

# Investment Behaviour Of Employees Working In Educational Institutions

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**Citation:** Dr. T. Pandian<sup>1\*</sup>, G. Vinesh Kumar, (2024), Investment Behaviour Of Employees Working In Educational Institutions, *Educational Administration: Theory And Practice*, 30(3), 2020-2025

Doi: 10.53555/kuey.v30i3.1884

## ARTICLE INFO

## ABSTRACT

The research paper will have the chance to gain a comprehensive understanding of the financial habits and decision-making processes that contribute to the formation of investment portfolios among employed in educational institutions. The research aims to identify the prevailing patterns and attributes that influence investing choices by analyzing the investment preferences, risk tolerance and financial objectives of a substantial sample of employed in educational institutions. This analysis is performed to ascertain the variables that impact investment choices. This study aims to identify the factors that influence investment decision-making. The study also examines the influence of demographic variables such as age, income, and gender of the employee investment decisions. The results of this investigation not only provide insight into the probability of unfairness, but also present a chance to develop financial education initiatives that are tailored to the specific needs of individuals who require such programs.

**Keywords:** Investments, Employees, Investors, Investment Behaviour, Finance.

## Introduction

Investment is critical to economic success. When investor saved, their income and inflation rates went up. Saving money can be accomplished by depositing money in savings accounts at banks and other financial institutions, investing in stocks, mutual funds, equity-oriented schemes and other things; saving a small amount each month; purchasing life insurance; investing in gold and silver, provident funds and pension funds. People have varying investment choices since everyone spends differently. The people and things around a person influence their investment decisions. They expect to achieve big gains over time, but with some risk. Each individual takes a unique strategy to investing in a given area. The purpose of this study is to look at how employees of educational institutions invest to maximize their expected future returns.

## Statement of the problem

The investments is mandatory for every peoples because of need amount for retirement plans, property investment and others. The investors prefer always safety in investments when comparing to return on investments, Investments in securities is very risky and not safe, hence, the investors prefer investment in safety factors such as gold, bank deposits are easy and safe investing activity. The frequent investments also leads to less taxation. Every investment has a great future value, investments made in order to give savings to children or future generations, investments gives a secured feeling, the main work as these many perceptions has been viewed in this study.

## Objective of the study

To study is to analyse the employee of educational institutions and their investor behaviour in the investments.

## Hypotheses

H01: There is no significant difference between investment behaviour and profile variable of the respondents.

## Research Methodology

The process of enumeration, as well as the correct recording of outcomes, is referred as data collection. The proper data is critical to the success of an investigation; the study comprises assessing the respondent's Commitment influence in various aspects, as well as the researcher employ the current study was carried out in a practical world situation.

## Sample Design

The questionnaire was used to collect the data from the respondents working at different aided colleges. For the purpose of research employee working in the colleges have been taken in to consideration which is situated in Hyderabad City. Convenient sampling method was adopted. The research study is based on both primary and secondary data. Primary data has been collected by conducting a survey among 125 samples of aided teachers of Hyderabad city. The sample size of selected college teachers of Hyderabad city would be 125, out of total sample size only 114 has been taken into consideration rest 9 responses were provided with incomplete information, hence it has not been taken as those sample size as defined in the population.

## Statistical Tools

The ANOVA, Descriptive, and Simple percentage analysis has been used to analyze the connection towards investment behaviour of employees working in educational institutions.

## Literature Reviews

Islamoğlu (2015), the purpose of this study was to look at the variables that affect the conduct of individual investors. The study's data came from a survey conducted among Bartın's bankers. Factor analysis was performed to assess the reliability and accuracy of the survey's design, and descriptive analysis was carried out to provide a numerical summary of the findings of the empirical analysis. Furthermore, moment structure analysis was used to execute the analysis pertaining to hypothesis tests. Six elements were found to influence the conduct of individual investors as a consequence of the study. The results showed that "conscious investor behaviour" and "banking and payment behaviour" had the strongest association. Four of the investigation's assumptions were rejected, while 11 of the investigation hypotheses were confirmed to be approved. It was determined using this approach that the variables influencing the investment habits of individual investors had a statistically significant link. Kannadhasan (2015), The purpose of this paper is to empirically investigate whether retail investors can be classified into financial risk aversion (FRT) along with risk taking behaviour (FRB) categories by using demographic factors such as age, marital status, gender, income, occupation, and education, either separately or in combination. 778 average investors with varying degrees of investing expertise participated in a single cross-sectional survey that was administered using a structured questionnaire that covered a wide range of demographic variables. It was discovered that four out of the six social traits could be used to categorise people into distinct FRT and FRB groups as well as distinguish between different investor levels of FRT and FRB. Buckley (2015), This study looks into the factors that influence Chinese outward foreign investment (ODI) and how much the general theory of the multinational firm needs to incorporate the three unique explanations of capital market defects, unique ownership advantages, and institutional factors. Using officially Chinese ODI data gathered between 1984 and 2001, we test our theories. Chinese ODI is linked, across time, to high degree of political uncertainty in and cultural proximity to host nations; it is also correlated with host market value and geographic proximity (1984–1991), as well as host endowments with natural resources (1992–2001). The idea that some features of the unique hypothesis contribute to the understanding of Chinese MNE behaviour finds substantial support. Adhvaryu (2016), Do parents give additional money to children with lesser endowments to make up for lower quality, or do they invest more in children of greater quality? We provide a solution to this query within the framework of Tanzania's extensive iodine supplementation effort. We discover that children who had greater programme exposure had longer breastfeeding periods and were more likely to obtain the recommended vaccinations. Moreover, siblings of children receiving treatment had higher immunisation rates. Investments made at the time at birth and fertility behaviour remained unchanged.

## Demographic Profile

The investors age always have as much money to spend, even though they are usually more willing to take risks. This difference is something that happens a lot. If someone is getting close to retirement, they might

have more money to spend. However, if they invest before retirement, they will have less time to get their money back if they lose money on those investments. A good investment plan for retirement that takes into account how assets will be distributed based on age requirements is one of the most important steps in the financial planning process. Hence, the discussion on age of the investors is imperative and the data collected has presented in Table1.

**Table 1: Age of the Respondents**

S. No.	Age (in years)	No. of Respondents	Percentage
1.	Up to 25 Years	22	19.30
2.	26 to 45 Years	43	37.72
3.	46 to 55 Years	30	26.32
4.	Above 55 years	19	16.67
<b>Total</b>		<b>114</b>	<b>100.00</b>

Source: Primary Data

As can be seen in table 1, 22 of the respondents fall into the age bracket of up to 25 years, 43 of the respondents fall into the age bracket of 26 to 45 years, 30 of the respondents fall into the age bracket of 46 to 55 years, and 19 of the respondents fall into the age bracket of over 55 to 54 years. Accordingly, it is demonstrated that the huge of the age group of workers falls between the ranges of 26 to 55 years of age.

**Table 2: Gender of the Respondents**

S. No.	Gender	No. of Respondents	Percentage
1.	Male	73	64.04
2.	Female	41	35.96
<b>Total</b>		<b>114</b>	<b>100.00</b>

Source: Primary Data

According to the data presented in Table 2, it is possible to observe that out of the total number of 114 individuals who participated in the study, 76 of them, which accounts for 64.04 percent, are male, while the remaining 41 respondents, which accounts for 35.96 percent, are female.

**Table 3: Income of the Respondents**

S. No.	Income	No. of Respondents	Percentage
1.	Upto ₹.30,000	27	23.68
2.	₹.30,001 to ₹.50,000	44	38.60
3.	₹.50,001 to ₹.70,000	23	20.18
4.	Above ₹.70,000	20	17.54
<b>Total</b>		<b>114</b>	<b>100.00</b>

Source: Primary Data

As can be seen in table 3, 27 (23.68%) of the respondents fall into the income bracket of up to Upto ₹.30,000, 44 (38.60) of the respondents fall into the income bracket of ₹.30,001 to ₹.50,000, 23 of the respondents fall into the age bracket of ₹.50,001 to ₹.70,000 and 20 (17.54) of the respondents fall into the income bracket of above ₹.70,000. Accordingly, it is demonstrated that the majority of the income group of workers falls between ₹.30,001 to ₹.70,000.

**Table 4: Investment Behaviour of Employees Working In Educational Institutions**

S. No.	Sources	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
1.	Low risk is important for investment	45	31	26	2	10	114
		39.47	27.19	22.81	1.75	8.77	100.00
2.	Separate amount for retirement plans	55	28	24	5	2	114
		48.25	24.56	21.05	4.39	1.75	100.00
3.	Yearly once property investment is compulsory	47	32	22	3	10	114
		41.23	28.07	19.30	2.63	8.77	100.00
4.	Gold investment is the safest when comparing to all other investments	41	36	25	3	9	114
		35.96	31.58	21.93	2.63	7.89	100.00
5.	Investing in securities is very risk and not safe	39	36	24	6	9	114
		34.21	31.58	21.05	5.26	7.89	100.00
6.	Frequent investments leads to less taxation	27	25	36	12	14	114
		23.68	21.93	31.58	10.53	12.28	100.00
7.	Depositing amounts in bank is easy and safe investing activity	53	27	24	4	6	114
		46.49	23.68	21.05	3.51	5.26	100.00
8.	Every investment has a great future value	52	26	19	8	9	114
		45.61	22.81	16.67	7.02	7.89	100.00
9.	Investments made in order to give savings to children or future generations	51	26	20	3	14	114
		44.74	22.81	17.54	2.63	12.28	100.00
10.	Investments give a secured feeling	51	22	24	2	15	114
		44.74	19.30	21.05	1.75	13.16	100.00

Source: Primary Data

Table 4 clearly indicates that 39.47%, 27.19%, 22.81%, 1.75% and 8.77% strongly agree, agree, neutral, disagree and strongly disagree respectively with low risk is important for investments. Similarly, the separate amount for retirement plans is important with 48.25%, 24.56%, 21.05%, 4.39% and 1.75% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Property investment is compulsory is among the respondents of 41.23%, 28.07%, 19.30%, 2.63%, 8.77% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Gold investment is the safest investment comparing to all other investments is stated by 35.96%, 31.58%, 21.93%, 2.63% and 7.89% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Investing in securities is very risk and not safe is stated by 34.21%, 31.58%, 21.05%, 5.26% and 7.89% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Frequent investments leads to less taxation given acceptance by 23.68%, 21.93%, 31.58%, 10.53% and 12.28% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Depositing amounts in bank is easy and safe investing activity is accepted by 46.49%, 23.68%, 21.05%, 3.51% and 5.26% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Every investment has a great future value 45.61%, 22.81%, 16.67%, 7.02% and 7.89% investments made in order to give savings to children or future generations are important with 44.74%, 22.81%, 17.54%, 2.63% and 12.28% are strongly agree, agree, neutral, disagree and strongly disagree respectively. Investments give a secured feeling is significant with 44.74%, 19.30%, 21.05%, 1.75% and 13.16% are strongly agree, agree, neutral, disagree and strongly disagree respectively. This analysis concluded that retirement plans are of the utmost significance, as determined by the conclusions of this inquiry, in order to guarantee that an individual will continue to exist after they have retired. On the other hand, individuals who are working in educational institutions do not have a significant incentive in making consistent investments that result in a reduction in the amount of taxation they are subject to.

**H<sub>01a</sub>:** *There is no significant difference between investment behaviour of employees and age of the respondents.*

**Table 5: Age and Investment Behaviour of Employees**

Variables	Up to 25 Years (22)	26 to 45 Years (43)	46 to 55 Years (30)	Above 55 years (19)	Total	F	Sig.
Fixed amount of investments every month is mandatory	3.82	3.91	3.30	4.74	3.87	6.195	0.001*
Separate amount for retirement plans	4.14	4.23	3.60	4.74	4.13	5.871	0.001*
Yearly once property investment is compulsory	3.73	3.81	3.60	4.79	3.90	4.535	0.005*
Gold Investment is the safest when comparing to all other investments	3.68	3.77	3.53	4.74	3.85	5.028	0.003*
Investing in securities is very risk and not safe	3.36	3.88	3.43	4.63	3.79	5.618	0.001*
Depositing amounts in bank is easy and safe investing activity	2.91	3.26	3.13	4.37	3.34	5.836	0.001*
Frequent investments leads to less taxation.	3.50	4.09	3.83	4.79	4.03	5.272	0.002*
Every investment has a great future value	3.55	3.67	4.03	4.68	3.91	3.790	0.012*
Investments made in order to give savings to children or future generations	3.50	3.77	3.60	4.84	3.85	4.724	0.004*
Investments gives a secured feeling	3.82	3.49	3.77	4.58	3.81	2.914	0.038*

Calculations Based on Primary Data \* Sig.@5%

In accordance with the data that is shown in Table 5, which makes it abundantly evident that this is the case, individuals who are above the age of 55 years old have a high level of attitude with regard to investment behavior. This is demonstrated by the fact that they have a high level of attitude. This is because they have been awarded better acceptance ratings, which are as follows: 4.74, 4.74, 4.79, 4.74, 4.63, 4.37, 4.79, 4.68, 4.84, and 4.58; similarly, for the traits that were stated earlier. This is the reason why this is the case. When taking into consideration the statistical significance of the data, it is vital to take into account the fact that the F values of 6.195, 5.871, 4.535, 5.028, 5.618, 5.836, 5.272, 3.790, 4.724, and 2.914 are, in fact, extremely significant. This is because the importance of these values cannot be overstated. As a consequence of this, the hypothesis that was offered did not have any evidence to back it up. Therefore, the conclusion that can be drawn is that the age group as a whole has a stronger inclination to invest rather than to consume.

**H<sub>01b</sub>:** *There is no significant difference between investment behaviour and income of the respondents.*

**Table 6: Income and Investment Behaviour of Employees**

Variables	₹. 30,000 (27)	₹. 30,001 ₹. 50,000 (44)	₹. 50,001 ₹. 70,000 (23)	Above ₹. 70,000 (20)	Total	F	Sig.
Fixed amount of investments every month is mandatory	3.56	3.64	3.91	4.75	3.87	5.159	0.002*
Separate amount for retirement plans	3.59	4.05	4.30	4.85	4.13	7.337	0.001*
Yearly once property investment is compulsory	3.48	3.59	4.43	4.55	3.90	6.018	0.001*
Gold Investment is the safest when comparing to all other investments.	3.37	3.64	4.00	4.80	3.85	7.574	0.001*
Investing in securities is very risk and not safe	3.33	3.41	4.26	4.70	3.79	9.552	0.001*
Depositing amounts in bank is easy and safe investing activity	2.93	3.05	3.13	4.80	3.34	14.088	0.001*
Frequent investments leads to less taxation	3.26	4.09	4.09	4.85	4.03	9.299	0.001*
Every investment has a great future value	3.19	3.84	4.04	4.90	3.91	8.483	0.001*
Investments made in order to give savings to children or future generations	3.04	3.73	4.13	4.90	3.85	9.466	0.001*
Investments gives a secured feeling	3.26	3.80	3.83	4.55	3.81	3.609	0.016*

Calculations Based on Primary Data \* Sig.@5%

Table 6 shows that acceptance of 4.75, 4.85, 4.55, 4.80, 4.70, 4.80, 4.85, 4.90, 4.90 and 4.55 are higher among the above ₹.70,000 income category of employees. This statistically proved that the F values of 5.159, 7.337, 6.018, 7.574, 9.552, 14.088, 9.299, 8.483, 9.466 and 3.609 are significant at five percent level. As a result of this, the hypothesis that was offered did not have any evidence to back it up. Therefore, the conclusion that can be drawn is that the income group as a whole has a stronger inclination to invest due to higher nature of income.

**H<sub>01c</sub>:** There is no significant difference between investment behaviour and gender of the respondents.

**Table 7: Gender and Investment Behaviour of Employees**

Variables	Male (73)	Female (41)	T	Sig.
Fixed amount of investments every month is mandatory	3.86	3.88	0.062	0.951 (NS)
Separate amount for retirement plans	4.11	4.17	0.308	0.759 (NS)
Yearly once property investment is compulsory	3.93	3.85	0.317	0.752 (NS)
Gold Investment is the safest when comparing to all other investments	3.88	3.80	0.301	0.764 (NS)
Investing in securities is very risk and not safe	3.86	3.66	0.860	0.392 (NS)
Depositing amounts in bank is easy and safe investing activity	3.45	3.15	1.148	0.255 (NS)
Frequent investments leads to less taxation.	4.07	3.95	0.494	0.623 (NS)



Every investment has a great future value	3.96	3.83	0.509	0.612 (NS)
Investments made in order to give savings to children or future generations	3.92	3.73	0.668	0.507 (NS)
Investments gives a secured feeling	3.78	3.85	0.264	0.793 (NS)

Calculations Based on Primary Data \* (NS) Not Sig.

Table 6 indicates that the 't' value of 0.062, 0.308, 0.317, 0.301, 0.860, 1.148, 0.494, 0.509, 0.668 and 0.264 are not significant. Hence, the stated hypothesis is rejected. Hence, it is concluded that there is no difference of opinion among the gender category of respondents in the analysis.

### Suggestions of the study

1. The amount of money engaged in investments must be consistent, and the policy of investments must be revised on a regular basis in order for such investments to be regarded as superior.
2. It is tough to identify the investment that is the safest because every asset comes with its own distinct set of risks. This is the basic explanation why it is difficult to find the greatest investment. It is necessary to make it obvious how secure the investment is for both the now and the future in order to make the process of making permanent investments easier to do.
3. As a general rule, people make an effort to invest solely in secure assets. This leads to a reduction in risk, which ultimately results in a return that is both modest and secure. The proposal of investing becomes extremely complicated as a result of this.

### Conclusion

The study concludes that, the income and age significant factors in the influence factors in investment decision. The employees are having high income are more influenced in investment decision. The most important factors that influence individual investment decisions were low risk factors, investment in bank deposits and gold. The art of investing consists of ensuring that the minimum amount of risk feasible is taken while simultaneously maximizing the return on investment. It is because of this that the process of making judgments about investments has become less complicated as a result of the developments that have been made in the financial industry regarding guaranteed returns and safety. It is therefore the responsibility of the person making the decision to ensure that these aspects of investing will result in improvements to the investments.

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