



A study on investment pattern of working women in selected cities of Saurashtra Region

SHIDA SHANTI LAKHABHAI

Research Scholar,

Gujarat Technological University

Ahmedabad, Gujarat

Dr. NIRAV R. VYAS

Associate Professor,

Shanti Business School, Ahmedabad

Abstract:

The research study is based on the analysis of investment pattern of the respondents i.e., working women in selected cities of Saurashtra. The objective of the study was to determine the relationship between the income and investments pattern among working women. The data was collected by distributing a structured questionnaire to 50 respondents. It has been found that majority of them preferred to invest their savings in fixed deposits with banks for the safety of a volatile future followed by investing in gold. The major impact on savings is due to the level of income which has considerably increased in the last decade.

Keywords: Annual savings, Investment, Financial Avenue, Financial behaviour, working women.

Introduction:

Indian women are awakening now, thanks to education, and are changing their role from house to office. Now, women want to earn well, and save and invest what they earn. Earlier, investment decisions were taken by her spouse, but now she is taking an interest in investment avenues. Traditionally, women were hesitant about financial investments. They were very cautious about money issues. However, with new women investment clubs, fear has been removed from the equation. There is a popular saying about women, 'The hand that rocks the cradle rules the world'. Saving is a regular habit that is embodied in women. In the past, women depended on their spouse income and they did not have any awareness about various investment outlets. However, with the passage of time, the scenario has totally changed. The current generation of women, who are equally employed, have knowledge about various investment avenues, such as shares, debentures, mutual funds, commodities, and bank deposits.

The general profile of women as investors is changing over time. They still lag in various areas of investment, such as awareness and preference of investment. So, an attempt has been made to categorise the factors affecting a woman investor's behaviour to evaluate the level of awareness among women as investors and to analyse the

preference of women investors towards various investment outlets. Employed women have a greater tendency to save and invest due to their independence in earning power. They are influenced by the investment behaviour of their colleagues. However, they are believed to act as risk adverse, safety oriented, and motivated for certainty of returns. Due to an increased level of awareness and knowledge, women are nowadays participating in the risk investment portfolios and they have become analytic in their investment behaviour. Women now participate in all activities, such as education, media, science, technology, politics, and so on, and the active participation in investment of surplus money depends on various factors, such as degree of risk-taking capacity, motivation of family members or friends, and the courage to welcome modern and innovative investment avenues.

As a general fact, men mostly think about returns, but women want to balance both risk and returns in their investment. In most cases, women want a stable income, and while constructing an investment portfolio they consider safety, liquidity, and profitability. However, men think about profitability alone. In this way, investment behaviour is different between men and women. Investment of money involves critical thinking. Investment is the use of funds which are saved after current consumption, with speculation that it will yield future benefits. Adequate awareness on various savings and investment avenues will help people in choosing their invested avenues. There are multiple dimensions that affect investment decisions of women.

Pattern of investment will be decided by the psychology of the investor as people react differently under the same circumstances. For example, during recession some people preferred not to invest at all, while others preferred to invest, to benefit from the situation. With the dip in the stock market, some people panic and start withdrawing their investments, while some treat it as a golden opportunity for purchasing stocks at lower prices. Investment behaviour may be treated as goal-oriented behaviour that involves various factors, like motives, strength, need, satisfaction, availability, and past behaviour.

Investment pattern means how investors review, predict, judge, and analyse the decision-making process. It includes the psychology of the investor regarding investment, gathering the information, understanding investment avenues, and researching and analysing the investment. The whole process is called investment behaviour. Developing countries like India need sufficient capital in their development efforts. To come out of the vicious circle of poverty, of low-income, low-saving, low-investment, and low-employment, India needs high capital output ratio along with high rates of investments to step ahead in attaining a high level of growth. So, to achieve the target of capital formation, it needs sufficient volume of savings.

Review of Literature:

V. Sornaganesh and A. V. Chellamma (2020) stated that financial literacy as a significant achievement of financial inclusion in the economy. Financial Knowledge is important not only for an investor but also for the common man in the country. Awareness about various investment products is needed in various stages of life. This study was based on awareness level of the respondents i.e., working women in the Thoothukudi district. The main objective of the study was to determine awareness level of working women regarding investment patterns and to identify the awareness level of women on regulatory bodies. The study was conducted on working women across the Thoothukudi district. Majority of the respondents are not aware about shares, debentures, mutual funds, real estate, government securities. Major part of the respondents is partially aware of insurance policy, gold and silver, government securities. Most of the respondents are fully aware of bank deposits and post office savings. Age, marital status, education, occupation, annual income and size of family influence awareness about income tax. It also concludes that type of family does not influence awareness about income tax. Occupation and type of family influence awareness about income tax. It also concludes that age, marital status, education, annual income and type of family do not influence awareness about regulatory bodies. Education and occupation of working women play an important role in suggestion offered by them.

Kappal and Rastogi (2020) discovered that women entrepreneurs consider investment a long-term instrument; they are risk averse and quite conservative. They are willing to take risks in business, but not for making investment decisions. The reasons for this low-risk behaviour include lack of time to understand investments and lack of knowledge about various products. The research asserts that if they spend time to be informed about the

nuances of investment instruments, they are likely to take risks in their investments as well. The interviews also reflect that women entrepreneurs often mimic the investment behaviour of their parents.

Rekha G & Vishnupriya R, (2019), studied the awareness about investment avenues, the investment pattern of working women and factors influencing their investment decision using both primary and secondary data among 148 respondents at Coimbatore city found that investment for 'Children education' was the most influential factor. It was also found that there was significant difference in the factors influencing investment among employees belonging to various occupation.

Kaur J & Arora N, (2018), analysed 150 investors' responses to identify the investor's perception towards mutual funds as an investment option in Punjab. It was found that investors preferred investment in mutual funds due to higher returns in growth fund schemes. It was also found that each investor had his own goal of mutual fund investment.

Amsaveni M & Nithyadevi M, (2018), studied to identify the investment pattern among working women and to study the level of attitude among them towards investment avenues among 100 working women in Trippur district found that the most influencing factor was profitability and the second factor was safety followed by liquidity, prestige, stability, transferability and speculation.

Jisha V G, (2017), analysed the perception of investment pattern among urban working women in Coimbatore city and found the factors influencing the savings and investment pattern. Results revealed that factors influencing awareness level and factors influencing benefits were related. Safety of funds were given priority by the investors while making investment.

Dr. G. Shanthi, and R. Murugesan (2016) observed that investors have a lot of investment avenues to park their savings. The risk and returns available from each of these investment avenues differ from one avenue to another. The investors expect more returns with relatively lesser risks. Investments are made from savings, or in other words people invest their savings. A variety of investment options are available such as bank, Gold, Real estate, post services, mutual funds and so on. Investors are investing their money with the different objectives such as profit, security, appreciation and Income stability. The study has revealed the different avenues of investments as well as the factors while selecting the investment with the sample size of 60 respondents by conducting the survey through questionnaire in Namakkal. The study is based on structured questionnaire which are collected by distribution of a close ended questionnaire. The data has been analysed using percentage analysis and chi-square test. The researcher has analysed that salaried women employee consider the safety as well as high return on investment on regular basis.

Shobha and Shalini (2015) conducted a survey on the perception of women towards the personal financial planning in the city of Bangalore. The study revealed that Indian women gives priority to family and children's requirements more than her requirements for financial needs and individualistic financial security. Also, difficulty in convincing the spouse and family is also a challenge to the women to create their financial plans. The study also found that women still feel that gold, real estates, bank deposits, insurance products and provident funds are the safest instruments for investing, while they feel that mutual funds, derivatives, chits, stocks and shares as riskier investments. Hence, lack of knowledge on new instruments influences their ability to earn returns for them.

Juwairiya. P. P (2014) had an analysis on financial literacy and investment pattern of working women in Kerala with the objective to find out the financial literacy among the working women in Kerala and their investment behaviour and it was conducted in descriptive style by using both primary and secondary data. The study found that investment behaviours of working women are conservative in nature.

Agarwalla Sobhesh Kumar, Barua Samir, Jacob Joshy, Jayanth R. Varma (2013) conducted a study among 3000 individuals, and found that financial knowledge among Indians is very low than the international standards. But the financial behaviour and attitude of the employees and retired seems to be positive. The financial knowledge among the women is marginally high than the men. Greater access to consumption credits has influenced the financial behaviour of young employees.

Dr. VarshaVirani (2012) propounded in her study on savings and investment model of school teachers in Gujarat in which data is collected from 100 school teachers and conducted that a large amount of the school teachers is saving funds as bank deposits and government securities as their investment preference.

Chaturvedi et.al (2012) examined the saving pattern and investment preferences of individual households in India. The objective of the study was to study the awareness and preference of investors for different investment option available to them and to analyse the factors influencing their perception and preferences and it was concluded that income level and educational level effected the level of awareness and safety of investment as their first objective in choosing the investment alternatives after that income generation, tax benefit, liquidity, diversification were objectives in choosing investment alternatives.

Research Methodology:

Research Problem:

Problem formulation is the first step in the research process. It is carried out to identify factors for which research is to be carried out. A problem should neither be defined too broadly nor too narrowly. So, the research problem here is: An analysis of investment pattern of working women in the selected cities of Saurashtra i.e., Rajkot, Jamnagar, Junagadh, Porbandar.

Research Objective:

- To understand the impact of age on investment pattern of working women.
- To understand the level of financial literacy.
- To understand relation between budgeting decisions and investment avenues.

Type of Research:

The type of research followed by the researcher in the paper falls under the Exploratory research type.

Sample Size:

50 faculties will be selected for the present study.

Sampling Method:

The method of non-probability convenient sampling was used.

Research premises:

The researcher after study the literature on employee pattern of investment narrowed down the following factors that show the investment pattern of working women.

- a) Awareness about investment avenues
- b) Factors influencing the investment decision
- c) Objectives of investment

A questionnaire was then prepared and administered to 50 female respondents containing questions, which gauge the above said factors. The responses then were tabulated and hypothesis testing was conducted.

Hypothesis Testing and Analysis:

A full-fledged questionnaire (as attached in annexure) was administered to the respondents' gauging responses on various qualitative and quantitative parameters to judge the investment pattern of working women. Chron Bach Alpha test was run over the data in order to check the reliability of the same. The following was the result:

Table 1: Chron Bach Alpha Test Result

K	26
Sum (var)	28.77
Var	242.04
Alpha	0.9152

As the alpha value is 0.9152, it can be interpreted that the data is reliable and testing the data would lead to reliable results.

In order to satisfy the objective of the research, the following hypothesis was framed:

H0: There is no significant difference between age and investment pattern.

H1: There is significant difference between age and investment pattern.

The researcher has asked questions regarding the factors that show the pattern of investment. The following were the responses of working women.

TABLE 2: Responses of Working Women

Financial Behaviours	1.Never	2.Rarely	3.Sometimes	4.Usually	5.Always
I keep track of my expenses on a regular basis.	1	5	31	8	5
I put money aside for savings, future purchases, or emergencies.	9	11	19	8	3
I pay my credit card bills on time each month and almost never later.	30	6	5	4	5
I prepare a budget every month.	3	3	22	17	5
I make goals about how to spend money and I discuss them with my family.	11	8	14	13	4
I comparison shop or buy things on sale.	6	10	16	16	2
I feel secure in my current financial situation.	12	9	22	4	3

Savings:	1.very low	2.low	3.moderate	4.high	5. very high
I believe that saving money is necessary.	4	3	26	14	3
I save a portion of my income regularly.	12	17	17	2	2
I can save despite having a low income.	14	11	14	10	1
I am prepared to risk some of my own money when saving or making an investment.	13	13	17	5	1
I truly see the importance in making savings.	11	12	16	8	2
Investing:					
I invest an amount of money that exceeds my living of expenses.	2	3	23	17	4

I invest in equity.	44	3	3	0	0
I invest in SIP.	37	1	11	1	0
I invest in mutual fund.	42	0	5	3	0
I invest in gold.	24	2	14	10	0
I consider the interest or the earnings before I invest.	11	11	17	9	2
I ask suggestions from the experts before I invest.	30	11	8	1	0
I believe that investing an amount of money that exceeded your monthly living is bad.	17	14	13	6	0
Budgeting:					
I am aware of my monthly income and expenditure.	1	5	20	18	6
I have a budget that I stick to.	16	8	19	6	1
I set aside money each month for saving and future needs.	12	9	20	4	5
I try to save something and spend the rest of the money on the everyday needs.	14	12	14	6	3
I spend money on the everyday needs and save the rest.	15	20	12	3	0
I spend all the money on everyday needs and do not save anything.	17	12	13	5	3

ANOVA Table (Age 18-25)

Source of variation	SS	df	MS	F	F crit
Between Groups	1105.9692	4	276.4923	23.1145	2.4441
Within Groups	1495.2307	125	11.9618		
Total	2601.2	129			

From the above calculation it can be said that as the Fcal value is greater than the Ftab value, the null hypothesis stands rejected.

ANOVA Table (Age 26-35)

Source of variation	SS	df	MS	F	F crit
Between Groups	651.4923	4	162.8730	15.4786	2.4441
Within Groups	1315.3076	125	10.5224		
Total	1966.8	129			

From the above calculation it can be said that as the Fcal value is greater than the Ftab value, the null hypothesis stands rejected.

ANOVA Table (Age 36-45)

Source of variation	SS	df	MS	F	F crit
Between Groups	36.4923	4	9.1230	5.5817	2.4441
Within Groups	204.3076	125	1.6344		
Total	240.8	129			

From the above calculation it can be said that as the Fcal value is greater than the Ftab value, the null hypothesis stands rejected.

ANOVA Table (Age 46 and above)

Source of variation	SS	df	MS	F	F crit
Between Groups	2.1076	4	0.5269	3.5236	2.4441
Within Groups	18.6923	125	0.1495		
Total	20.8	129			

From the above calculation it can be said that as the Fcal value is greater than the Ftab value, the null hypothesis stands rejected.

Interpretation:

It can be interpreted from the above calculations that in every age bracket, the hypothesis stands rejected. Which in turn can be considered as there is a significant difference between the age progression and investment pattern. As and when a woman progresses in age, her overall knowledge, experience and wisdom towards investment avenues keep accumulating and hence her investment pattern changes too.

In order to satisfy the objective of the research, the following hypothesis was framed:

relation between budgeting decisions and investment avenues.

H0: There is no significant relation between budgeting and investment avenues.

H1: There is significant relation between budgeting and investment avenues.

The researcher has asked questions regarding the budgeting decision and that show the relation between investment avenues. The following were the responses of working women.

Response table related to budgeting decision:

Budgeting:	1.very low	2.low	3.moderate	4.high	5. very high
I am aware of my monthly income and expenditure.	1	5	20	18	6
I have a budget that I stick to.	16	8	19	6	1
I set aside money each month for saving and future needs.	12	9	20	4	5
I try to save something and spend the rest of the money on the everyday needs.	14	12	14	6	3
I spend money on the everyday needs and save the rest.	15	20	12	3	0
I spend all the money on everyday needs and do not save anything.	17	12	13	5	3
Total	75	66	98	42	18

Response table related to investment avenue:

Investing:	1.very low	2.low	3.moderate	4.high	5. very high
I invest an amount of money that exceeds my living of expenses.	2	3	23	17	4
I invest in equity.	44	3	3	0	0
I invest in SIP.	37	1	11	1	0

I invest in mutual fund.	42	0	5	3	0
I invest in gold.	24	2	14	10	0
I consider the interest or the earnings before I invest.	11	11	17	9	2
I ask suggestions from the experts before I invest.	30	11	8	1	0
I believe that investing an amount of money that exceeded your monthly living is bad.	17	14	13	6	0
Total	207	45	94	47	6

Correlation Table:

X	Y
75	207
66	45
98	94
42	47
18	6

Correlation Analysis

	Column 1	Column 2
Column 1	1	
Column 2	0.619933345119261	1

Interpretation:

It can be interpreted from the above calculations; the hypothesis stands accepted. Which in turn can be considered as there is no significant relation between the budgeting decision and investment avenue.

Conclusion:

This study was conducted in order to understand the savings and investment behaviour of working women, and also how aware they are of the different savings and investment avenues that are available, and also the potential and benefits of each of these avenues. Income, investment and savings are all related and connected terms. Savings are being done for future needs especially for buying/ constructing houses and children's education. It was observed that investments with higher returns were being preferred, but, along with it, the risk factor severely affected their decisions. This research provides valuable information to companies about the preferences of women and what they are looking for while making investments, and also advises them on which individuals to target and plan their policies and strategies accordingly.

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