

Awareness Regarding Investment Behaviour among Salaried Class People in The Education Sector

Arti, Dr. Inderjeet

¹Research Scholar, Faculty of Management and Commerce, Baba Mastnath University, Rohtak, India

²Professor, Faculty of Management and Commerce, Baba Mastnath University, Rohtak, India

ABSTRACT

The current study deals with the objective "To analyse the awareness level regarding the investment behaviour of salaried class people in the education sector." The data has been collected from some selected districts of Haryana from education sector. It is observed that the people are more interested to invest in bank deposits, life insurance schemes, post office saving schemes, gold and real estates.

Keywords: Investment Behaviour, awareness, Salaries Class People, Education Sector

Article Info

Publication Issue :

Volume 10, Issue 1

January-February-2023

Page Number : 16-38

Article History

Accepted : 10 Jan 2023

Published: 30 Jan 2023

I. INTRODUCTION

As part of the decision-making process, investors evaluate and assess the methods used to obtain data and make predictions about the market. An investor's future well-being is at stake when he or she decides to invest. The vast majority of people put money into something at some point. Investors can choose from a wide range of investment options. Each of these investing options has its own unique set of risks and rewards. Participation in pension plans, employee savings programmes, or the purchase of life insurance or a home is still an investment even if the individual does not choose specific assets such as shares.

Analysis of employee behaviour based on psychographic and demographic parameters such as age, gender, educational attainment, and income levels is referred to as "employee behaviour." Only banking personnel from the private and public sectors will be

asked to participate in this survey, as they are well-versed in the wide range of financial products offered. In contrast to businessmen, they have the advantages of safety, stability, regular income, and retirement benefits. There are a lot of data and information to go through when it comes to investing, which may take a lot of time for many people. It's all a bit perplexing. In order to invest wisely, we must first have a grasp of the many financial possibilities accessible to us.

Many investment options are available in India, some of which are marketable and liquid, some of which are very dangerous, and others of which are nearly riskless. Proper Avenue must be selected by the investor according on his or her individual requirements, risk preferences, and projected returns. Some options to consider are:

There are a number of low-risk investment options available, such as a checking or savings account, a bank

fixed deposit, a pension fund, and government securities. Mutual funds, life insurance, debentures, and bonds all fall within the category of medium-risk investments. Stock market, commodity market, and forex market are all high-risk options for investors. Chit Funds, Real Estate Investments, Gold/Silver Investments. Venture capital and hedge funds/private equity investments are two of the most promising new avenues to invest in.

II. REVIEW OF LITERATURE

Singh and Kaur (2018) studied Individual investors in Mohali to Understand the savings and investment patterns of the inhabitants, as well as the differences in investing behaviour between men and women. Depending on their risk-taking attitude, all of the investors allocate their surplus funds to a variety of various investments. Using basic random sampling, a total of 200 people were chosen for this study. From the targeted sectors and distinct stages in and around Mohali, primary data was gathered using a questionnaire and personal interviews. According to the findings of the survey, the vast majority of individuals are long-term savers. They mostly make investments in fixed-income securities and other conventional assets. The only inhabitants who do not have a formal budget are students and those who are not in a committed relationship. Women are less confidence than males when it comes to their financial destiny and their expertise.

Atodaria and Sharma (2019) conducted research on the investing patterns of the salaried class in Somnath (Daman). The study's primary goal was to examine the level of awareness, perception, and behaviour among salaried individuals regarding various investment opportunities available to them, as well as numerous demographic characteristics and investing patterns. Many individuals are not aware of how to invest in the stock market, and many others are not ready to take risks with their money, so they choose to put their money into bank deposits, insurance, and post office

savings accounts, among other things. The information was gathered through the use of a standardised questionnaire that was delivered to 100 respondents. The data were analysed using descriptive statistics, and the chi-square approach was used to examine demographic characteristics and the reasons for putting money aside. The SPSS software package is utilised for the analysis. It has been discovered that the vast majority of Somnath's salaried population is aware of, and has made investments in, bank deposits and insurance policies. The findings of the study also suggest that the motivation of employed individuals to save is dependent on their age. Additionally, it is not influenced by other demographic parameters like age or gender as well as educational credentials or monthly income. The availability of investment information and services supplied by investment agents are other essential factors that salaried people consider when making an investment. The most important factors that salaried people examine are regular returns and the reduction of their tax liability. The majority of respondents in the age range 21 to 40 said they save to establish a reserve for unforeseen situations, better their level of life, pass on their wealth to their children, and to engage in speculating business.

Bhardwaj and Chouhan (2019) Ram conducted research at Chandigarh University on the savings and investing habits of salaried people. The study's main goal was to examine the savings and investing habits of Chandigarh University's paid staff in order to better understand their financial situation. The information was gathered using a standardised questionnaire that was delivered to 80 employees who were employed at Chandigarh University. The data was analysed using a straightforward percentage technique. People at Chandigarh University have annual savings that are correlated with their age, income, and profession, according to the findings of the study. The level of income earned by school teachers has a significant influence on their ability to save and invest. The survey also found that the vast majority of respondents

are putting money aside in bank fixed deposits to protect themselves against the uncertainty of the future.

Dhawan and Mehta (2019) undertook an investigation on the rationality of investors in the Jammu city. The purpose of this study is to determine the relationship between saving and income, as well as the motives for saving and the preferences of investors for various investment strategies. A structured questionnaire was employed in presenting the questionnaire to the 250 respondents. The data was analysed using a variety of approaches, including One-Way ANOVA, ANCOVA, MANOVA, and frequency distribution, among others. The findings demonstrate a positive association between saving and income after adjusting for the impact of several characteristics such as age, gender, and employment. Additionally, there is a difference in financial literacy and knowledge depending on gender. According to the findings of the survey, individuals choose secure and liquid investments that offer tax advantages, larger returns, and less lock-in periods.

Hunjra et al. (2019) conducted a study to determine the investment options and preferences of small investors from the salaried class, and the results were published. The primary goal of the research was to determine the influence of investment alternatives, risk level, and financial expertise on the investment decisions of individual investors. The findings were published in the Journal of Finance. The information was gathered using a questionnaire. A total of 250 surveys were issued, with 184 respondents providing usable replies out of a total of 250 questions. The techniques of regression and correlation analysis were used to determine the influence of the amount of risk and financial knowledge on investment decisions. The bulk of paid employees have a lesser level of disposable income with which to save and invest. They are risk cautious and prefer to invest in real estate and mutual funds rather than stocks and bonds. They perceive investing in the stock market to be the riskiest

investment choice accessible, while bank savings are considered to be the least hazardous. The perspective of paid employees differs depending on their age and degree of education as well. It has been discovered that perceptions of risk and financial knowledge about investments have a favourable impact on investing decisions. Evidently, salaried individuals prefer to put their money into low-risk investments such as real estate and bank accounts rather than riskier ones such as stocks. Financial managers may persuade paid workers to invest by providing them with chances to invest in less risky and more rewarding alternatives. It is possible that this will boost their proclivity to save and invest. It has been shown that paid employees may have a less amount of money to put down. It is possible that this is related to the fact that salaried employees in Pakistan are suffering as a result of the high inflation rate.

Marimuthu (2019) conducted research into how paid individuals manage their finances. The primary goal of the survey was to determine which investment paths were most popular among individual investors. Primary data had been acquired from 100 respondents using a structured questionnaire encompassing salaried peoples in Tamil Nadu, India, using a self-assessment exam and a structured questionnaire. The respondents were chosen using a straightforward randomization process. With the use of statistical tools, the data was analysed using percentages and the chi-square test, among other methods. It has been shown that respondents have a medium level of knowledge about various investing options, but they are not familiar with the stock market, equity, bond, and debentures. All age groups place more emphasis on the need of investing in insurance and bank deposits. Responder's income level is a significant aspect that influences the portfolio of the respondent. Participants in the middle-aged and lower-income categories chose to invest in insurance and bank deposits above any other types of investments, according to the survey results. In Tamil Nadu, India, respondents are more aware of different

investment opportunities such as insurance, bank deposits, modest saves such as post-office savings, and so on than in other parts of the country. Stock brokerage businesses must run an awareness campaign in order to achieve this, since the vast majority of respondents were ignorant of the new services available in the stock market.

Punitha and Gayathri (2019) evaluated the role of psychological variables on the investment behaviour of paid employees. The study's main goal was to assess the psychological characteristics of salaried investors as well as the behaviour of individual investors in the stock market. The study was conducted using the quota sampling approach, and a total of 100 participants participated in it. The descriptive statistics were employed in the investigation. The findings clearly demonstrated that respondents (salaried persons with investment behaviour) had a risk-taking ability that is below the national average (i.e. before investing they are so precautious about where they invest and the type of company they invest and also the financial return policies). The findings indicate that personality is a multidimensional construct comprised of five sub-constructs, which are referred to as Extraversion, Agreeableness, Conscientiousness, Openness to Experience, and Emotional Stability, and that these constructs are viewed as independent variables in the study. Extraversion was found to be associated with higher levels of emotional stability. The conclusion that can be derived from this data is that the sample as

a whole is average in terms of these psychographic factors, neither too high nor too low in any category of variable. It may be concluded that the sample as a whole has a risk-taking ability that is slightly below average, a strategy that is slightly above average, and attitudes and priorities that are somewhat above average, respectively.

III. METHODS AND MATERIAL

This paper deals with the objective “To analyze the awareness level regarding the investment behaviour of salaried class people in the education sector.” To achieve this objective a hypothesis “*H01: There is no significant difference regarding awareness level among the salaried class people regarding investment behaviour in the education sector.*” has been formulated and tested by using statistical tools Descriptive Statistics and Analysis of Variance (ANOVA). A sample size of 600 salaries class people from various types of institutions has been collected through a structured questionnaire where the respondents are asked to provide a response on various selected factors on the basis of a 5-point Likert scale from strongly agree to strongly disagree.

Haryana is divided into six geographical zones for the purpose of sampling. A random sample of 100 people is drawn from each zone. We will thus choose a final sample size of 600.

Table 1.1. Sample Size

Zones	Districts Included	Sample Size
I. Ambala	Ambala, Kurukshetra, Panchkula, Yamuna Nagar	100
II. Faridabad	Faridabad, Palwal, Nuh	100
III. Gurugram	Gurugram, Mahendragarh, Rewari	100
IV. Hisar	Fatehabad, Jind, Hisar, Sirsa	100
V. Rohtak	Jhajjar, Charkhi Dadri, Rohtak, Sonipat, Bhiwani	100
VI. Karnal	Karnal, Panipat, Kaithal	100
Total		600

Source: Primary Data

Research objectives:

To analyze the awareness level regarding the investment behaviour of salaried class people in the education sector

Research Hypothesis

H01: There is no significant difference regarding awareness level among the salaried class people regarding investment behaviour in the education sector

IV.DATA ANALYSIS AND DISCUSSION

4.1. Descriptive Statistics

The following table describe the mean and standard deviation values of various investment avenues.

Table 1.2. Descriptive Statistics

Statements	N	Mean	S.D.
Bank Deposits	600	4.17	0.769
Post Office Savings	600	3.64	1.394
PPF (Public Provident Funds)	600	3.94	1.512
Life Insurance Schemes	600	3.76	1.058
Bullions	600	2.53	1.298
Bonds	600	2.63	1.292
Shares	600	2.54	1.159
Debentures	600	2.16	0.943
Real Estate	600	3.04	1.32
Mutual Funds	600	2.97	1.001
Chit Funds	600	2.04	1.112

Source: Primary Data

The above table 41.2 depicts the descriptive statistics (mean and standard deviation) of investment avenues. Bank deposits measured with highest value of mean value (mean=4.17) with standard deviation (S.D.=0.769). And chit funds observed with lowest mean value (2.04) with standard deviation (S.D.=1.112).

It is found that bank deposits are more preferred avenue of investment for salaried class people in education sector and chit funds is not much popular investment option among the respondents.

4.2. Friedman Rank Test

The following table shows the Friedman rank test for all investment avenues

**Table 1.3
Friedman Rank Test**

Investment Avenues	Mean Rank	Rank
1. Bank Deposits	8.96	I
2. Post Office Savings	7.35	IV
3. PPF (Public Provident Fund)	8.41	II
4. Life Insurance Schemes	7.95	III
5. Bullions	4.55	IX
6. Bonds	4.91	VIII
7. Shares	5.13	VII
8. Debentures	3.71	X
9. Real Estate	6.06	V
10. Mutual Funds	5.40	VI
11. Chit Funds	3.59	XI

Source: Primary Data

**Table 1.4
Test Statistics^a**

N	600
Chi-Square	2456.942
df	10
Asymp. Sig.	0.00
a. Friedman Test	

Source: Primary Data *Significant at 5% level of significance

The above tables 1.3 and 1.4 shows the rank test and association test between all investment avenues. So as per according table 4.62 it is found that bank deposits positioned at first place with mean rank of 8.96, Public

Provident Fund (PPF) ranked at second position, Life Insurance schemes ranked at third position, Post Office Schemes ranked at fourth place, real estate ranked at fifth position, mutual funds ranked at sixth position, shares ranked at seventh position, bonds at eighth position, bullions ranked at ninth position, debentures and chit funds ranked at tenth and eleventh position. Table 4.63 shows association test via chi-square and it is found that there is significant association between all investment options among salaried class people in education sector as the p-value ($p=0.00$) is less than 5% level of significance ($p<0.05$).

4.3. Hypothesis Testing (ANOVA)

The following table represents the analysis of variance regarding awareness level regarding investment behaviour of respondents with respect to various investment options i.e. Bank deposits, post office savings, PPF, Life Insurance Schemes, Bullions, Bonds, Shares, Debentures, Real estate, mutual funds and chit funds. A sub-hypothesis "*H01: There is no significant difference regarding awareness level among the salaried class people regarding investment behaviour in the education sector.*" The statistical tool ANOVA is used to test the hypothesis using SPSS v25.

Table 1.5. ANOVA

Investment Awareness Regarding:		S.S.	df	M.S.	F	Sig.
Bank Deposits	Between Groups	0.970	1	0.970	1.64	0.20
	Within Groups	353.028	598	0.590		
	Total	353.998	599			
Post Office Savings	Between Groups	1.299	1	1.299	0.66	0.41
	Within Groups	1162.941	598	1.945		
	Total	1164.240	599			
PPF (Public Provident Funds)	Between Groups	1.175	1	1.175	0.51	0.47
	Within Groups	1367.783	598	2.287		
	Total	1368.958	599			
Life Insurance Schemes	Between Groups	2.667	1	2.667	2.38	0.12
	Within Groups	668.251	598	1.117		
	Total	670.918	599			
Bullions	Between Groups	0.534	1	0.534	0.31	0.57
	Within Groups	1008.926	598	1.687		
	Total	1009.460	599			
Bonds	Between Groups	0.814	1	0.814	0.48	0.48
	Within Groups	998.784	598	1.670		
	Total	999.598	599			
Shares	Between Groups	1.257	1	1.257	0.93	0.33
	Within Groups	804.008	598	1.344		
	Total	805.265	599			
Debentures	Between Groups	0.415	1	0.415	0.46	0.49
	Within Groups	532.225	598	0.890		
	Total	532.640	599			
Real Estate	Between Groups	0.580	1	0.580	0.33	0.56

	Within Groups	1043.538	598	1.745		
	Total	1044.118	599			
Mutual Funds	Between Groups	0.461	1	0.461	0.46	0.49
	Within Groups	600.057	598	1.003		
	Total	600.518	599			
Chit Funds	Between Groups	0.106	1	0.106	0.08	0.77
	Within Groups	740.767	598	1.239		
	Total	740.873	599			

VI. REFERENCES

Source: Primary Data *Significant at 5% level of significance

It is found from above table 1.5 that there is no significant difference regarding awareness level for various investment options i.e. Bank deposits ($F=1.64$, $p=0.20$), post office savings ($F=0.66$, $p=0.41$), PPF ($F=0.51$, $p=0.47$), Life Insurance Schemes ($F=2.38$, $p=0.12$), Bullions ($F=0.31$, $p=0.57$), Bonds ($F=0.48$, $p=0.48$), Shares ($F=0.93$, $p=0.33$), Debentures ($F=0.46$, $p=0.49$), Real estate ($F=0.33$, $p=0.56$), mutual funds ($F=0.46$, $p=0.49$) and chit funds ($F=0.08$, $p=0.77$). Hence the null hypothesis “H01: There is no significant difference regarding awareness level among the salaried class people regarding investment behaviour in the education sector.” has been accepted as the p-values of all investment options is greater than 5 percent level of significance ($p>0.05$).

V. CONCLUSION

The most important and preferred investment avenues are bank deposits, post office saving schemes, life insurance schemes in the current study. It is also observed that each and every salaried class people think rationally while making investment decision. That's why there is no significant difference found regarding investment behaviour of the salaried class people for various investment options i.e. Bank deposits, post office savings, PPF, Life Insurance Schemes, Bullions, Bonds, Shares, Debentures, Real estate, mutual funds and chit funds.

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Cite this article as :

Arti, Dr. Inderjeet, "Awareness Regarding Investment Behaviour among Salaried Class People in The Education Sector", International Journal of Scientific Research in Science, Engineering and Technology (IJSRSET), Online ISSN : 2394-4099, Print ISSN : 2395-1990, Volume 10 Issue 1, pp. 246-253, January-February 2023.

Journal URL : <https://ijsrset.com/IJSRSET2310115>