

THE ROLE OF FINANCIAL LITERACY IN ENHANCING FINANCIAL WELLBEING DURING EARLY MIDLIFE

Harshita Tiwari

Student, Institute for Excellence in Higher Education, Bhopal, M.P

Bhoomika Dhiman

Student, Institute for Excellence in Higher Education, Bhopal, M.P

Dr. Sunaina Tiwari

Research Scholar, Faculty of Commerce

Institute for Excellence in Higher Education, Bhopal, M.P

Insha Mirza

Research Scholar, Faculty of commerce

Institute for Excellence in Higher Education, Bhopal, M.P

ABSTRACT

Particularly in early midlife, when important financial decisions about retirement and asset accumulation must be made, financial literacy plays a crucial role in determining an individual's financial well-being. The purpose of this study is to evaluate Bhopal citizens' financial literacy and how it affects their ability to make sound financial decisions. The study aims to pinpoint specific information gaps that can impede wise financial decisions by examining awareness of government programs that assist with retirement planning. In order to assess participants' knowledge of key financial concepts, their acquaintance with various government programs, and their general level of financial confidence, the technique uses surveys and interviews. According to preliminary research, many people are unaware of the resources available to help with retirement planning, even though some people have a basic comprehension of financial concepts. Additionally, as the public's financial literacy rises, it will promote both individual security and overall economic expansion. According to the hypothesis, people in their early midlife do not significantly benefit from financial literacy in terms of their financial well-being. The results will shed light on this theory, either supporting or refuting it, and eventually add to the discussion about the value of financial education in enhancing both individual and societal economic well-being.

Keywords: Early midlife individuals, financial literacy, financial decisions, financial awareness, and individual well-being

INTRODUCTION

Financial literacy is an essential component of our daily lives, influencing our ability to navigate the complexities of personal finance. In midlife, the importance of making informed financial choices becomes even more pronounced, as these decisions can significantly enhance our prospects for a secure and prosperous future. Understanding how to manage finances effectively is not just about budgeting or saving; it encompasses a broader spectrum of knowledge, including investment strategies, debt management, retirement planning, and the implications of various financial products. The primary objective of this research is to assess the level of financial literacy among individuals in Bhopal. By evaluating the current state of financial knowledge, the aim is to understand how this knowledge empowers individuals to make improved and more effective financial decisions for their future. This assessment will involve analysing various demographic factors, such as age, education, and income level, to identify trends and disparities in financial literacy across different segments of the population.

PURPOSE OF RESEARCH

The primary objective of this research is to assess the level of financial literacy among individuals in Bhopal and to understand how this knowledge empowers them to make improved and more effective financial decisions for their future. This study aims to identify knowledge gaps and pinpoint specific areas within financial literacy where individuals may lack comprehension, revealing obstacles to sound financial decision-making. A key focus is on raising awareness and educating the public about financial literacy, enabling them to make informed and beneficial financial choices for a stable and secure future. Furthermore, it is essential to inform individuals about various government schemes and initiatives available to assist with retirement planning. By increasing the financial literacy of the Indian populace, this research will not only facilitate personal security but also contribute positively to national economic growth, as individuals engage with policies and schemes that promote broader economic stability.

OBJECTIVES

1. Assess the level of financial literacy among individuals in Bhopal.
2. Understand how financial knowledge influences effective financial decision-making for the future.

3. Identify knowledge gaps in financial literacy and areas where individuals lack comprehension.
4. Raise awareness and educate the public about financial literacy and its importance.
5. Inform individuals about government schemes available for retirement planning.
6. Contribute to the overall financial security of individuals and support national economic growth through increased financial literacy.

LITERATURE REVIEW

(Shanmugam , Chidambaram, & Parayitam, 2023) This research explores how five major personality traits, along with financial literacy and the tendency to take risks, are connected. It seeks to understand how financial literacy is linked to the big five personality traits to identify patterns in how people make investment choices. The study suggests that personality traits play a crucial role in determining financial literacy. The five major personality traits include: (1) Agreeableness and its relationship with financial literacy, (2) Conscientiousness and its link to financial literacy, (3) Extraversion and its impact on financial literacy, (4) Emotional stability and its connection to financial literacy, and (5) Openness to experience and its role in financial literacy. The study finds that personality traits significantly and positively affect financial attitudes, behaviours, knowledge, and decision-making. The objective is to investigate the financial literacy and risk-taking tendencies of Indian investors. However, the study's findings indicate that agreeableness is positively associated with financial attitudes, behaviours, and decisions. Additionally, the results back the positive relationship between (a) conscientiousness and its components with financial literacy, and (b) extraversion and its components with financial literacy.

(Lusardi & Mitchell, 2014) The study explains that financial literacy is the ability to understand economic information and think critically about various aspects related to personal finance. This includes determining how much to save for future needs such as child education, retirement, and debt management. It encompasses financial planning, investment, retirement planning, wealth accumulation, and managing debt obligations. Financial literacy and awareness are investments in human assets. The market offers a wide range of financial products, including student loans, mortgages, credit cards, pension plans, and annuities. This variety of options means that investors must make numerous financial and investment decisions. These changes in financial products and services also place a responsibility on

users to save money, invest wisely, and borrow judiciously. Researchers suggest that households should be well-informed and make wise decisions regarding their financial future.

(Bhushan & Medury, 2013) According to the report, financial literacy is the ability to use and manage money as well as make wise financial decisions. Programs for financial literacy are a useful tool for raising public understanding of the financial market and educating people about money matters. According to the study, the essential components of financial literacy are people's financial behaviours, financial attitudes, and financial knowledge. They contend that a person's degree of financial literacy is influenced by their financial behaviour and mindset. This research explores the state of financial knowledge among the populace, revealing that it remains a cause for concern. It indicates that in our nation, there is a notable lack of awareness regarding financial matters among the population. The findings indicate that the degree of financial understanding differs widely among individuals, influenced by a variety of demographic and socio-economic factors. The research suggests that factors such as gender, education, income, employment type, and workplace location significantly impact financial literacy, while age and geographical location do not play a role. The study highlights a concerning low level of financial literacy in our country and calls for government action to enhance public awareness regarding financial issues.

(Gathergood, 2012) According to this study, financial literacy is the capacity of consumers to accurately assess financial data and to comprehend financial ideas. He investigates the connection between excessive consumer credit debt, financial literacy, and self-control. As to his assertion, there exists a favorable correlation between consumer over-indebtedness and issues connected to self-control and insufficient financial literacy. Lack of self-control leads to a number of financial dangers, such as large credit withdrawals, unforeseen durable goods outflows, and disruptions to income. The study comes to the conclusion that excessive debt is positively correlated with both low financial literacy and issues with self-control. They demonstrate the significance of consumer behavioural characteristics in the explanation of excessive consumer debt. The goal of the literature on self-control and financial literacy is to provide instances of how these principles of consumer behaviour can be used to explain financial results. It may be argued that insufficient financial literacy and insufficient self-control can lead to indebtedness. Financial education can help people become more financially literate.

(Agarwalla , Barua, Jacob, & Varma, 2013)This paper presents an analysis of a study that looked at how different sociodemographic characteristics affected different aspects of financial literacy among young, working adults in urban India. This study examined a number of demographic variables, including gender, income, and education level, in order to examine how financial literacy affects individuals. The relationship between the various financial literacy factors is also examined in this study. The study offers an analytical foundation for formulating policies for improving the financial literacy of young in India, contributing to the expanding empirical understanding of financial literacy across nations. According to a study he performed, 29% of Indian males and 34% of Indian women said they have no savings. Research indicates that 43% of Indian women typically avoid talking about money management issues with due to their own ignorance of the various facets of money management, their children. It is widely acknowledged in our society that women participate less in investing as well as economical choices pertaining to their family.Overall, the study finds that young people in urban India who are employed have financial literacy levels that are equivalent to those of similar groups in other nations. Even though a sizable section of the population holds graduate or postgraduate degrees, their high levels of education do not convert into sufficient financial literacy. This is probably because there haven't been any contributions to financial literacy in general process of education. Considering how important education is in India, improving children's financial literacy ought to be achievable really rapidly by including pertinent financial literacy content into general education, college and school programs. The study highlights how crucial contextual elements that could impact financial literacy.

RESEARCH METHODOLOGY

The study will look at people aged 35 and older in Bhopal, Madhya Pradesh, to understand their decision-making processes and financial knowledge. Financial literacy is important for personal well-being and economic stability, so this research aims to shed light on how different age groups manage their finances and understand financial concepts. To gather information, the study will use both primary and secondary sources. For primary data, we will select 50 participants through convenience sampling. This means we will choose participants who are easy to reach. We will collect data using questionnaires sent out via Google Forms, which participants can fill out conveniently. The questionnaires will ask about their understanding of financial concepts, their attitudes towards money, and their actual financial behaviours.

We will also look at secondary data, which includes existing research and theories about financial literacy and well-being. This will help us better understand the findings and place them in the context of Bhopal's unique social and economic environment. The analysis will focus on how well participants understand key financial concepts like budgeting, saving, investing, and credit. We'll also explore how financial knowledge relates to overall financial well-being—specifically, whether knowing more about finance leads to better financial outcomes and a higher quality of life. To analyse the data, we will use CHI square, a statistical method that helps identify differences among age groups regarding their financial knowledge and behaviours. This analysis will help us find patterns and relationships in the data. Ultimately, the findings will highlight the financial challenges faced by different age groups and suggest ways to improve financial education and support in the community.

HYPOTHESIS

H₀: There is no significant impact of financial literacy on the financial well-being of early midlife.

H₁: There is significant impact of financial literacy on the financial well-being of early midlife.

ANALYSIS AND INTERPRETATION

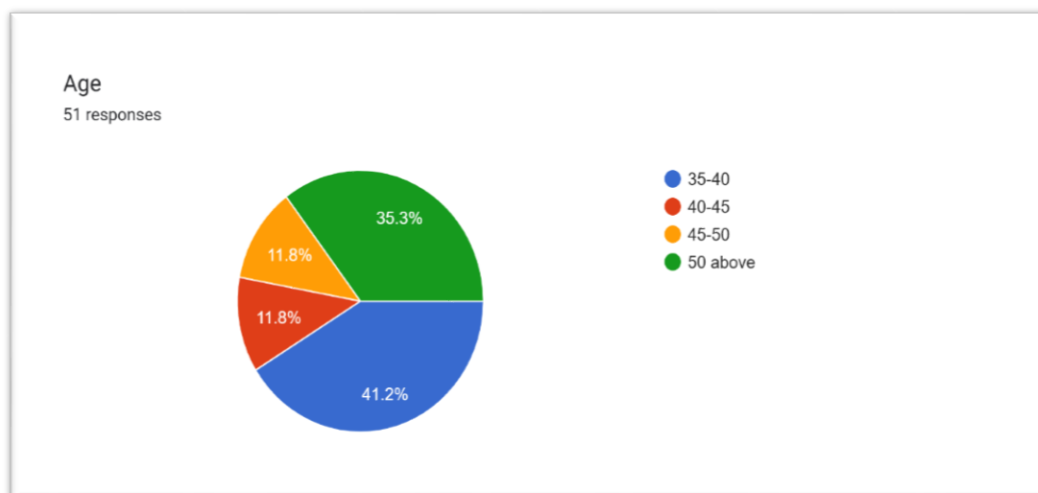
In order to find out the financial literacy level among the individuals aged from 35 and above, questionnaire in the form of google forms are being filled. Sample size for the data collection is 50. This google form is filled by the respondents from Bhopal city. Various questions being asked by the individuals to assess the literacy level and by knowing this, we can analyze the role of financial literacy in financial well beings of an individuals.

AGE

From the pie chart given below, it is evident that majority of the respondents under study (41.2%) belong to the age group 35-40 years, 35.3% of respondents from 50 years and above, 11.8% each from 40-45 years and 45-50 years respectively

TABLE - 1

AGE	RESPONDENTS
35-40	21
40-45	6
45-50	6
50 Above	18

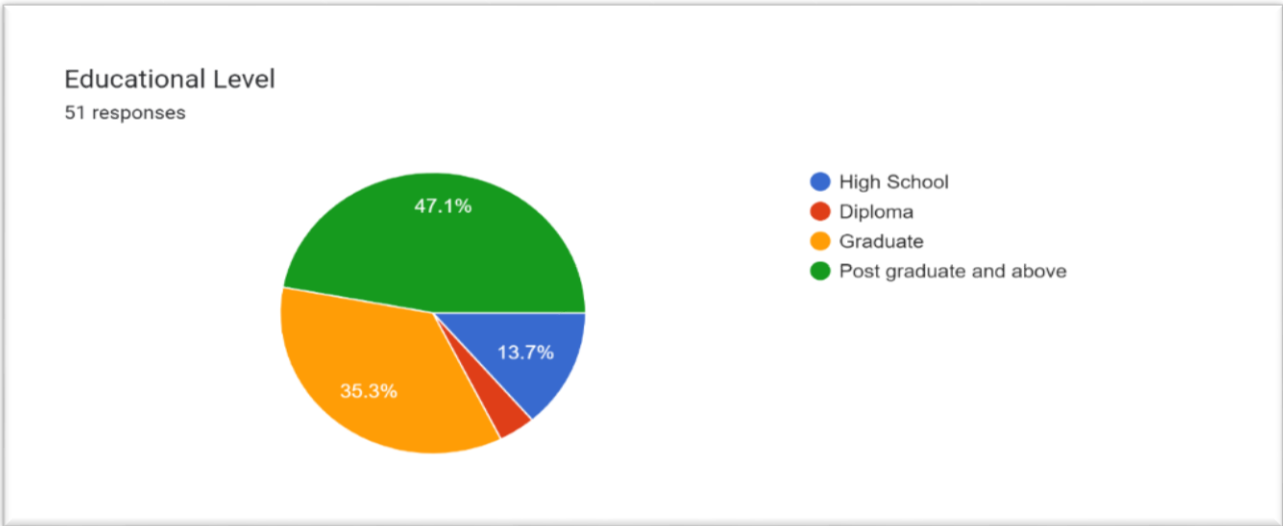


EDUCATION LEVEL

The data shows that a majority of respondents are postgraduates (47.3%), highlighting a link between higher education and financial literacy. This knowledge enhances their ability to make informed financial decisions, manage investments, and build savings. Graduates (35.3%) also benefit, while those with lower educational attainment may struggle with financial concepts. Addressing these gaps through targeted education is crucial for improving overall financial well-being. Ultimately, fostering financial literacy across all educational levels promotes individual stability and community economic health.

TABLE- 2

EDUCATION LEVEL	RESPONDENTS
High School	7
Diploma	2
Graduate	18
Post Graduate and above	24

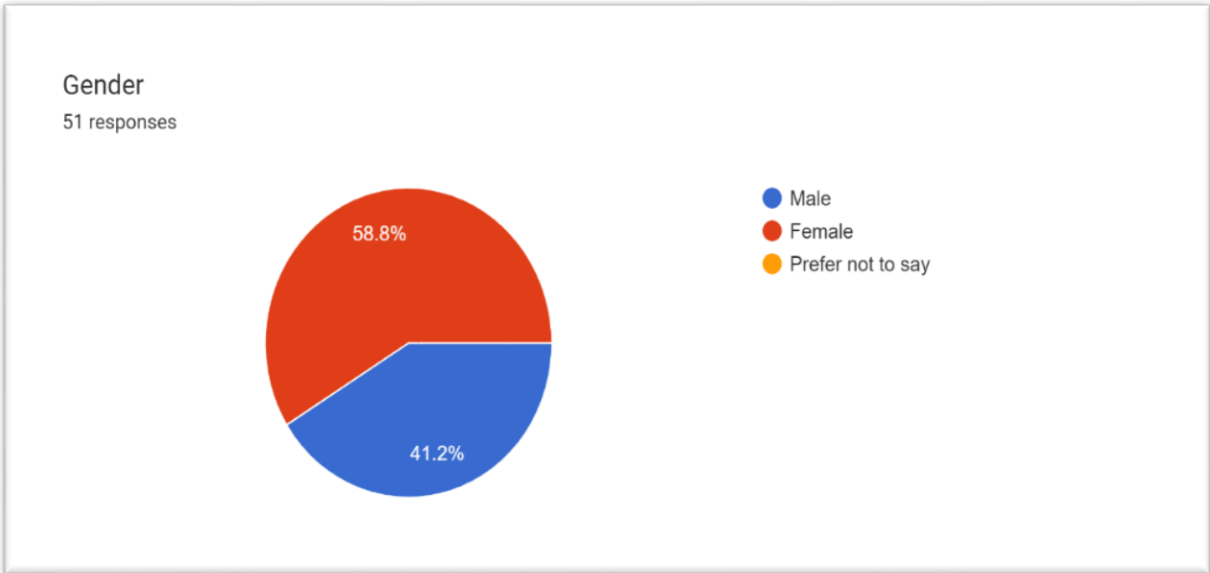


GENDER

The pie chart reveals that 58.8% of respondents are female, suggesting a significant representation of women in the survey. This demographic insight is crucial, as women often face unique financial challenges and may benefit from tailored financial literacy programs. Enhanced financial literacy can empower women to make informed decisions, improve their savings and investment strategies, and navigate economic uncertainties more effectively. Addressing gender-specific perspectives in financial education can ultimately contribute to better financial well-being for women in early midlife. By fostering financial knowledge, we can help bridge the gap in financial security and promote equitable economic empowerment.

TABLE - 3

GENDER	RESPONDENTS
Male	21
Female	30

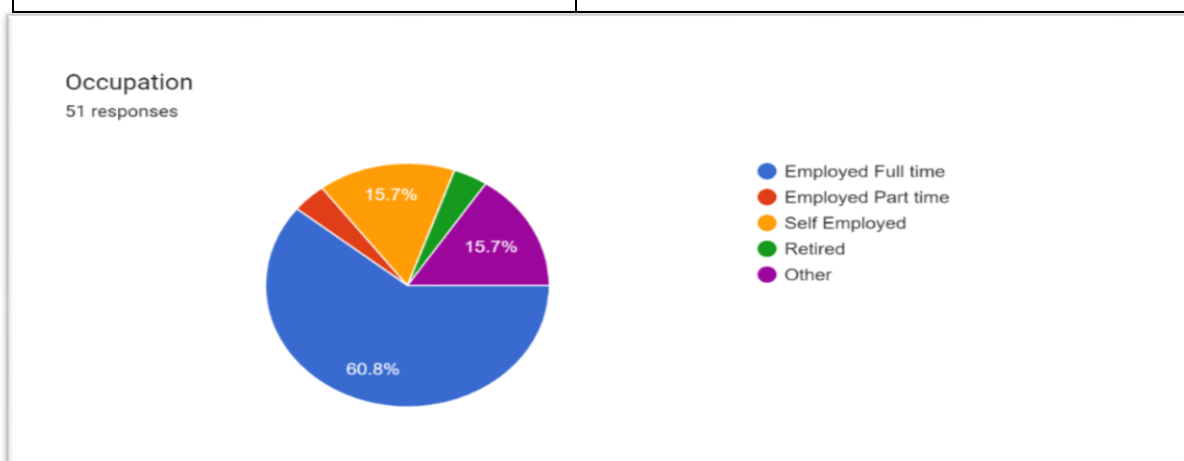


OCCUPATION

The pie chart indicates that 60.8% of respondents are employed full time, highlighting a stable workforce that may benefit significantly from financial literacy. Full-time employment often provides a steady income, which can enhance financial well-being when coupled with effective financial management skills. For the 15.7% who are self-employed and those in other categories, financial literacy is crucial for navigating variable income and managing business finances. Additionally, part-time workers (3.9%) and retirees (3.9%) may face unique financial challenges that require tailored educational resources. By improving financial literacy across all employment statuses, individuals in early midlife can make informed decisions, enhance savings, and secure their financial future.

TABLE - 4

OCCUPATION	RESPONDENTS
Employed full time	31
Employed part time	2
Self employed	8
Retired	2
Other	8



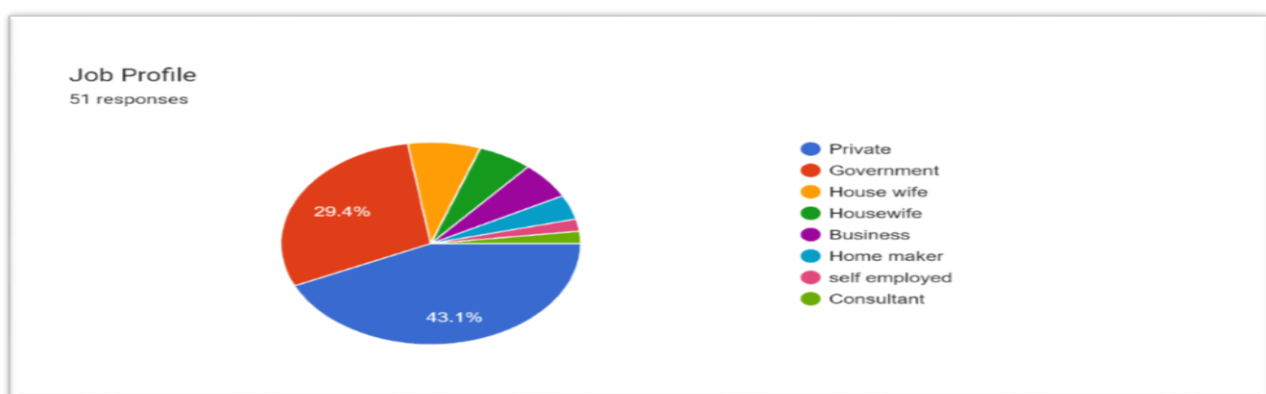
JOB PROFILE

This data highlights a diverse range of employment backgrounds among the respondents. The majority are employed in the private sector, indicating a preference for or reliance on private industry jobs.

The table above presents the job profiles of respondents, detailing the following distribution: 22 individuals work in the private sector, 15 in government roles, 3 are engaged in business, 1 serves as a consultant, and 10 are homemakers.

TABLE - 5

JOB PROFILE	RESPONDENTS
Private	22
Government	15
Business	3
Consultant	1
Home maker	10



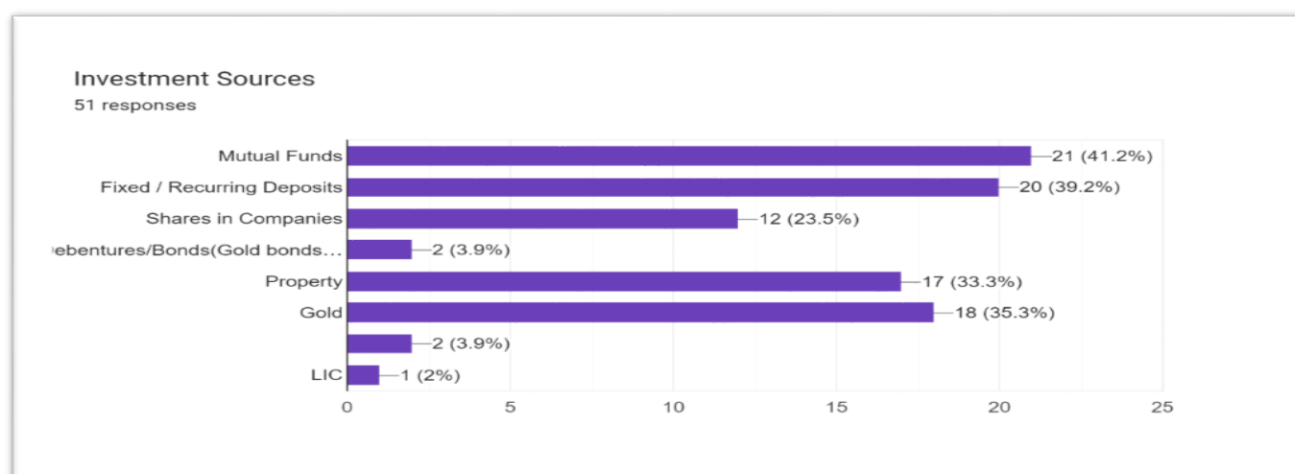
INVESTMENT SOURCES

By examining the investment choices of various respondents, we can gain insights into their awareness of different investment sources. The bar graph clearly shows that a significant portion of individuals (41.2%) are investing in mutual funds, while others are exploring shares, property, gold, and more. This diversity in investment options suggests that

respondents possess a solid understanding and awareness of various financial avenues. Overall, this trend serves as a positive indicator of individuals' financial well-being.

TABLE - 6

SOURCES	RESPONDENTS
Mutual funds	21
Fixed / Recurring deposits	20
Shares in Companies	12
Property	17
Debentures/ Bonds	2
Gold	18
Other	2
LIC	1



INCOME SAVED

An individual's income-saving habits reflect their financial literacy, especially during mid-life. By examining the amount saved, we can gauge their concern for future financial security and their ability to allocate funds wisely. Higher savings typically indicate better financial

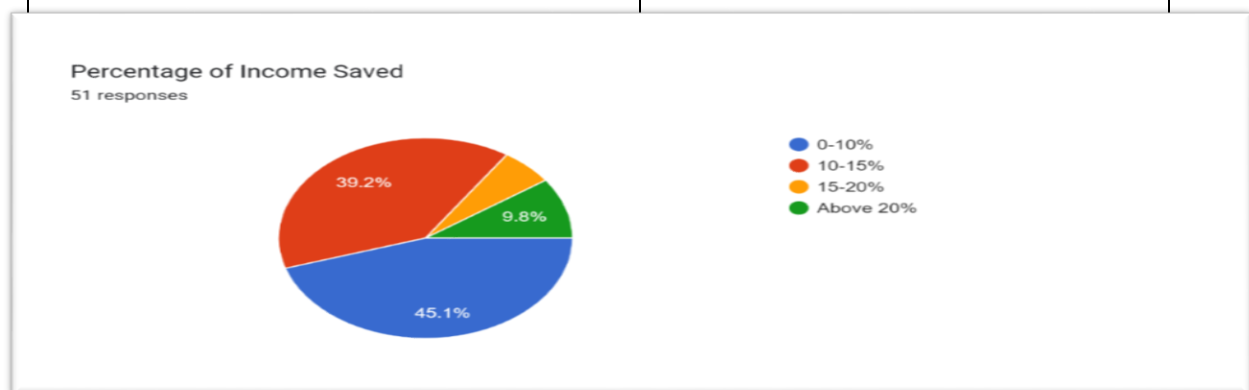
well-being and awareness, suggesting that individuals with strong financial literacy are more proactive in securing their future through effective saving practices.

The pie chart indicates that a significant 45.1% of respondents save only 0-10% of their income, raising concerns about financial preparedness as individuals age. For those aged 35 and above, this low savings rate may hinder their ability to secure a stable financial future.

In contrast, 39.2% manage to save 10-15%, while 15.2% save between 15-20%. A mere 9.8% save more than 20% of their income, highlighting a critical gap in financial habits. This data suggests that enhancing financial literacy among this demographic is essential.

TABLE - 7

PERCENTAGE INCOME SAVED	RESPONDENTS
0-10%	23
10-15%	20
15-20%	3
Above 20%	5



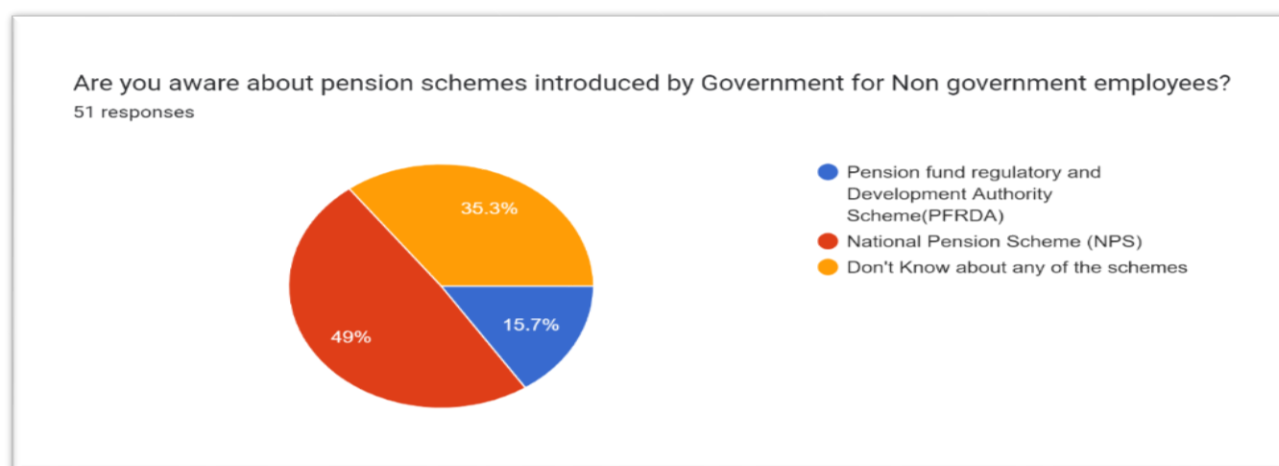
Are you aware about pension schemes introduced by Government for Non- government employees?

Understanding reliable income sources, such as pensions and investment schemes, is crucial for assessing financial literacy among mid-life individuals, particularly in the service sector. Government pension schemes provide a pathway to financial stability, empowering individuals to make informed decisions about their future. The data indicates that 33 respondents have some awareness of these schemes, which is encouraging. However, the fact that 35.3% remain unaware is concerning, as it exposes them to potential financial risks. Improving awareness of pension options is vital for enhancing financial security as

individuals age. Addressing this knowledge gap is essential for fostering a financially literate population and minimizing future risks.

TABLE- 8

AWARENESS OF PENSION SCHEME	RESPONDENTS
PFRDA	8
NPS	25
Don't Know	18



Have you enrolled or are you planning to enrolled in any of the government pension schemes?

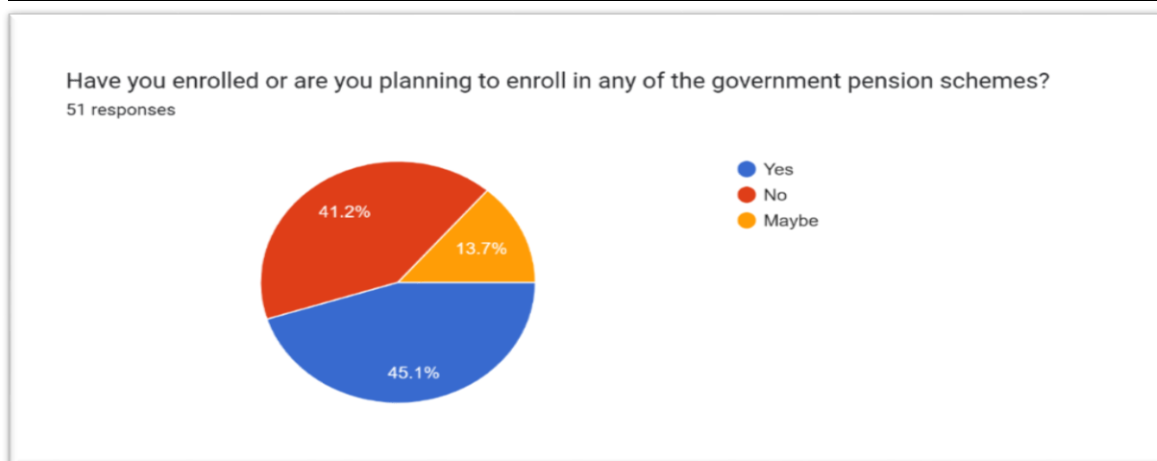
Enrolling in government pension schemes is closely tied to financial literacy among individuals in early midlife. Those with higher financial literacy understand the long-term benefits of these schemes and are more likely to participate, enhancing their financial security for retirement. Conversely, individuals with lower financial literacy may miss important opportunities for effective retirement planning, negatively impacting their long-term financial well-being.

Among individuals in early midlife, 48.1% are enrolled in government pension schemes, 41.2% are not, and 13.7% are considering enrollment. This pattern reflects varying levels of financial literacy. Those enrolled likely understand the importance of long-term financial planning, while the 41.2% not enrolled may lack this knowledge, risking their future security. The 13.7% considering enrollment could benefit from improved financial education to make

informed decisions. Enhancing financial literacy is essential for boosting participation in pension schemes and ensuring financial stability later in life.

TABLE - 9

ENROLLMENT IN GOVT. SCHEMES	RESPONDENTS
YES	23
NO	21
MAY BE	7

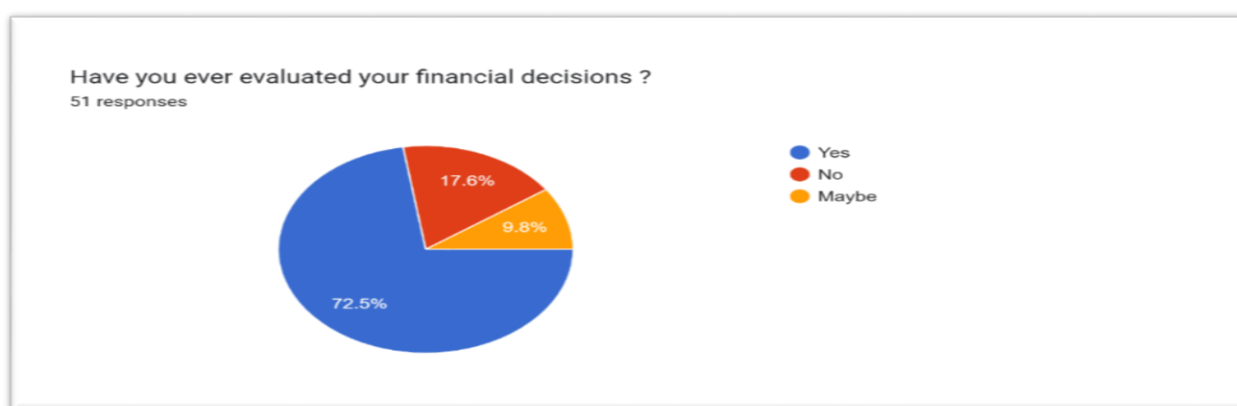


Have you ever evaluated your financial decisions?

Evaluating financial decisions is crucial for individuals in mid-life, as it helps them identify the best sources for allocating their funds. By reflecting on past experiences, they can make informed choices about their financial futures and assess whether current investments are yielding expected returns. This evaluation process is a key component of financial literacy, enabling individuals to navigate their financial landscapes effectively. The pie chart indicates that 72.5% of respondents actively evaluate their financial decisions, reflecting a positive trend in financial literacy. However, 17.6% do not engage in this process, highlighting an area for improvement. Encouraging all individuals to assess their financial choices can enhance overall financial literacy and empower better decision-making. Ultimately, this awareness fosters greater financial security for the future.

TABLE - 10

EVALUATION OF FINANCIAL DECISIONS	RESPONDENTS
YES	37
NO	9
MAY BE	5

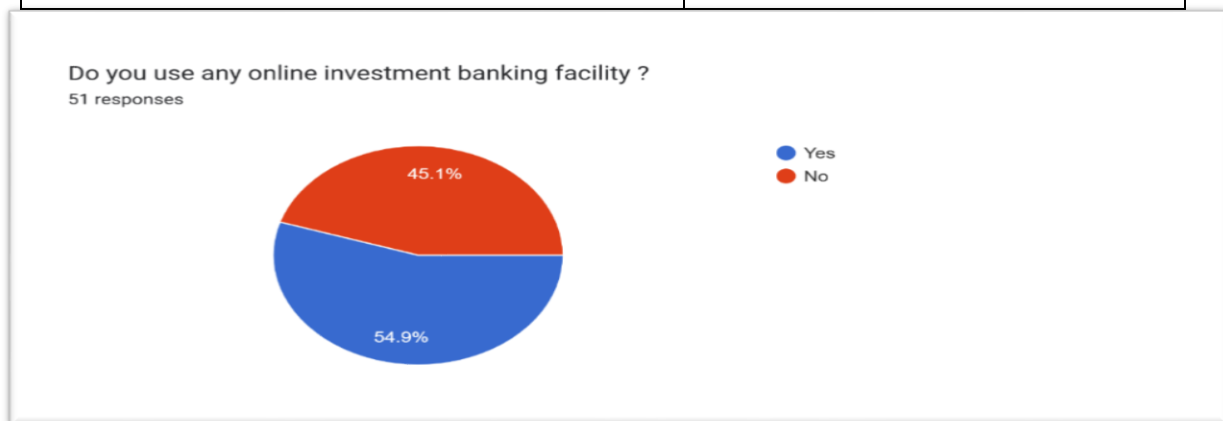


Do you use any online investment banking facility?

The availability of online investment banking facilities significantly impacts financial literacy among mid-life individuals, providing easy access to various investment options and enabling more effective portfolio management. Navigating these tools is crucial for making informed financial decisions, as increased comfort with online banking enhances understanding of financial markets and strategies. The data indicates that 54.5% of respondents use online banking facilities, suggesting a positive trend in financial engagement. However, the fact that 45.1% do not utilize these services highlights a potential gap in knowledge and access to essential financial resources. Those who engage with online banking are likely to gain a better grasp of financial management and investment opportunities, thus improving their financial literacy. Encouraging more individuals to adopt online banking can help close this gap, fostering greater financial awareness. Ultimately, this increased engagement empowers individuals to make better investment choices and contributes to their financial stability as they plan for the future.

TABLE - 11

USE OF ONLINE BANKING FACILITY	RESPONDENTS
YES	28
NO	23



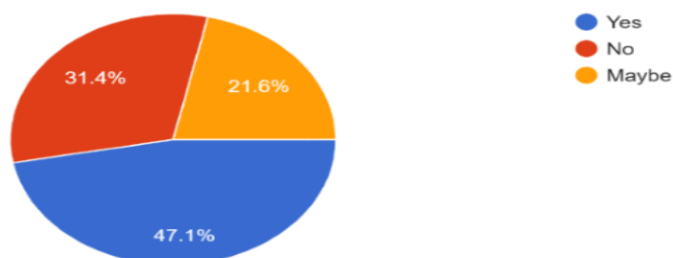
Does your financial decision affected by market fluctuation (such as inflation, deflation etc.)?

Market fluctuations, such as inflation and deflation, significantly impact financial decision-making for mid-life individuals, making an understanding of these economic factors crucial for effective financial planning. This awareness is essential for financial literacy, as those who comprehend market trends can make informed choices about asset allocation and risk management, leading to greater financial stability. The table shows that 24 respondents feel impacted by market fluctuations, while 16 do not and 11 are unsure. Those who feel unaffected may lack an understanding of how such fluctuations can influence their investments and savings. Additionally, the uncertainty expressed by the 11 individuals highlights a critical knowledge gap that could hinder effective financial planning. Addressing these gaps through improved financial literacy can empower individuals to navigate market fluctuations confidently. By enhancing their understanding, they can make more informed decisions that secure their financial futures.

TABLE - 12

DECISION FLUCTUATION	AFFECTED MY MARKET	RESPONDENTS
YES		24
NO		16
MAY BE		11

Does your financial decision affected by market fluctuation(such as inflation, deflation etc.)?
51 responses



With whom do you make your financial decision?

Market fluctuations, such as inflation and deflation, significantly impact financial decision-making for mid-life individuals, making an understanding of these economic factors crucial for effective financial planning. This awareness is essential for financial literacy, as those who comprehend market trends can make informed choices about asset allocation and risk management, leading to greater financial stability. The table shows that 24 respondents feel impacted by market fluctuations, while 16 do not and 11 are unsure. Those who feel unaffected may lack an understanding of how such fluctuations can influence their investments and savings. Additionally, the uncertainty expressed by the 11 individuals highlights a critical knowledge gap that could hinder effective financial planning. Addressing these gaps through improved financial literacy can empower individuals to navigate market fluctuations confidently. By enhancing their understanding, they can make more informed decisions that secure their financial futures.

TABLE 13

WITH WHOM FINANCIAL DECISIONS WERE MADE	RESPONDENTS
Family and Friends	30
Independently	12
Financial institution	9

With whom do you make your financial decision ?

51 responses



HYPOTHESIS TESTING

The hypothesis testing is done by Chi-Square distribution

SAMPLE SIZE- 51

$$\text{Chi-Square} = \sum (O_i - E_i)^2 / E_i$$

OBSERVED FREQUENCY TABLE

DOES YOUR DECISION AFFECTED BY MARKET FLUCTUATION	DO YOU USE ANY ONLINE BANKING INVESTMENT FACIITY?		
	YES	NO	TOTAL

YES	23	12	35
NO	5	11	16
TOTAL	28	23	51

EXPECTED FREQUENCY TABLE

DOES YOUR DECISION AFFECTED BY MARKET FLUCTUATION	DO YOU USE ANY ONLINE BANKING INVESTMENT FACILITY?		
	YES	NO	TOTAL
YES	19.31568	15.7843	35
NO	8.7843	7.2156	16
TOTAL	28	23	51

chi-square value = 5.2675

DEGREE OF FREEDOM = (2-1)*(2-1) = 1

The hypothesis testing revealed a chi-square value of 5.2675, which is greater than the critical value i.e. 3.84 leading us to reject the null hypothesis. This outcome indicates that financial literacy does, in fact, play a significant role in enhancing financial well-being for individuals in early midlife.

To explore this relationship, we focused on two specific questions: "Does your decision get affected by market fluctuations?" and "Do you use any online banking or investment facility?" These questions point to behaviors that are closely tied to financial literacy. The results suggest that individuals with higher financial knowledge tend to consider market trends when making financial decisions and are more likely to use online banking and investment tools. Both behaviors reflect an awareness of market conditions and a proactive approach to managing finances—factors that are essential for financial stability.

By rejecting the null hypothesis, this analysis highlights the value of financial literacy for those in early midlife. With improved financial knowledge, individuals in this life stage are better equipped to make informed decisions that support long-term security and financial well-being. This suggests that initiatives aimed at increasing financial literacy could have a meaningful impact on the financial health of people in early midlife, helping them to navigate financial responsibilities with greater confidence and resilience.

RESULT AND DISCUSSION

The results from the data provide a clear picture of the financial literacy and behaviors of individuals in early to mid-life.

1. **Demographics:** The majority of respondents are in the 35-40 age range (41.2%) and have postgraduate degrees (47.3%). This indicates a well-educated group that could greatly benefit from financial literacy programs.
2. **Employment Status:** A significant number (60.8%) are employed full-time, which suggests a level of financial stability. However, this stability also underscores the need for effective financial planning to secure their futures.
3. **Saving Habits:** A concerning 45.1% of respondents save only 0-10% of their income, raising questions about their preparedness for long-term financial needs. Only a small percentage (9.8%) save more than 20%, highlighting a critical gap in saving practices.
4. **Investment Awareness:** A positive finding is that 41.2% invest in mutual funds, indicating a solid understanding of investment options. However, many remain unaware of essential tools like pension schemes, with 35.3% lacking this knowledge.
5. **Decision-Making:** A majority (72.5%) actively evaluate their financial decisions, which is a good sign of financial literacy. However, 17.6% do not engage in this evaluation process, pointing to an area for improvement.
6. **Use of Online Banking:** With 54.5% using online banking services, there is evidence of a growing understanding of financial management tools. However, the 45.1% who do not use these services may face gaps in their financial knowledge.
7. **Impact of Market Fluctuations:** Awareness of market fluctuations varies, with 24 respondents indicating they are affected. This highlights the need for better education to improve financial planning.

8. Seeking Advice: Many respondents (58.8%) discuss financial decisions with family and friends, suggesting a reliance on informal support. While this can be beneficial, it may also reflect a lack of confidence in their financial understanding.

Overall, the findings suggest that while there are some positive indicators of financial literacy, significant gaps remain—especially in saving habits and awareness of crucial financial tools.

SUGGESTIONS

1. Implement targeted financial literacy programs for those aged 35-40 to address specific gaps. Tailor financial education programs to fill knowledge gaps in budgeting, saving, and investing for this age group.
2. Promote workshops on effective saving strategies to encourage higher savings rates.
3. Host workshops teaching practical saving techniques to help individuals boost their savings and financial security.
4. Increase awareness of pension schemes and retirement planning tools through community outreach.
5. Conduct outreach initiatives to inform the community about available retirement plans and financial planning resources.
6. Develop resources that enhance understanding of investment options beyond mutual funds.
7. Create guides and tools that explain diverse investment opportunities, empowering individuals to diversify their portfolios.
8. Encourage regular financial decision evaluations through guided self-assessment tools.
9. Provide tools prompting individuals to periodically review financial choices, ensuring proactive management of personal finances.
10. Provide training on online banking features to maximize their use and benefits.
11. Offer training sessions to enhance skills in using online banking for efficient financial management and monitoring.
12. Facilitate educational sessions on market trends and their impact on personal finance.
13. Organize sessions discussing current market trends, helping individuals understand their effects on personal financial decisions.
14. Create a mentorship program linking individuals with financial advisors for informed decision-making.

Establish mentorships connecting individuals with financial advisors to provide personalized guidance and informed financial choices.

CONCLUSION

In conclusion, the data highlights the crucial role of financial literacy in improving the financial well-being of individuals in early to mid-life. While most respondents are well-educated and employed full-time, their saving habits reveal significant room for improvement. For instance, 45.1% save only 0-10% of their income, raising concerns about their preparedness for future financial needs. This low savings rate emphasizes the importance of enhancing understanding around effective financial planning and the necessity of building a financial safety net for retirement and unexpected expenses.

Moreover, although a majority of respondents actively evaluate their financial decisions (72.5%) and show awareness of various investment options, such as mutual funds, many remain unaware of essential financial tools like pension schemes. This knowledge gap can expose them to future financial risks. Additionally, relying on family and friends for financial advice may suggest a lack of confidence or expertise, indicating a need for more structured financial education.

The findings also reveal gaps in understanding market fluctuations and the use of online banking—both critical for informed financial management. Addressing these gaps is vital for empowering individuals to navigate economic changes with confidence. Overall, improving financial literacy among this demographic can lead to better decision-making, more effective resource allocation, and greater financial security as they move toward retirement, ensuring a stable and secure future.

FUTURE WORK

To enhance financial literacy and improve the financial well-being of individuals in early to mid-life, several initiatives can be undertaken.

- Organize workshops on essential topics like budgeting, saving, and investing. Tailor the sessions to suit different age groups and educational levels to make them practical and relevant for everyone.

- Develop user-friendly websites or apps that offer courses, webinars, and articles on managing finances. Topics like retirement planning and investment options can be included, allowing people to learn at their own pace.
- Offer access to financial advisors who can help individuals create customized financial plans. This one-on-one guidance can address unique needs and make financial decisions easier. Additionally, run campaigns to inform people about important tools like pension plans and insurance.
- Add financial literacy to school curriculums to prepare kids from an early age. Teaching them about money management, saving, and investing will set them up for success in the future.
- Research why some people struggle to save or invest, and create programs that tackle these challenges. Encourage the use of budgeting apps and other tech tools to make financial management simpler and more engaging.
- Conduct follow-up studies to see how financial literacy programs are working. Use the findings to improve these initiatives and ensure they have a lasting impact on people's saving and investing habits.

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