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ORIGINAL ARTICLE

IMPACT OF FINANCIAL BEHAVIOR IN ENHANCING THE ECONOMIC EMPOWERMENT OF WORKING WOMEN

***Manju Devi*[1] *and Dr. Kirti*[2]**

[1] Research Scholar, Dr. K.N. Modi University, Newai, Rajasthan 304021.
E-mail: manjudevi31187@gmail.com
[2] Assistant Professor, Dr. K.N. Modi University, Newai, Rajasthan 304021.
E-mail: deswalkirti07@gmail.com

ABSTRACT

Economic empowerment of women is critical for ensuring gender equality and sustainable economic development. This research paper investigates the influence of financial behavior on the economic empowerment of women workers in Haryana state. A quantitative research methodology has been used, and primary data were collected from 600 women workers of Haryana state via a structured questionnaire. Four dimensions of financial behavior have been considered: saving behavior, shopping behavior, short-term financial planning, and long-term financial planning. Multiple Linear Regression Analysis was performed by using IBM SPSS Statistics software to investigate the link between financial behavior and economic empowerment of women workers.

Results have shown that financial behavior positively influences the economic empowerment of women workers, and it has an explanatory power of 55.1%. Among the dimensions of financial behavior, the saving behavior dimension is the most powerful factor influencing economic empowerment of women workers, followed by long-term financial planning, shopping behavior, and short-term financial planning dimensions. It can be concluded that proper financial behavior increases the financial independence and decision -making capability of women workers. The results have provided useful implications to policy makers, financial institutions, and educators regarding the development of financial education programmes.

Keywords: Financial Behavior, Women's Economic Empowerment, Working Women, Haryana, Financial Planning, Saving Behavior

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INTRODUCTION

The economic empowerment of women is a key determinant of sustainable development, gender equality, and inclusive economic growth. Empowered women make positive contributions to the well-being of households, economic productivity, and social change. In India, programs like Pradhan Mantri Jan Dhan Yojana (PMJDY), Digital India, and National Rural Livelihood Mission (NRLM) have been responsible for improving access of women to financial services and economic opportunity. Nevertheless, financial inclusion in itself is not a guarantor of empowerment if women lack skills to manage financial resources effectively. Recently conducted research shows that financial literacy (AlSuwaidi & Mertzanis, 2024), financial confidence, and proper financial management practices are critical in empowering women and helping them make informed decisions (Sharma & Kumar, 2025).

Financial behavior relates to saving, spending, budgeting, investing, borrowing, and planning of finance. Positive financial behavior helps women to manage their finances more efficiently, develop saving habits, reduce vulnerability to financial difficulties, and be involved in financial decision making. Recently conducted empirical research on Indian working women shows that financial literacy (Nogueira et al., 2025) affects financial behavior through improvement of risk perception and adoption of digital financial services and leads to increased financial empowerment (Pillai et al., 2025). In the same way, research shows that financial literacy and financial management skills contribute to improving women's capacity to attain economic security and empowerment (Showkat et al., 2025).

The Haryana state can serve as an ideal socio-economic setting for the investigation of the effect of financial behavior on the economic empowerment of women due to rapid economic growth and the increasing involvement of women in employment in the state. Although the efforts have been made in the areas of women's education and financial inclusion, there are certain difficulties in regard to financial decision-making powers, ownership of assets, investment opportunities, and income control. Recent research conducted in India reveals the positive effect of women's income and access to finances on various aspects of empowerment, including economic independence and autonomy (Anand et al., 2025).

This research will investigate the effect of financial behavior on the economic empowerment of employed women in the state of Haryana with an emphasis on shopping behavior, saving behavior, short-term financial planning, and long-term financial planning.

RESEARCH METHODOLOGY

This study utilizes a quantitative research design involving description and explanation to study the importance of financial behavior in improving the economic empowerment of women workers in Haryana (Creswell & Creswell, 2017). Primary data was gathered from 600 women workers through a structured questionnaire based on a five-point Likert scale. The concept of financial behavior was captured in terms of savings behavior, shopping behavior, short-term financial planning, and long-term financial planning, while economic empowerment of women was considered as the dependent variable. Data analysis involved the use of IBM SPSS Statistics (Version 26). Descriptive statistics, reliability analysis, factor analysis, multiple linear regression, ANOVA, and hypothesis testing were used to test the relationship between financial behavior and economic empowerment of women (Field, 2024; Hair et al., 2019).

Research Objective

The main objective of this research paper is:-

- To analyze the role of financial behavior in enhancing the economic empowerment of working women in Haryana.

Review of Literature

Financial behavior is an important factor of financial well-being and economic empowerment of women, including saving, budgeting, spending, and financial planning. Good financial behavior allows people to effectively manage their finances, increase their financial resilience, and ensure their financial security in the long run (Lusardi & Mitchell, 2014; OECD, 2023). According to research findings, people with good financial behavior can take wise financial decisions and increase their financial literacy (Lanciano, 2025).

Saving behavior is one of the most important aspects of financial behavior as it ensures financial independence and wealth accumulation and makes a person economically resilient (Lanciano, 2025). In addition, smart shopping behavior and good short-term and long-term financial planning enable people to manage their expenditures, prepare for unexpected situations, and reach their future financial goals (Atkinson & Messy, 2012; OECD, 2023).

Women's economic empowerment involves financial empowerment, including access to financial resources, control over finances, participation in financial decision-making, asset ownership, and financial independence. Previous research findings have demonstrated the importance of financial behavior in empowering women economically due to its positive effects on financial confidence, decision-making skills, and financial security (UN Women, 2023; World Bank, 2022). Nevertheless, there is limited empirical research that focuses on the impact of multidimensional financial behavior on the economic empowerment of working women in Haryana. Consequently, the current research focuses on the effect of savings behavior, shopping behavior, short-term financial planning, and long-term financial planning on the economic empowerment of working women in Haryana.

Research Gap

Even though several studies have addressed financial literacy, financial inclusion, and women's empowerment, little attention has been paid to the effect of financial behavior on women's economic empowerment. Furthermore, not many studies have taken into consideration the multidimensional aspect of financial behavior including saving behavior, shopping behavior, short-term financial planning, and long-term financial planning especially for working women in Haryana. In this regard, this study addresses this research gap through investigating the effect of the above four aspects of financial behavior on economic empowerment of 600 working women in Haryana through Multiple Linear Regression Analysis.

Research Hypotheses

Based on the research objective and the literature review, the following hypotheses were formulated:

- **H1:** Short-Term Financial Planning has a significant positive effect on the economic empowerment of working women in Haryana.
- **H2:** Saving Behaviour has a significant positive effect on the economic empowerment of working women in Haryana.
- **H3:** Shopping Behaviour has a significant positive effect on the economic empowerment of working women in Haryana.
- **H4:** Long-Term Financial Planning has a significant positive effect on the economic empowerment of working women in Haryana.
- **H5:** Financial Behavior has a significant positive effect on the economic empowerment of working women in Haryana.

ANALYSIS

In order to meet the research aim of investigating the effect of financial behavior on the economic empowerment of working women in Haryana, Multiple Linear Regression Analysis technique was adopted. Financial behavior was captured by the four dimensions which included savings behavior, shopping behavior, short term and long term financial planning and economic empowerment of women was taken as the dependent variable. Regression analysis was performed to explore the effects of the dimensions as well as their collective effect on the economic empowerment of women. The significance of the model was tested through ANOVA test while regression coefficients (β), t-test and p-value helped in assessing the significance of each independent variable as well as its contribution to the model. The variables included in the regression analysis model have been presented in Table 1 below.

Table 1: Variables Used for Impact of Financial Behaviour on Women Economic Empowerment

Financial Behaviour	Economic Empowerment
• Shopping Behaviour • Saving Behaviour • Short Term Financial Planning • Long Term Financial Planning	• Economic Independence and Employment Administrative Skills • Financial Decision -Making • Financial Capability and Future Security • Asset Ownership and Wealth • Access to Financial Services • Control over Income and Financial Resources • Women Economic Empowerment

In this present study, the independent variables representing financial behaviour were taken as Shopping Behaviour, Saving Behaviour, Short-Term Financial Planning, and Long-Term Financial Planning. On the other hand, the dependent variable was taken as Women Economic Empowerment

Table 2: Model Summary Financial Behaviour and Women Economic Empowerment

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.742[a]	.551	.543	.38461
a. Predictors: (Constant),				

The R Square value of.551 shows that the four financial behaviour predictor variables account for 55.1% of the variance in Women Economic Empowerment.

Table 3: ANOVA of Financial Behaviour and Women Economic Empowerment

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44.456	4	11.114	75.145	.000[b]
	Residual	36.234	245	.148		
	Total	80.690	249			
a. Dependent Variable: Economic Empower						
b. Predictors: (Constant), Short Term Financial Planning, Saving Behaviour, Shopping Behaviour, Long Term Financial Planning						

The F-statistic was highly significant, $F(4, 245) = 75.145$, $p < .001$, demonstrating that the regression model predicted the outcome variable significantly better than a mean-only baseline model.

Table 4: Regression Coefficients of Financial Behaviour and Women Economic Empowerment

Coefficients[a]						
Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
		B	Std. Error	Beta		
1	(Constant)	1.120	.264	----	4.242	.001
	Saving Behaviour	.352	.055	.380	6.400	.000
	Shopping Behaviour	.210	.058	.215	3.621	.002
	Long Term Financial Behaviour	.284	.055	.295	5.164	.000
	Short Term Financial Behaviour	.085	.046	.090	1.848	.016
a. Dependent Variable: Economics Empowerment						

Regression results indicate that all four financial behaviors have a significant effect on economic empowerment for women. Regression equation is: Economic Empowerment = 1.120 + 0.352(Saving Behavior) + 0.210(Shopping Behavior) + 0.284(Long Term Financial Behavior) + 0.085(Short Term Financial Behavior). Saving behavior makes a most significant positive contribution to economic empowerment ($B = 0.352$, $\beta = 0.380$, $p < 0.001$), which demonstrates that systematic saving is the key to economic empowerment. Long term financial behavior has a significant effect as well ($B = 0.284$, $\beta = 0.295$, $p < 0.001$). Shopping behavior has a positive and significant effect on economic empowerment ($B = 0.210$, $p = 0.002$), while short term financial behavior has a less significant effect ($B = 0.085$, $p = 0.016$). Thus, one can conclude that financial behavior has a positive contribution to economic empowerment for women, especially saving behavior.

Table 5 : Hypothesis Testing Results

Hypothesis	Alternate Hypotheses	β (Beta)	t-value	p-value	Decision
H_1	Short-Term Financial Planning has a significant positive impact on Women Economic Empowerment.	0.090	1.848	0.016	**Accepted**
H_2	Saving Behaviour has a significant positive impact on Women Economic Empowerment.	0.380	6.400	0.001	**Accepted**
H_3	Shopping Behaviour has a significant impact on Women Economic Empowerment.	0.215	3.621	0.002	**Accepted**
H_4	Long-Term Financial Planning has a significant positive impact on Women Economic Empowerment.	0.295	5.164	0.001	**Accepted**
H_5 (Main)	Financial Behaviour has a significant positive impact on Women Economic Empowerment.	*Overall Model*	R = .551	F = 75.145	**Accepted**

These results from hypothesis testing support that financial behavior has a very positive influence on the economic empowerment of women. The overall model for regression analysis is statistically significant ($F = 75.145$, $p < 0.001$)

with a good degree of explanatory power ($R = 0.742$, $R^2 = 0.551$), which means that dimensions of financial behavior explain 55.1% variance in women's economic empowerment.

The dimensions of financial behavior individually are: savings ($\beta = 0.380$, $p < 0.001$), financial planning in the long term ($\beta = 0.295$, $p < 0.001$), shopping ($\beta = 0.215$, $p = 0.002$) and financial planning in the short term ($\beta = 0.090$, $p = 0.016$). In other words, all of the hypothesized assumptions were confirmed and can be used to conclude that financial behavior significantly improves economic empowerment of working women in Haryana.

CONCLUSION

The study finds out that the financial behavior plays an important role in enhancing women's economic empowerment in the Haryana state. The analysis shows that financial behaviors such as saving behavior, shopping behavior, short-term financial management, and long-term financial planning together have contributed towards enhancing women's financial autonomy, decision-making ability, and financial security. Saving behavior becomes an important determinant among all other dimensions and signifies that the proper saving behavior can help women to gain financial stability and empowerment.

From the analysis it is evident that empowerment of women does not rely only on the earning ability of the women but also on effective financial management. Responsible financial behaviors will help women to engage themselves in financial decisions and manage their incomes effectively. Hence, enhancing financial literacy programs through the practical training related to savings, budgeting, investments, and digital financial services should be considered for sustainable women's empowerment in Haryana.

FUTURE SCOPE

Further research on this topic can be done by expanding the sample size and geographical scope of study in order to gain a wider insight into financial behavior and empowerment of women. Future studies can look into the role of digital financial literacy, financial inclusion, investment behavior, insurance knowledge, and financial policies of government in increasing the financial independence of women. Longitudinal and qualitative studies can also be done to analyze the change in financial behavior and the factors affecting women's financial decision-making.

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