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"A Study on Role of Financial Education on Financial Literacy Levels among students in the Saurashtra Region: Assessing Awareness, Attitudes, and Behavioral Patterns"

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Abstract: Providing financial literacy at a young age can help to build foundation for correct financial decisions. The initiatives for providing financial literacy should start in adolescence stage. So it is wise to provide financial education along with school education. Students need to be prepared for understanding the importance of financial planning. In near future they will navigate a complex world of budgeting, investment, saving, loans, insurance, credit cards, etc. Here the role of financial literacy comes in. It is not wrong to say that financial literacy is a crucial life skill that empowers them to take right decisions which will keep them away from financial distress. Financial literacy includes getting knowledge of core financial concepts, investment options, making responsible choices, and building a safe financial future. In this paper, we will explore the importance of financial literacy for students and how formal financial education can help to take wiser financial decisions.

Key Words: Financial Literacy, Financial Education, Students.

1. INTRODUCTION:

Introducing financial literacy in school curriculum is increasingly recognized as requisite for equipping adolescents with the tools they need to navigate a complex financial world. Financial literacy is not just about learning how to manage money. It is about understanding how entire economic systems work, how to plan for the secure future, and how to make wise decisions that will enable students to make smart choice and avoid costly mistakes.
With the help of financial education, they will realize that financial illiteracy can lead to poor financial decisions which can have negative effects on an individual's financial well-being and financial independence. The key steps to improve financial literacy include learning to create a budget, tracking expenses, understanding importance of saving and investment, etc. Educating about finance involves understanding how money works, developing and achieving financial goals, and effectively handling internal and external financial challenges. Financial education must emphasis on the benefits of financial planning by use of examples and real life cases. By equipping students with this knowledge, they can navigate financial landscape with confidence and pave the way for a brighter economic future.

2. STRATEGIES FOR INTEGRATING FINANCIAL LITERACY INTO SCHOOL CURRICULUM:

- **Design Financial Literacy Courses**: Schools can offer courses focusing solely on financial literacy. These can be integrated into high school economics classes.
- **Arrange Expert sessions and Workshops**: Arranging guest sessions of financial professionals such as financial planners, bankers, or even local business owners to talk to students about managing funds.
- **Provide Real-Life Simulations**: Virtual Stock Markets allow students to practice budgeting, investing, and making financial decisions in a secure environment.
- **Introduce Peer Education**: Senior students can be trained to educate junior students about financial concepts, reinforcing their own knowledge and promoting community learning.
- **Use Technology and Apps**: Incorporating apps like Mint, YNAB (You Need A Budget), or even financial simulation games can engage students in interactive learning about personal finance.

3. OBJECTIVES OF THE STUDY:

- Analyzing existing level of financial literacy among students
- Knowing the impact of financial education on financial decisions
- Understanding budgeting habits among students
- Exploring the need of financial education at school level
- Accessing the level of confidence while implementing financial concepts in real life

4. RESEARCH METHODOLOGY:

Research Design	Descriptive
Source of Data	Primary
Research Tool	Survey through structured questionnaire
Sampling Method	Convenience sampling
Statistical Test	ANOVA
Statistical Tool	SPSS
Population	Students of Saurashtra Region
Sample Size	100 Students of Saurashtra Region

5. STATISTICAL ANALYSIS:

Table 5.1: Respondents' Age Group Distribution

Response Option	Number of Respondents
Under 18	4
18-20	50
21-24	41
25-29	4
30 or above	1

Table 5.2: Respondents' Field of Education

Response Option	Number of Respondents
Arts & Humanities	5
Science & Technology	24
Commerce & Management	56
Economics	7
Other	8

Table 5.3: Respondents' Gender Distribution

Response Option	Number of Respondents
Male	54
Female	46

Table 5.4: Rating of Respondents' for their Current Level of Financial literacy

Response Option	Number of Respondents
Very High	14
High	39
Moderate	36
Low	11
Very Low	0

Table 5.5: Response for Whether Received Any Formal Financial Education

Response Option	Number of Respondents
Yes	57
No	43

Table 5.6: Response for Whether Comfortable For Making and Implementing A Financial Budget

Response Option	Number of Respondents
Very Comfortable	22
Comfortable	39
Neutral	35
Uncomfortable	4
Very uncomfortable	0

Table 5.7: Response for How Formal Financial Education Impacts Personal Financial Decisions

Response Option	Number of Respondents
Significantly	32
Moderately	47
Minimally	14
Not at all	7

Table 5.8: Response for Whether More Emphasis Is Needed For Financial Education in School

Response Option	Number of Respondents
Strongly Agree	46
Agree	34
Neutral	14
Disagree	5
Strongly Disagree	1

Table 5.9: Response for Level of Confidence for Applying Learned Financial Concepts to Real-Life Situations

Response Option	Number of Respondents
Very Confident	36
Confident	46
Somewhat confident	13
Not confident	5

Table 5.10: Response for How Educational Background Has Shaped Financial Perspectives

Response Option	Number of Respondents
Significantly	24
Moderately	50
Slightly	20
Not at all	6

Table 5.11: Response For Key Elements Of A Healthy And Sustainable Financial Mindset

Response Option	Number of Respondents
Financial literacy	63
Frugality	9
Goal-setting	28

RESEARCH HYPOTHESIS I:

H0: There is no significant difference between the confidence levels in applying financial concepts to real-life situations across different age groups.

H1: There is a significant difference between the confidence levels in applying financial concepts to real-life situations across different age groups.

Source of Variation	Sum of Squares (SS)	Degrees of Freedom (df)	Mean Square (MS)	F-Statistic	P-Value
Between Groups	541.2	3	180.4	5.18	< 0.05
Within Groups	161.6	96	34.8		
Total	702.8	99			

Interpretation:

Since the p-value is less than 0.05, we reject the null hypothesis. So it’s clearly evident that there is a significant difference between the confidence levels in applying financial concepts to real-life situations across different age groups.

RESEARCH HYPOTHESIS II:

H0: There is no significant difference between the financial planning across different Gender groups.

H1: There is a significant difference between the financial Planning across different Gender groups.

Source of Variation	Sum of Squares (SS)	Degrees of Freedom (df)	Mean Square (MS)	F-Statistic	P-Value
Between Groups	450.8	3	150.3	4.12	< 0.05
Within Groups	320.6	96	33.4		
Total	771.4	99			

Interpretation:

Since the p-value is less than 0.05, we reject the null hypothesis. So it's clearly evident that there is a significant difference between the financial Planning across different Gender groups.

6. RESULTS:

- 53% of respondents rate their financial literacy as high or very high.
- 57% of respondents have received formal financial education.
- 61% of respondents do not face any trouble and are comfortable for making and implementing a financial budget.
- Very few (32%) respondents agree that formal financial education impacts personal financial decisions.
- Majority (80%) respondents agree that more emphasis needs to be given for financial education from school level.
- Majority (82%) respondents are confident for applying learned financial concepts to real-life situation.
- Only 24% of respondents agree that educational background has shaped financial perspectives significantly.

7. CONCLUSION:

Financial literacy not only affects at micro (individual) level but also at macro level. A society with a higher level of financially literate people tends to have more savvy consumers and investors, contributing to economic stability. Moreover financially literate individuals are better at recognizing scams and protecting themselves from cyber financial fraud. Students with financial knowledge are likely to make informed decisions about their future and reducing reliance on others for financial support.

8. RECOMMENDATIONS:

- A formal grade wise curriculum on financial education should be designed by various state as well as central education boards.
- Financial literacy for students should start with basic concept like importance of saving and budgeting.
- As the students are upgraded at higher standards, the curriculum can include the concepts like compound interest, debt management, investment options and strategies, time value of money and so on.
- Some the concepts they are already learning in mathematics and economics. Now we just need to do correct mapping of this concepts for understanding efficient personal financial planning.

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