation in household financial decisions with their access to resources, their socioeconomic status, age, and their perception. The structure of families is changing, and such changes are very much visible. Male members of society have accepted that it is not easy to live without the participation of women in their lives. Due to that, they have delegated part of the power of decision making to women in their families. Women at home would become more responsible after the delegation of decision making power to them. Being deviated from tradition role of women has led to taking over household responsibilities and taken up making money in labor market, which was traditionally a man's domain. The outcome of study shows that women are taking up more responsibilities than men nevertheless of who is earning money for family.

This study provides implications for management of household finance. It also provides an essential insight into ways that partners in households that are headed by female manage their finances. Taking up more work, like working outside and managing finance at home such workload is making bad impact on well-being of finance at home. It has become a priority to give economic empowerment to women along with gender equality. To reduce poverty, it is essential to provide economic empowerment to women and equality in society. An attempt has been made by this paper to give importance to women's economic empowerment. It is believed that development of women brings development in home, society, as well as nation. It is economic empowerment on which the empowerment of women depends. An economically empowered woman touches sky. Their potential, skills, knowledge, and dedication yield good results for themselves as well as for society. There is a need for the government to make needed efforts and steps to give protection, support, and guidance to women for a better future.

**STATEMENT OF THE PROBLEM:**

Women all over the world face challenges and various hindrances in attaining financial security. Participation of women in the workforce may have increased, but they remain cautious and dependent on family members when it comes to managing their money. Many women manage money well, but we don't fully understand the challenges they face. This study looks into the problems women encounter in handling finances, considering how society and systems might affect their decisions. The researcher thus wanted to figure out how effective their money management strategies are and how these strategies contribute to their financial well-being. By doing this research, it is evident to offer insights that can help policymakers and others support women in making better financial choices.

**OBJECTIVES:**

- To know about various channels of investment.
- To know about saving behavior of women.

**RESEARCH METHODOLOGY:**

| | |
|---|---|
| Sampling design | Simple random sampling |
| Period of study | January – March 2024 |

| | |
|---|---|
| Data used | Primary and Secondary |
| Test for analysis | Simple percentage analysis<br>Likert scale technique<br>Garrett ranking technique<br>Chi-square test |

**LIMITATION OF STUDY:**

Though best efforts were taken to minimize the limitation still the study is not free from limitations. Therefore the limitations are

- The study covers only the city of Thoothukudi so the results may not applied to other areas.
- Time is one of the major constraint which limits the effective data collection.
- The number of respondents is limited to 120
- While collecting primary data biasness of respondents in answering the questions was a barrier.
- Reliability and accuracy of the study depends on the respondent's openness and trueness towards answering each question in the questionnaire.

**RESULT AND DISCUSSION:**

**SAVING AVENUES USED BY WOMEN**

| PARTICULARS | NO.OF RESPONDENTS | PERCENTAGE |
|---|---|---|
| Bank deposit | 47 | 39 |
| Co–operative society Saving scheme | 32 | 27 |
| Gold chit funds | 26 | 22 |
| Post office saving scheme | 10 | 8 |
| Your own techniques to Save the money | 5 | 4 |
| **TOTAL** | **120** | **100** |

***Source:*** *Primary data*

**INFERENCE:**

From the above table 39% of respondents use bank deposit for saving, 27% of respondents use Co – operative society saving scheme, 22% of respondents use Gold chit funds, 8% of respondents use Post office saving scheme and 4% of respondents use their own techniques to save the money.

Thus majority of respondents use bank deposit for saving

**PROBLEM FACED DUE TO LACK OF SAVING**

| PARTICULARS | NO.OF RESPONDENTS | PERCENTAGE |
|---|---|---|
| Medical emergencies | 26 | 22 |
| Any repair work | 23 | 19 |
| Unexpected expenses | 36 | 30 |
| Unplanned travel | 29 | 24 |
| Loss of employment | 6 | 5 |
| **TOTAL** | **120** | **100** |

***Source:*** *Primary data*

**INFERENCE:**

From the above table 22% of respondents have medical emergencies, 19% of respondents have any repair work, 30% of respondents have unexpected expenses, 24% of respondents have unplanned travel, 5% of respondents have loss of employment.

Thus majority of respondents have unexpected expenses.

**RATING FACTORS INFLUENCING INVESTMENT DECISION AMONG WOMEN**

| Factors | Strongly Agree | Agree | Neutral | Strongly Disagree | Disagree | Total |
|---|---|---|---|---|---|---|
| 1. I like to invest in those investment avenues where I have previous experience | 295 | 228 | 12 | - | - | **535** |
| 2.I consider family decision while taking investment decision | 160 | 344 | 6 | - | - | **510** |
| 3.Iconsiderjournals& magazines to gather information before investing. | 200 | 132 | 123 | 12 | - | **467** |
| 4.I consider friends advice while taking investment decision. | 175 | 228 | 39 | 26 | 2 | **470** |
| 5.I like to investing government securities | 165 | 216 | 60 | 10 | 8 | **459** |
| 6.I consider risk as a factor while taking investment decisions. | 165 | 236 | 60 | 12 | 2 | **475** |
| 7.I take investment decision independently. | 225 | 160 | 75 | 20 | - | **480** |
| 8.Extra income induce me to invest more. | 225 | 204 | 42 | 16 | 2 | **489** |
| 9.Investment decision help me to become more independent about future. | 300 | 144 | 66 | - | 2 | **512** |

***Source:*** *Primary data*

| Factors | Average | Rank |
|---|---|---|
| 1.I like to invest in those investment avenues where I have previous experience. | 12.16 | **I** |
| 2.I consider family decision while taking investment decision. | 11.5 | **IV** |
| 3.I consider journals & magazines to gather information before investing | 10.6 | **VIII** |
| 4.I consider friends advice while taking investment decision. | 10.7 | **VII** |
| 5. I like to investing government securities to lower risk. | 10.4 | **IX** |
| 6.Iconsider risk as a factor while taking investment decisions | 10.8 | **VI** |
| 7. I take investment decision independently. | 10.9 | **V** |
| 8. Extra income induce me to invest more. | 11.12 | **II** |
| 9.Investment decision help me to become more independent about future. | 11.6 | **III** |

**INFERENCE:**

From the above table it shown factors influencing investment decision among women. It observed that "I like to invest in those investment avenues where I have previous experiences" has the highest score of (12.16%) and therefore it is ranked first, followed by "Extra income induce me to invest more, Investment decision help me to become more independent about future, I consider family decision while taking investment decision, I take investment decision independently, I consider risk as a factor while taking investment decisions, I consider friends advice while taking investment decision, I consider journals & magazines to gather information before investing, I like to invest in government securities to lower risk".

**FINDINGS:**

- Most (39%) of women use bank deposit to save the income.
- Most (30%) of women faced unexpected expenses due to lack of saving.
- The respondents opinion about preferable avenues for investment using garret ranking technique. It is observed

that "Gold chit funds" has highest score of (53.6%) and therefore ranked first, followed by "Post office saving scheme, Life insurances premium, Recurring deposit, Real estate".

**SUGGESTIONS:**

- Challenge of balancing work and household responsibilities, women can consider creating a structured schedule that prioritizes tasks, delegating responsibilities where possible, and communicating openly with family members or partners to share the load effectively. Additionally, seeking support from employers for flexible work arrangements or utilizing time-saving techniques such as meal prepping can help streamline daily routines.
- To effectively manage expenses, women can create a monthly budget outlining income and planned expenditures across different categories such as groceries, bills, and leisure activities. Utilizing budgeting apps or spreadsheets can help track spending, identify areas for adjustment, and maintain financial stability When price fluctuations, women can capitalize on low prices by purchasing items in bulk, especially those with long shelf lives or essentials used regularly. By stocking up during sales or promotional periods.
- When feeling stressed, many women find relief in shopping, but it's essential to consider healthier alternatives like exercise or spending time with loved ones to manage stress effectively and avoid overspending. Engaging in hobbies or activities that bring joy and relaxation

**CONCLUSION:**

Financial management is a crucial aspect of personal and household economics, and understanding the techniques employed by women in this domain sheds light on gender-specific strategies and challenges. This study delves into various financial management practices adopted by women, drawing insights from empirical data and qualitative analysis. The findings reveal that women employ a diverse range of techniques to manage their finances effectively. These techniques encompass budgeting, saving, investing, and debt management. Budgeting emerges as a cornerstone strategy, allowing women to allocate resources efficiently and prioritize expenditures based on their financial goals and obligations. Women exhibit a propensity towards conservative financial practices, preferring risk-averse investment options such as savings accounts, fixed deposits, and government bonds. This cautious approach reflects a desire for financial security and stability, especially in the face of economic uncertainty.

The study highlights the prevalence of collaborative financial decision- making among women, often involving spouses, family members, or trusted advisors. This collaborative approach facilitates knowledge-sharing and risk mitigation, contributing to better financial outcomes.

Women face unique challenges in financial management, including the gender pay gap, career interruptions due to care giving responsibilities, and societal norms that discourage financial independence. These challenges underscore the importance of tailored strategies and support mechanisms to address gender disparities in wealth accumulation and asset ownership.

The study underscores the significance of understanding and addressing the financial management techniques employed by women. By recognizing their diverse strategies, challenges, and aspirations, policymakers, financial institutions, and advocacy groups can foster an inclusive financial landscape that empowers women to achieve economic independence and security. Moreover, promoting management among housewives and educating them to more financial techniques also .

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