

# Financial Autonomy of Women in Punjab

## *An In-depth Analysis*

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### Abstract

*The status of women in the society began to fall since the end of the 18th century because of our societal and family pressures. Education and financial status of women become so weak that they could not even think of their independent career. Economic prosperity is not a sign of social progress for women in Punjab. Another significant characteristic of the status of women in the state is the absence of a homogeneous social, cultural and economic structure that makes any generalizations of women impossible. Despite tall claims of women empowerment, females are less educated than men. There is a need of change of our attitude without which we cannot improve the condition of women. Modern urban working women share equal responsibilities with men but whether they are provided equal rights with men. The question arises whether women have equal say in the process of decision making at household level and in case of other investment decisions. The present study aims to find out autonomy for financial decision making among urban working women of Punjab. The study will also examine investment behavior and risk aversion between genders.*

**Keywords:** *Financial Autonomy, Women Investor, Risk.*

## INTRODUCTION

The contribution of women to the society cannot be over sighted as they constitute about one-half of the total population of the world that accounted for around 496 million as against a total human population of 1027 million. According to world scenario, sixty per cent of the working hours in the world goes to women's share; makes up thirty per cent of official labour force; and fifty per cent share of the world economy is contributed by them (DFID, 2000).

Women in India are major producers of food in terms of value, volume and number of hours they work. Nearly seventy per cent of all economically active women are engaged in agriculture as compared to sixty three per cent of men. In India, about 80 per cent of the female population lives in the rural areas and 86 per cent of the rural women work in agriculture and allied activities (Borah, 1998) and perform a variety of roles in domestic as well as socio-economic fronts, of which, many are of greater economic significance (Bhople and Palki, 1998). In addition, seventy per cent of farm work is being performed by women.

The status of women in terms of social and economic pointers can be defined as the degree of equality and freedom enjoyed by women. Women's participation on equal terms with men in domestic decision-making, freely expression of their views and participation in community life makes them being recognized in the society. This in turn, distinguishes the high and low status that the society vis-à-vis family allocates to women. Women's power of expression and capacity to defuse problems through their views and ideas, generally come with education that makes them capable of being heard by their own folk as well as by the opposite sex. It is this capability of a woman

that often makes her strong and determined by spearheading the overall voice of woman in the society, attaining education and participating in gainful economic pursuit. The financial freedom that comes with her employment opportunity cannot be denied and these two aspects that generally make a woman capable of asserting her voice both in the family as well as in the society. Once she is able to achieve this, it automatically provides her an important position in the society and she is made to feel equal, if not above the others within the family circle and social environment.

Finance may be defined as the art and science of managing money. Decision-making is a act of choice that must be done in a given situation. It is based on rational thinking and involves commitment. It involves broad range of skills such as analysis, research, communication and an ability to work collaboratively. Household financial decisions are the decisions related to the spending of the family e.g. monthly expenditure, seasonal expenditure, expenditure on personal issues, health, education of children,, purchase of car, monthly payments, etc. In general terms, investment means the use of money in the hope of making more money. Investment Decision-making in this study refers to the three types of investments:

1. Ownership investments are the most volatile and profitable class of investment e.g. stocks, real estate, business, precious objects.
2. Lending Investments are less risky than ownership investments like bonds, saving accounts.
3. Cash Equivalents means they are easy to convert back into cash like money market funds, etc. Consumer purchases

which depreciate with use and time are not investments.

To make wise financial decisions, a clear understanding of the objectives which are sought to be achieved is necessary. In this modern era, money and women both play an important role in life and society? For up gradation of women and economic development of the society, the women should have control and say in the financial matters of the family. Attaining the goal of equal participation of women and men is important for raising the standard of women in society and achieving the goal of sustainable development. Despite the fact that women are working in the high positions of the society and bringing handsome amount at home, are they being given due importance in financial decisions at household and investment level. This will not only increase the status of women but will help in securing her and economic conditions of the community. Unless the women become a wise investor; wealth creation for them and the economy will remain a distant dream. The proposed study aims to find out the various abuses related to the domestic workers. Domestic workers constitute a large portion of India's Population. Domestic work is an area in need of in depth research from the perspective of the implementation of workers' rights. The sector called out for attention not only because of its size, lack of regulation but the fact that domestic workers are mainly from under privileged strata of society who has to bear the brunt of social injustice and unfair treatment. The work performed by domestic workers tends to be highly individualised and non-standard in nature making it extremely difficult sector to organise and regulate. Domestic workers are overwhelmingly females and exposed to what has been termed triple exploitation that is

discrimination based on gender as well as class, nationality or race. Given these conditions the sector is characterised by disturbing levels of exploitation and abuse which cried out for intervention. So it is the need of the hour to protect the Human and other Rights of the workers, for the benefit of the Nation and society at large.

## LITERATURE REVIEW

Afadameh Amah, KalulaEvanca (2013) stated that domestic work is correlated to informal employment and this put domestic worker outside the scope of formal employment in most cases. This makes legislative framework deficient to properly regulate the sector, it concurrently leaves domestic workers exploited. Therefore, an essential step in the attainment of social justice for abused and exploited domestic workers lies in their ability to unionize, receive information and understand their rights.

Toit du Darcy (2013) emphasised that Domestic workers are devastatingly female and exposed to what has been termed 'triple exploitation' – that is, discrimination based on gender as well as class, exasperated by their generally weak position in the labor market, and, in many cases, nationality or race. At the same time domestic work – including child-care and care for the elderly – has come to play an increasingly significant role in the global division of labor. It is, quite simply, too important a sector to be left entirely to the interests of individual employers. Thus domestic work was an area in need of in-depth research from the perspective of the implementation of workers' rights.

UN Report (2013) stated that Millions of domestic workers around the world are not protected under general labor laws and are

highly vulnerable to exploitation which calls on countries to extend social protection to them. Domestic workers are frequently expected to work longer hours than other workers and in many countries do not have the same rights to weekly rest that are enjoyed by other workers. Combined with the lack of rights, the extreme dependency on an employer and the isolated and unprotected nature of domestic work can render them vulnerable to exploitation and abuse.

Domestic workers tend to have lower wages, fewer benefits, and less legal or social protections compared to most other wage workers, with the probable exception of casual day laborers and industrial outworkers. Further, although home is widely viewed as a “safe haven” and some domestic workers feel protected in the private sphere of a private home. There is growing evidence that domestic workers are exposed to a wide range of unhealthy and hazardous working conditions (Peggie Smith 2011). In sum, the earnings of domestic workers are among the lowest of all occupations and the earnings of women are lower than men’s due, in part, to the fact that women and men tend to do different tasks within domestic sphere. Further, a significant proportion of domestic workers live below the poverty line. Also, very few domestic workers have labor contracts or social protection, and women in domestic work are in a worse position than men. Certain categories of domestic workers face specific working conditions that exacerbate or reinforce the common challenges and disadvantages faced by all domestic workers (Jagori 2012).

Mantouvalou Virginia (2012) examined that human rights are primarily normative standards and certain labor rights are human rights. This research article finds that there

are in fact three different approaches in the literature that examines labor rights as human rights, which are not always distinguished with sufficient clarity. First, there is a positivistic approach, according to which a group of rights are human rights insofar as certain treaties recognise them as such. The question whether labor rights are human rights is uncomplicated on this approach, which is often found in international law scholarship. A response to it comes through a survey of human rights law. If labor rights are incorporated in human rights documents, they are human rights. If they do not figure therein, they are not human rights. A second way in which the question of this article is approached is an instrumental one that looks at the consequences of using strategies, such as litigation or civil society action, which promote labor rights as human rights. This is the most common way in which labor law scholars analyse the problem in question. If strategies are, as a matter of social fact, successful, the question is answered in the affirmative; if not, skepticism is expressed. The third approach to the question whether labor rights are human rights is a normative one. It examines what a human right is, and assesses, given this definition, whether certain labor rights are human rights. This path is the one that has been least taken in the literature, but is an important one and has implications for the previous two approaches. This article maps out the three approaches above, addresses the main arguments advanced in scholarship and explores their implications. Some labor rights are compelling, stringent, universal and timeless entitlements as much as rights such as the prohibition of torture or right to privacy. If the law falls short of their protection, the response should be that the law ought to change. A possible shortcoming of it is that its proponents are sometimes disappointed

when courts or other governmental or non-governmental organisations fail in the protection of labor rights as human rights, and this leads them to a rejection of human rights as fundamental principles altogether. Importantly, though, failures in the practical achievements of judicial bodies, as well as the human and labor rights movements, are not determinative. This is because human rights are, primarily and above all, normative standards, and certain labor rights, as it was argued in the third section, are human rights. Certain labor rights are compelling, stringent, universal and timeless entitlements, as much as rights such as the prohibition of torture or the right to privacy. If the law falls short of their protection, the response should be that the law ought to change. The recognition that certain labor rights are human rights, to conclude, does not imply that human rights exhaust labor law as a field of study. What it implies is that some labor rights are stringent normative entitlements, and this should be reflected in law.

According to the most recent global and regional estimates of domestic workers produced by the ILO's Conditions of Work and Employment Programme (TRAVAIL), at least 52.6 million women and men above the age of 15 were domestic workers in their main job in 2010 (ILO, 2011a). This figure represents a significant share of global wage employment, some 3.6 per cent worldwide. Women comprise the overwhelming majority of domestic workers, 43.6 million or some 83 per cent of the total. Domestic work is an important source of wage employment for women, accounting for 7.5 per cent of women employees worldwide (ILO, 2011a). In spite of the valuable role played by domestic workers in the functioning of individual households and society as a whole,

they remain one of the least protected groups of workers under national labor legislation.

## GAPS IN RESEARCH

In most of the available literature, research has been done either on the general household decisions or on the investment behavior of the educated working women of Punjab. The present study will focus on the financial household decisions, the investment decision-making aspect of the working and non-working, single and married women of the urban area of Malwa region of Punjab. The comparison between the gender on the basis of risk and confidence level will also be taken into account. Further the comparison of the status of women on the basis of financial decision making will be done between the advanced belt and the backward belt of the urban Malwa region of Punjab.

## RESEARCH HYPOTHESIS

The hypothesis of the study based on extensive literature review and framed using the objectives of the study are mentioned below:

*H<sub>01</sub>: There is significant relationship between income levels and awareness of investment avenues.*

Nagpal (2007) discussed the basic of investment and need for investment. Investment benefits both economy and the society. By increasing personal wealth, investing can contribute to higher overall economic growth and prosperity; this also leads to awareness about various investment options/alternatives through which an investor can increase its personal wealth. Nayaki & Prema (2004) through a study on Indian Individual Investors' behavior claimed that Investments are made with an avowed objective of maximizing wealth. Investors'

behavior is characterized by over excitement and overreaction in both rising and falling stock markets. Most of the investments and financial theories (Steinbacher, 2008) are based on the idea that everyone takes careful account of all available information before making investment decision. This research is conducted to analyze the factors influencing the behavior of investors in capital market. Empirical evidence suggests that demographic factors influence the investors' investment decisions. The researcher also emphasizes the role of income levels and awareness of investment opportunities (Mane and Bhandari, 2014). With the increase in the purchasing power of the women the purchasing power as well as spending power both increases. Due to this the women becomes inclined to saving too. And this would further lead women investors would also likely to invest their savings in different investment avenue. Hence it can be said that increase in income leads to increase in investment opportunities.

Thus the hypothesis, that there is significant relationship between income levels and awareness of investment avenues.

*H<sub>02</sub>: There is significant relationship between risk bearing capacity and financial decision making by women.*

Women typically are thought to be more risk averse than men. It is presumed that women engage in less risky or aggressive behavior and are more averse to risk in many aspects of their lives. Differences in behavior are more marked in some societies than others, but across a wide variety of environments and social structures, women avoid risk (e.g., Flynn, Slovic, & Mertz, 1994; Jianakoplos & Bernasek, 1998; Levy, Elron, & Cohen, 1999; Powell & Ansic, 1997; Spigner, Hawkins & Lorens, 1993). Mac Crimon & Wehrung, (1986) in

their study, delineated that with the increase in the risk taking capacity makes women stronger and independent. More families are considering women in financial decision making which not only helps them to take better decisions but also increase confidence among women. This also helps them to plan for savings for the family and take decisions related to long term investments. More families are considering women in financial decision making which not only helps them to take better decisions but also increase confidence among women. This also leads to financial autonomy in women.

Thus the hypothesis, that there is significant relationship between risk bearing capacity and financial decision making by women.

*H<sub>03</sub>: There is significant difference between risk aversion and confidence levels among women and men of the region.*

Chen (2014) in his Research studied the difference between men and women of their risk taking decisions in financial markets. Two aspects, namely individual characteristics and systematic factors are studied to explain the gender difference in choosing risk levels. It is found that women are more risk averse than men. Difference of characteristics between woman and man is identified as one reason for the gender difference in risk taking decisions. Another reason is that woman makes more conservative decisions in financial markets than man. Hence the Hypothesis, that there is significant difference between risk aversion and confidence levels among women and men of the region.

## **SAMPLING TECHNIQUE AND SAMPLE SIZE**

The size of the sample depends on the information required from the survey. Careful

thought was given to cost and time constraints while selecting sample size. Stratified random sampling technique will be used to make the selected sample more representative. The four districts selected (2 as advanced and 2 as backward on the basis of literacy rate and percentage of employment rate) was divided into female and male population and from this males and females working in education, banking and corporate sector will be selected. 75 women were selected from each district (50% from education, 25% from banking & 25% from corporate sector) and 75 men from each district (50% from education, 25% from banking & 25% from corporate sector). It means total 300 women and 300 men was selected as sample from all the four districts on basis of employment in education, banking and corporate sector. The sample of working women and men from different areas will be selected through simple random sampling technique.

## RESPONDENTS PROFILE

This section discusses the general profile of the respondents. These questions were asked from the respondents in the form of the questionnaire and the respondents answer these questions on the biases of which these tables have been derived.

The first demographic profile is that of gender, the researcher had collected data for 300 women and 300 men to compare the financial autonomy of men against women. Next is the geographic region to which the respondents belong to. The researcher had tried to collect data from 300 rural and urban respondents but the useful data is from 295 rural and 305 urban men and women. As seen from the table 151 respondents are below the age of 30, whereas maximum respondents, i.e. 292 belong to the age of 30 to 45. 158 out of

300 respondents belong to the age of above 45 years. Now age is very significant factor in decision making. With increasing age, the risk taking capability of an individual keep reducing and the investment avenues for such a respondents will be less. One seventh of the respondents were found to be only secondary passed where as 129 of them were found to be higher secondary. These were mostly men and women who are working as peons and helpers in bank schools or colleges. 352 out of 600 respondents were graduates and about 49 out of 600 were post graduates. 227 out of 600 respondents were from the lowest strata, i.e. below 10000. The highest number of respondents, i.e. 236 belongs to income group of 236, which means that average income of the respondents varies from 10,000 to 25,000.

## RESULTS AND ANALYSIS

The first hypothesis states that there is a significant relationship between income levels and awareness of investment avenues. This hypothesis attempts to test the relationship between income levels and awareness of investment avenues. The relationship is established using linear regression of income on awareness level of various investment avenues (YoX). The results are positive and the model is able to explain 72 percent of the dependence of dependent variable, i.e. number of investment avenues by independent variable income level of the respondents.

**Table 1:** Model Summary of Regression Test

<i>Model Summary</i>				
<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.72 <sup>a</sup>	.7043	.7004	1.30144

a. Predictors: (Constant), Income

Source: Primary survey conducted for this research (2016).

Table 1 shows the calculated values of Analysis of Variance with 599 degrees of freedom and level of significance to be 95. The sum of the square value is also .61 which is significant.

**Table 2:** Results of Analysis of Variance

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.061	1	.061	.010	.922 <sup>a</sup>
	Residual	1012.857	598	1.694		
	Total	1012.873	599			

a. Predictors: (Constant), Income; b. Dependent Variable: Awareness

Source: Primary survey conducted for this research (2016).

Table 3 shows the coefficients of the regression equation and the values are significant.

**Table 3:** Value of Coefficients

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.607	.175		20.613	.000
	Income	.006	.063	.004	.098	.922

Dependent Variable: Awareness

Source: Primary survey conducted for this research (2016).

Thus it can be said that **Hypothesis 1 is accepted** and that there is a significant relationship between income levels of the respondents of advanced and backward region women of Malwa region of Punjab and the awareness of investment avenues to them. With more income the level of disposable income available for investments rise and this lead to opening up of various avenues of investment.

Geetha and Ramesh (2011) in their study compared higher income levels respondents

and lower income levels respondents. It was found that lower income levels respondents given more preference to invest only in insurance, bank deposits, PPF, NSC and some others invest in other investment avenues. Higher income levels respondents have more knowledge about investment avenues as compared to low income level respondents. It implies that the lower income level groups are preferred to take more safety in investment rather than higher income level. And those who are taken more risk in investment are preferred to invest in insurance rather than any investment avenues. There is a significant relation between investment avenues and income level and saving level.

The second Hypothesis states that there is significant relationship between risk bearing capacity and financial decision making by women. In this hypothesis we test the relationship between risk bearing capacity and financial decision making by women. The relationship is established using linear regression between risk bearing capacity on financial decision making by women (YoX). The results are positive and the model is able to explain 64 percent of the variance. This means that there is a positive and significant relationship between risk bearing capacity and financial decision making by women. The sample for this was 300 only as this test was conducted on women respondents only. The Table 4 shows the Model Summary of Regression model.

**Table 4:** Model Summary of Regression Model

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.641a	.56	.54	.33059

a. Predictors: (Constant), Risk

Source: Primary survey conducted for this research (2016).

Table 5 below shows the values of Analysis of Variance on the samples. The test is significant and is conducted at 5 percent level of significance. The degree of freedom for the ANOVA test was 298.

**Table 5: Results of Analysis of Variance**

ANOVA <sup>b</sup>						
	<i>Model</i>	<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1	Regression	8.601	1	8.601	78.699	.000 <sup>a</sup>
	Residual	65.357	298	.109		
	Total	73.958	299			

a. Predictors: (Constant), Risk

b. Dependent Variable: Investment

Source: Primary survey conducted for this research (2016).

The Table 6 shows the Coefficients of regression analysis the test is positive and significant and shows that there is a strong and significant relationship between risk bearing capacity and financial decision making by women. Thus it can be said that Hypothesis 2 is accepted because there is a relationship between risk bearing capacity and financial decision making by women.

**Table 6: Coefficients of Regression Analysis**

Coefficients <sup>a</sup>						
	<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>Sig.</i>
		<i>B</i>	<i>Std. Error</i>	<i>Beta</i>		
1	(Constant)	2550	.113		22647	.000
	Risk	.243	.027	.341	8.871	.000

a. Dependent Variable: Investment

Source: Primary survey conducted for this research (2016).

Nicolson (2006) also in his research claimed that the concept of risk propensity has been the subject of both theoretical and empirical investigation, but with little consensus about its definition and measurement. To address

this need, he developed a new scale assessing overall risk propensity in terms of reported frequency of risk behaviours in six domains was developed and applied: recreation, health, career, finance, safety and social. From his research he concluded that risk propensity has clear links with age and sex, and with objective measures of career-related risk taking (changing jobs and setting up a business). Second, the data show risk propensity to be strongly rooted in personality. A clear Big Five pattern emerges for overall risk propensity, combining high extraversion and openness with low neuroticism, agreeableness, and conscientiousness. At the subscale level, sensation-seeking surfaces as a key important component of risk propensity. Third, risk propensity differs markedly in its distribution across job types and business sectors. These findings are interpreted as indicating that risk takers are of three non-exclusive types: stimulation seekers, goal achievers, and risk adapters.

The next hypothesis is that there is significant difference between risk aversion and confidence levels among women and men of the region. In this hypothesis the relationship between risk bearing capacity and financial decision making by women is tested. The relationship is established using independent T-statistical test. The results of the test in this case are also significant and satisfy the boundary conditions. The difference between risk aversion and confidence levels and the mean values of men and women are statistically significant. The mean value of that of men is found to be 3.333 where as that of women is 2.666. Table 7 shows the t-statistical values below.

The sample for the test is 600 as we are comparing the behavior of men and women both. The test is performed at 95 percent

**Table 7: t-Statistical Values**

Gender	N	Mean	Std. Deviation	Std. Error Mean
1.00	600	3.3333	1.37666	.07948
2.00	600	2.6667	1.49320	.08621

	Levene's Test for Equality of Variances		t-Test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
	4.397	.036	5.685	598	.000	.66667	.11726	.43638	.89696
Equal variances not assumed			5.685	594.094	.000	.66667	.11726	.43638	.89696

Source: Primary survey conducted for this research(2016).

confidence level or 5 percent significance level and the degree of freedom is 598. Hence the hypothesis is accepted that there is significant difference between risk aversion and confidence levels among women and men of the region.

Eckel et al. (2008) also revealed the results from public goods, ultimatum, and dictator experiments for evidence of systematic differences in the behavior of men and women. While the results do not offer consistent evidence of behavioral differences between men and women, there are some intriguing patterns in the data. No significant evidence of systematic differences in the play of men and women is evident in those settings where subjects are exposed to risk. In those settings where risk is absent, systematic differences are revealed. This finding is conditioned by the level of risk.

### CONCLUSIONS BASED ON ANALYSIS

In the first part of the study the relationship between the incomes levels of respondents and there awareness toward various investment avenues was studied. It was observed that

there is a significant relationship between income levels of the respondents of urban and rural men and women of Majha region of Punjab and the awareness of investment avenues to them. With more income the level of disposable income available for investments rise and this lead to opening up of various avenues of investment.

The results are positive and the model is able to explain 72 percent of the dependence of dependent variable, i.e. number of investment avenues by independent variable income level of the respondents. Even the value of R sq and adjusted R sq is also reasonably acceptable, which makes the model quite acceptable.

It has been observed that investors have certain cognitive and emotional weaknesses which come in the way of their investment decisions. Another interesting observation states that behavioral finance researchers have scientifically shown that investors do not always act rationally. They have behavioral biases that lead to systematic errors in the way they process information for investment decision.

One of the crucial determinants that set the

objective of investment in various avenues. Individual investors with high income mostly prefer shares as the best investment avenue in terms of return and quite close to it their next preference is for mutual funds. Insurance is considered as next preferred investment and government securities are considered to be last preferred investment. The study identified the preferred investment avenues among the salaried people and compared the preference of people with higher salary bracket with ones having a lower income bracket using self-assessment test. This study also concluded that respondents with higher income have better avenues of investment and thus there is a significant effect of Income levels of investors and awareness of investment avenues.

The next part of the studies and establishes a relationship between risk bearing capacity of females and financial decision making by women. According to this study there is a significant relationship between risk bearing capacity and financial decision making by women. The results are positive and the model is able to explain 64 percent of the variance. The value of R square and Adjusted are square are 0.54 and 0.56, which are not very high but still explains the variance in the dependent variable decently. This means that there is a positive and significant relationship between risk bearing capacity and financial decision making by women

It was also found that single women exhibits relatively more risk aversion in financial decision making than a single man. Samples collected and tested by others researchers from other parts of the world also convey the same results that household holdings of risky assets to determine whether there are gender differences in financial risk taking. As the wealth increases, the proportion of wealth held as risky assets is estimated to increase by

smaller amounts for single women than for single men. Gender differences in financial risk taking are also influenced by age and various other factors. Greater financial risk aversion may provide an explanation for women's lower levels of wealth as compared with men's.

It was also found that risk propensity has clear links with age and sex, and with objective measures of career-related risk taking (changing jobs and setting up a business). Second, the data show risk propensity to be strongly rooted in personality. A clear Big Five pattern emerges for overall risk propensity, combining high extraversion and openness with low neuroticism, agreeableness, and conscientiousness. At the subscale level, sensation-seeking surfaces as a key important component of risk propensity. Third, risk propensity differs markedly in its distribution across job types and business sectors. These findings are interpreted as indicating that risk takers are of three nonexclusive types: stimulation seekers, goal achievers, and risk adapters. Factors that might influence risk behaviour and framing effects are considered in more detail in a stream of research that considers the individual difference factors that could influence risk taking. Among psychological factors, personality seems to be the strongest contender for major effects on risk behavior, i.e. risk taking in situations of gain and risk aversion in the domain of loss, are due to individual differences in perceptions of what constitutes threat and opportunity.

In the last hypothesis the relationship between risk bearing capacity and financial decision making by women is being discussed. The relationship is established using independent T-statistical test. The results of the test in this case are also significant and satisfy the boundary conditions. The difference

between risk aversion and confidence levels and the mean values of men and women are statistically significant. The mean value of that of men is found to be 3.333 where as that of women is 2.666. The test is conducted at 95 percent level of confidence. Hence it can be said that there is significant difference between risk aversion and confidence levels among women and men of the region.

The research demonstrates gender differences in risk aversion and ambiguity aversion. It also contributes to a growing literature relating economic preference parameters to psychological. Women are more risk-averse than men. Over an initial range, women require no further compensation for the introduction of ambiguity but men do. At greater levels of ambiguity, women have the same marginal distaste for increased ambiguity as men. Psychological variables account for some of the interpersonal variation in risk aversion. There are robust gender differences in the domains of risk taking, overconfidence and competition behavior. It was also found that female fund managers tend to behave as expected from gender studies, i.e. they are more risk averse and shy away from competition in the tournament scenario. The expected lower degree of overconfidence by women is yet so small that it becomes insignificant in fund management

From the primary study conducted some respondents (men) said that the clothes that their wife's wear, the utensils they use in kitchen were also decided by men in the family. This reduces women confidence and thus their risk taking capacity reduces.

## LIMITATIONS OF THE STUDY FUTURE WORK

Limitations of the study mean all those gaps

which the study wanted to or should have covered but was unable to cover. Every study had certain limitations like non availability of data, choice of appropriate dependent variables and other such problems, this study also faced several problems. One of the most important problems is that this study was particularly concentrating on the Malwa region of Punjab. According to the researcher the scope of the study is limited and should be expanded to whole of the Punjab region. A good comparison could have been done among the three areas of Punjab, i.e. Malwa, Majha and Doaba region.

Another limitation of the research is that it considers only working women of banking, education and corporate sector. Various other sectors have not been considered. Even the house hold women and small business women under the study and other potential samples were neglected. These potential samples are the women who are doing small business like selling fruits and vegetables or are some home made products. These women take risk and have a critical role to play in this type of research.

The study was conducted with the basic assumption that the information given by the respondent is factual and represents their true feeling and behavior. However many a times the respondents were busy in their daily activities that they did not have time for answering the researchers. They sometime answers quickly, so it was assumed that the information given to them is accurate. The research is done based ton these assumption. For instance instead of limiting the research to only Manlwa region of Punjab the study could be expanded to Majha and Doaba region also. Similarly, instead of only working women of banking, education and corporate sector other samples could also be used.

Future research should also examine the role of motivational theory, and investigate the nature of gender differences in decision strategies, particularly in relation to the use of numerical and visual information. This could be achieved through further experimental studies of subject pairs drawn from a broader managerially trained population. There is also potential for developing theoretical explanations of differences in underlying motivation in terms of socialisation and perhaps through evolutionary psychology.

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