

A STUDY ON EMPLOYEES BEHAVIOUR IN INVESTMENT DECISIONS WITH REFERENCE TO IT SECTORS IN CHENNAI

Submitted in partial fulfilment of the requirement for the reward of
MASTER OF BUSINESS ADMINISTRATION

By

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**DEPARTMENT OF BUSINESS ADMINISTRATION
SCHOOL OF MANAGEMENT STUDIES**

**SATHYABAMA
INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

**Accredited with Grade “A++” by NAAC | 12B Status by UGC |
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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **JOHN WESLEY J (42410022)** who has done the Project work entitled “**A STUDY ON EMPLOYEES BEHAVIOUR IN INVESTMENT DECISIONS WITH REFERENCE TO IT SECTORS IN CHENNAI**” under my supervision from OCTOBER 2023 to NOVEMBER 2023.

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DECLARATION

I JOHN WESLEY J (42410022) hereby declare that the Project Report entitled “**A STUDY ON EMPLOYEES BEHAVIOUR IN INVESTMENT DECISIONS WITH REFERENCE TO IT SECTORS IN CHENNAI**” done by me under the guidance of DR. John Paul., MBA., M.Phil., Ph.D. Associate Professor, School Management Studies is submitted in partial fulfilment of the requirements for the award of Bachelor of commerce.

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SIGNATURE OF THE CANDIDATE

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ABSTRACT

The contribution of employee's role in economic development is significant in this modern era. As there is lots of investment opportunities and uncertainties like inflations, financial bubbles and changing market trends, it is essential to have Investment as a secondary source of income as to increase their wealth and minimize the future risks. This study attempts to highlight the behavioural pattern, challenges and attitudes involved in the employees investment decision in IT sectors, Chennai. The research was done in the period of October and November 2023 using the convenient and snowball sampling techniques, the structured questionnaires were answered, analysed and has found out that the strong influence of Family/friends and peer groups in their investment decision signifies the role of social network influence in their behavioural patterns. Significant number of respondents have answered that Economic growth and interest rates in investment acts as an influencing factor in their final decision. It is evident that savings habit falls under 10-20% of their monthly income where half of the population were willing to take up medium risks in their future investments. It is believed that the sample population's perception of Gold and real estate investments yields more in the future prospects. Further studies have to be made in particular to this investment behaviour and be helpful in making awareness about the financial knowledge in efficiently developing their investment verdict.

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CHAPTER I – INTRODUCTION

1.1 INTRODUCTION OF THE STUDY:

One of the crucial aspects of financial planning for individuals, especially those working in the IT sector, is making in Optimal investment decisions. Employees in the IT sector in Chennai, have multiple choices of investment, ranging from traditional avenues like savings accounts and fixed deposits to more complex options such as stocks, mutual funds, and real estate. This study aims to shed light on the investment behavior of employees in the IT sector in Chennai. It seeks to explore the investment avenues preferred by these individuals, the factors that guide their investment decisions, and the impact of demographic variables such as age, income, experience and education level on their investment choices. Furthermore, the study will examine the Attitude of the employees & challenges faced by IT employees in making investment decisions, including economic factors, the regulatory environment, and psychological biases.

1.2 OVERVIW OF THE STUDY:

1.2.1 *Investment Avenues in India:*

There are wide varieties of Investment avenues are now available in India. Studying the Pros and Cons of different avenues can make investor to select the best suitable avenues. Financial advertising, newspaper supplements on financial matters and investment Journals offer guidance to investors in the selection of suitable investment of avenues. Categories of investment opportunities are:

- Protective investments.
- Tax oriented investment.
- Fixed income investment.
- Speculative investment.

- Emotional investment.
- Growth investment.

The most popular Investment avenues present in India are:

Equity Shares: Equity investments means share in the profits and assets of the company but there are no fixed returns. So, it is considered as a risky investment but it is also called as a liquid investment due to the presence of stock markets. Investment liquidity is more only for those equity shares which has regular trading other than those stocks have less movement, liquidity is not highly attractive.

Debentures or Bonds: It is a long-term investment options with a fixed cash flows depending on the quoted rate of interest. They are considered relatively less risky but an amount of risk involved is depend upon who the issuer is. For example, if the debentures or bond is issued by a government, the risk is assumed to be zero. (Risk-Free Bonds)

Money Market Instruments: Money market instruments are those which has a time period of less than 1 year. Corporate entities can utilize their idle working capital by investing in money market instruments. Some of the money market instruments are:

- Treasury Bills
- Commercial Paper
- Certificate of Deposits

Postal savings scheme: Deposit avenues for investors in India Post, which controls the postal chain of the country, commonly known as post office saving schemes. These schemes were introduced to provide investment avenues and inculcate savings discipline among Indians from across economic classes. Every post office provides these savings schemes to enable individuals from across India to apply and enroll easily.

PF, PPF and other Savings schemes Such as National Savings scheme, national saving Certificates and Tax saving schemes of ICICI, LIC Infrastructure bonds and so on.

Investment intermediaries:

• **Mutual Funds:** A mutual fund is an investment made only in debt or only in equity or mix of debts and equity and ratio depending on the scheme. It is an easy of investment and it automatically diversifies the investment. The benefits are professional approach, benefits of scale and convenience. Further advantage of investing in mutual funds are professional management services at a lower cost.

Life insurance investment:

• **Life Insurance and General Insurance:** It is an important parts of good investment portfolios. Life insurance is an investment for the security of life. The main objective of other investment avenues is to earn a return but the primary objective of life insurance is to secure our families against unfortunate event of our death. It is popular in individuals. There are different types of insurances which are as follows:

- Endowment Insurance Policy
- Money Back Policy
- Whole Life Policy
- Term Insurance Policy
- General Insurance for any kind of assets.

Investment in precious objects • **Precious Objects:** It include gold, silver and other precious stones like the diamond. Some artistic people invest in art objects like paintings, ancient coins etc.

Investment in property:

Real Estate:

Investment portfolio of individual consists investment in real assets. Almost every individual and corporate investor invest in residential and office buildings respectively. Apart from these, others include: → Agricultural Land → Semi-Urban Land → Commercial Property → Raw House → Farm House etc.

Investment in Gilt-edged securities and securities of government and semi government Organizations (i.e., bonds, Treasury bill etc.).

1.2.2 ELEMENTS OF INVESTMENTS:

A. **RETURN:** Investment are made in order to earn return on them. The return includes both current income and capital gain

B. **RISK:** Risk is the chance of loss due to variability of returns on an investment. In every investment, there is a chance of loss. It may be loss of investment; however, risks and returns are inseparable.

C. **TIME:** Time is an important factor in investment. Time period depends on the attitude of investors who follows a buy and hold policy

1.3 STATEMENT OF PROBLEM:

Salaried persons often think that they never need any financial scheduling. In spite of diverse studies, investors and individual do their savings and investment in various monetary and substantial investment alternatives like real estate, bank, insurance and assets like Silver and gold. The avenues of investment and their investor's opinion based on the preference may vary from one person to another. The liquidity and safety play a major role in the investment decision.

Thus, the study is prepared to analyze the pattern of savings and investments of employees, their behavioral aspects and Attitude towards making an investment decision of Employees under IT sectors in Chennai.

1.4 SCOPE OF STUDY:

The researcher has proposed and did his study on the Behavior of Employees Investment Decision under IT sectors in Chennai. The research was conducted for a period of Two month (October & November 2023) in the city of Chennai. The research was done through the way of structured questionnaire where these selected Employees were interviewed in the sample area.

1.5 SIGNIFICANCE OF THE STUDY:

- The study will address various factors influencing the investment decision of Employees of the sample respondents.
- The outcome of this study will guide new Employees, for better performance of these investment decisions to achieve Optimal returns for the investments.
- The study will also throw light on the impact of the Attitudes, Behaviors of these Employees on their perception towards the making an Investment Decision.

1.6 OBJECTIVE:

1.6.1 PRIMARY OBJECTIVE:

TO BRIEFLY STUDY EMPLOYEES' INVESTMENT DECISIONS WITH REFERENCE TO IT SECTORS IN CHENNAI

1.6.2 SECONDARY OBJECTIVE:

- To Identify the demographic profile of the employees.
- To study the attitude of employees towards investment.
- To analyze the behavioral pattern of the employees with respect to investment decisions.
- To find out the factors influencing investment decisions.
- To suggest suitable measures that promotes financial skills to upscale the Investment decisions.

1.7 LIMITATION OF THE STUDY:

- The study is confined to Employees carrying out their investment activity in Chennai only.
- The sample size is confined only to 100 on account of Time and Cost factor.
- Some of the respondents might have given biased responses which may adversely affect the findings of the study.
- The suggestion or the outcomes of the work may not be applied in other cities or towns or states.
- This study is constrained due to the limiting factor of time.
- Some respondents have been quite reluctant to disclose few information on the data collected.

CHAPTER II - REVIEW OF LITERATURE

- Shah, Charmi Jayendra (2023), “Critical analysis of financial planning behavior of women in Mumbai city” The study analyzed financial planning behavior among women. The differences in financial behavior in term of age, qualification, annual income and occupation were analyzed. Requirement of information & Role of influencers, focus on risk minimization, Extent of financial knowledge and expertise and Availability of investable funds are the four major components identified in this study.
- Ahmed Amer Abdul Kareem, Sherine Rady, et al. (2023), in their article, “Factors Influencing Investment Decisions in Financial Investment Companies” and have stated that there is significant correlation between the factors influencing the decision making of the appropriate investment. They have noted that adding new factors that share their influence with them can reduce their influence shares. They also demonstrated that there is direct relationship between the nature of the impact of all variables ie Information Nature, Disclosure, External factors, Information technology, and Perception.
- J, Lakshmi (2022), “Influence of behavioral traits on investment decisions” In this research, the researcher has identified the different behavioral traits shown by different individual investors by their unique characteristics. The study classified the investment decisions into four aspects and also identified whether investment decisions vary significantly due to demographic factors. Result of the study indicated that behavioral traits influence the investment decisions of individual investors.
- Ramkrishna Chapagain and Bharat Ram Dhungana, Ph.D. (2022), in their research titled, “Factors Affecting Investment Decisions of Employees Working

on Financial and Non-Financial Sectors: A Case of Pokhara Metropolitan City, Nepal” have found out that people working in the financial industry examine more economic aspects and the total investment performance is greater for employees working in the financial sector. Further, the research revealed that self-confidence, market information, the recommendation of professionals, minimization through portfolio diversification and high-income level increases in interest in investment were the significant influential factors affecting investment decisions of an employee working in financial and non-financial institutions

- Mrs. Jayalakshmi H R, Dr. M L Shailaja (2022), in their thesis work titled, “A STUDY ON THE STOCK MARKET INVESTMENT DECISIONS OF CORPORATE EMPLOYEES WITH RESPECT TO BENGALURU” highlighted that investor simply react to the available information and act accordingly in their decision making. They have advised that Technical and financial analysis about the company and fundamental analysis of the economy is to be taken into account while investing in the stock market.
- Ms. S. Sarada Devi and Prof. Ravi Kumar Jasti (2022), in their research work, “INVESTMENT BEHAVIOUR OF GOVERNMENT EMPLOYEES IN TELANGANA STATE: AN EMPIRICAL STUDY” have examined the impact of various factors and biases including economic factors, emotional factors, financial knowledge, cognitive biases, herding factors, market factors and the risk-taking ability on the investor behaviors using path analysis. According to the study, Economic Factors have a positive influence on investment behaviors. The study has discovered a direct link between Financial Literacy and investment behaviors.
- Ramya S, II M.Com., (2022) in her thesis work, “A STUDY ON PRIVATE EMPLOYEES PREFERENCE TOWARDS INVESTMENT WITH SPECIAL REFERENCE TO COIMBATORE CITY” have identified that the major features

of an investment are safety of the principal amount, liquidity, income stability, appreciation and easy transferability among the employees in Coimbatore, Tamil Nadu. And found out that there is no significant difference between gender and preference of investment.

- Xuelin Tang, Keyi Yu et al (2022), in their research work, “The Impact of Firm’s Unethical Behavior in Investment Decisions Among Young Investors in China” stated that There is ample evidence that investors respond negatively to firm’s unethical behavior and explored the roles of firm development stages and the moderation effect of investors’ moral support level.
- Abdullah Hamoud, Elham Alzain (2022), in their research work, “The roles of Financial literacy and Overconfidence in Investment Decisions in Saudi Arabia” have found out that financial literacy positively and significantly influenced investment decisions.
- Fangky Antoneus Sorongan (2022), in his study, “The Influence of Behavior Financial and Financial Attitude on Investment Decisions with Financial Literature as Moderating Variable” has identified that financial behavior, financial attitudes, and financial literacy all have a major impact on investment decisions, according to the findings of this study, it is assumed that financial literacy cannot regulate investment decisions made by students in South Jakarta.

- Peter Besah Awevor, Kennedy Oppong Fosu et al. (2021), in their research titled, “Exploring the Factors Influencing Investment Decision of Workers of Ghana Ports and Harbour Authority, Takoradi” have revealed that investment sales agents, TV/Newspapers, family members’ referrals, social media as well as the Books/Magazine were the main sources of investment information to workers of GPHA. Insurance policy is the commonest investment product workers relied upon. Also, safety, risk and returns, liquidity, and diversification factors were the main factors influencing investment decision of workers of GPHA.
- Afreen Begum and Dr. Md Sadat Shareef (2021), in their descriptive research, “Investment Behaviour of Government Employees: A Critical Literature Review” have comprehensively examined the current literature on individual saving and investing behaviors in order to determine the elements that impact investment behaviors. The study revealed that the majority of investors are unaware of additional investment opportunities.
- Geoffrey Tate, Raige Ouimet (2020), in their article titled, “Learning from Coworkers: Peer Effects on Individual Investment Decisions” have used unique data on employee stock purchase plans and examined the influence of networks on investment decisions. They have found out that the choices of coworkers in the firm’s ESPP exert a significant influence on employees’ own decisions to participate and trade and the presence of high-information employees magnifies the effects of peer networks.
- Manish Sharma and Hima Bindu Kota (2020), in their article titled, “The role of working Women in Investment Decision Making in the Family in India” highlighted the role of women in investment decision making in the family and further examines the role of a male spouse on the investment decisions. The article further highlighted that, when it comes to investment decisions, both

husband and wife share responsibility for making investment decisions. There are investment products like Bank deposits, 5-year tax saving FDs, precious metals, public provident fund, national pension system, post office saving schemes, mutual funds, life insurance, and commodities, where the influence of women is stronger than their male spouse. The influence of a male spouse is stronger in products like real estate, company deposits, debentures or bonds, pension schemes, equity shares and derivatives.

- Kumari D.A.T (2020), in her study, “THE IMPACT OF FINANCIAL LITERACY ON INVESTMENT DECISIONS: WITH SPECIAL REFERENCE TO UNDERGRADUATES IN WESTERN PROVINCE, SRI LANKA” examined the impact of financial literacy on investing decisions among undergraduates in the western province in Sri Lanka. The findings revealed that financial literacy positively and significantly influenced on the undergraduates’ investment decisions. The researcher has also identified the most significant dimension was financial skills.
- Samina Gill, Muhammad Kashif Khurshid et al. (2018), in their study titled, “Factors Effecting Investment Decision Making Behavior: The Mediating Role of Information Searches” investigated the factors affecting the investment decision making behavior through the mediation role of information searches. Two factors i.e., overconfidence bias and economic expectations are used as independent variables while investment decision making behavior is taken as dependent variable. Their results showed positive and significant relationship between economic expectations and investment decision making behavior but when information search was included as mediator the relationship became insignificant and negative.

- Dhirendra Kumar (2018), in his article titled, “Feeling poor may lead to riskier behavior and bad investing decisions” have concluded that knowing about salaries had “negative effect on workers paid below the median for their unit and occupation” but had “no effect on workers paid above the median”.
- Gaurav Chhabra, Ankesh Mundra (2014). “A Study on various invest options available with investors”. The study state various invest options available with the investors. In earlier time because of non-availability of banking system investors use to keep hard cash, gold and silver ornament, precious stones etc as savings. Now investment is made through bank, insurance policies, mutual funds, pension funds, collective investment schemes, investment clubs.
- T. N. Murty, P. V. S. H Sastry (2014). “A Study on small investment investors towards return on investment”. Investors choice with the objective of return optimization is investment in the stock market instruments or securities. Stock market securities are affected by various internal and external factors. Study examines the perception of small investment investors towards returns on investment.
- Smita Mazumdar (2014) “A study of investment perspective of salaried people” Individuals invest rationally with intention of maximizing utility for given level of risk. This study examines the relationship between investment behavior and level of knowledge. Financial knowledge leads to investing in different investment avenues such as equity, gold, real estate, fixed deposits etc. study examines the aggressive investors and moderate risk taker with the help of financial knowledge.

- A study by B.Thulasipriya (2014). "A study of Investment behavior after retirement" shows that majority of the respondents are saving money as Bank Deposits for the safety of an unpredictable future. The main avenues of investment are Bank Deposits and the main purpose of investment is for children education, marriage and security after retirement.
- The researchers, Sonali Patil & Dr. Kalpana Nandawa (2014) "A study of investment pattern of salaried people" has analyzed those salaried human resources consider the security as well as good return on savings on normal basis. Respondents are conscious about the investment avenues offered in India excluding female investors.
- S. Umamaheshwari, M. Ashok Kumar (2014) "A study based on investment awareness and expected rate of return" Awareness, environment level of exposure intensions, beliefs, responsibilities are the factors responsible for deciding investment policies. Behavioural pattern helps in preparing various schemes for investments. Investment temperament of salaried strata based on investment awareness and expected rate of investment return.
- N. Dharani (2014) "A Study on investment behavioural patterns of women investors" Investment attracts all people irrespective of their occupation, education and social status. Women also involve in investment activities. Women below age of 30 are involve in investment activities. Women with graduation are involve in more investment activities. Women with income of 50001 to 100000 are involve in investment activities.
- DEV Prasad, M.R.Shollapur (2014) "A Study on decision making process of women" highlighted that the Indian Women investors as emotional decision makers, this study expects to contribute to the literature by focusing on the investment behaviour of Indian Women.

- Dr. Taqadus Bashir (Supervisor), Hassan Raza Ahmed (Ms. Scholar) et al. (2013), "Investment Preferences and Risk Level: Behavior of Salaried Individuals" The main purpose of this research is to analyze the behavior of salaried individuals of Gujrat and Sialkot about risk level, stock investment and gambling decisions and it is found that education is necessary but regular financial advices are also necessary for investors because they don't construct their portfolio. For diversified portfolio, financial advisor is necessary.
- A.Ananth (2013). This study "Investor's attitude towards various forms of investment". Investments are classified as marketable and non-marketable, High risk and low risk investments. Share market is high risk investment with high returns, Commodity market has no risk. Mutual funds are risk investment with good returns.
- N.Srividhya, S.Visalakshi (2013) The study "A Study on various avenues of investment" analyses various avenues of investment such as Government deposits, bonds, real estates, post office saving certificates life insurance policies, mutual funds etc. study covers Government colleges, Private colleges and aided colleges which states that maximum teachers saves below one lakh. Maximum respondents invest in fixed deposits.
- S. Umamaheswari, M. Ashok Kumar (2013). "A study on investment pattern and awareness of salaried class investors in Coimbatore district". When one knows the existence of a new thing is known as awareness. External sources are responsible for creating, modifying and shaping investment decision of investors. Television, Radio, media, personal consultation for expert, relatives, friends etc. are responsible for decision investment decision. A secured investment with good returns on investments. Data analyses shows that

maximum respondent invest in Gold followed by bank deposits and Insurance schemes. Mutual fund investments are very limited.

- J.Paul SundarKirubakaran (2013) “An investigative study on the attitudes of investors” The Study analyses the behavior of an investor. This study brings out the relationship between risk of investment and protection of investment. Nearly 59 percent respondents stick to the protection of investment rather risk for good returns. Respondents have protecting investment as a main priority.
- V.R. Palanivelu & K.Chandrakumar (2013) “A study on preferred investment avenues among salaried people with reference to Namakkal Taluk Tamil Nadu India” studied the investment preferences of salaried class in Namakkal Taluk, Tamil Nadu.It highlight's that certain factors like age, educational level, knowledge about financial system affect the decision regarding the choice of investment avenues.
- Bhawana Bhardwaj (2013) “Income savings and investment Pattern of employees” National output is increase for future by investment. Investment dependents upon awareness about investment opportunity, level of knowledge, evaluation of investment opportunities and selection of investment options. Research states that maximum respondents have selected as Bank deposits and Provident fund as investment avenue. Investors preferred stability in return of investment.
- L. Pandiyan, T. Aranganathan (2012) “Savings and investment attitude of salaried class in Cuddalore District” Decision making process on savings and investment is affected by the attitude of the respondent. Study analyses shows that level of attitude of male and female, female group are not interested in investment but more wrong investment decisions are made by male group.

Respondent of 520 years of age are neutral opinion on investment. Investment pattern is affected by the family size too.

- Priyanka Jain (2012). "Investment Avenues-International journal of advancements in research and technology" The study analyses the various investment avenues available for the investors. It states Equity shares has low return but high capital appreciation, risk liquidity, Marketability, tax benefit, Debentures has high return but low risk liquidity and marketability. Bank deposits have moderate returns but low capital appreciation and risk liquidity.
- Ravi Vyas (2012). "Mutual fund investors behaviors and perception in Indore city" This study finds the form of investments preferred by investors. Mutual fund investment is. For Safety, Liquidity, Reliability, Tax benefits and high returns Mutual fund has average score among investors.
- Yogesh P. Patel, Charul Patel (2012). This study is to examine the behavioral pattern of investments and various investment alternatives among salaried people working in private sector. Data analyses states that majorities of Male respondents are intended to invest more. Maximum investment in range between 1 lakh to 2 lakhs.
- Geetha. N and Ramesh M, (2012), "A study on people preference in investment behaviors" studied the role of demographic factors in investment decisions. Response received from 475 respondents from Nagapattinam district of Tamil Nadu was used for analysis. The sampling method used was convenient sampling. A well-structured questionnaire was used to collect the data from the respondents. Statistical inference was drawn using ANOVA and Chi square tests. The demographic attributes included age, gender, education, occupation, income, savings size and family size. The investment avenue considered for

the study were gold, provident fund, life insurance, real estate, bank deposits, postal savings, mutual funds and equities.

- Heena Kothari (2012),” Investment behaviors towards investment avenues- a study with reference to Indore city” The study analyses the investment behaviors towards investment avenues in Indore city. The study is consisting of private and public banking employees as they have regular income, retirement benefits, safety and security of income. Analyses of data states that younger people invest more than Middle age people.
- B. N. Panda, J. K. Panda (2012)” An analytical study on perception of risk and return for individual investment” The study analyses the difference in perception of investors in decision of investing on the basis of age and gender. Various investment options are examined in this research such as Secured deposits, Life insurance policies, Provident fund, Pension schemes, Bonds, Debentures, Equity shares, Mutual funds, Real estate, postal schemes etc. investment decisions are to be taken by self and has to wait to see the results of it, which fascinates some investors.
- Geetha, M. Ramesh (2011). “A study on people’s preference in investment behaviors” This study Examines the factors responsible for investment behaviors of people and different investment options available. Equity are high risk and high return investment with liquidity, debts are low risk and fixed return instruments, Mutual funds and bonds are low risk with normal returns instruments, Company deposits and bank deposits has low risk and low returns, post office savings, PPF and insurance policies are no risk investment with low returns, Real estate and Gold has no returns on investment but has capital appreciation.

- Dr. S. Mathivannan and Dr. M. Selvakumar (2011) “A Study on savings and investment patterns of a salaried teachers” examined the saving and investment patterns of salaried teachers of Sivakasi Taluk, Tamilnadu and they found that there is great importance of money and money's worth for them and They are regularly preparing budgets for Expenditures and compare it with the actual expenditure and take necessary actions if there are any deviations has arrived so far and they are influenced by fashionable and costly items.
- Nicolas Aubert, Thomas Rapp (2010), in their research titled, “Employee's investment behaviors in a company-based savings plan” have emphasized the three main results: (i) presence of extreme strategies, (ii) positive influence of human capital, and (iii) influence of the plan menu on the number of funds selected by employees. And found out that employees with high salaries would be more likely to invest in risky assets.
- Michael Millar and Dwayne Devonish (2009), in their working, “Attitudes, savings choices, level of knowledge and investment preferences of employees towards pensions and retirement planning” have analyzed employees lack the basic knowledge to manage their own pension plans and they often times treat issues pertaining to retirement with low priority. Furthermore, there is an extremely high weighting is attributed to property and land as assets for retirement.
- Alistair Byrne (2007), in his work titled, “Employee Saving and Investment Decisions in Defined Contribution Pension Plans: Survey Evidence from the UK” has found out that “behavioral economics in that many employees show limited interest in their pension arrangements. Not all members have received advice about their pension, but those who have are more likely to have

calculated their savings needs, to have higher levels of investment knowledge, and to actively review their investments than those who have not.”

- Avinash Kumar Singh (2006)” The study entitled “A study on investment pattern of salaried people in Bangalore city”. After analysis and interpretation of data it is concluded that in Bangalore investors are more aware about various investment avenues and the risk associated with that. All the age groups give more importance to invest in equity and except people those who are above 50 give importance to insurance, fixed deposits and tax saving benefits.
- J. Jayalakshmi and Dr.V.L. Shobana (2006)” A study on investor awareness and preference” in their study on Investors Awareness and Preferences has explored the awareness level of investors regarding investment options and investment risks. The analysis disclosed that the investment in real estate is preferred by a majority of the investors and secondly, they prefer investment in bank deposits.
- James J. Choi, David Laibson, Brigitte Madrian & Andrew Metrick, (2004), in their research titled, “Employees' Investment Decisions about Company Stock” analyzed the initial fraction of savings allocated to company stock, the changes in this fraction, and the reallocations of portfolio holdings across different asset classes and found that high past returns on company stock induce participants to allocate more of their contributions to company stock.
- James J choi, David Laibsonl et al. (2004) in their research article titled, “Employee Investment Decisions about Company Stock” visualized that Corruption in the public sector erodes tax compliance and leads to higher tax evasion. It is shown that deterministic excessive red tape and corruption deteriorate the growth potential through income redistribution and public

sector inefficiencies. demonstrated that the increase in corruption via higher uncertainty exerts adverse effects on capital accumulation, thus leading to lower growth rates in their research article.

- Esther Duflo and Emmanuel Saez (2002), in their journal titled, "Participation and investment decisions in a retirement plan: the influence of colleagues' choices" have investigated whether peer effects play an important role in retirement savings decisions and have found out that Most individuals' decisions within a social group are correlated for reasons which have nothing to do with the fact that individuals are imitating each other. Their decisions may be influenced by common variables.
- Lewellen WilburG, et al. (1977) in their research have found out that Age factor is having stronger influence and both age and risk factors are inversely related.

CHAPTER III – RESEARCH METHODOLOGY

3.1 INTRODUCTION TO RESEARCH METHODOLOGY:

Research is the careful consideration of study regarding a particular concern or research problem using scientific methods. According to the American sociologist Earl Robert Babbie, “research is a systematic inquiry to describe, explain, predict, and control the observed phenomenon. It involves inductive and deductive methods.”. Research methodology is a way to systematically solve the research problem. It is a plan of action for a research project and explains in detail how data is collected and analysed.

3.2 RESEARCH OBJECTIVES:

- To study the attitude of employees towards investment working in IT sectors.
- To analyse the behavioural pattern of the employees with respect to investment decisions.
- To find out the factors influencing investment decisions.

3.3 RESEARCH DESIGN:

In order to study the factors that influence Employees Investment Decisions, the researcher has chosen **Descriptive study**. (Under this method, the researcher explores aims to accurately and systematically describe a situation or phenomenon.) the researcher felt it is appropriate to use Descriptive research to understand, to analyse and to suggest upon the factors that influence the Investment Decisions of Employees under IT sectors in Chennai.

3.4 NATURE OF DATA:

The primary data is collected from the employees of various companies related to IT sectors in Chennai through a self-structured questionnaire.

3.5 SAMPLING TECHNIQUE:

Non-Probability sampling design based on **Convenient sampling** (composed of individuals who are easily accessible to the researcher and are willing to be a part of the study) & **Snowball sampling** (sampling method where currently enrolled research participants help recruit future subjects for a study.) methods has been used for this research study. For the purpose of understanding the factors that influence Employees Investment Decision, the sampling techniques adapted by the researcher is expected to represent the population.

3.6 SAMPLE POPULATION:

For this study, the research has taken 100 Sample respondents to represent the Employees working under IT sectors in Chennai.

3.7 SOURCE OF DATA:

The questions are arranged in a Chronological and logical sequence. The Structured questionnaire consists of a variety of questions presented to the employees for their responses. Multiple choice questions and Likert scale were used in constructing the questionnaire.

3.8 RESEARCH HYPOTHESIS:

- H0: There is no relationship between “**Gender**” and “**Investment Made**”
- H1: There is a relationship between “**Gender**” and “**Investment Made**”

3.9 PERIOD OF STUDY:

The study has been allocated a two-month timeframe to ensure that the research process is conducted within this specified duration. (October and November 2023)

3.10 AREA OF THE STUDY:

The researcher has studied the concept of Investment decisions of the sample respondents connected to the part of Behavioural Finance in the specified location of Chennai, Tamil Nadu.

CHAPTER IV – DATA ANALYSIS & INTERPRETATIONS

Data analysis is the science of examining data to conclude the information to make decisions or expand knowledge on various subjects in a statistical manner. It consists of subjecting data to operations. It is used to evaluate data with statistical tools to discover useful information.

Methods used:

4.1 Percentage Analysis – Percentage analysis is the method to represent raw streams of data as a percentage for better understanding of collected data. In research, it is particularly used to express the relative frequency of survey responses and other data. It is one among statistical tools that give credibility to research methodology and conclusions.

4.2 Chi-square Test - The Chi Square statistic is commonly used for testing relationships between categorical variables. The null hypothesis of the Chi-Square test is that no relationship exists on the categorical variables in the population; they are independent. The Alternate hypothesis of the Chi-Square test is that relationship exists on the categorical variables in the population; they are dependent.

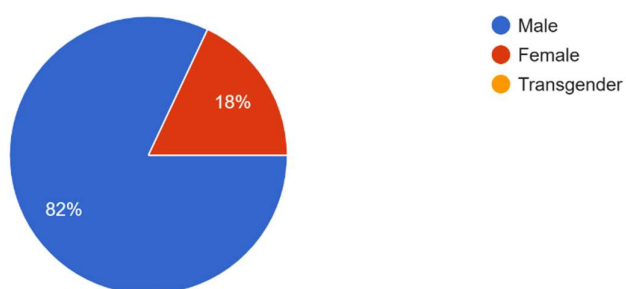
TABLE (4.1.1) Gender wise classification

GENDER	NO RESPONDENTS	OF TOTAL	PERCENTAGE
Male	82	100	82
Female	18	100	18

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.1) Gender wise classification

Gender
100 responses



Interpretation:

From the above data, the researcher found that 82% of the population is male and 18% of the population is female from the sample size.

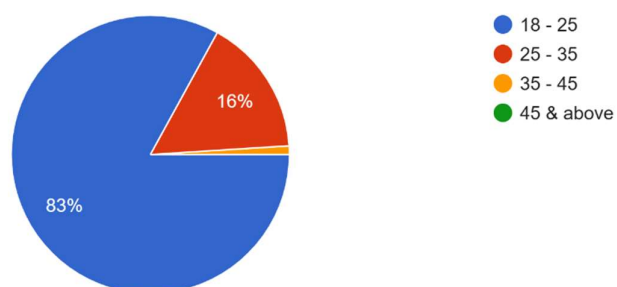
TABLE (4.1.2) Age wise classification

AGE	NO RESPONDENTS	OF TOTAL	PERCENTAGE
18 - 25	83	100	83
25 - 35	16	100	16
35 - 45	1	100	1
		TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.2) Age wise classification

Age
100 responses



Interpretation:

The above table reveals that 1% of the age group belongs to 35-45 years, followed by 16% from 25-35 and the rest 18-25 which covers the most 83%.

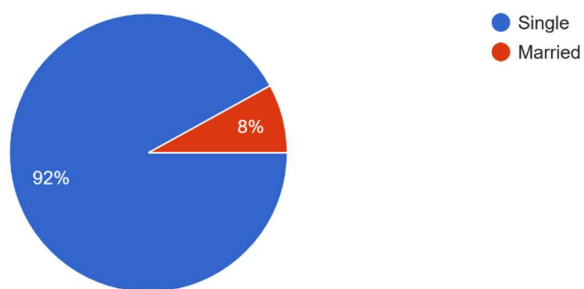
TABLE (4.1.3) Classification on basis of relationship

S NO	MARITAL STATUS	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	SINGLE	92	100	92
2	MARRIED	8	100	8
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.3) Classification on basis of relationship

Marital status
100 responses



Interpretation:

It is understood that 8% of the respondents is married and the rest 92% of the respondents is unmarried in relationship.

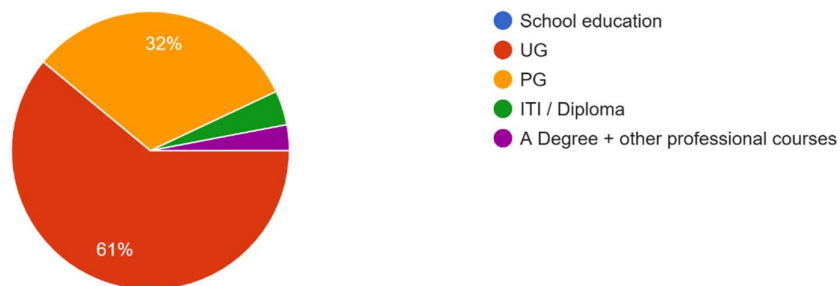
TABLE (4.1.4) Educational classification

S NO	EDUCATIONAL QUALIFICATION	NO OF RESPONDENTS	OF PERCENTAGE
1	SCHOOL EDUCATION	0	0
2	UG	61	61
3	PG	32	32
4	ITI / DIPLOMA	4	4
5	DEGREE + OTHER PROFESSIONAL COURSES	3	3
	TOTAL	100	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.4) Educational classification

Educational Qualification
100 responses



Interpretation:

The researcher in his research has found out that 61% of the sample respondents have done up to UG followed by 32% of the respondents done PG, 1/25th have done ITI, 3% Other Professional courses.

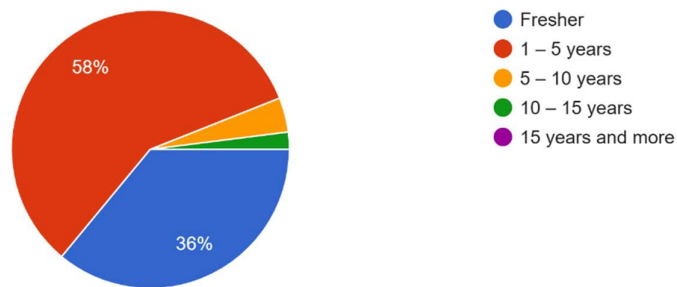
TABLE (4.1.5) Experience in Field

S NO	WORK EXPERIENCE	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	FRESHER	36	100	36
2	1-5 YEARS	58	100	58
3	5-10 YEARS	4	100	4
4	10-15 YEARS	2	100	2
5	15 YEARS & ABOVE	-	100	0
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.5) Experience in Field

Work Experience
100 responses



Interpretation:

From the above table it is found out that 58% of the population have 1-5 years of experience followed by 36% as freshers in the field of work.

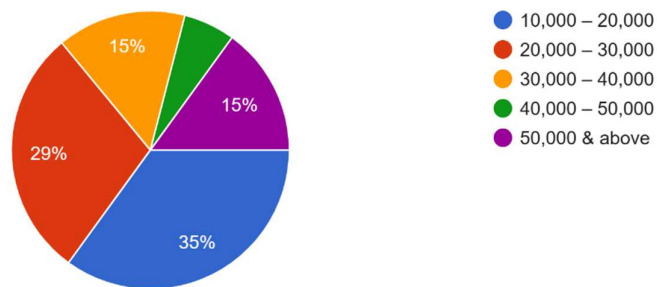
TABLE (4.1.6) Income wise classification

S NO	MONTHLY INCOME	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	10000 - 20000	35	100	35
2	20000 - 30000	29	100	29
3	30000 - 40000	15	100	15
4	40000 - 50000	6	100	6
5	50000 & ABOVE	15	100	15
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.6) Income wise classification

Monthly Income
100 responses



Interpretation:

It is found out that 35% of the respondents have a monthly income of 10,000 – 20,000 followed by 29% in 20,000 - 30,000 category and 30,000 – 40,000 & 50,000 and above share the same 15%.

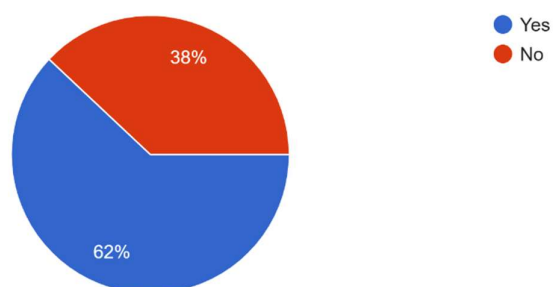
TABLE (4.1.7) Awareness of Demat A/c

S NO	DEMAT AWARENESS	A/C RESPONDENTS	OF TOTAL	PERCENTAGE
1	YES	62	100	62
2	NO	38	100	38
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.7) Awareness of Demat A/c

Are you Aware of Demat Account?
100 responses



Interpretation:

From the table, the researcher found out that 62% of the 100 respondents have heard about Demat Account in the questionnaire, while 38% of the population was not aware of Demat Account.

TABLE (4.1.8) Awareness of Investment Avenues

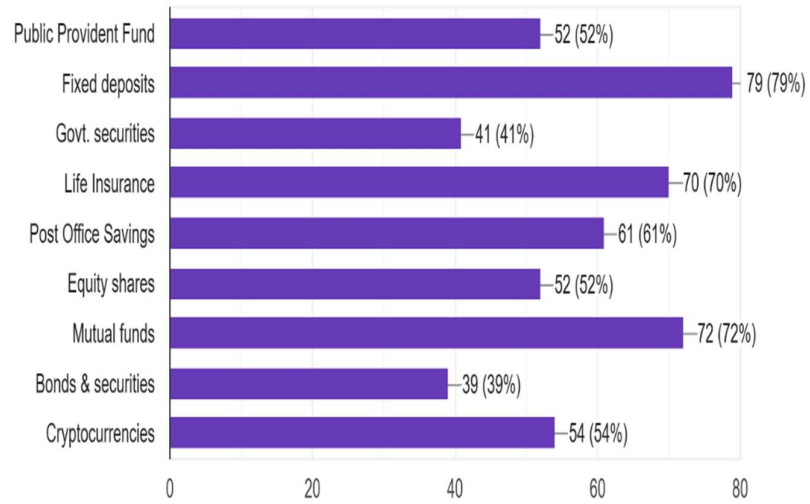
S NO	INVESTMENT AVENUES	NO OF FREQUENCIES
1	PUBLIC PROVIDENT FUND	52
2	FIXED DEPOSITS	79
3	GOVT. SECURITIES	41
4	LIFE INSURANCE	70
5	POST OFFICE SAVINGS	61
6	EQUITY SHARES	52
7	MUTUAL FUNDS	72
8	BONDS & SECURITIES	39
9	CRYPTOCURRENCIES	54

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.8) Awareness of Investment Avenues

Choose the following Investment Avenues that you are Aware of:

100 responses



Interpretation:

From the above table, the sample respondents in their opinion have known 79% of Fixed Deposits followed by 72% of Mutual Funds and 70% of Life Insurance, where the Bonds and Securities and Government Securities have the least Awareness pick. (39%, 41%).

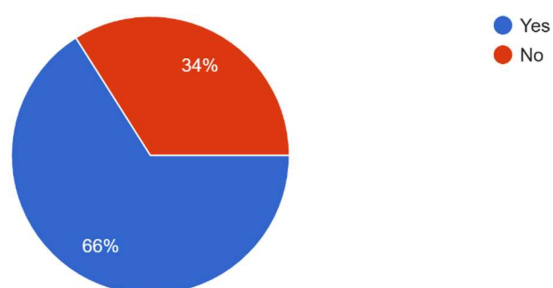
TABLE (4.1.9) Response to Investment

S NO	INVESTMENT MADE	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	YES	66	100	66
2	NO	34	100	34
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.9) Response to Investment

Have you made any Investments in these of the following?
100 responses



Interpretation:

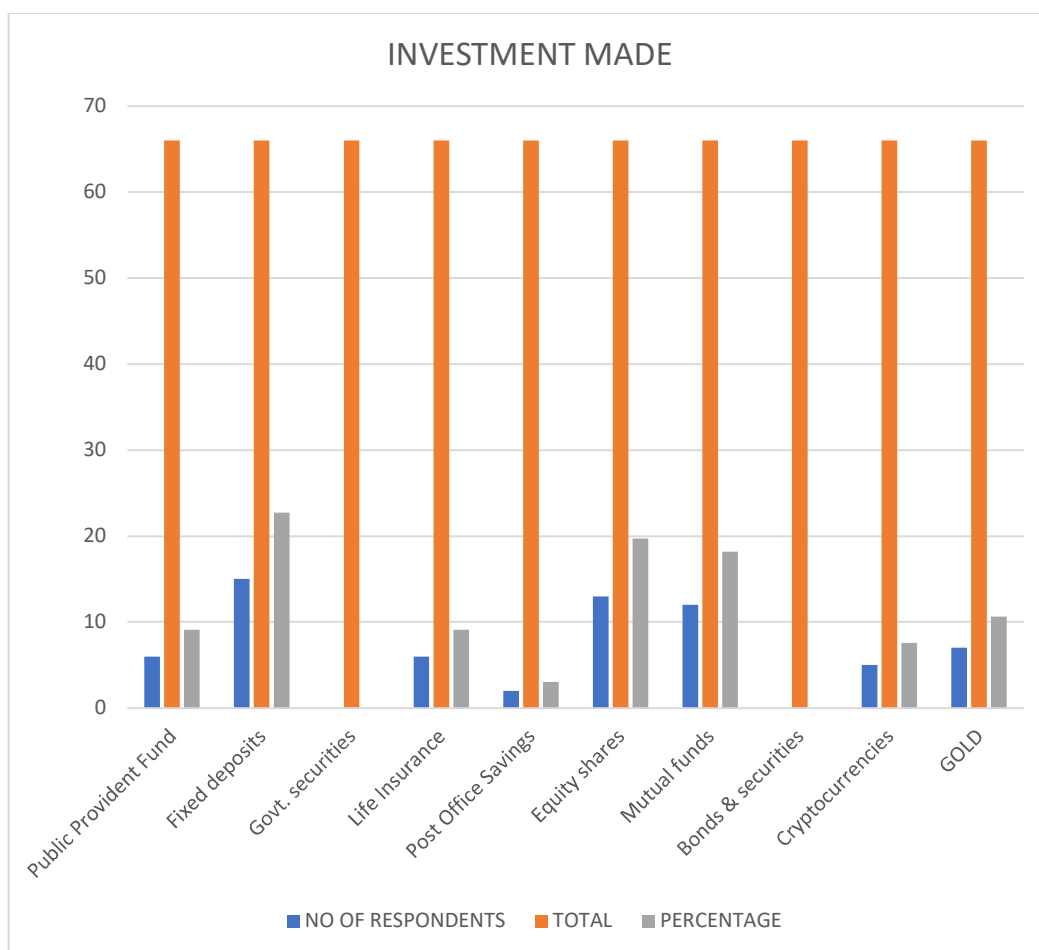
The above table highlights that 66% of the sample population has employed their savings in the Investment avenues. The remaining 34% of the respondents has not employed their savings in the Investment.

TABLE (4.1.10) Investment wise Classification

S NO	INVESTMENT AVENUE	NO RESPONDENTS	OF TOTAL	PERCENTAGE
1	Public Provident Fund	6	66	9.09
2	Fixed deposits	15	66	22.73
3	Govt. securities		66	0.00
4	Life Insurance	6	66	9.09
5	Post Office Savings	2	66	3.03
6	Equity shares	13	66	19.70
7	Mutual funds	12	66	18.18
8	Bonds & securities		66	0.00
9	Cryptocurrencies	5	66	7.58
10	GOLD	7	66	10.61
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.10) Investment wise Classification



Interpretation:

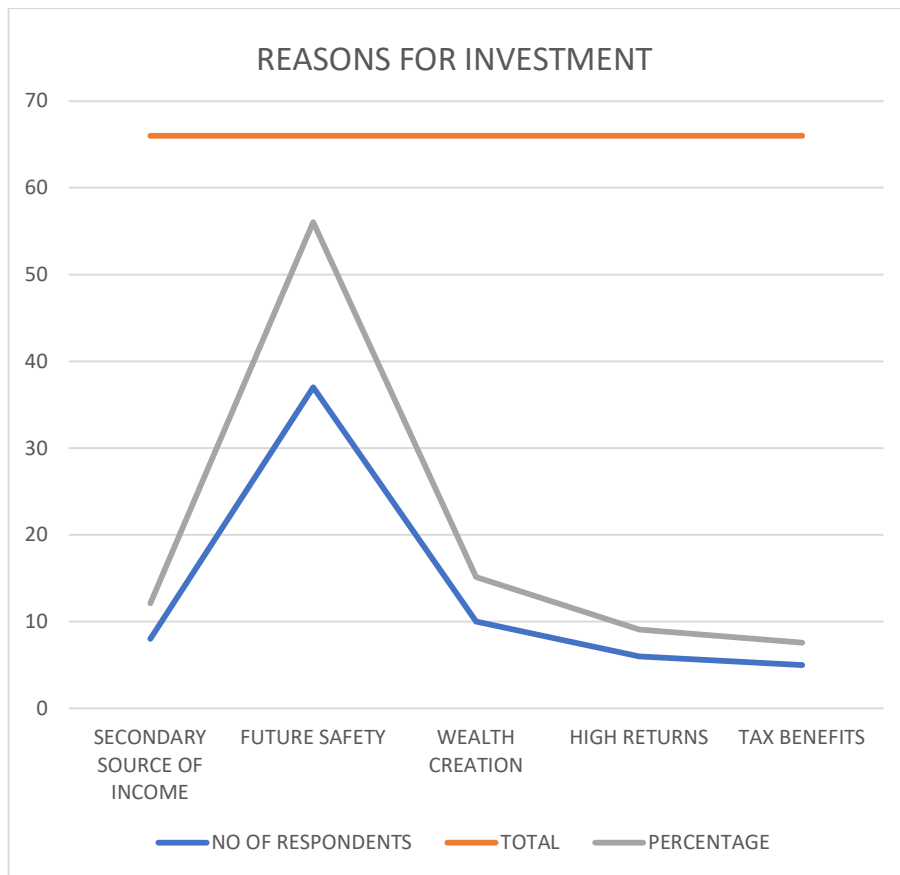
The table reveals that 22.7% of the sample respondents have invested in FD's followed by 19.7% in Equity shares and 18% in mutual funds, PPF's and Life Insurance shares the same 9% while the Government bonds and securities have Nil investment.

TABLE (4.1.11) Reasons for Investment

S NO	REASON INVESTMENT	FOR NO RESPONDENTS	OF TOTAL	PERCENTAGE
1	SECONDARY SOURCE OF INCOME	8	66	12.12
2	FUTURE SAFETY	37	66	56.06
3	WEALTH CREATION	10	66	15.15
4	HIGH RETURNS	6	66	9.09
5	TAX BENEFITS	5	66	7.58
				100.00

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.11) Reasons for Investment



Interpretation:

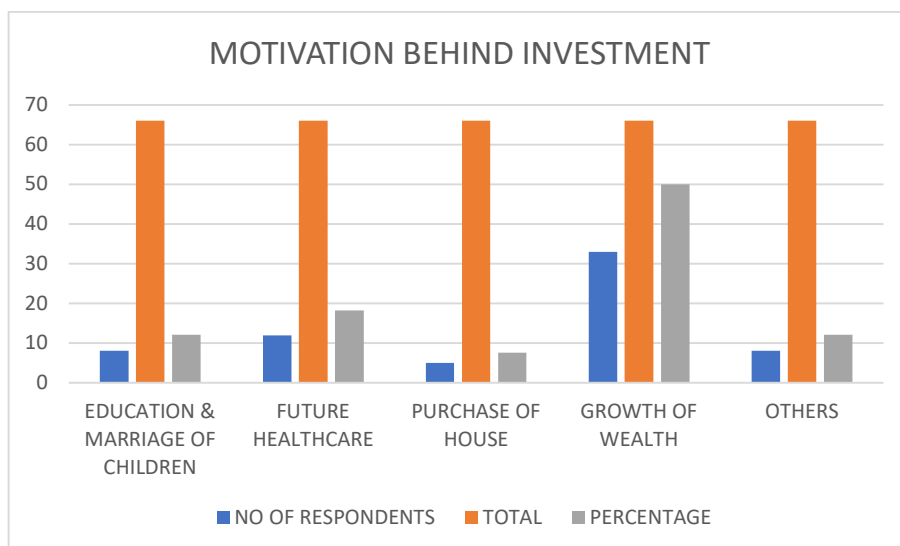
From the above table, it is revealed that 56% of the respondents have chosen Future safety as their priority for their investment, followed by 15% for wealth creation and 12% chose secondary source of income as their reason for investment.

TABLE (4.1.12) Factor of Motivation

S NO	MOTIVE FACTOR	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	EDUCATION & MARRIAGE OF CHILDREN	8	66	12.12
2	FUTURE HEALTHCARE	12	66	18.18
3	PURCHASE OF HOUSE	5	66	7.58
4	GROWTH OF WEALTH	33	66	50.00
5	OTHERS	8	66	12.12
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.12) Factor of Motivation



Interpretation:

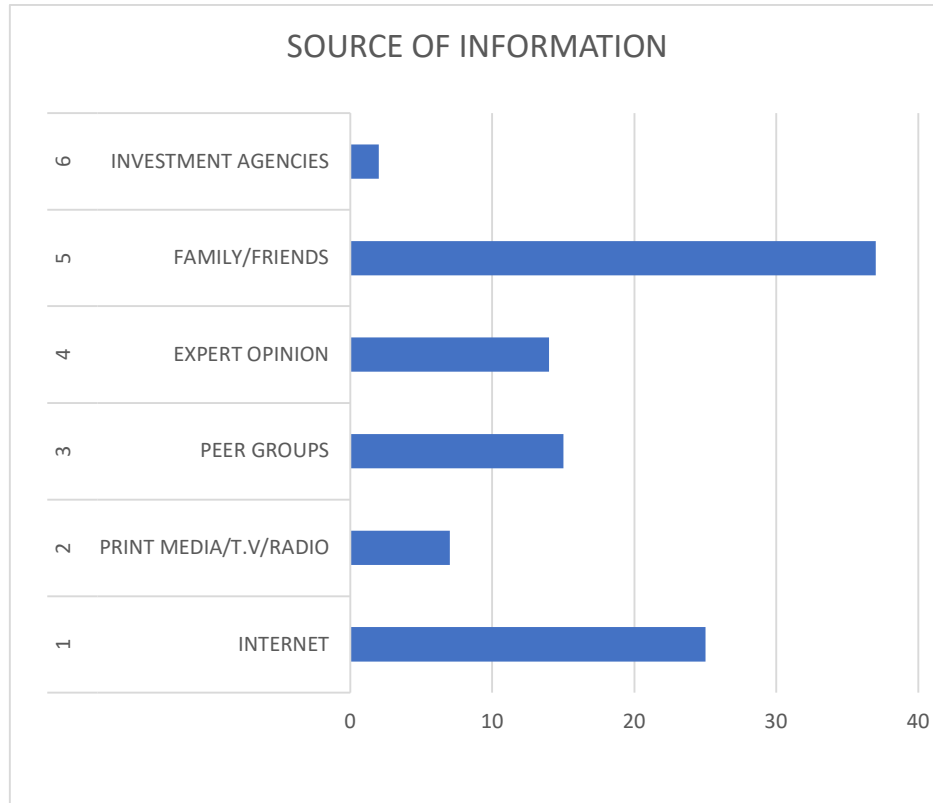
From the above table, it is revealed that 1/2th of the respondents have Growth of Wealth as their motive behind their investment, followed by 18% Future healthcare and 12% Education & marriage of Children.

TABLE (4.1.13) Source of Information

S NO	SOURCE OF INFORMATION	FREQUENCIES
1	INTERNET	25
2	PRINT MEDIA/T. V/RADIO	7
3	PEER GROUPS	15
4	EXPERT OPINION	14
5	FAMILY/FRIENDS	37
6	INVESTMENT AGENCIES	2

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.13) Source of Information



Interpretation:

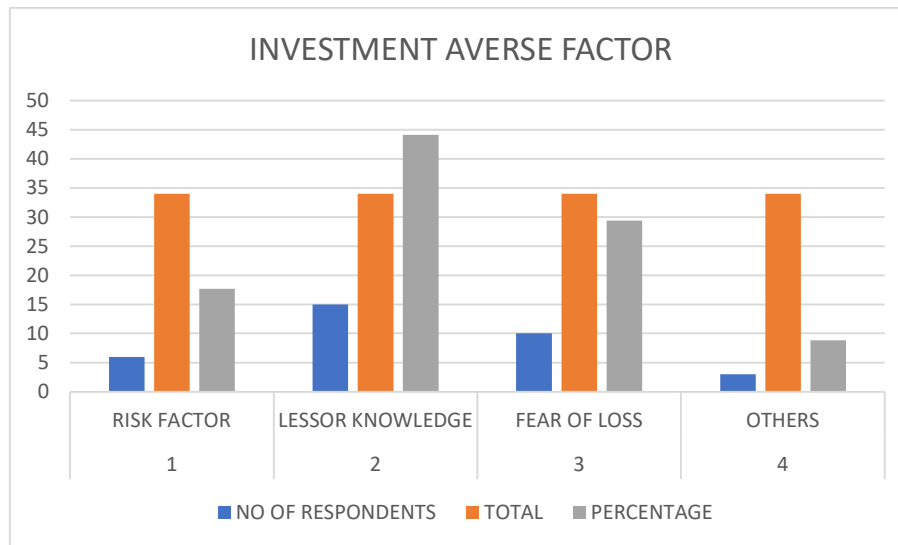
From the above table, the sample respondents have majorly chosen Family/friends as their primary source of information followed by Internet and Peer Groups in their investment decision.

TABLE (4.1.14) Investment Averse factors

S NO	AVERSE FACTOR	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	RISK FACTOR	6	34	17.65
2	LESSOR KNOWLEDGE	15	34	44.12
3	FEAR OF LOSS	10	34	29.41
4	OTHERS	3	34	8.82
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.14) Investment Averse factors



Interpretation:

Of those who have not made any investments, 40% of the respondents have said that they have lesser knowledge of Investment avenues and its workings Followed by 29% of Fear of loss in their investment.

TABLE (4.1.15) Response to Financial Literacy

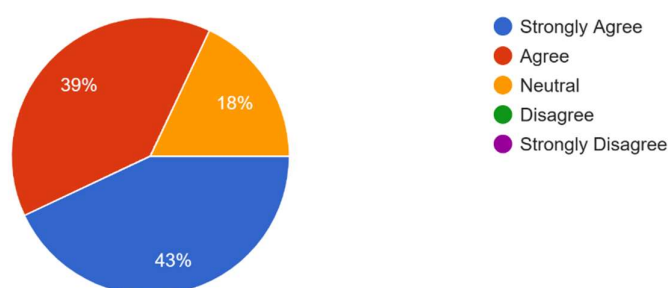
S NO	IMPACT OF FINANCIAL LITERACY	NO OF RESPONDENTS	OF TOTAL	PERCENTAGE
1	STRONGLY AGREE	43	100	43
2	AGREE	39	100	39
3	NEUTRAL	18	100	18
4	DISAGREE	-	100	0
5	STRONGLY DISAGREE	-	100	0
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.15) Response to Financial Literacy

“The level of Financial Literacy and Portfolio Knowledge have a greater role in maximizing the returns on investment” – Your view.

100 responses



Interpretation:

It is found out that nearly 40% have strongly agreed the role of financial literacy and Portfolio knowledge have a vital role in increasing their returns in investment.

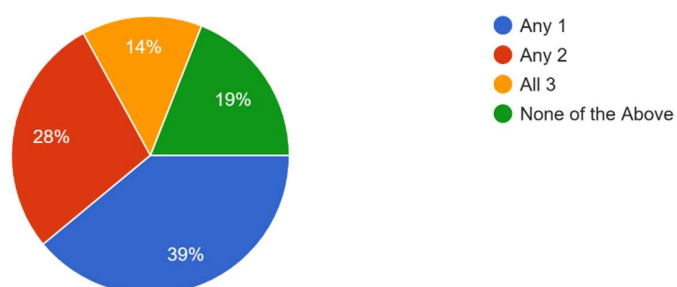
TABLE (4.1.16) Awareness of Government Schemes

S NO	AWARENESS OF GOVT. SCHEME	NO OF RESPONDENTS	OF TOTAL	PERCENTAGE
1	ANY 1	39	100	39
2	ANY 2	28	100	28
3	ALL 3	14	100	14
4	NONE OF THE ABOVE	19	100	19
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.16) Awareness of Government Schemes

Have you heard about any of these Government schemes for Investment? 1. National Pension Scheme (NPS) 2. Sovereign Gold Bonds (SGBs) 3. Sukanya Samriddhi Yojana (SSY)
100 responses



Interpretation:

From the table, the researcher found out that 19% of the respondents are not aware of all 3 mentioned Govt schemes while 39% have at least known any 1 of the listed Government schemes.

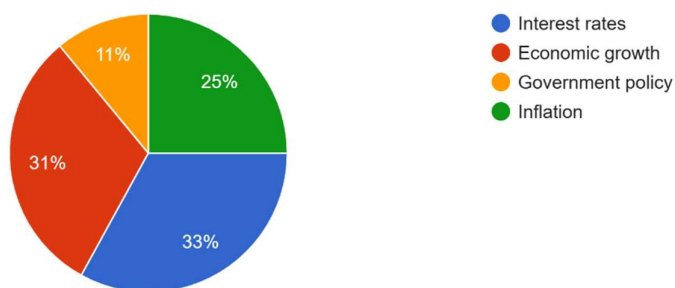
TABLE (4.1.17) Influencing Factor

S NO	INFLUENCING FACTOR	NO RESPONDENTS	OF TOTAL	PERCENTAGE
1	INTEREST RATES	33	100	33
2	ECONOMIC GROWTH	31	100	31
3	GOVT. POLICY	11	100	11
4	INFLATION	25	100	25
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.17) Influencing Factor

In your perception, what is the key influencing factor that affects the Investment decision.
100 responses



Interpretation:

From the table above, it is Highlighted that Interest rates and Economic growth are the top 2 influencing factors that affect the respondents Investment decisions. (33% & 31%).

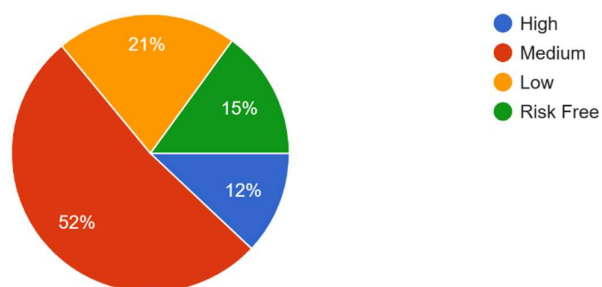
TABLE (4.1.18) Risk Classification

S NO	RISK TOLERANCE	NO RESPONDENTS	OF TOTAL	PERCENTAGE
1	HIGH	12	100	12
2	MEDIUM	52	100	52
3	LOW	21	100	21
4	RISK FREE	15	100	15
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.28) Risk Classification

The level of risk that you like to make in an investment.
100 responses



Interpretation:

The table reveals that 52% of the sample respondents are willing to take up medium risk to develop their investments while 15% of the respondents responded to go for Risk free Investments.

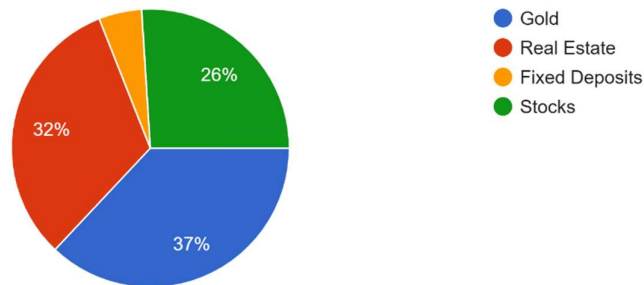
TABLE (4.1.19) Yield Classification

S NO	YIELD PERCEPTION	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	GOLD	37	100	37
2	REAL ESTATE	32	100	32
3	FIXED DEPOSITS	5	100	5
4	STOCKS	26	100	26
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.19) Yield Classification

In your Perception, Which Investment Avenue yields you more in this present market condition?
100 responses



Interpretation:

It is determined that sample respondents believe that Gold 37% followed by Real estate 32% investments, will give high yield in the current market scenario.

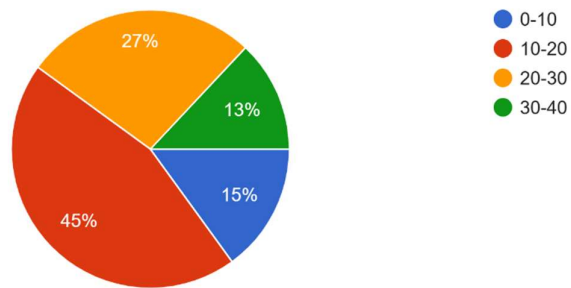
TABLE (4.1.20) Savings Classification

S NO	SAVINGS INCOME	OF NO RESPONDENTS	OF TOTAL	PERCENTAGE
1	0 - 10%	15	100	15
2	10 - 20 %	45	100	45
3	20 - 30%	27	100	27
4	30 - 40%	13	100	13
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.20) Savings Classification

What percentage of your Income would you like to save for future Investments?
100 responses



Interpretation:

From the table, the researcher found out that 45% of the respondents have opted to save 10–20% of their income for future investments, followed by 27% going for 20–30% of their income for further savings.

TABLE (4.1.21) Response to Financial Freedom

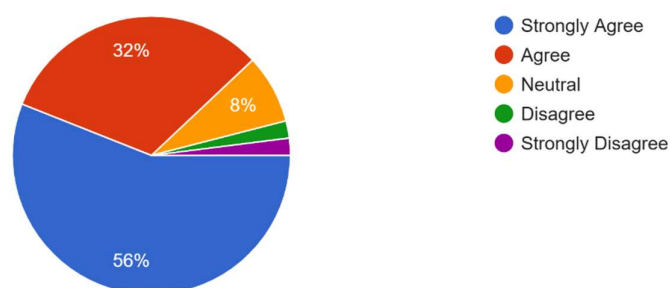
S NO	IMPORTANCE OF FINANCIAL FREEDOM	NO OF RESPONDENT S	OF TOTAL	PERCENTAG E
1	STRONGLY AGREE	56	100	56
2	AGREE	32	100	32
3	NEUTRAL	8	100	8
4	DISAGREE	2	100	2
5	STRONGLY DISAGREE	2	100	2
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.21) Response to Financial Freedom

“Investment helps in building savings and gives Financial freedom for future planning.” – Your view.

100 responses



Interpretation:

From the table, nearly 56% of the respondents have strongly agreed to the statement, “Investment helps in building savings and gives financial freedom for future planning”

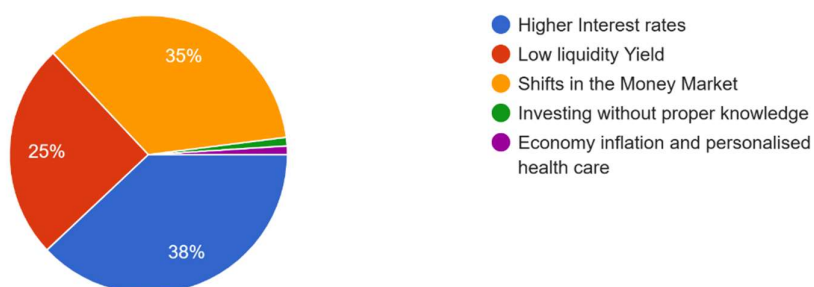
TABLE (4.1.22) Challenges in making Investment

S NO	CHALLENGES IN THE MARKET	NO OF RESPONDENTS	TOTAL	PERCENTAGE
1	HIGHER INTEREST RATES	38	100	38
2	LOW LIQUIDITY YIELD	25	100	25
3	SHIFTS IN THE MONEY MARKET	35	100	35
4	INVESTING WITHOUT PROPER KNOWLEDGE	1	100	1
5	ECONOMY INFLATION & PERSONALIZED HEALTH CARE	1	100	1
			TOTAL	100

SOURCE OF DATA: PRIMARY DATA

CHART (4.2.22) Challenges in making Investment

In your point of view what will be the challenges faced in making an Investment Decision
100 responses



Interpretation:

The above table reveals that 38% of the respondents answered that higher interest rates is the most common challenge faced in an investment decision closely followed by shifts in the money market 35% and uncertainty of low liquidity yield 25%.

HYPOTHESIS 1:

Null Hypothesis (H0): There is no significant relationship between Gender and the Investment made.

Alternative Hypothesis (H1): There is a significant relationship between Gender and the Investment made.

4.2 CHI-SQUARE TEST:

Case Processing Summary

	Valid		Cases Missing		Total	
	N	Percent	N	Percent	N	Percent
Gender * Investment made	100	100.0%	0	0.0%	100	100.0%

Gender * Investment made Crosstabulation

			Investment made		Total
			Investor	Non Investor	
Gender	Female	Count	15	3	18
		Expected Count	11.9	6.1	18.0
		% within Gender	83.3%	16.7%	100.0%
		% within Investment made	22.7%	8.8%	18.0%
	Male	Count	51	31	82
		Expected Count	54.1	27.9	82.0
		% within Gender	62.2%	37.8%	100.0%
		% within Investment made	77.3%	91.2%	82.0%
Total		Count	66	34	100
		Expected Count	66.0	34.0	100.0
		% within Gender	66.0%	34.0%	100.0%
		% within Investment made	100.0%	100.0%	100.0%

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2- sided)	Exact Sig. (1- sided)
Pearson Chi-Square	2.939 ^a	1	.086		
Continuity Correction ^b	2.072	1	.150		
Likelihood Ratio	3.238	1	.072		
Fisher's Exact Test				.105	.071
N of Valid Cases	100				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.12.

b. Computed only for a 2x2 table

Symmetric Measures

		Value	Approximate Significance
Nominal by Nominal	Phi	.171	.086
	Cramer's V	.171	.086
N of Valid Cases		100	

INTERPRETATION:

The Significance value (P) is .086 which represents 8.6% which is Greater than Alpha value 5% thereby resulting in accepting the **Null Hypothesis** and rejecting the Alternate Hypothesis.

INFERENCE:

Through Chi-square test, it is inferred that there is **no** significant relationship between Gender and Investment made. (Independent)

CHAPTER V – FINDINGS, SUGGESTIONS & CONCLUSIONS

5.1 MAJOR FINDINGS:

- From the table 4.1.1, it is inferred that Male employees (82%) are dominant as compared to the female employees (18%) from the sample respondents of 100.
- From the table 4.1.2, it is clear that Age distribution of Employees under 18-25 (83%) are Dominant in nature.
- From the table 4.1.5, it is evident that nearly 58% of the sample population have an experience of work in the range of 1-5 years.
- From the table 4.1.6, it is found out that nearly 74% of the respondents earn a monthly income under the group from 10,000-30,000 range.
- From the table 4.1.7, it is revealed that 62% are aware about the presence of Demat account for stock market trading.
- From the table 4.1.8, it is evident that nearly 40% of the sample respondents are not aware of risk-free government bonds and securities.
- From the table 4.1.9, it is inferred that 66% of the sample population has investment in the mentioned Investment avenues present in India.
- From the table 4.1.11, it is understood that 56% of the respondents have chosen Future safety as their priority for their investment, followed by 15% for wealth creation and 12% chose secondary source of income as their reason for investment.
- From the table 4.1.12, it is highlighted that 1/2nd of the respondents has Growth of Wealth as their motive behind their investment.
- From the table 4.1.13, it is understood that the sample respondents have majorly chosen Family/friends as their primary source of information followed by Internet and Peer Groups in their investment decision.
- From the table 4.1.14, it is evident that of those who have not made any investments, 40% of the respondents have said that they have lesser knowledge of Investment avenues and its workings Followed by 29% of Fear of loss in their investment.

- From the table 4.1.15, it is found out that nearly 40% have strongly agreed the role of financial literacy and Portfolio knowledge have a vital role in increasing their returns in investment.
- From the table 4.1.16, it is revealed that 81% of the sample population have at least known any 1 of the mentioned government schemes regarding Investment.
- From the table 4.1.17, it is found out that Interest rates and Economic growth are the top 2 influencing factors that affect the respondents Investment decisions in their perception.
- From the table 4.1.18, it is highlighted that 52% of the sample respondents are willing to take up medium risk to develop their investments while 15% of the respondents responded to go for Risk free Investments.
- From the table 4.1.19, it is determined that sample respondents believe that Gold 37% followed by Real estate 32% investments, will give high yield in the current market scenario.
- From the table 4.1.20, it is known that 45% of the respondents have opted to save 10–20% of their income for future investments, followed by 27% going for 20–30% of their income for further savings.
- From the table 4.1.22, it is clear that 38% of the respondents answered that higher interest rates is the most common challenge faced in an investment decision closely followed by shifts in the money market 35% and uncertainty of low liquidity yield 25%.

5.2 SUGGESTION:

- It is suggested for the employees to look for the recent and upcoming IPO's as nearly 1/2nd of the population is aware about the Demat account and hence it is viable to invest in financial securities for their investment.
- It is highly recommended to go through the presence of **risk-free bonds** of Government securities and bonds where the element of risk is Zero and those who have not invested can take up this investment as a starting point in their investment journeys.
- It is recommended to go through NSE, BSE, Economic Times Market, Forbes India, Annual reports of Corporates for day-to-day information's regarding the trends and changes in stock market as most of the investors in the sample population have attained the source of information from family/friends. Hence, knowing these sites and magazines will improve financial knowledge and enhance wise Investment Decision.
- It is suggested for the Government to run campaigns making everyone aware of the financial inclusion programs, schemes and policies so as to promote savings and investment among all class of people.
- Since many have opted to go for medium risks while making Investment decisions, it is highly recommended to go for Fixed deposits, SIP, PPF, Sukanya Samridhi Yojana, NPS, Gold, Corporate Bonds and Government bonds.

5.3 CONCLUSION:

The role of Employees Investment decision is a key in aiding financial inclusion in the country. An additional source of income in today's world is mandatory to give an optimal living standard. It is a need to study and understand the behavioural pattern of Employees investment decision. **Financial knowledge** and **sound Portfolio learning** is essentially required as the study identified these areas which have an impact directly proportion to the investment decision. The strong influence of **Family/friends** and **peer groups** in their investment decision signifies the role of social network influence in their behavioural patterns. **Economic growth** and **interest rates** in investment acts as an influencing factor in their final decision. It is recommended for the employees to go through various financial news, Financial advisory boards, investment agencies and do a proper ground work for increasing their maximum returns while also understanding the present and future trends of the market situation.

A further study has to be made in the coming present to analysis in depth the various other factors like attitudes, perception, challenges & motivation influencing the investment decision of Employees in IT sectors in Chennai, Tail Nadun and in India.

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ANNEXURE – QUESTIONNAIRE

(A study on employees behaviour in investment decisions with reference to IT sectors in Chennai)

- Gender

☐ Male ☐ Female ☐ Transgender

- Age

☐ 18 – 25 ☐ 25 – 35 ☐ 35 – 45 ☐ 45 & above

- Marital status

☐ Single ☐ Married

- Educational Qualification

☐ School Education

☐ UG

☐ PG

☐ ITI / Diploma

☐ A Degree + Other Professional Courses

- Work Experience

☐ Fresher

☐ 1 – 5 years

- ☐ 5 – 10 years
- ☐ 10 – 15 years
- ☐ 15 years and more

- Monthly Income

- ☐ 10,000 – 20,000
- ☐ 20,000 – 30,000
- ☐ 30,000 – 40,000
- ☐ 40,000 – 50,000
- ☐ 50,000 & above

- Are you aware of Demat Account?

- ☐ Yes ☐ No

- Choose the following investment avenues that you are aware of:

(Public provident fund, fixed deposits, Govt. securities, life insurance, post office savings, equity shares, mutual funds, Bonds & securities, Cryptocurrencies, other: specify)

- Have you made any investments in these of the following?

- ☐ Yes ☐ No

- If Yes, Choose the investment avenue that you have invested in:

(Public provident fund, fixed deposits, Govt. securities, life insurance, post office savings, equity shares, mutual funds, Bonds & securities, Cryptocurrencies, other: specify)

- If Yes, Reasons for choosing the investment avenue:

- ☐ Future safety
- ☐ Wealth creation
- ☐ High returns
- ☐ A secondary source of income
- ☐ Tax benefits

- If Yes, Motive behind the investment decision

- ☐ Education & Marriage of Children
- ☐ Future Healthcare
- ☐ Purchase of house
- ☐ Growth of wealth
- ☐ Others. Specify

- If Yes, The source of information for your present Investment

- ☐ Internet
- ☐ Print Media/ T.V/ Radio
- ☐ Peer groups
- ☐ Expert opinion

☐ Family/ Friends

☐ Investment Agencies

☐ Others. Specify

- If no, what is the reason?

☐ Risk Factor ☐ Lesser Knowledge

☐ Fear of Loss ☐ Others specify...

- “The level of Financial Literacy and Portfolio Knowledge have a greater role in maximizing the returns on investment.” – Your view.

☐ Strongly Agree

☐ Agree

☐ Neutral

☐ Disagree

☐ Strongly Disagree

- Have you heard about any of these Government schemes for investment?

1. National Pension Scheme
2. Sovereign Gold Bonds
3. Sukanya Samriddhi Yojana

☐ Any 1

☐ Any 2

☐ Any 3

☐ None of the Above

- In your perception, what is the key influencing factor that affects the Investment decision.

- ☐ Interest rates
- ☐ Economic growth
- ☐ Government policy
- ☐ Inflation

- The level of risk that you like to make in an investment

- ☐ High
- ☐ Medium
- ☐ Low
- ☐ Risk Free

- In your perception, Which investment avenue yields you more in this present market condition?

- ☐ Gold
- ☐ Real Estate
- ☐ Fixed Deposits
- ☐ Stocks

- What percentage of your income would you like to save for future investments?

- ☐ 0-10
- ☐ 10-20

☐ 20-30

☐ 30-40

- “Investment helps in building savings and gives Financial freedom for future planning.” – Your view.

☐ Strongly Agree

☐ Agree

☐ Neutral

☐ Disagree

☐ Strongly Disagree

- In your point of view what will be the challenges faced in making an investment decision?

☐ Higher Interest rates

☐ Low liquidity Yield

☐ Shifts in the Money Market

☐ Others

- Which investment do you feel you are secured to make a go in this current Economic condition? _____

- Name/ Company Name:
