EXAMINING THE FINANCIAL LITERACY OF MEDICAL DOCTORS: EVIDENCE FROM GOA

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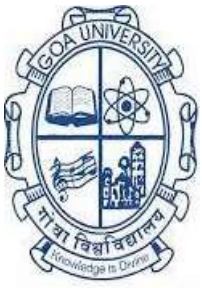

GOA UNIVERSITY

APRIL 2024

DECLARATION BY STUDENT

I hereby declare that the data presented in this Dissertation report entitled, "**Examining the Financial Literacy of Medical Doctors: Evidence from Goa**" is based on the results of investigations carried out by me in the Discipline of Commerce at the Goa Business School, Goa University under the Supervision of Prof. Guntur Anjana Raju and the same has not been submitted elsewhere for the award of a degree or diploma by me. Further, I understand that Goa University or its authorities will not be responsible for the correctness of observations / experimental or other findings given the dissertation.

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COMPLETION CERTIFICATE

This is to certify that the dissertation report "**Examining the Financial Literacy of Medical Doctors: Evidence from Goa**" is a bonafide work carried out by Ms. Khushi Nilkant Naik under my supervision in partial fulfilment of the requirements for the award of the degree of Master of Commerce in the Discipline of Commerce at the Goa Business School, Goa University.

Prof. Guntur Anjana Raju

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Date: 30/04/2024

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ABBREVIATIONS

FL	Financial Literacy
FA	Financial Attitude
FB	Financial Behaviour
FK	Financial Knowledge

ABSTRACT

Financial literacy is a crucial concept that helps individuals make more confident and efficient monetary decisions in their lives. In the context of medical doctors, them having sound financial literacy is crucial for managing personal and professional finances effectively, making informed investment decisions, and planning for long-term financial stability. This dissertation titled "Examining the Financial Literacy of Medical Doctors: Evidence from Goa" investigates the financial literacy of medical doctors in Goa, utilizing a sample of 202 doctors. A structured Google Form questionnaire with closed-ended questions and 5-point Likert scale was employed to gather data on Financial Literacy, Financial Attitude, Financial Behaviour, and Financial Knowledge. The study employed descriptive statistics and Structural Equation Modelling (SEM) using Smart PLS 4 for data analysis. Findings indicates a low to medium level of financial literacy among the doctors. While Financial Attitude and Financial Behaviour positively influenced Financial Literacy, Financial Knowledge was not having any positive influence. The study underscores the need for targeted financial education programs tailored for medical professionals to enhance their financial literacy and financial decision-making abilities.

Keywords: Financial Literacy, Financial Attitude, Financial Behaviour, Financial Knowledge, Medical Doctors

CHAPTER 1: INTRODUCTION

1.1 Introduction to Financial Literacy

The financial markets are evolving, driven by reforms and the growing Indian economy, and this has led to a greater focus on people's financial literacy. Market expansion is driven by factors such as globalization, privatization, and liberalization, which also lead to an increase in the variety of investment options and a rise in complexity. Even though the market is at an all-time high, many people are unable to take advantage of these opportunities because they lack basic financial literacy. Therefore, ensuring widespread financial literacy becomes crucial as retirement planning gains significance and social security responsibilities increasingly move to people. Without it, individuals face the danger of being unprepared to negotiate the complex financial landscape and make wise investment choices that are necessary for fending off inflation and safeguarding their financial future.

The Organization of Economic Corporation and Development (OECD, 2022) defines financial literacy as “a combination of awareness, knowledge, skill, attitude, and behavior required to make sound financial decisions and ultimately achieve individual financial well-being”. (Chen and Volpe, 1998) said “Financial literacy as financial knowledge in financial management, with the definition of the individual's ability to emphasize the ability to understand the initial concept of economics related to finance, how to do its application well”.

The National Centre for Financial Education (NCFE), a non-profit organization, was established under section 8 of the Companies Act of 2013 to promote financial literacy in India (Agarwal, 2019). It is being advocated by four key financial regulators: the Reserve Bank of India, SEBI, IRDA, and PFRDA (SEBI Wants Govt Rethink on RBI Representation on Its Board, 2019). In 2015, NCFE carried out a benchmark financial literacy survey to

determine India's financial awareness level (Financial Express, 2018). It organizes a variety of activities to increase financial literacy, such as working together with schools to develop new curriculum that incorporates financial management concepts (Times of India, 2017). Every year, it also organizes a test of financial literacy (Agarwal, 2019). Investments, bank account types, bank services, Aadhaar cards, demat accounts, pan cards, the power of compounding, digital payments, protection against financial scams, and other subjects are covered by NCFE in its awareness campaigns (Times of India, 2017).

Financial literacy is a skill that is increasingly becoming essential in today's technology-driven world. With the emergence of modern finance and the advent of online financial tools and services, it is imperative for individuals to have a firm understanding of financial concepts and principles. Financial literacy is the ability to understand and manage one's financial affairs, including budgeting, investing, saving, and planning for the future. The importance of financial literacy cannot be overstated, as it can help individuals avoid financial pitfalls and make informed decisions. The lack of financial literacy can result in individuals falling prey to internet fraud, making poor investment choices, or accumulating unmanageable debt. It is therefore crucial for individuals to acquire the knowledge and skills necessary to navigate the complex world of finance.

Moreover, in today's global economy, it is essential to have a grasp of economic trends and global markets. Financial decisions made by individuals can have a significant impact on the broader economy, and understanding these dynamics is critical to making informed decisions. Financial literacy is an essential tool in this regard, providing individuals with the knowledge they need to make wise decisions and plan for their financial futures. In the rapidly evolving digital world, financial literacy is becoming increasingly important. Online financial tools and services are more accessible than ever before, and individuals need to be equipped with

the knowledge and skills required to safeguard their assets and make informed decisions. Financial literacy can provide individuals with the confidence they need to take control of their finances, manage their resources effectively, and plan for a secure financial future. In conclusion, financial literacy is an essential skill that is becoming increasingly important in today's technology-driven world. It is the key to managing one's financial affairs effectively, making informed decisions, and planning for the future. With the right knowledge and skills, individuals can navigate the complex world of finance, avoid financial pitfalls, and enjoy a secure financial future.

1.2 Financial Literacy of Medical Doctors

In an era marked by relentless advancements in medicine and an overflowing demand for healthcare services, the financial well-being of medical professionals has become increasingly crucial. As the medical field in Goa, like many other regions, struggle with the intricate web of healthcare economics and personal financial management, understanding the nuances of financial literacy becomes paramount (Lusardi A, 2019).

Financial literacy is a crucial aspect of every individual's life, regardless of their profession. Studying personal financial literacy has received greater importance in the past years as a result of the global financial crisis, which indicates the risk that people face around the world (Firli, 2017). In the context of medical doctors of Goa, it is imperative to understand the financial challenges and opportunities they face, as physicians are among the most well-educated and well-compensated professionals (Ahmad et al., 2017). Furthermore, it emphasizes the need for financial literacy among doctors and how, when managed wisely, they can not only save lives but also achieve financial independence, benefiting both themselves and their patients, as individuals with higher financial literacy are more capable to make efficient and assertive decisions regarding their finances (Potrich et al., 2015).

Since healthcare professionals receive adequate salaries from the start of their professional lives, they must have strong financial literacy in order to fulfill their future needs and safeguard themselves against financial fraud (Agarwal & Biswas, 2022). Doctors posted in Government Hospitals receive fixed salaries, which may not always align with their financial expectations and aspirations. As a result, some doctors are forced to seek additional income avenues, such as setting up private practices. While this can alleviate their financial stress, it may also lead to ethical concerns if they recommend their own private tie-ups or services to patients for personal gain. In a bid to boost their income, some government doctors may recommend their private practices, clinics, or affiliated services to their patients. This practice raises questions about the prioritization of patient care over personal financial interests and the potential conflict of interest that may arise.

The field of medicine is one of the most respected and admired professions in the world. This is because of the noble and life-saving nature of the work that doctors do. However, despite the many rewards that come with a career in medicine, there are also significant financial challenges that doctors face. These include the high costs of medical education, the long hours and demanding work schedules, and the pressure to maintain high levels of performance and productivity. To address these challenges, doctors can focus on financial literacy and management. By learning how to invest wisely, save money, and explore ethical income opportunities, doctors can achieve financial independence while maintaining the integrity of their profession. By doing so, they can also contribute to the financial well-being of their community. One of the unique advantages that doctors have is the ability to reinvest in the healthcare system. When doctors are financially secure and independent, they can support charitable initiatives, provide affordable healthcare to those in need, and promote research and development in their field. This can help to improve the overall quality of healthcare in their community and ensure that patients receive the best possible care.

Another important benefit of financial stability and independence is the reduction of stress that doctors experience. When doctors are not worrying about their finances, they can focus on their patients' well-being and provide the best possible care. This can enhance the overall healthcare experience for the people of Goa and ensure that they receive the highest standard of care possible. Despite its undeniable importance, financial literacy remains a conspicuously overlooked facet within the walls of educational institutions and medical colleges. Many doctors graduate from medical school without the necessary financial skills to manage their finances effectively. This leads to a situation where they are ill-equipped to deal with the financial challenges that they will face throughout their career.

To address this issue, medical schools and educational institutions should place greater emphasis on financial literacy education for their students. This should include courses on personal finance, investment strategies, and ethical income opportunities. By doing so, they can ensure that their graduates are equipped with the knowledge and skills they need to succeed financially and professionally. In conclusion, a career in medicine remains highly attractive due to its noble and life-saving nature. However, doctors must also focus on financial literacy and management to overcome the financial challenges they face. By doing so, they can achieve financial independence, contribute to the financial well-being of their community, and provide the best possible care to their patients. This is vital to ensuring patient satisfaction and care and promoting the overall well-being of the people of Goa.

Fewer countries' medical curriculum incorporate financial concepts or personal financial management (Agarwal & Biswas, 2022). Integrating financial literacy into the medical curriculum is a crucial move that can help doctors in numerous ways. This addition provides practicing and prospective physicians with crucial financial knowledge and abilities, including insightful information on managing debt, planning for investments and retirement,

providing moral patient care, managing risk, and maintaining general well being. It improves their capacity for financial decision-making, lessens financial stress, and promotes moral medical practices. Additionally, it fosters long-term financial independence, helps doctors transition to private practice, and adds to professionalism. Medical institutions may ensure that healthcare workers not only save lives but also have stable, happy, and financially responsible careers by incorporating financial literacy instruction into the medical curriculum.

This study delves into the domain of measuring the Financial Literacy of Doctors in Goa, shedding light on why financial literacy is a necessity in the present era and why it is imperative for doctors, the pillars of healthcare, to possess a robust grasp of financial matters.

1.3 Importance of the Study

The study "Examining the Financial Literacy of Medical Doctors: Evidence from Goa" tackles a crucial problem in the changing healthcare environment. It emphasizes how vital it is for medical practitioners to be financially literate, emphasizing how important it is that they comprehend healthcare economics and personal finance management. Not only is financial literacy important for personal well-being, but Goan doctors also benefit from it. They gain the ability to make wise financial judgments, which eventually helps them become financially independent. Consequently, this helps the doctors as well as their patients. Additionally, by reinvesting in healthcare, supporting charity causes, and offering accessible healthcare, financially secure doctors can have a good impact on the healthcare system and give back to their community. Therefore, the study emphasizes how the financial well-being of doctors plays a pivotal role in enhancing the healthcare experience for the people of Goa.

1.4 Scope of the study

In terms of scope, the study delves into the measurement of the financial literacy of doctors working in the state of Goa. It aims to shed light on why financial literacy is an absolute

necessity in the present era and, more specifically, why doctors must possess a strong understanding of financial matters. The study further advocates for the integration of financial literacy into the medical curriculum. This addition is envisioned to equip both practicing and prospective physicians with vital financial knowledge and decision-making abilities, including managing debt, planning investments and retirement, providing ethical patient care, managing risk, and maintaining overall well-being. The study encompasses the idea that through financial literacy, doctors can ensure not only their financial well-being but also their capacity to provide better healthcare and contribute positively to the healthcare system and the community they serve.

1.5 Objectives of the study

RO1: To assess the financial literacy levels of the doctors in Goa

RO2: To examine the factors influencing financial literacy of the doctors in Goa

1.6 Research Questions

RQ1: What is the level of financial literacy among the doctors in Goa ?

RQ2: What are the factors influencing financial literacy of the doctors in Goa?

1.7 Research Hypothesis

H1: Financial Attitude has a significant influence on Financial Literacy

H2: Financial Behaviour has a significant influence on Financial Literacy

H3: Financial Knowledge has significant influence on Financial Literacy

1.8 Chapterization Scheme

Chapter 1: Introduction to Financial Literacy of Medical Doctors

This chapter includes the introduction to the dissertation. The concept of financial literacy is introduced with the need of why every individual and medical doctors should have basic

financial literacy in the current economic era. The problem, importance and scope of the study is also included in this chapter along with the chapterisation scheme at the end.

Chapter 2: Literature Review and Research Methodology

This chapter includes a thorough literature review of financial literacy, wherein the past studies done of different population are reviewed including medical doctors. This also includes the literature review on the factors that are being studied, which are financial knowledge, financial attitude and financial behaviour.

Chapter 3: Research Methodology

This chapter includes the methodology used for the research. It includes the research design, population of study, sample size, Questionnaire development and data collection, what tools and techniques were used in the study and the variables of the study.

Chapter 4: Data Analysis, Conclusions and Suggestions

This chapter will include the data analysis, structural equation modelling, the major findings, conclusion, managerial implications and theoretical implications, limitations and suggestions for future research.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

In recent years, the idea of financial literacy has grown in importance due to the increase in financial awareness around the world. Financial literacy, planning and decision making have become essential factors for both personal financial well being and for the prosperity of a society as a whole (Lusardi & Mitchell 2014). Understanding basic financial terminologies and fundamental concepts is referred to as financial literacy (Lusardi, 2008b). Remarkably, only 30% of adults globally possess a basic comprehension of financial concepts (Klapper et al., 2015). India comes in at number 73 out of 144 countries with a financial literacy rate of 24%, according to Standard & Poor's Global Financial Literacy Survey. With the life expediencies rising, the pension and social welfare systems are being strained (Lusardi, 2019), therefore the need to become financially independent has become crucial.

Financial literacy can be defined as objectively measured financial literacy or as a subjectively measured financial literacy (Lusardi & Mitchell, 2014). The primary focus of objectively measured literacy is the numerical comprehension of ideas like compound interest, portfolio investing, the advantages of diversification, and how inflation affects financial decisions. The five 5-item test that measure objective financial literacy cover topics including inflation, savings accounts, and interest rates. Those who typically answered three of the five questions correctly were considered to have low financial literacy (Hastings et al., 2013; Allgood & Walstad, 2016; Tang & Baker, 2016). The term subjective financial literacy refers to how people perceive their own level of financial literacy. (Lusardi & Mitchell, 2014) found that due to behavioral biases in the subjective evaluation of financial knowledge, people rank

their subjective financial literacy higher than their objective financial literacy. Individuals frequently misjudge their financial literacy (Lusardi & Mitchell, 2011).

This chapter presents an extensive literature review that analyses previous research done on financial literacy and measuring financial literacy of the different population classes. The studies done on different populations and professions from around the world will be discussed. The chapter also discusses the definitions of crucial terms in financial literacy which are financial knowledge, financial attitude and financial behaviour and identifies the relevant terms of reference. Finally, the chapter highlights gaps in the literature related to this study.

2.2 Financial Literacy studies in different areas

The majority of research on financial literacy concentrated on the financial literacy of working women, adults, and students (Schuhen & Schürkmann, 2014). The OECD's survey, which examined the financial literacy of 40 countries (such as Brazil, France, Germany, South Korea, etc.), came to the conclusion that the financial literacy of those nations' adult citizens was average (OECD, 2023). A study done in Delhi revealed that financial literacy levels in working women was found to be low (Rai et al., 2019). Another study conducted in Haryana, showed low levels of financial literacy among its individuals (Choudhary & Kamboj, 2017). A survey conducted in Italy reveiled that there are significant gaps in the financial literacy of adults, especially for those with less education, the elderly, and women (Di Salvatore et al., 2018). In a study done in Vietnam, which is a low- to- middle income country, found that the financial literacy of its adult population was at an average level (Van Nguyen et al., 2022).

A study done on Engineering students of Kerala, Karnataka and Tamil Nadu showed that the students lacked proper financial literacy (Thomas & Subhashree, 2020). The low levels of

financial literacy among university students of India was found to be concerning (Trivedi, 2024). Male students from Romania showed a higher level of literacy related to personal finance than the female students (Oanea & Dornean, 2012). High School students in India possessed low levels of financial literacy, wherein the girl students showed better results (Jayaraman, & Jambunathan, 2018). It was found that there is a great difference in the financial literacy levels of students who took financial courses and who did not (Pavkovic et al., 2018).

The gender differences in financial literacy is supported by a Japanese study that found men to be more financially literate than women, and until one is in their early 60s, financial literacy increases, after which, it declines (Okamoto & Komamura, 2021). According to a Polish study, men use the financial market's goods and services more frequently than women do. Financial literacy is challenging for women since they have a lower degree of financial literacy and find it more difficult to perform financial operations (Lusardi and Mitchell, 2011). On the other hand, a survey carried out in Delhi (Arora & Yadav, 2021) revealed no noteworthy differences in the financial literacy levels of male and female professional course students, nor between public and private universities. Gender is not the only significant factor, though; age, social and professional standing, level of education, and place of residence are all equally significant (Walczak & Pieńkowska-Kamieniecka, 2018).

2.3 Financial Literacy of Medical Professionals

Financial literacy plays a key role in preparing medical doctors for success and empowers them by enabling them to take charge of their financial resources and assist them in making proactive decisions regarding their financial futures (Bar-Or, 2015). A study conducted on the medical students studying in America reviled that most of the students had low financial literacy and were not well prepared to manage personal finances (Jayakumar et al., 2017). A

survey done on the medical professionals of Italy, Slovania and Czech Republic showed significant gap in financial literacy education in nursing and allied healthcare professional education (Buchtová et al., 2021). In a similar research done in USA, the medical trainees exhibited significant deficiencies in their financial knowledge and financial planning (Ahmad et al., 2017). In a study done on the healthcare professionals of India, financial literacy was found to be quite low and their scores were found to be positively correlating with higher age, qualification, experience and annual family income (Agarwal & Biswas, 2022). Orthopaedic residents in Alabama exhibit unhappiness with their financial circumstances during residency, along with deficits in financial and investment knowledge (Cone et al., 2022).

2.4 Factors Influencing Financial Literacy

This literature review examines a variety of factors that impact people's ability to effectively manage and control their finances, including age, gender, education, financial knowledge, attitude, and behavior. To improve financial literacy and promote financial well-being across a range of demographic groups, targeted interventions and policies must take into account the ways in which all of these factors connect.

A study conducted in India to examine the factors that affect financial literacy among working women came to the conclusion that financial education is not the only factor to look at, as financial behavior and attitude are also significant and positively affect women's financial literacy (Rai et al., 2019). In a study done on engineering students, peer group influence, parental influence, financial attitude, and financial knowledge all significantly and positively affect the students' level of financial literacy (Thomas & Subhashree, 2020). In another study (Garg & Singh, 2018) which reviewed existing literature pertaining to studies done on examining financial literacy among youths, revealed that age, gender, income, marital status, and level of education have all been shown to have an impact on youth

financial literacy levels; additionally, there is an interrelationship between financial knowledge, financial attitude, and financial behavior that has been shown. Another study found that financial attitude has a significant and positive influence on financial management behavior of students, while financial knowledge and financial literacy have no significant influence (Prihartono & Asandimitra, 2018).

Financial literacy was found to mediates the impact of financial attitude, financial socialization, and financial experience on financial management behavior in students, implying that financial literacy plays an important role in transforming these factors into positive financial behaviors (Ameliawati & Setiyani, 2018). A study done in Haryana on individuals, revealed that age, education, income, employment status, gender (male), and urban residence were positively associated with financial literacy and there was a negative correlation between parent financial illiteracy, a lack of financial services, and a lack of financial education (Choudhary & Kamboj, 2017). A meta analysis study showed similar results, wherein educational level, financial attitude, financial knowledge, financial behavior, gender (male), household income and investments were positively associated with financial literacy, and factors such as age, marital status (married) and risk aversion were negatively associated with financial literacy (Santini et al., 2019).

Therefore with the above literature review done on factors influencing financial literacy, this study will measure three major identified variables, which are financial knowledge, financial attitude and financial behaviour and

2.4.1 Financial Knowledge

Having a mastery of financial terminology, expressions, and concepts is known as financial knowledge (NEFE, 2023). Since financial knowledge is included in the conceptual definition

of financial literacy, financial knowledge and financial literacy have different meanings but have the same objectives (Hilgert et al, 2003). Understanding finance and applying it to everyday life is known as financial knowledge (Lusardi and Mitchell, 2007). A person with theoretical comprehension of financial concepts is said to possess financial knowledge (Huston, 2010). High financial knowledge has been linked with a better capacity to understand fundamental financial concepts (Lusardi and Mitchell, 2011). Therefore we can say that financial knowledge and financial literacy, while conceptually distinct, share the common aim of empowering individuals to understand and apply financial concepts in their daily lives.

2.4.2 Financial Attitude

An individual's personal tendency towards their financial matters can be referred to as their financial attitude. It concerns with one having the ability to save money and make financial plans for their future (Rai et al., 2019). Financial attitude is an individual's inclination to act in a specific way based on their beliefs about the consequences of their actions, both economically and non-economically (Ajzen, 1991). Individuals with strong financial attitude are are more inclined towards making better financial planning (Lusardi and Mitchell, 2011). Financial attitude is defined as an individual's feelings towards money, which play a significant role in determining their financial behavior and financial well-being (Chatterjee et al., 2018). Developing positive financial attitudes among the general population should be a primary objective of a country in order to enhance financial literacy across generations (Bhushan & Medury, 2014).

2.4.3 Financial Behaviour

Financial behavior is defined as human behavior relevant to financial decision-making and money management, such as creating and tracking a suitable budget, paying bills promptly,

and consistently saving money (Bhushan & Medury, 2014; Kalekye & Memba, 2015). Financial behavior refers to how individuals manage their finances, influenced by factors like financial quotient and lifestyle choices, impacting decisions on spending, saving, and investing (Melania & Ratnawati, 2020). Positive financial behavior, such as properly planning and maintaining financial stability, raises one's understanding of financial literacy, whereas negative behavior, such as heavily relying on loans and credit, lowers one's level of financial well-being (Atkinson and Messy, 2011).

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Problem of the Study

The problem of the study revolves around the lack of research dedicated to assessing the financial literacy among medical doctors in the region of Goa. Despite the critical role the doctors play in society, little attention has been given to understanding their financial literacy, which is pivotal given the complexities of their financial lives. This lack of literature not only makes it difficult to understand the financial literacy of a crucial professional group, but it also ignores the possible effects on their investing, financial decisions, and long-term financial security. While financial literacy has garnered attention in various sectors and professions globally, the unique context of medical doctors in Goa remains under explored. Bridging this research gap is crucial not only for enhancing the financial competence of medical doctors but also for potentially improving their financial decision-making, reducing financial stress, and ensuring better financial outcomes for this vital workforce.

3.2 Research Gap

In Goa, as of October 2023, there remains a significant gap in the research pertaining to the financial literacy of healthcare providers, specifically medical doctors. Limited to no published studies have focused on the assessment and analysis of financial literacy among medical doctors within this specific geographical and professional context. This research gap represents a critical area of research that requires exploration, as the financial literacy of healthcare providers, including medical doctors, can have substantial implications for their personal financial well-being and, their professional decision-making, which can ultimately affect healthcare delivery and patient outcomes.

3.3 Research Design

This is a cross-sectional study, with data collected at a single point in time to assess the financial literacy of medical doctors in Goa. The study adopts a quantitative approach, using a structured questionnaire to collect data on financial literacy, financial knowledge, financial attitude, financial behaviour, and demographic variables.

3.4 Population and Sample

The population of interest for the research are Medical Doctors from the state of Goa working in Government Hospitals, Private Hospitals or at their own Clinic . The sampling techniques used was convenience sampling method and snowball sampling method. The sample size for this study was taken as 190 based on the number of statements in the questionnaire (19x10 = 190). The total number of respondents who answered the questionnaire was 202, out of which

3.5 Questionnaire Development and Data Collection

In this study, data was collected from both primary and secondary sources. Primary data was collected through the use of a questionnaire, which allowed for direct input from the participants, i.e. the doctors. This method ensured that the data collected was specific to the research question being investigated. In addition, secondary data was also collected from a variety of sources. This included journals, thesis, research articles, reports, publications, and other relevant sources.

The questionnaire was developed based on the review of existing literature. It was tailored to the specific needs of medical doctors in the Indian and Goan context. The questions were asked to know the demographic profile of the respondents which was section 1 of the questionnaire. Section 2 of included questions to test their different aspects on Financial Attitude, Behaviour and Knowledge. The questionnaire was designed with a mix of closed ended questions and 5 point likert scale questions, where 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree and 5= Strongly Agree to measure the various aspects of the study

variables. A total of 19 likert scale questions (statements) were asked. The data was collected in the month of March 2024. The questionnaire was sent to different doctors working in Goa through WhatsApp and other social media platforms.The data collection was administered via Google Forms which allowed for the data to be easily collated and analyzed.

3.6 Tools and Techniques

The data was analyzed using descriptive statistics and Structural Equation Modeling (SEM).

i. Descriptive statistics

Descriptive statistics was used to summarize the demographic characteristics of the medical doctors, including age, gender, marital status, place of work years of experience, etc. Frequency distributions and percentages were calculated for each demographic variable to provide a comprehensive overview of the sample characteristics. The data were presented using a tables to facilitate easy interpretation and comparison across different categories. The analysis was done using Jamovi version 2.5.3.

ii. Structural Equation Modeling

SEM is a multivariate statistical analysis technique that is used to analyze structural relationships. This technique is the combination of factor analysis and multiple regression analysis, and it is used to analyze the structural relationship between measured variables and latent constructs. The analysis was done using Smart PLS version 4.1.0.2.

3.7 Variables of the study

The variables that were studied in this research are Financial Literacy, which is the dependent variable, and Financial Attitude, Financial Behaviour and Financial Knowledge, which are the independent variables.

i. Financial Literacy

Financial literacy is a combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being. (OECD, 2009)

ii. Financial Knowledge

Financial knowledge is the objective mastery of financial definitions, terms and concepts. (NEFE, 2023)

iii. Financial Attitude

Financial attitude can be defined as personal inclination towards financial matters. It is an ability to plan ahead and maintain a savings account that matters. (Rai et al., 2019)

iv. Financial Behaviour

Human behaviour that is pertinent to financial decision-making and money management such as constructing appropriate budget programme and controlling it, quick payment of bills and regular saving nature is called financial behaviour (Bhushan & Medury, 2014; Kalekye & Memba, 2015)

CHAPTER 4: DATA ANALYSIS AND CONCLUSION

This chapter includes the comprehensive analysis of the collected data, aiming to uncover patterns, relationships, and insights pertinent to the research objectives and also the conclusions drawn from the results. The analysis of demographic characteristics provides valuable insights into the sample's composition, offering a foundational understanding of the respondents' backgrounds. This was done using Jamovi software to explore the distribution and relationships among various demographic variables. The chapter then delves into the advanced analytical technique of Structural Equation Modeling (SEM) using Smart PLS 4 software, which allows for the examination of complex relationships among multiple variables, providing a holistic view of the research model.

4.1 Demographic Profile of Respondents

Table 4.1: Respondent's Demographic Profile

Variable	Counts	% of Total	Cumulative %
Gender			
Male	85	42.1 %	42.1 %
Female	117	57.9 %	100.0 %
Age			
Below 25	90	44.6 %	44.6 %
25-35	84	41.6 %	86.1 %
35-45	19	9.4 %	95.5 %
45-55	4	2.0 %	97.5 %
55-65	5	2.5 %	100.0 %

Marital Status			
Unmarried	152	75.2 %	75.2 %
Married	50	24.8 %	100.0 %
No. of Children			
None	172	85.6 %	85.6 %
1	14	6.9 %	92.6 %
2	13	6.4 %	99.0 %
3 and above	2	1.0 %	100.0 %
Place of work			
Urban	151	74.8 %	74.8 %
Semi-Urban	45	22.3 %	97.0 %
Rural	6	3.0 %	100.0 %
Where do you work currently?			
Government Hospital	138	68.3 %	68.3 %
Private Hospital	48	23.8 %	92.1 %
Own Private Clinic	16	7.9 %	100.0 %
Monthly Income			
Less than ₹50,000	113	56.2 %	56.2 %
₹50,000 -₹1,50,000	50	24.9 %	81.1 %
₹1,50,000 - ₹2,50,000	34	16.9 %	98.0 %
₹2,50,000 - ₹3,50,000	4	2.0 %	100.0 %

Years of work experience			
Below 5 Years	159	78.7 %	78.7 %
5-10 Years	32	15.8 %	94.6 %
10-15 Years	6	3.0 %	97.5 %
15-20 Years	3	1.5 %	99.0 %
20-25 Years	2	1.0 %	100.0 %

(Source: Author's own compilation from primary data)

Table 4.1 shows the respondent's demographic profile which is a frequency distribution table of the demographic questions asked in the questionnaire. It can be seen from the table that the majority of the respondents are female doctors making up 57.9% (n=117), whereas male doctors made up 42.1%(n=85) of the entire sample (n=202). The respondents were mainly in the age groups of Below 25 (44.6%) and 25-35 (41.6%).

75.2% (n=152) respondents were unmarried, whereas only 24.8% (n=50) were married. Majority of the respondents, that is 85.6% (n=172) had no children of their own. 74.8% (n=151) of the respondents work in urban areas, very low number of respondents were from the semi-urban (22.3%) and rural (3.0%) areas. It can be seen that most of the respondents, that is 68.3% (n=138) work in or are posted in Government Hospitals, and only a few work in private hospitals (23.8%) or at their own private clinic (7.9%).

The monthly income of majority of the respondents, that is 56.2% (n=113) is Less than ₹50,000 and only a minority of the respondent's income is between the the range of ₹50,000 - ₹2,50,000. Table 4.1 also shows the years of work experience of the respondents. It can be seen that most of the respondents, that is 78.8% (n=159) have less than 5 years of work experience as doctors and only a small minority of the respondents have work experience of 5-15 years.

4.2 Investment Profile of the Doctors

A question on what financial products the doctors have invested in was asked in the questionnaire, and they were provided with multiple options that they could select from.

Table 4.2: Respondents' investment profile

Financial Products doctors have invested in (Multiple Responses)	No. of Respondents	%
Fixed Deposits	170	84.1%
Life Insurance	143	70.7%
Health Insurance	59	29.2%
Public Provident Fund (PPF)	13	6.43%
Mutual Funds	90	44.5%
Shares	72	35.6%
Real Estate	26	12.8%
Bonds	8	3.96%
Digital Gold	17	8.41%
Derivatives	0	0
Commodities	2	0.99%

(Source: Author's own compilation from primary data)

It can be seen in Table 4.2 that a vast majority of the respondents, that is 84.1% (n=170) have invested in Fixed Deposits. The second most invested financial product was Life Insurance with 70.7% (n=143) doctors investing in it. Health Insurance was seen to be not invested in as much with only 29.2% selections. 44.5% (n=90) and 35.6% (n=72) of the respondents invested in Mutual Funds and Shares respectively. Real Estate investments was done by only

12.8% of the respondents. Only a small number of respondents invested in PPF, Digital Gold, Bonds and Commodities.

Doctors are busy professionals who have little time to think about their personal finances. However, it is crucial for them to invest in schemes that can help them save on taxes and secure their future financial stability. One such scheme that doctors can consider investing in is the Public Provident Fund (PPF). As per the Income Tax Act, all deposits made under the PPF are eligible for deduction under Section 80C. This means that doctors can claim a deduction of up to Rs. 1.5 lakh from their taxable income by investing in the PPF. Additionally, the PPF has a low minimum investment requirement, which makes it accessible to doctors who may not have a large disposable income.

4.3 Financial Literacy of the Doctors

The doctors were asked different questions in the questionnaire to test their Financial Knowledge, Financial Attitude, Financial Behaviour and Financial Literacy. In Financial Knowledge, Attitude and Behaviour there were 5 questions each asked and in Financial Literacy there were 4 questions asked. Table 4.3 shows the percentile of correct answers that were answered by the respondents.

Table 4.3: Financial Literacy of respondents

Variable	% of Correct answers
Financial Knowledge	70.5%
Financial Attitude	62.8%
Financial Behaviour	53.3%
Financial Literacy	55.8%

(Source: Author's own compilation from primary data)

It can be seen in Table 4.4 that Financial Knowledge has the highest number, that is 70.5% of correctly answered questions. Financial Attitude received 62.8% of correct answers. Financial Literacy and Financial Behaviour received the least number of correctly answered questions, that being 55.8% and 53.3% respectively. If removed the average of all 4 variables, it comes to 60.6%. Hence, it can be said that the Doctors of Goa have a medium level of Financial Literacy.

4.4 Measurement Model

In the measurement model, Financial Knowledge, Financial Attitude and Financial Behaviour are the independent variable and Financial Literacy is the dependent variable. After the first test was run, the discriminant validity results were not up to the mark, therefore some statements were deleted to make the results as statistically correct as possible. The statements which were removed are FK3, FA1, FA4, FB2 and FL3.

4.4.1 Results of Factor Loadings and Construct Reliability and Validity

Below are the results of Factor Loadings along with the Cronbach's alpha, Composite reliability and Average Variance Extracted (AVE) of the measurement model.

Table 4.4: Results of Measurement Model

Construct	Factor Loadings	Cronbach's alpha	Composite Reliability	AVE
Financial Attitude	**FA**	0.810	0.887	0.725
FA2	0.863			
FA3	0.823			
FA5	0.866			
Financial Behaviour	**FB**	0.855	0.902	0.697
FB1	0.820			

FB3	0.837			
FB4	0.826			
FB5	0.854			
Financial Knowledge	**FK**	0.922	0.944	0.810
FK1	0.908			
FK2	0.864			
FK4	0.913			
FK5	0.913			
Financial Literacy	**FL**	0.843	0.906	0.762
FL1	0.900			
FL2	0.893			
FL3	0.824			

(Source: Author's own compilation from primary data)

Table 4.4 shows the results of factor loadings of each of the indicators and the cronbach's alpha, composite reliability and average variance extracted (AVE) values of each construct.

It can be seen that all the factor loadings are above the value of 0.7, which means that there are strong relationships between the items and the latent constructs. The highest value of factor loading are of the financial knowledge construct, which are FK4 and FK5, both with 0.913 value.

The degree of correlation between the items inside a construct is shown by Cronbach's Alpha, a measure of internal consistency reliability. The value of 0.7 or higher is considered acceptable, which can be seen in Table 4.4 suggesting that the items are reliably measuring the same underlying construct. Financial Knowledge shows the highest value of out the four, which is 0.922.

Composite reliability is another measure of internal consistency reliability, similar to Cronbach's Alpha. A value of 0.7 or higher is typically considered acceptable, indicating that the construct is reliable. It can be seen in table 4.4 that all four values are higher than the acceptable value with Financial Knowledge have the value of 0.944, higher than the rest.

The AVE measures the variance captured by the construct with relation to the variation caused by measurement error. AVE values should preferably be more than 0.5, and it can the seen it table 4.4 that the values are above the acceptable value. It also means that the values indicate good convergent validity.

4.4.2 Discriminant Validity of Measurement Model

Table 4.5: Discriminant Validity using Fornell-Larcker criterion

	FA	**FB**	**FK**	**FL**
FA	**0.851**			
FB	0.676	**0.835**		
FK	0.757	0.637	**0.900**	
FL	0.675	0.833	0.611	**0.873**

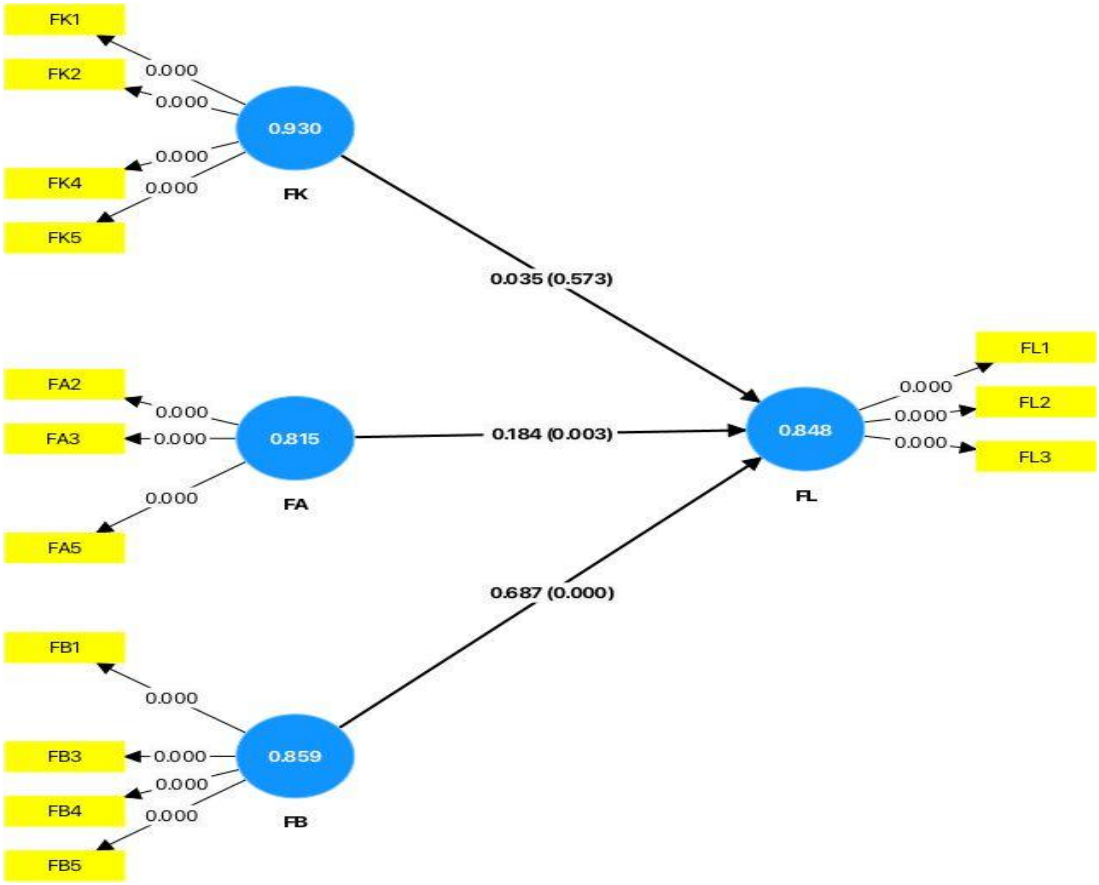
(Source: Author's own compilation from primary data)
(Note: Bold Values indicate the square root of AVE of each construct.)

Discriminant validity examines whether constructs or measurements that are meant to be unrelated are in fact unrelated. It explains the uniqueness and distinctness of one construct to another. To show discriminant validity, the correlation coefficients between the constructs should ideally be less than the square root of the AVE for each construct. Therefore it can be seen in Table 4.5, which shows the discriminant validity of the measurement model using Fornell-Larcker (Fornell & Larcker, 1981) criterion that the correlation coefficients of each

construct is less than the square root of it's AVE, which suggests discriminant validity between all the constructs. This result was ascertained after eliminating some statements from the model, as discriminant validity results showed problem.

4.5 Structural Model

The structural model shows the relationships between the constructs in the research model. It specifies the causal paths between the constructs and the strength of the relationships between them. The structural model is used to test the hypotheses and to assess the goodness of fit of the overall model. It also provides insights into the underlying mechanisms that drive the relationships between the variables. Figure 4.1 shows the proposed structural model. It shows the beta values of the constructs along with the probability (p value) value in the bracket. The results of the path coefficient can be seen in Table 4.6.



(Source: Author's own compilation from primary data)

Fig 4.1: Structural Equation Model

4.5.1 Path Coefficient results of Structural Model

To define the path values, the bootstrapping technique is used in Smart PLS, with a significance level of p<.005 being measured. Table 4.6 shows results of the structural model. It includes the hypothesis of the study, beta values, t statistics values, P (probability) values and the hypothesis results.

Table 4.6: Results of Structural Model

Hypothesis	β	T statistics	P values	Result
FA -> FL	0.184	2.940	**0.003***	**Accepted**
FB -> FL	0.687	13.997	**0.000***	**Accepted**
FK -> FL	0.035	0.564	0.573	Rejected

(Source: Author's own compilation from primary data)

It can be seen in Table 4.6 that the relationship between Financial Attitude and Financial Literacy was supported and significant with the Original Sample (β) = 0.184, statistic (t) = 2.940 and significant value (p)<0.003 indicates that Financial Literacy is influenced directly and positively by Financial Attitude of Doctors.Therefore, H1 is accepted.

The relationship between Financial Behaviour and Financial Literacy was strongly supported and significant with the original sample (β) = 0.687, statistic (t) = 13.997 and significant value (p)<0.000 indicates that Financial Literacy is directly influenced by Financial Behaviour of Doctors. Therefore, H2 is accepted.

The relationship between Financial Knowledge and Financial Literacy was not supported and insignificant with β = 0.035 and t = 0.564 indicating that Financial Knowledge has no significant impact on the Financial Literacy of Doctors. Therefore, H3 is rejected.

4.5.2 R2 Coefficient of Determination and Q2 - Predictive Relevance of Model

Table 4.7: R2, Adjusted R2 and Q2

	R2	R2 Adjusted	Q^2
Financial Literacy	0.718	0.714	0.707

(Source: Author's own compilation from primary data)

R2 represents the proportion of variance in the dependent variable (endogenous construct) explained by the independent variables (exogenous constructs) in the model. Values range from 0 to 1, with higher values indicating a greater amount of variance explained by the model. As it can be seen in Table 4.7, the R2 value of the model is 0.72 (round off), therefore it can be said that the model explains 72% of the variance in Financial Literacy.

Q2 measures the predictive relevance or the model's ability to predict the dependent variable from the sample. A positive and a value greater than 0 indicates that the model has predictive relevance and suggests that model's predictions are better than the random guessing. It can be seen in Table 4.7 that the Q2 predict of Financial Literacy is 0.707, which indicates strong predictive relevance for the structural equation model. It means that the model is robust and reliable in predicting the dependent variable that is Financial Literacy.

4.5.3 Effect Size (f2)

Table 4.8: F2 - Effect Size

	f2	Effect Size
Financial Attitude	0.044	S
Financial Behaviour	0.844	L
Financial Knowledge	0.002	S

(Source: Author's own compilation from primary data)

F2 is a measure of the effect size, indicating the proportion of the variance in the dependent variable explained by a specific predictor while controlling for other predictors. It can be seen

in Table 4.8 that Financial Behaviour has 0.844 effect size, which means it has a large effect on Financial Literacy. Financial Attitude and Financial Knowledge with 0.044 and 0.002 respectively, have smaller effect on Financial Literacy.

4.5.4 Variance Inflation Factors

Table 4.9: Variance Inflation Factor (VIF)

	VIF
Financial Attitude -> Financial Literacy	2.750
Financial Behaviour -> Financial Literacy	1.974
Financial Knowledge -> Financial Literacy	2.512

(Source: Author's own compilation from primary data)

The VIF is a measure used to assess the multicollinearity among independent variables in the model. Multicollinearity occurs when two or more independent variables are highly correlated, making it difficult to determine the individual effect of each variable on the dependent variable. A value less than 5 suggests that there is no multicollinearity among the variables. It can be seen in Table 4.9 that all the VIF values are less than 5, which indicates that multicollinearity is not a significant concern, and the independent variables are likely not highly correlated with each other.

4.6 Findings, Conclusions and Suggestions

This section will deal with the major findings of the data analysis and SEM, the conclusion and Suggestions for future research.

4.6.1 Major Findings

In the analysis of demographic characteristics it was seen that majority of the respondents comprise of female doctors, in the age range of below 25 years who are unmarried with no children of their own and have a work experience in the medical field of less than 5 years.

Most of the respondents work in Government Hospitals in urban areas and earn less than ₹50,000 every month. It was seen that majority of the respondent invested in Fixed Deposits followed by Life Insurance, Mutual Funds and Shares. The Financial Literacy levels of the doctors came upto 60.6% when removed average of the correctly answered questions from Financial Literacy, Attitude, Behaviour and Knowledge questions, therefore it can be said that the Medical Doctors of Goa have a medium level of financial Literacy.

The results from the measurement model assessment were as following. The factor loading values showcased strong relationships between the items and the latent constructs, the highest values were from Financial Knowledge. Cronbach's Alpha values showed that the items are reliably measuring the same underlying construct. The composite reliability values were also indicating that the constructs were reliable. The AVE values showcased good convergent validity. The discriminant validity values showed that each of the construct was unique and distinct from each other.

The results from the structural modelling were as followed. The relationship between Financial Attitude and Financial Literacy was supported and positively significant, hence, Hypothesis 1 was accepted. The relationship between Financial Behaviour and Financial Literacy was strongly supported and positively significant, hence, Hypothesis 2 was accepted. The relationship between Financial Knowledge and Financial Literacy was not supported and insignificant, hence, Hypothesis 3 was rejected. These results align with (Rai et al., 2019). The R2 values indicate that the model explains 72% of the variance in Financial Literacy. The f2 values showed that Financial Behaviour has a large effect on Financial Literacy, whereas Financial Attitude and Knowledge has smaller effects. The Q2 predict value indicated strong predictive relevance for the structural equation model. All the VIF values showcased no presence of multicollinearity.

4.6.2 Conclusion

The main purpose of this research was to analyse the financial literacy of medical doctors in Goa and to asses the factors influencing it. After thorough literature review the main factors influencing financial literacy were found to be financial attitude, financial behaviour and financial knowledge. A structured questionnaire was prepared catering to testing the financial literacy of doctors of Goa. The questionnaire included closed ended questions to know the demographic characteristics and 5 point likert scale questions for the factors influencing financial literacy. The questionnaire was administered via google forms and was sent to the doctors through social media apps. A total of 202 responses were received from which all of them could be used for analysis.

The data analysis was done using Jamovi and Smart PLS softwares. It was found that there were a majority female doctors below the age of 25 in the sample. It was also found that most the doctors have invested in fixed deposits and life insurance. The financial literacy level was found to be 60.6%, which showcases a medium level of financial literacy of the doctors in Goa. To test the relationship between financial literacy and the independent variables, PLS SEM technique was used. Financial Attitude of medical doctors in Goa was highly and positively associated with Financial Literacy, this result is supported by various past researches (Huston, 2010; Rai et al., 2019). Financial Behaviour of the doctors was also found to be positively associated with Financial Literacy. Financial Knowledge on the other hand was not significantly associated with Financial Literacy, this results was supported by past researches as well (Hung et al., 2009; Rai et al., 2019). Therefore, H1 and H2 were accepted and H3 was rejected.

Fewer research have studied to find out the financial literacy of the doctors in India or in Goa as well or to find out the factors associated with financial literacy, this research will help to

fill out those research gaps. Targeted financial education programs created especially for medical professionals are becoming more and more needful. These programs can offer specialized advice on financial management, debt reduction, insurance, retirement planning, tax preparation, and investing strategies. These programs can assist doctors make wise financial decisions and enhance their financial well-being by addressing the particular financial challenges that they encounter. Financial education programs can further play a vital role in enhancing the financial literacy, attitude, behaviour, and knowledge of medical doctors. They can assist the doctors in gaining the competence and self-assurance necessary to successfully manage their finances throughout their careers and into retirement by promoting a culture of lifelong learning and offering easily available tools and assistance.

Financial literacy is a crucial skill that is necessary for anyone to achieve financial well-being and success. However, it is particularly important for medical doctors who find themselves navigating a complex and often challenging financial landscape. The demands of the medical profession are intense, and doctors often find themselves juggling multiple responsibilities and competing priorities. In such a scenario, having a strong understanding of finances can make all the difference in achieving financial stability, investment outcomes, and long-term financial security. It is important to recognize that the challenges faced by medical professionals are unique and require targeted financial education programs designed to enhance their financial literacy, attitude, behavior, and knowledge.

Medical professionals need to be equipped with the skills necessary to manage their finances effectively, to make informed decisions about investments, and to plan for their future. They need to have a deep understanding of taxation, insurance, and retirement planning, among other things. By investing in financial education and promoting financial literacy among medical doctors, we can empower them to make informed decisions, achieve their financial goals, and

secure a brighter financial future. Financial literacy is not just about managing money; it is about building confidence, taking control of one's finances, and making informed decisions that will have a positive impact on one's life.

4.6.3 Managerial Implications

Gaining insight into the financial literacy of medical practitioners may be advantageous for healthcare organizations. Organizations can create targeted financial education and assistance programs as part of their employee benefits and professional development efforts by acknowledging the financial challenges experienced by medical doctors. Healthcare organizations and financial institutions can work jointly to create comprehensive financial education programs that are specifically designed to meet the needs of medical professionals. Important topics including tax management, retirement planning, investment strategies, debt management, and budgeting may be covered in these programs.

4.6.4 Theoretical Implications

The results of this study can add to the existing body of literature already available on financial literacy, point out the possible gaps and emphasize the significance of tailored financial education programs for certain professional groups. The study highlights the importance of incorporating financial literacy education in the curriculum of professional training programs and medical schools. Theoretical frameworks may be expanded to include financial literacy as a necessary component of professional competence by acknowledging the intersection of financial literacy and professional growth.

4.6.5 Limitations of the study

The study utilizes only 202 respondents, which is a relatively small sample size, therefore it does not represent the entire population of medical doctors in Goa. The study's use of convenience sampling may introduce sample bias, limiting the implications of the results to a

larger population of doctors in Goa. As the study was limited to only three independent factors, the influence of any other variable on Financial Literacy could not be determined. Time constraints were also a significant limitation, as only one month was available for data collection, resulting in just a small number of samples being gathered.

4.6.6 Scope for future research

This study only studied the financial literacy of medical doctors doctors in Goa, therefore future researches can also include the medical students, nurses and other hospital staffs as well in their sample. A comparative study could also be done, wherein the financial literacy of Government Hospital Doctors is compared with those of Private Hospitals. As there were only three independent variables studied, future researches can include some other variables that could influence the financial literacy of a doctor or an individual. Not only doctors, but there are also many other professionals who's financial literacy can be studied, such as engineers, teachers, and other.

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Appendix I

Questionnaire Used to Collect Data from Respondents

Measuring the Financial Literacy of Medical Doctors

Dear Doctor,

I am Khushi Naik, pursuing my Masters in Commerce in Goa University, working on my dissertation topic related to Financial Literacy of Medical Doctors. You are requested to spare some of your precious time to answer this questionnaire.

The data collected through this questionnaire will be strictly used for academic purposes only. Responses will be aggregated and only grouped data will be used in research work.

Thank you

Section 1: Demographic Characteristics

Gender	Male
	Female
	Non-Binary
Age	Below 25 years
	25-35
	35-45
	45-55
	55-65
	65 Years and above
Marital Status	Married
	Unmarried
	Others
No. of children	None
	1
	2
	3 and above
Place of work	Urban

	Semi-Urban
	Rural
Where do you work?	Government Hospital
	Private Hospital
	Own Private Clinic
Monthly Income	Less than ₹50,000
	₹50,000 -₹1,50,000
	₹1,50,000 - ₹2,50,000
	₹2,50,000 - ₹3,50,000
	₹3,50,000 and above
Years of work experience	Below 5 Years
	5-10 Years
	10-15 Years
	15-20 Years
	20-25 Years
	25 Years and above
Current Designation	Intern
	Junior Resident
	Senior Resident
	Consultant
	Private Consultant
	General Practitioner
	Professor
	Any other:_____
Specialisation	Anesthesiologist
	Cardiologist
	Dermatologist
	Dentist
	Gastroenterologist
	Hematologist
	Nephrologist
	Neurologist
	Gynecologist
	Oncologist
	Ophthalmologist
	Otolaryngologists
	Pathologist
	Pediatrician
	Physiatrist
	Psychiatrists
	Radiologist
	General Surgeon

	Urologist
	Any other:_____

Please select the Financial Products you have invested in (You can choose more than 1 option)
Fixed Deposits
Life Insurance
Health Insurance
Public Provident Funds
Mutual Funds
Shares
Real Estate
Bonds
Digital Gold
Derivatives
Commodities

Section 2: Factors Influencing Financial Literacy

*These questions can be rated on a scale of 1-5, where **1:Strongly Disagree**, **2:Disagree**, **3:Neutral**, **4:Agree and 5:Strongly Agree**. [Select 5: Strongly Agree if you highly relate to the statement and 1: Strongly Disagree if otherwise]

Financial Knowledge	**1**	**2**	**3**	**4**	**5**
Increase in inflation rate increases cost of living	(Gowri M. et al, 2016)				
Inflation reduces purchasing power of money					
Credit card interest rates are higher than personal loan interest rates					
High returns on the investment involves high risk					
Risk can be reduced by diversification of investment					

Financial Attitude	**1**	**2**	**3**	**4**	**5**
I am satisfied with my current financial position	(Gowri M. et al, 2016)				
I find it more satisfying to save money for the long term than to spend it	(Bhandari N. et al, 2018)				

I think financial planning is important for the future	(Gowri M. et al, 2016)
I take risk while making investments	
I believe in planning for tomorrow and not just living for today	(Bhandari N. et al, 2018)
Financial Behaviour	**1 2 3 4 5**
I contribute to my savings account regularly	(Lohia S. et al, 2020)
I prepare a budget and track my spending	(Gowri M et al, 2016)
I set long term financial goals and strive to achieve them regularly	(Bhandari N. et al, 2018)
I maintain a diversified investment portfolio	(Lohia S. et al, 2020)
I read regularly to increase my financial knowledge	
Financial Literacy	1 2 3 4 5
I am confident in calculating the interest received on my savings account	(Lusardi, et al, 2011)
I am confident in assessing the purchasing power of my savings	
Investing in a stock mutual fund is safer than buying a single company's stock	
Net Wealth is the difference between assets and liabilities	(Saber A., 2020)