

Breaking the LOOP: Tackling Financial Stress and Gender Inequalities Through Sustainable Finance

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Abstract: *This study explores the interrelationship among financial stress, well-being, and sustainable finance based on a gender-sensitive perspective. Financial stress has significant effects on mental health, physical well-being, and life satisfaction, with gendered differences that are influenced by socio-economic status, resource access and cultural norms. Men and women experience and respond to FS in different ways. Therefore, approach levels of attaining the disparities among them should be tailored. The research focuses on three main areas: the impacts of FS on mental and physical health and life satisfaction, gender-specific financial stressors, and the potential of sustainable finance practices such as financial inclusion and literacy programs to mitigate FS and improve well-being. This study uses a mixed-method approach, analyzing both quantitative and qualitative data. The Financial Stress Scale (FSS) and Perceived Stress Scale (PSS) were analyzed by gender. Despite the ample evidence that relates FS to well-being, it is still a subject of limited studies, especially by gender. Therefore, this paper will fill this gap by providing information on how sustainable finance can facilitate resilience and equitable well-being.*

Keywords: Financial Stress, Well-being, Gender Differences, Sustainable Finance, Financial Inclusion, Economic Impact

INTRODUCTION

FS is an important element in today's dynamic financial world that affects both individual and collective well-being. FS arises due to financial insecurity, debt and the failure to meet monetary obligations. Because the economy constantly changes and personal financial indebtedness is increasing, FS affects women and men, but gender roles, societal expectations, and limited access to resources shape how women and men perceive and cope with FS.

FS is a key component towards the achievement of well-being overall, which includes aspects of mental health, emotional satisfaction and financial stability as three interdependent pillars of a meaningful life. Gender plays the most important role here, as men and women inherently face different challenges in coping with financial pressures within households.

Sustainable finance is one of the ways to achieve better long-term well-being by combining environmental, social and economic factors in financial decision-making. It promotes responsible investment and resource allocation that aligns with sustainable development goals.

This study attempts to explore in greater depth how gendered analysis interacts with complex relations between FS, well-being and sustainable finance - as financial stress, outcomes, and attitudes towards sustainable finance diverge by gender. It also tries to influence policy, finance education and focused support by making actionable findings that can change financial matters toward promoting gender equality in financial markets.

REVIEW OF LITERATURE

Financial Stress is a critical factor that impacts overall well-being, having a strong impact on mental, emotional and financial stability. A large number of studies highlight the need to address Financial Stress from a gender-sensitive perspective to enhance FWB and promote sustainable finance. (Jalal Ahamed 2024) emphasizes the need for a holistic approach to well-being that incorporates financial, relational and spiritual dimensions, particularly in non-Western settings, but also recognizing the role of cultural and gender-specific considerations. Gender provides a strong mediator for the relationship between FS and well-being. (Bashir and Qureshi 2023) reveal that females have higher levels of FS due to socio-economic inequalities like earning gaps and responsibilities for household chores, which hamper their FWB. Similarly, (Schluterma, 2002) reflects that while FS has highly negative impacts on both genders, females have borne the brunt of stress and it decreases their life satisfaction and happiness even more profoundly. Other broad determinants of FS are macroeconomic conditions; as revealed by (Friedline, Chen, and Morrow 2021), such The

shocks as the Great Recession and the COVID-19 pandemic affect people with variations. Further, financial behaviour becomes a best predictor of well-being of low-income individuals like women, (Rahman et al. 2021). The available studies on sustainable finance reveal the prospect of redressing these inequalities. (Quatrini 2021) emphasizes that gender perspectives must be added in sustainable development goals to ensure equitable access to finance. Conversely, (Ravikumar et al. 2022) discussed the necessity of intervention with a focus on gender to overcome financial stress among women entrepreneurs. Such a literature discusses the significant aspect of specific financial education, literacy programs, and gender-sensitive policies in advancing sustainable finance towards better well-being.

METHODOLOGY

Target population and sample

The study is purely based on primary data with the help of pre-structured questionnaire. The sample units are selected from different parts of Kerala having formal education. 150 sample units are collected conveniently for the present study 75 male and 75 females.

PROCEDURE:

The study collects data through structured questionnaires on financial stress, well-being, and gender. Researchers use SPSS to analyze statistical differences at a 5% significance level. They calculate descriptive statistics (mean, standard deviation, standard error) for each gender group. An independent samples t-test at 5% significance determines if gender differences in financial stress and well-being are statistically significant. A p-value less than 0.05 indicates a significant difference between groups, guiding conclusions on gender-based disparities. The correlation and regression analyses are used to establish relationships and make predictions. The results help to reveal gender-based differences, provide insights towards sustainable financial practices to efficiently handle the financial stress. This comprehensive approach enables in-depth examination of gender's impact on financial well-being and stress.

Hypothesis

H1 : Financial Stress among the respondents varies significantly across their Gender

H2 : Perceived Stress among the respondents varies significantly across their Gender

H3: Wellbeing Outcome among the respondents varies significantly across their Gender

H4: Economic Wellbeing among the respondents varies significantly across their Gender

H5: Attitude towards Sustainable Finance among the respondents varies significantly across their Gender

H6: Coping Mechanism among the respondents varies significantly across their Gender

RESULTS

The following section deals with data analysis. It critically examines all the variables includes financial stress, gender disparities, attitudes toward sustainable finance and well-being. The primary data source of the present study is collected from varied group. The descriptive statistics used to summarize the demographic factors like age, gender, education, employment and income. The inferential statistical methods such as t-tests are used to examine hypotheses related to gender differences in financial stress, well-being,

perceived stress and sustainable financial attitudes. Through this analysis, the study focusses to unveil significant patterns and trends that helps to develop gender-sensitive policies and interventions for policy makers and financial educators.

Financial stress across the gender of the respondents

H1: Financial Stress among the respondents varies significantly across their Gender

Table No 1: Financial Stress among the Respondents- Gender wise t test

Factors	Gender Groups	Mean	Std. Deviation	Std. Error	T	P	Decision
Financial Stress	Male	3.379	0.986	0.113	2.278	0.024*	H1 Supported
	Female	2.998	1.061	0.122			

The gender-based t-test reveals males experience significantly higher financial stress (Mean = 3.379) than females (Mean = 2.998), with a t-value of 2.278 and p-value of 0.024. The null hypothesis is rejected, confirming gender significantly influences financial stress levels, highlighting disparities in financial stress experiences across the sample population

Perceived Stress across the Gender of the Respondents

H2: Perceived Stress among the respondents varies significantly across their Gender

Table No 2: Perceived Stress among the Respondents- Gender wise t test

Factors	Gender Groups	Mean	Std. Deviation	Std. Error	T	P	Decision
Perceived Stress	Male	3.353	0.867	0.100	2.307	0.022*	H2 Supported
	Female	3.030	0.848	0.097			

The analysis presents a gender-based t-test on perceived stress among participants. Males exhibit a marginally higher mean perceived stress (3.353) than females (3.030). Both genders show similar standard deviations, indicating comparable stress level variability. The t-value of 2.307 and p-value of 0.022 (below 0.05) demonstrate a statistically significant difference in perceived stress between genders. These findings support the alternate hypothesis (H2), confirming that gender significantly affects perceived stress among participants. The results suggest a notable relationship between gender and stress perception in the study population.

Wellbeing Outcome across the Gender of the Respondents

H3: Wellbeing Outcome among the respondents varies significantly across their Gender

Table No 3: Wellbeing Outcome among the Respondents- Gender wise t test

Factors	Gender Groups	Mean	Std. Deviation	Std. Error	T	P	Decision
Wellbeing Outcome	Male	2.783	1.143	0.132	0.670	0.504	H3 Not Supported
	Female	2.656	1.171	0.135			

There was no significance between the mean for males, 2.783, and that for females, 2.656. T-value was found to be 0.670 and the p-value to be 0.504. So, the null hypothesis holds that gender has not been shown to have an impact on the outcome of well-being in this study, emphasizing statistical importance.

Economic Wellbeing across the Gender of the Respondents

H4: Economic Wellbeing among the respondents varies significantly across their Gender

Table No 4: Economic Wellbeing among the Respondents- Gender wise t test

Factors	Gender Groups	Mean	Std. Deviation	Std. Error	T	P	Decision
Economic Wellbeing	Male	2.946	0.644	0.074	1.501	0.136	H4 Not Supported
	Female	2.786	0.661	0.076			

The gender-based t-test for economic well-being does not show a significant difference between males Mean = 2.946 and females Mean = 2.786, with the t-value of 1.501 and p-value of 0.136. Hence, there was no gender gap in economic well-being as supported by the null hypothesis, but further research may unveil contextual differences.

Attitude towards Sustainable Finance across the Gender of the Respondents

H5: Attitude towards Sustainable Finance among the respondents varies significantly across their Gender

Table No :5 Attitude towards Sustainable Finance among the Respondents- Gender wise t test

Factors	Gender Groups	Mean	Std. Deviation	Std. Error	T	P	Decision
Attitude towards Sustainable Finance	Male	3.558	0.797	0.092	-2.138	0.034*	H5 Supported
	Female	3.848	0.863	0.099			

The gender-based t-test revealed a significant difference in attitudes towards sustainable finance with females having more positive views compared to males with a mean of 3.848 and 3.558, respectively. The t-value of -2.138 and p-value of 0.034 confirmed the disparity, supporting hypothesis H5 and thus bringing out gender-based distinctions in attitudes towards sustainable finance.

Coping Mechanism across the Gender of the Respondents

H6: Coping Mechanism among the respondents varies significantly across their Gender

Table No 6: Coping Mechanism among the Respondents- Gender wise t test

Factors	Gender Groups	Mean	Std. Deviation	Std. Error	T	P	Decision
Coping Mechanism	Male	2.853	0.771	0.089	3.187	0.012*	H6 Supported
	Female	2.917	0.843	0.097			

The gender-based t-test indicates that the coping mechanism varies significantly, as females scored slightly higher than males, with a mean of 2.917 and 2.853 respectively. The t-value of 3.187 and p-value of 0.012 confirm the difference, thus supporting hypothesis H6 and highlighting the variations in coping strategies due to gender.

DISCUSSION

Sustainable finance combines the dimensions of environmental, social and governance factors into fiscal methodologies to promote societal and ecological welfare alongside sustainable economic development. This paradigm is critically relevant to questions of financial strain, general welfare and gender relationships.

Gender-Based Perspectives on Sustainable Finance: The research reveals that females demonstrate a significantly more positive stance toward sustainable finance relative to males (Mean = 3.848 vs. 3.558, $T = -2.138$, $P = 0.034$). The propensity of women to engage in ESG-aligned initiatives indicates their increased sensitivity to social and environmental concerns, prompting policymakers to develop gender-specific financial instruments such as green bonds or ethical investment options.

Connecting Sustainable Finance to Financial Well-being Sustainable finance reduces financial shocks and promotes economic resilience, which reduces financial stress in the long run. It also improves economic stability and reduces financial risks, especially for vulnerable populations, by focusing on responsible investment practices.

Sustainable finance and gender equality: Social inclusion is one of the core principles of sustainable finance, promoting gender equality by increasing women's access to capital and financial education. Inclusive programs can reduce gender gaps in financial literacy and economic opportunities.

Coping Mechanisms and Resilience: Studies show that women have stronger coping mechanisms in the face of financial adversity. Sustainable finance complements these

Financial Well-being: While no significant gender gaps exist in financial well-being, sustainable finance provides long-term stability across different groups, reducing risks from financial crashes and environmental degradation.

CONCLUSION

The article studies the interrelationship between financial stress, well-being, and gender in a sustainable finance framework. Results: important gender differences for financial and perceived stress and no gender difference in overall and economic well-being; women had a more favourable attitude toward sustainable finance and also made use of better coping mechanisms in managing their financial stress.

The study emphasizes the need for gender-sensitive approaches to financial stress management, literacy programs and sustainable finance promotion. Tailored financial literacy initiatives, workplace financial wellness programs, and sustainable finance education are recommended to foster resilience.

Women's great interest in sustainable finance practices will help reduce financial stress and better economic well-being for all. With the integration of ESG principles, sustainable finance can advance gender equality, bolster economic resilience and create a sustainable future. Research emphasizes sustainable finance as a powerful tool in helping to address financial stress and promote long-term well-being across genders.

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