Volume 22 Issue 27
Originally issued as C5



Global Journal of Management and Business Research: C
Administration and Management
Volume 22 Issue 5 Version 1.0 Year 2022
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

Determinants of Financial Literacy and its Effect on Financial Wellbeing-A Study on Young Population

By Sangeeta, Amit Kumar Singh Panwar
& (Dr., CMA, CS) Pradeep Kumar Aggarwal
Sharda University

Introduction- Over the past few years, the world economy has been declining, and the recession has caused inflation, unemployment, and a decline in financial well-being. The decline in financial well-being has harmful effects on mental and physical health. It creates problems of stress, anxiety, depression, and suicide in our society (Taft et al., 2013). Financial literacy has become a much-discussed topic in recent years for the financial empowerment of people and their lives. It catches the attention of a common person who is willing to meet their daily financial needs and plan for a secure future. Financial literacy strengthens people's ability to access financial services, manage their budgets, and maximise resource utilization, which encourages economic development. Financial literacy increases people's confidence and self-control, which encourages their participation in the formal economic system. It will boost your confidence and well-being. As the literature shows, almost all countries in the world are dealing with the issue of financial literacy. But the concept of financial literacy is not yet clear. Different researchers use different definitions of financial literacy.

GJMBR-C Classification: DDC Code: 338.0973 LCC Code: HD58.7



Strictly as per the compliance and regulations of:



© 2022. Sangeeta, Amit Kumar Singh Panwar & (Dr., CMA, CS) Pradeep Kumar Aggarwal. This research/review article is distributed under the terms of the Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0). You must give appropriate credit to authors and reference this article if parts of the article are reproduced in any manner. Applicable licensing terms are at https://creativecommons.org/licenses/by-nc-nd/4.0/.

Determinants of Financial Literacy and its Effect on Financial Wellbeing-A Study on Young Population

Sangeeta [α], Amit Kumar Singh Panwar [σ] & (Dr., CMA, CS) Pradeep Kumar Aggarwal [ρ]

I. Introduction

Over the past few years, the world economy has been declining, and the recession has caused inflation, unemployment, and a decline in financial well-being. The decline in financial well-being has harmful effects on mental and physical health. It creates problems of stress, anxiety, depression, and suicide in our society (Taft et al., 2013). Financial literacy has become a much-discussed topic in recent years for the financial empowerment of people and their lives. It catches the attention of a common person who is willing to meet their daily financial needs and plan for a secure future. Financial literacy strengthens people's ability to access financial services, manage their budgets, and maximise resource utilization, which encourages economic development. Financial literacy increases people's confidence and self-control, which encourages their participation in the formal economic system. It will boost your confidence and well-being. As the literature shows, almost all countries in the world are dealing with the issue of financial literacy. But the concept of financial literacy is not yet clear. Different researchers use different definitions of financial literacy. Financial literacy is defined by the OECD (OECD, 2017) as "a combination of understanding, expertise, ability, attitude, and action required to make sound financial decisions and eventually achieve individual well-being". "Financial literacy is the ability to make sound decisions and appropriate choices regarding the use and management of capital" (Huston, 2010)." Financially literate people make good choices about their finances and reduce their risk of being deceived on financial issues" (Beal &Delpachitra, 2003). Financial literacy is affected by the level of education and income of an individual (Nahar et al., 2022) in previous work on financial literacy, researchers used various aspects of financial literacy. Few scholars have used financial literacy and financial knowledge as the same term, while others find financial knowledge is associated with financial literacy and has a high correlation. The OECD has given a detailed view of financial literacy. According to the OECD (2011), "financial literacy is a blend of financial behaviour, financial attitude, and financial awareness," but in this study, researchers added one more determinant to financial literacy, so it is therefore important to gain insight into the association between "financial knowledge, financial attitude, financial behaviour and financial socialisation with financial wellbeing" among the younger generation related to the financial aspects.

Author α: Research Scholar, Finance Department, Sharda University, Greater Noida, India. e-mails: 2019000121.sangeeta@dr.sharda.ac.in, rajputsangeeta47@gmail.com
ORCID: -0000-0002-7069-0778
Author σ: Research Scholar, Management Department Shri Venkateshwara University, Gajraula, Amroha, India.
ORCID; -0000-0001-6514-1953
Author ρ: Professor, Finance Department, SBS, Sharda University, Greater Noida, India. e-mail: pradeep.aggarwal@sharda.ac.in
ORCID: - 0000-0002-4104-8188

II. Literature Review

Financial literacy has been researched in a number of ways. Government bodies, private organisations, and individuals have undertaken studies in various countries to check the level of financial literacy in their countries. Lusardi and Mitchell (2014) "People's willingness to process financial information and make a rational financial saving, capital accumulation, debt, and pension decisions." Atkinson and Messy (2012) "A combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing". Huston (2010) "Financial literacy has introduced an implementation layer enabling individuals to have the capacity and trust to use financial skills to make financial choices". The notion of financial literacy is still being debated. In the present literature, financial literacy has numerous interpretations since financial literacy authorities have given researchers and authors the freedom to express and assess financial literacy (Remund, 2010). "Financial literacy, financial behaviour, and financial awareness should be seen interchangeably" by ("Hassan Al-Tamimi and Anood Bin Kalli, 2009, Howlett, Kees and Kemp, 2008, Yoong, See and Baronovich, 2012"). Most of the research used an objective evaluation method to assess individual financial literacy. Various researchers used objective tests used in different ways in which they assess the financial literacy of the individual. Bhushan and Medury (2014) measure financial literacy by giving objective

© 2022 Global Journals

questions related to "income, savings, investment, budget management, and credit management". Fessler, et al. (2020), takes "Time Value of Money, Risk and Return, Interest, Diversification, and Inflation" to test financial literacy. Previous study results show low levels of financial literacy among the low-income group, females, students, less educated, lower-income group and minorities ("Hassan Al-Tamimi & Anood Bin Kalli, 2009, Grohmann, 2018, (NISM, 2014), Fernandes et al., 2014"). Thakur & Mago (2021) found that financial knowledge, financial attitude, and financial well-being have a significant positive relationship with financial literacy. In reviewing the literature, it can be said that, in most research on the assessment of literacy among the population, researchers consider only one dimension of financial literacy, i.e., financial knowledge, and other aspects, such as financial attitudes and financial behaviour, have been considered only in a few studies. The concept of financial literacy is different from person to person. In India, governments, the Reserve Bank of India, NGOs, and financial institutions are taking numerous steps to increase awareness. To increase financial literacy, FLCs (financial literacy centres) are playing a very important role in creating awareness. Financial literacy centres organise camps on a regular basis in rural Haryana to spread awareness among women, children, farmers, low-income groups, etc.

III. Financial Literacy Determinants

a) Financial Knowledge

A person with a basic understanding of financial concepts and financial products is considered to be financially literate. One of the most important factors in financial literacy is financial knowledge, as per the OECD. Huston (2010) provides a definition for this term. Authors have identified four critical elements of financial literacy after evaluating more than 71 studies. All aspects of money, including saving, investing, and borrowing, are explored. One of the five financial concepts included by the OECD is the notion of the time value of money, which explains how inflation affects investments and prices. According to Gerrans and Heaney (2019), financial literacy has an impact on both financial behaviour and financial well-being in the long run. It has been hypothesised that knowledge of personal finance, saving, loans, investment, and insurance are all indicators of financial literacy and have an association with financial behaviour.

b) Financial attitude

Generally speaking, a financial attitude is described as a personal tilt toward financial products, which can only be achieved when people have a favourable attitude toward the financial product and help to build a positive attitude toward the financial product. Financial literacy is critical in today's society. Chijwani (2014) concluded that in order to achieve strong financial literacy, emphasis should be placed on establishing favourable financial attitudes among the people of this country. Only then will any financial education programme be able to give meaningful benefits to its participants. Ajzen (2011) has demonstrated that decision-makers actions have an impact on their financial attitudes and that their perceptions of the economy and non-economic factors will enhance their opinions. Ibrahim and Alqaydi (2013) came to the conclusion in their study that financial education can help people modify their personal financial views and minimise their reliance on credit cards even further. According to Yuesti, Rustiarini and Suryandari (2020), addition, financial attitudes and financial behaviour variables have been shown to have a favourable impact on financial literacy and financial well-being. Financial attitudes, in addition to financial behaviour, can have an impact on one's financial well-being. Research by Ibrahim and Alqaydi (2013) discovered that those who had a good financial attitude borrowed less money from banks and credit cards. According to Sohn et al. (2012), the "financial socialisation agent, financial attitude, and financial literacy, all have a favourable impact on financial literacy levels." Ultimately, Haque, Abdul; Zulfiqar (2016) came to the conclusion that a "positive financial attitude and financial literacy are beneficial to women's financial well-being and empowerment".

c) Financial behaviour

People's actual financial decisions in the financial market are referred to as "financial behaviour," and they are linked to their levels of savings, debt, and expenditure. Research by Atkinson and Messy (2011) discovered that realistic financial attitudes, such as effective budget preparation and financial stability, help people improve their financial literacy. Conversely, people with negative financial attitudes, such as reliance on loans and credit, have a negative impact on their finances. Financial literacy and financial attitude can lead to positive financial behaviour, according to Taft et al. (2013), who concluded that "it is necessary to consider the impact of financial literacy on financial behaviour. According to the findings of this study, "financial literacy aids in the modification of behaviour and the improvement of decision-making abilities as well as the improvement of living standards". According to Morgan and Trinh (2017), "financial behaviour is extremely important and is a key component of financial literacy". According to Mokhtar & Rahim (2016), "the work environment, financial stress, locus of control, and financial behaviour are all strongly associated with financial well-being." They discovered that these factors are all strongly associated with financial well-being. Aside from that, financial stress was found to be the most significant factor influencing financial well-being, followed by the workplace environment.

© 2022 Global Journals

d) Financial Socialisation

The acquisition of values, attitudes, standards, norms, knowledge, and behaviour makes up financial socialisation (Gudmunson and Danes 2011) Significant financial socialisation concepts include earning, spending, saving, borrowing, and sharing (Lanz, Sorgente, and Danes 2020). Socialization is a crucial aspect of decision-making. A socialised individual can make rationing decisions following discussion. The majority of children's financial knowledge, skills, and attitudes are formed by their parents and guardians (Danes, 1994). Numerous studies have established a link between parental influence and monetary values, attitudes, behaviours, and abilities.

IV. Financial Well-Being Concept

In general, the concept of well-being is subjective. Numerous variables are considered when assessing the well-being of society. Physical health and wellness are not the only aspects of well-being, contrary to popular belief. (Kruger, 2011) defines five elements of well-being. The first is career well-being; individuals with high career well-being are more successful and happier than those without a career. Social well-being, social capital, and socialisation are also vital components of an individual's well-being. People whose relationships with friends, family, and co-workers are stronger are more socially well-adjusted. Gao, X at, el. (2022) Income and financial worries impact parents' mental health differently. Future policy or intervention programmes should target parental financial worries. They experience a reduction in stress after discussing the issue with their social groups. It is a well-known adage that a sound mind resides within a healthy body. A person with a healthy body is always able to combat problems and lower their stress levels. Regular exercise reduces stress and promotes happiness in life. People with good physical health are more sociable and make sound decisions regarding their career health. Individuals' well-being is also affected by the community in which they reside. Community well-being includes air and water quality, as well as safety and proximity. If a person lives in a peaceful environment, they can think significantly better than if they lived in a hostile environment. Financial well-being refers not only to the amount of money a person has or spends on his or her own needs, but also to spending on others, buying goods with the future in mind, and feeling secure. A person who is financially secure can take calculated risks for the future. Financial well-being relates to all other aspects of well-being, including career well-being, physical wellbeing, social well-being, and community well-being (CFPS, 2017). The quality of a person's life is significantly impacted by their financial situation. Financial security is the ultimate and most common financial objective of an individual. However, there is no standard definition of financial prosperity.

V. Research Problem Statement

The main goal of this study is to find out what makes people in Ambala Division, Haryana, financially literate and happy.

To comprehend a research problem, it is necessary to investigate a small number of research questions in order to acquire the pertinent information and answers to these questions.

VI. Research Questions

This study's purpose is to examine the given research problem.

- "What are the determinants of financial literacy and what are its effects on financial well-being among the younger generation in Haryana, India?"
- Does financial socialisation have a significant effect on financial well-being?

VII. Research Objective

- To identify the determinates of financial literacy and examine the determinants that contribute more to financial literacy and financial well-being,
- To examine the effect of financial literacy on financial well-being after adding new determinants (financial socialisation) to financial literacy.

VIII. Research Hypothesis

H1: There is a significant relationship between determinants of financial literacy and financial well-being in Haryana.

H1.1 There is a significant relationship between financial knowledge and financial well-being.

H1.2 There is a significant relationship between financial attitude and financial well-being.

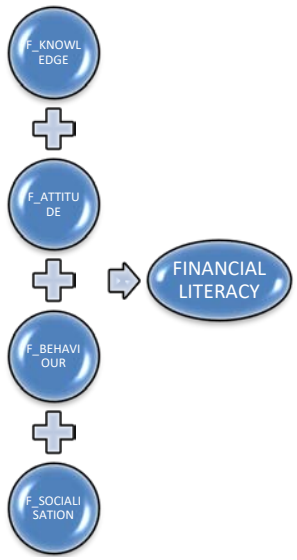
H1.3 There is a significant relationship between financial behaviour and financial well-being.

H1.4 There is a significant relationship between financial socialisation and financial well-being.

IX. Financial Literacy Framework

The OECD developed the financial literacy framework by using financial knowledge, financial attitude, and financial behaviour. However, as illustrated in figure 1, financial socialisation has been added to the existing financial literacy framework.

© 2022 Global Journals



Source: based on reviews of literature, a research framework developed by the authors.

Figure 1: Conceptual Model

X. Research Methodology

a) Sample Size and Sampling Technique

The demographic area of interest in this study was the Ambala district of Haryana. Three professors from different disciplines at Sharda University in Greater Noida, India, approved a self-administered questionnaire. Data were collected both online and offline. Due to time constraints, only 117 people were chosen for this study. This research employed probability sampling.

b) Instrumentation

Computers were used to analyse nearly all of the data, which had been gathered via a self-administered survey. There were two sections to the survey. There are questions on demographics in the first segment, and then there are questions on independent and dependent variables in the second. The question was developed using previous research and the OECD, and it was tailored to the needs of this research paper. In this study, 15 questions were asked to measure financial knowledge and understanding, 6 questions connected to financial attitude; 9 questions linked to financial behaviour; 10 questions related to financial socialisation; and 15questions related to financial well-being. After factor analysis, a few questions from financial knowledge, financial attitude, financial behaviour, financial socialisation, and financial well-being were deleted because their loading was less than.50. A 5-point Likert scale was used to collect data in this study. The total Variance Explained in the factor analysis process table is shown in Below tables 1 and table 2.

Table 1: Total Variance Explained

Total Variance Explained									
	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	12.594	32.293	32.293	12.594	32.293	32.293	7.604	19.497	19.497
2	4.889	12.536	44.829	4.889	12.536	44.829	6.658	17.073	36.57
3	4.009	10.279	55.108	4.009	10.279	55.108	5.275	13.526	50.096
4	2.238	5.74	60.848	2.238	5.74	60.848	3.643	9.34	59.436
5	1.792	4.596	65.444	1.792	4.596	65.444	2.343	6.007	65.444
6	1.472	3.774	69.218						
7	1.208	3.097	72.314						
8	0.99	2.539	74.853						
9	0.925	2.373	77.226						
10	0.897	2.3	79.526						
11	0.77	1.974	81.5						
12	0.716	1.836	83.335						
13	0.651	1.67	85.006						
14	0.568	1.456	86.462						
15	0.523	1.341	87.802						
16	0.485	1.243	89.045						

© 2022 Global Journals

17	0.455	1.167	90.212		
18	0.413	1.059	91.27		
19	0.369	0.945	92.215		
20	0.327	0.838	93.053		
21	0.319	0.818	93.871		
22	0.287	0.736	94.607		
23	0.26	0.667	95.274		
24	0.251	0.643	95.917		
25	0.215	0.551	96.468		
26	0.21	0.538	97.006		
27	0.17	0.435	97.441		
28	0.163	0.418	97.858		
29	0.147	0.377	98.235		
30	0.146	0.375	98.61		
31	0.114	0.292	98.902		
32	0.085	0.219	99.121		
33	0.078	0.199	99.32		
34	0.067	0.173	99.493		
35	0.06	0.153	99.646		
36	0.05	0.129	99.774		
37	0.038	0.098	99.872		
38	0.031	0.079	99.952		
39	0.019	0.048	100		

Source: compiled by the author

Table 2: Rotated Component Matrix

Rotated Component Matrix(a)							
Component							
Variables			1	2	3	4	5
Independent Variable	Financial Attitude	FA_1					0.658
		FA_2					0.775
		FA_3					0.754
		FA_6					0.728
	Financial Behaviour	FB_1				0.78	
		FB_2				0.735	
		FB_3				0.587	
		FB_4				0.577	
		FB_6				0.728	
	Financial Socialisation	FS_F1			0.837		
		FS_F2			0.861		
		FS_F3			0.653		
		FS_F4			0.763		
		FS_P1			0.835		

© 2022 Global Journals

		FS_P2			0.852		
		FS_P3			0.676		
		FS_P4			0.755		
	Financial Knowledge	FK_1		0.625			
		FK_2		0.866			
		FK_3		0.848			
		FK_4		0.883			
		FK_5		0.902			
		FK_8		0.907			
		FK_9		0.732			
		FK_10		0.743			
		FK_11		0.718			
Dependant Variable	Financial Wellbeing	FW_2	0.624				
		FW_3	0.808				
		FW_4	0.676				
		FW_5	0.634				
		FW_6	0.671				
		FW_7	0.715				
		FW_8	0.799				
		FW_9	0.616				
		FW_10	0.799				
		FW_11	0.737				
		FW_12	0.661				
		FW_13	0.668				
		FW_14	0.643				
Extraction Method: Principal Component Analysis.							
Rotation Method: Varimax with Kaiser Normalization.							
a. Rotation converged in 7 iterations.							

Source: compiled by the author

In Total 55 questions were designed but after factor analysis, only 39 questions were left and all the questions were removed whose loading was less than 0.50.

c) Demographic and socioeconomic factors

A sample was collected from the Haryana state in India. Haryana is a state in northern India with 22 districts, and it is the seventeenth most crowded state with a land area of 17,070 square miles (44,212 square miles) and a population of 27.39 million in 2021. Table:3 shows the characteristics of the sample used for the analysis. Out of the total respondents, 56% were female and 44% were male. In the sample, there is no greater difference in marital status between males and females, i.e., 52 % are married and 48 % are unmarried. In the sample, the maximum number of respondents were graduate masters and professionals, with 30%, 31% and 32%, respectively. In the sample, 5.13 were those who studied at the school level and 1.71% were illiterate. The sample consists of maximum respondents earning between INR 20,001 and INR 40,000 p.m., i.e., 28% earn INR 20,000 pm, 18% earn INR 40,001-60,000, 20% of the respondents earn INR 60,001-80,000 and 16% earn above INR 80,000. 6% of the respondents were working as professionals, 62% of the respondents were salaried, 12% were still studying, 2% of the respondents were farmers, and 19% were unemployed. And the sample consisted of 54% of respondents from joint families and the rest 46% from nuclear families.

The questionnaire was prepared with extreme seriousness, including all the relevant details, using detailed questions, attitude rating questions, as well as behaviour-related questions and responses, which were analysed on the 5-point Likert scale. The questionnaire

© 2022 Global Journals

was distributed to over 400 people, but only 117 responded, with 56% being female and 44% being male. The reliability of the question was tested by Cronbach's alpha through SPSS. 30 questions were asked related to banking, saving, investment, insurance, taxes, risk, etc. to check the financial knowledge and Cronbach Alpha was.952. Cronbach Alpha for 10 questions on financial attitude was.825 and for 10 questions on financial behaviour was.708.

Table 3: Demographic and Socioeconomic Details of the Respondents

		Frequency	Per cent
Gender of respondent	Male	51.00	43.59
	Female	66.00	56.41
Marital Status of respondent	married	61.00	52.14
	unmarried	56.00	47.86
Qualification of respondent	School Level	6.00	5.13
	Graduate	35.00	29.91
	Masters	36.00	30.77
	Professional	38.00	32.48
	Illiterate/Uneducated	2.00	1.71
Occupation of the respondent	Business/Professionals	7.00	5.98
	Salaried Employee	72.00	61.54
	Students	14.00	11.97
	Farming	2.00	1.71
	Not Working	22.00	18.80
Monthly Family Income	Upto INR 20,000	21.00	17.95
	INR 20,001- 40,000	33.00	28.21
	INR 40,001-60,000	21.00	17.95
	INR 60,001-80,000	23.00	19.66
	Above INR 80,000	19.00	16.24
Type of respondent family	Joint Family	63.00	53.85
	Nuclear Family	54.00	46.15

Source: compiled by the author

Table 4: Reliability Statistics

Variables	No of Questions	Cronbach Alpha
Financial Knowledge	11	0.952
Financial Attitude	6	0.825
Financial Behaviour	9	0.920
Financial Socialisation	10	
Financial Wellbeing	14	

Source: compiled by the author

XI. Result and Discussion

To test the hypothesis, the researcher conducted Structural Equation Modeling using AMOS and the results are as follows:

H1: There is a significant relationship between determinants of financial literacy and financial well-being in Haryana

© 2022 Global Journals

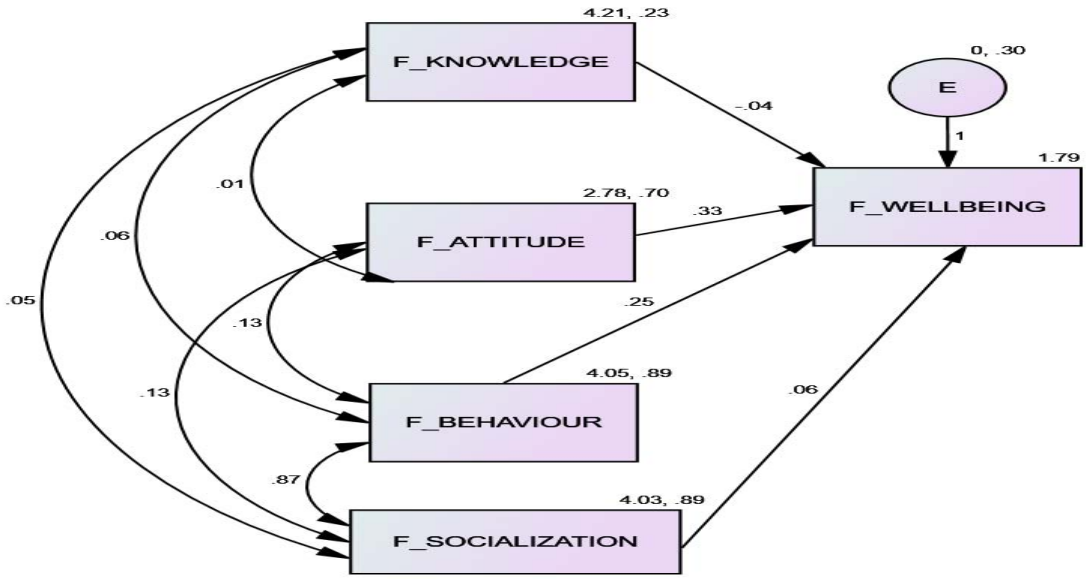


Figure 2: Determinants of financial literacy and financial wellbeing

XII. Evaluation of Measurement Model

Table 5: Measurement Model

Model	CMIN	DF	CMIN/DF	CFI	TFI	RMSEA	GFI	AGFI
Default	81.243	10	2.495	0.965	0.985	0.031	0.94	0.782
Tolerance limit			< 3	> 0.90		< 0.080	> 0.80	
			(Hair, J., Black, W et al.)					

Source: Author compliance

As per Table5, Goodness-of-fit has been evaluated via CFA. According to(Hair et al., 2010), the model's fitness is satisfactory if the tolerance limit of the Absolute fit indices CMIN/DF & RMSEA, incremental fit indices (CFI & TLI), and parsimony fit index (AGFI & GFI) are within the acceptable range.

All goodness-of-fit parameters are more significant than their recommended values. Hence it can be assumed that the concluded measurement model provides an adequate level of model fit.

Table 6: Regression Weights

			Estimate	S.E.	C.R.	P	Label
F_WELLBEING	<---	F_KNOWLEDGE	-.044	.053	-.823	.411	par_1
F_WELLBEING	<---	F_ATTITUDE	.331	.031	10.698	***	par_2
F_WELLBEING	<---	F_BEHAVIOUR	.247	.121	2.048	.041	par_3
F_WELLBEING	<---	F_SOCIALIZATION	.065	.121	.537	.031	par_10

Source: Author Compliance

From Table: 6 it is clear that

When F_KNOWLEDGE goes up by 1, F_WELLBEING goes down by 0.044 and p= .441

When F_ATTITUDE goes up by 1, F_WELLBEING goes up by 0.331 and p=.000

When F_BEHAVIOUR goes up by 1, F_WELLBEING goes up by 0.247 and p=.041

When F_SOCIALIZATION goes up by 1, F_WELLBEING goes up by 0.065 and p=.031.

Hence, it can be concluded that Financial Attitude, Behaviour and Socialisation have a significant relationship with financial well-being as p values are lesser than 0.05 whereas financial knowledge does not have a significant impact on financial well-being as p value=.441 which is greater than the indicator of .05

© 2022 Global Journals

Table 7: Estimates

			Estimate
F_WELLBEING	<---	F_KNOWLEDGE	-.030
F_WELLBEING	<---	F_ATTITUDE	.395
F_WELLBEING	<---	F_BEHAVIOUR	.335
F_WELLBEING	<---	F_SOCIALISATION	.088

Source: Author Compliance

Total Effects (Group number 1 - Default model)

Table 8: Total Effects

	F_SOCIALISATION	F_BEHAVIOUR	F_ATTITUDE	F_KNOWLEDGE
F_WELLBEING	.065	.247	.331	-.044

Source: Author Compliance

As per Table 8, It is Clear The total (direct and indirect) effect of F_KNOWLEDGE on F_WELLBEING is -.044.

The total (direct and indirect) effect of F_ATTITUDE on F_WELLBEING is .331.

The total (direct and indirect) effect of F_BEHAVIOUR on F_WELLBEING is .247.

The total (direct and indirect) effect of F_SOCIALIZATION on F_WELLBEING is .065.

Table 9: Intercepts: (Group Number 1 - Default Model)

	Estimate	S.E.	C.R.	P	Label
F_WELLBEING	1.790	.247	7.234	***	par_14

Source: Author Compliance

As per Table 9, The intercept in the equation for predicting F_WELLBEING is estimated to be 1.790.The probability of getting a critical ratio as large as 7.234 in absolute value is less than 0.001. In other words, the intercept in the equation for predicting F_WELLBEING is significantly different from zero at the 0.001 level (two-tailed).

On the basis of the result, the researcher comes up with reframed financial literacy and financial well-being model as shown in figure 5.

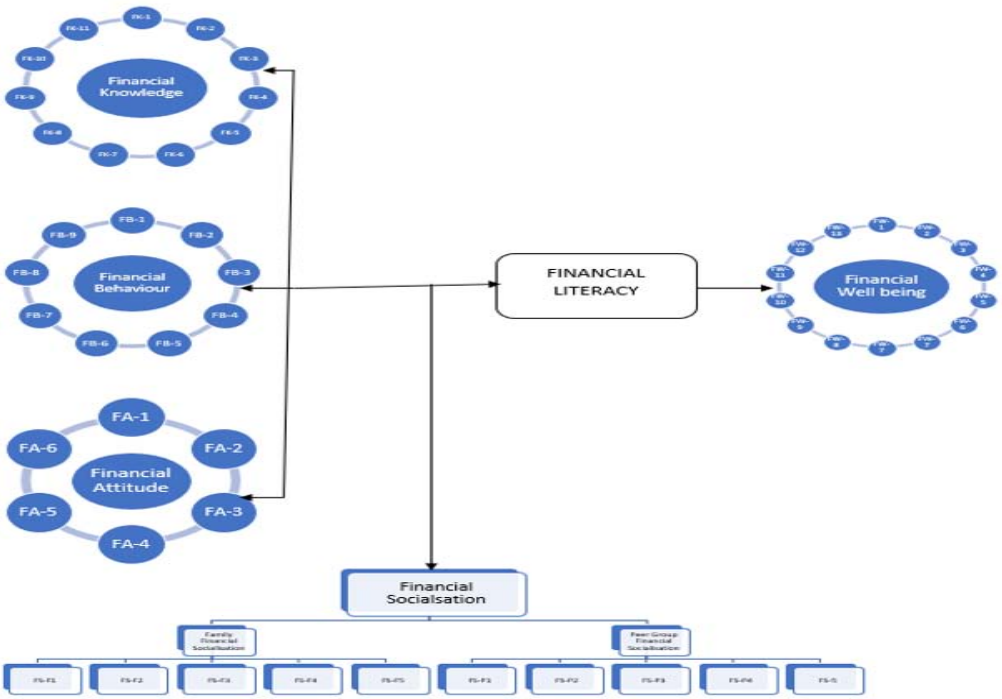


Figure 5: Final financial literacy and financial wellbeing Model

© 2022 Global Journals

XIII. Finding and Conclusion

The main purpose of the study is the association between the determinant of financial literacy and financial well-being. In this study, only four determinants of financial literacy are taken into consideration and found that only financial attitude, financial behaviour and financial socialisation have a greater influence on financial well-being. As per this study financial socialisation is also a very important determinant of financial well-being. Socialisation may be family, peer group, etc. This study partially supports the previous studies, as previous research shows that financial knowledge also influences financial well-being but to the current research only financial attitude, financial behaviour and financial socialisation significantly influence financial well-being (Deswal, 2015; Van Praag, Frijters and Ferrer-i-Carbonell, 2003; Barrafrem, Västfjäll and Tinghög, 2020; Taft, Hosein and Mehrizi, 2013; Gerrans, Speelman and Campitelli, 2014) but we can't ignore the other factors which influence the financial literacy and financial wellbeing. As per the result, financial knowledge may be an important factor in financial literacy but not an important factor in financial well-being. So, Government, financial institutions, Schools and colleges should focus on building attitudes, financial behaviour and financial socialisation for the well-being of society.During data collection, it was seen that in rural areas, females are not allowed to go outside of the home expect a few events, and they got less chance of socialisation. And found that they get together during financial literacy camps to discuss finance and finance-related issues. So, the government should focus on financial literacy camps at frequent intervals because financial literacy camps play a very important role in financial socialisation.

XIV. Limitations of the Study

The current analysis is not without constraints. The first limitation, this study was conducted through online forms only and. Secondly study includes only the rural young population of Haryana, India. The third sample size is to sample.

XV. Practical Implications

The maximum researchers took demographic, and socioeconomic factors as a determinant of financial literacy and took "financial attitude, financial behaviour, financial knowledge and socialisation" as a dimension of financial study. But research is done on taking the dimensions of financial literacy as a determinant of financial literacy. This research will help the researcher to take more focus on the determinants of financial literacy to strengthen financial literacy and financial well-being.

XVI. Future Scope

The researcher can take more samples to remove the above limitations and consider other important determinates and should also check the association between financial socialisation agents, Family, income and financial wellbeing.

References Références Referencias

1. Ajzen, I. (2011). The theory of planned behaviou1. Ajzen I. The theory of planned behaviour: Reactions and reflections. Psychol Heal. 2011; r: Reactions and reflections. Psychology and Health. https://doi.org/10.1080/08870446.2011.613995
2. Atkinson, A., & Messy, F. (2012). Measuring Financial Literacy: Results of the Oecd Infe Pilot Study. OECD Publishing, 15.
3. Atkinson, A., & Messy, F. A. (2011). Assessing financial literacy in 12 countries: An OECD/INFE international pilot exercise. Journal of Pension Economics and Finance, 10(4), 657–665. https://doi.org/10.1017/S1474747211000539
4. Beal, D. J., & Delpachitra, S. B. (2003). Financial Literacy Among Australian University Students. Economic Papers, 22(1), 65–78. https://doi.org/10.1111/j.1759-3441.2003.tb00337.x
5. Bhushan, P., & Medury, Y. (2014). an Empirical Analysis of Inter Linkages Between Financial Attitudes, Financial Behaviour and Financial Knowledge of Salaried Individuals. Indian Journal of Commerce & Management Studies, 5(3), 1161–1201. www.scholarshub.net
6. Chijwani, M. (2014). A Study of Financial Literacy among Working Women in Pune. 1(11), 20–22.
7. Deswal, A. (2015) 'Microfinance: Does it really improve the wellbeing?-A study of Haryana', International Journal of Commerce and Management Research, 1(1), pp. 52–57. Available at: www.managejournal.com.
8. Fernandes, D., Lynch, J. G., & Netemeyer, R. G. (2014). Financial literacy, financial education, and downstream financial behaviors. Management Science, 60(8), 1861–1883. https://doi.org/10.1287/mnsc.2013.1849
9. Fessler, P., Silgoner, M., & Weber, R. (2020). Financial knowledge, attitude and behavior: evidence from the Austrian Survey of Financial Literacy. Empirica, 47(4), 929–947. https://doi.org/10.1007/s10663-019-09465-2
10. Gao, X., Lee, K., Permpoonputtana, K. et al. Earning Too Little And Worrying Too Much: The Role Of Income And Financial Worries On Parents' Well-Being In Hong Kong And Bangkok. J Fam Econ Iss (2022). https://doi.org/10.1007/s10834-022-09863-y
11. Gerrans, P., Speelman, C. and Campitelli, G. (2014) 'The Relationship Between Personal Financial Wellness and Financial Wellbeing: A Structural

© 2022 Global Journals

Equation Modelling Approach', Journal of Family and Economic Issues, 35(2), pp. 145–160. doi: 10.1007/s10834-013-9358-z
12. Gerrans, P., & Heaney, R. (2019). The impact of undergraduate personal finance education on individual financial literacy, attitudes and intentions. Accounting and Finance, 59(1), 177–217. https://doi.org/10.1111/acfi.12247
13. Grohmann, A. (2018). Financial literacy and financial behavior: Evidence from the emerging Asian middle class. Pacific Basin Finance Journal, 48(January), 129–143. https://doi.org/10.1016/j.pacfin.2018.01.007
14. Haque, Abdul; Zulfiqar, M. (2016). Women' s Economic Empowerment through Financial Literacy, Financial Attitude and Financial Wellbeing. International Journal of Business and Social Science, 7(3), 78–88.
15. Hassan Al-Tamimi, H. A., & Anood Bin Kalli, A. (2009). Financial literacy and investment decisions of UAE investors. Journal of Risk Finance, 10(5), 500–516. https://doi.org/10.1108/15265940911001402
16. Howlett, E., Kees, J., & Kemp, E. (2008). The role of self-regulation, future orientation, and financial knowledge in long-term financial decisions. Journal of Consumer Affairs, 42(2), 223–242. https://doi.org/10.1111/j.1745-6606.2008.00106.x
17. Huston, S. J. (2010). Measuring Financial Literacy. Journal of Consumer Affairs, 44(2), 296–316. https://doi.org/10.1111/j.1745-6606.2010.01170.x
18. Ibrahim, M. E., & Alqaydi, F. R. (2013). Financial Literacy, Personal Financial Attitude, and Forms of Personal Debt among Residents of the UAE. International Journal of Economics and Finance, 5(7), 126–138. https://doi.org/10.5539/ijef.v5n7p126
19. Jamieson, S. (2004). Likert scales: How to (ab)use them. Medical Education, 38(12), 1217–1218. https://doi.org/10.1111/j.1365-2929.2004.02012.x
20. Lusardi, A., & Mitchell, O. S. (2014). The Economic Importance of Financial literacy: Theory and Evidence. Journal of Economic Literature, 52(1), 5–44. https://doi.org/10.1257/jel.52.1.5
21. Mokhtar, N., & Rahim, H. A. (2016). Determinants of employee perception on financial well-being in Putrajaya. Malaysian Journal of Consumer and Family Economics, 19, 25–48.
22. Morgan, P. J., & Trinh, L. Q. (2017). ADBI Working Paper Series DETERMINANTS AND IMPACTS OF FINANCIAL LITERACY IN CAMBODIA AND VIET NAM Asian Development Bank Institute (Issue 754).
23. Nahar, A. I. M., Shahrul, S. N. S., Rozzani, N., & Saleh, S. K. (2022). Factors Affecting Financial Literacy Rate of Millennial in Malaysia. International Journal of Publication and Social Studies, 7(1), 1–11. https://doi.org/10.55493/5050.v7i1.4433
24. NISM. (2014). Financial Literacy and Inclusion in India: Final Report - India. 48.
25. OECD. (2017). G20/Oecd Infe Core Competencies Framework on Financial Literacy for Adults G20/Oecd Infe Core Competencies Framework on Financial Literacy for Adults G20/Oecd Infe Report on Adult Financial Literacy in G20 Countries. 1–80. www.financial-education.org
26. Organisation for Economic and Cooperation and Development. (2011). Measuring financial literacy: questionnaire and guidance notes for conducting an internationally comparable survey of financial literacy. Oecd, 31. https://www.oecd.org/finance/financial-education/49319977.pdf
27. Rasoaisi, L., & Kalebe, K. M. (2015). Determinants of Financial Literacy among the National University of Lesotho Students. Asian Economic and Financial Review, 5(9), 1050–1060. https://doi.org/10.18488/journal.aefr/2015.5.9/102.9.1050.1060
28. Remund, D. L. (2010). Financial literacy explicated: The case for a clearer definition in an increasingly complex economy. Journal of Consumer Affairs, 44(2), 276–295. https://doi.org/10.1111/j.1745-6606.2010.01169.x
29. Sharma, M., & Roshan, R. (2021). Influence of financial literacy on financial well-being. UGC Care Group 1 Journal, 51(1), 5–10. https://www.researchgate.net/publication/352815020
30. Sohn, S. H., Joo, S. H., Grable, J. E., Lee, S., & Kim, M. (2012). Adolescents' financial literacy: The role of financial socialization agents, financial experiences, and money attitudes in shaping financial literacy among South Korean youth. Journal of Adolescence, 35(4), 969–980. https://doi.org/10.1016/j.adolescence.2012.02.002
31. Taft, M. K., Hosein, Z. Z., & Mehrizi, S. M. T. (2013). The Relation between Financial Literacy, Financial Wellbeing and Financial Concerns. International Journal of Business and Management, 8(11), 63–75. https://doi.org/10.5539/ijbm.v8n11p63
32. Thakur, S., & Mago, M. (2021). Development of a financial literacy model for individuals in India using structural equation modelling. International Journal of Business Innovation and Research, 25(1), 94–116. https://doi.org/10.1504/IJBIR.2021.115014
33. Yoong, F. J., See, B. L., & Baronovich, D.-L. (2012). Financial Literacy Key to Retirement Planning in Malaysia. Journal of Management and Sustainability, 2(1), 75–86. https://doi.org/10.5539/jms.v2n1p75
34. Yuesti, A., Rustiarini, N. W., & Suryandari, N. N. A. (2020). Financial literacy in the covid-19 pandemic: Pressure conditions in indonesia. Entrepreneurship and Sustainability Issues, 8(1), 884–898. https://doi.org/10.9770/jesi.2020.8.1(59)

© 2022 Global Journals