

A STUDY ON SIGNIFICANCE OF FINANCIAL PLANNING FOR SALARIED EMPLOYEES IN IT INDUSTRIES IN SHOLINGANALLUR

Submitted in partial fulfillment of the requirements for the award of

MASTER OF BUSINESS ADMINISTRATION

by

VISHVESH.R

Register No.40410232



SCHOOL OF MANAGEMENT STUDIES

SATHYABAMA

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

**Accredited with Grade "A" by NAAC | 12B Status by UGC | Approved by AICTE
JEPPIAAR NAGAR, RAJIV GANDHI SALAI, CHENNAI - 600 119**

APRIL 2022



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BONAFIDE CERTIFICATE

This is to certify that this Project Report is the bonafide work of **VISHVESH.R 40410232** who carried out the project entitled "**A Study on significance of financial planning for salaried employees in IT Industries in Sholinganallur**" under my supervision from January 2022 to March 2022.

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Submitted for Viva voce Examination held on_____

Internal Examiner

External Examiner

DECLARATION

I **VISHVESH.R (40410232)** hereby declare that the Project Report entitled “**A Study on significance of Financial Planning for salaried employees in IT Industries in Sholinganallur**” done by me under the guidance of **DR.M.JOHN PAUL** is submitted in partial fulfillment of the requirements for the award of Master of Business Administration degree.

DATE:

PLACE:

VISHVESH.R

ACKNOWLEDGEMENT

I am pleased to acknowledge my sincere thanks to Board of Management of **SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY** for their kind encouragement in doing this project and for completing it successfully. I am grateful to them.

I convey my sincere thanks to **Dr. G. Bhuvaneswari, Dean - School of Management Studies** and **Dr. A. Palani, Head - School of Management Studies** for providing me necessary support and details at the right time during the progressive reviews.

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I wish to express my thanks to all Teaching and Non-teaching staff members of the **School of Management Studies** who were helpful in many ways for the completion of the project.

VISHVESH.R

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ABSTRACT

The world is moving faster than ever. The barriers of specialization have widely reduced and the modern world states the same with the enhancement of people's knowledge towards all the things in this world. *One such specialization is financial planning. Previously, financial planning was a mere fundamental which was stuck with finance sector alone. But today, everyone irrespective of their field, follow and practice financial planning.*

The main purpose of the study is to analyze the significance of financial planning of salaried employees with respect to IT Industries, how important is financial planning to them and how the financial planning improves their day to day proceedings.

This research project prepared for **Sathyabama Institute of Science and Technology, Chennai** for educational purpose contains the following:

Chapter 1: The chapter contains a brief introduction to the concept of financial planning, Need, Objective, Importance and Limitations of the study.

Chapter 2: Review of various literatures related to the concept of financial planning from which the core idea of the project was inspired from

Chapter 3: Research methodology containing the method of study, structure of questionnaire, sample size and research hypothesis.

Chapter 4: Analysis of the data collected from the responses of the questionnaire and its interpretation and inference along with graphical representation.

Chapter 5: The overall observation of the study, suggestions which can be made from the study and the final conclusion derived from the study is given.

The analysis has been made using non-probability sampling and a structured questionnaire - survey with few sets of questions for the people with pre-determined set of questions and options to gather their response to satisfy the sole purpose of the project which is mentioned. The survey (questionnaire) has been created using GoogleForms and the responses have been collected from a total of 250 persons.

Hence, I hereby conclude my abstract by saying practice of financial planning can up bring the class of a person. Follow financial planning - follow your progress - achieve your result.

“It isn't what you earn but how spend it that fixes your class.”

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CHAPTER 1 – INTRODUCTION

1.1 Introduction:

One of the important financial and accounting aspects regarding strategic planning of handling funds is financial planning - a great and simple way to manage the flow of funds.

The concept of financial planning is one of the few concepts that are accepted and followed worldwide. The very concept of financial planning flow from the most low and simple level to high and complex level according to the need and level of usage and is followed accordingly as per the requirements. For this report, a small survey is conducted. A self-designed survey questionnaire was sent to a sample size of 250 persons to seek their views on the problems and concerns regarding financial planning and control in normal life. The results of the study are mentioned in research methodology, data analysis, findings and suggestions are mentioned in the following chapters.

1.2 Industry profile:

The Indian Information Technology industry accounts for a 5.19% of the country's GDP and export earnings as of 2010, while providing employment to a significant number of its tertiary sector workforce. More than 2.3 million people are employed in the sector either directly or indirectly, making it one of the biggest job creators in India and a mainstay of the national economy. In 2011, annual revenues from outsourcing operations in India amounted to US\$54.33 billion compared to China with \$35.76 billion and Philippines with \$8.85 billion. India's outsourcing industry is expected to increase to US\$225 billion by 2020. The most prominent IT hub is IT capital Bangalore. The other emerging destinations are Chennai, Hyderabad, Kolkata, Pune, Mumbai, NCR, Trivandrum and Kochi.

India's IT Services industry was born in Mumbai in 1967 with the establishment of Tata Group in partnership with Burroughs. The first software export zone SEEPZ was set up here way back in 1973, the old avatar of the modern-day IT park. More than 80 percent of the country's software exports happened out of SEEPZ, Mumbai in 80s.

1.3 Company profile:

This research comprises of responses from respondents of various IT Sector companies. Hence it is difficult to put together all the companies in this research project. Hence to simplify, few of the top and recognized companies' profiles are included for the perusal.

Capgemini is a global leader in partnering with companies to transform and manage their business by harnessing the power of technology. The Group is guided everyday by its purpose of unleashing human energy through technology for an inclusive and sustainable future. It is a responsible and diverse organization of over 300,000 team members in nearly 50 countries. With its strong 50-year heritage and deep industry expertise, it is trusted by its clients to address the entire breadth of their business needs, from strategy and design to operations, fueled by the fast evolving and innovative world of cloud, data, AI, connectivity,

software, digital engineering and platforms. The Group reported 2020 global revenues of €16 billion.

Tata Consultancy Services mission is to help customers achieve their business objectives by providing innovative, best-in-class consulting, IT solutions and services and to make it a joy for all stakeholders to work with us. Our Customer-centric Engagement Model defines how we do engage with you, offering specialized services and solutions that meet the distinct needs of your business. Our domain expertise has been built upon decades of experience working across industries and this knowledge underpins our suite of solutions. The organization structure is domain led and empowered to help provide Customers a single window to industry specific solutions. Agile industry units have embedded capabilities to enable rapid responses that provide a competitive edge to the Customers. This is coupled with a unique Global Network Delivery Model™ (GNDM™), spanning 40 global locations, that is today recognized as the benchmark of excellence in technology deployment.

Hexaware Technologies are open to ideas and innovation and the agile teams focus on customer-centric solutions in an environment made for learning and growth. The company carry a cool demeanour with ease and this reflects in everything, from brand identity to actions. The company's engagements have always been about redefining and re-imagining the overall customer experience to fast-track business transformation. Hexaware had a head start in embracing digital disruption for growth. While traditional players fear adopting automation lest they cannibalize their own revenues, the company has treaded the bold path and constantly delivered results.

1.4 Objectives of the study:

- To analyze the significance of financial planning.
- To focus on the techniques of financial planning followed by the general public.
- To get to know about various investment plans of the employees.
- To get to know the effect of financial planning in the employees' life.

1.5 Scope and significance of the study:

- This study primarily helps in revealing the awareness of the population regarding financial planning.
- This study helped in deriving that financial planning is no more considered be only affiliated to persons related to finance sector alone.
- This survey helps in concluding that all people irrespective of their specialized field, are more attracted towards financial planning.

1.6 Limitations of the study:

- This study limits its scope to salaried employees
- Also, this study focus on the employees of the IT industries alone.
- The sample size is very low when compared to an entire population of salaried employees or IT industries.
- The study uses a structured questionnaire which contains pre-

determined questions and options which are confined to limited set of questions and answers.

- The study is just experimental and hence it may or may not be practically applicable with all persons and in all places and does not represent general opinion.

CHAPTER 2 – REVIEW OF LITERATURES

2.1 INTRODUCTION:

Financial planning is the process of creating a structure or policy or a plan to handle and operate the flow of funds. This plan/policy is called a financial plan. Formulating such plan allows us to determine in advance whether we will have enough money to do the things we need to do or would like to do. Financial Planning for normal individuals is simply balancing the expenses with your income.

In this chapter, the short review on various literatures and their related topics which served as an example and idea for my questionnaire are being interpreted for the reader's presentation.

2.2 REFERENCE ARTICLES:

- **Ramya.R (2021)** states various financial planning strategies in her article A Study on Financial Planning for Salaried Employees and Strategies for Tax Savings in Chennai.
- **Ms.Samuya Singh et.al (2020)** have demonstrated the *preparation of budget* by the various students to manage their expenses and their spending behavior towards things on their journal Analysis on student budgeting and spending behavior.
- **Staci.A.Kenno et.al (2018)** states the theory of budgeting in their article A Literature Review of Theory of Budgeting.
- **Ms.Santoshi Aru (2017)** has evaluated on the need of financial planning on her journal Purpose of budgeting.
- **Ms.Staci A. Kenno et.al (2017)** have analyzed important aspect of financial planning in their journal Theory of budgeting.
- **Mr.Mirela-Oana Pinteal et.al (2016)** have analyzed the people's view on the concept of financial planning in their journal A review on the concept of budgeting.
- **Mr. Micheal Van Roestel et.al (2016)** have studied the people's perception on the impact created by the concept of financial planning in his sample study conducted in Walden University in his journal The Impact of Budgeting Process.
- **Dirk Brounen et.al (2016)** describes about the local behavior of planning in their article Household Financial Planning and Savings Behaviour.
- **Sumit Agarwal et.al (2015)** states the financial literacy and planning of India in their article Financial Literacy and Financial Planning: Evidence from India.
- **Mr.Ildiko Reka Cardos (2014)** has clearly stated the advantages of *financial planning* and a comparison between traditional and *modern budgeting* and the shifting of the business environment to a modern approach in his journal New Trends in Budgeting.
- **Ms.Tanase Gabriela Lidia et.al (2014)** have evaluated the concept of financial planning in their journal Budget – A Management Tool.

- **Hanna S.D et.al (2011)** points out the risk factor effectiveness in their article *The Concept of Risk Tolerance in Personal Financial Planning. Budget – An Instrument of Control.*
- **Ms.Yang Qi (2010)** has reported the *impact and importance* of implementation of financial planning and improvement in the finance management in her journal *Impact of budgeting.*
- **Douglas.A.Hershey et.al (2008)** states the importance of retirement planning in their article *Psychological Foundations of Financial Planning for Retirement.*
- **Rosilyn.H et.al (2008)** points out different theories in their article *Theories of Financial Planning profession.*
- **Robert.S.Stawski et.al (2007)** states financial planning as a determinant of retirement in the article *Financial Planning Activities as Determinants of Retirement Savings Contributions*
- **Natalie Chieffe et.al (2000)** prescribes effective guidelines for planning in their article *An integrated model for financial planning.*
- **Mr.Aaron B Wildavsky (1986)** collects in one place the existing knowledge of the budgeting and financial planning process in his journal *A comparative theory on budgeting process.*

CONCLUSION:

“Financial Planning is one of the world-wide accessible topics at present. There is no need for the people to specialize in the field of finance in order to perform and compute simple budget. Just a mere knowledge is enough to frame a normal financial plan.” –this statement is the common point of all the reviews and literatures presented by various authors regarding the concept of financial planning.

These are the various journals that have been taken into consideration while framing the questions related to financial planning and its perception.

CHAPTER 3 - RESEARCH METHODOLOGY

3.1 RESEARCH – AN OVERVIEW:

Research is a scientific and systematic search for pertinent information on a specific topic. The advanced learner's dictionary of current English lays down the meaning of research as "a careful investigation or inquiry especially through search for new facts in any branch of knowledge." Red man and Moray define research as "a systematized effort to gain new knowledge." Research is an academic activity and as such the terms should be used in a technical sense. According to Clifford Woody, research comprises of defining and redefining problems, formulating hypothesis or suggested solution; collection, organizing and evaluating data; making deductions and reaching conclusions; and at last, carefully testing the conclusions to determine whether they fit the formulating hypothesis.

RESEARCH METHODOLOGY:

Research methodology is a way to systematically solve the research problem. It is a science of studying how research is done scientifically. The various steps that are generally adopted by a researcher in studying the research problem along with the logic behind the same studied. The researcher should know the research techniques, the research methodology, how to develop certain tests, how to calculate the mean, median, mode or chi-square, how to apply a particular research technique, which methods are relevant and which are not, what would they mean and indicate and why. Researchers should understand the assumptions underlying the various techniques. Hence, research methodology has various dimensions and research methods constitute a part of research methodology.

RESEARCH DESIGN:

Research design is the decision regarding what, where, when, how much, by what means concerning an inquiry or a research study constitute a research design. It can be defined as the arrangement of conditions for collection and analysis of data in a manner that aims to combine the relevance to the research purpose to the economy procedure. Research design is needed because it facilitates the smooth sailing of the various research operations, thereby making research as efficient as possible yielding maximal information with minimum expenditure of effort, time and money. In fact, research design has a great bearing on the reliability of the results arrived at end as such constitutes the firm foundation of the entire edifice of the research work.

3.2 DATA COLLECTION:

There are two types of data:

- Primary Data and
- Secondary Data

Primary Data:

The data which are collected afresh and for the first time and thus happen to be original in character. Primary data is more dependable as it is collected directly from the source and there is very less chance for misinterpretation.

Secondary Data:

On the other hand, secondary data are those which have already been collected by someone else and which have already been passed through the statistical process. These data are generally used for reference purpose. Time consumption for secondary data is very less than that of primary data.

The methods of collecting primary and secondary data differ since; primary data are to be originally collected, while in the case of secondary data, the nature of data collection work is merely that of compilation.

FOR THIS STUDY:

In this study, primary data has been collected directly from the respondents(salaried employees of IT Industries) using a questionnaire while the secondary data was collected from books, articles and the internet which are included for the reader's perusal in the bibliography section.

3.3 RESEARCH INSTRUMENTS:

QUESTIONNAIRE:

A questionnaire is one of the research tools used by the researchers to obtain an opinion or answers directly from the public or participants or volunteers to contribute to their search purpose. A questionnaire is a great example for primary data as the responses or data have been directly collected from the respondents.

STRUCTURE OF THE QUESTIONNAIRE:

This questionnaire follows a simple and basic layout. It is not complicated and hence it is made easy for the participants to respond to the questionnaire without any delay or confusion. The set of questions and the answer options present in the questionnaire are pre-determined and are constructed based on general questions regarding the financial planning followed by the respondents. The structure of questionnaire used in this project is as follows:

Basic introduction:

The questionnaire begins with small and simplified description regarding

the questionnaire – Title and description of the topic.

Personal details:

The actual questionnaire begins here where the participants are asked about their personal details such as their name, age, gender, experience, etc.

Basic questions:

The next set of questions in the questionnaire consists of the questions related to whether people follow financial planning or not.

Experience related questions:

The next set of questions in the questionnaire focus on experience related questions on the participant's personal experience with the financial planning in their own lives.

Perception questions:

The next set of questions focus on perception of the participants towards various options and preferences of financial planning.

Rating scale:

The last and final question in the questionnaire focus on the ratings of the participants regarding the questionnaire.

3.4 SAMPLING METHOD:

Sampling is the process of selecting a sufficient number of elements from the population, so that a study of the sample and an understanding of its properties or characteristics would make it possible for us to generalize such properties or characteristics to the population element. In this study stratified sampling technique is used.

STRATIFIED RANDOM SAMPLING:

Stratified random sampling involves a process of stratification or segregation, followed by random selection of subjects from each stratum. The population is first divided into mutually exclusive groups that are relevant, appropriate and meaningful in the context of the study.

The various stratum of this study is :□

1. Financial Planning □
2. Types of financial planning □
3. Effectiveness of financial planning

SAMPLE SIZE:

The sample size is an important feature of any empirical study in which the goal is to make inferences about population from a sample. In practice, the sample size used in a study is usually determined based on the

cost, time, or convenience of collecting the data, and the need for it to offer sufficient statistical power.

- The population size is 800
- The sample size for the study is 250

3.5 HYPOTHESIS/ANALYTICAL TOOLS:

The analytical tool used for the project are of qualitative variables (words and letters) and the use of quantitative variable is used only for measuring the level of satisfaction on the survey using rating scale of 1-10. Also, the method used to arrive at a conclusion in this project is sampling – where the survey is sent to the participants directly to request for their response for the pre-determined questions and options included in the questionnaire. The following questions were considered to conduct Hypothesis tests using One-way ANOVA and Chi-square test. The hypothesis tests have been made and the results are interpreted for the reader's perusal.

Chi-square Test:(Significant level 0.5)

Question 4: what is the marital status of the respondents? A. Married B. Unmarried

Table no:1

Table representing marital status of the respondents:

Gender	Marital status	
	Married	Unmarried
male	50	40
female	90	70

Solution

Hypothesis

Null Hypothesis(H0): There is no significant difference between marital status and financial planning.

Alternative Hypothesis(H1): There is significant difference between marital status and financial planning.

OUTPUT:

Results						
	Married	Unmarried				Row Totals
Male	50 (50.40) [0.00]	40 (39.60) [0.00]				90
Female	90 (89.60) [0.00]	70 (70.40) [0.00]				160
Column Totals	140	110				250 (Grand Total)

The chi-square statistic is 0.0113. The p -value is .915442. The result is *not* significant at $p < .05$.

Want to know how to report the result of your chi-square test (APA style)? Check in a minute or so.

CONCLUSION:

Since p value (0.9154) is greater than 0.05 at 5 percent level of significance, the null hypothesis is accepted and alternative hypothesis is rejected. Hence, there is no significance relationship between marital status and financial planning.

ONE-WAY ANOVA :(SIGNIFICANCE LEVEL 0.5)**Question 5: What is the experience of the respondents**

a.<1 b. 1-3 c. 4-7 d.>7

Table no:2 Responses

Gender	Experience level			
	<1	1-3	4-7	>7
Male	35	20	20	10
Female	55	50	30	30

Solution:

Hypothesis

Null Hypothesis(H_0): There is no significant difference between experience level and financial planning should be mandatory to all in their education.

Alternative Hypothesis(H_1): There is significant difference between experience level and financial planning should be mandatory to all in their education.

Output:

Analysis of Variance Results

F-statistic value = 1.09259

P-value = 0.44856

Data Summary				
Groups	N	Mean	Std. Dev.	Std. Error
Group 1	2	45	14.1421	10
Group 2	2	35	21.2132	15
Group 3	2	25	7.0711	5
Group 4	2	20	14.1421	10

ANOVA Summary					
Source	Degrees of Freedom	Sum of Squares	Mean Square	F-Stat	P-Value
	DF	SS	MS		
Between Groups	3	737.5	245.8333	1.0926	0.4486
Within Groups	4	899.9983	224.9996		
Total:	7	1637.4983			

Conclusion:

Since p value is (0.448) is greater than 0.05 at 5 percent level of significance the null hypothesis is accepted and alternative hypothesis is rejected. Hence the difference between the averages of groups is not big enough to be statistically significant and hence there is no significant difference between experience level and financial planning should be mandatory to all in their education.

CHAPTER 4 DATA ANALYSIS

The following consist of the data analysis and interpretation of myquestionnaire:

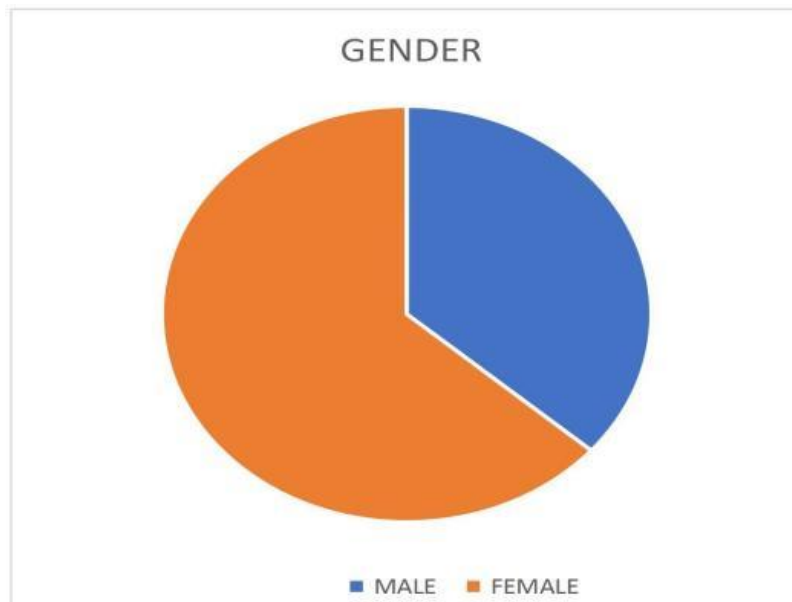
TABLE NO :3

Gender wise classification of respondents.

GENDER	NO OF RESPONDENTS	PERCENTAGE
Male	91	36.4%
Female	159	63.6%
Total	250	100%

CHART NO :1

Chart representing gender wise classification of respondents



Interpretation:

From the following above table, it is interpreted that 36.4 % ofrespondent are of male .63.6 % are female.

Inference:

Majority (63.6%) of the respondents of my questionnaire are females.

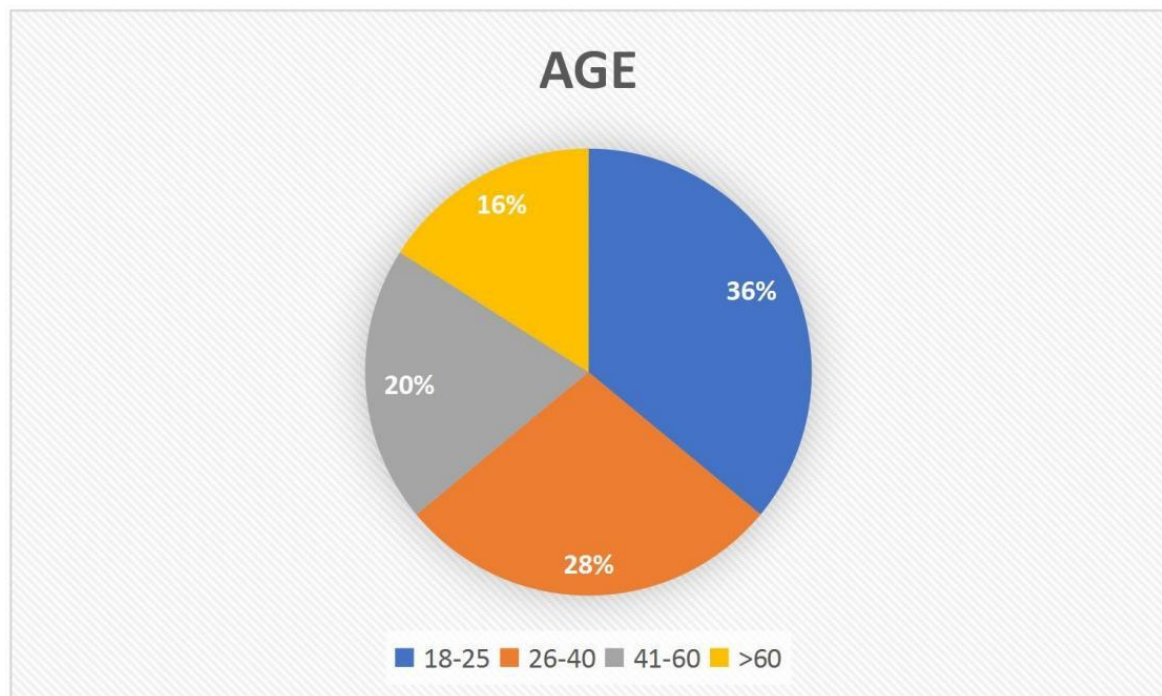
TABLE NO: 4

Age wise classification of respondents.

AGE	NO OF RESPONDENTS	PERCENTAGE
18-25	90	36%
26-40	70	28%
41-60	50	20%
>60	40	16%
TOTAL	250	100%

CHART NO :2

Chart representing age wise classification of respondents.



Interpretation:

From the following above table, it is 36% belongs to 18-25, 28% belongs to 26-40, 20% belongs to 41-60, 16% belongs to > 60.

Inference:

Majority 36% of the respondents of my questionnaire are 18-25 age.

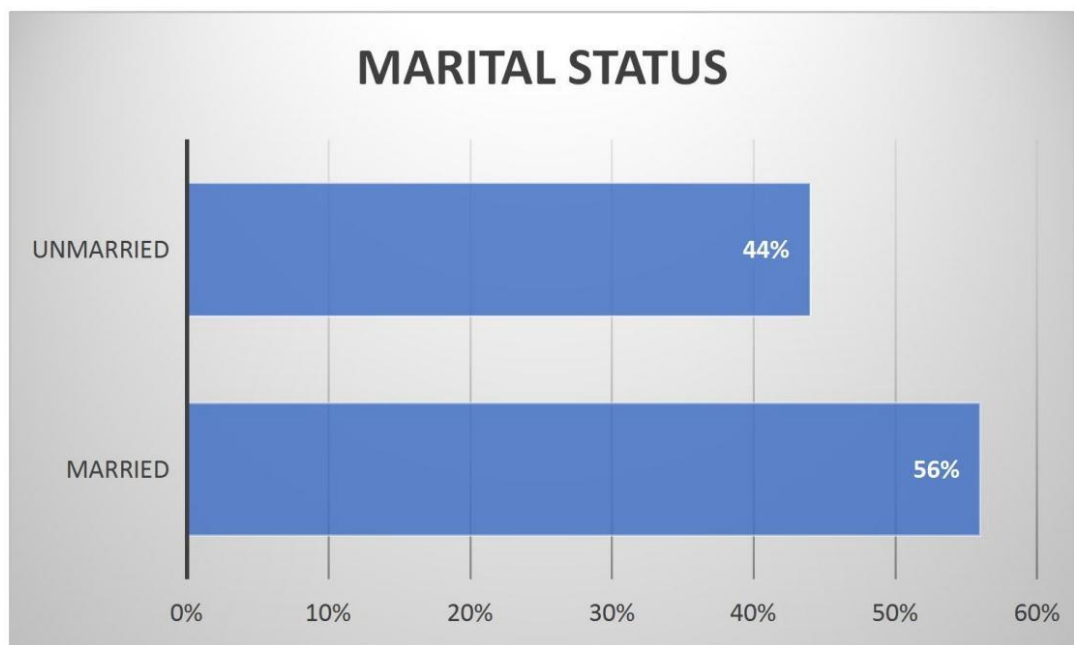
TABLE NO :5

Marital status wise classification of respondents.

MARITAL STATUS	NO OF RESPONDENTS	PERCENTAGE
Married	140	56%
Unmarried	110	44%
Total	250	100%

CHART NO :3

Chart representing marital status wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 56% of respondent are married, 44% of respondent are unmarried.

Inference:

Majority 56% of the respondent of my questionnaire are married.

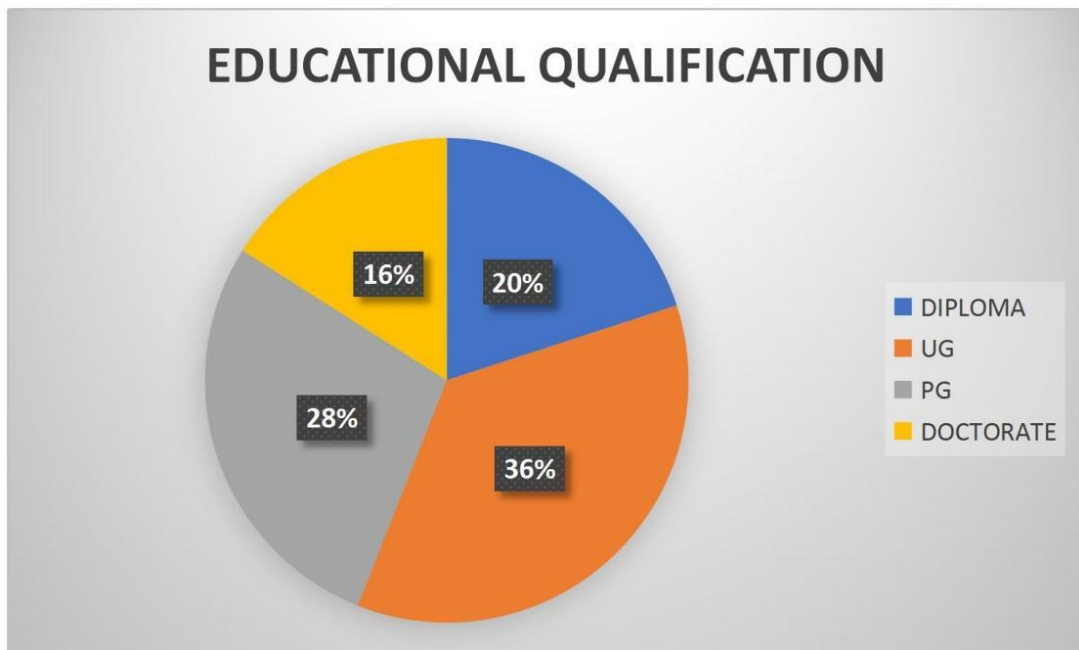
TABLE NO:6

Educational qualification wise classification of respondents.

EDU QUALIFICATION	NO OF RESPONDENTS	PERCENTAGE
Diploma	50	20%
UG	90	36%
PG	70	28%
Doctorate	40	16%
Total	250	100%

CHART NO:4

Chart representing educational qualification of respondents.



Interpretation:

From the following table, it is integrated that 20% of diploma, 36% of UG, 28% of PG, 16% of doctorate.

Inference:

Majority (36%) of the respondents of my questionnaire are UG.

TABLE NO: 7

Experience of work of respondents

EXPERIENCE OF WORK	NO OF RESPONDENTS	PERCENTAGE
<1	90	36%
1-3	70	28%
4-7	50	20%
>7	40	16%
TOTAL	250	100%

Chart No:5

Chart representing experience of work of respondents.



Interpretation:

From the following above table, it is interpreted that 36% of >1 year, 28% of 1-3 years, 20% of 4-7 years, 16% of >7 years.

Inference:

Majority (36%) of the respondent of my questionnaire are >1 years.

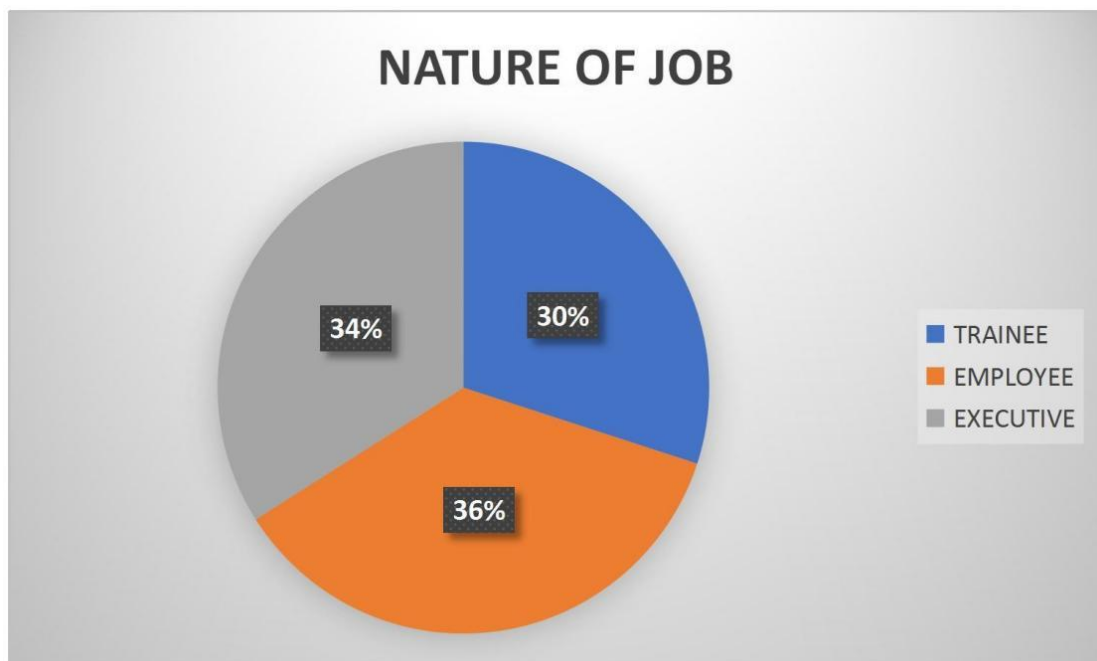
TABLE NO: 8

Current nature of job of respondents.

CURRENT NATUREOF JOB	NO OF RESPONDENT	PERCENTAGE
Trainee	75	30%
Employee	90	36%
Executive	85	34%
Total	250	100%

Chart No:6

Chart representing current nature of job of respondents.



Interpretation:

From the following table, it is represented that 30% of trainee, 36% of employee, 34% of executive.

Inference:

Majority (36%) of the respondent of my questionnaire are employee.

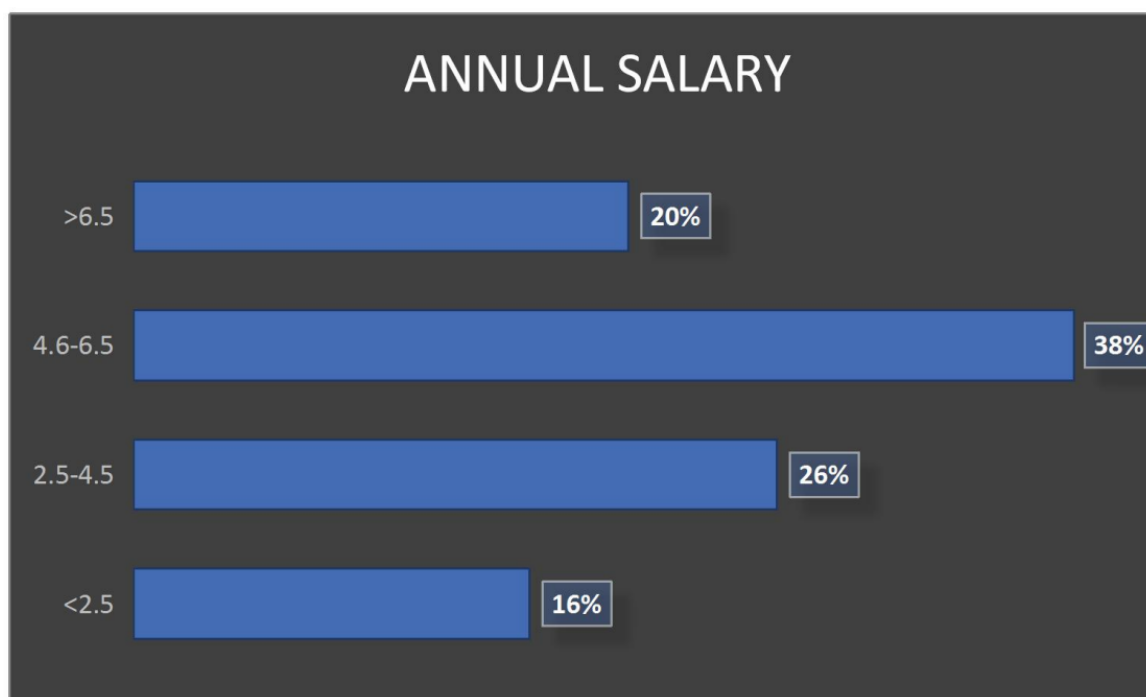
Table No: 9

Annual salary of respondent.

ANNUAL SALARY	NO OF RESPONDENTS	PERCENTAGE
<2.5	40	16%
2.5 - 4.5	65	26%
4.6 – 6.5	95	38%
>6.5	50	20%
TOTAL	250	100%

Chart No:7

Chart representing Annual salary of respondent.



Interpretation:

From the following above table, it is interpreted that 16% of <2.5 ,26% of 2.5 - 4.5, 38% of 4.6 -6.5, 20% of >6.5.

Inference:

Majority (38%) of the respondent of my questionnaire are 4.5- 6.5.

Table No: 10

Employed persons wise classification of respondent.

EMPLOYED PERSONS	NO OF RESPONDENT	PERCENTAGE
1	35	14%
2	75	30%
3	55	22%
>3	85	34%
TOTAL	250	100%

Chart No:8

Chart representing employee persons in your family wise classification of respondents.



Interpretation:

From the following above table, it is interpreted that 14% of respondent are of 1 employee, 30% of respondent are of 2 employee, 22% of respondent are of 3 employee, 34% of respondent are of >3 employee.

Inference:

Majority (34%) of the respondent of my questionnaire are > 3 employee persons in your family.

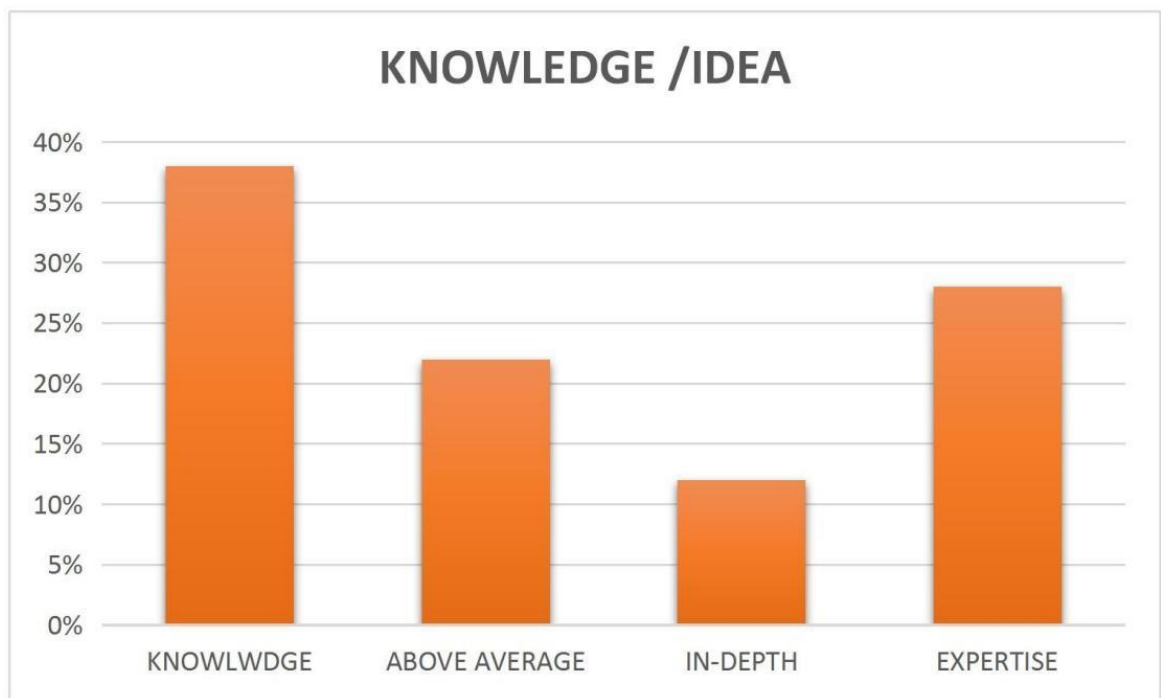
Table No: 11

Idea/knowledge in financial planning wise classification of respondents.

KNOWLEGE	NO OF RESPONDENT	PERCENTAGE
Basic	95	38%
Above average	55	22%
In depth	30	12%
Expertise	70	28%
TOTAL	250	100%

Chart No:9

Chart representing Idea/knowledge in financial planning classification of respondents.



Interpretation:

From the following table, it is interpreted that 38% of basic knowledge, 22% of above average knowledge, 12% of in-depth knowledge, 28% of expertise.

Inference:

Majority (38%) of the respondents of my questionnaire are basic knowledge.

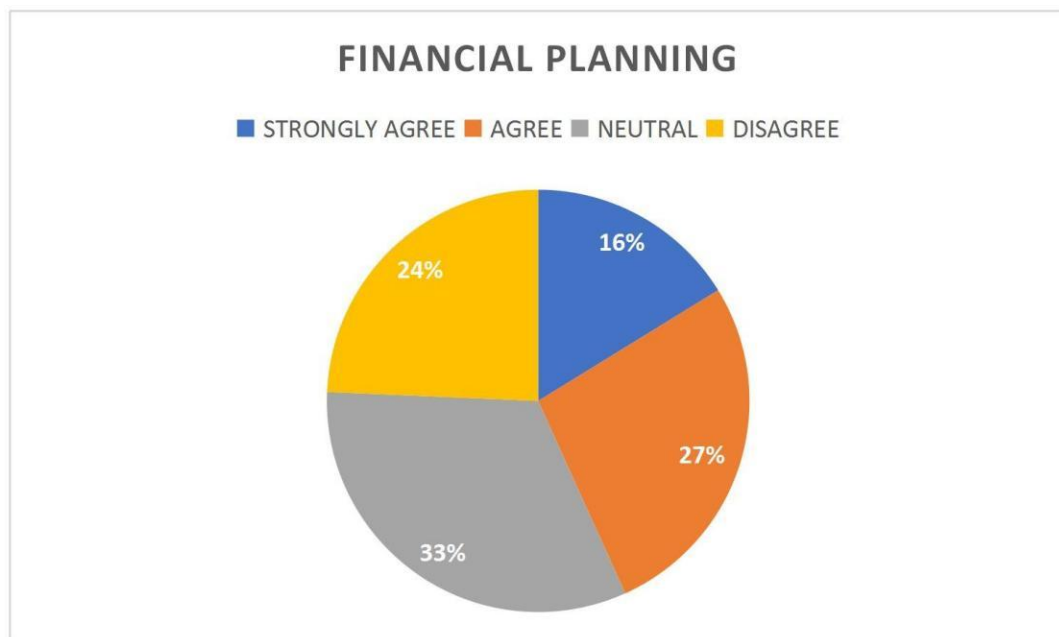
Table No: 12

Financial planning wise classification of respondents.

FINANCIAL PLANNING	NO OF RESPONSES	PERCENTAGE
Manage income and expenses	65	26%
Calculation and ascertainment of future funds requirements	75	30%
Channelizing of funds	45	18%
All the above	65	26%
TOTAL	250	100%

Chart No:10

Chart representing financial planning wise classification of responses.



Interpretation:

From the following above table, it is interpreted that 26% of manage income and 30% of calculations and ascertainment of future fund requirements, 18% of channelizing of funds, 26% of all the above.

Inference:

Majority (30%) of the respondents of my questionnaire are calculations and ascertainment of future fund requirements.

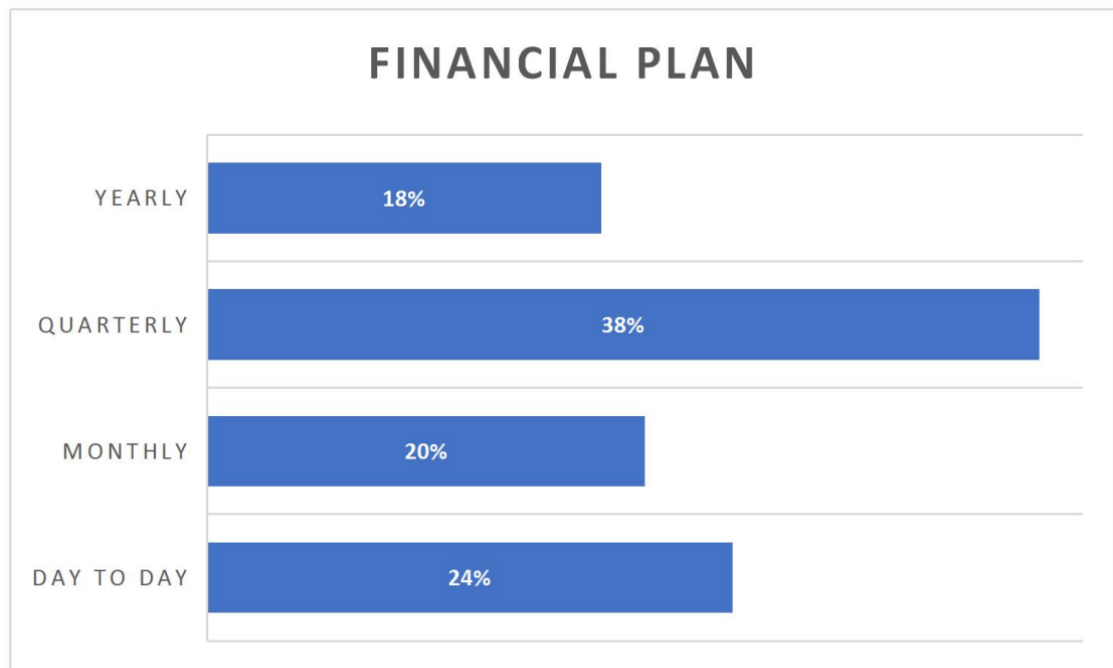
Table No: 13

Own financial plan wise classification of respondents.

FINANCIAL PLAN	NO OF RESPONDENT	PERCENTAGE
Day to day	60	24%
Monthly	50	20%
Quarterly	95	38%
Yearly	45	18%
TOTAL	250	100%

Chart No:11

Chart representing financial plan wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 18% in yearly, 38% in quarterly, 20% in monthly, 24% in day to day.

Inference:

Majority (38%) of the respondents of my questionnaire are quarterly.

Table No: 14

Budget problem wise classification of respondents.

FINANCIAL PROBLEM	NO OF RESPONSES	PERCENTAGE
Yes	140	56%
No	110	44%
TOTAL	250	100%

Chart No:12

Chart representing financial problem wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 56% on yes and 44% on no.

Inference:

Majority (56%) of the respondents of my questionnaire are yes.

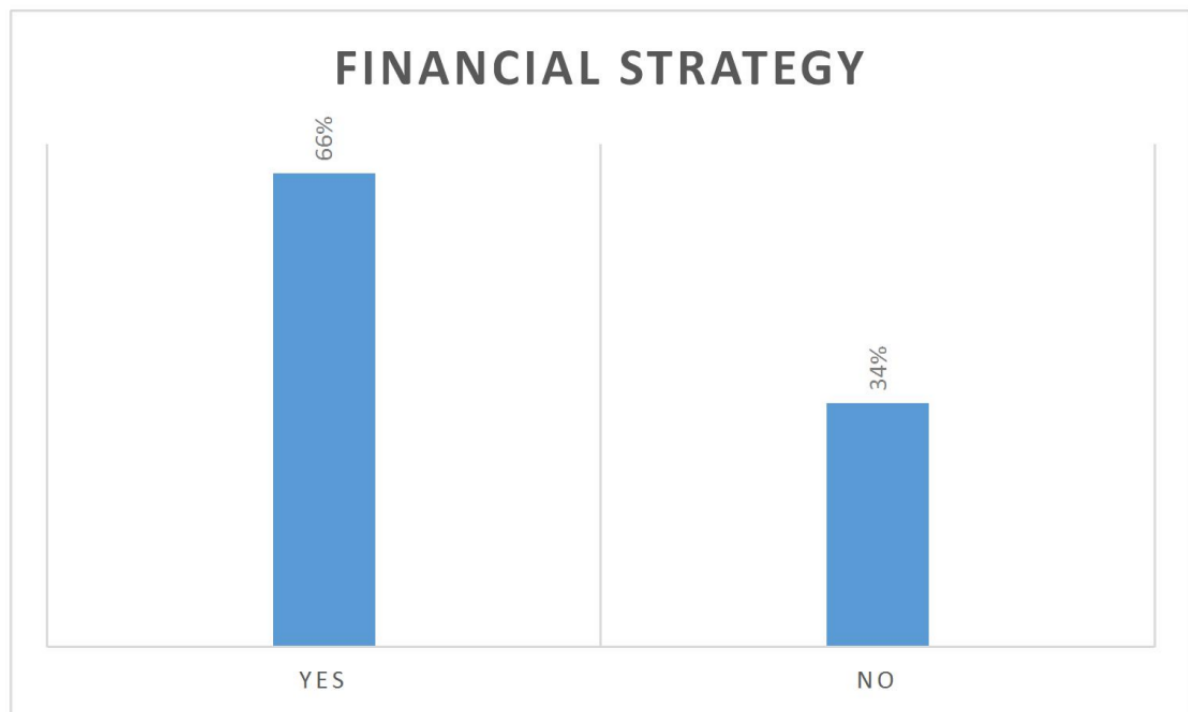
Table No: 15

Financial Strategy wise classification of respondents.

FINANCIAL STRATEGY	NO OF RESPONDENTS	PERCENTAGE
Yes	165	66%
No	85	34%
TOTAL	250	100%

Chart No:13

Chart representing financial strategy wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 66% in yes and 34% in no category.

Inference:

Majority (66%) of the respondents of my questionnaire are yes.

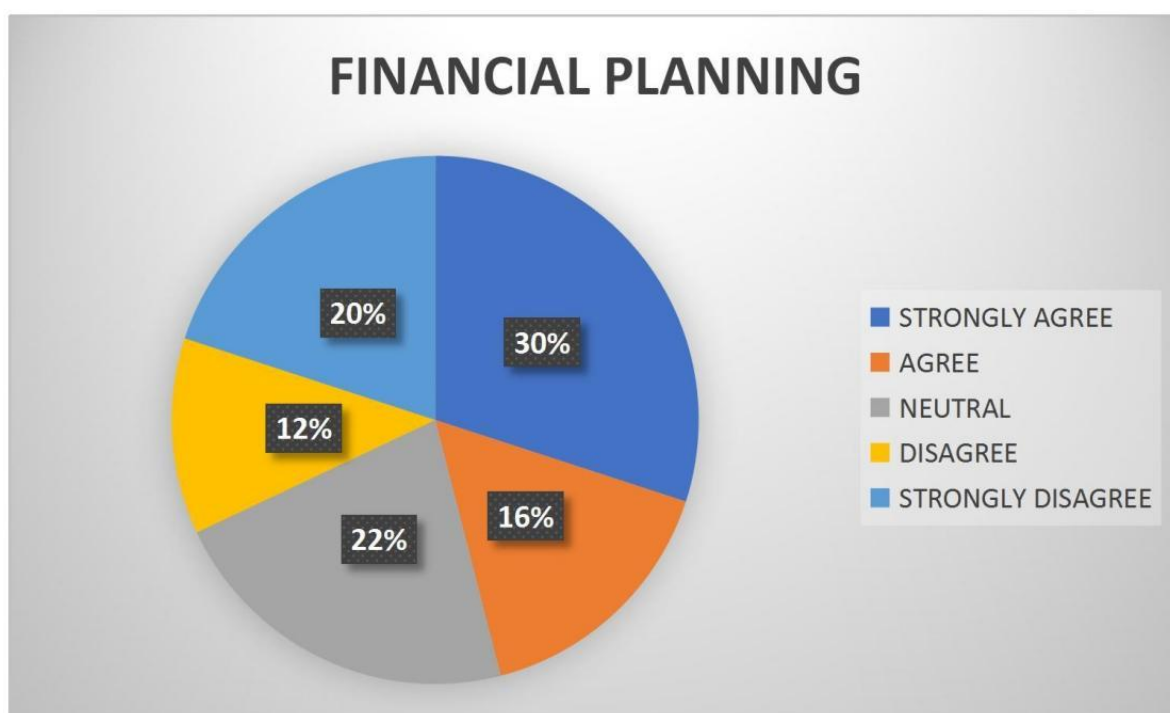
Table No: 16

Financial planning wise classification of respondents.

FINANCIAL PLANNING	NO OF RESPONSES	PERCENTAGE
Strongly agree	75	30%
Agree	40	16%
Neutral	55	22%
Disagree	30	12%
Strongly disagree	50	20%
TOTAL	250	100%

Chart No:14

Chart representing financial planning wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 30% are strongly agree, 16% are agree, 22% are neutral, 12% are disagree, 20% are strongly disagree.

Inference:

Majority (30%) of the respondents of my questionnaire are strongly

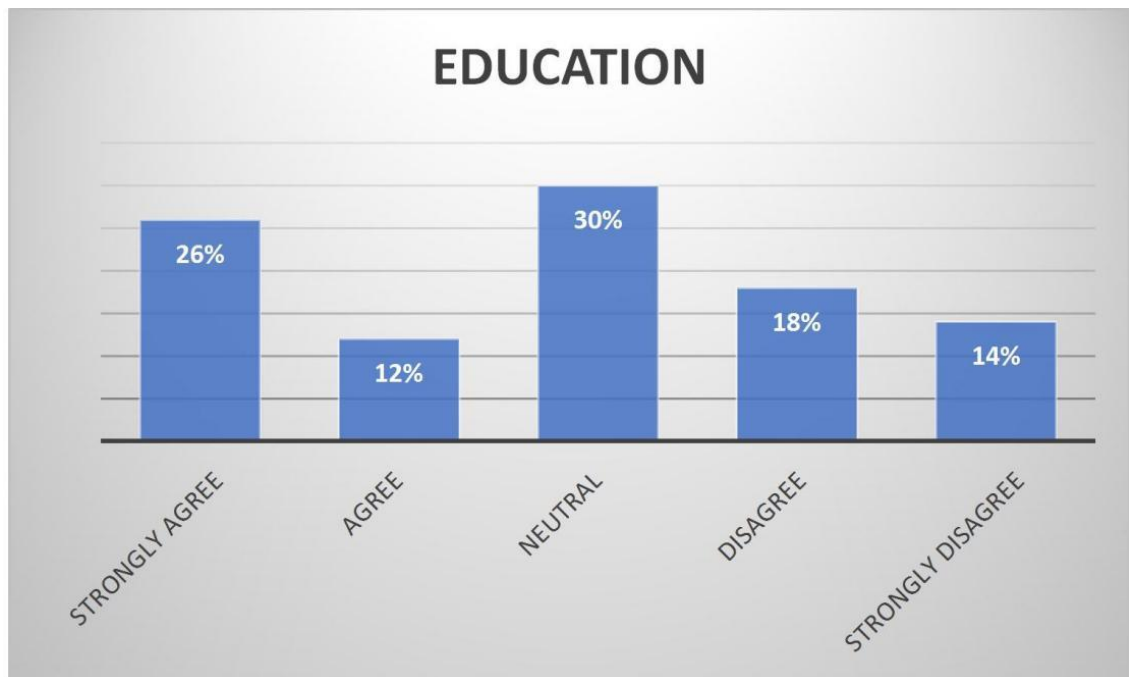
Table No: 17

Mandatory to all in their education wise classification of respondents.

EDUCATION	NO OF RESPONSES	PERCENTAGE
Strongly agree	65	26%
Agree	30	12%
Neutral	75	30%
Disagree	45	18%
Strongly disagree	35	14%
TOTAL	250	100%

Chart No:15

Chart representing education wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 26% are strongly agree, 12% are agree, 30% are neutral, 18% are disagree, 14% are strongly disagree.

Inference:

Majority (30%) of the respondents of my questionnaire are neutral.

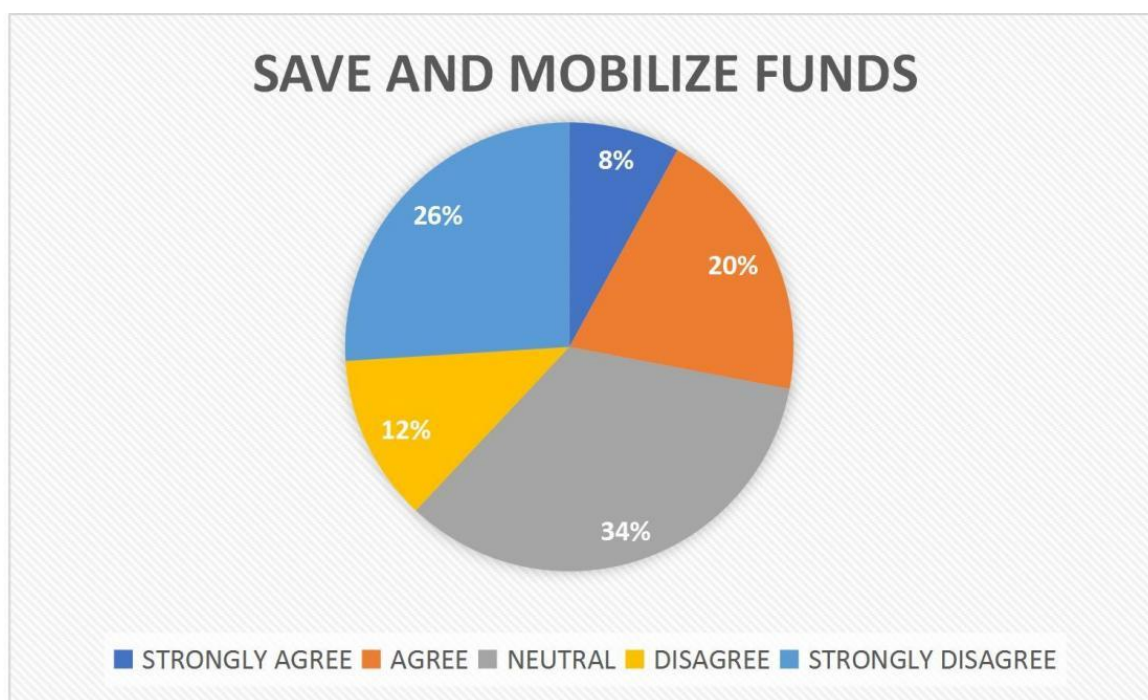
Table No: 18

Save and mobilize funds wise classification of respondents.

SAVE AND MOBILIZE FUNDS	NO OF RESPONSES	PERCENTAGE
Strongly agree	20	8%
Agree	50	20%
Neutral	85	34%
Disagree	30	12%
Strongly disagree	65	26%
TOTAL	250	100%

Chart No:16

Chart representing save and mobilize funds wise classification of respondents



Interpretation:

From the following table, it is interpreted that 8% are strongly agree, 20% are agree, 34% are neutral, 12% are disagree, 26% are strongly disagree.

Inference:

Majority (34%) of the respondents of my questionnaire are neutral.

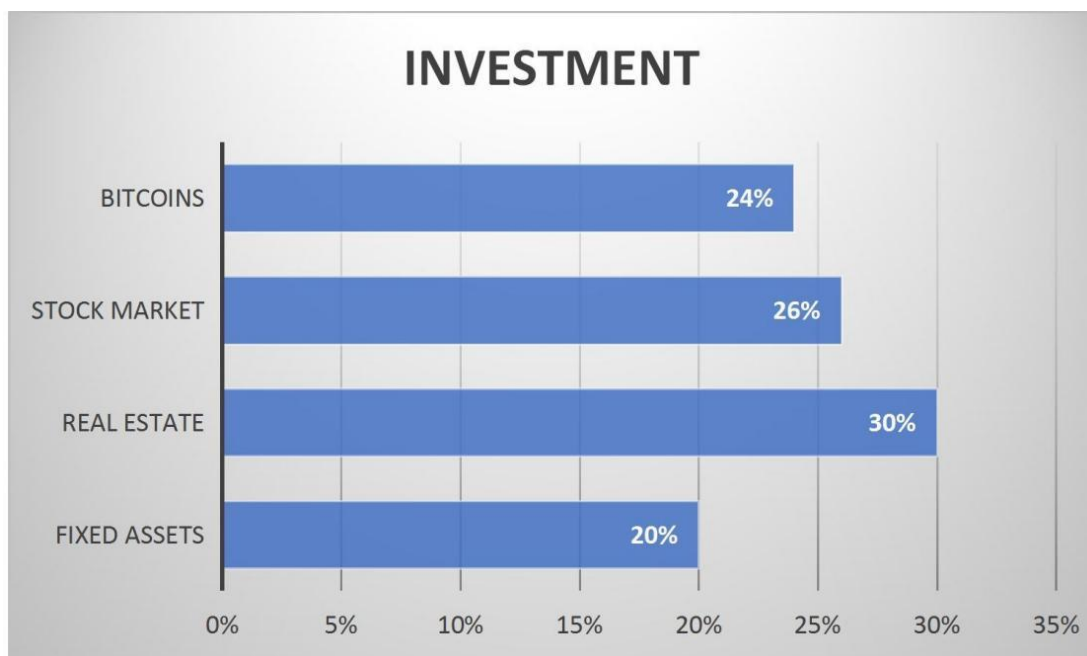
Table No: 19

Investment wise classification of respondents

INVESTMENT	NO OF RESPONSES	PERCENTAGE
Fixed asset	50	20%
Real estate	75	30%
Stock market	65	26%
Bitcoins	60	24%
TOTAL	250	100%

Chart No:17

Chart representing investment wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 20% of fixed assets, 30% of real estate, 26% of stock market, 24% of bitcoins.

Inference:

Majority (30%) of the respondents of my questionnaire are real estate.

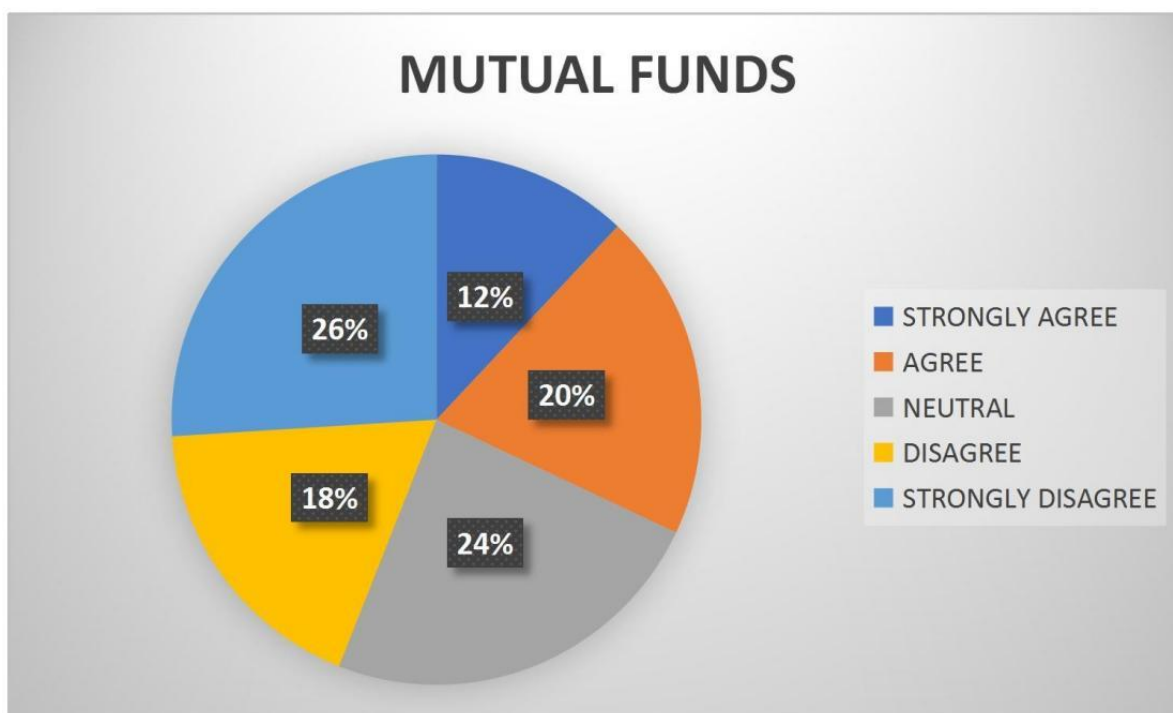
Table No: 20

Effectiveness of stock (Mutual funds) wise classification of respondents.

MUTUAL FUNDS	NO OF RESPONSES	PERCENTAGE
Very effective	75	30%
Effective	85	34%
Neutral	45	18%
Ineffective	20	8%
Very ineffective	25	10%
TOTAL	250	100%

Chart No:18

Chart representing effectiveness of stock wise classification of respondents.



Interpretation:

From the following above table, it is interpreted that 30% are very effective, 34% are effective, 18% are neutral, 8% are ineffective, 10% are very ineffective.

Inference:

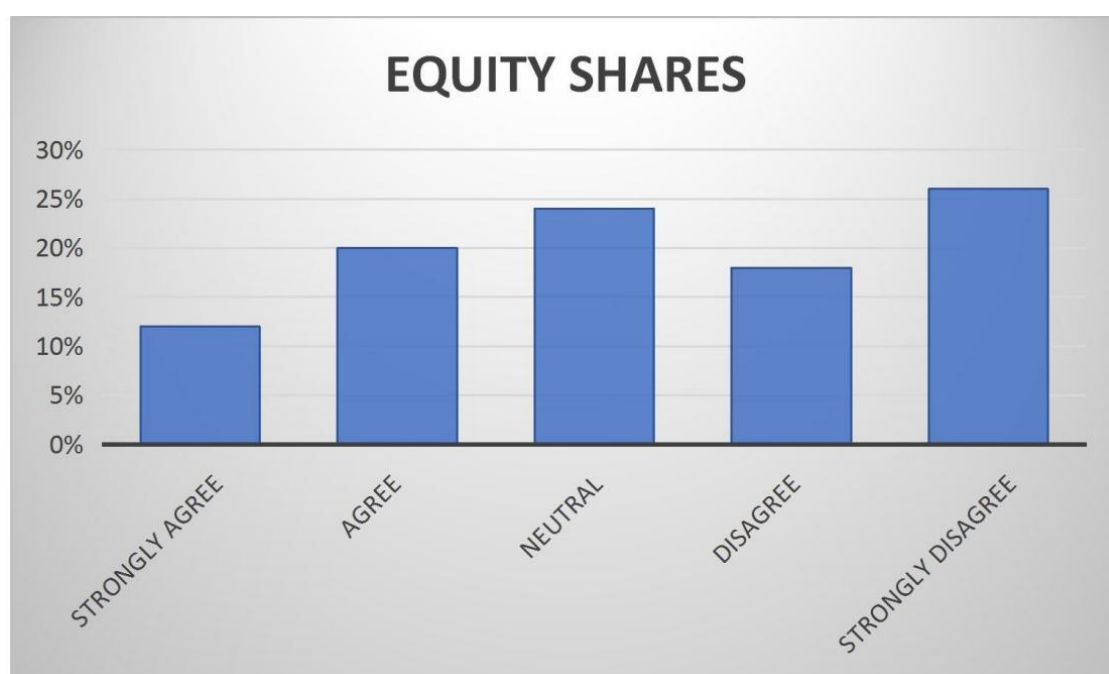
Majority (30%) of the respondents of my questionnaire are very effective.

Table No: 21

Effectiveness of stock (Equity shares) wise classification of respondents.

EQUITY SHARES	NO OF RESPONSES	PERCENTAGE
Very effective	65	26%
Effective	75	30%
Neutral	45	18%
Ineffective	30	12%
Very ineffective	35	14%
TOTAL	250	100%

Chart No: 19



Interpretation:

From the following above table, it is interpreted that 30% are very effective, 34% are effective, 18% are neutral, 8% are ineffective, 10% are very ineffective.

Inference:

Majority (30%) of the respondents of my questionnaire are very effective.

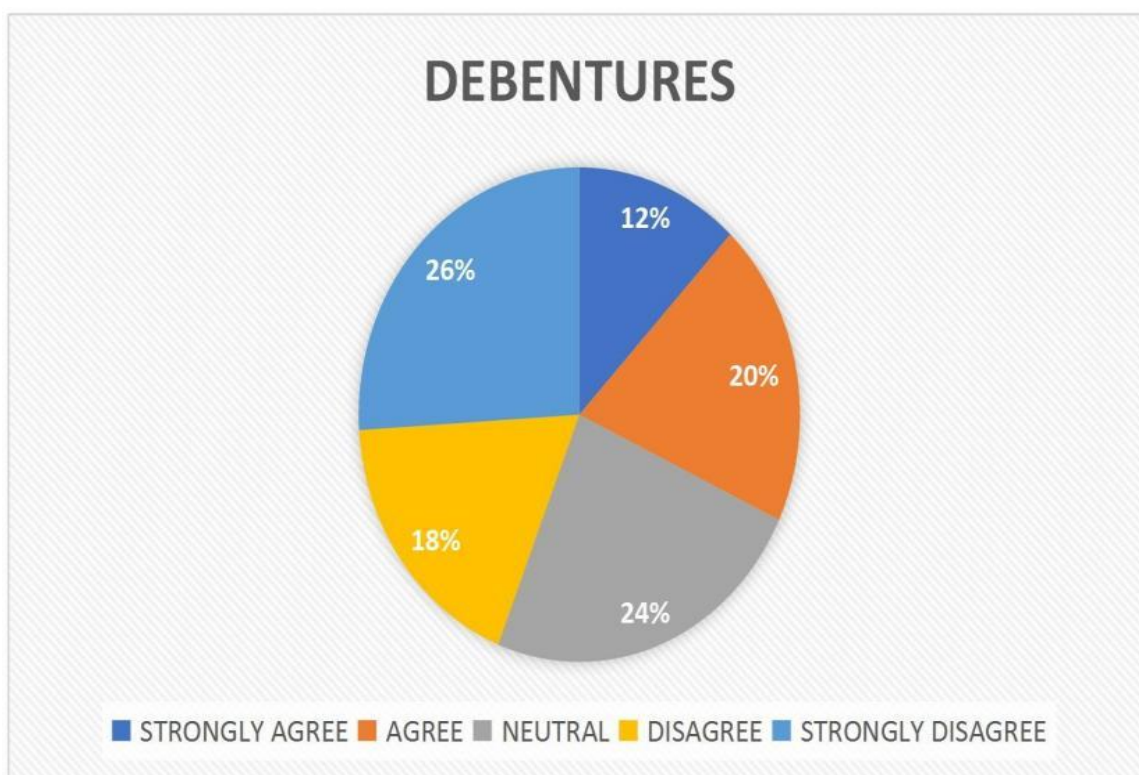
Table No: 22

Debentures wise classification of respondents.

DEBENTURES	NO OF RESPONSES	PERCENTAGE
Very effective	85	34%
Effective	60	24%
Neutral	55	22%
Ineffective	30	12%
Very ineffective	20	8%
TOTAL	250	100%

Chart No:20

Chart representing effectiveness of Debentures



Interpretation:

From the following above table, it is interpreted that 30% are very effective, 34% are effective, 18% are neutral, 28% are ineffective, 20% are very ineffective.

Inference:

Majority (26%) of the respondents of my questionnaire are very effective.

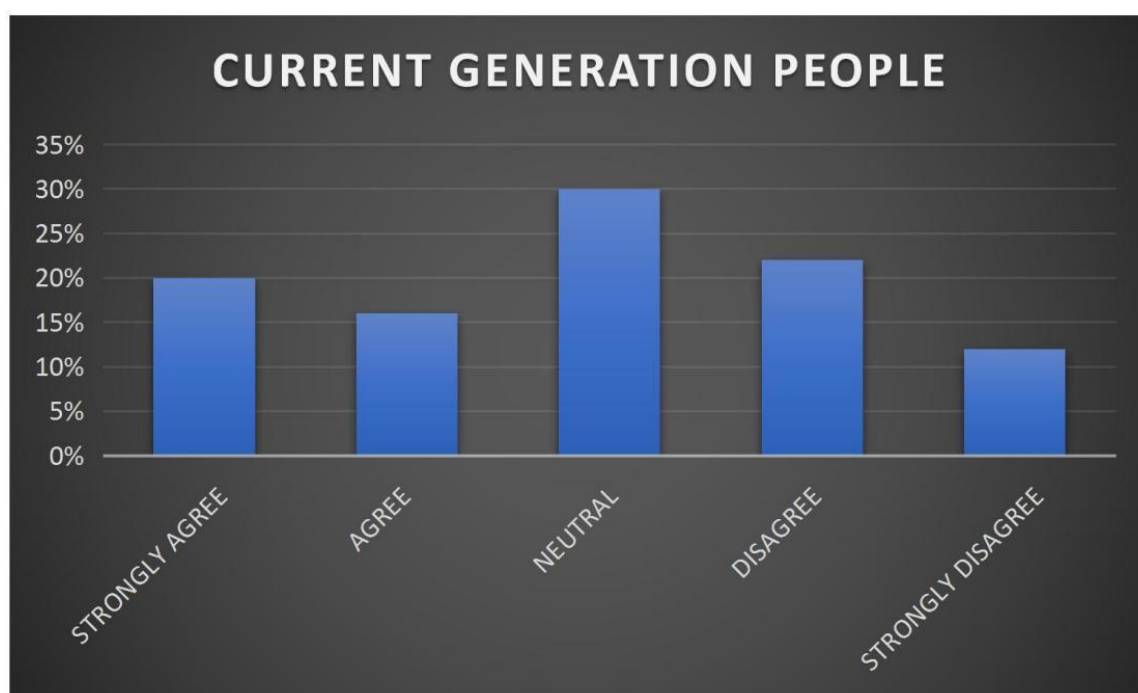
Table No:23

Current generation people wise classification of respondents.

CURRENT GENERATION PEOPLE	NO OF RESPONSES	PERCENTAGE
Strongly agree	50	20%
Agree	40	16%
Neutral	75	30%
Disagree	55	22%
Strongly disagree	30	12%
TOTAL	250	100%

Chart No: 21

Chart representing current generation people wise classification of respondent.



Interpretation:

From the following table, it is interpreted that 20% are strongly agree, 16% are agree, 30% are neutral, 22% are disagree, 12% are strongly disagree.

Inference:

Majority (30%) of the respondent of my questionnaire are neutral

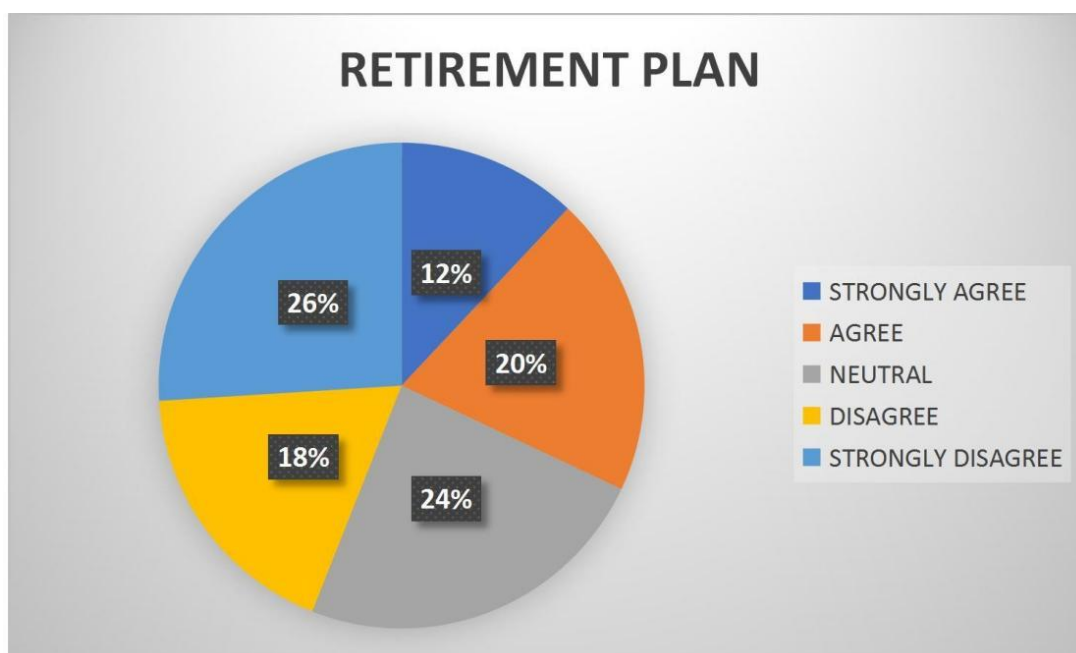
Table No:24

Retirement plan wise classification of my respondents.

RETIREMENT PLAN	NO OF RESPONSES	PERCENTAGE
Strongly agree	30	12%
Agree	50	20%
Neutral	60	24%
Disagree	45	18%
Strongly disagree	65	26%
TOTAL	250	100%

Chart No:22

Chart representing retirement plan wise classification of respondents.



Interpretation:

From the following table, it is interpreted that 12% are strongly agree, 20% are agree, 24% are neutral, 18% are disagree, 26% are strongly disagree.

Inference:

Majority (26%) of the respondent of my questionnaire are strongly disagree.

CHAPTER 5 - FINDINGS,SUGGESTIONS AND CONCLUSION

5.1 FINDINGS:

- Females were the major part of the responses.
- Most part of the responders of the questionnaire is from the age group of 18 to 25.
- The most part of the responses comprised of married persons.
- Majority of the respondents of the questionnaire have done their Under-graduation.
- Persons who are having less than a year of work experience contributed to the major part of the responses.
- Employee categories of persons were a major part of the responses.
- 4.5 Lakhs to 6.5 Lakhs is the major income slab of the respondents.
- Most of the respondents have more than 3 members in their family.
- It is found out from the responses that most of the people have basic knowledge about financial planning.
- Most of the people in the survey think that Financial planning is calculation and ascertainment of future fund requirements.
- Quarterly Planning is the most preferred method of financial planning among the respondents.
- Many people involved in the survey have faced budget problem (or) lack of funds in their life at a stage.
- Most of the respondents have overcome their shortage of funds by proper financial planning.
- Most of the participants prefer to invest in Real Estate.

5.2 SUGGESTIONS:

- It is suggested that the persons who don't follow financial planning to take up and follow
- Also the people should not fall prey to the social cost of living and stick to their essentials alone

- Those who follow financial planning should explore various strategies to enhance their savings.
- It is suggested to mobilize the savings in the form of investment instead of keeping it idle.

5.3 CONCLUSION

India is a densely populated country and is also one of the highest tax collecting nations in the world. India's current GDP stands at \$3.15 trillion (estimated) and is expected to grow even further by 0.4% towards the end of the year.

From the above statement, it can be noted that India is considerably a wealthy nation.

A proper channeling of the funds collected from the public through the way of tax can result in drastic change in the living standard of the people in the country. Not only that. The knowledge of budgeting is required for even a common man to organize his expenses and income. Budgeting is not only helpful in estimation of our income and expenses but also helps in improving our savings capacity which can create a huge difference in each individual's life. Hence budgeting is to be taught for each and every citizen of India.

Hence I conclude by saying that along with food, clothing and shelter, proper hospital facilities along with proper education (elementary education and knowledge of budgeting) is to be provided by every nation to its people to not only improve individual's life, but to improve the country as a whole.

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APPENDIX - QUESTIONNAIRE

A STUDY ON SIGNIFICANCE OF FINANCIAL PLANNING FOR SALARIED EMPLOYEES IN IT INDUSTRIES IN SHOLINGANALLUR

- 1) Name
- 2) Gender:
 - a) Male
 - b) Female
 - c) Prefer not to say
- 3) Age:
 - a) 18-25
 - b) 26-40
 - c) 41-60
 - d) >60
- 4) Marital Status:
 - a) Married
 - b) Unmarried
- 5) Educational Qualification:
 - a) Diploma
 - b) UG
 - c) PG
 - d) Doctorate
- 6) Experience of work (in years):
 - a) <1
 - b) 2-4
 - c) 4-6
 - d) >7
- 7) Current nature of job:
 - a) Trainee
 - b) Employee
 - c) Executive
- 8) Annual Salary (in Lakh Rupees):
 - a) <2.5
 - b) 2.5-4.5
 - c) 4.5-6.5
 - d) >7
- 9) Number of employed persons in your family:
 - a) 1
 - b) 2
 - c) 3
 - d) >3
- 10) Do you have an idea/knowledge on what is financial planning?
 - a) Basic Knowledge
 - b) Above average knowledge
 - c) In-depth knowledge
 - d) Expertise knowledge
- 11) According to you, what is financial planning?
 - a) Manage income and expenses
 - b) Calculation and ascertainment of future fund requirements
 - c) Channelizing of funds
 - d) All of the above
- 12) How often do you prepare your own financial plan?
 - a) Day-to-day
 - b) Monthly
 - c) Quarterly
 - d) Yearly
- 13) Have you ever faced a budget problem in your life?
 - a) Yes
 - b) No

14) If yes, have you overcome those situations with the help of financial planning/strategy?

- a) Yes b) No

15) Do you think financial planning is important?

- a) Strongly agree b) Agree c) Neutral d) Disagree e) Strongly disagree

16) Do you think that financial planning should be mandatory to all in their education?

- a) Strongly agree b) Agree c) Neutral d) Disagree e) Strongly disagree

17) Do you think investment is an effective option to save and mobilize funds?

- a) Strongly agree b) Agree c) Neutral d) Disagree e) Strongly disagree

18) If yes, which investment option will you prefer?

- a) Fixed assets b) Real estate c) Stock market d) Bitcoins

19) Out of the following, rate the effectiveness of the following stock/share options:

Stock options	Very effective	Effective	Neutral	Ineffective	Very Ineffective
Mutual funds					
Equity shares					
debentures					

20) Do you think that the current generation people are more concerned about financial planning for the future?

- a) Strongly agree b) Agree c) Neutral d) Disagree e) Strongly disagree

21) Do you think that a retirement plan is necessary other than general PF and gratuity?

- a) Strongly agree b) Agree c) Neutral d) Disagree e) Strongly disagree

22) Are you satisfied with the questionnaire?

- a) Yes b) No

23) Rate this questionnaire (on a scale of 1-10)