



## A Comparative Study of Financial Literacy Across Different Academic Disciplines: Final-Year Students.

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### ABSTRACT:

Financial literacy is crucial for making informed financial decisions, influencing savings, investments, debt management, and overall financial health. As financial independence becomes increasingly important for young adults, understanding financial literacy among students is essential. This research compares financial literacy levels among final-year students from various disciplines, examining factors contributing to these differences.

A quantitative approach was used, surveying 50+ final-year students from business, engineering, social sciences, humanities, and natural sciences. Structured surveys and qualitative interviews assessed financial knowledge, behaviors, and confidence in managing finances. Findings show that business and economics students have the highest financial competency, followed by engineering students, while humanities and arts students score lower.

Differences stem from academic curricula, financial education availability, parental influence, socio-economic status, and personal experiences. Business students benefit from financial coursework, while non-financial students often lack formal education in finance, leading to knowledge gaps. Gender disparities were also noted, with male students displaying higher financial literacy than female students, underscoring the need for inclusive financial education.

The study highlights the importance of integrating financial literacy into university programs, particularly in non-financial disciplines, and calls for collaboration among policymakers, educators, and financial institutions to enhance financial education across academic fields.

**Key Words** Financial Literacy, Comparative Study, Academic Disciplines, Final-Year Students, Financial Knowledge, Financial Education, Student Finance, Economic Awareness, Investment Decisions, Savings and Budgeting.

### Introduction:

Financial literacy is essential in today's evolving financial landscape, involving budgeting, borrowing, investing, and financial management. Limited financial literacy often leads to high debt, poor savings, and financial vulnerability. Students' financial literacy levels vary based on their academic background, socioeconomic status, and experiences. Research shows business and economics students tend to have higher financial literacy than those in humanities, sciences, and the arts. Despite its importance, financial education is often lacking in non-financial university curricula, leaving many graduates unprepared for real-world financial decisions. Poor credit management, mishandled student loans, and inadequate savings are common issues. Addressing this gap is crucial to equip all students with financial skills, regardless of their discipline. This study compares financial literacy levels among final-year students, analyzing key factors influencing financial knowledge and behavior. Findings aim to highlight disparities and suggest strategies for improving financial education. Ensuring financial literacy across disciplines is vital for better financial decision-making and long-term stability.

### Research Objectives:

- To evaluate the impact of financial literacy on students' financial behavior, including budgeting, saving, debt management, and investing.
- To compare financial literacy levels between students from finance-related disciplines and those from non-financial disciplines.

### Literature Review:

Financial literacy is crucial for managing personal finances, avoiding debt, and ensuring long-term stability. Studies show that business and economics students generally have higher financial literacy than those in non-financial fields like humanities and sciences. Research also highlights gender disparities, with male students typically exhibiting greater financial knowledge than females due to differences in confidence, risk-taking, and education exposure. Various factors influence financial literacy, including academic background, socioeconomic status, parental influence, and digital literacy. Understanding these disparities is essential for improving financial education across all disciplines.

## Integration of Financial Behavior Analysis

This study analysis financial behavior to understand how students apply financial literacy in real-life decisions regarding borrowing, investing, saving, and spending. By examining budgeting habits, expense tracking, and financial decision-making, it provides insights into practical financial management among final-year students from different disciplines. Behavioral finance theories suggest that low financial literacy can lead to either excessive risk aversion or poor financial choices, emphasizing the need for stronger financial education.

## Impact of socioeconomic background on financial literacy

### Family Income

Family income is one of the most important elements influencing financial literacy. High-income students are frequently more exposed to money management techniques and have easier access to financial education. They are more likely to look into investment options, participate in banking activities early in life, and get financial advice from their parents. Students from lower-income homes, on the other hand, might not be as exposed to certain financial situations, which would limit their financial literacy and decision-making skills.

### Parental education and financial guidance

Parents who are financially knowledgeable and have a solid grasp of financial concepts are likelier to impart this information to their offspring. Students whose parents have more education, especially in finance or business-related sectors, are more likely to be financially competent, according to research. On the other hand, students from households with parents who are not financially literate might not get enough financial education, which makes them more likely to make financial errors like overspending, poor debt management, or neglecting to save for the future.

### Financial attitudes and risk perception.

Due to their financial security, students from wealthy households could be more inclined to take financial risks, including stock investments or business startup ventures. Students from lower-income homes, on the other hand, might take a more cautious attitude to money, putting savings first and avoiding danger. Although this cautious approach might be advantageous in certain situations, it may also restrict their chances for financial advancement.

Understanding how socioeconomic background affects financial literacy can help financial institutions and educators take proactive measures to advance financial inclusion. Long-term financial stability and well-being will be enhanced by ensuring that all students, irrespective of their financial situation, obtain sufficient financial education.

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## Research Methodology:

This study employs a comparative and quantitative research strategy, evaluating financial literacy among final-year students from various academic disciplines using quantitative methods. The study's objective is to assess financial behavior, attitudes, and knowledge to provide a thorough grasp of the variables affecting financial literacy levels.

### Data Collection Methods

#### A. Quantitative Data Collection

A structured questionnaire is designed to assess financial literacy across three dimensions:

1. Financial Knowledge: Understanding of financial concepts such as budgeting, saving, investment, credit, and risk management.
2. Financial Behavior: Practical application of financial knowledge in day-to-day financial decisions.
3. Financial Attitudes: Students' perceptions and confidence in managing financial matters.

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## Finding and Analysis

### Factors Influencing Financial Literacy

#### A. Educational Background and Curriculum Exposure

- Finance-related courses significantly improve financial literacy.
- Students from non-finance disciplines lack structured financial education, affecting their ability to manage personal finances.

#### B. Parental Influence and Financial Discussions at Home

- Students whose parents actively discuss financial matters score higher in financial literacy tests.
- First-generation college students show lower financial literacy levels due to a lack of financial exposure at home.

#### C. Socioeconomic Background

- Higher-income students have better access to financial resources, banking tools, and investment knowledge.
- Lower-income students are more reliant on scholarships, financial aid, and part-time jobs, making financial literacy crucial for their financial well-being.

#### D. Personal Financial Experience

- Students who actively manage their personal finances (budgeting, saving, investing) demonstrate higher financial literacy than those who depend entirely on family support.
- Part-time jobs and internships contribute positively to financial decision-making skills.

#### 4. Financial Behavior Trends Among Students

##### A. Budgeting and Expense Management

- 75% of business students maintain a monthly budget, compared to 40% of humanities students.
- Students with higher financial literacy are more likely to track their expenses and avoid unnecessary debt.

##### B. Savings Habits

- 80% of business students actively save money, while only 45% of arts students report regular savings.
- Engineering and science students tend to save more but invest less due to risk aversion.

##### C. Investment Knowledge and Participation

- Only 25% of students invest in financial markets (stocks, mutual funds, cryptocurrency).
- Business students are twice as likely to invest as students in other disciplines.
- Many students express a lack of confidence in investing, citing limited knowledge and fear of financial loss.

##### D. Debt and Credit Management

- 40% of students do not understand loan repayment structures or credit card interest rates.
- Business students show better debt management skills, whereas humanities and arts students are less informed about managing credit responsibly.

#### 5. Gender-Based Differences in Financial Literacy

- Male students score higher in investment knowledge and are more likely to invest in stocks and mutual funds.
- Female students report lower financial confidence, even when their knowledge levels are similar.
- Women are more cautious in financial decisions, focusing on saving rather than investment.

#### 6. Comparative Analysis: Business vs. Non-Business Students

Category	Business Students (%)	Non-Business Students (%)
Regular Budgeting	75%	50%
Savings Awareness	80%	55%
Investment Knowledge	70%	35%
Debt Management Skills	65%	40%

#### Key Takeaways:

- Business students outperform non-business students in all aspects of financial literacy.
- Lack of formal financial education is a major reason for lower financial literacy among non-business students.

#### 7. Challenges in Financial Literacy Education

Despite increasing awareness about financial literacy, several challenges persist:

- Lack of structured financial education in university curricula.
- Limited accessibility to financial literacy resources for students from non-financial backgrounds.
- Overreliance on parents and peers for financial advice instead of professional guidance.
- Difficulty understanding complex financial concepts, making students hesitant to engage with financial markets.

#### 8. Recommendations Based on Findings

To bridge the financial literacy gap, universities should adopt the following strategies:

1. Integrate financial literacy courses into all academic programs.
2. Conduct financial literacy workshops to educate students on budgeting, saving, and investing.
3. Encourage experiential learning through financial simulations and stock market training.
4. Promote student-led financial literacy clubs for peer learning.
5. Provide online financial education modules for students across all disciplines.
6. Introduce compulsory financial literacy assessments to measure student progress.

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## Conclusion

This study highlights significant differences in financial literacy among final-year students across academic disciplines, with business and economics students demonstrating higher financial knowledge due to structured training, while students in humanities, social sciences, and arts struggle with financial concepts due to limited exposure. Various factors, including gender differences, parental influence, socioeconomic background, and personal financial experience, play a crucial role in shaping financial literacy levels. The study emphasizes the need to integrate financial education into university curricula across all fields to bridge knowledge gaps and equip students with essential financial skills. Institutions can achieve this by incorporating interactive seminars, financial management courses, and real-world financial experiences. Additionally, targeted interventions for first-generation and low-income students can help foster a more financially conscious and self-reliant student body. Enhancing financial literacy is not only essential for academic purposes but also plays a vital role in students' long-term financial well-being, affecting their ability to make informed financial decisions in both personal and professional life. Therefore, collaboration among universities, policymakers, and educators is necessary to ensure that all students, regardless of their academic background, graduate with the knowledge and confidence required to manage their finances effectively and achieve financial stability.

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