

A STUDY OF MOTIVATIONAL FACTORS AFFECTING INVESTMENT DECISION BY HOUSEHOLD WOMEN IN PAKISTAN

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Abstract

The study has been carried out on the effect of financial literacy on the women's financial decisions, lifestyle and future planning. The basic purpose of this study is to find out the awareness level of financial matters in household educated women so that they can effectively contribute to the financial development of country's economy. To ascertain the financial literacy level in Pakistan's household women we carried out a survey of 395 educated household women of different regions belonging from different financial and educational backgrounds. The final results showed very lower level of financial knowledge in women. This study indicates that most of the women in spite of having higher educational background don't aware of basic financial literacy. Women having adequate level of education in their discipline are not able to take better financial decision because they have not the financial perspective which is necessary for the men and women. The R square value score below 0.7 which is 50% of the acceptance level. Although household women are commonly educated in Pakistan and have higher literacy level but their financial decision making is quietly miserable. The findings of this study suggest that women should be given necessary financial education in schools and universities with their respective courses under study so that not only women will avail benefit by their investment decisions but also the economy as a whole.

Keywords: Financial Inclusion, Financial Decision-Making, Women Financial Literacy, Investment Decisions, Motivational Factors, Financial Development

INTRODUCTION

Financial markets play very dominant part in the development of economy in any country by supplying capital to producers for expending their businesses in the form of shares and debenture but financial literacy rate among the individuals in Pakistan is very low as compared to other developing countries. We can understand this by the fact that only 13% adults in Pakistan have formal bank account. Investment in the financial markets is not only beneficial for economy but for the individuals of country at large. Financial literacy is the lifetime skill for both man and woman to manage business and home. Only 63% women average income is 25000 Monthly, 18% women take credit from the official credit channels and other from family and friends, 11% women save money in saving accounts to meet unexpected situations in life and do not invest in other formal institutions because of absence of knowledge and trust on financial products (Makanda Kioko, 2018).

Financial literacy manages difficulty in management of income and expenses. If women are able to understand financial management at personal level, then not only become self-sufficient but also contribute to make the economy stronger. In this modern era women are more educated than before and perform multi tasks at home and office but sometime women are compelled to quit job for family. Financial literacy will help them to make money by investing in different financial and money markets in its different products. There is also a connection between financial literacy and distress level. Every individual living in the era has to confront with some financial issues such as payments of bills, home budgeting, children's education plan, retirement, online shopping, availing discounts, use of credits card,

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installments of home, and payments of car lease and so on. To deal with this endless list of financial matters women also need financial literacy to avoid distress. Among the various psychological distress women are commonly distressed with higher education plans of children and other related issues of housing and household economic issues (Taylor et al., 2017). With the passage of time women in developed countries are becoming more financial savvy and try to focus more control of their family finance. Financial literacy is one of the life skills that are needed for their financial future. Mostly men had dynamic part in the administration of their home finance but women take part for the better financial management of their family (Franco et al., 2023). Financial literacy plays central role to the development of developing country's economy. In most countries' family roles are fixed socially for men and women. In Pakistan mostly, financial decisions are taken by male member of family and females are excluded from the financial matters like investment and saving due to some traditional and social boundaries. Asian countries especially Pakistan show inequality for female with respect to financial, social, environmental and political aspects. Financial literacy now has become life skill for both man and women.

Women's sense of empowerment enhanced when they are responsible for their family's financial decisions. As compared to previous female generation women are still performing the role of mother and wife but are also want to earn money for their family and more savvy for their future. Women having financial competency including some financial practice can made their financial future secure. Financial role in family was often performed by male members who make reluctant women from taking part in financial matters but now the theme has changed and women also taking part in the home finance. Women should get financial education and knowledge at the early age to become more empowered in family finances. Some women have to take sudden financial decisions and responsibilities after the divorce or husband's death for their home and children. Women should gain practical experience in managing personal finances so that they can build strong financial future at their own. With respect to investment decisions women have better skill than men (Backman, 2021). It means women have deep consideration before buying any investment than men and do not wait too long to sale the investment when they hope appropriate returns on it and keeps hold investment it returns are low or expect loss. This motivate women to be involved and get financial education more than basic level and bring different perspective to the world of finance

Different financial literacy definitions used by different scholars, financial experts and financial policy makers (Remund, 2010). Then consideration was moved to the factors affecting the financial literacy. Demographic factors also have impact on the decision-making power of individual investors. Age, gender, academic level and background, earning resources and workplace status have been considered demographic factors impacting the extent of financial proficiency and skills in individual investors. Many inquiries have been conducted on the gender discrimination in the financial education by different scholars. Evidence found on difference between male and female financial literacy (Wagland and Tylor, 2009). A linked developed on financial awareness with spending, saving and borrowing patterns. Olivia and Annamaria also emphasis on the financial awareness of people because everyone to may not get degree in finance but everyone should earn some financial education to save himself from the poor and ruined financial decisions (Mitchell & Lusardi, 2015). Developed country's financial literacy level among the adults is 55% whereas developing countries have this rate at 28% (Klapper et al., 2015). Financially literate individuals have greater approach to financial instruments and its impact on their wealth (Hasan and Hoque, 2021). The objective of this study is to assess the financial literacy level of educated household women in Pakistan. This study recognizes the issues related to investment and financial decision-making.

Research Model

For the better understanding of the interrelationships of the item a research model has been developed. The purpose of this model is to explain essential information related to the study conducted.

Method of Data Collection

Both primary and secondary data collection methods have been used to assess the same independent constructs impact on other dependent constructs (Bongini et al., 2018).

Sampling Technique

Random sampling technique has been used for data collection. Simple Random sampling is best for the selection of your targeted sample for the business and social science survey.

Sampling Size

According to the government census female percentage is 48.54% and the female literacy rate is 49% according to Federal Ministry of Education in 2019. The population of Karachi is 16,093,786 in the year of 2020. It means that 7,811,923 are female in Karachi. The age of 15 to 65 of female is 49.2%. It means 3,843,466.116 are adult female population and $3,843,466.116 \times 49\% = 1,883,298.397$ female is literate. We shall take appropriate sample size because of time limitation of the project. Questionnaire has been used as a data collection instrument for primary data and books websites, published articles reports; journal is used for data collection from secondary sources. We will use slovin's formula (published by Robert Solvin in 1960) to calculate the appropriate sample size prior work on this formula by Yaname in 1967 and Guilford and Frucher in 1973.

$$n = \frac{N}{1 + Ne^2}$$

n= sample size, N= population size, e= acceptable margin of error 0.05

$$n = 1,883,298 / (1 + 1,883,298 \times 0.05^2) = 399$$

Research Model

Research design of this study is descriptive for the hypothesis development such as how the level of education, knowledge and income impact on the household women's investment decision making and how the financial literacy help them in the choice of financial products and services and causal-effect method is used to find out the impact of financial literacy on the household women in Pakistan. Quantitative approach has been applied. Independent variable is financial literacy and women financial well-being, investment decisions and level of distress are dependent variable in this research model.

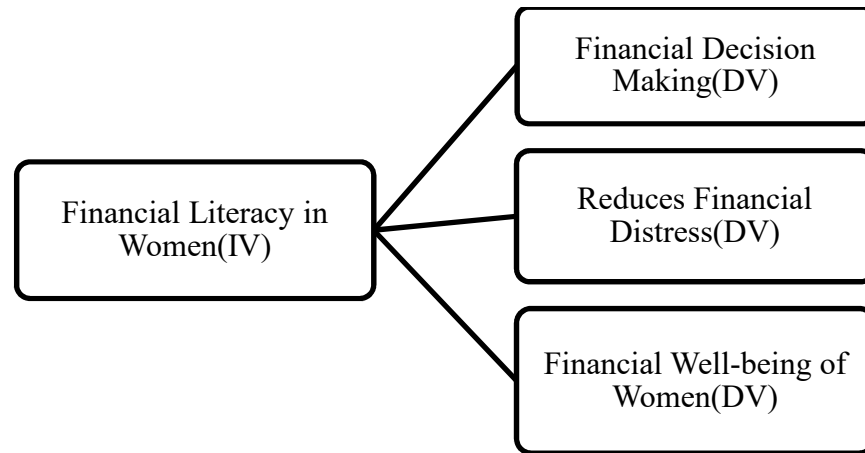


Figure 1: Research Model (ANI Caroline Grigion Potrich, 2017)

Hypotheses

Financial literacy positively impacts the investment decisions made by individuals and give confidence in selecting rational investment options available especially in developing countries and teach skills to reduce the risk of loss and foster the cautious financial behavior to avoid loans and timely payments of bills (Seraj et al., 2022).

H_{o1} : There is no positives relationship in financial literacy and investment decision by educated household women in Pakistan.

Most of psychological and health issues are directly correlate with financial stress. It has been observed that most of health disparities are in poor people. Persons with the lower financial condition are tending to engaged smoking, alcohol addiction, laziness and inadequate diet. Ability to take correct and timely financial decisions decrease stress and improve health (Kumar et al., 2023).

H_{o2} : Financial literacy does not reduce the distress related to financial matters.

Households having the higher and advanced level of financial literacy are able to select better options in the choice of investment portfolio. Most of household having advance level of financial literacy decided to invest in mutual funds while the households having basic or low level of financial literacy were tended to invest in risky investments options by selecting the big portion portfolio by stocks (Chu et al., 2017). Increasing complexities in financial products, fast moving conditions of global financial markets, rapid growth in technology and information makes financial literacy the basic need to improve financial position (Philippas & Avdoulas, 2020). Financial literacy and financial behavior, family members' dependency, family income and planning of retirement have an impact on financial progress and well-being of retirees (Adam et al., 2017).

H_{o3} : Financial literacy in women does not improve financial well-beings.

Statistical Technique

Regression analysis is used for analyzing data gathered (Tullio & Padula, 2013). To find out the association of risk tolerance with financial literacy regression model was used by Sara Jonsson and Cecilia Hermansson during 2019 in Sweden (Hermansson, 2019). To assess the impact of most effective factors among education, family background and financial behaviors on the financial literacy Regression Model was used by researchers in Slovak Republic (Patrik et al., 2023).

RESULTS

The data collected of this study have been analyzed from widely and internationally used reporting style of partial least squares (PLS) technique as suggested by modern studies. The data has been analyzed in three steps. In first step descriptive statistics has been used to give basic information to the audience about the data set and variables and to highlight the relationship among the variables. In second step we ascertained the validity and reliability of all constructs by using an estimated model of measurement. Development of Structural model to test hypothesis is the last step.

Measurement

For the collection of data about this study a questionnaire has been prepared with the help of previous researches on the topic under consideration. Questionnaire has been divided into 4 parts. First part has been designed to estimate the financial decision making of respondents (Ani Caroline, 2017). Second part targeted to observe the financial wellbeing of household women. According to Michael Collins and Carly Urban that insufficiently inferior level of financial wellbeing is not solely the matter of low level of financial literacy but financial literacy could play significant part in high level of financial wellbeing in any gender. The outcomes of financial wellbeing were high for the respondents having higher score in financial literacy (Kumar et al., 2023). Next section of the questionnaire indicates the financial distress the women experiencing in Pakistan without having adequate financial knowledge and education. A continuum has been developed by Aimee Prawits pairing high level of financial distress with low financial wellbeing and low financial distress with high financial well-being (Aimee, 2014). By observing last part of questionnaire, we can observe the financial literacy level in women. These adopted questions from the “Development of a comprehensive financial literacy scale” were designed to develop a scale to estimate the degree of financial literacy in general public not in specific group of people like students or executives (Rojas and Mendez, 2020).

Descriptive Statistics

PLS-SEM research statistics software has been used because of its increased popularity in the field of academic research (Hair et al., 2019). The above shows mean, median, standard deviation, minimum & maximum values, excess kurtoses of data sets used. Following table 1 exhibits the descriptive statistics for the collecting data on research variables. N=290 Source: The below tables are the output obtained from smart PLS.

Table 1
Descriptive Statistics

	\bar{x}	\tilde{x}	Min	Max	σ	Excess Kurtosis	Skew	Number of Observations Used
F.DIS2	1.834	1	1	5	1.192	0.594	1.318	290
F.DIS3	1.786	1	1	5	1.09	1.172	1.396	290
F.DIS6	2.779	3	1	5	1.257	-1.141	0.161	290
FDM1	3.983	4	1	5	1.055	-0.11	-0.939	290
FDM2	4.193	4	1	5	0.786	2.348	1.255	290

FDM3	4.118	4	1	5	0.902	0.586	-	290
FLW1	3.714	4	1	5	0.971	0.668	-	290
FLW2	3.141	3	1	5	1.28	-1.152	-	290
FLW3	3.331	4	1	5	1.121	-0.514	-	290
FLW4	3.141	3	1	5	1.016	-0.456	-	290
FWB2	2.166	2	1	5	1.295	-0.541	0.82	290
FWB3	2.869	3	1	5	1.213	-0.989	0.172	290
FWB4	2.866	3	1	5	1.186	-0.943	0.063	290

Construct Reliability and Validity

Reliability of the construct (CR) is considered good if it scores 0.7 or higher and below 0.6 is low reliability while average variance extracted (AVE) acceptable score is 0.5 and above. Standard factor loading for construct validity is >0.5 and preferred value is 0.7 (Cheung et al., 2024). Reliability has been assessed for the degree of consistency between the different measures of variables tested and in generally used measures of reliability is estimated as internal consistency which is applied to consistency among the variables on an enumerated scale. The reasoning for the internal consistency is that the discrete items of indicators of the scale must all be calculating the same construct and thus be highly correlated. PLS SEM is used to calculate Cronbach's alpha and composite reliability to confirm reliability of construct and its validity. The sort of reliability coefficient recorded in calculation most often in the research history is the coefficient alpha also named as Cronbach's alpha. Validity and reliability issues may arise due to the external factors that may affect the results of these tests like respondent's age, educational level, circumstances when answering questionnaire, living standards, gender and survey type because of which the scores may vary on validity and reliability scores from the acceptable level of scores ranging from (0.7) acceptable, (0.8) better, and (0.9) good for reliability and validity test (Rouf & Akhtaruddin, 2018).

Table 2

Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Financial Decision Making	0.741	0.769	0.85	0.655
Financial Distress	0.656	0.77	0.806	0.586

Financial Literacy in Women	0.84	0.855	0.892	0.674
Financial Wellbeing in Women	0.759	0.783	0.861	0.673

R-Square Values

The R square value of financial decision making is below 0.50 which shows insignificant relationship between the educated women and financial decision making (Ali et al., 2021). Only education does not give the better financial decision-making power. It is only the financial education and knowledge that makes person a perfect financial decision maker. The value of financial distress R square is 0.115 which shows significant relationship between financial literacy and distress related to finance. Women not having financial literacy are weak to take sound financial decision. Most of the female respondents were not in good and satisfied financial situation. Like unsound financial circumstances as shown from the R square value of financial wellbeing 0.125 it is proved that financial literacy brings prosperity in women financial circumstances.

Table 3
R Square Values

	R-square	R-square adjusted
F.DIS	0.175	0.172
FDM	0.059	0.056
FWB	0.186	0.183

Discriminant Validity

Discriminant validity has been examined with the Fornell and Larcker Criterion, cross loadings and Heterotrait-Monotrait Ratio (HTMT) (Fauzi, 2022). Before we move on discriminant validity we must assess or identify what is discriminant validity? Each of the construct in the study has got individual existence. Now the discriminant validity will help to determine statistically that each of these unobserved latent variables is actually distinct, separate and individual existence. Here square root of AVE for the construct should be greater than its correlation with the other constructs in the analysis.

Fornell-Larcker Criterion

The rule to established discriminant validity is where the value of selected construct square root is higher the underneath value of its correlation (Shehata et al., 2021). In cross section of financial decision making fornell-larcker value is 0.809 which is the square root of AVE for F.D.M and the AVE for the financial decision making is 0.655 here and the correlation value between financial distress and financial decision making is 0.233. Like this the square root of financial distress is 0.765 is higher than the correlation - 0.340 between financial distress and women financial literacy and square root of financial literacy in women 0.821 is also higher than correlation -0.353 between financial literacy in women and financial wellbeing in women.

Table 4
Fornell-Larcker Criterion

	Financial Decision Making	Financial Distress	Financial Literacy in Women	Financial Wellbeing in Women
Financial Decision Making	0.809			
Financial Distress	0.233	0.765		
Financial Literacy in Women	-0.197	-0.34	0.821	
Financial Wellbeing in Women	0.278	0.624	-0.353	0.821

Cross Loading

To assess the validity and reliability the cross loadings (also known as traditional criteria) of indicators value must be more than 0.7 and constructs having values below 0.7 should be deleted to reduces the worse impact on the measurement process of reliability and validity (Fauzi, 2022) and (Henseler et al., 2015).

Table 5
Cross Loading

	Financial Decision Making	Financial Distress	Financial Literacy in Women	Financial Wellbeing in Women
F.DIS2	0.157	0.887	-0.351	0.581
F.DIS3	0.145	0.769	-0.207	0.467
F.DIS6	0.285	0.616	-0.173	0.342
FDM1	0.759	0.262	-0.133	0.272
FDM2	0.816	0.126	-0.142	0.254
FDM3	0.849	0.187	-0.192	0.174
FLW1	-0.182	-0.361	0.831	-0.299
FLW2	-0.166	-0.249	0.806	-0.316
FLW3	-0.139	-0.302	0.871	-0.301
FLW4	-0.158	-0.165	0.773	-0.231
FWB2	0.14	0.563	-0.276	0.77
FWB3	0.228	0.501	-0.232	0.822
FWB4	0.301	0.481	-0.342	0.866

The cross loading against the financial decision making (FDM) is higher in its parent construct from other construct FDM-1 (0.759), FDM-2 (0.816) and FDM-3 (0.849) and the loadings against the financial decision making are significantly low in financial distress (F.Dis), financial literacy in women (FLW) and financial wellbeing (FW). So there are no issues for discriminant validity with Financial Decision Making. This is also the case with financial distress (F.Dis), financial literacy in women (FLW) and financial wellbeing (FWB). To assess the cross loading a simple, excel sheet has been prepared below to match the cross loading of all constructs against its parent constructs.

Table 6
Cross Loading Statistics

	Financial Decision Making	Financial Distress	Financial Literacy in Women	Financial Wellbeing in Women
F.DIS2		0.887		
F.DIS3		0.769		
F.DIS6		0.616		
FDM1	0.759			
FDM2	0.816			
FDM3	0.849			
FLW1			0.831	
FLW2			0.806	
FLW3			0.871	
FLW4			0.773	
FWB2				0.770
FWB3				0.822
FWB4				0.866

Heterotrait-Monotrait Ratio (HTMT)

If all the values in the heterotrait-monotrait ratio (the ratio of correlation) are less than point 0.85 or the more liberal value 0.90 there is no issue of discriminant validity as per (Kumar et al., 2022), (Hair et al., 2019) and (Henseler et al., 2015). In the above table of HTMT all the ratios are less than 0.85 except the value 0.856 in cross section of financial distress and financial well-being in women then we can say that the discriminant validity has been established.

Table 7
Heterotrait-Monotrait Ratio (HTMT)

	F.DIS	FDM	FLW	FWB
F.DIS				
FDM	0.367			
FLW	0.411	0.243		
FWB	0.856	0.375	0.426	

In this case we can say that the discriminant validity has been established. This is another yardstick we use to assess the discriminant validity of the conducted research. The reason for the cross-

section value of financial well-being in women and financial distress is that some people have higher income level above an average so they do not suffer with the lower financial literacy level and do not feel stress with the heavy budgets and mismanagement of income. Indicators of Financial Literacy in Women are inner model.

Path Model

To highlight the relationships among the variables and hypotheses a model has been developed with the help of PLS SEM. In figure below circles showing financial knowledge, financial literacy, financial distress and financial wellbeing are the constructs or latent variables in this statistical model. The relationship between the latent variable is being represented by the single head arrows. The path model is divided into two parts. The transaction model has been designed to represents the structural paths among constructs whilst the measurement model indicates the relationship among every construct and its related indicators. In smart PLS inner and outer models are termed as structural and measurement model. For the development of path model researcher use both measurement and structural theories to report the link between the path elements.

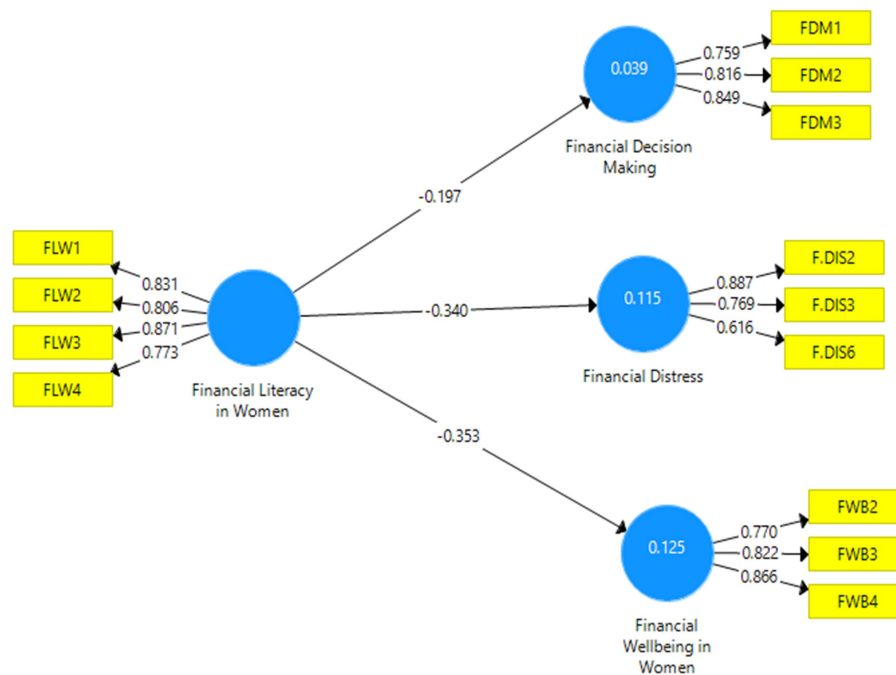


Figure 2 : Path Model

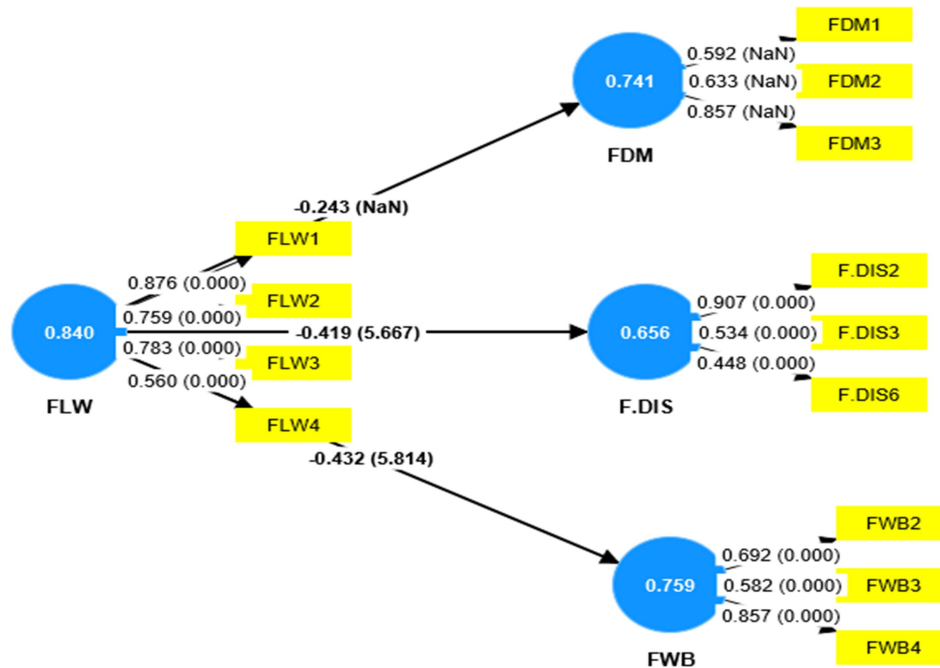


Figure 3 : Bootstrapping

R square values represent statistical measure that explains impact of change in independent variable on the dependent variable in response to endogenous variable explained by exogenous variable in any regression model (Olawale, 2024) while F Square defines the change in the values of R Square (Campbell and Jacques, 2023). Simply it interprets that how the change in dependent variable can be accounted by one or more independent variables. It could be said that any variable in structural model can be influenced by a number of other variables. A dependent variable may be changed by removing exogenous variable so that change in F Square and change in R Square could be substantial, moderate or weak.

Table 8
F Square Values

	F.DIS	FDM	FLW	FWB
F.DIS				
FDM				
FLW	0.213	0.063		0.229
FWB				

CONCLUSION

The motive of this research is to identify the impact of financial education on the decisions regarding their monthly budgets, saving and expenditures. This research will shape the household women’s financial literacy in a multidimensional variable which will bring development in their economic wellbeing, reduction in financial distress and efficiency in financial decision making. In a survey most of the respondents have low level of financial literacy. However, with the correlation computed with this survey questionnaire the significant relationship between financial literacy and human well-being proved. There

are some limitations in this study. There are many women who are good financially but it does not show that they are good in financial literacy. They may belong to rich family or they may have different resources of money. Most of the women know that we should save money but when they start to save, they save without having any plan. Their savings depends on their amount of money left after meeting all expenses and they save when they can with the hope that everything will settle with time in long-run without estimating the calculations for time and amount needed to reach their goals. Women are not used to written budget for their financial plans. But mostly women were agreeing to write their financial budgets. For the women not having financial knowledge and literacy they may find it complicated to develop written financial plan. A positive but inconsiderable relationship occurs in financial knowledge and financial satisfaction of human (Yam, 2023). To evaluate the gender level of financial literacy an indicator of financial literacy was developed by Petrich et al. (2021). That survey was consisted on the 38 questions and conducted on the 2,485 Brazilian citizens. Results showed that lack of financial decision making exist more in women than men. A significant relationship was observed in financial literacy level and female respondents. We have taken question number 1, 2 and 3 to assess the dependent variable of “financial decision-making”. The questions included designed to determine the financial attitude in women.

It is suggested that individual’s financial behavior, financial attitude, and financial knowledge & education envelop financial literacy level of both genders. People must have one college degree to understand the financial terms and conditions to avoid harmful impact of loans and credits cards (Moore, 2003).The financial behavior of respondents regarding the saving score highly agreed which means women in Pakistan have high tendency to save for future needs but the absence of financial literacy among female make them ineffectual in financial decision making. Strong financial literature and knowledge enhance the habit of saving within an individual (Peiris, 2021). The part of financial well-being survey based on three questions includes want to observe the financial well-being of the women in Pakistan by asking only three items of Financial Well-being Scale by prepared by CFPB. Each of these questions was measured by using the Likert scale. This research has been designed to analyze the basic financial literacy in the women of Pakistan so it was not specifying the type of financial shock. Michal Grinstein-Weiss was also assessing these questions with respect to the reduction in income due to job loss, unexpected expense on home or car repair and high medical emergencies or hospitalization but this study analyzes general responses on the 1 to 5 Likert scale. Applying analysis of variance, we come to the following conclusion that major unexpected expense is highly correlated with the decline in financial well-being. Only limited women’s response was on the highly agree side on the Likert scale. When we talk about the financial stress it means lower income, unexpected loss or expenses, increased debts on person. In the modern life financial stress is most common problem. According to American Psychological Association around 72% Americans are under the financial stress and facing hardship in managing their finances. Like the other stress financial stress may also have a great source to damage your physical and mental health. Financial status decides your relationships, schooling of children, commuting, dressing and quality of life in general. If worst financial circumstances persist people may indulge in unhealthy solutions like gambling to earn easy and huge money, hefting and robberies. Sometimes the financial stress may also prompt a person to think about the suicidal actions. Financial literacy helps people how to tackle with money related problems and provide grip to financial matters. Very few researches have been done on the depression and stress related to finances. Stress related to finance can be linked in many dimensions of human life. High financial stress increases poor financial behavior in low income and less financially literate people with different ethnic backgrounds.

People having strong level of financial knowledge are less probable to face difficulties related to monetary & banking related affairs and financial hardship but the extent to which individuals are likely to feel distress less than non-financially literate people has been counted 2.4% with consideration of socioeconomic factors. Economic situations and economic policies also have emphasis on individuals and families' financial decisions related to their budgets either they have financial knowledge or not (Friedline et al., 2021). Financial knowledge and education are essential part for the financial comfort and savvy of lower income group with the little governmental intervention via the financial institutions to relieve financial stress among basic expenditures and limited incomes. Strong level of financial literacy is key antecedent to enhanced financial behaviors and minimizes financial stress (Rahman et al., 2021). Many people with the lower knowledge of financial literacy have strong inclination to high stress due to engaging in lower quality diet, non-facility of exercise, lower educational level and unhealthy lifestyle (Nicole D. White, Nov - Dec, 2019). Financial stability acts as a major contribution in economic development. To assess this hypothesis worked on the impact of financial literacy on the household ability to balance their incomes and expenses and then evaluate the influence of financial literacy on the female's ability to survive in low income (Sconti, 2024).

In any regression model after calculating the F-values and R square the next step is to evaluate the beta coefficients (Original sample mean). These beta coefficients can be both positive and negative and these coefficients have association with t – values significance. The beta coefficient counts the change in each unit increase in predictor variable to outcome variable. So, if the beta value is not significant statistically the t- values are not significant too. It means that each predictor variable added does not predict the outcome significantly. Significance of beta is examined by the sign of beta. If beta coefficient value results in positive then it can be said that each increase in predictor variable will increase the outcome in dependent variable equal to the value of beta coefficient and vice-versa. In the above table beta coefficient value of FLW to F.DIS is -0.419 and FLW - > FWB is -0.432 both are (>0.05) which shows the negative relationship in financial literacy and investment decision by educated household women in Pakistan. Negative beta coefficient means in spite of higher level of educated women are not able to take better investment decision. Due to the deficiency of financial literacy in women R square value is 17.2% and 18.3% this also proves the low level of financial literacy

Recommendations

Financial literacy is knowledge that equips women with skills necessary for the better management of personal financing and selection of good financial products available in the market. Financial literacy can motivate women to make financial planning for their children's higher education, home maintenance and assurance of some income after retirement of their spouse. To settle money related matters in family not only men but women should also gain some financial information and knowledge. Financial literacy improved an individual's ability to spend wisely and save for future financial needs in rapidly changing financial environment (Abitoye et al., 2023). It has been noticed that in Pakistan women who are not working but manage home with their husband's income save some money for their hard times and children's marriages in ordinary ways like simple drawers or in fixed saving accounts. Financial literacy helps women to expand their existing wealth and independency in their financial matters. Financial literacy is the mediating, determining, leading and moderating factor for the financial inclusion in any country (Khan et al., 2022). In the area of financial literacy women have less confidence than male counterparts due to the barrier's women face in their financial inclusion (Saluja et al., 2023). Further works on women financial literacy can be done by differentiate in responses between women having and

not having financial education in developed economy and developing economies.

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