

## Financial Literacy Awareness and Practice Among Students: Issues and Insights

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### ABSTRACT

*Financial literacy plays a vital role in individuals decisions to take rights decisions about finance and achieve decided financial goals. Financial literacy is an important points in any individual's life. The aim of this study was to determine the awareness of financial literacy among the younger generation. The aim of this study is to provide more effective suggestions and initiatives on financial literacy.*

#### Keywords:

Financial Literacy, Financial Awareness

### 1. INTRODUCTION

Financial Literacy is given more details and guidance for manage financial position or income any persons life. If a people not aware is financially literate then its affect on own income and also nation income. If any countries people income source and management proper manage this is god impact shown on national income. (Cullen, 2013).

According to the Organization for Economic Co-operation and Development (OECD), financial literacy is “the combination of awareness, knowledge, skills, attitudes and behaviours that are necessary to make sound financial decisions and ultimately achieve personal financial well-being.” In the 21st century, financial literacy has become increasingly important as a fundamental life skill. However, despite its importance, numerous studies have highlighted the gap in the awareness and use of financial literacy, especially among students.

### 2. OBJECTIVES:

- To study the awareness of financial literacy among college students.
- To identify the major issues and challenges that students face in developing effective financial literacy.

### 3. REVIEW OF LITERATURE:

Sabri, M. F., M. MacDonald, T. K. Hira, and J. Masud, (2010) concluded that A study conducted in Malaysia on students from private colleges revealed that financial literacy levels were quite low. It also noted a lack of family discussions on financial matters such as saving.

Jorgensen and Savla (2010) proposed a conceptual model emphasising perceived parental influence on young adults'

financial literacy..

Nugraha et al. (2023) highlighted his study about the essentiality for young individuals to increase financial related knowledge management and integrate it into their daily lives.

Chen and Volpe (1998) reported in their research that most students in the United States are not aware of financial literacy, which is reflected in personal income and its big impact on a global trend of insufficient financial education among youth.

Lusardi, Mitchell, and Curto (2010) reported in study that than 30% of young adults were able to give right answer about fundamental financial literacy questions such as interest rates, inflation, and risk diversification, further underlining the knowledge gap.

Stewart and Johnson (2024) explained that his study was about digital platforms as important tools for promoting financial literacy among college students.

### 4. RESEARCH METHODOLOGY

This research paper data collection form is a structured survey questionnaire designed to assess the basic knowledge about financial literacy of college students. The questionnaire was created using Google Forms, and a shareable link was distributed to participants for response collection. A total of 96 completed responses were collected for analysis. The questionnaire had two parts: The first part focused on demographic information (e.g., age, gender, education level), and the second part assessed the respondents' awareness and understanding of various financial literacy concepts. Both simple random sampling and convenience sampling methods

were used in this study. Randomly selected students from colleges in Pune city among undergraduate students.

## 5. DATAANALYSIS:

All the standardised questionnaires were analysed and visualised using Excel charts and graphs to draw meaningful conclusions. The gender distribution of the respondents showed that 34.4% were male, while 65.6% were female.

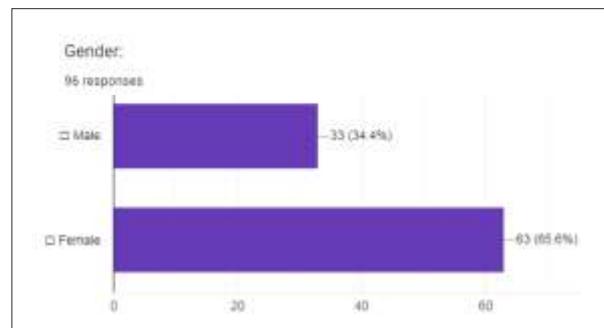


Figure No 1

According to the survey, most respondents were between the ages of 18-21. The second part of the survey focused on the main aspect of the research - assessing the awareness and understanding of respondents about financial literacy.

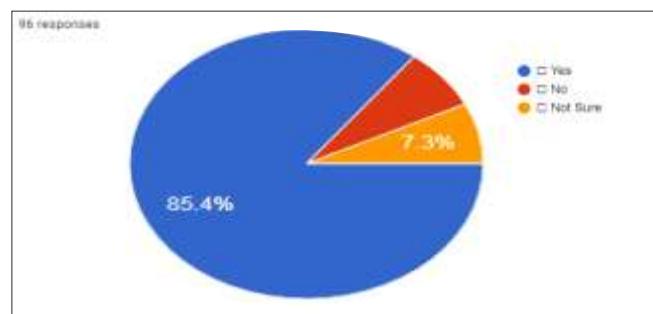


Figure No 2: Financial Literacy Concept

In Figure 2, 85.4% of respondents reported being aware of basic financial literacy. This is the largest portion of the pie chart, indicating that most individuals have a basic understanding of financial concepts. For financial literacy awareness, 7.3% of respondents are not aware of financial literacy. However 7.3% of students given the answer that they are unsure are aware of basic financial literacy. It's observed that few students are not aware, and most students know about the concept of financial literacy. This means that students are acknowledged to be aware of financial literacy, so the first goal is to maximize their benefits.

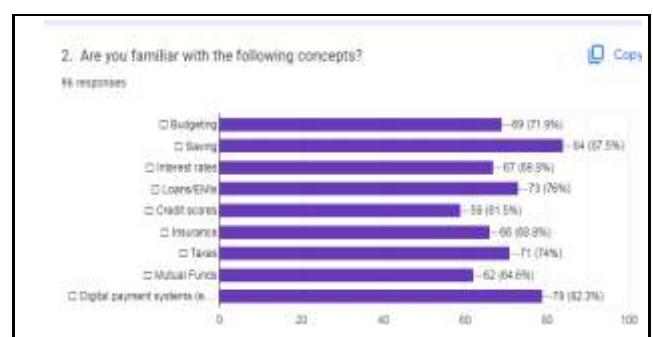


Figure No 3

This chart shows the responses given by 96 individuals regarding their familiarity with various financial concepts. The most familiar concept is savings (87.5%), followed by digital payment systems (82.3%), loans/EMIs (76%) and taxes (74%). The least familiar concept is credit score (61.5%). Additionally maximum respondents understanding basic financial topics such as saving digital platforms and others but few students not aware credit score and mutual funds that means it is knowledge gap about this concepts.



Figure No 4

Lack of knowledge (36.5%) and lack of financial education (35.4%) were identified as key challenges in schools/colleges. Other significant issues included poor savings habits (31.3%) and financial difficulties in the family (29.2%). This figure showing that we need mention structured financial literacy programme in the education all stream with financial skills.

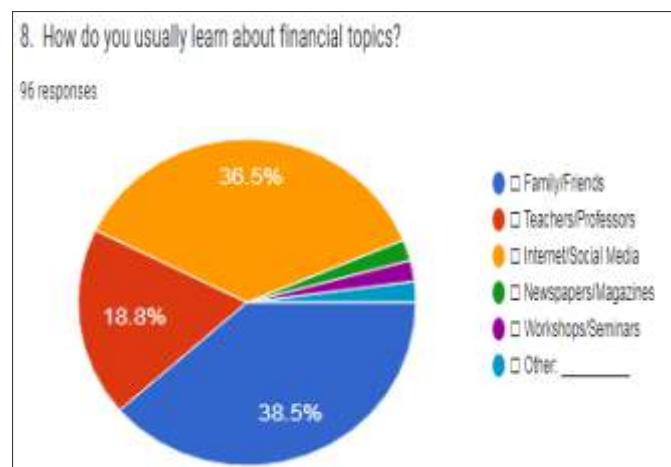
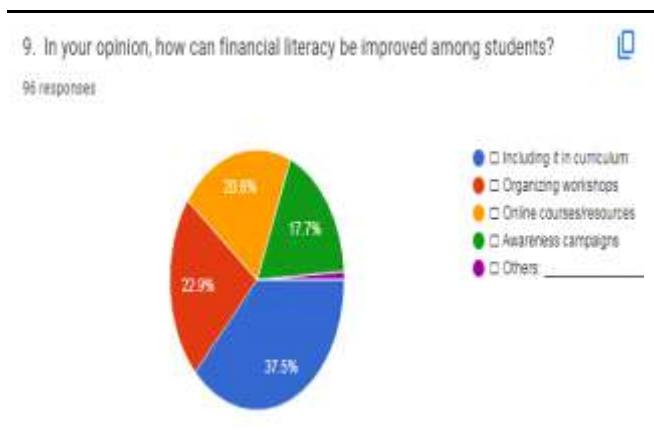


Figure No 5

The most common sources are family/friends (38.5%) and internet/social media (36.5%) followed by teachers/professors (18.8%). Very few people rely on newspapers, seminars or other sources. This shows that informal and digital channels play an important role in financial education, while formal education and traditional media are used to a lesser extent. This shows that personal networks and formal education play a major role in creating financial awareness, while mass media and organised events are used to a lesser extent as sources of financial education.



**Figure No. 6**

The chart shows students' views on how to improve financial literacy. The majority (37.5%) think it should be included in the curriculum, followed by workshops (22.9%) and online courses/resources (20.8%). A small proportion support awareness campaigns (17.7%), while very few chose other options. This shows a strong preference for structured and educational approaches to increasing financial literacy among students.

## 6. SUGGESTION

### Student Suggestions on Financial Literacy from the Survey

As part of the survey, students provided several insightful suggestions to improve financial literacy:

Some students are given suggestions that introduce basic financial education from school age.

In education, not only the theoretical part is given, but also the practical part is mentioned, such as internship programs and exhibitions regarding savings, mutual funds, interest loans, and

credit scores in the curriculum.

Provide free courses regarding financial courses; students receive knowledge about this concept and are also motivated to participate in any financial activities that are related to financial literacy.

Focus on rural and semi-urban areas through targeted campaigns and sessions.

Based on the students' suggestions, the researchers conclude that financial literacy should be included in the national education curriculum at all levels so that information is available early to students.

## 7. CONCLUSION

The survey shows that most of the students know basic financial concepts such as savings, digital payment apps, and budgeting, but some students are not aware of basic knowledge such as credit scores and mutual funds. More than students showing a response that they are learning about financial topics from informal ways such as family, friends, teachers, and social platforms.

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