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Financial Literacy and Attitudinal study of the Newly Employed Youth towards Financial Planning

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ABSTRACT

The youth of today is very much materialistic on one hand and on the other is forgetting the traditional roots of the culture they are born in. With the time we are rapidly moving towards the western culture and thus the vices of the same are also entering in out day today life. Where saving and investing was considered essential part of an earning youth today they focus more on acquiring assets than on financial planning. The financial literacy of the newly employed youth is deteriorating day by day. The study ahead covers certain some issues where they study the financial literacy of the newly employed youth along with the choices they are making in the financial sector.

Keywords: financial education, financial literacy, financial choices

"A compelling body of evidence demonstrates a strong association between financial literacy and household well-being. Survey after survey shows that households that demonstrates low levels of financial literacy are those that tend not to plan for retirements, borrow at high rates and acquire fewer assets"

- Shawn Cole

Introduction

Financial literacy in short is defined as taking appropriate decisions in case of personal finance issues like, investing, saving, retirement funding, budgeting of expenses, etc.. With time it has been felt that financial literacy is a pre dominant factor. While as its mentioned in the starting as quoted by Shawn Cole that the well-being of a household depends on the financial literacy they possess. While if we look at the figures as indicated by S&P survey around 76% of the Indians lack in financial literacy. According to the survey the Indian population is less aware of the financial instruments and the earnings they can give. The survey was constructed on the Lusardi.Aframework based on the knowledge of inflation, compounding, risk etc. He believes that if a person does not have knowledge about these parameters he cannot be financially literate as it is the basic of financial literacy.

The S&P survey indicated that approximately 76% of the Indians lack in the knowledge on these parameters. While if we go by the facts the problem is persistent mostly among the adult youths. Their dreams are big and means are less. As can be seen from the article " how lifestyle creep is harming your financial goals" published on the website "bigdecision.com" by the team of big decision, focused on the facts that how the youth of today is attracted towards a lifestyle which may not fit their budgets thus may distract all their financial goals. But the youth is more concerned about the lifestyle than the savings.

The financial literacy plays an important role at this juncture to make the youth understand that how these lifestyle creeps are eating their rainy day funds. The topic deals with the newly employed youth. Now the question arises that what is the difference between the employed and newly employed. The difference is bit psychological, it is the aspiration which they have towards various things differs them from the employed youth. Where we say that the youth is not properly financially literate the problem is severe at the level of newly employed youth. The paper ahead tries to focus on various such issues and tries to draw a planning model that they must adopt to make their financial life a bit simpler. But before moving to it lets try to have a brief view that what these newly employed youth away from financial planning and goals.

The main reason behind it is their financial literacy and their aspiration towards various materialistic goals. The newly employed youths form a major part of the work force of India as every year a large number of them is adding to the work force. They come with lots of dreams and aspirations and along with the same they come with zero budget policy. Mostly its observed in this group of people that they only start thinking of savings after 6 to 8 months job and after that also they do not draw major plans. While before starting job they do make plans where to spend money that they will earn rather than to plan where to save. A simple example of this can be taken as the first salary that they draw, before that salary actually comes the list of expenses is ready. Being an emotional movement they tend to spend without thinking. Sometimes they even over spend than what they can afford, gifts for parents and siblings, new accessories, parties to family and friends eats their budget out. These people can be tagged as most financially illiterate. It's possible that in theoretical terms they know everything but in practicality they do not practice financial literacy. The researcher has drawn a sample of some newly employed youth and has tried to understand their views about various financial products along with that also tried to understand whether they are financially literate or not, or must say whether they are practically financially literate or not. Further the researcher has drawn a conceptual financial planning model that can be adopted by these newly employed people to do their future financial planning. But before moving to it lets have a brief look what the researcher had to say in relation to financial literacy amongst youth.

Review of Literature:

Bianco, C.A., et.al., (2002). In their work on "Financial literacy: What are business schools teaching?" tried to focus on the curriculum of the business schools and tried to find out whether the business schools are aptly contributing in field of financial literacy by making their students understand its importance. They tried to analyse this by trying to understand the number of finance courses offered, what is the content of these courses? Are the courses in lien with the information that is required to be passed on and whether they are able to inculcate knowledge? They also tried to analyse whether the course contained personal finance portion or not which forms the base of financial literacy. The author also said that these young people will soon be joining employed task force and thus must be properly equipped with the knowledge else chances of being misled is very high and with privatization setting in the chances of being misled only increases.

Samy, M .et.al., (2004). In the paper on the topic " Financial literacy of youth a sensitivity analysis of the determinants" by using sensitivity analysis and neural method found that there are various factors that are the root cause of financial illiteracy. Neural was first time used to study such an issue and it was found that every neural unit has different effect.

Cude, B.J. et.al., (2006). Had mentioned in their paper "College students and financial literacy: What they know and what we need to learn" said that the students are not able to manage their finance properly as they lack in financial knowledge and they require financial literacy to achieve their future goals. The college in study gave the view that the students are not ready to tackle the financial issues. The financial literacy of the students is almost negligible. The study also focused on the fact that the students who are more prone to use credit cards can face more financial risk.

Futuna, F, (2007). In the work "College students personal financial literacy: Economic impact and public policy implications" said that the students in the university suffer from very low financial literacy. The author adopted the method of survey and surveyed the students to understand there level of knowledge on various financial aspects which turned out to be very low. The students turned out to be weakest on the question of investment decision and borrowings. The students were unable to understand where to invest and where not to, while they had better understanding about spending and insurance they lacked in the decisions about savings. The author also stated that the knowledge was less amongst the students who are having non-economic and business background in their field of studies such as engineers, humanities etc. while the students of the economics and business domain had better understanding and were more financially literate. When the author checked that whether the gender is also a factor affecting financial literacy it was found that they are not significantly different. But amongst these students also the knowledge varied from student to student. As the students who had more exposure towards finance had better understanding than those who didn't had that much exposure. The author suggested that before the youth adds to the workforce of the country it will be better if they are educated and trained properly on the financial matters. The researcher in case of

Lynchburg University says that the chances that the students will suffer the wrath of inadequate financial knowledge is not too far.

Barthley, J. (2011) studied "What drives financial literacy among the young" and concluded that the respondents of the survey scored less on the financial literacy parameters. The author suggested that financial literacy is call of the hour for the youth of any country, but it's still being underrated. The author says that finance is not exactly maths or science it's something different, it overall requires a different mind-set to understand but it is important to understand. The author also says that financial literacy is something which is very important for a person to understand as if a person is not able to get the same he/ she may not be able to secure ones future. The author also said that to make youth understand finance or o make them financially literate cannot be just done by inculcating it in the curriculum of studies. For this parents need to take initiatives they need to involve the youth in the financial matters of the house, they need to make them understand value of money. Parents can make the youth practically take financial decision thus making them more financially literate and independent.

Pathak, P. et.al (2011) in their work on " Accelerating financial capability among youth" concluded that " If human capabilities are formed early in life during a time when behaviours are malleable then prompting savings behaviour particularly earlier in life could be critically important in counteracting the psychological biases that notoriously inhibit positive financial behaviours. Already a growing body of evidence from public health, education, financial service shows that nudges can transform intent into action, overcoming the last mile problem. They point hat nudges such as reminders, commitments and peer pressure can be used as controls and can accelerate pace of financial capability of youth. They further state that by inculcating this habit early the nudges can make this an automatic system and can further reduce the temptation to spend amongst the youth. Also this may lead to a situation wherein a person may have greater financial stability and opportunity. "

Shaori, N.A. et.al., (2013) in their work on " Financial literacy: A study among the university students" concluded that the youth of today is not properly prepared to understand the market complexities. They further said that with the financial literate youth joining the work force the chances of bankruptcy at young age, demand of government aid, making faulty consumer decision can be avoided, but as the youth is not prepared for this the chances that all this happens is very high. They also said that the youth is becoming more and more materialistic their focus has now shifted from savings, they prefer to achieve and acquire assets than to save for future. This in long run can hamper the financial position of the youth. They also emphasized that a proper parental guidance is required for today's youth when they join the workforce as with more money at their disposal it can affect their attitude towards spending. The authors believes that a parental check is required on the youth to make them understand finance but before that parents need to be properly financially literate and must be able to practice positive financial practices. The author also suggested that to make the youth more competent in their financial matters the courses must be so designed that they understand various avenues of finance before they step in to the real world.

Sheresberg, C.B. (2013), in the paper on the topic "Financial Literacy and financial behaviour among young adults: Evidences and implications" concluded that the US population is mostly financially illiterate. Only 34% of the people possess financial literacy. The author also found that there is significant difference between men and women in US on the terms of financial education. One can say that men are more financially literate than women, thus women are the best target to provide financial education." the paper also analyses how financial literacy relates to 3 financial behaviour which form the base of the well-being of young adults it includes use of high cost borrowing methods, rainy day funds and retirement planning." The paper suggested that the young adult with higher financial literacy will take care of all the three aspects. The person who demonstrates higher financial literacy will never go for high cost borrowing also will have the rainy day funds in place to meet the sudden or unpredictable expenses. Along with this these people will have a better retirement planning. The author concluded that "there is a growing gulf between the amount of financial responsibility given to the young adults and their ability to manage the finance and take advantage of financial opportunities. Thus financial literacy not being properly imparted is becoming a major concern for the financial markets as it cannot efficiently operate in such a situation and neither it can make the youth participate completely in the financial markets". Thus it can be inferred tha in absence of financial literacy the financial acumen cannot develop to the full.

Agarwalla, S.K. et. al. (2013). In their white paper on the topic "Financial literacy among working young in Urban India" found that the youth is not properly financially literate in India also as prior we had seen in context of other nations. In the survey conducted by them on the financial knowledge of the youth in the urban India they found that the proportion is only 24% which is much lower than the OECD result of 13 countries where the result was almost 50%. Only one country i.e. South Africa studied by OECD lacked on financial knowledge as compared to India. They further drew attention that only 19% of the respondents understand the dimensions of financial knowledge which was again very low as compared to the OECD survey. They further stated that financial behaviour is a derivation of financial knowledge, adequate financial knowledge can strengthen financial behaviour. While they found that financial attitude and financial knowledge are independent from each other. There are chances that a person may have complete knowledge about the dinancaildimentsion and variables still may exhibit a negative financial attitude as it largely depends on the financial capability of the person. They concluded that when the working young urbans are compared with the other nations they are more adequately prepared than various other OECD countries. They said that "overall the level of financial literacy among working young in Urban India is similar to the level that preavails among comparable groups in other countries. The inference reached by the study on influence of socio demographic variables on financial decision was also confirmed in context of other countries. But the author also pointed out the fact that though the sample in the population is highly educated the same is not translated in financial literacy and one of the main reason behind this can be inapt financial education provided at the level of college and universities."

Altaf, N. (2014), conducted a study in India where the author studied the topic "Measuring the level of financial literacy among management graduates" which was at par with the previous studies. The author's study was mainly focused on the students of university of Kashmir. The author concluded in the study that the students are adversely prepared till their knowledge in financial literacy is concerned. Though most of them are graduates but the knowledge of personal finance and other factors is almost negligible amongst the students until the level that they can be termed as financially illiterate. The author also maintains that the curriculum is not so prepared to make them understand. Also author draws attention towards various factors which are key reasons for low financial literacy which includes lack of government interest, failure of financial institution to present information in a proper manner which a layman can understand, lack of information, are the key reasons of low financial literacy amongst the region. The author recommends that a proper model of financial inclusion and education is the solution to this problem and government and educational institutions must focus on developing of this model before its too late and the students became financially vulnerable to the financial frauds which may happen in future as these people are joining the work force with inapt knowledge.

Lusardi, A. et.al (2014) in their work on the topic "The economic importance of financial literacy: Theory and evidence." Have proved that how financial literacy forms the base of financial independence and financial freedom along with economic growth. They concluded that the world is facing lack of financial knowledge. Efforts are made to cover the gaps of financial knowledge, efforts are on to "identify individuals who are most in need of financial education and the best way to improve that education." The US study by the author proved that Americans lack the basic finance skills necessary to develop and maintain budget, to understand the clauses or credit and rate associated with it, the Americans lack the knowledge in understanding investments in all they lack in basic fiancnail knowledge and knowledge which can help them to prevail in crisis situation. The author also states that financial markets are complex and financial education is must to understand these complexities. A financially educated individual can be one's own advocate and can take much better decision as compared to one who just had an informed advisor. The individuals have less information about various financial products and are mostly financially illiterate. The researcher has suggested various dimensions to understand the financial literacy of the individuals which can guide to understand whether the individual is financially literate or not.

Shetty, V.S, et. al., (2015), in their work on " A study of financial literacy amongst the college students in Mumbai" have tried to analyse the position of the students on the level of financial literacy. The author states that financial literacy and inclusion have become an area of concern for the policy makers specially after the global crisis. They further state that the focus of Government and RBI is a proof to the fact that how much grim the situation is. They have tried to gauge the financial knowledge amongst students along with money management skills. They have tried to analyse the challenges and goals that he students have in relation to financial matters. Through the study they drew the conclusion that the level of financial knowledge is poor amongst the students at Mumbai as compared to world. They point out that the reason behind it is that the students do not have proper calculating skills on one hand and on the other the courses are not appropriate enough to train the students. They also conclude that if financial literacy is made a part of academics the problem is much easier to solve. To justify this they took a sample of exclusive commerce students and asked them whether understanding the concepts of finance helped them to which they got a unanimous reply of yes by 98% respondents. The authors have emphasised that as India is moving towards economic growth the same will be of no use till a person is not properly financially literate.

Thus from the above studies we can find out that the youth of today is not equipped with proper financial knowledge. We can say that the students who study business or economics are better placed but they also cannot be termed as financially literate. We need to focus a lot on the financial literacy of the youth. As the days are not far it corrective steps are not taken now it will result into financial disaster. The studies also mentioned that financial literacy needs to be part of the entire curriculum whether it is associated to business and management or not. The youth of today will be forming the future of tomorrow if the youth is not properly educated in matters concerning finance it will affect the economy of the nation in future. Also parents need to play a vital role in developing the financial acumen of the youth. No doubt educational institute can provide theoretical knowledge but its on the parents to provide the practical insight to the youth. The parents being the first teachers can imbibe the habits of financial planning from an early age. The parents have the capacity to make the youth actually understand the wrath of financial illiteracy.

Research Gap

The researcher while studying the literature which are presented on financial literacy and youth found that a lot work is done in this area at various levels. While the previous researches have tried to gauge the financial knowledge of youth at university and college level almost negligible work is done in the area of newly employed youth. The difference between both is one is still dependent on parents for their pocket money or on various government schemes while the other one is financially independent. While with one the concern is to meet his expenses with other it is to fulfil and aspire desires and wants. The researcher has tried to understand whether gender has any significance to financial literacy.

Objective of the study:

- **i.** To measure the financial literacy of the newly employed youth.
- **ii.** To measure the newly employed youths efficiency to manage and budget finance.
- **iii.** To understand the constraints that played a role in financial illiteracy.
- **iv.** To suggest ways to improve financial literacy

Research Methodology:

The methodology adopted for study is descriptive and analytical. The researcher has collected the data using the questionnaire. The questionnaire was developed by the researcher based on the previous studies to access the reliability of the questionnaire Cronbach alpha was calculated. It's used to test the reliability and validity of the questionnaire which came to be 0.71. The ideal alpha being 0.7

anything above that is in the acceptable range. The researcher also tested the validity of questionnaire by surveying 40 respondents using the same. The respondents belonged to the sample range of the study and were mainly the newly employed youth. Here newly employed refers to the person's first job. The researcher collected the data by mailing the questionnaire to various respondents. The sampling method adopted here was probability sampling where each unit had an equal chance of selection along with it the researcher used to the method of Stratified random sampling to keep the method unbiased. The researcher randomly sent the questioner to various respondents without keeping any bias to gender or education or profession. The questioner used by the researcher is based on 5 pont Likert scale where 5 depicted strongly agreed to the thing asked and 1 was strongly disagreed while 3 depicted neutral view about the question.

The data that was collected through the questionnairewas of 200 respondents while the researcher forwarded the questionnaire to 300 respondents while the questionnaire that were found fit for the study were only 200 as some did not respond while some were incomplete. The bifurcation of the sample is done only on one parameter that is Men and women respondents.

The raw data is of no use till it is not analysed the researcher has used Chi Square test to test the significance of the various information given by the respondents and to understand whether there is any difference in the opinion of men and women on the given point.

Hypotheses of the Study

The researcher has based the study on the hypotheses as given below which are tested further using the Chi square method,

i. There is no significant difference between the knowledge of the newly employed men and women on financial matters.
ii. There is no significant difference in both the groups on the knowledge or investment and saving.
iii. There is no significant difference in the financial product choice of newly employed men and women.
iv. There is no significant difference in the financial budgeting and management of newly employed men and women

The hypotheses set were tested using the questionnaire which is set in four parts to understand all the four concepts. Along with it a research question that what are the constraints that they feel were there which didn't allow them to get full financial literacy was also tested through an open ended question.

Data analysis and interpretation

Part 1: $HO_{1:}$ There is no significant difference between the knowledge of the newly employed men and women on financial matters.

This part is tested by using the questions based on the theory of the finance. Various theoretical questions were asked in this part and it was tried to understand that whether men and women had the same level of knowledge on the basic concepts and definition of financing. The below table gives the view that on what main head the questions were based and the Reponses of both men and women on the same, along with it provides the calculated Chi square to test the significance of the difference in knowledge.

Sr. No.			Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Tabulated Value	Calculated Value
1	Understanding about financial terms and definition	Men	43	37	1	2	17	9.5	5.219
		Women	27	27	30	10	6		
2	Understanding about inflation	Men	69	27	1	2	1	9.5	2.705
		Women	57	37	2	2	2		
3	Knowledge about Current Inflation rate and interest rate and its effect on household	Men	57	23	10	4	6	9.5	8.98
		Women	30	18	43	6	3		
4	Importance of budgeting	Men	25	10	32	12	21	9.5	15.75
		Women	55	22	19	2	2		
5	Comfort with compounding calculation	Men	45	20	12	12	11	9.5	8.1
		Women	22	23	49	3	3		

Various basic questions were asked to the respondents both men and women to test their views and to check whether they are having same view or they differ.

i. The first point focused on the knowledge of the financial terms and definition. It was asked to the respondents that whether they feel that understanding these basics is necessary and easy to that the respondents replied and when tested at the 0.05% level of significance with 4 degree of freedom it was found that the calculated value was much lower than the tabulated value. The hypothesis set was accepted that there is no significant difference between men and women on this basic level of information. And both the groups agreed that the basics in necessary and easy to understand according to the results while if we have a look at the responses we can find that almost 30% women respondents response was in the neutral range. Which shows though the hypothesis is accepted the women are not that comfortable with the terminology and are finicky that they may be able to get it or not.

ii. In this part the researcher tried to understand whether the respondents have any knowledge about the inflation and its effect on the expenses. The researcher asked the respondents if they can correlate between inflation and rise in expenses to this both the groups showed almost similar view it was found that the both groups strongly agreed that they can correlate inflation and expenses. When tested statistically it was found that the hypothesis set gets accepted that there is no significant difference at this level in the knowledge of both the groups.

iii. The researcher asked the respondents about the current inflation rate and interest rate and its effect on the household. Again statistically the hypothesis got accepted that there is no significant difference in the knowledge level of the groups but it is to be noted that the calculated value is too near to the tabulated value and along with it a large proportion of female respondents were neutral. The reason can be they lacked in the information related to the rates. Also with women it was found that though they understand that they are correlated but they are unable to assess the extent of effect.

iv. The researcher tried to know the views of the respondents on the importance of budgeting from both men and women and asked them that whether they feel preparing budget and following it is very important. The responses differed a lot at this point. The hypothesis was rejected as majorly men were having neutral view on this. While women emphasized that knowledge of budgeting and budgeting is very crucial. While majority of the men were either neutral or disagreed on this that this knowledge and process is important.

Further it was also found that the women though are newly employed had better habit of budgeting than the men.

v. The knowledge and comfort level in case of compounding was assessed by the researcher. To which majorly women were neutral and said that they cannot say anything in this regard. While majorly man agreed that they are comfortable with the compounding calculation and hav3e knowledge of the same. When tested statistically the set hypothesis got accepted. The women reply was neutral as they felt there are chances that they may be comfortable and they may not be. Majorly this work being done by male members of the house in the Indian society the women are bit finicky that they can do it or not.

Thus from the calculations done above we can find that the level of the knowledge in the newly employed youth be it men or women it’s almost same. Only at some points they differ from each other. That too the reason can be the protective atmosphere given to female or their lack of interest in that area. While women give importance to budgeting the men give it lesser importance they feel that planning is more essential than budgeting. Budgeting will be automatically done if proper planning is adopted. Thus on bearing one matter they have a no significant difference in their views.

Part 2: HO_2There is no significant difference in both the groups on the knowledge of investment and savings.

In this part the researcher took the views of the respondents on the knowledge they possess for various investment and saving avenues. They tried to understand that whether the respondents have the basic information about the avenues or whether they try to save a bit or not. The researcher also tried to find out that what are the respondents views in relation to investment in share market and do they understand it or not. The below table gives an idea about the same:

Sr. No.			Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Tabulated Value	Calculated Value
6	Saving an essential habit	Men	65	25	9	1	0	9.5	1.26
		Women	75	20	4	1	0		
7	Investment keeps the money live	Men	65	25	9	1	0	9.5	0.83
		Women	55	25	15	3	2		
8	Share market are easy to understand	Men	60	15	10	10	5	9.5	29.5
		Women	15	25	20	35	5		
9	Investing means increasing the hassles of life	Men	1	4	10	30	55	9.5	47.31
		Women	35	25	15	15	10		
10	Share market is highly risky	Men	40	20	10	15	15	9.5	4.55
		Women	60	25	5	5	5		

i. The researcher tried to understand the respondent’s views on the saving habits. The researcher asked the respondents that whether they feel that saving in an essential part or not. While statistically it was proved that the group do not differ significantly it can be observed from the results also that whether it is men or women they both feel that the Savings is an essential part of finances. One cannot avoid it in any case. This is the single avenue where the respondents did not give any response in strongly disagree.

ii. In the next question the researcher tried to analyse whether the respondents believe that investment keeps the money moving and helps in generating wealth to which majority of the respondents agreed and said that it keeps the money live. The thought of both the group were significantly same as can be seen from the calculated Chi square and thus the hypothesis set had been accepted.

iii. The respondents views were also taken on the matter whether the share market is understandable or not here statistically it was proved that there is significance difference in the views of both the groups it was also observed from the results that the women are uncomfortable with the share market investments. They tend to behave negatively where the investments are done in the share market. Mostly they agreed that it is hard for them to understand the share market while the men felt comfortable in understanding the share market

iv. The respondents were asked whether they believed that investing is increasing hassles of life. To this the views were very different and there was a significant difference in the views of both the group of investments where the women believed in saving they were found a bit averse to investing. While the men felt that investing is an important part and must be done. While they even believed that investment does not increase hassle but it increases wealth creation chances. While women feel that investing can be hassle and managing the same can be troublesome.

v. The researcher has tried to gauge that the attitude of the respondents towards the share market and asked whether they feel the same is risky to this the respondents unanimously replied that they strongly agree that he investments in the share market are risky. In fact they viewed that the risk and share market are synonyms of each other.

Part 3: HO_3 There is no significant difference in the financial product choice of newly employed men and women.

In this part the researcher tried to understand the choice of financial product that these newly employed men and women make and tried to understand their choices of the financial product. Here the researcher has focused on the broad products and did not go for any subdivision.

Sr. No.			**Strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**	**Tabulated Value**	**Calculated Value**
11	Mutual Fund	Men	35	25	25	10	5	9.5	1.25
		Women	45	25	20	5	5		
12	Bank FD	Men	20	20	10	35	15	9.5	16.89
		Women	55	25	15	3	2		
13	Insurance	Men	15	15	30	20	20	9.5	5
		Women	25	25	15	30	5		
14	Gold	Men	5	5	10	20	55	9.5	50.67
		Women	55	20	10	10	5		
15	Share Market	Men	60	20	10	5	5	9.5	44.71
		Women	10	5	20	40	25		

The results in the above table depict the attitudinal difference of the newly employed men and women towards various investment avenues.

i. The researcher asked the respondents that whether they feel that mutual funds are a better avenue of investment and will they like to do the same. The responses of the group are significantly similar and the hypothesis gets accepted that the choice of both the group is almost same.

ii. The researcher asked the respondents that whether bank FD is considered as a better avenue of investment by both the groups. In this the groups significantly differed from each other and the hypothesis got rejected. This can be seen from the data that the inclination of women is more towards the bank FD as compared to the men. Along with it the respondents being newly employed youth it was observed that the women here fear a lot to take risk due to various factors like loss, parents' permission etc.
iii. The respondents were inquired that whether they agree that insurance is a must part of the portfolio of any investor and an early entry is the best way to go ahead in future. To this the Reponses were significantly same. The respondents agreed that the insurance investment is must and early entry is always beneficial.
iv. With the gold investment mostly it's found that women are more fascinated towards the same. Here also it was proved that women feel that gold is the best avenue of investment in comparison to men the hypothesis set is rejected with a very high chi square as men feel that it is a dead investment.
v. The researcher asked the respondents that will they choose share market as an avenue of investment to this the results again got significantly rejected as on one hand men were having keen interest in the share market the women rejected the same as a avenue of investment.

From the above analysis we can see that as far as knowledge is concerned the level of knowledge is same in case of both newly employed men and women while in case of choices of avenue for investment are concerned there is a significant difference amongst the newly employed men and women on the same.

Part 4: HO_4 There is no significant difference in the financial budgeting and financial management of newly employed men and women

In this part it was studied that did the newly employed men and women had the same attitude towards financial budgeting and management and also to understand whether they have planned anything for the future. As the respondents have already answered about their knowledge on various aspects of knowledge and choices the respondents were asked simple questions here to understand that whether they actually do any budgeting or not. For this certain questions were asked and are categorized in the broad manner as given below.

Sr. No.			**Strongly Agree**	**Agree**	**Neutral**	**Disagree**	**Strongly Disagree**	**Tabulated Value**	**Calculated Value**
16	Budgeting	Men	10	10	5	60	15	9.5	3.33
		Women	10	20	5	55	10		
17	Saving	Men	10	10	0	75	5	9.5	2
		Women	15	15	5	60	5		
18	Insurance	Men	15	15	30	20	20	9.5	5
		Women	25	25	15	30	5		
19	Investment	Men	5	5	10	25	55	9.5	1.66
		Women	5	10	10	35	40		
20	Planning	Men	15	15	5	60	5	9.5	5
		Women	15	15	30	20	20		

In this section the researcher tried to understand whether the financial budgeting and financial management knowledge they are actually practicing.

i. In the first point it is seen that the groups significantly agree with each other. But in the same case it was also observed that they are not practicing it mutually the most important part is budgeting which is not practiced by both the groups.

ii. It was observed that the groups though had accepted that savings is essential but both the groups did not practice the same. The savings though being essential is not practiced and the groups significantly disagreed that they are not practicing the same.

iii. The group though agreed that insurance is an important part of the portfolio but when asked whether they agree that they have invested the answer was unanimously no and disagreed on the same and did not invest in the insurance at all.

iv. The respondents agreed that investment is there to be done and then also they are not agreeing to invest. When they were asked that whether they are investing the answer was unanimously no.

v. The respondents disagreed that the planning is not done by them when they were asked that if they do the financial planning then it was found that the financial planning is not done by the newly employed youths.

Conclusion and Future Scope:

Thus from the study above we can conclude that the youth of today does not have enough knowledge to manage their finances. It is found that the newly employed youth in the group of men and women have the significant similarity in the case of knowledge. While it was also observed through the survey that the youth has knowledge but is not implying the same. When they were tested on the risk and return knowledge they depicted that they have knowledge about the same but when they were asked do they practice budgeting, investment etc. they disagreed to the same. We can infer that these people are theoretically financially literate while practically they are unable to do it and are confused on the same.

The study was done only on 200 respondents while it can be carried out on a larger scale. The questionnaire covered very few aspects while a detailed questionnaire can give a better view of the same. The researcher had the constrain of time and resources if proper time is given it can be beneficial to the society to point out where exactly the literacy is lacking. The study can also cover various variables which are not covered in the study.

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