

A Study on Investment Behavior of Working Women From Middle Class Families

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ABSTRACT

Investment is one of the major issues of the middle income families as their small savings of today are meeting the expenses of tomorrow. The person dealing with the planning must know all the various investment choices can be chosen for the purpose of attaining the overall objectives. Women's investment is necessary to meet the uncertain future emergencies in the family. A number of studies have revealed that women and men have different investment behavior. Women hold low risk tolerance and also earn less return from their investments. The aim of this research was to examine the investment behavior of the working women's from middle income class families in Palghar. The data has been analyzed using frequency analysis, descriptive statistics, percentage and person correlation coefficient analysis with the help of statistical software.

Keywords: Investment Behavior, Working Women's, Middle class families

INTRODUCTION

Middle class - it is the stratum that builds our economy and resiliently works towards having a safe and secure future. It has always been considered as the backbone of any economy, and plays a crucial role in India's growth and development. They enjoy the luxuries of life from time to

time, but strive to build their family without worrying. Most average middle class homes in India enjoy the comfort of a private vehicle, live in residential complexes and seldom splurge on things. Investments for these middle class folks becomes an extremely crucial aspect of earning. Whether it is planning for the short term goals of buying a better car or saving for their retirement, financial planning plays a critical role in their lives. While the average income of a middle-class household has been consistently increasing, the means of investments are somewhat still the same. (Khaliq, 2018). Traditionally, women have generally been more hesitant when it comes to financial investments. They are more cautious when it comes to money. The new women investment clubs take the fear out of investing for women. Indian savings market has been expanding over the period and there is a steady increase of household savings. Moreover, general profile of women investors is changing in tune with time. Employed women have a greater propensity to save and invest because of their independent earning power. They are also motivated by the investment behavior of their colleagues in their work place. They are supposed to be risk adverse, safety oriented and guided by certainty of returns. (Dr. R. Sellappan, Ms. S. Jamuna, Ms. Tnr. Kavitha, 2013).

Hence, the Investment behavior of each working women is different due to many factors as safety associated with investment, regular flow of income, tax saving benefits, security of job, retirement benefits etc. But to make a correct investment decision they should be aware about various investment plans & their financial needs. If they educate themselves well about investment avenues & the returns which can be availed from them, they can take important and bold decisions for making investment and secure their future. (Sanjeevni Gangwani, 2020) The study is particularly focusing on the investment behaviour of middle class families specially working women's.

REVIEW OF LIETRATURE

(Dr. R. Sellappan, 2013) From the study it is noted that married women are more curious in making investment than the unmarried. As well as the younger are mostly like to invest in shares mutual funds, insurance and fixed deposits than the older women. The middle age persons prefer to invest in real estate source of investment. So the government, Bankers and Financial

institutions can introduce lot of schemes of investment based on segmentation of the age and marital status factors to acquire more funds.

Niranjan and Hosamane (2010) Knowing the behavior of Investment provides a vital perception of the process of economic development. Economic growth unfavorably depends on capital accumulation, and it stems from Investment. The economy's productive capacity can be expanded by investment outlay as a vibrant variable on long-life capital goods that represent technical advance.

Hosamane, D. Manjappa, and Niranjan, R (2010) "Determinants of Investment Pattern In Indian Manufacturing Industries A Panel Data Study" Indian Journal Of Economics & Business, Vol. 9, No. 1, (2010): 207-218.

(DR.APARNA SAMUDRA, 2012) The saving & investment pattern of the middle class income Source: Survey data households in Nagpur can be summarized that the bank deposits remain the most popular instrument of investment investors in the followed by insurance with maximum number respondents investing in these fixed income bearing option. Bank deposits remains the most preferred investment amongst the respondents. Overall the bank deposits & insurance are the most preferred investment instruments in all the income groups, inconsistency is seen in preference in shares & mutual funds, real estate & small saving schemes.

(Kani.A, 2013) The study was majorly focusing on middle class investment patten. The study has also discussed the factors which influence the middle class group of people while making investments. The study shows how different factors and instruments have different risks returns and tax consideration while taking investment decision and are of diverse natures.

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.

RESEARCH METHODOLOGY**Objectives of the study**

1. To analyse the awareness of working middle class women's on various investment alternatives.
2. To find the most preferred investment alternative.
3. To find the factors affecting the investment decisions of a working women.

SOURCES OF DATA COLLECTION: -

Data was collected from both primary and secondary sources but Most of the Data was collected through primary sources from consumers with the help of structured questionnaires.

SAMPLING

To know the investment behavior of middle class working women's, researcher has used convenient sampling method total 52 sample was collected for data analysis.

LIMITATION

- The study is considered only working women's from middle class families
- The geographical limitation of study is restricted to Palghar district

Data Analysis and Interpretation:**Table No. 1**

Investment Portfolios	No of Respondents	Percentage
Bank FD	15	28%
LIC	7	13%
MF	5	9%
Gold	10	19%
Equity	2	3%
Real Estate	3	5%
Chit Fund	1	0.01%
Post Office TD	5	9%
Bonds	1	0.01%
PPF	4	8%
Total	53	100%

From the above analysis it can be seen that Bank FD has the highest Preference among the Middle class working women. The Lowest preference being the Bonds and Chit-funds.

Descriptive

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Age	52	1	3	1.79	.800
Income	52	1	3	1.71	.776
Occupation	52	1	3	1.79	.915
Educational Qualification	52	1	5	4.06	.938
Valid N (listwise)	52				

Frequencies

Statistics

	Bank FD	LIC	MF	Gold	Equity	Real Estate	Chit Fund	Post Office Time deposit	Bonds	PPF
N Valid	52	52	52	52	52	52	52	52	52	52
Missing	0	0	0	0	0	0	0	0	0	0

Frequency Table

Bank FD

	Frequency	Percent	Valid Percent	Cumulative Percent
3	14	26.9	26.9	26.9
4	10	19.2	19.2	46.2
Valid 5	28	53.8	53.8	100.0
Total	52	100.0	100.0	

LIC

	Frequency	Percent	Valid Percent	Cumulative Percent
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Valid	3	15	28.8	28.8	28.8
	4	12	23.1	23.1	51.9
	5	25	48.1	48.1	100.0
	Total	52	100.0	100.0	

MF

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2	17	32.7	32.7
	3	17	32.7	65.4
	4	11	21.2	86.5
	5	7	13.5	100.0
	Total	52	100.0	100.0

Gold

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	19	36.5	36.5
	2	11	21.2	57.7
	3	7	13.5	71.2
	4	8	15.4	86.5
	5	7	13.5	100.0
	Total	52	100.0	100.0

Equity

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	10	19.2	19.2
	2	17	32.7	51.9
	3	3	5.8	57.7
	4	10	19.2	76.9
	5	12	23.1	100.0

Total	52	100.0	100.0
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Real Estate

	Frequency	Percent	Valid Percent	Cumulative Percent
1	18	34.6	34.6	34.6
2	15	28.8	28.8	63.5
3	4	7.7	7.7	71.2
Valid 4	2	3.8	3.8	75.0
5	13	25.0	25.0	100.0
Total	52	100.0	100.0	

Chit Fund

	Frequency	Percent	Valid Percent	Cumulative Percent
1	23	44.2	44.2	44.2
2	19	36.5	36.5	80.8
Valid 3	7	13.5	13.5	94.2
4	3	5.8	5.8	100.0
Total	52	100.0	100.0	

Post Office Time deposit

	Frequency	Percent	Valid Percent	Cumulative Percent
1	14	26.9	26.9	26.9
2	26	50.0	50.0	76.9
Valid 3	6	11.5	11.5	88.5
4	2	3.8	3.8	92.3
5	4	7.7	7.7	100.0

Total	52	100.0	100.0
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Bonds

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	34	65.4	65.4	65.4
2	18	34.6	34.6	100.0
Total	52	100.0	100.0	

PPF

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1	5	9.6	9.6	9.6
2	1	1.9	1.9	11.5
3	28	53.8	53.8	65.4
4	15	28.8	28.8	94.2
5	3	5.8	5.8	100.0
Total	52	100.0	100.0	

Rotated Component Matrix

	Component	
	Motive of Investment	Wealth Creation
Income Influences Investment Decisions	0.856	
Education has impact on Investment Decisions	0.805	
Influence by Peer Group has Direct impact on Investment Decisions	0.798	
Future retirement plans		0.872

FINDINGS

The Variables considered for Investment are reduced to two vital factors. The First Factor being the Motive for Investment and Wealth Creation.

From the above data it is also observe that the respondents are very conventional as 28% have made their investment in Banks followed by investment in gold, post office and life insurance which indicates fixed deposits is the most common and most preferred investment avenue among working women's from middle class families. It is also observed that many middle-class working women are still investment in traditional investment avenues very few are investing in equities, bonds and mutual funds etc.

CONCLUSION

Working women's from middle class families mostly have dual responsibility house work and office work and may be it is the prominent reason that middle class working women's are not aware with respect to various investment alternatives. And in the most of the cases the middle class women's prefer to choose low risk or risk free investments avenues.

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