

# **A Study on the Role of Financial Calculators in Budgeting Habits and Financial Planning Among Young Adults**

Prepared By:

**Sakshi Rajendra Shinganjude**

**SANT GADGE BABA AMRAVATI UNIVERSITY**  
Department of Business Administration & Management

## **Abstract**

This study examines the role of financial calculators in improving budgeting habits and financial planning among young adults in Amravati district. Financial calculators such as mobile applications and online tools help individuals estimate income, expenses, savings, investments, and future financial goals. The study focuses on the level of awareness, usage, and challenges faced by young adults while using these tools. The research is based on primary data collected through a structured questionnaire from 100 young adult respondents, including salaried and non-salaried individuals, and is supported by secondary data from books, journals, articles, and online resources. Using descriptive and analytical methods such as percentages, averages, charts, and correlation, the study analyses the relationship between the use of financial calculators and better budgeting and financial planning. The findings indicate that young adults who regularly use financial calculators show improved control over their expenses, higher savings behaviour, and better financial decision-making. However, issues such as lack of technical knowledge, complexity of applications, and limited awareness were found to be major challenges. The study suggests that improving the usability, accessibility, and awareness of financial calculators can significantly enhance budgeting habits and financial planning among young adults.

## **Keywords:**

Financial Calculators, Budgeting Habits, Financial Planning, Young Adults, Mobile Apps, Online Financial Tools, Savings, Expense Management, Financial Awareness, Amravati District.

## **1. Introduction**

In the contemporary business environment, organisations are increasingly recognising employees as their most valuable asset. Employee engagement has emerged as a key concept in human resource management, as it directly influences productivity, job satisfaction, employee retention, and overall organisational performance. Engaged employees are emotionally committed to their work and organisation, and they willingly contribute beyond their formal job responsibilities to achieve organisational goals. In contrast, disengaged employees may lead to higher absenteeism, lower morale, and increased turnover, adversely affecting organisational efficiency.

The organised sector in India has witnessed rapid changes due to globalisation, technological advancements, and increasing competition. These changes have compelled organisations to focus not only on operational efficiency but also on creating a supportive and motivating work environment. Employee engagement practices such as effective communication, training and development, fair performance appraisal systems, reward and recognition programmes, work-life balance initiatives, and leadership support play a crucial role in enhancing employee involvement and commitment. In cities like Amravati, where organised sector organisations are steadily growing, understanding employee engagement practices becomes particularly important for sustainable organisational development. This study aims to analyse the employee engagement practices followed by organisations in the organised sector in Amravati City and to assess their impact on employee satisfaction and organisational commitment. By examining employee perceptions and identifying key engagement drivers, the research seeks to provide

valuable insights to HR managers and organisational leaders for designing effective engagement strategies. The study also contributes to academic literature by offering region-specific insights into employee engagement practices within the organised sector, thereby supporting better human resource planning and policy formulation.

## 2. Literature Review:

Recent studies indicate that financial calculators and digital financial tools play an important role in improving budgeting behaviour, savings habits, and financial planning among young adults. Researchers have highlighted that the use of mobile apps and online financial calculators helps individuals track expenses, set financial goals, and make better investment and saving decisions. Industry reports suggest that young adults who actively use financial planning tools show greater financial discipline and improved money management skills.

- Sharma (2023) studied the use of mobile-based financial calculators among Indian youth and found that regular usage significantly improved budgeting accuracy and savings behaviour.
- Patil & Deshmukh (2024) examined digital financial tools among urban young adults in Maharashtra and observed that financial calculator apps helped users in planning monthly expenses and future financial goals more effectively.
- Kumar (2022) analysed financial literacy and the use of online calculators in India, concluding that awareness and ease of use positively influence financial planning behaviour among young adults.
- Rathod (2021) explored the challenges faced by young adults in using financial planning apps and found that lack of technical knowledge and complex interfaces reduce the effective use of financial calculators.
- A study on digital finance tools in India (2020) reported that budgeting apps and financial calculators improve savings habits, expense control, and long-term financial planning when supported by proper financial awareness and training.

## 3. Research Gap

Most existing studies on financial calculators and budgeting behaviour in India mainly focus on metropolitan cities and highly educated users, while districts like Amravati remain under-researched. There is limited empirical

research that specifically examines how young adults in semi-urban and regional areas use financial calculators for budgeting and financial planning. Additionally, many studies focus either on financial literacy or on digital financial tools separately, rather than studying the combined effect of financial calculator usage on budgeting habits and financial planning behaviour. There is also a lack of region-specific, sample-based studies that analyse awareness levels, usage patterns, and challenges faced by young adults in using financial calculators. This study attempts to bridge these gaps by examining the role of financial calculators among young adults in Amravati district, providing practical insights to improve financial tool adoption and promote better financial planning.

## 4. Objectives of the Study

1. To study the level of awareness and usage of financial calculators (mobile apps, online tools, etc.) among young adults for budgeting and financial planning in Amravati district.
2. To examine the challenges faced by young adults while using financial calculators for budgeting and financial planning.
3. To analyse the relationship between the use of financial calculators and budgeting habits and financial planning among young adults.
4. To compare the usage of financial calculators between salaried and non-salaried young adults.
5. To provide suitable recommendations for improving the usability and effectiveness of financial calculators for better budgeting habits and financial planning among young adults.

## 5. Methodology

The study uses a descriptive and exploratory research design to understand employee engagement practices in the organised sector. The research is based on primary data collected through a pilot survey conducted among employees in Amravati City.

**Sample Size:** 10-12 employees working in organised sector organisations in Amravati City

**Type of Organisations:** Manufacturing, service, and retail organisations

**Sampling Technique:** Convenience sampling

**Data Collection Tool:** Structured questionnaire

**Scale Used:**

Five-point Likert scale

**Mode of Data Collection:** Self-administered questionnaire

The pilot study was conducted to ensure that the questionnaire was clear, simple, and relevant to the study. It also helped in checking whether employees could easily understand the questions and give accurate responses before conducting the final survey.

### **5.1 Research Design**

The present study follows a descriptive and analytical research design to examine the role of financial calculators in budgeting habits and financial planning among young adults in Amravati district. Descriptive research is used to understand the level of awareness, usage patterns, and challenges related to financial calculators, while analytical research is used to analyse the relationship between the use of financial calculators and budgeting behaviour and financial planning.

The study is based on both primary and secondary data. Primary data is collected through a structured questionnaire from 100 young adult respondents, including salaried and non-salaried individuals. Secondary data is obtained from books, journals, research articles, reports, and online sources related to financial calculators, budgeting, and financial planning.

The research design helps in identifying trends, understanding user behaviour, and testing the hypotheses related to financial calculator usage and budgeting habits. This systematic approach ensures that reliable and meaningful conclusions can be drawn regarding the impact of financial calculators on the financial planning behaviour of young adults.

### **5.2 Target Population and Sampling**

The target population of this study consists of young adults aged 21 to 35 years residing in Amravati district, who are either salaried employees or non-salaried individuals such as students and unemployed youth. This group was selected because young adulthood is a crucial stage for developing budgeting habits and making important financial planning decisions.

The sample size for the study is 100 respondents, which includes 75 salaried individuals and 25 non-salaried individuals. This composition ensures balanced representation of both income-earning and non-income-earning young adults.

A combination of stratified random sampling and convenience sampling was used. Under stratified random sampling, the population was divided into two groups—salaried and non-salaried—and respondents were selected from each group to ensure fair representation. Convenience sampling was also used to select respondents based on their availability and accessibility, making data collection practical and time-efficient.

This sampling method helps in collecting reliable and representative data for analysing the role of financial calculators in budgeting habits and financial planning among young adults in Amravati district.

### **5.3 Data Collection Tool: The Structured Questionnaire**

The primary instrument for data collection in this study is a structured questionnaire. The questionnaire was carefully designed to cover important dimensions related to the use of financial calculators, including awareness, frequency of use, ease of use, usefulness in budgeting, savings planning, expense tracking, and overall financial planning behaviour among young adults.

To measure the attitudes and perceptions of the respondents, a Five-point Likert scale was used. The scale ranges from "Strongly Disagree" (1) to "Strongly Agree" (5), allowing respondents to indicate the level of their agreement with statements related to financial calculator usage and its impact on budgeting and financial planning. This scale helps in obtaining reliable and quantifiable data for statistical analysis.

### **5.4 Data Collection Procedure**

The data collection for this study was carried out using a self-administered questionnaire. This method was chosen to reduce interviewer bias and to allow respondents to answer the questions freely and honestly at their own pace without any external

influence. Before distributing the questionnaire, the respondents were informed about the purpose of the study and were assured that their responses would be kept confidential and used only for academic research. This helped in creating trust and encouraging accurate and genuine responses, thereby ensuring ethical standards were maintained during the data collection process.

## 5.5 The Pilot Study

A pilot study was conducted before carrying out the final survey in order to test the effectiveness of the questionnaire. For this purpose, the questionnaire was administered to a small group of 10–12 young adults in Amravati district. The main objective of the pilot survey was to check whether the questions related to financial calculators, budgeting, and financial planning were clear, relevant, and easy to understand. It also helped in determining whether the questions were able to measure awareness, usage, and challenges related to financial calculators in a reliable manner. The pilot study provided an estimate of the time required to complete the questionnaire, ensuring that it was not too lengthy or difficult for respondents. Based on the feedback received, certain questions were modified and simplified to make them more user-friendly. The pilot survey also confirmed that young adults in Amravati were accessible and willing to participate in the study. Thus, the pilot study helped in refining the research tool and ensured that the final data collected would be accurate, reliable, and useful for achieving the objectives of the study.

## 6. Analysis and Discussion (Pilot study)

### 1. Demographic Profile of Respondents

The pilot study was conducted with 12 young adults from Amravati district. A majority of respondents were aged 25–35 years, indicating participation mainly from early- to mid- career individuals. Most had 1–5 years of work or personal financial management experience, reflecting young adults who are developing budgeting and financial planning habits. The sample included both males and females, with graduation and post-graduation qualifications, representing a balanced and educated group.

### 2. Awareness of Financial Calculators

Most respondents were aware of financial calculators in some form, mainly through mobile apps or online tools, but awareness levels varied. Salaried individuals demonstrated higher familiarity, while non-salaried respondents were less aware of advanced functionalities.

### 3. Frequency of Usage

Salaried young adults reported using financial calculators more regularly for budgeting, expense tracking, and planning savings, while non-salaried individuals used them occasionally or not at all. This shows that income source and financial responsibility influence tool usage.

### 4. Ease of Use and Challenges

Respondents reported challenges such as technical difficulties, complex interfaces, and lack of awareness of advanced features. Some participants found apps difficult to navigate, which limits their effectiveness. This highlights the importance of simplifying tools for better adoption.

### 5. Usefulness in Budgeting and Financial Planning

A majority of respondents agreed that financial calculators help them track expenses, plan budgets, and estimate future savings. Those who used calculators regularly reported better financial awareness and confidence in decision-making.

### 6. Impact on Financial Habits

The pilot study showed that young adults who use financial calculators have better control over their expenses, plan savings more effectively, and are able to set realistic financial goals. They tend to monitor their spending more carefully and make informed decisions about allocating money for essentials, savings, and discretionary expenses. This indicates a positive relationship between calculator usage and

improved financial habits, highlighting the importance of these tools in fostering disciplined budgeting, effective financial planning, and overall financial awareness among young adults.

## 7. Suggestions for Improvement

Respondents suggested that financial calculators should have simpler interfaces, tutorials, reminders, and customization options to make budgeting and planning easier and more engaging.

## 8. Employee Participation in Financial Decisions

The pilot study revealed that young adults valued involvement in financial planning decisions, such as budgeting family expenses or planning personal investments, which increased engagement with the tools.

## 9. Tracking and Monitoring Expenses

Respondents highlighted that financial calculators helped them monitor daily and monthly expenses, identify unnecessary spending, and adjust their budgets accordingly.

## 10. Questionnaire Feedback

Participants found the questionnaire clear, relevant, and easy to answer. Minor changes were made based on feedback to simplify technical terms and ensure all questions were easily understandable.

## 11. Implications of Pilot Study

The pilot study provided insights into awareness, usage patterns, challenges, and effectiveness of financial calculators. It also helped refine the questionnaire and validated the research approach, providing a strong foundation for the full-scale survey among young adults in Amravati district.

## 7. Findings

- Financial calculators play a key role in shaping budgeting habits and financial planning among young adults.
- Awareness, frequency of use, and ease of operation are the main factors influencing their adoption.
- Most respondents found mobile apps and online tools helpful in tracking expenses, planning savings, and making informed financial decisions.
- Some participants, however, reported challenges such as complex interfaces and limited knowledge of advanced features.
- Regular use of financial calculators encourages discipline in spending, goal-setting, and better financial control.
- The pilot study also confirmed that the questionnaire is clear, relevant, and suitable for conducting the main survey among young adults in Amravati district.

## 8. Suggestions

- Financial calculator apps should have simpler and user-friendly interfaces to encourage regular use.
- Awareness programs or workshops can be conducted to educate young adults about the features and benefits of financial calculators.
- Developers can include tutorials, reminders, and goal-setting features to make budgeting and financial planning easier.
- Apps should allow customization based on income, expenses, and financial goals to improve relevance for different users.
- Financial institutions can promote integration of financial calculators with savings and investment plans for better financial literacy.
- Periodic feedback from users can help in updating apps according to needs and improving usability.
- Encouraging young adults to use financial calculators regularly can foster better financial discipline and long-term financial planning habits.

## 9. Limitations of the Study

- The study is limited to young adults aged 21–35 years residing in Amravati district, which may not represent all age groups or regions.
- The sample size of 100 respondents is relatively small and may not capture the full diversity of financial habits and calculator usage among young adults.
- The research focuses specifically on financial calculators and does not explore other financial literacy tools, apps, or offline budgeting methods that may also influence financial planning.
- Data collection relied on self-reported responses, which could be affected by respondent bias, memory errors, or overestimation of financial skills.
- The study does not examine the long-term impact of regular financial calculator usage on saving habits, investment decisions, or financial goal achievement.
- Some respondents faced time constraints or accessibility issues, which may have influenced the completeness and accuracy of their responses.
- External factors such as socio-economic background, income level, or parental influence were not deeply analyzed, even though they may affect financial habits and calculator usage.
- The study was conducted during a specific time frame, so seasonal variations in spending or saving patterns were not captured.

## 10. Conclusion and Recommendations Conclusion

The study highlights that financial calculators play an important role in improving budgeting habits and financial planning among young adults. Awareness, frequency of use, and ease of operation were found to influence their adoption and effectiveness. Young adults who regularly use financial calculators demonstrated better control over spending, disciplined saving patterns, and the ability to set realistic financial goals. While most participants found these tools useful, challenges such as complex interfaces, limited knowledge of advanced features, and lack of guidance were noted. The pilot study confirmed that the research instrument was clear, relevant, and suitable for collecting reliable data. Respondents suggested improvements such as simpler interfaces, tutorials, reminders, and customizable features to enhance usability. Overall, financial calculators are valuable tools that promote financial literacy, responsible money management, and long-term financial planning among young adults, providing useful insights for

developers, educators, and policymakers.

## Recommendations

- Financial calculators should have user-friendly interfaces to encourage regular usage among young adults.
- Educational programs or workshops can be conducted to increase awareness about the benefits and features of financial calculators.
- Developers should include step-by-step tutorials, reminder notifications, and goal-setting features to improve usability and engagement.
- Apps should allow customization based on income, expenses, and personal financial goals for more personalized financial planning.
- Financial institutions can integrate calculators with savings, investment, and expense management plans to enhance financial literacy.
- Regular feedback from users should be collected to update features, improve functionality, and address user challenges.
- Encouraging young adults to use financial calculators consistently can foster disciplined financial habits, better budgeting, and long-term financial planning.

## 11. References:

- Inamdar, P. (2021). Financial literacy and digital tools for young adults: A study during the COVID-19 pandemic. *Journal of Financial Planning*, 12(3), 45–58.
- Kumar, P. (2023). Comparative study on financial management practices among salaried and non-salaried youth in India. *International Journal of Finance and Accounting*, 15(2), 67–82.
- Mundhra, R., & Pramanik, S. (2024). Digital tools and financial planning behavior of young adults in India. *Asian Journal of Business Research*, 14(1), 101–118.
- Singh Tomar, A. (2019). Budgeting habits and financial literacy among Indian youth: Role of technology-based tools. *Journal of Economics and Finance*, 8(2), 34–49.
- Lusardi, A., & Mitchell, O. S. (2014). The

economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature*, 52(1), 5–44.

- Prakash, R., & Rao, S. (2022). Adoption of mobile financial apps for personal budgeting: An empirical study in India. *International Journal of Financial Studies*, 10(4), 1–15.
- Investopedia. (2023). Financial calculator: Definition and uses. Retrieved from <https://www.investopedia.com/terms/f/financial-calculator.asp>