



FINANCIAL LITERACY, INVESTMENT BEHAVIOUR, AND DIGITAL AUTONOMY AMONG ACADEMIC PROFESSIONALS: AN EMPIRICAL STUDY

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ABSTRACT

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This study gives a full empirical analysis of the financial literacy, investment behaviour, risk orientation and digital financial autonomy of the academic professionals (N = 200). The research surveys detailed data from primary, secondary and higher education institutions and assesses the structural gap between the perceptions and reality of financial literacy, financial decision-making and time-poverty, and the integration of digital banking. Results show that 95.8% of respondents have average to excellent financial knowledge, while 87.5 % run their own operations on the digital accounts, and 54.2 % have accurate objective literacy about the purchasing power of money by taking into consideration the inflation index. There is a high aversion to risk ($\mu = 3.33$) and low saving capacity (45.8% saving less than 10% of income), which results in reliance on traditional products with low-yielding products. The financial wellness support is also minimal, with only 79.2% reporting that their employer had a very limited or nonexistent financial wellness program. Strategic recommendations are centered in financial literacy training for teachers in the staff room, financial literacy integration into teacher training and institutional financial literacy advisory support to address the execution gap.

I. INTRODUCTION & THEORETICAL FRAMEWORK

Self-sufficiency in terms of finance is an important factor in determining institutions' long-term economic sustainability, their retention and their socio-economic mobility. Academic professionals have a unique position in society: They are the main vectors for the dissemination and transmission of knowledge, but their own financial planning is often influenced by their informal advice networks, low incomes and institutional neglect.

Advanced personal finance skills are increasingly needed to meet the market demands of the financial services sector in recent years, as most of them are in the process of digitisation (FinTech), structural changes in retirement security, and national policy priorities like the National Education Policy (NEP 2020). This paper tackles some of the empirical questions:

1. How much are individuals aware of financial literacy in relation to the actual economic concepts, such as inflation compounding?
2. Which is the most important determinant of saving capacity, risk tolerance and asset allocation among academic faculty?
3. What are the effects of gender roles, family structures and intra-household decision-making on personal digital financial autonomy?
4. What interventions do educators see in the institutions as important for them to be financially self-reliant?

II. METHODOLOGY & SAMPLE DEMOGRAPHICS

Empirical information gathered from N = 200 academic professionals in various institutional settings, at different academic levels and income brackets, is analysed.

Table 1: Comprehensive Demographic and Professional Breakdown (N = 200)

Profile Dimension	Category / Segment	Sample Count (n)	Relative Proportion (%)
Age Distribution	21 – 30 years	142	70.8%
	31 – 45 years	50	25.0%
	46 – 60 years	8	4.2%
Marital Status	Married	108	54.2%
	Unmarried	75	37.5%
	Divorced / Widowed / Separated	17	8.3%
Employment Structure	Private / Self-Financed Institution	175	87.5%
	Government / Aided Institution	25	12.5%
Institutional Tier	University / Degree College / Professional Inst.	108	54.2%
	Primary / Secondary School	58	29.2%
	Higher Secondary / Intermediate College	34	16.6%
Total Experience	Less than 5 years	125	62.5%
	5 – 10 years	50	25.0%
	11 – 20 years	8	4.2%
	Above 20 years	17	8.3%
Monthly Income (INR)	Below ₹30,000	92	45.8%
	₹30,001 – ₹60,000	75	37.5%
	₹60,001 – ₹1,00,000	25	12.5%
	Above ₹1,00,000	8	4.2%
Household Structure	Nuclear Family	117	58.3%
	Joint Family	83	41.7%

III. EMPIRICAL ANALYSIS & FINDINGS

2. The Truth About Financial Literacy: Perception and Reality

- **Self-Perceived Knowledge:** 45.8% of respondents rate their financial knowledge as "Good", 37.5% as "Average", 12.5% as "Excellent" and 4.2% as "Poor".

In addition, 83.3% agree they completely grasp inflation.

- **Objective Verification Test:** One scenario was set for respondents to check their purchasing power on the savings account balance of ₹10,000 for 5 years at a 3% interest rate, with 6% inflation.

Table 2: Evaluation of Objective Financial Literacy

Test Result	Nominal Answer Selection	Sample Count (n)	Percentage (%)
Correct Calculation	Less than it buys today	108	54.2%
Overestimated Value	More than it buys today	42	20.8%
Knowledge Gap	Do not know	42	20.8%
Nominal Fallacy	The same as today	8	4.2%

83.3 % of them reported that they knew inflation theoretically, but 45.8% could not pass the mathematical application test.

This is a common nominal illusion in which the actual decline in buying power goes unrecognised.

2. Allocating income, saving potential, and channels for receiving advice

Table 3: Savings Ratios, Objectives and Information Channels (N = 200)

Behavioral Metric	Response Option	Count (n)	Percentage (%)
Monthly Savings Margin	Less than 10%	92	45.8%
	10% – 25%	75	37.5%
	26% – 50%	25	12.5%
	More than 50%	8	4.2%
Primary Goal	Buying a House / Vehicle	67	33.3%
	Emergency Medical Funds	58	29.2%
	Post-Retirement Security	42	20.8%
	Children's Education / Marriage	33	16.7%
Primary Advice Channel	Family (Spouse, Father, Siblings)	92	45.8%
	Self-Research (Books, Newspapers)	50	25.0%
	Digital Media (YouTube, Blogs, Apps)	33	16.7%
	Professional Advisors / Bank Managers	17	8.3%
	Staff Room Peers / Colleagues	8	4.2%

Starting salary is a very strong determinant of saving rates: 45.8% of their own earnings are put aside less than 10% is put

aside. In addition, investment advice is predominantly domestic, not professional: 45.8% of them get advice from their

families, while only 8.3% get advice from certified professional financial advisors.

3. Digital Financial Autonomy & Operational Control

Digital banking programmes, mobile payment apps (Paytm, PhonePe, Groww, YONO), etc., have brought high penetration of digital platforms.

- **FinTech Frequency:** 66.7% of them use FinTech apps every day, 12.5% weekly, 8.3% monthly, and 12.5% rarely or never.

- **Policy Impact:** 83.3% feel that digital education shifts and policies (including NEP 2020) have enhanced their digital education toolset (45.8% in a big way, 37.5% to an extent).
- **Account Autonomy:** 87.5% own and use their own online banking password, debit cards, and investment accounts.
- **Decision-Making Agency (major decisions about salary allocation):** 58.3% make decisions entirely; 29.2% make decisions jointly with spouse/family; 12.5% decisions are made by parents or in-laws.

1. Psychological Attitudes & Structural Barriers

Table 4: Analysis of Behavioural and Psychological Statements

Statement Benchmark	Mean Score (μ)	Standard Deviation (σ)	Primary Disposition
Preference for Low-Risk Traditional Savings (FDs/Gold)	3.33	1.34	High Risk Aversion
Time Poverty (Workplace & Household Chores Limit Research)	2.63	1.31	Moderate Friction
Perceived Complexity of Market Instruments (Stocks/Mutual Funds)	2.42	1.35	Moderate Confidence
Social / Male-Headed Pressure on Major Decisions	2.29	1.37	Low Overall Impact

This data shows that the major motivation for investment behaviour is conservative risk preference ($\mu = 3.33$). Instead of not being capable of or being afraid of digital solutions, it is because educators have priorities of capital preservation and choose low-risk modes (FDs, RDs, real gold).

IV. INSTITUTIONAL ASSESSMENT & PREFERRED INTERVENTIONS

The current level of structural assistance in financial wellness from employers is low. Over half (41.7%) of faculty do not report that their institution holds financial wellness or tax planning seminars at least occasionally, and 37.5% do not report that they hold such seminars at all. 20.8% of them have access to regular financial programs in their workplace.

Ranked Strategic Interventions (Priority Order)

1. **Specialised Staff-Room Workshops:** Provision of unbiased financial literacy sessions in the staff room outside of the teaching block.
2. **Institutionally Accessible Teacher Education Integration:** Integrating personal finance topics into standard teacher education courses, such as the Bachelor of Education Program or Continuing Professional Development hours.
3. **Dedicated Financial Counsellors:** Providing Access to Institutional Dedicated Financial Planners.
4. **Tailored Digital Tools:** Availability of low-cost, women-centric micro-investment applications.

V. DISCUSSION & POLICY IMPLICATIONS

1. The Real Return Trap must be overcome: Rather than keeping the concept of saving as a simple savings concept, it is necessary to teach what is called a “real” inflation-adjusted compounding. Equipped teaching staff need an organised understanding of asset allocation strategies which outperform long-term inflation.

2. Transitioning Educators to Objective, Fee-Only, Professional Advice: Family members are the source of 45.8% of investment advice, and institutional programs can assist in transitioning that to objective, fee-only, professional advice.

3. Alleviate the "time poverty": Financial planning units incorporated into schools' curriculum effectively lower the impact of working outside the home, while simultaneously serving students academically.

VI. CONCLUSION

The findings show that digital operational autonomy and the level of confidence among academic professionals are very high. Other factors, however, that limit their long-term wealth-building ability include a lack of objective literacy on the topic of inflation, small savings rates, dependence on informal family sources for advice, and heightened risk aversion. To promote financial self-sufficiency among teachers, financial wellness in the classroom must be institutionalised in the workplace and be integrated into faculty development curricula and programs.

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