

## **Financially Independent but not Financially Empowered – A Personal Finance Dilemma**

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### **Introduction**

On a quiet Monday morning in January 2025, Meera Sharma, Assistant Director of Student Affairs at a reputed educational institution in Coimbatore, sat staring at an automated email reminder from her bank: “Your investment portfolio is pending setup.” The message unsettled her. Despite earning a steady income for over a decade, Meera had never formally invested her money. At 35, she had built a respectable career, managed her household expenses efficiently, and saved diligently, yet she felt financially exposed. Questions she had long postponed now demanded attention: Was her health insurance adequate? How would she fund her son’s higher education? Would her savings withstand inflation or support her retirement? Although such questions had surfaced occasionally in the past, a recent incident made them impossible to ignore. One of Meera’s colleagues had met with a hit-and-run accident and was rushed to the hospital for emergency surgery. The incident resulted in substantial medical expenses, and the colleague was advised six months of rest, leading to both financial strain and loss of income. Witnessing this situation deeply unsettled Meera. For the first time, she confronted a troubling realization on how she could be financially independent, yet not financially empowered?

### **II. Socio-Economic Background**

Meera was raised in a traditional middle-class family that placed high value on education, discipline, and stability. As the youngest daughter, she received unwavering encouragement to pursue higher studies, develop professional confidence, and secure a respectable job.

**However, financial decision-making followed conventional norms common in many Indian households:**

Savings were prioritized over investments.

Fixed deposits, recurring deposits, gold, and LIC policies were the preferred instruments.

Financial decisions were handled by the father or elder male family members.

Younger daughters were shielded from financial risk under the assumption of protection.

While Meera learned the importance of frugality and regular savings, she was never exposed to concepts such as portfolio diversification, inflation-adjusted returns, or long-term wealth creation.

### **III. Trigger Point**

**As Meera progressed into her thirties, subtle discomfort turned into growing anxiety. Conversations at work revealed a widening gap:**

Male colleagues discussed SIPs, equity markets, and retirement planning with confidence.

Many female peers admitted depending on spouses or parents for investment decisions.

Friends working abroad actively managed retirement portfolios and tax-efficient investments.

### **Simultaneously, Meera's responsibilities intensified**

Her son's school fees increased annually.

A minor health scare raised concerns about medical coverage.

Discussions about purchasing an apartment left her overwhelmed.

Despite her education and professional standing, Meera felt ill-equipped to make long-term financial decisions. Meera's experience reflects a larger structural issue rather than an individual failure.

### **Women and Financial Literacy**

She tried to do quick research of how many Indian Women are facing the similar problem like hers and the data mentioned as:

Only 33% of women globally are financially literate (S&P Global Financial Literacy Survey).

In India, 21% of women demonstrate basic financial literacy compared to 31% of men (NCFE, 2023).

Nearly 80% of working women in India rely on male family members for major investment decisions (UN Women India, 2022).

Less than 20% of salaried Indian women actively invest in equity or long-term portfolios (NSE Investor Report, 2023).

This data underscored a persistent paradox: education and employment do not automatically translate into financial empowerment.

### **Dilemma**

Meera faces a critical dilemma: how can she transition from financial independence to financial empowerment without possessing adequate financial knowledge or confidence? Although she earns a stable income, she is confronted with multiple financial challenges, including rising healthcare costs, the growing burden of her child's future education expenses, inflation steadily eroding her savings, the absence of a structured retirement plan, and an over-reliance on traditional fixed deposits. These financial concerns are compounded by deep-rooted psychological barriers. Meera fears making incorrect investment decisions, lacks confidence despite her high level of education, and remains influenced by cultural conditioning that encourages dependence on others for financial matters. As a result, she continues to perceive financial management as a responsibility better handled by family members or professionals, rather than one she can confidently undertake herself.

### **The Decision Point**

Meera now stands at an important turning point. She must decide how to take control of her finances and plan for the future of both herself and her child. While she wants financial security, she also must overcome her fear, lack of confidence, and long-held belief that financial decisions are better left to others. The key question she must answer is: *How can she build a financially secure future in a fast-changing economic environment while becoming confident in managing her own money?*

### **Discussion Questions**

What personal, social, and cultural factors prevented Meera from becoming financially empowered despite earning her own income?

What are the investment options available to Meera, which one would help her achieve financial security while also building confidence? Why?

How can families, educational institutions, employers, and policymakers support working women in improving financial literacy and decision-making skills?