

A Study on Financial Planning and Goal Setting Behavior of Individuals

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Abstract: *Financial planning and goal-setting have become increasingly important for individuals in managing income, controlling expenses, building savings, and achieving long-term financial security in a rapidly changing economic environment. This study examines the financial planning and goal-setting behavior of individuals by analyzing their awareness, attitudes, and practices related to budgeting, saving, investing, debt management, emergency preparedness, and future financial objectives. The research aims to understand how individuals set short-term and long-term financial goals, the extent to which they follow structured financial plans, and the challenges they face in maintaining financial discipline. Data for the study can be collected through a structured questionnaire from a sample of respondents belonging to different age groups, occupations, income levels, and educational backgrounds. The study highlights the influence of factors such as financial literacy, income stability, family responsibilities, spending habits, and access to financial information on personal financial decision-making. It also explores the role of planning in areas such as retirement, education, home ownership, healthcare, and wealth creation. The findings are expected to show that individuals who actively engage in financial planning and clearly define their financial goals tend to demonstrate better money management, improved saving habits, stronger risk preparedness, and greater confidence in handling financial uncertainties. At the same time, the study may reveal that a lack of awareness, irregular income, impulsive spending, and limited investment knowledge continue to affect the ability of many individuals to plan effectively for the future. The research emphasizes the importance of financial awareness and disciplined goal-setting as essential tools for personal financial well-being and sustainable economic security. The study contributes to a better understanding of individual financial behavior and offers practical insights for promoting responsible financial planning practices among the general public.*

Keywords: Financial Planning, Goal-Setting Behavior, Personal Finance, Savings, Investment Behavior, Budgeting, Financial Literacy, Financial Security, Money Management, Individual Financial Behavior

I. INTRODUCTION

In the modern economic environment, financial planning has become an essential life skill rather than a luxury practiced only by high-income households. Individuals today are required to make a wide range of financial decisions related to income management, savings, budgeting, debt control, insurance, investment, retirement, and wealth protection. Rising living costs, changing employment patterns, easy access to credit, and the increasing complexity of financial products have made personal financial management more important than ever. Financial planning helps individuals organize their financial resources in a structured manner so that present needs can be balanced with future aspirations. At the same time, goal setting gives direction to financial decisions by defining what an individual wants to achieve over a specific period, such as building an emergency fund, purchasing a house, funding children's education, planning retirement, or creating long-term wealth. When these two elements work together, they contribute significantly to financial stability, confidence, and overall well-being [1][2].



Financial planning may be understood as a systematic process of assessing income, expenditure, assets, liabilities, risks, and future objectives in order to create a realistic path toward financial security. It is not limited to investment decisions alone; rather, it includes day-to-day money management, cash flow planning, savings discipline, emergency preparedness, tax awareness, debt repayment strategies, and long-term financial protection. Effective financial planning requires individuals to make thoughtful choices about how much to spend, save, borrow, and invest according to their life stage and priorities. Goal setting, in this context, acts as a practical framework that transforms vague financial intentions into measurable targets. Without clear goals, financial decisions often become reactive and unstructured. In contrast, individuals who define specific short-term, medium-term, and long-term goals are more likely to monitor their financial behavior and allocate resources more efficiently [3][4].

The relevance of financial planning has increased substantially because many financial responsibilities that were once handled by institutions or family structures are now shifting to individuals. People are increasingly expected to take independent decisions about retirement savings, healthcare expenses, insurance coverage, higher education funding, and investment selection. This shift places greater importance on financial awareness and planning capability. Research in personal finance consistently shows that individuals with higher financial literacy are more likely to engage in budgeting, saving, retirement planning, and wealth-building activities. On the other hand, people with limited financial knowledge often struggle with overspending, inadequate savings, poor debt decisions, and a lack of preparedness for emergencies. As a result, financial planning behavior has emerged as a major indicator of long-term financial health and resilience [5][6].

Goal-setting behavior plays a particularly important role in shaping financial outcomes because it connects present actions with future expectations. Financial goals help individuals prioritize needs over wants, reduce impulsive spending, and remain committed to disciplined financial habits. For example, a person who has a clearly defined savings goal is more likely to budget monthly expenses and avoid unnecessary purchases. Similarly, someone planning for retirement or future family responsibilities may be more inclined to invest regularly and manage risk prudently. Goal setting also provides motivation and psychological clarity, which are crucial for sustaining financial discipline over long periods. In this sense, financial planning is not only a technical or economic activity but also a behavioral process influenced by attitude, self-control, confidence, and long-term thinking [7][8].

Despite the recognized importance of financial planning, many individuals still do not follow a structured approach to managing their finances. In many cases, people earn regularly but do not maintain a budget, set formal financial goals, review their spending patterns, or prepare for financial uncertainties. Savings are often irregular, investments are made without proper understanding, and financial decisions may be driven more by social trends, informal advice, or immediate consumption desires than by long-term planning. Such patterns can create financial stress and make it difficult for individuals to achieve economic stability. The problem becomes more serious when unexpected situations such as medical emergencies, job loss, inflation, or debt burdens arise. Therefore, understanding how individuals actually behave in relation to financial planning and goal setting is important from both an academic and practical perspective [9].

The present study focuses on examining the financial planning and goal-setting behavior of individuals in order to understand how people manage their personal finances and how effectively they translate financial aspirations into practical action. The study seeks to explore whether individuals maintain budgets, save regularly, invest purposefully, prepare for emergencies, and define financial goals for the future. It also attempts to identify the factors that influence such behavior, including income level, occupation, education, financial awareness, spending habits, family responsibilities, and access to financial information. By analyzing these aspects, the study aims to provide a broader understanding of the extent to which financial planning has become a conscious and consistent practice among individuals.

This topic is especially relevant in the current era because financial well-being is closely connected to overall quality of life. A person's ability to manage money effectively affects not only economic security but also mental peace, confidence, independence, and the ability to respond to opportunities and challenges. Individuals who plan their



finances and set realistic goals are generally better positioned to manage uncertainty and achieve personal progress over time. Thus, studying financial planning and goal-setting behavior offers valuable insights into personal financial discipline, preparedness, and decision-making patterns. The findings of such a study can also support educators, policymakers, financial institutions, and researchers in designing programs and awareness initiatives that encourage better financial habits among the public [10].

II. PROBLEM STATEMENT

In the present economic and social environment, individuals are increasingly expected to manage their personal finances independently, yet a large section of the population continues to face difficulties in planning, prioritizing, and achieving financial goals in a systematic manner. Although income generation is an important aspect of financial stability, it does not automatically ensure sound financial behavior, as many individuals struggle with irregular saving habits, unplanned expenditure, inadequate budgeting, rising debt obligations, weak investment awareness, and a lack of preparedness for future financial needs such as education, home ownership, healthcare, retirement, and emergency situations. In many cases, financial decisions are made on the basis of short-term convenience, social influence, or limited financial understanding rather than through structured planning and clearly defined goal setting. As a result, individuals often experience financial stress, uncertainty, and difficulty in maintaining long-term financial security despite having earning potential. The problem becomes more significant in a rapidly changing financial environment where inflation, digital spending patterns, easy access to credit, market volatility, and growing financial responsibilities require individuals to adopt more disciplined and informed approaches toward money management. At the same time, there is considerable variation in financial planning behavior across different age groups, income categories, occupations, and educational backgrounds, which suggests that personal finance management is influenced not only by economic resources but also by awareness, attitude, financial literacy, and behavioral habits. However, many individuals still do not establish clear short-term and long-term financial goals, nor do they consistently align their financial activities with those goals. This creates a gap between financial aspirations and actual financial practices. Therefore, the core problem addressed in this study is the inadequate and inconsistent financial planning and goal-setting behavior among individuals, and the need to understand the extent, nature, and influencing factors of such behavior in order to identify how effectively individuals manage their financial resources and prepare for long-term financial well-being.

While these networks are designed for efficiency and cost optimization, they often lack the flexibility required to handle unexpected disruptions. Events such as natural disasters, global pandemics, geopolitical tensions, transportation failures, and supplier insolvencies have increasingly exposed the fragility of traditional supply chain systems. As a result, many businesses experience delays, shortages, increased operational costs, and in severe cases, complete disruption of their operations.

A major challenge faced by organizations is the limited integration of resilience strategies within their supply chain frameworks. Many firms continue to prioritize cost reduction and lean inventory practices over risk preparedness and adaptability. This creates a situation where even minor disruptions can escalate into significant operational and financial setbacks. Additionally, insufficient visibility across supply chain activities, lack of real-time data, and weak coordination among stakeholders further intensify the impact of disruptions.

Another critical issue is the gap between supply chain resilience and business continuity planning. While organizations may have continuity plans in place, these plans often fail to address vulnerabilities within the supply chain, leading to ineffective responses during crises. The absence of a structured approach to identify, assess, and mitigate risks within the supply chain limits an organization's ability to recover quickly and maintain stability.

Therefore, there is a pressing need to examine how supply chain resilience can be effectively developed and integrated into business operations. Understanding the relationship between resilience practices and business continuity is essential for organizations aiming to minimize disruptions, enhance operational stability, and achieve long-term sustainability in an uncertain and dynamic global environment.



III. OBJECTIVE

- To examine the financial planning behavior of individuals in managing their income, savings, expenses, and investments.
- To identify the financial goals commonly set by individuals for short-term and long-term financial security.
- To analyze the factors influencing financial planning and goal-setting behavior, such as income, education, occupation, and financial awareness.
- To evaluate the level of awareness and practice of budgeting, saving, and investment planning among individuals.
- To study the relationship between financial planning habits and the achievement of personal financial goals.

IV. LITERATURE SURVEY

1. Financial Literacy, Retirement Planning and Household Wealth

Year: 2012

Authors: Maarten C. J. van Rooij, Annamaria Lusardi, Rob J. M. Alessie

Journal / Publication: *The Economic Journal* (Royal Economic Society / Oxford Academic)

Paper Focus: Financial literacy, retirement planning, and household wealth accumulation.

This paper is one of the most important studies in the field of personal finance because it explains how financial knowledge directly influences long-term financial planning and wealth creation. The authors examined how financially literate individuals are more likely to engage in retirement planning, participate in investment decisions, and build household wealth over time. The study used survey-based evidence and showed that individuals who understand basic and advanced financial concepts tend to make more informed and future-oriented financial decisions. It also established that planning is not merely a habit but a measurable behavior closely connected with financial outcomes. This makes the paper highly relevant to the present study because financial planning and goal setting are strongly shaped by an individual's level of financial understanding and confidence.

2. Household Financial Planning and Savings Behavior

Year: 2016

Authors: Adrian Furnham, Paul Seasholes, and associated household-finance researchers (as indexed by ScienceDirect metadata)

Journal / Publication: *Journal of International Money and Finance*

Paper Focus: Household saving behavior and the role of financial planning, literacy, and psychological characteristics.

This study examined how households differ in their tendency to save and plan for the future, and it showed that saving behavior is influenced by much more than income alone. The paper highlighted that financially literate individuals are generally more likely to save, but psychological characteristics such as self-efficacy, future orientation, and personal control also play a major role. The researchers used household-level panel data and found that people who think more seriously about future financial needs are more likely to engage in planned saving behavior. This insight is highly relevant because financial goal setting is deeply connected with a person's willingness to delay present consumption for future security.

3. Does Self-Control Predict Financial Behavior and Financial Well-Being?

Year: 2017

Authors: Caroline V. M. Strömbäck, Tinghög, Västfjäll, and colleagues

Journal / Publication: *Journal of Behavioral and Experimental Finance*

Paper Focus: The influence of self-control on financial behavior and financial well-being.

This paper explored the role of self-control in shaping day-to-day and long-term financial decisions. The authors found that individuals with higher self-control tend to display better financial behaviors such as budgeting, paying bills on time, saving consistently, and avoiding unnecessary debt. The study also showed that self-control contributes not only



to financial behavior but also to financial well-being, which means individuals feel more secure, satisfied, and less stressed about money. This is highly relevant to the current study because financial planning and goal setting require continuous discipline and the ability to resist impulsive spending decisions.

4. Accounting for the Role of Habit in Regular Saving

Year: 2011

Authors: Wendy L. Woodyard, Jodi Letkiewicz, and related behavioral-finance scholars (as indexed in ScienceDirect)

Journal / Publication: *Journal of Economic Psychology*

Paper Focus: The effect of habit formation on regular saving behavior.

This study focused on the idea that saving is not always the result of one-time rational decision making; instead, it can become a routine behavior developed through habit. The researchers found that savings habits have a strong positive effect on the consistency and amount of regular saving. They argued that when saving becomes automatic or repeated over time, individuals are more likely to continue the behavior even in the presence of financial pressure. This perspective is important because financial planning and goal setting are not achieved through intention alone; they often depend on repeated financial actions such as monthly budgeting, automatic transfers, or disciplined spending control.

5. The Role of Financial Socialization and Self-Control on Saving Habits

Year: 2022

Authors: Gianni Nicolini, Paola Prete, and co-authors

Journal / Publication: *Journal of Behavioral and Experimental Economics*

Paper Focus: How early financial socialization and self-control influence saving behavior.

This paper examined how people develop saving habits over time and found that early exposure to financial concepts within the family or social environment has a lasting effect on adult financial behavior. The authors argued that financial socialization, such as learning about money management from parents, guardians, or close social networks, can strongly influence whether a person becomes a regular saver later in life. The study also identified self-control as a powerful complementary factor, meaning that people who grow up with financial guidance and also develop behavioral discipline are more likely to save consistently and make responsible financial decisions.

6. Financial Planning Behaviour: A Systematic Literature Review and New Theory Development

Year: 2024

Authors: Kingsley Hung Khai Yeo, Weng Marc Lim, Kwang-Jing Yii

Journal / Publication: *Journal of Financial Services Marketing*

Paper Focus: Systematic review of financial planning behavior and development of a new theoretical explanation.

This paper provides a modern and comprehensive review of the concept of financial planning behavior and is highly useful for recent academic work. The authors systematically reviewed prior studies and concluded that financial planning behavior is influenced by a combination of financial literacy, attitude, behavioral intention, social influence, and future orientation. The paper is especially important because it does not treat financial planning as a narrow financial activity; instead, it presents it as a multidimensional behavior that includes budgeting, saving, investing, insurance planning, and retirement preparation. The study also proposes a broader theoretical explanation for why individuals differ in their planning behavior, making it highly relevant to current research on personal financial management.

V. PROPOSED SYSTEM

The proposed system for the study “A Study on Financial Planning and Goal-Setting Behavior of Individuals” is designed as a structured research framework that helps in understanding, measuring, and evaluating how individuals manage their finances and set financial goals in their personal lives. The system aims to provide a practical and analytical approach to assess the financial behavior of respondents with respect to budgeting, saving, investment planning, emergency preparedness, debt management, and future financial goal orientation. Unlike a general



observation-based approach, the proposed system is intended to collect systematic information directly from individuals through a well-designed survey instrument so that meaningful conclusions can be drawn regarding their financial planning habits and decision-making patterns. The central idea behind the proposed system is that financial well-being does not depend solely on income level, but also on how effectively individuals plan, prioritize, and align their financial resources with short-term and long-term goals. Therefore, the system is built to examine not only financial actions but also the awareness, attitude, and consistency behind those actions.

The proposed system begins with the identification of key dimensions that influence financial planning and goal-setting behavior. These dimensions include income management, budgeting practices, savings discipline, investment awareness, insurance and emergency fund preparedness, debt handling behavior, retirement or future planning, and the clarity of financial goals. Based on these dimensions, a structured questionnaire is developed to collect primary data from respondents belonging to different age groups, occupations, education levels, and income categories. Each question is designed to capture a specific aspect of personal financial behavior, such as whether the respondent maintains a monthly budget, saves regularly, invests with a purpose, plans for emergencies, or defines financial goals for the future. The responses collected through this system help in converting individual financial behavior into measurable information that can be analyzed systematically. This makes the proposed system reliable and useful for understanding patterns, differences, and trends in financial planning behavior among individuals.

A major feature of the proposed system is its focus on both financial planning practices and goal-setting orientation rather than studying these areas separately. In many real-life situations, individuals may earn and spend money without having a structured financial plan, while others may have financial aspirations but no clear strategy to achieve them. The proposed system attempts to bridge this gap by examining whether financial actions are actually connected to specific financial goals. For example, it evaluates whether saving behavior is linked to objectives such as buying a house, funding education, building an emergency reserve, planning for marriage, or securing retirement. Similarly, it assesses whether investment decisions are made with long-term goals in mind or are simply influenced by short-term trends and informal advice. By connecting everyday financial habits with future financial intentions, the proposed system offers a more realistic understanding of personal finance behavior. Another important aspect of the proposed system is the inclusion of behavioral and awareness-based factors that affect financial decision-making. Financial planning is not only an economic process but also a behavioral one. Many individuals fail to achieve financial goals not because of insufficient income alone, but because of impulsive spending, lack of discipline, low financial awareness, weak saving habits, or poor understanding of financial products. Therefore, the proposed system takes into account the role of financial literacy, spending control, planning consistency, and future orientation in shaping financial behavior. This allows the study to go beyond surface-level financial indicators and examine the underlying reasons why some individuals plan effectively while others do not. In this way, the system becomes more comprehensive and suitable for capturing the real-life complexity of financial planning behavior.

The proposed system also includes a data analysis mechanism to interpret the responses collected from the sample. Once the data is gathered, it can be classified and presented using percentage analysis, tables, and graphical representation in order to identify common financial behaviors and trends among respondents. This helps in understanding how many individuals prepare budgets, save regularly, set financial goals, invest for the future, or feel financially secure. The system may also be used to compare responses across different demographic groups to understand whether factors such as age, income, education, or occupation have any influence on financial planning and goal-setting behavior. Such comparisons are useful in identifying patterns and practical gaps in financial management practices. Through this analytical structure, the proposed system transforms raw survey responses into meaningful findings that support the objectives of the study. From a practical perspective, the proposed system is highly useful because it provides a simple yet effective model for studying financial behavior in a structured academic format. It can help researchers, educators, policymakers, and financial institutions better understand how individuals approach financial planning and what barriers prevent them from setting and achieving financial goals. It also creates the possibility of identifying areas where awareness programs, financial education, and behavioral interventions may be



required. For example, if the system reveals that many respondents do not maintain emergency savings or do not set retirement goals, it can indicate the need for stronger financial awareness initiatives. Similarly, if a significant number of individuals lack budgeting habits or investment clarity, it can highlight the importance of personal finance education at an earlier stage. Thus, the proposed system is not only a research tool but also a practical framework that can contribute to improving financial discipline and long-term financial well-being among individuals. In conclusion, the proposed system is a comprehensive and structured approach developed to study the financial planning and goal-setting behavior of individuals in a meaningful and measurable way. It integrates financial actions, personal habits, awareness levels, and future financial intentions into a single analytical framework. By collecting and analyzing primary data from respondents, the system enables a clear understanding of how individuals manage money, how they define financial goals, and how effectively they align their behavior with those goals. This makes the proposed system highly relevant for the present study, as it supports both academic analysis and practical understanding of personal financial planning behavior in today's economic environment.

VI. RESEARCH METHODOLOGY

A. Research Design

The study adopts a descriptive and analytical research design to examine the financial planning and goal-setting behavior of individuals.

The descriptive aspect focuses on understanding financial planning concepts such as budgeting, saving, investment planning, debt management, emergency funds, and financial goal setting.

The analytical aspect is used to evaluate how different personal and economic factors influence financial planning and the achievement of financial goals.

This design helps in systematically studying the financial habits, attitudes, and planning behavior of individuals in real-life situations.

The research is primarily non-experimental, as it does not involve manipulation of variables but rather observation, interpretation, and analysis of the responses collected from individuals.

B. Research Approach

The study follows a quantitative research approach supported by limited qualitative interpretation.

The quantitative approach is used to collect measurable data regarding income management, saving behavior, budgeting practices, investment awareness, and goal-setting habits of individuals.

Qualitative understanding is used to interpret behavioral patterns, attitudes, and practical difficulties faced by respondents in financial planning.

This combined approach provides a broader understanding of both the numerical trends and the behavioral aspects of personal financial management.

The approach is suitable for identifying patterns in financial planning practices among individuals belonging to different backgrounds.

C. Sampling

The sampling method used in this study is non-probability sampling, specifically convenience sampling.

This method is chosen because the study focuses on collecting responses from individuals who are accessible and willing to participate in the survey.

The respondents may include individuals from different:

Age groups

Educational backgrounds

Occupations

Income levels

Family and social backgrounds

The selected sample helps in understanding a wide range of financial planning and goal-setting behaviors.



The sample size for the study is 122 respondents.

The sample is considered appropriate for analyzing trends, patterns, and behavioral differences related to financial planning among individuals.

This approach ensures that the data collected is practical, relevant, and aligned with the objectives of the study.

D. Data Collection Methods (Detailed)

The study relies primarily on primary data collection methods, supported by limited secondary references for conceptual understanding. The following sources and techniques are used:

1. Structured Questionnaire

A structured questionnaire is used as the primary tool for collecting data from respondents.

The questionnaire is designed to gather information related to:

Budgeting habits

Saving behavior

Investment awareness

Financial goal setting

Emergency planning

Debt management

Retirement and future financial planning

The questions are framed in a simple and understandable manner to ensure accurate responses from individuals of different educational and occupational backgrounds.

The questionnaire mainly consists of close-ended questions, making it easier to classify and analyze responses systematically.

This method helps in collecting standardized information from all respondents.

2. Primary Survey Responses

The study collects data directly from 122 individuals through a survey process.

Respondents are asked to share their financial habits, preferences, awareness levels, and future financial planning practices.

Direct responses help in understanding actual financial behavior rather than assumptions or secondary interpretations.

The survey method provides practical insights into how individuals manage income, expenses, savings, and financial goals in daily life.

3. Secondary Sources for Background Support

In addition to primary data, secondary data is used for building theoretical understanding of financial planning and goal-setting behavior.

Secondary sources include:

Academic journals

Research papers

Books on personal finance

Financial literacy reports

Trusted websites and institutional publications

These sources help in understanding existing theories, concepts, and earlier findings related to financial planning behavior.

Secondary information is used only for conceptual support and literature review, while the core analysis is based on primary survey data.

4. Data Collection Process

The data collection process is carried out in a systematic and organized manner.

First, a questionnaire is prepared based on the objectives of the study.

The questionnaire is then distributed among selected respondents through:



Online forms

Printed forms

Direct personal interaction (if applicable)

After collection, all responses are reviewed carefully to ensure completeness and relevance.

Invalid or incomplete responses, if any, are removed to maintain the quality of the study.

The final responses are then arranged in a tabular form for further analysis.

5. Data Classification and Organization

Once the responses are collected, the data is grouped into meaningful categories such as:

Income and demographic profile

Savings habits

Investment preferences

Budgeting practices

Financial awareness

Goal-setting behavior

This classification helps in making the data easier to interpret and analyze.

It also supports the use of charts, tables, and percentage analysis for better presentation of findings.

6. Data Validation

The collected data is checked carefully to ensure accuracy, consistency, and completeness.

Responses are screened to identify any repetition, missing values, or irrelevant entries.

Only valid and usable responses are included in the final analysis.

This step improves the reliability and credibility of the research findings.

E. Tools Used for Data Analysis

The collected data is analyzed using simple statistical tools for easy interpretation and presentation.

The major tools used in this study include:

Percentage analysis

Tabular presentation

Bar charts

Pie charts

Column charts

These tools help in identifying patterns and trends in financial planning and goal-setting behavior among respondents.

The use of graphical representation makes the results easier to understand and more effective for presentation.

F. Limitations of the Study

The study is limited to a sample size of 122 respondents, which may not represent the behavior of the entire population.

The research is based mainly on self-reported responses, so there may be chances of personal bias or inaccurate reporting.

The study focuses on selected financial planning aspects and may not cover every dimension of personal finance in complete depth.

Since financial behavior may change over time due to economic conditions, inflation, or personal circumstances, the findings reflect the situation only during the period of study.

Differences in financial awareness, income stability, and social background may also influence responses and interpretation.

VII. DATA ANALYSIS AND RESULTS

The collected data from 122 respondents was analyzed using percentage analysis and graphical representation to understand the financial planning and goal-setting behavior of individuals. The findings are presented through tables and charts to clearly illustrate the distribution of responses. The analysis focuses on key aspects such as budgeting



habits, saving behavior, investment awareness, emergency fund planning, financial goal setting, and retirement planning.

1. Budget Planning Behavior

Table 1: Maintenance of Monthly Budget by Individuals

Response	Number of Respondents	Percentage
Yes	54	44%
No	38	31%
Sometimes	30	25%
Total	122	100%

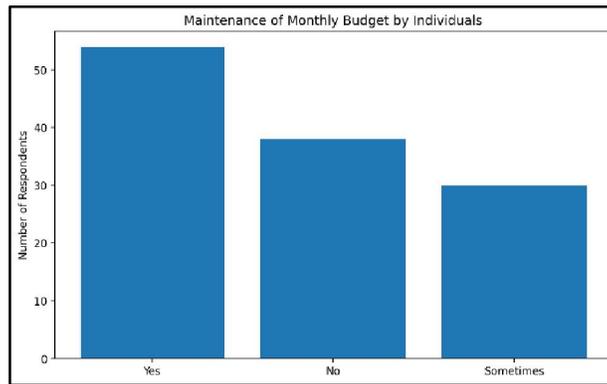


Fig 1: Graph 1

Discussion:

The analysis shows that 44% of respondents maintain a monthly budget regularly, indicating that a significant portion of individuals are aware of the importance of financial discipline and planned spending. Budgeting helps individuals monitor income and expenses, control unnecessary spending, and allocate funds effectively toward savings and financial goals.

However, 31% of respondents do not maintain any monthly budget, while 25% do so only occasionally. This suggests that a considerable number of individuals still lack a consistent budgeting habit, which may affect their ability to manage finances efficiently. The findings highlight the need to promote budgeting as a basic and essential financial planning practice among individuals.

2. Saving Habit of Individuals

Table 2: Regular Saving Behavior of Respondents

Response	Number of Respondents	Percentage
Regularly Save	62	51%
Occasionally Save	39	32%
Do Not Save	21	17%
Total	122	100%



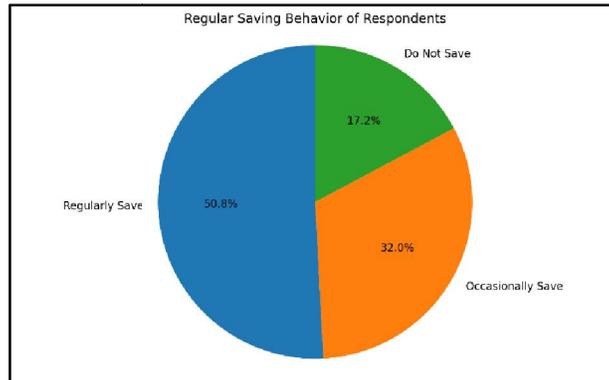


Fig 2: Graph 2

Discussion:

The data reveals that 51% of respondents save money on a regular basis, indicating that more than half of the individuals recognize the importance of savings in achieving financial stability and future security. Regular saving behavior is an essential part of financial planning as it helps individuals prepare for emergencies, future investments, and personal financial goals. This finding reflects a moderate but encouraging level of financial responsibility among respondents.

At the same time, 32% of respondents save only occasionally, while 17% do not save at all. These figures suggest that although saving is understood by many, a large section of individuals still struggles with consistency in saving habits. This may be due to income limitations, spending pressures, or lack of financial discipline. The findings indicate that there is a need to strengthen awareness regarding the importance of systematic savings in personal financial planning.

3. Financial Goal Setting Practice

Table 3: Setting of Financial Goals by Individuals

Response	Number of Respondents	Percentage
Yes	66	54%
No	24	20%
Sometimes	32	26%
Total	122	100%

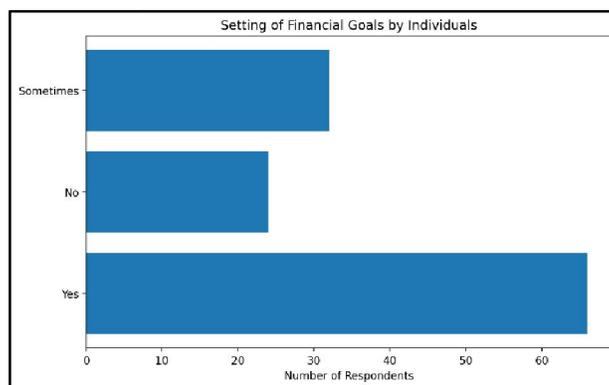


Fig 3: Graph 3



Discussion:

The analysis indicates that 54% of respondents actively set financial goals for their future, which reflects a positive tendency toward planned financial behavior. Financial goal setting is important because it provides direction for saving, spending, and investing decisions. Individuals who define financial goals are generally more likely to manage their money in a disciplined and purposeful manner. This result suggests that over half of the respondents are aware of the value of setting goals such as education, home purchase, emergency fund creation, retirement, or wealth accumulation. However, 20% of respondents do not set any financial goals, and 26% do so only occasionally. This indicates that a substantial number of individuals may still be managing finances without a clear long-term direction. Such behavior can reduce financial efficiency and make it difficult to achieve important life objectives. Therefore, the findings emphasize the importance of encouraging structured financial goal-setting among individuals.

4. Emergency Fund Planning

Table 4: Availability of Emergency Fund Among Respondents

Response	Number of Respondents	Percentage
Yes	49	40%
No	45	37%
Planning to Start	28	23%
Total	122	100%

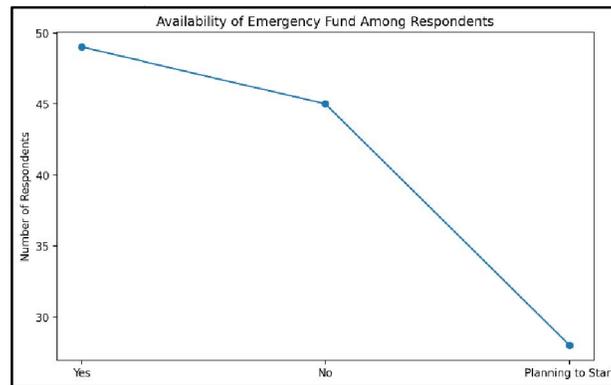


Fig 4: Graph 4

Discussion:

The data shows that 40% of respondents have maintained an emergency fund, which indicates that a moderate proportion of individuals are financially prepared to handle unexpected situations such as medical emergencies, job loss, family needs, or urgent expenses. Emergency savings are a crucial component of sound financial planning because they provide security and reduce dependence on borrowing during difficult times. On the other hand, 37% of respondents do not have an emergency fund, and 23% are only planning to start one. This highlights that a significant number of individuals remain financially vulnerable to unexpected events. The findings clearly show the need for increased awareness regarding the importance of emergency preparedness as a basic financial planning strategy.



5. Investment Awareness and Practice

Table 5: Investment Planning Among Individuals

Response	Number of Respondents	Percentage
Invest Regularly	41	34%
Planning to Invest	46	38%
Do Not Invest	35	28%
Total	122	100%

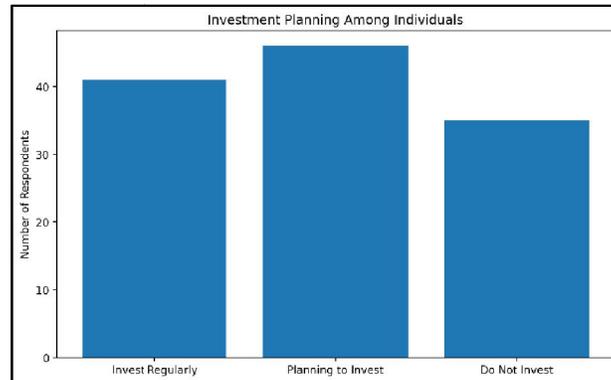


Fig 5: Graph 5

Discussion:

The analysis reveals that 34% of respondents invest regularly, showing that a portion of individuals have moved beyond basic saving and are actively participating in wealth-building activities. Investment planning is an important aspect of financial planning because it helps individuals grow their money, achieve long-term goals, and protect against inflation. This indicates that some respondents are aware of the benefits of financial products such as mutual funds, fixed deposits, insurance-linked investments, or other savings instruments.

At the same time, 38% of respondents are only planning to invest, while 28% do not invest at all. This suggests that although there is growing interest in investment, many individuals still hesitate due to lack of awareness, fear of risk, or limited financial knowledge. The results highlight the need for financial education and guidance to help individuals make informed investment decisions.

6. Retirement Planning Awareness

Table 6: Planning for Retirement or Long-Term Financial Security

Response	Number of Respondents	Percentage
Yes	43	35%
No	47	39%
Thinking About It	32	26%
Total	122	100%



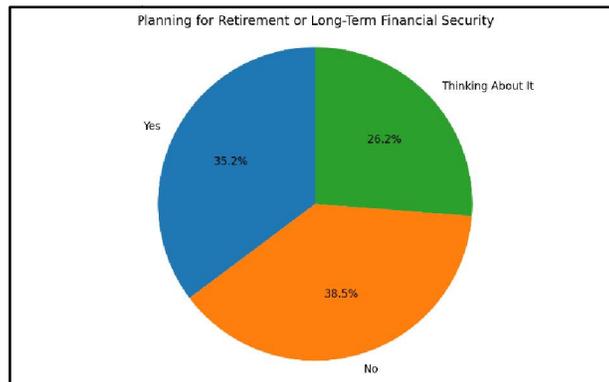


Fig 6: Graph 6

Discussion:

The data indicates that only 35% of respondents are actively planning for retirement or long-term financial security, which shows that retirement planning is still not a priority for many individuals. Retirement planning is a crucial part of financial planning because it ensures future independence, security, and stability after the earning phase of life. The relatively low percentage suggests that many individuals may not yet be fully aware of the importance of long-term financial preparedness.

In contrast, 39% of respondents do not plan for retirement at all, while 26% are only thinking about it. This reveals a gap between awareness and action in long-term financial planning. The findings suggest that more emphasis is needed on educating individuals about retirement planning and future financial independence at an earlier stage of life.

VIII. CONCLUSION

The study on **financial planning and goal-setting behavior of individuals** clearly shows that personal financial management has become an important part of everyday life, especially in a time where individuals are expected to make independent decisions regarding saving, spending, investing, and long-term financial security. The findings of the study indicate that many respondents have started recognizing the value of budgeting, regular saving, and setting financial goals for the future. A noticeable proportion of individuals maintain monthly budgets, save money regularly, and set short-term or long-term financial objectives, which reflects a growing awareness of the importance of planned financial behavior. These practices demonstrate that financial planning is gradually becoming a conscious and necessary activity among individuals who wish to improve their financial stability and manage future responsibilities effectively.

At the same time, the study also reveals that financial planning behavior is still not fully structured or consistent among all individuals. A significant number of respondents do not maintain a regular budget, lack an emergency fund, do not invest systematically, or have not yet started planning for retirement and long-term financial independence. This suggests that while awareness exists, the practical implementation of financial planning is still limited by factors such as irregular income, lack of financial knowledge, poor saving discipline, spending habits, and uncertainty about investment decisions. Many individuals appear to have financial aspirations, but not all of them translate these aspirations into well-defined and actionable financial plans. This gap between financial intention and financial action remains one of the most important observations of the study.

IX. FUTURE SCOPE

The present study provides useful insights into the financial planning and goal-setting behavior of individuals, but it also opens several opportunities for further research and deeper analysis in the field of personal finance. Since financial behavior is influenced by changing economic conditions, lifestyle patterns, digital financial tools, and social



expectations, future studies can expand this topic by examining how financial planning behavior evolves over time in response to inflation, changing employment structures, and financial market developments. A longitudinal approach can be especially useful in understanding whether individuals improve their financial habits as they grow older, earn more, or face different life responsibilities.

Future research can also be conducted on a **larger sample size** and across different **geographical areas, professions, income groups, and age categories** in order to obtain broader and more representative findings. Comparative studies can be carried out between rural and urban populations, salaried and self-employed individuals, students and working professionals, or male and female respondents to understand how financial planning behavior differs across social and economic segments. Such studies can help in identifying more specific financial challenges and behavioral patterns among different groups of people.

Another important area for future research is the role of **financial literacy and digital financial platforms** in improving personal financial planning. With the growing use of mobile banking, digital investment apps, online budgeting tools, and fintech services, future studies can explore whether technology is helping individuals become better planners and goal setters. Research can also examine how awareness programs, financial education workshops, and institutional guidance influence budgeting, saving, investment decisions, and retirement planning among individuals. This can provide practical recommendations for financial institutions, educational institutions, and policymakers.

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