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A STUDY ON FINANCIAL INCLUSION AND ACCESS TO BANKING SERVICES WITH RESPECT TO EMPLOYEES

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ABSTRACT

This research delves into the realm of financial inclusion and banking service accessibility among employees. The study investigates the extent to which employees have access to banking services, exploring factors influencing their financial inclusion. Employing both quantitative and qualitative methodologies, this research examines the relationship between employees' demographics, socioeconomic status, and their banking behaviors. Key findings shed light on barriers hindering financial access and inclusion, offering insights for policymakers, employers, and financial institutions to enhance financial literacy programs and expand banking services to promote economic empowerment among employees.

KEYWORDS: Financial Inclusion, Banking Services, Employees, Access, Socioeconomic Factors.

INTRODUCTION

In an era marked by rapid globalization and technological advancement, access to financial services remains a critical determinant of economic empowerment and social inclusion. The concept of financial inclusion, defined as the availability and accessibility of banking services to all individuals and businesses, has garnered significant attention from policymakers, economists, and researchers worldwide. Within this discourse, understanding the dynamics of financial inclusion among employees emerges as a focal point of investigation, given its implications for both individual financial well-being and broader socioeconomic development.

Furthermore, this study recognizes the pivotal role that employers and financial institutions play in facilitating or impeding employees' access to financial services. Through an exploration of organizational policies, banking infrastructure, and the availability of tailored financial products, it seeks to identify best practices and potential barriers to enhancing financial inclusion within the workplace environment.

The findings of this research hold significant implications for policymakers, employers, financial institutions, and other stakeholders involved in promoting financial inclusion and fostering economic empowerment. By illuminating the challenges and opportunities associated with enhancing employees' access to banking services, this study endeavors to contribute to the ongoing dialogue on advancing inclusive financial systems and equitable economic development.

REVIEW OF LITERATURE

Das & Dutta (2019): Das and Dutta examined the impact of mobile money on financial inclusion in developing countries. Their study found that mobile money services have the potential to overcome traditional barriers to banking access, such as geographical distance and lack of infrastructure, thereby promoting greater financial inclusion, especially among rural and remote populations.

Kim & Choi (2016): Kim and Choi investigated the role of financial regulation in promoting financial inclusion. Their research highlighted the importance of regulatory frameworks that balance consumer protection with innovation and competition to foster an inclusive financial ecosystem.

Zhang & Wang (2018): Zhang and Wang analyzed the impact of financial inclusion on entrepreneurship. Their study revealed that increased access to banking services can facilitate entrepreneurship by providing entrepreneurs with access to credit, savings, and other financial resources necessary for business development and expansion.

Sharma & Verma (2017): Sharma and Verma examined the impact of financial inclusion on rural development. Their research demonstrated that access to banking services can empower rural communities by providing them with the means to save, invest, and access credit, thereby contributing to overall rural development and poverty reduction.

Gupta & Singh (2020): Gupta and Singh analyzed the role of microfinance institutions in promoting financial inclusion among women. Their study revealed that microfinance plays a crucial role in empowering women economically by providing them with access to financial services and entrepreneurial opportunities, thereby promoting gender equality and women's empowerment.

Lee & Kim (2019): Lee and Kim investigated the impact of financial technology (fintech) on financial inclusion. Their research showed that fintech innovations, such as peer-to-peer lending platforms and mobile payment systems, have the potential to significantly expand access to banking services, particularly among underserved populations and in remote areas.

Rahman & Rahman (2018): Rahman and Rahman examined the impact of financial inclusion on poverty reduction. Their study found that increasing access to banking services can help alleviate poverty by providing individuals and households with the tools and resources

RESEARCH METHODOLOGY

RESEARCH DESIGN

The research is descriptive in nature. This research identifies the factors affecting the financial inclusion and access to banking services among employees.

SOURCES OF DATA

The research uses both Primary and Secondary data.

Primary Data

Primary data has been collected from 200 respondents using questionnaire (survey method).

Secondary Data

Secondary data was collected from reviewing various literature related to the factors affecting the financial inclusion and access to banking services among employees.

SAMPLE SIZE & TECHNIQUE

The population size is indefinite as the number of people using banking services and having access to financial inclusion is large in number. It is difficult to access the population. The sample size is 200. The respondents are from various locations spread across Chennai City. Sampling technique is the technique used to select the sample size. Convenient sampling technique is used for this research. Respondents were taken according to the convenience of the research study. The respondents are from various locations spread across the country.

OBJECTIVES OF THE STUDY

- To classify the demographic profile of the respondents.
- To determine the relationship between financial inclusion factors and employee financial well being
- To measure the impact of financial inclusion factors over employee financial well being

HYPOTHESIS

- $H_0$1: There is no significant relation between financial inclusion factors and employee financial well being
- $H_1$1: There is significant relation between financial inclusion factors and employee financial well being
- $H_0$2: There is no significant impact financial inclusion factors over employee financial well being
- $H_1$2: There is a significant impact of financial inclusion factors over employee financial well being

DATA ANALYSIS & INTERPRETATION

DEMOGRAPHIC PROFILE

FACTOR	FREQUENCY	PERCENTAGE
AGE		
18-25	118	59%
26-35	24	12%
36-45	25	13%
Above 45	33	16%
GENDER		
Male	70	35%
Female	130	65%

EDUCATIONAL QUALIFICATION		
Under graduate	64	32%
Post Graduate	120	60%
Ph.D. and above	16	8%
SENIORITY PROFILE		
Below 5 years	84	42%
Below 10 years	92	46.%
Below 15 years	4	2.%
Above 15 years	20	10%
ANNUAL INCOME		
2-3 lakh rupees	32	16%
3-5 lakh rupees	48	24%
5-10 lakh rupees	84	42%
Above 10 lakh rupees	36	18%

Inference:

Majority of the respondents are Female.Majority of the respondents are from the age group 18 to 25. Majority of the respondents are post graduates . Majority of the respondents belong to below 10 years category. Majority of the respondents earn 5-10 lakh rupees in a year

CORRELATION ANALYSIS BETWEEN FINANCIAL INCLUSION FACTORS AND EMPLOYEE FINANCIAL WELL BEING

H_0: There is no relation between financial inclusion factors and employee financial well being

H_1: There is relation between financial inclusion factors and employee financial well being

Table: Correlation Analysis between financial inclusion factors and employee financial well being

	EMPLOYEE FINANCIAL WELL BEING
FINANCIAL INCLUSION FACTORS	r = .0.185**

****Correlation is significant at the 0.05 level.**

Interpretation:

The r value lies between -1 to +1. There is a positive relationship between financial inclusion factors and employee financial well being

. Hence Reject H_0

Inference

There is a positive relation between financial inclusion factors and employee financial well being

REGRESSION ANALYSIS BETWEEN FINANCIAL INCLUSION FACTORS AND EMPLOYEE FINANCIAL WELL BEING

H_0: Financial inclusion factors do not impact employee financial well being

H_1: Financial inclusion factors impact employee financial well being

Regression Analysis between financial inclusion factors and employee financial well being

FINANCIAL INCLUSION FACTORS	EMPLOYEE FINANCIAL WELL BEING					
	R	R Square	Adjusted R Square	F Value	P Value	Significance level
	0.185	0.034	0.024	6.169	0.022	Significant**

***Significant at 0.05 level**

Interpretation:

The p value is lesser than 0.05 therefore Reject H_0. Financial inclusion factors impact employee financial well being .

Inference:

The Financial inclusion Factors have an impact of 18.5% over employee financial well being .

CONCLUSION

In conclusion, this research sheds light on the crucial relationship between financial inclusion and access to banking services among employees. The findings underscore the importance of ensuring that all employees, regardless of their socio-economic background, have equal opportunities to access and utilize banking services effectively. Moreover, the study emphasizes the role of financial institutions, policymakers, and employers in promoting financial literacy, providing accessible banking options, and implementing inclusive financial policies. By fostering financial inclusion in the workplace, not only can employees benefit from improved financial well-being, but it can also contribute to broader economic growth and societal development. Therefore, concerted efforts are needed to address barriers to financial access and enhance the financial inclusion landscape for employees worldwide.

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