

FINANCIAL AUTONOMY- A WAY TOWARDS PERSONAL GROWTH**P. Holani¹ and N. Nathani²**¹Department of Commerce, Jiwaji University, Gwalior, MP²Department of Management, PIM, Gwalior¹payalmalani19@gmail.com, ²drnavita@prestigegwl.org**ABSTRACT**

Financial decisions are considered as one of the crucial decisions of our lives and autonomy to take such decisions are not so common for the women in the male dominant society. It is commonly observed that the women have to discuss their financial decisions with their family first. Financial autonomy has a deep impact on their confidence level and self-perception. Personal growth exemplify the enhancement of potential, capabilities and the quality of life of a person, which becomes difficult to achieve without having autonomy. So the aim of the research is to determine impact which financial autonomy has on personal growth of women. This analysis is done on primary figures which is gathered with the help of questionnaire considering approximately 160 persons. The analysis of the study is done with the help of SPSS software. Firstly, the reliability of the data is checked from Cronbach Alfa test. Further, regression test is used for determining effect of autonomy on growth. The resulting output states that the financial autonomy affects the personal growth of the women positively. The women contributes the major portions in the population, so there is enormous need to open new paths for their growth. Effective implementation of financial inclusion is very much needed for the growth of the country.

Keywords: Finance, Autonomy, Growth, Development

Introduction

Financial decisions are the decisions which are related to money. It is very crucial to take the financial decisions efficiently as it affects one's whole life. In the country like India financial decisions are mainly taken by the male members of the family. It is a common stereotype belief that women will not take financial decisions properly. It is assumed that the women are capable to take only small household decisions. In India 80% of the women have their own bank accounts but nearly half of them are only able to use it independently. Bernasek & Bajtelsmit(2002) stated women were less involved in household financial decisions due to their lack of formal financial education and lower income than men. According to Berggren & Gonzalez (2010) women were risk adverse in comparison to men while taking financial decisions but they owned same level of confidence as men while taking their financial decisions. B.Carr & M.Steele (2010) stated that the society stereotypes influence the financial decision taken by the person.

It is commonly observed that before taking any financial decisions, women had to discuss it with their husband or family. Currently, they are not in the position to enjoy the financial autonomy. Women financial autonomy means

creating an environment for women in which they are free to take their financial decisions without being influenced by others. Societal norms, financial status, financial knowledge etc. creates major hurdles in providing financial autonomy to the women. Botha & Wong (2020) defines "financial autonomy can be determined on the basis of how a person is involved in deciding or determining routine expenses, large household expenses and saving & investment decisions". According to the survey of Nielsen Research agency, in 2019 only 33% of women took investment decisions independently. The report of India Development Review "91% of women client were consulted by their family member before taking loan but only 5% of them decided on the usage of availed loan amount.

Personal growth consists of one's potential, capabilities, enhancement in the quality of life by the way of achieving the various aspirations. Growth is the ultimate goal of one's life. If women do not get financial autonomy, it is going to affect their own development. Personal growth can be coined as person's growth, happiness, maturity, self-acceptance and success. According to Laura King et al. (2008) personal growth is a continuous process of transformation in behavior, attitude, thought process etc. through various experiences of life. Jean Vanier defines

"Growth begins when we begin to accept our own weakness." It is an ongoing process of changing attitude, behavior etc. positively which often leads people to the development path. Everyone likes to have freedom in their lives, it gives the feeling of self-actualization. Financial autonomy is something which enhances the confidence and mental capabilities of a person. There are very few studies which can relate the financial autonomy with the personal growth that makes our study a unique one. Financial autonomy helps in the skill building of a person and develop strong saving investment mind. If women are made free to take their financial decisions will not only increase their confidence level but also fasten their growth. Some studies have even shown that if women get financial freedom will further help in improving their marital status by reducing domestic violence. According to Kaur (2017) stated that without financial autonomy women will not get equal status in the society.

Review of Literature

While studying the impact of autonomy on physical abuse, Sabarwal et al. (2014) observed that women autonomy reduces marital violence in the rural area. For the study they have considered three magnitude of autonomy that is financial freedom, domestic household decision making and liberty of wandering. With the help of regression analysis, they concluded that the autonomy of women & their marital life are directly proportional to each other. In India, Raval et al. (2013) found that the life of female was more unpredictable than men. So when female had less financial freedom than male, their physical and mental health gets affected. The data of the study was collected with the help of interviews. Mean rank, median and some non-parametric test were considered to get outcomes. Titus et al. (2017) concluded that women do not have power or autonomy to take financial decisions independently. They need to convince their family that their financial decisions will not affect their lives negatively. Swamy (2014) had found the positive effect of financial inclusion on living standard and the income of under privileged women. The women of reserved category were less aware and active in using financial services as

compared to the unreserved category. The women of general category had more access to financial instruments than others. Financial inclusion helps in providing financial autonomy to the women which will directly help in improving the financial life of under privileged women. Dodoo et al. (2019) in their study in Ghana, concluded that the reproductive autonomy of the women is positively correlated with her financial autonomy. With the help of cross tabulations and anova they found that the women who had financial freedom also enjoys the reproductive autonomy but they did not have sexual autonomy.

Bennett et al. (2013) in their research showed that financial autonomy matters a lot in low/moderate income couples. For the study data was collected with the help of interview. They found that for women it becomes very difficult to decide between financial autonomy and togetherness due to heavy responsibility. In fact the policy makers were also ignoring the household dynamics while determining the policy to enhance the women financial autonomy. Another research by Sharma et al. (2015) found that for the progress of a country there is a need of effective financial participation of both men as well as women. The financial empowerment of the women was needed which can be achieved by providing adequate opportunities and resources. Questionnaire was used for the collection of data. They found that the risk taking capacity of women was negatively correlated with age. The women of younger age will invest more in share markets as compared to aged one. Studying the Gender difference in financial decision making, Gonzalez et al. (2010) through chi-square found that men had more financial autonomy than women. Women take financial decisions anxiously, as they were more risk detrimental than men. Men took bold financial decisions while the decisions of women were circumstantial. While Sharma et al. (2015) concluded that the financial skills of the women need to be improved. The study was conducted with the help of primary and secondary data. The women take financial decisions with the help of their family members. This is only because they do not have adequate financial knowledge. For the

growth of women, they have to be self-reliant in financial as well as social aspects. Various types of financial understanding program need to be organized to enhance their financial literacy. In the study of Malwa region Punjab (India) **Kaur** (2019) stated that the women will not get equal status in the society without having financial autonomy. The data of the study was collected from stratified random technique. From t-test they found that the confidence level of women and risk bearing capacity of men and women differs significantly. With the help of Anova and regression analysis they also found that the financial awareness of women depends upon their income level. Similarly **Bhatia et al.** (2019) stated that financial inclusion affects the economic, social and political acknowledgement of the women. Women who have access to financial services or bank account were more politically, social and economically empowered as compared to the remaining one. The haggling potential and financial autonomy of the women increases due to financial inclusion. While **Acharya et al.** (2010) concluded that the women of under-privileged area did not have authority to take financial decisions independently, while the women of developing area had some financial freedom as compared to under privileged one. They also concluded that rich women were not able to take their health decisions autonomously. They found that educated women and women of western region took their health decisions independently but they did not have autonomy to take household decisions independently. Mixed results was found by **Singh et al.** (2017) in their study, they stated that women were able to take only household decisions precisely and for other financial decisions they had to depend upon other members of the family. The major reason for the above was that the women of our country had very less financial knowledge. For financial growth of a nation there is a need of active financial participation of both male & female. **Anhhoang** (2015) in her study in Germany, stated that the women do not want to take risk was an outdated thought. Conventional thinking regarding the women financial decisions did not exist in the present situation. Both men and women poses similar

type of financial skills and both use their financial knowledge in effective way. Similarly **Harkness et al.** (1996) concluded that women became the breadwinner for their family. They were now contributing the major portion in their family income. Increased earning of women brought the scenario of equalization in the society resulting the ultimate growth of women as well as society. They also stated that the role of women in labor market was almost equal to the men.

Research Gap

Many studies have explored the aspect related to financial inclusion and financial literacy in the women life. They have often looked at the effect of financial knowledge in lives of the women. There are also some studies which analyzed the various aspects related to financial autonomy of the women. But effect of financial autonomy on personal development of the women has yet not been clarified. As growing is the ultimate goal of our lives it become important to investigate whether financial autonomy of women affects their personal growth or not. So the hypothesis of the study is

- There is a positive correlation between financial autonomy of the women and their personal growth.

Research Methodology

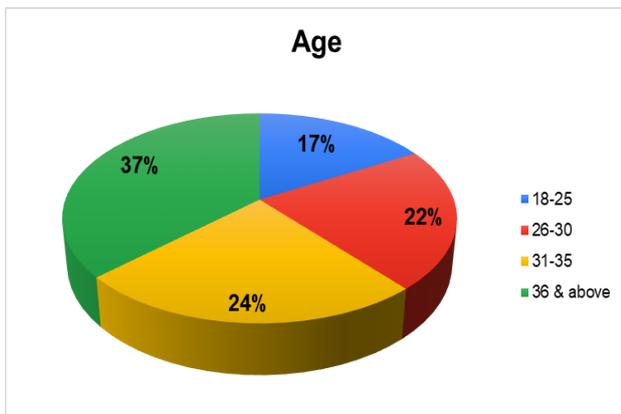
The research was based on exploratory research design, as there were very few researches conducted on financial autonomy of the women. The independent variable of analysis was women's financial autonomy and dependent variable was their personal growth. For the study quantitative data was required, which was collected with the help of standardized questionnaire designed by Carol D. Ryff. From that questionnaire questions related to autonomy, personal growth & self-acceptance were used to develop the desired questionnaire. The working women of the society were our target audience, they responded to the statement on the rating of strongly agree to disagree using 7 point likert scale. Non probability sampling method was taken into consideration to collect data from target population. Our sample data consists of 174 responses out of which 155 responses were considered as good to conduct the research.

Further Cronbach Alfa test was used to check the reliability of data and Regression analysis was also used in SPSS to analyze whether personal growth is associated with financial autonomy or not.

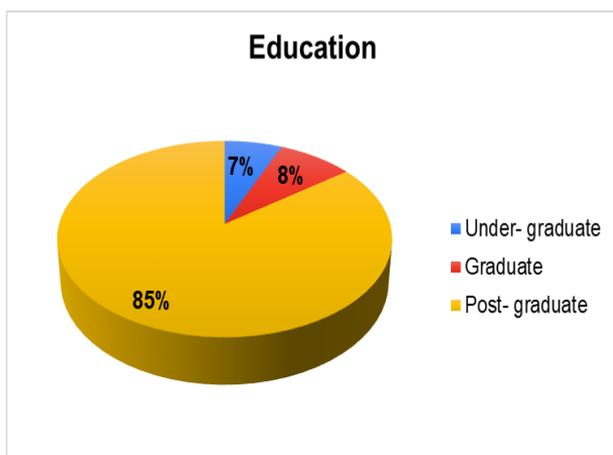
Data Analysis

❖ **Data Representation**

The data of the study is collected from the people of different age groups, education, marital status and occupation. 17% people lies between 18-25 years; 22% falls in the bracket of 26-30 years; 24% in 31-35 years & 37% at 36 years & above.



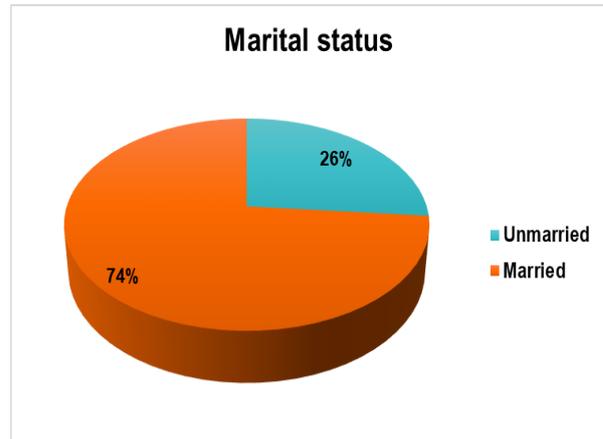
When it comes to the education level of the population, mostly data is collected from post graduate personnel. 85% of data is collected from post graduates, 8% from graduates and rest 7% from under graduates.



Also the data covers both married and unmarried women. It is common belief that level of financial autonomy depends upon marital status of the women, so it become important to consider both married and unmarried women. 74% of data is collected

from the married women and rest is collected from unmarried women.

❖ **Reliability Analysis:**



Personal growth is more or less concerned with the inner and outer development of the person. It is all about what a person gets from his life over a period of time. So it become tricky to examine the impact of financial autonomy on personal growth. To get the precise results, it becomes mandatory to check the effectiveness and the reliability of the questionnaire. Although we are using a standardized questionnaire but some changes are done in that to convey our objective to the respondents effectively. So to check the reliability of figures Cronbach's Alfa test is considered. The calculated value of the above is 0.742, which is considered as good. It implies that our data is reliable for further investigation.

Reliability Table		
Value of Cronbach Alpha	Cronbach Alpha value formed on Standardized Items	Number of Item
0.742	0.766	21

❖ **Regression Analysis:**

To determine impact of financial autonomy of women on their personal growth regression test was applied. The correlation and summary table depicts that the correlation amid financial autonomy & personal growth is 0.618, which is quite good. From that we can conclude that the financial autonomy affects the personal growth of the women positively.

Correlation table			
		Growth	Autonomy
R	Growth	1	0.618
	Autonomy	0.618	1
Significance (1 tailed)	Growth	.	0
	Autonomy	0	.
Number of items	Growth	155	155
	Autonomy	155	155

The Model summary also shows that 38.2% of variation in the personal growth is defined by the financial autonomy of the women. It

implies that when the women get the freedom to take financial decisions independently it strengthens their growth.

Model Summary Table									
Model	Correlation coefficient	R ²	Adjusted R ²	Standard Error of the Estimate	Change Statistics				
					R ² Change	F Change	Degree of freedom 1	Degree of freedom 2	Significance F Change
1	0.618	0.382	0.378	10.545	0.382	94.762	1	153	0

* Dependent and independent variable are personal growth & autonomy respectively.

Anova table help us to know if regression equation assist in the prediction of dependent variable efficiently or not. As shown in the table p value is less than 0.05 which depicts

that this model is apt for data. It implies that the personal growth can be predict with the help of financial autonomy of women significantly.

Analysis of variance					
Model	Sum of Sq.	degree of freedom	Mean Sq.	F value	Significance
Reg.	10537.48	1	10537.48	94.762	.000 ^a
Resd.	17013.46	153	111.199		
Total	27550.94	154			

* Dependent and independent variable are personal growth & autonomy respectively.

Coefficient diagram contributes significantly in providing relevant information to predict

personal growth of women from their financial autonomy.

Coefficient Table										
Model	Unstandardized Coefficients		Standardized Coefficients	t value	Significance	Correlation value			Collinearity Statistics	
	B	Standard Error	β			Zero-order	Partial	Part	Tolerance	Variance inflation factor
Constant	9.45	2.952		3.201	0.002					
Autonomy	1.281	0.132	0.618	9.735	0	0.618	0.618	0.618	1	1

On the basis of above table, the regression equation of the study is:
 Personal growth= 9+ 1.281(Financial autonomy)

Financial autonomy is not an only factor that affects the personal growth of women. There are many other factors but up to some extent personal growth is also affected by the financial autonomy. The above model helps in the prediction of personal growth with the help of financial autonomy.

Conclusion and Future Implications

Personal growth is the indicator of development or positive change in a person. It cannot be achieved without having the autonomy. Financial decisions are one of the most crucial decisions of our life and having autonomy on such decisions leads us to the path of growth. Financial autonomy is something which everyone wants to have in their lives. Here financial autonomy simply implies the freedom to take financial decisions. It can only be useful if one has adequate knowledge and knowledge will always drive you on the path of growth. In the study we concluded that financial autonomy affects

women growth positively. It simply means the more you have financial freedom the more you grow. It also increase the confidence level in the women and bring positive attitude towards themselves. They become capable to do their future financial planning efficiently. The women contributes the major role in the economic development of the country. So providing them autonomy directly contributes towards financial progress of country. The government of our country is already working towards women empowerment but for achieving that target there's a huge scope of the policy focused towards the financial literacy of the women. There is also a need to work towards their financial inclusion. Further research can be carried on financial elements which affects the development of women & also research can be conducted on the factors that leads towards the financial autonomy of women in order to achieve growth.

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