



## **Gender Disparities in Financial Literacy: A Comparative Study Between Male and Female Working in Degree Colleges of Mumbai**

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### **Abstract**

This study explores gender-based disparities in financial literacy among male and female employees in degree colleges of Mumbai. Given the critical importance of financial literacy for personal and professional stability, this research examines differences in financial knowledge, behaviors, and attitudes between genders in a high-demand urban environment. The findings highlight the distinct financial literacy needs of men and women and propose tailored solutions to bridge identified gaps.

**Keywords :** Financial literacy, Gender disparities, Financial behavior, Mumbai's Degree colleges.

### **Introduction**

Financial literacy is an essential skill that enables individuals to make informed financial decisions, impacting their financial security and overall quality of life. However, gender disparities in financial literacy persist worldwide, with studies indicating that women often lag behind men in financial knowledge and skills. In the context of Mumbai's degree colleges, where both male and female staff work in educational settings with stable income structures, this study investigates whether these gender disparities are prevalent and the extent to which they impact financial behavior.

Mumbai, a major financial and educational hub, provides a unique setting for examining these differences due to its diverse socioeconomic landscape and the demands of urban living. This study aims to contribute to the understanding of gender disparities in financial literacy among educated working professionals, ultimately supporting the development of targeted financial literacy programs.

### **Review of Literature**

Studies have consistently shown that men tend to score higher than women in financial literacy assessments across various demographics (Lusardi & Mitchell, 2014). Women often have lower confidence in financial matters, which can lead to conservative financial behaviors and limited investment in wealth-building opportunities (Fonseca et al., 2012). Financial disparities are influenced by socialization, educational opportunities, and career choices, with financial literacy seen as a gendered skill (Lusardi, 2019). Research on financial literacy among educators reveals varying degrees of financial knowledge, often influenced by socioeconomic factors and access to financial education (Hung, Yoong, & Brown, 2012). While educators are typically well-educated, their financial literacy can be limited if financial education was not a part of their formal training (Atkinson & Messy, 2012). This is particularly relevant for faculty members in higher education,

who may face retirement planning challenges due to lack of adequate financial skills (OECD, 2016). In India, financial literacy is generally low, with significant regional and gender disparities (Ramakrishnan, 2019). Mumbai, being a financial and urban hub, has diverse financial options and demands a higher level of financial literacy. Research on financial literacy in urban areas highlights the need for improved financial education to navigate complex financial markets (Agarwalla, Barua, Jacob, & Varma, 2015). Socioeconomic factors, such as income level, education, marital status, and family responsibilities, significantly impact financial literacy. For women, financial literacy can be hindered by gender-based societal expectations, such as the traditional role of managing household expenses rather than making investment decisions (Akerlof & Kranton, 2000). In the context of degree colleges, male and female employees may face different financial challenges, which can affect their financial literacy and behaviors.

### Methodology

This study depends on both kind of data, Secondary and Primary which employs a mixed-methods approach, including surveys and interviews, targeting both male and female employees in degree colleges across Mumbai. The survey consists of questions assessing financial knowledge, financial planning, and attitudes toward saving and investment. Interviews provide qualitative insights into gender-specific financial literacy experiences.

**Sample Size:** 160 participants, including 80 male and 80 female employees.

**Method of Data Analysis:** Quantitative data is analyzed using statistical software, with a focus on gender-based comparisons. Qualitative data from interviews are thematically analyzed to explore the nuances of financial literacy experiences among men and women.

### Data Analysis:

Following is the summery of data collected and analyzed.

Age Group	Gender	Count	Marital Status		Average Monthly Income (INR)	Employment Type		Average Years of Experience
			Single	Married		Permanent	Temporary (Contractual and CHB)	
Below 30	Male	25	16	9	37,000	10	15	3.5
	Female	30	18	12	35,500	8	22	4.2
30-45	Male	35	15	20	48,000	25	10	9.5
	Female	38	18	20	45,000	28	10	8.7
Above 45	Male	20	15	5	55,000	18	2	15
	Female	12	8	4	52,500	10	2	14.5



## Findings:

### Age Group

- Older age groups often have greater exposure to financial products, knowledge, and financial stability.
- **Below 30:** Low to Medium
- **30-45:** Medium
- **Above 45:** Medium to High

### Income Level

- Income levels impact access to financial opportunities, with higher earners potentially having higher financial literacy due to access to complex financial products.
- **Below 40,000 INR:** Low
- **40,000 – 50,000 INR:** Medium
- **Above 50,000 INR:** High

### Employment Type and Experience

- Permanent employment and longer years of experience can indicate financial stability and engagement in retirement planning.
- **Below 5 years of experience:** Low
- **5 to 10 years:** Medium
- **Above 10 years:** High

**Based on these categories, we can assign financial literacy levels as follows:**

Age Group	Gender	Count	Financial Literacy Level
Below 30	Male	25	Mostly Low, some Medium
	Female	30	Mostly Low, some Medium
30-45	Male	35	Medium
	Female	38	Medium
Above 45	Male	20	Mostly High
	Female	12	Mostly High

### Explanation:

- **Below 30:** With lower average incomes and experience levels, this age group is more likely to have limited exposure to complex financial products, contributing to lower financial literacy levels.
- **30-45:** Participants in this age range have higher income and more years of experience, which likely enhances their financial knowledge, placing them at a Medium level of financial literacy.
- **Above 45:** With higher income, experience, and often permanent employment, individuals in this age group generally have a High level of financial literacy, as they have had longer exposure to financial planning and investments.



## Conclusion:

### Gender-Based Level of Financial Literacy :

- **Males:** Generally, male employees have slightly higher financial literacy levels across age groups, particularly in the 30-45 and above-45 groups, due to higher average incomes and longer work experience in permanent roles. This trend reflects the social dynamics and gender-related income differences, where males might have more financial decision-making roles or access to financial literacy resources.
- **Females:** Female employees, while displaying strong literacy in budgeting and day-to-day financial management, tend to lag slightly in overall financial literacy compared to their male counterparts, especially in the younger age group. This gap could stem from societal expectations and lower average incomes. However, females above 45 tend to achieve high financial literacy, narrowing the gap with males in the same age group due to increased experience and income stability.

Finally, this study highlights that financial literacy levels increase with age, income, and experience. Targeted financial literacy programs could benefit younger employees, particularly females and those in temporary roles, helping them to bridge the gap early in their careers. Additionally, encouraging financial education among younger employees could lead to long-term financial empowerment and better financial security across all demographics.

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