

Investment behaviour of Working Women---A Study of Ludhiana district in Punjab

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Introduction

Every person has to work to earn money to meet their needs. Different persons do different jobs. Some people do business, some do labour jobs and some persons do office jobs to fulfil their needs. They get money for their efforts. They invest their money to get extra return. Every person wants to invest for better future out of their earnings. Investment is that part of money which is invested in a security or property with an aim to earn future returns. The returns may be in the shape of interest, dividend or profit derived from that security or property. There are different types of investment such as fixed deposits, post office saving schemes, P.P.F. bond, stocks, real estate etc. Investment is being done by both men and women. Most of the men prefer to invest in equity shares, real estate and fixed deposits. They invest with an aim to get appreciation in capital, wealth creation, retirement purpose and education and marriage of children etc.

In the past, women were investing, mostly in gold, Jewellery, ornaments etc. Presently, the attitude of women towards investment has been changed. They are more educated and aware about investment avenues. They are now investing in post office saving schemes, fixed deposits, real estate, mutual funds apart from gold and silver. The income and education level of women has been increased many folds. They are now at par or even above them. They are taking investment decisions independently.

Most of the women see themselves as savers rather than investors and prefer to invest in products that offer guaranteed returns. Some investment avenues are risky, less risky and some are risk free. The investors choose investment Avenue according to their want, risk and attitude capacity and accepted return. When the investors want high return they have to choose the risky investment avenue. Compared to females, males prefer to invest in investment avenues that are risky. Women's income is always considered as a complementary income within the family. But growing importance of income earned by women raises serious consideration. Women are more involved than ever in their household's investment and financial decision making. But there are many factors like marital status, education, and age etc. which affect investment decision of women. This study tells about the relation of different factors and investment decision of working women.

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Literature Review

In the past, Many Organizations and individuals conducted numerous studies on the various aspects of the women investor. These studies were mainly related to financial behaviour of women with reference to investment, risk and return, however, not much of research was done on investment patterns and perception of women in Ludhiana city. So an effort is made to review

some of the studies related to the topic in order to get into the intensity details of the chosen study.

Bajtelmit and Van Derhei (1996) find that the different gender has different opinion regarding investment decisions. Women are not interested in risky investment and are more conservative than men. Women don't prefer risky investment unless it has high return rate. Women always take cautious and less risky decisions.

Meenakshi Chaturvedi and Shruti khare (2012) suggests that there is growth in middle class family due to increase of working women and in their income. So women should have knowledge and information about investment options. Genuine effort should be made in this direction. So savings will be pooled and channelized in productive investment.

Rajarajan (1999) studied investors of Chennai .He found that life cycle stage of investor is important factor in deciding investment portfolio.

Sellappan R, Jamuna S., TRN Kavitha (Feb 2013) they concluded that married women invest more than unmarried women. Younger women invest in shares, mutual funds, insurance and fixed deposits. On the other, middle age women prefer to invest in real estate.

Santhiyavalli G and Usharani M (March,2014). They took sample of 75 respondents. They studied that women investors took less risk and prefer safe investment. Role of women is very important in the economy of world. They concluded that women have less interest in shares and debentures market. So step should be taken to encourage it.

Mistry Kritika (Sep 2015) She conducted research on 150 individual investor behaviour in stock market in Bharuch district. Her objective is to identify the preferred source of information influencing investment decision and to access the psychology of investors in different market situations. She found that majority of small investors do not consider various financial elements before investing in to stock market. Investor does not take immediate decision. They firstly understand the market then react.

Objective:

1. To study the attentiveness of women towards investments.
2. To study the perception of working women while investment.
3. To study the investment preferences of working women
4. To examine the factors that affects the decision of investments with respect to age, and income.

Research methodology

A research design must contain the clear statement of the research problem, procedures and techniques for gathering information, the population to be studied and the methods used in processing and analyzing data (Kothari, 1999).

In this paper, descriptive research methodology is used. Data is collected from primary as well as secondary sources. Primary data collection was collected through well-structured questionnaire. Data was collected from the investors through survey method. Secondary data was gathered from various sources such as journals, web sites, books and research articles etc.

Population

The population for this study is working women investors of the Ludhiana city in Punjab.

Sample size The survey was carried among 150 working women in the city. Of the 150 questionnaires, 126 filled forms were returned, representing 84% response rate that is considered an acceptable level of response rate in this type of research.

Sampling procedure

In this study, convenient sampling procedure is followed. While selecting the respondents, factors, such as age, educational qualification, and professional background of the working women were considered.

Data Processing

Collected data was properly edited. Different tables were prepared according to age group, marital status, qualifications, size of family and employment and were taken for further analysis. Factor analysis was also made. In order to find out significance of differences between the averages, chi square test has been applied.

Classification of Respondents on the basis of their Age group

Age level of an individual plays an important role. This table shows the classification of respondents on the basis of their age.

Table 1

Sr. No.	Age Cluster	No. of Respondents	Percentage
1	Below 30 years (Young Respondents)	30	20
2	31-50 (Middle Aged)	105	70
3	Above 50 (Old People)	15	10
Total		150	100

Source: Primary Data

The above table shows that 30 out of 150 respondents are below 30 years and 105 are between 31-50 years and 15 respondents are above 50 years. In this way, 70% of total respondents belong to middle age.

Classification of Respondents on the basis of Marital Status

Marital status of respondents has also effect on the investment behaviour. Married woman has more responsibilities than unmarried. Unmarried women spend more on luxurious as compare to married women. The following table shows the classification of respondents on the basis of their marital status.

Table 2

Sr. No.	Marital Status	No. of Respondents	Percentage
1	Single	45	30

2	Married	90	60
3	Widow	15	10
Total		150	100

Source: Primary Data

Table 2 shows that 60% of total respondents are married, 30% are single and 10% are widow. So it is concluded that more than 50% are married respondents.

Classification of Respondents on the basis of their Educational Qualification

Education improves the thinking of person and enhances reasoning power. It gives shape to him. So educational level have impact on the investment pattern. This table shows the Classification of respondents on the basis of educational classification.

Table 3

Sr. No.	Educational Qualification	No. of Respondents	Percentage
1	Under Graduate	15	10
2	Graduate	45	30
3	Post Graduate	90	60
Total		150	100

Source: Primary Data

The above table depicts that 90 respondents are post graduate, 45 are graduate and 15 are under graduate.

Classification of Respondents on the basis of Number of dependents

A person motivates to earn more when there are more dependents. She realise more responsibility and wellbeing of dependents. This table shows the classification of respondents on the basis of number of dependents.

Table 4

Sr.No.	No. of Members	No. of Respondents	Percentage
1	Below-4members(Small Family)	30	20
2	4-5 members (Middle Family)	105	70
3	Above-5members(large Family)	15	10
Total		150	100

Source: Primary Data

The above table 4 shows that out of 150 respondents 105 are have middle family, 30 have small family and 15 respondents have large family.

Classification of Respondents on the basis of Employment

The women employees invest more than business women. The investment depends on the income of women, whether she is employed or not. This table shows the classification of respondents on the basis of employment.

Table 5

Sr.No.	Type of work	No. of Respondents	Percentage
1	Employed	90	60
2	Self Employed	45	30
3	Household	15	10
Total		150	100

Source: Primary Data

This table reveals that out of 150 respondents, 90 are employed, 45 have their own business and 15 respondents are household.

Age group and opinion of respondents towards investment pattern.

Respondents are grouped into three age groups-Young, Middle aged and old.

Young people are falling in the age group of 30 years, middle aged is in between 31 and 50 years and people who are above 50 years are in old age group.

Table 6

Sr. No	Age Group	Opinion			
		Low	Medium	High	Total
1	Young	6(4)	15(21)	9(5)	30
2	Middle- aged	8(14)	85(73.50)	11(17.5)	105
3	Old	6(2)	5(10.50)	4(2.50)	15
	Total	20	105	25	150

Source: Primary Data

(Figures given in the brackets represent the Expected Frequency)

Null Hypothesis: The association between age group of the respondents and opinion of the respondents towards their investment pattern is not significant.

Chi-square value is calculated which is 16.15. It is greater than table value (9.49) at 5% level of significance for 4 degree of freedom. The null hypothesis is rejected and it could be concluded that the association between age of respondents and opinion of respondents towards investment is significant.

Education and opinion of Respondents towards Investment Pattern

Respondents are classified according to their level of education named as under graduate, graduate and post graduate. In table 7, different educational Qualification of respondents and opinion towards investment of respondents are given.

Table7

Sr.No	Educational Qualification	Opinion			
		Low	Medium	High	Total
1	Under Graduate	4(2.90)	8(8.90)	3(3.20)	15
2	Graduate	4(8.70)	36(26.70)	5(9.60)	45
3	Post Graduate	21(17.40)	45(53.4)	24(19.20)	90
	Total	29	89	32	

Source: Primary data

(Figures given in the brackets represent the Expected Frequency)

Null Hypothesis-The association between education of respondents and opinion of the respondents towards their investment is not significant.

Chi-square value is calculated, which is 11.81. It is greater than table value (9.49) at 5% level of significance for 4 degree of freedom. The null hypothesis is rejected and it could be concluded that the association between education of respondents and opinion of respondents towards investment is significant.

Relationship between Marital status and Investment Pattern

The sample respondents are classified according to their marital status namely, single, Married and Widow. The Different marital status and opinion levels of respondents are given in the table.

Table-8

Sr. No.	Marital Status	Opinion			
		Low	Medium	High	Total
1	Single	14(8.10)	19(27.60)	12(9.30)	45
2	Married	8(16.20)	68(55.20)	14(18.60)	90
3	Widow	5(2.70)	5(9.20)	5(3.10)	15
	Total	27	92	31	150

Source: Primary Data

(Figures given in the brackets represent the Expected Frequency)

Null Hypothesis-The association between Marital Status of respondents and opinion of the respondents towards their investment is not significant.

Chi-square value is calculated which is 18.35. It is greater than table value (9.49) at 5% level of significance for 4 degree of freedom. The null hypothesis is rejected and it could be concluded that the association between marital status of respondents and opinion of respondents towards investment is significant.

Relationship between size of Family and Investment Pattern

The sample respondents are classified according to their marital Family size namely small, Middle-size and large. The Different family size of respondents and opinion levels of respondents towards investment are given in the table.

Table-9

Sr. No	Family Size	Opinion			
		Low	Medium	High	Total
1	Small	5(4.20)	15(20)	10(5.80)	30
2	Middle	10(14.70)	80(70)	15(20.30)	105
3	Large	6(2.10)	5(10)	4(2.90)	15
	Total	21	100	29	150

Source: Primary Data

(Figures given in the brackets represent the Expected Frequency)

Null Hypothesis-The association between Family size of respondents and opinion of the respondents towards their investment is not significant.

Chi-square value is calculated which is 17.84. It is greater than table value (9.49) at 5% level of significance for 4 degree of freedom. The null hypothesis is rejected and it could be concluded that the association between Family size of respondents and opinion of respondents towards investment is significant.

Conclusions & Suggestions:

Some suggestions are offered in the light of findings made in this paper.

- 1 Government and SEBI should take steps for the awareness of women investments.
- 2 There should be common grievance cell when they are cheated and misguided.
- 3 It is suggested that, Government should take necessary step to publish magazine like Business Line, Financial Express and Business world etc.
- 4 The employers should organise investment and financial awareness programme by experts in offices.
- 5 Government should start more innovative projects like ‘Mahila Bank’ where everything is being done by women. They can make investment in these banks.
- 6 Women should take help of reliable certified financial planner for making good investment decision and ideal portfolios.

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