

Enhancing Financial Literacy for Workplace Wellness

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Abstract

A fundamental ability in the modern economy, financial literacy affects people's overall well-being, investment behavior, and financial stability. This study investigates the financial literacy of Janatics Pneumatic employees by evaluating the impact of demographic, social, and economic aspects on their financial behaviors and stress levels. It does this by using secondary data and a survey with 110 respondents. This study provides methods to promote financial inclusion and workplace security by analyzing employees' financial wellbeing and awareness of investment products. Companies looking to promote financial wellbeing and lessen employee financial stress must take note of these observations.

Keywords: Financial Literacy, Financial Wellness, Investment Awareness, Financial Behaviors, Financial Stress.

Introduction

Financial literacy has drawn more attention recently as a crucial aspect of financial wellbeing and health, particularly in workplaces where employees' financial stress can affect participation and productivity. The information and abilities needed to properly manage one's own finances, including investing, saving, and budgeting, are collectively referred to as financial literacy. In order to comprehend the financial habits and awareness of financial management tools of the personnel of Janatics Pneumatic, a prominent participant in the pneumatic systems market, we investigate their financial literacy levels in this study. The report highlights financial literacy gaps that impact workers' capacity to make wise financial decisions and offers solutions to enable them to become more resilient and financially secure.

REVIEW OF LITERATURE

This review of literature explores the relationship between financial literacy and financial behavior across diverse sectors and geographical contexts, highlighting the impact of financial education programs on employees' financial well-being and workplace productivity. Clark, Lusardi, and Mitchell (2023) find a strong link between financial literacy and retirement planning, showing that financially literate employees make proactive investment decisions that support better retirement outcomes. Their research, backed by the Pension Research Council, emphasizes the need for comprehensive financial education to improve long-term financial stability (Clark et al., 2023).

Parcia and Estimo (2017) extend this discussion by examining how financial literacy influences employees' budgeting and debt management skills. Their study underscores that financial stress negatively impacts mental and physical health, suggesting that employers should invest in financial wellness programs to support employees' productivity. Similarly, Gowri and Sekar (2015) focus on Generation Y employees in Coimbatore, revealing that education level and financial exposure significantly shape financial literacy. Their findings advocate for targeted financial programs to assist younger employees in navigating complex financial decisions.

Satoto and Budiwati (2019) introduce self-control as a factor that amplifies the benefits of financial literacy, particularly in areas like saving and debt management. Their study suggests incorporating self-control training in financial literacy programs to enhance financial behavior further. Patrisia and Fauziah (2019) also emphasize financial literacy's role in retirement planning, showing that financially literate individuals are more confident in achieving financial security post-retirement.

Obago and Onyango (2020) highlight the influence of financial literacy on personal finance management among Kenyan bank employees, pointing to gaps that need continuous education. Kamakia (2017) and Komara et al. (2018) similarly find that higher financial literacy improves budgeting, saving, and investment among government employees, although gaps persist, especially in retirement planning.

Murmu (2023) and García-Santillán et al. (2024) investigate specific demographic and sector-specific needs, noting the unique financial challenges faced by IT professionals and tourism employees. The studies emphasize the importance of tailored financial education to address sector-specific financial literacy needs. Finally, Hira and Loibl (2005) and Gad et al. (2022) argue that improved financial literacy reduces financial stress, unethical reporting, and absenteeism, benefiting both individual well-being and organizational outcomes. Overall, the literature consistently supports the integration of financial literacy programs within workplaces, advocating for customized, relevant, and accessible education to foster employees' financial security, mental well-being, and productivity.

Objectives of the Study Primary

objective:

- To assess the level of financial literacy among employees of janatics pneumatic.

Secondary objective:

- To analyse the influences of demographic social economic factors financial behaviours of employees.
- to investigate employee knowledge of investment items.
- To examine the following stress of employees

Scope and Need of the Study

- To improve employees financial literacy & financial wellness.

- Creating a financial plan and emergency fund management for workforce.

This study aims to assess and improve the financial literacy and wellness of employees in India, with a particular focus on financial planning and emergency fund management. The study seeks to evaluate current levels of financial knowledge among employees, identify gaps, and design interventions to enhance their ability to create effective financial plans and manage emergency funds.

LIMITATION OF STUDY

So there are several factors faced during the survey process that put certain limitations to this study

- Time constraints
- Survey Timing
- lack of appointment
- willingness of respondents

Time constraints:

Lack of time played a critical role during the study because every single responder is an employee of the company who had various tasks to complete. And during the internship, several tasks were assigned to me to achieve.

Survey Timing:

Most of the employees are suitable to become responders of the survey but lack planning to approach those employees in all division fields at the beginning of the survey is one of the limitations faced during the survey.

Lack of appointment:

Employees who are less familiar with this kind of survey due to no communication has been passed down to these employees. So many questions may be asked regarding the survey and some employees need an appointment.

Willingness of respondents:

So my survey truly depends upon the willingness of employees since it is not an official survey conducted by the administration of the company and not compulsory as per the policy of the HR department so most of the employees are not willing to submit the response to my survey. So required a lot of time to complete the required amount of responders' data for the study.

Methodology

The methodology employed in this study comprises a systematic approach designed to assess financial literacy and behaviors among employees. The research adopts a descriptive research design aimed at detailing the characteristics and relationships between variables influencing employees' financial literacy. This design helps in analyzing the current state of financial knowledge, investment behaviors, and associated stress factors among the respondents, who are employees of Janatics Pneumatics.

Both primary and secondary sources were used in the data collection process. Primary data was gathered through a structured questionnaire distributed to employees. The questionnaire, specifically tailored for this study, covers areas such as demographic details, financial knowledge, investment preferences, savings habits, and stress levels. It measures respondents' understanding of basic financial concepts like inflation, interest rates, and the benefits of diversified investments. Secondary data sources include company websites, published articles, and industry reports to provide context and support the findings.

Variables are divided into dependent and independent categories. The dependent variable is employees' financial literacy, which reflects their comprehension of financial concepts and ability to manage personal finances. Independent variables include demographic factors (age, income), financial knowledge, financial stress, and behaviors like saving and investment practices. This distinction allows for analyzing how independent factors influence financial literacy levels.

Data Analysis Tools used in the study include One-Way ANOVA, t-tests, and correlation analysis. One-Way ANOVA assesses the variance between demographic groups, such as age or education, concerning financial knowledge, identifying significant differences in understanding across these groups. T-tests compare means between two groups (e.g., gender differences in financial literacy), while correlation analysis reveals relationships between variables, such as monthly income and financial knowledge.

To ensure reliability, the study employed Cronbach's Alpha (achieving a threshold of 0.603), verifying internal consistency within the questionnaire. Validity was assessed to ensure the instrument accurately measured financial literacy and associated factors. Overall, this methodology ensures a robust and comprehensive analysis of financial literacy among employees, providing insights for potential interventions aimed at enhancing financial wellness.

Analysis and Interpretation

Table 1 **Demographic Influences on Financial Literacy**

S.no	Variable name	Option	Frequency	Percentage
1	Age	18-25	22	21.8
		26-35	25	24.8
		35-50	43	42.6
		51&above	11	10.9
2	gender	Male	43	42.6
		female	58	57.4

3	Education	Sslc	2	2.0
		Hslc	9	8.9
		UG &PG	62	61.4
		PHD &Above	28	27.7
4	No of years of employment	Less than year	19	18.8
		1-5	32	31.7
		6-10	33	32.7
		More than 10 year	17	16.8
5	Saving percentage	0	1	1.0
		50 & above	20	19.8
		40%	27	26.7
		30%	30	29.7
		20%	17	16.8
		10 & less	6	5.9

Interpretation

According to the data, the largest age group of respondents is 35–50 years old (42.6%), followed by 26–35 years old (24.8%), indicating a mature workforce; the majority of respondents are female (57.4%), and the majority have an undergraduate or postgraduate degree (61.4%), with a significant percentage (27.7%) holding a Ph.D. Employment tenure is evenly distributed, with 31.7% employed for 1–5 years and 32.7% for 6–10 years; saving behaviors vary, with 76.2% of respondents saving 20% or more of their income, while a smaller group (5.9%) saving 10% or less, indicating a strong savings culture overall.

ONE WAY ANOVA TESTTable 2 **BETWEEN AGE AND FINANCIAL KNOWLEDGE**

Statement	Sum of squares	df	Mean square	f	Sig.
Between groups	.050	1	.050	.091	.764
Within groups	54.274	99	.548		
Total	54.324	100			

Interpretation :

The ANOVA results show an F-value of 0.091 and a p-value of 0.764, which is well above the 0.05 significance level. Therefore the group do not differ statistically significantly. The small difference in variation between groups compared to within groups confirms this, so we cannot reject the null hypothesis.

Null Hypothesis (H₀): There is no significant difference between the groups regarding the variable being studied.

Alternative Hypothesis (H₁): There is a significant difference between the groups regarding the variable being studied. Since the p-value is 0.764, we fail to reject the null hypothesis, meaning there is no statistically significant difference between the groups.

INDEPENDENT SAMPLE T-TEST

Null hypothesis: the group level of financial literacy are not significantly different. **Alternative hypothesis:** the group levels of financial literacy differ significantly for the observed mean differences..

Table 3 **LEVENE'S TEST FOR EQUALITY OF VARIANCE**

Variable Name	Assumption of Variance	F	Sig (P value)
Money worth	Equal Variance Assumed	0.55	.815
	Equal Variance not Assumed		
Inflation	Equal Variance Assumed	7.301	.008
	Equal Variance not Assumed		
Investing money into multiple avenues	Equal Variance Assumed	.470	.494
	Equal Variance not Assumed		

Withdrawal from ATM of different banks	Equal Variance Assumed	.064	.800
	Equal Variance not Assumed		

Interpretation :

From the above Table 3 There is no significant difference in financial knowledge between the groups. Any observed variation in the means are the result of pure chances .

Findings

According to the results, the majority of respondents (57.4%) were female, and the majority (42.6%) were between the ages of 35 and 50, followed by those between the ages of 26 and 35 (24.8%). Nearly a third (32.7%) of respondents had been employed for 6–10 years, and the majority (61.4%) have undergraduate or graduate degrees. A sizable percentage (54.5%) make between 21,000 and 50,000 Indian rupees each month, while another 32.7% make more than 50,000. In terms of finances, 64% of respondents said they were "somewhat" confident in their ability to save and budget, and 28% said they were "very" confident. Regarding financial services, 37% of respondents believe they are extremely informed, and 55% consider themselves to be somewhat knowledgeable.

Moderate family responsibilities are shown by the fact that 40.6% of households have two earning members and 30.7% have three dependents. 76.2% of employees save between 20% and 50% of their pay, indicating a robust savings culture. Prioritized savings goals, such as emergency reserves (32.7%) and medical bills (22.8%), demonstrate an emphasis on financial security. Interestingly, 85.1% of respondents respect investment diversification and 91.1% comprehend the time value of money, demonstrating financial literacy and risk management awareness. 53.5% of workers handle their finances using digital tools, indicating a trend toward digitalization. Nonetheless, financial stress is a problem, as evidenced by the 42.3% who report high blood pressure associated with budgeting, the 40.6% who claim sleep problems, and the 33.7% who say that money concerns affect their ability to concentrate at work.

Conclusion

The survey analysis reveals important insights into the financial knowledge, behaviors, and overall demographics of the workforce. Primarily composed of individuals aged 35 to 50, with a significant majority holding higher education degrees, the workforce exhibits a mature and educated profile. Employment duration averages between 6 to 10 years, with income levels predominantly ranging from 21,000 to 50,000. This suggests a stable economic foundation for many employees. A crucial finding is the high level of financial literacy among respondents. Most demonstrate an understanding of essential concepts, such as the time value of money and the significance of diversifying investments. Furthermore, awareness of using technology for financial management is prevalent. Despite this knowledge, many employees experience financial stress, impacting their work performance and overall well-being. This

indicates a pressing need for comprehensive financial management support and education within the workplace.

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