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INFLUENCE OF FINANCIAL LITERACY ON BUSINESS PERFORMANCE OF MOMPRENEURS' ACCESS THROUGH FINANCE AND FINANCIAL RISK IN TAMILNADU

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ABSTRACT

The purpose of the current study is to ascertain how financial literacy affects mompreneurs in Tamil Nadu's business performance, access to capital, and financial risk. However, mompreneurs are classically aggravated via organizational performance, whereas family individuals amongst theaffected ones are greater in all likelihood to be experiencing this kind of state of affairs at home. Wherever, appropriate monetary literacy performs a vital feature in making sure the monetary protection of mompreneurs in the path of economic growth. It is no longer viable for mompreneurs to keep their home-based enterprise performance. The study's intention used to research about aneffect of economic literacy on the enterprise overall performance of mompreneurs through financeand monetary dangers primarily based specially on socioeconomic variables. To investigate our economic danger and mediate the hyperlink between monetary literacy and average commercial enterprise performance, the researcher's pattern measurement is 234 mompreneurs from a huge range of respondents, which is covered by contemporary research. In specifically, the purposive sample method has been utilized to create a structured questionnaire using a 5-point Likert scale.

The researcher chooses statistical equipment like the t-test, correlation analysis, and regression analysis. The penalties exhibit that there is a massive relationship amongst the chosen variables: admission to finance, employer performance, financial literacy, and financial risk. Therefore, it isconcluded that 47.4% of the variance can be estimated from the independent variables of entry tofinance, financial literacy, and monetary hazard collective. Given its findings, it demonstrates that appropriate get right of entry to finance and monetary dangers have a noticeably giant influence on organizational performance. Furthermore, it was once decided that the government's wishes toboost a programme to enhance monetary literacy amongst companies have been notably associated to the abilities and records related with economic team products, hazard management, and advertising and marketing products.

Keywords: Mompreneurs, Financial Literacy, Business Performance, Access to Finance and Financial Risk.

INTRODUCTION

The term "business performance" refers to the techniques an employer employs to acquire its objectives. Due to social norms surrounding motherhood, the majority of mompreneurs pick out to go away their jobs. It has been determined that mompreneurs can gain success if they acquire aid from household contributors and pursue private improvement via monetary literacy on commercial enterprise performance. Also, guide from the authorities used to be making sure the success of mompreneurs' businesses. The commercial enterprise overall performance was once created in such a way that it should be rationalized as a system to acquire commercial enterprise overall performance associated to economic literacy extra efficiently. However, economic literacy is one of the factors of human wants to acquire excellent commercial enterprise overall performance that are most necessary to monetary issues precipitated through incorrectly assessing economic risk. Financial literacy is influenced by using a range of factors, such as saving, investing, the use of immoderate debt, and monetary planning.

Due to globalization and the power of the dollar, business people face huge challenges and extraordinarily unsure financial conditions; however, the enterprise sector, which generates financial increase and creates new jobs, is predicted to make a sizeable contribution to the Indian economy. However, economic literacy has had an have an effect on society's economic lifestyle, together with that of individuals, youth, and entrepreneurs. An aggregate of monetary knowledge,

awareness, skills, abilities, attitudes, and behavior's is wanted to make a monetary selection good (Murugiah, 2016).

According to Abor (2016), the majority of the commercial enterprise overall performance is difficult due to distinct mompreneurs' issues that can't be thoroughly resolved, such as these with the competence and excellence of human resources, ownership, financing, marketing, finance, and a variety of enterprise performances. Financial literacy, on the different hand, allows entrepreneurs to pick out the dangers related with their organizations and economic decisions. Financial danger has been observed to have an impact on the organization's economic decision-making process. Despite their information of the significance of directing temporary things to do towards long-term monetary goals, participation education promotes their economic competencies and reduces their risk. The effect of monetary literacy on enterprise performance must be verified by way of the researcher.

FINANCIAL LITERACY AMONG MOMPRENEURS

Financial literacy is one of the most necessary elements influencing a company's overall performance and success. It is integral as it will help the entrepreneur in making a choice related to their business. Also, many moms who determined to begin up their commercial enterprise confronted many obstacles, mainly in managing their monetary standing concerning the business. Financial illiteracy seems to be the most considerable barrier to growing a household economic system amongst female mompreneurs. It is previous time for society to empower these girl entrepreneurs by means of presenting the economic literacy training they lack.

MOMPRENEURS IN INDIA

The modern-day find out about is a prosperous combination of monetary literacy challenges confronted with the aid of mompreneurs in India. Given the shortage of scholarly research, the time period "mompreneur" is greater precisely utilized to all things to do that ladies encounter, with extra challenges brought to these of performance. Yet the mompreneurs of India are greater assured in taking risks, and they have decided they ought to neither compromise the expert lives of their much less accountable spouses due to the time taken up with family duties however as a substitute select to assume of these challenges as issues to solve. So, inspire others and reveal that

it is now not possible to function work and have children. The lookup intends to learn about the challenges and overcoming of viable hurdles, specially by means of mompreneurs.

FINANCE AND BUSINESS PERFORMANCE

The facts used from the agency survey examined get admission to finance and the overall performance of the company in an African context. Using the subjective measure, they observed that lack of get right of entry to finance exerts a sizeable terrible impact on company growth. And the goal measures proved that companies that are now not financially restrained have a greater charge of boom than credit-constrained ones. Similarly, they found that monetary inclusion on the distribution of economic offerings throughout corporations has a high-quality effect on association boom when they studied the influence of economic enclosure and financial institution attentiveness on company overall performance

LITERATURE REVIEW

The researcher conducted previously on financial literacy and business performance are presented in present study.

Agwa Tewase Richard (2018) carried out a examine about on the economic literacy and usual performance of small and medium-sized businesses generally. A sample of 154 respondents was collected using a carefully constructed questionnaire, and the modern learns about the employed primary and secondary statistical sources from this sample. The gathered information was once as soon as analyzed the use of descriptive records such as frequency, and the relationship between the variables of the mannequin used to be take a look at the use of extra than one linear regression analysis. The quit end result of the regression dissimilarity suggests that the possibility charge of the regression contrast used to be used to test the first hypothesis at a 5% degree of extent and the p-value (0.002) used to be as soon as reduce than the fee level. This workable that the null hypothesis was once as soon as rejected and the desire hypothesis accepted. These stops end result has a statistical level of 0.002 = 0.05. The statistical price for this quit end result is 0.328 > = 0.05. The hazard rate of the regression contrast used to be as soon as used to test the 1/3 assumption at a 5% stage of significance, and the p-value (0.000) used to be limit than the magnitude level, which capacity that the null hypothesis used to be rejected and the desire accepted. The locate out about concluded that there is a favor for schooling programmes on price range in schools and different

businesses who want to promote financial literacy and practice. and planning, debt management, report keeping, saving, and retirement plans.

Leyla Jemal (2019) explains a study on the effect of economic literacy on the financial health of medium-sized businesses. Nowadays, agency owners want to make demanding alternatives for their companies, and financial literacy lets in them to make informed, extraordinary preference in all financial matters in order to assemble a healthful business. Only these chosen for medium-sized corporations via stratified random sampling are investigate out of the entire respondents (2139 women). In addition, the results show off that the top-notch impact of economic literacy on business group worldwide overall performance differs especially when they make savings in bettering their economic literacy stage by financial hazard and decorate their normal performance.

Rika Desiyanti (2020) conducted research on the impact of economic literacy on business performance: the moderating impact of religiosity amongst Sumatera. While commercial enterprise overall performance is an end result of things to do or savings over a given period, It is a precise enterprise success deliberate in opposition to standards, completeness, and costs. The enterprise overall performance is an end result of company techniques to acquire market-oriented goals. The researcher will analyze the have an impact on of financial literacy on profitable enterprise overall performance the usage of moderating variables. Given that the researcher chosen for the questionnaire survey has been dispensed to the respondents, 387 whole respondents comprised the pattern of this current study. According to the findings, there is a robust hyperlink between monetary literacy and enterprise overall performance.

In **Ni Nyoman Yuliarmi and Suyana Utama (2020),** it is located that social capital relies upon on economic literacy to enhance commercial enterprise performance. The researcher was once chosen for the function of monetary literacy on the foundation of the social capital feature of monetary literacy in enterprise performance. The learn about scale is based totally on a narrative evaluation of decided impartial variables the use of the databases of Google Scholar and Science Direct. As per the end result discussed, excessive entrepreneurs make monetary decisions. As a result, it is a good-sized discovering that an excessive stage of social capital motives matters to work collectively in phrases of enterprise performance.

METHODOLOGY

Research methodology is in basic terms and absolutely the framework or format for a find out about that courses the series and evaluation of the data. The lookup plan suggests the techniques of research, i.e., the technique of gathering records and the approach of sampling

OBJECTIVES

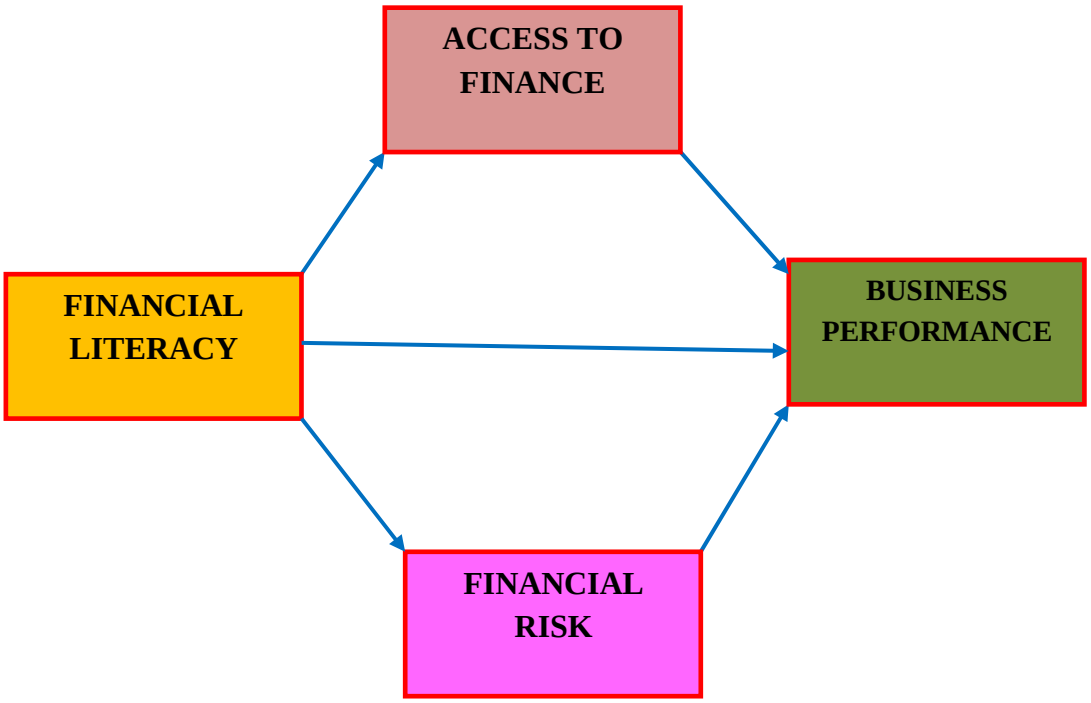
- To examine the impact of financial risk and economic literacy on the success of mompreneurs' businesses using socioeconomic characteristics as a basis.
- To study the economic threat and mediate the correlation between economic literacy and commercial enterprise overall performance for mompreneurs.
- To discover out the substantial have an impact on amongst economic literacy, commercial enterprise performance, finance access, and monetary hazard amongst the respondents

HYPOTHESES OF THE STUDY

- ✓ There will be no substantial distinction between the have an effect on of economic literacy on the enterprise overall performance of mompreneurs thru finance and economic danger primarily based on socio-economic variables.
- ✓ There will be no vast relationship between economic hazard and enterprise performance
- ✓ There will be no tremendous impact between monetary literacy, commercial enterprise performance, finance access, and economic danger amongst the mompreneur respondents

RESEARCH MODEL

The descriptions of all lookup variables in the existing study, a lookup mann-equin framework can be made, as proven below.



RESEARCH GAP

The look up gap is the desire for monetary literacy for man or girl well-being and planning. It has been found to study the have an effect on of economic literacy on business organization performance. However, there is no lively effort to decorate quality, marketing, technology, and one-of-a-kind factors that have an impact on industrial company performance, such as sustainability. Financial literacy can have an effect on respondents' manageable to set financial goals, format their finances, and make sound financial decisions. Furthermore, proof from orientation suggests that hazard and lack of participation are being skilled to promote their monetary potential enhancement knowledge, which is necessary for directing transient venture closer to the company's long-term desires.

SAMPLING PROCEDURE

The researcher has taken from Tamilnadu, the place the mompreneurs populace there are three districts in Tamilnadu. They are Chennai, Coimbatore and Madurai. The following desk suggests the mompreneurs populace of the three districts of Tamilnadu and the monetary literacy on enterprise overall performance the very best mompreneurs populace in Coimbatore

Sl. No	Name of the District	No. of Respondents
1	Chennai	57
2	Coimbatore	142
3	Madurai	35
	Total	234

For the current study, a sample of 234 mompreneurs from a range of responses has been merged. Based mostly on the purposive sample method, a structured questionnaire with a five component Likert scale has been employed.

Tools of Data Collection

This find out about is based totally usually on major data. To accumulate the data, a well-structured interview agenda has been prepared. To validate the schedule, it is subjected to the Pilot Study. After the pilot study, some questions have been protected and some undesirable ones have been left out. The reason and implications of the lookup had been introduced to them earlier than records collection. The responders are entreated to supply open and trustworthy answers. The pertinent facts are gathered from them via constructing a sturdy connection with them. The replies are normally deemed to be correct and fair. The respondents cooperated in order for information series to be effective. The facts series used to be completed at some stage in the month of April 2022.

Statistical techniques used

The following applied mathematics techniques were wont to analyze the info:

- computation of descriptive statistics like mean and std. deviation of etc.
- t-test.
- Pearson’s product moment constant of correlation(r).
- Multivariate analysis

RESULT AND DISCUSSION

Table: 1

Frequency and the Impact of Financial Literacy Levels at Low, Moderate, and High Levels on the Business Performance of Selected Mompreneurs

Variables	Group	No. of Respondents	Percent
Financial literacy	Low	28	11.9
	Moderate	168	71.8
	High	38	16.3

Source: Primary Data

Table 1 shows the frequency of low, moderate, and high levels of financial literacy on mompreneur business performance. The table shows that 28 (11.9%) respondents have a low level of financial literacy, 168 (71.8%) respondents are rather financially literate, and 38 (16.3%) respondents have a high level of financial literacy.

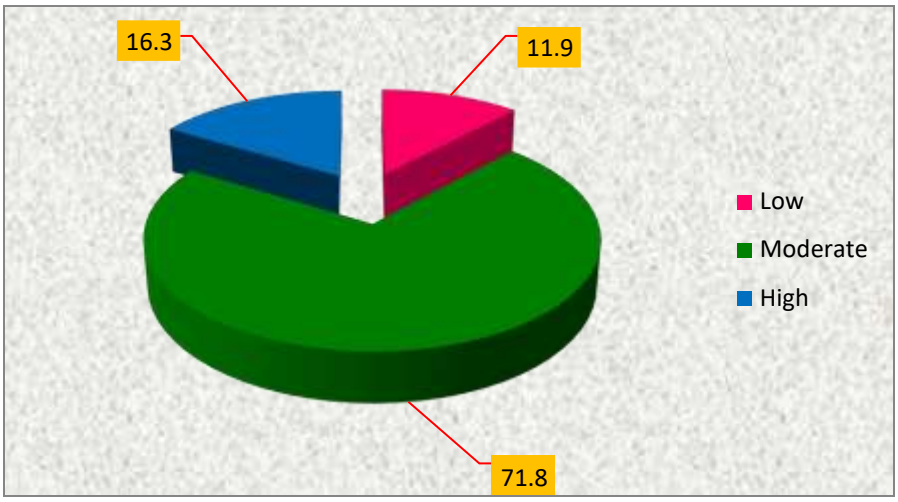


Table:2

Comparison of economic literacy on commercial enterprise overall performance of mompreneurs thru economic hazard based totally on instructional heritage

Educational background	Mean	SD	SE_M	t-value	Sig
High school	68.54	9.74	1.59	3.16	0.01 Significant
Bachelor to Master degree	57.12	7.45	1.24		

Source: Primary Data

The t-value estimated on evaluating the economic literacy from educational records with apprehend to their economic literacy on business organization enterprise overall performance of mompreneurs is large at 95% self-assurance interval. Its ability that there is an authentic big difference between economic literacy on enterprise overall performance of mompreneurs involving they're of financial risk. Considering the calculated t-value, which is enormous at the level (3.16). As a result, the alternative hypothesis is accepted and the previously specified null hypothesis is rejected. As an give up end result concluded that respondents fluctuate in their diploma of economic literacy on enterprise overall performance of mompreneurs thru economic danger primarily based on educational history.

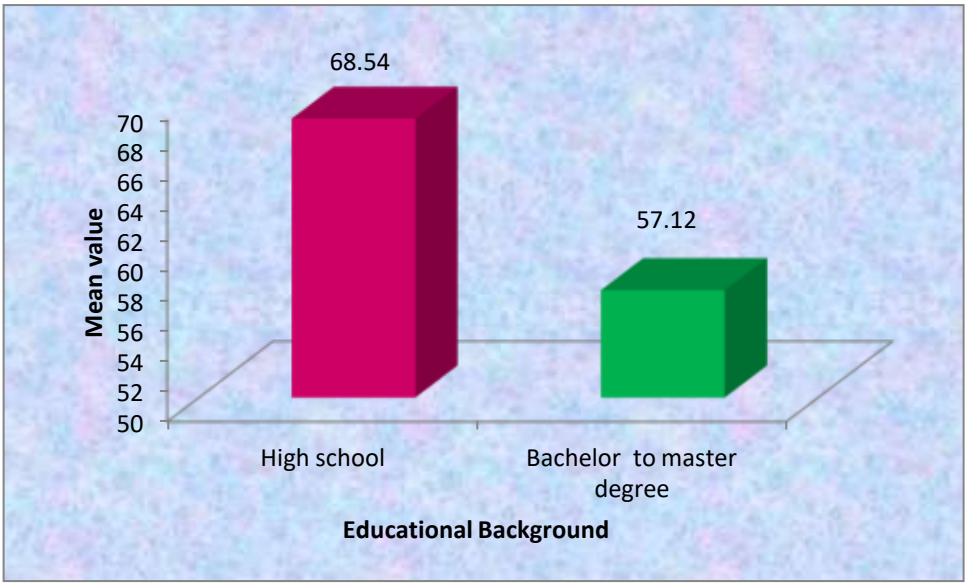


Table:3

Inter – Correlation Among the Variables

Variables	**Access to finance**	**Business performance**	**Financial literacy**	**Financial risk**
Access to finance	1.000	0.203*	0.273*	0.188*
Business performance	0.203*	1.000	0.315*	.345*
Financial Literacy	0.273*	.315*	1.000	.209*
Financial risk	0.188*	.345*	.209*	1.000

Source: Primary Data

The above table suggests the correlation amongst the chosen variables access to finance, business performance, financial literacy and financial risk. It is contingent from the above table result proved that there is a positive and considerable relationship between the respondent's stage of access to finance, business performance, financial literacy and financial risk. The bought correlation values are wonderful and significant. Hence, it is end result talk about that there is a huge relationship between business performance on financial literacy. The mentioned null hypothesis is disproved. Finally, it is determined that there is a strong correlation between socioeconomic characteristics and access to finance, business performance, financial literacy, and impact on access to finance.

Table: 4 Analysis of multiple linear regression (Adjusted R^2 for variables entered model summary)

R	R^2	Adjusted R^2	Std. Error of the Estimate
.688[a]	.474	.471	1.560

Predictors: (Constant), access finance, financial literacy, financial risk.

Table 4 shows that, as a whole, these predictors accounted for 47.4%. (47.1% adjusted) of the variability in the financial literacy on business performance through financial risk. To put it differently, 47.4% of the variance can be predicted from the independent variables access finance, financial literacy and financial risk combined. Given is the analysis of variance that evaluates the model's overall significance for multiple regression analysis.

Table 5 Multiple Regression Analysis using ANOVA

Model	Sum of square	Df	Mean square	F-value	Sig.
Regression	1332.274	3	444.091	182.470	0.001*
Residual	1479.740	608	2.434		
Total	2812.013	611			

Predictors: (Constant), access finance, financial literacy, financial risk.

B Dependent Variable: Business performance

Based upon the statistics from the ANOVA reviews that a F-value of 182.470 with thirteen and 608 levels of freedom is statistically huge at the much less than 0.001 degrees ($F=182.470$; $p<0.001$). This suggests that the aggregate of the predictors extensively enterprise overall performance based totally on financial literacy.

Table 6

Coefficients and Constant Entered for Regression Equation

Variables	**Un-standardized Co-efficient**		**Standardized Co-efficient**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
(Constant)	5.433	.632		8.591	.000
Access finance	.063	.004	.576	17.617	.000
Financial literacy	-.006	.004	-.057	-1.704	.089
Financial risk	.081	.011	.244	7.071	.000

A Dependent Variable: Business performance

The analysis's findings, which are shown in the table above, indicate that the standardized beta coefficients—a measure of how much access to capital and financial risk contribute—are significant at the 0.001 level The contribution made by financial literacy, however, is not significant ($p > 0.05$). So, it is concluded that get entry to finance and financial risk substantially have an impact on business performance.

Findings of the study

- ✓ The findings indicate that respondents' levels of financial literacy vary depending on their educational backgrounds and how well mompreneurs achieve in business.
- ✓ Analysis showed that the chosen variables, including access to finance, business performance, financial literacy, and financial risk, are significantly correlated.
- ✓ Survey famous that 47.4% of the variance can be anticipated from the unbiased variables finance access, financial literacy and financial risk combined. Considering it is end result suggests that access finance and financial risk are significantly influence the business performance.

Conclusion

The purpose of the current study is to determine how financial literacy affects Mompreneurs' ability to acquire capital and manage financial risk in Tamilnadu. However, as an alternative than going through this kind of situation, mompreneurs are generally working from commercial enterprise overall performance whilst caring for the family amongst the affected ones as their home. However, suited economic literacy performs a vital function in making sure the financial chance of mompreneurs at some stage in monetary growth. It is not likely that mompreneurs will be capable to maintain their home-based enterprise performance. To learn about goal was once to pick out the effect of monetary literacy on the commercial enterprise overall performance of mompreneurs via finance and monetary chance primarily based on socio-economic variables. To investigate economic chance and to mediate the hyperlink between economic literacy and enterprise overall performance. The researcher's pattern measurement is 234 mompreneurs from a range of respondents, which has been included for the existing research. The researcher chooses statistical equipment like the t-test, correlation analysis, and regression analysis. The find out about discovered a tremendous have an impact on of monetary literacy, get admission to finance, and economic hazard on enterprise performance. Analysis proved that there is a tremendous relationship amongst the chosen variables: get right of entry to finance, commercial enterprise performance, economic literacy, and economic risk. Therefore, it is concluded that 47.4% of the variance can be expected from the impartial variables get right of entry to finance, literacy, and hazard combined. Its findings point out that get admission to finance and threat have a massive have an effect on business performance. Furthermore, it is clear that the authorities ought to boost a programme to enhance the degree of monetary literacy on commercial enterprise performance, in particular abilities and information about financial institution products, chance management, and market merchandise.

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