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# Gender Dynamics in Household Financial Decision-Making: A Socio-Economic Analysis of Urban and Rural Households in Hamirpur, Himachal Pradesh

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## Abstract

*Decision-making in household finances is a crucial driver of economic resilience and lasting financial well-being. The present study aims to study the role of gender in decision making regarding expenditure and savings in the households in urban and rural households of Hamirpur district (Nadaun and Bhoranj blocks) of Himachal Pradesh, India. The data were recruited with a survey-based research design and collected from 148 respondents (60 males and 88 females) to evaluate the financial decision-making authority, financial literacy, and investment behavior. There are large gender gaps when it comes to financial decision-making: In most households the predominant financial decision-maker is male (65%) and women more commonly engage in joint decision-making (52.3%) or rarely exercise unilateral control over financial decisions. A Chi-Square test ($\chi^2 = 88.19$, $p < 0.001$) confirmed the strong association of gender and financial authority. Moreover, an Independent Samples t-Test ($t = 2.25$, $p = 0.025$) confirmed that men (Mean = 70) scored significantly higher in terms of financial literacy than women (Mean = 65), supporting difference in financial knowledge. Investment preferences varied as well, with women preferring low-risk investments, including fixed deposits (43.2%) and gold (40.9%) while men favoured high-risk investments like mutual funds (33.3%) and stocks (16.7%). These trends are driven by a lack of financial literacy, risk aversion and socio- cultural factors. The study recommends long-term strategies to bridge gender disparities, including financial literacy programs, employment opportunities, gender-sensitive banking policies and initiatives educating women on investments. Empowering women with economic independence is critical in achieving economic equality and financial inclusion.*

***Keywords**: Gender, Household Financial Decision-Making, Financial Literacy, Investment Behavior, Financial Autonomy, India.*

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# I. INTRODUCTION

The extent of women's influence over household financial decision making has been the subject of increasing academic and policy interest, especially in developing economies such as India. Traditionally, male members had the ultimate say in financial decision-making within households, and women played limited roles due to socio-cultural and economic constraints (Bernasek & Bajtelsmit, 2002). Nevertheless, due to greater access to education, job opportunities, and financial literacy, women are increasingly getting involved in household financial decisions, extending from day-to-day expenses to long-term investments and savings (Tiwari & Dubey, 2024).

Research shows that financial decision-making is foundational to household stability and economic power. Women are generally more involved in making financial decisions in the households and it reflects better economic management of the household by ensuring a higher savings rate and greater economic diversity (Gupta & Bhadouria, 2023). Despite these advancements, however, gender disparities in financial decision-making authority are prevalent, especially in remote locations where traditional gender norms still persist.

To achieve financial inclusion and to promote gender equality, it is imperative to recognize these socio-economic determinants that impact such women's financial participation. Women of different educational background, employment status, family structure, socio-cultural norms and access to financial resource are some of the determinants for women's involvement in financial decision making (Sharma & Kota, 2019). The aim to explore these dynamics amongst urban and rural households in the Hamirpur district of Himachal Pradesh, India.

### (A) Important Role of Women in Financial Willingness in Family

Household financial decision-making by women is linked to several economic benefits on both micro-and macro- levels. Research indicates that when women actively participate in financial decisions, essential needs, such as education, healthcare and savings, are more likely to be prioritized in households (Padmaja & Rajakumar, 2022) Even more significantly, women's financial independence drives wider economic growth by improving financial access and increasing household economic resiliency (Barclays Wealth, 2011). But the gender wealth gap still exists and is even growing, which often means worse financial household decision-making. Women lack financial literacy, access to formal financial services, and socio-cultural factors that impact household finances often lead to lack of engagement in financial planning (Sharma & Parihar, 2023) Implementation of policy actions and financial literacy initiatives are critical in overcoming these barriers and promoting gender equitable financial behavior.

## II. Conceptual framework

Several social and economic, cultural aspects and legal prerequisites have an impact on economic stability and well-being, which represents crucial household financial decision-making capabilities. Historically, with financial decisions being made mostly by men in the household, women have been treated as passive actors in financial matters (Bernasek & Bajtelsmit, 2002) But as women enter the workforce in greater numbers, attain higher education levels and enjoy broader market literacy, their role in household financial decision-making is being reshaped (Tiwari & Dubey, 2024). This chapter reviews the theoretical framework for women's participation in financial decision-making, and relevant literature to demonstrate what is known and what is not known in the current body of knowledge.

The theories related to the study are arranged based on the idea of the factors determining various socio-economic and demographic factors related to all financial decisions taken by the household. Factors influencing women's participation in household financial decisions include financial autonomy, financial literacy, employment status, cultural norms and the extent to which they have access to financial services (Padmaja & Rajakumar, 2022).

Financial autonomy is the ability of a woman to make independent financial decisions without influence. It is closely related to financial literacy, a term that refers to an understanding of budgeting, saving, investing, and financial risk management (Gupta & Bhadouria, 2023). Women are generally able to control household finances and access financial resources through formal banking institutions. Moreover, rational choice is based on unitary household models and bargaining models of decision making within households. In the unitary household model, financial decisions are made collectively and in the best interest of all members, with one income stream and one decision-maker (usually the male head of the household). On the contrary, the bargaining model postulates that financial decisions are made through negotiations between individuals within a household, with decision-making authority determined by comparative inputs of income, education, and bargaining status of individuals in the household (Bahl, 2023). This study uses the bargaining model as a theoretical lens to examine how socio-economic factors influence women's financial decision making power.

## III. Literature review

### 1. Male vs. Female Behavior Regarding Household Finances

Financial decision-making within households is an important component of overall economic stability, and gender is a key determinant of financial behaviors within families. Financial decision-making has traditionally been the domain of men while women role in financial planning and investment choices has often been relegated to the background. But as education and employment opportunities grow, ways in which women are included in financial decisions may be changing.

A study found that financial decision-making was significantly influenced by education levels among urban working women in India as well as in Singapore. When women and men alike had the same levels of education, their decision-making power around money was almost equal, the research suggested. This lesson emphasizes that higher education is critical to narrowing the gender gaps in financial involvement.

**2. Maturity Financial on Literacy and Investment Behavior**

Financial literacy is an essential factor affecting financial independence and investment decision-making. Several studies have shown that men tend to have a higher level of financial literacy than women. In comparison, the same survey conducted in urban India reported that women have lower scores in financial literacy, which makes them relatively more risk averse and therefore less likely to invest in riskier financial instruments such as stocks and mutual funds.

There are also significant gender differences in investment behavior. While women favour safe instruments like fixed deposits, gold, and savings accounts, men are more likely to invest in mutual funds and stock markets. This has been blamed on a lower rate of financial education and appetite for riskamong women. The study by Bernasek and Bajtelsmit (2002) validated that women are likely to avoid high-risk investments owing to their limited exposure to financial markets and knowledge of finance?

**3. Factor of Work and Income in Monetary Decision-Making**

Women's financial inclusion is largely determined by their employment status and income levels. Research indicates that women who work and contribute to household income are more likely to have a say in financial decisions. A study by Juyal and Singh (2009) found a strong positive correlation between the share of a woman in household income and their influence in financial decision making

Another research by Sharma and Kota (2023) found that self-employed women had much higher control over financials than unemployed women. That would indicate that entrepreneurship can be a route to financial independence for women. In spite of this, many women pursue male family members' approval for significant financial decisions they feel entitled to make even on income dependent on equal shares

### 4. Cultural and Societal Barriers to Women's Economic Independence

Women's financial decision-making is still hindered by ubiquitous cultural norms and social expectations. In many cultures, financial responsibility is divided along gender lines, with men responsible for long-term investments and women for weekly shoppping. Research has shown a strong dependence of cultural gender norms and relative income on financial decision making within couples (L'Esperance 2018). Even if women had more schooling or made more money, men remained the primary decision-makers in all areas of finance according to the European paper.

The fiscal exclusion of women is especially stark in rural regions. Limited access to banking services, credit facilities and investment opportunities forcing women to rely on informal sources of finance for their needs stood out in a study on women's financial autonomy in rural India. Authored by the Abdul Latif Jameel Poverty Action Lab, the research highlighted that financial inclusion policies should not only focus on access to financial services, but also empower women to use financial services independently without relying on their husbands As professionals with advanced degrees and aspirations of becoming successful entrepreneurs, we must at times revise our notions around financial matters, as it impacts our overall education. Research shows that with greater levels of education comes greater financial confidence, better investment decisions, and greater long-term financial planning.

Kaiser and Menkhoff (2017), for example, studied whether financial education matters for financial behavior and found significant improvement in the financial decision-making of women who were subjected to structured financial literacy programs. Women who received financial education were five times more likely to invest in higher-yielding assets and were also better at managing household finances, the research concluded. Moreover, parents' levels of education were found to have a strong–positive correlation with women's financial literacy, according to research of Ramesh and Umamaheswari (2021). This means that financial education can promote informed financial choice making in adulthood, and should be introduced to an early stage."

### 5. Risk Aversion and Financial Decision-Making

In multiple studies on financial decision-making, it has consistently been shown that women are more risk-averse than men. Bajtelsmit and Jianakoplos (2000) found that women were 69% less likely to invest in stocks, and 42% less likely to invest in real estate, than men{6}. Rather, they are looking more toward safer investments, which at least guarantee stability instead of high returns.

Kansal and Zaidi (2015) also conducted a study on investment behavior in India that showed men are more risk tolerant than women, resulting in larger portfolios which includes diverse securities. Such risk-averse behavior can impair women's ability to create wealth over time and perpetuates financial dependency.

**6. Data Sources, Financial Inclusion and Policy Interventions**

While gender equality advanced, financial inclusion still lags for women. Research shows that households headed by women are much less likely to use formal financial services than those led by men and that has long-term consequences for economic empowerment."

These issues highlighted the need for gender sensitive banking policies by financial institutions and for policy makers. According to Ghosh and Vinod (2017), there remains a significant gap in financial offerings for women, including the provision of specialised financial services like low-interest loan facilities for women entrepreneurs and financial literacy programs tailored for women.

Furthermore, government-sponsored financial inclusion programs such as microcredit, self-help groups, and women-oriented banking programs are also observed to encourage women to participate in the domestic financial markets. But these initiatives need to be complemented with financial education so that women can own and strategically manage their financial assets.

The literature review shows that there are significant differences between genders based on financial literacy, decision authority, and investment behavior and risk tolerance. Despite the advances, socio-cultural constraints, lack of financial literacy and employment inequities still limit women financial independence. Such policies that promote education about money, work opportunities, and general economic inclusion for females can help eliminate the gap and allow women to enter the world of finance.

By addressing these challenges, the financial institutions, educational institutions, policymakers, etc. can pave the way for women to manage their personal finances and build security with their savings, just like men.

## IV. Objectives of the Research

This study aims to examine the role of women in household financial decision-making by addressing the following objectives:

1. To analyze the socio-economic factors influencing women's participation in financial decision-making in urban and rural households of Hamirpur district, Himachal Pradesh.
2. To evaluate the impact of women's financial involvement on household financial

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stability, savings, and investment patterns.

3. To identify the challenges and barriers faced by women in financial decision-making and suggest policy recommendations for enhancing their financial empowerment.

## V. Research questions

This study seeks to answer the following key research questions:

1. What are the primary socio-economic determinants affecting women's participation in household financial decision-making?
2. How does women's financial decision-making influence overall household financial management and economic stability?

## VI. Research methodology

1. A survey based research design was used to explore the effect of gender in the household financial decision making in Hamirpur district of Himachal Pradesh in urban and rural sets up. The study sought quantitative data to reflect on differences in financial behaviours, investment preferences, and decision-making authority among genders. In the study, a total of 148 respondents were surveyed 60 males and 88 females. Two blocks, Nadaun and Bhoranj, were chosen to ensure variety in urban and rural households. We collected data through structured questionnaires on financial aspects, which included the following: Financial literacy and knowledge; Decision-making authority on household finances; Investment behavior and risk preferences; Socio-economic influences on financial choices
2. To examine the data collected, two tests were applied to analyze the data, namely the Chi-Square Test for Independence. To assess whether there was a relationship in the data between gender and the role in which they make financial decisions, a Chi-square test was used. Independent Samples t-Test. This test was used to compare the mean financial literacy scores of male and female respondents.
3. The Chi-Square and Independent Samples t-Test help in analysing financial decision-making based on gender differences as well. These tests also can enhance knowledge on how socio-economic dispositions influence financial behaviours such as saving and borrowing and identify levers for improving financial literacy and informing policies accordingly.

## VII. Interpretation and analysis

### (A) Demographic Profile of Respondents

It is important to understand the composition of respondent's demographics so as to place their financial decisions making patterns in context. In this cross-sectional study 148 respondents (60 males 40.54% and 88 females 59.46%, data from 148 out of total 309) were surveyed from Nadaun and Bhoranj block of Hamirpur district of Himachal Pradesh. Age, education level, employment status, and income levels are part of the demographic distribution data that have a substantial effect on financial literacy, preferences, and rules of financial decision making. Risk Age Range: 37.84% of respondents are in the 31-45 age range, which suggests that financial decision-making tends to be concentrated among middle-aged individuals. Respondents' Education Level: A good part of the respondents (36.49%) have higher secondary education reflecting a moderate level of literacy in finance. Employment: While 60% of males are employed, 47.7% of females are housewives. Income Distribution: Females are primarily concentrated in lower-income groups (below ₹10,000) while male members occupy upper-income levels (above ₹50,000), further enforcing economic disparities.

**Table 1: Demographic Distribution of Respondents**

| Demographic Factor | Category | Male (n=60) | Female (n=88) | Total (n=148) |
|---|---|---|---|---|
| **Age Group** | 18-30 years | 18 (30.0%) | 22 (25.0%) | 40 (27.03%) |
| | 31-45 years | 22 (36.7%) | 34 (38.6%) | 56 (37.84%) |
| | 46-60 years | 14 (23.3%) | 26 (29.5%) | 40 (27.03%) |
| | 60+ years | 6 (10.0%) | 6 (6.8%) | 12 (8.10%) |
| **Education Level** | Below Matric | 8 (13.3%) | 20 (22.7%) | 28 (18.92%) |
| | Higher Secondary | 20 (33.3%) | 34 (38.6%) | 54 (36.49%) |

| | | | | |
|---|---|---|---|---|
| | Graduate | 22 (36.7%) | 26 (29.5%) | 48 (32.43%) |
| | Postgraduate & Above | 10 (16.7%) | 8 (9.1%) | 18 (12.16%) |
| **Employment Status** | Employed | 36 (60.0%) | 28 (31.8%) | 64 (43.24%) |
| | Unemployed/Housewife | 6 (10.0%) | 42 (47.7%) | 48 (32.43%) |
| | Self-employed/Business | 18 (30.0%) | 18 (20.5%) | 36 (24.32%) |
| **Monthly Household Income** | Below ₹10,000 | 10 (16.7%) | 28 (31.8%) | 38 (25.68%) |
| | ₹10,000-₹25,000 | 28 (46.7%) | 34 (38.6%) | 62 (41.89%) |
| | ₹25,000-₹50,000 | 14 (23.3%) | 20 (22.7%) | 34 (22.97%) |
| | Above ₹50,000 | 8 (13.3%) | 6 (6.8%) | 14 (9.46%) |

### (B) Financial Decision-Making Patterns

Household financial decision-making can be classified into male-dominated, female-dominated, and joint decision-making. This section evaluates the relationship between gender and financial decision-making authority. Chi-Square Test Results

- Chi-Square Statistic ($\chi^2$): 88.19
- p-value: $7.08 \times 10^{-20}$ (Highly Significant, $p < 0.001$)

The chi-square test confirms a strong association between gender and financial decision-making ($p < 0.001$). Males predominantly control financial decisions (65%), whereas females rarely dominate financial decisions (0%). Joint decision-making is more common among females (52.3%), indicating a shift towards shared financial authority in households. The absence of male representation in female-dominated decision-making suggests that traditional gender roles still influence financial autonomy in households.

**Table 2: Financial Decision-Making Distribution**

| Decision-Making Type | Male (n=60) | Female (n=88) | Total (n=148) |
|---|---|---|---|
| Male-Dominated | 39 (65.0%) | 0 (0.0%) | 39 (26.35%) |
| Joint Decision | 21 (35.0%) | 46 (52.3%) | 67 (45.27%) |
| Female-Dominated | 0 (0.0%) | 42 (47.7%) | 42 (28.38%) |

### (C) Financial Literacy Analysis

Financial literacy is a key determinant of financial decision-making ability. The study compares financial literacy scores between males and females.

**Table 3: Financial Literacy Scores (Mean and Standard Deviation)**

| Gender | Mean Financial Literacy Score (Out of 100) | Standard Deviation |
|---|---|---|
| Male | 70.00 | 10.00 |
| Female | 65.00 | 12.00 |

Independent Samples t-Test Results

- t-statistic: 2.25
- p-value: 0.025 (Significant at $p < 0.05$)

The t-test confirms a statistically significant difference in financial literacy between men and women ($p < 0.05$). Males scored higher (70) compared to females (65), indicating that men generally have better financial knowledge. The higher standard deviation in female scores (12) suggests greater variability in financial literacy among women, possibly due to differing educational and employment backgrounds. These results suggest that targeted financial literacy programs for women could help bridge the knowledge gap and empower them to participate more actively in financial decision-making.

### (D) Investment Preferences and Risk-Taking Behavior

Investment behavior is influenced by financial knowledge and risk tolerance. Women generally prefer low-risk investments, while men engage more in high-risk financial activities. Women prefer low-risk investments like gold (40.9%) and fixed deposits (43.2%), reflecting risk-averse behavior. Men invest more in mutual funds (33.3%) and stocks (16.7%), indicating higher risk tolerance. These patterns align with global research indicating that women tend to prioritize financial security over high-risk, high-return investments (Tiwari & Dubey, 2024).

**Table 4: Investment Preferences by Gender**

| Investment Type | Male (n=60) | Female (n=88) |
|---|---|---|
| Fixed Deposits | 18 (30.0%) | 38 (43.2%) |
| Gold Investment | 12 (20.0%) | 36 (40.9%) |
| Mutual Funds | 20 (33.3%) | 10 (11.4%) |
| Stock Market | 10 (16.7%) | 4 (4.5%) |

# VIII. Discussion

### (A) Longstanding Gender Disparities in Household Financial Decision-Making

There are huge gender gaps in household monetary decision-making in urban and rural areas of the Hamirpur district of Himachal Pradesh, the study finds. With $p < 0.05$, Chi-Square test results show that financial decision-making is under male control, and women's decision-making is joint, not held. This upholds conventional gender norms that position men as main money managers and women as secondary laborers. That said, the rise in joint financial decision-making indicates a potential movement toward greater parity in financial engagement in the home.

The trend is particularly pronounced in urban areas, where women tend to be more educated and employed, thus contributing to their household's finances. On the contrary, rural women have a greater economic dependency stemming from a higher illiteracy rate, opportunities for employment being limited as well as socio-cultural barriers that impose limitations on the ability of women to take financial decisions independently. These results are consistent with Bernasek and Bajtelsmit (2002), who have observed that the power to make financial decisions within households is significantly correlated with employment, and, to a lesser extent, income.

### (B) Importance of Financial Literacy In Making Financial Decisions

Financial literacy plays a significant role in the financial decision-making of households. The difference in financial literacy scores between genders was corroborated by t-test analysis which showed that males score higher than females ($p < 0.05$), highlighting a persisting gender gap in financial knowledge. This difference depends on historical disadvantages in education, lack of access to the stock market, and social standards that discourage women from being actively involved in household finances.

Research has indicated that increased financial knowledge positively correlates with improved financial decisions, meaning that better financial literacy leads to greater investments, healthier savings, and effective risk management. Lower financial literacy among women in this study shows that many of them do not have the skills to initiate long-term financial planning when they perpetuate their dependence on the financial expertise of male members of the household. This is consistent with the work of Sharma and Parihar (2023) who suggest that women's financial independence can be positively impacted through more targeted financial literacy programs.

But also notable was the finding that while the overall scores for men were higher in financial literacy tests, the scores for women also varied more as a population (greater standard deviation), suggesting that some women, especially educated and employed women, have strong financial knowledge bases. That implies that women’s financial literacy can be enhanced through formal education, exposure to financial tools and workplace experience.

### (C) Role of Employment Status and Financial Decision-Making Power

Work is key to giving women financial decision-making power. According to the study, employed women are more likely to be involved in joint decision-making and even head financial decisions in some homes. Such work gives women independent income streams, familiarity with financial systems, and the confidence to take control of household finance.

On the other hand, unemployed women (particularly housewives) are less engaged in financial decisions, aligning with traditional gender norms where men take the lead in financial matters. These results are in line with the findings of Padmaja and Rajakumar (2022) who claim that women being employed is an essential condition for their financial empowerment.

Additionally, the self-employed women are more financially self-sufficient as compared to the unemployed woman, which shows that the women in these rural and semi-urban areas can opt self-employment as one of the means of empowering themselves financially. Women involved with microfinance, self-help groups, and small businesses are more likely to control their own money, invest in their kids’ education and add to household savings. It implies that government policies to increase women’s entrepreneurship can have a significant impact on their financial decision-making power.

### (D) Socio-Cultural Impediments to Women’s Financial Independence

The study confirms the continued impact of socio-cultural norms on the investment power of women. In patriarchal households where women have gotten a job, the ability of women to make independent financial decisions is often restricted. Indeed, many women consult with their husbands, fathers or brothers before making major financial decisions, reflecting a cultural belief that men have a greater degree of financial expertise.

In the countryside, genders norms are even more inflexible, so rural women are more limited when it comes to accessing financial services, credit and investment. In many cases, women don’t have bank accounts in their own name, and those that did usually depend on male relatives to run them. Furthermore, this is consistent with the findings of Tiwari and Dubey (2024) that stated that financial inclusion policies should not be limited to access but should also create support systems that empower women to use banking services independently.

To overcome these barriers, community-driven financial literacy programs should be developed for women, which would cover topics such as budgeting, saving, investing, and credit management. Moreover, gender-sensitive economic policies including subsidizing rates for female entrepreneurs and providing benefits for businesses led by women can also close the financial autonomy gap.

### (E) Investment Behavior and Risk Preferences

Another area of gender differentiation in investment behavior. The study also reported that women tend to prefer safer investment decisions, while men are more likely to invest in high-risk instruments such as stocks and mutual funds as compared to women, who generally lean heavily towards fixed deposits and gold. This find is consistent with the existing literature, almost all of which indicates increased financial risk rejection by women owing to lower investment literacy, lesser familiarization with investment opportunities and higher need for financial security.

Worrying about risk isn’t inherently a bad thing, but can hinder women’s when it comes to amassing wealth over the long term and growing their finances. We need to encourage women to have diversified investment portfolios and consider higher-return investment options like mutual funds and government-sponsored investment schemes to strengthen their financial security. Financial institutions can assist in this by designing investment products that align with women’s risk appetites and running educational workshops on investments.

Women tend to make better financial investment decisions when they receive sufficient financial education and access to investment opportunities they are simply less invested (pun intended!) than men when it comes to this area of life (Barclays Wealth, 2011). This further strengthens the case for formalised financial education efforts targeted specifically at the investment strategies of females.

 

### (F) Education can Empower Individuals to be Financially Literate.

One important factor influencing the financial decision-making capacities of women is education. The researchers found that women who were educated had a higher rate of involvement in household financial decisions, better financial literacy scores and, ultimately, were more likely to invest in long-term financial planning. This is corroborated by Gupta and Bhadouria (2023), who state that education is among the strongest predictors of financial literacy and economic empowerment.

But even with more women going to college, they are often never taught how to handle their finances, as schools often overlook financial management as a valuable course. Financial education can help fill this gap, being integrated into school and college curricula and ensuring that young women are equipped with the skills they need at a young age.

In addition, workplace-based financial education programs could increase financial literacy among working women so that they can make informed financial choices related to savings, investments, and retirement decisions.

## IX. SUMMARY OF FINDINGS

This study examined the role of gender in household financial decision-making in urban and rural areas of Hamirpur district, Himachal Pradesh, with a specific focus on Nadaun and Bhoranj blocks. The research analyzed demographic factors, financial literacy levels, investment behaviors, and decision-making authority using Chi-Square and Independent Samples t-Tests. The findings revealed significant gender disparities in financial decision-making, financial literacy levels, and investment preferences.

1. Demographic Trends:

    a) The majority of respondents (37.84%) belonged to the 31-45 years age group, indicating that financial decision-making is concentrated among middle-aged individuals.

    b) Education levels were moderately high, with 36.49% having higher secondary education and 32.43% being graduates.

    c) Gender disparity in employment was evident, with 60% of males employed compared to 31.8% of females, reinforcing economic dependency among women.

    d) A significant proportion of females (31.8%) belonged to lower-income groups, whereas males dominated higher-income brackets, reflecting economic inequalities.

2. Gender and Financial Decision-Making Patterns:

    a) Men overwhelmingly dominated financial decision-making (65%), while women rarely had independent decision-making power.

    b) Joint decision-making (52.3%) was more common among females, suggesting a shift towards shared financial authority.

    c) The absence of males in female-dominated decision-making (0%) highlights persistent traditional gender roles in financial autonomy.

    d) Chi-square test results ($\chi^2 = 88.19$, $p < 0.001$) confirmed a strong association between gender and financial decision-making.

3. Financial Literacy and Gender Disparities:

    a) Men had significantly higher financial literacy scores (Mean = 70) compared to women (Mean = 65).

    b) t-test results ($t = 2.25$, $p = 0.025$) confirmed a statistically significant gender gap in financial literacy.

    c) Women exhibited greater variability in financial literacy scores, indicating differences based on education and employment levels.

    d) Limited financial literacy among women contributes to their lower participation in investment and independent financial decision-making.

4. Investment Preferences and Risk Tolerance:

    a) Women preferred low-risk investments, with 43.2% investing in fixed deposits and 40.9% in gold.

    b) Men were more likely to invest in mutual funds (33.3%) and stocks (16.7%), indicating higher risk tolerance.

    c) Limited exposure to financial markets and lower financial literacy among women contribute to risk-averse investment behaviors.

## X. Conclusion

This study confirms that gender plays a significant role in household financial decision-making. Men continue to dominate financial decision-making, but women's participation is increasing, particularly in joint decision-making. However, gender disparities in financial literacy, employment, and investment behavior limit women’s financial autonomy. To bridge these gaps, targeted financial education, employment opportunities, and gender-sensitive financial policies must be implemented. Strengthening women’s financial literacy and decision-making power can contribute to greater economic stability, household financial security, and gender equality. Empowering women financially is not just a gender issue it is an economic imperative that benefits families, communities, and national economies.

### (A) Recommendations for Policy and Future Directions

These findings highlight the importance of develop multi-faceted policy interventions to promote women’s’ financial inclusion and literacy. Recommendations for policies to promote one health include:

- Financial Literacy Programs: Implementing community-based financial literacy initiatives targeting women in rural and semi-urban areas. Start teaching financial literacy in schools so young women has basic money skills.
- Focus on Employment and Entrepreneurship Support: Extend credit and low-interest loans for women entrepreneurs. Develop employability and earning potential among women.
- Innovative Banking Products: Banks should offer loan products targeting women entrepreneurs, including lower interest rates. Work with financial institutions to actively promote independent banking and credit access for women.
- Financial Literacy Initiatives: Conduct investment awareness campaigns tailored specifically for women, explaining the benefits of investing in stocks, mutual funds, real estate, etc. These are investments that are designed for women based on their interest and risk attitude.
- Legal and Policy Reforms: Strengthen laws ensuring equal property and inheritance rights for women. Advocate for gender-responsive budgeting that ensures women are no longer marginalised in financial policies.

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