



Investment Choices And Risk Perception Of Working Women In Academia

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Abstract:

The investment behaviour of working women has gained considerable attention in recent years due to the growing participation of women in the workforce and their increasing financial independence. This study aims to provide a comprehensive analysis of the investment behaviour of women working in colleges, exploring their attitudes, preferences, and decision-making processes when it comes to various investment options. The research methodology involves a combination of quantitative and qualitative approaches. A survey questionnaire has been administered to a diverse sample of working women from different industries, age groups, and income levels. The study will also explore the impact of financial literacy programs and educational initiatives on the investment behaviour of working women. The study examines the awareness level and current investment pattern towards various investment avenues like bank deposit, insurance, postal savings, bonds, debentures, shares, chit fund, real estate, mutual funds and gold.

Keywords: Women Educators, Investment behavior, Avenues, Awareness level

1.1. Introduction

In recent decades, the role of women in the workforce has significantly evolved, with an increasing number of women pursuing professional careers and taking on important roles in various industries. As women continue to make strides in their professional lives, it becomes crucial to understand their investment behaviour and the factors that influence their investment decisions. Over the past few decades, there has been a notable shift in the demographics of the workforce, with more women actively engaging in teaching at higher educational institutions. As women continue to make strides in their professional lives, it becomes crucial to understand their investment behaviour and the factors that influence their investment decisions. The study provides an in-depth background of investment behaviour of women teachers. Historically, the investment landscape has been predominantly male-dominated due to societal norms and cultural expectations leaving them with less time and opportunity to engage in investment activities. Moreover, women have traditionally been perceived as more risk-averse investors, leading to a lower level of participation in higher-risk investment ventures and the lack of financial literacy and confidence in financial matters. But in recent years, there has been a significant shift in the economic landscape, with knowledge resources helping to seek avenues to grow their wealth through investments. Women, in particular, working in colleges are becoming more confident in their

investment decision-making and are actively seeking opportunities to diversify their financial portfolios. Research suggests that women tend to exhibit distinct investment behaviours compared to men. While these characteristics may not be universally applicable to all women, they provide valuable insights into understanding the investment preferences and decision-making processes of working women.

Many women influence or control the majority of all consumer purchase decisions and many of the investment decisions. By becoming more educated and aware about finance and Investment, women investors are grabbing the eyeballs of financial firms, financial service providers and asset management companies. Women are also taking the lead role in saving so there is a huge opportunity for asset management firm, financial services providers to cater services as per the requirement of women investors. There are a number of studies, which have shown that the financial behaviour of men and women differ significantly. It is evidenced that due to the lower income of women investors than men makes them more risk averse investors because of that sometimes Women investors get a very nominal return on their investment/ portfolio. Apart from this women tend to consider conservative investors for their savings and investment. Because of lack of knowledge and awareness about financial planning and investment they depend on others for financial decisions.

2. REVIEW OF LITERATURE

Desigan, C., et al. (2006) found that women investors basically hesitate investing in mutual funds due to the reasons like lack of knowledge about the investment, market fluctuations, various risks associated with investment and other related problems.

Sellappan.R. et al. (2013) conducted a survey of women investors to study the impact of age factors and marital status towards investment in financial instruments and found out that younger women mostly like to invest in shares, mutual funds, insurance and fixed deposits and married women are more curious about making investments.

M. Amsaveni & M. Nithyadevi. (2018) studied to identify the investment pattern among working women and to study the level of attitude among them towards investment avenues among 100 working women in Tirupur district found that the most influencing factor was profitability and the second factor was safety followed by liquidity, prestige, stability, transferability and speculation.

Rekha, G., & Vishnupriya, R. (2019). studied the awareness about investment avenues and the factors influencing their investment decision using both primary and secondary data among 148 respondents at Coimbatore city found that investment for 'Children education' as the most influential factor.

Banerjee, B., & Bhowmik, G. (2023) focused on current investment patterns and the factors influencing women investors of the teaching community from the metropolitan city, Kolkata with the help of the Chi-square test and Factor Analysis.

Bhayana, P. (2023) examined the financial planning and investment behavior of working women in educational institutions using primary data.

Kalambe, B. G. (2024) explored the level of financial literacy and its impact on the investment behaviour of working women in higher education in India. The study employs a qualitative approach, gathering data through surveys and interviews with women engaged in various academic and professional fields. The results highlight

the importance of financial education programs tailored specifically for working women in academia to foster better investment practices and enhance their financial security.

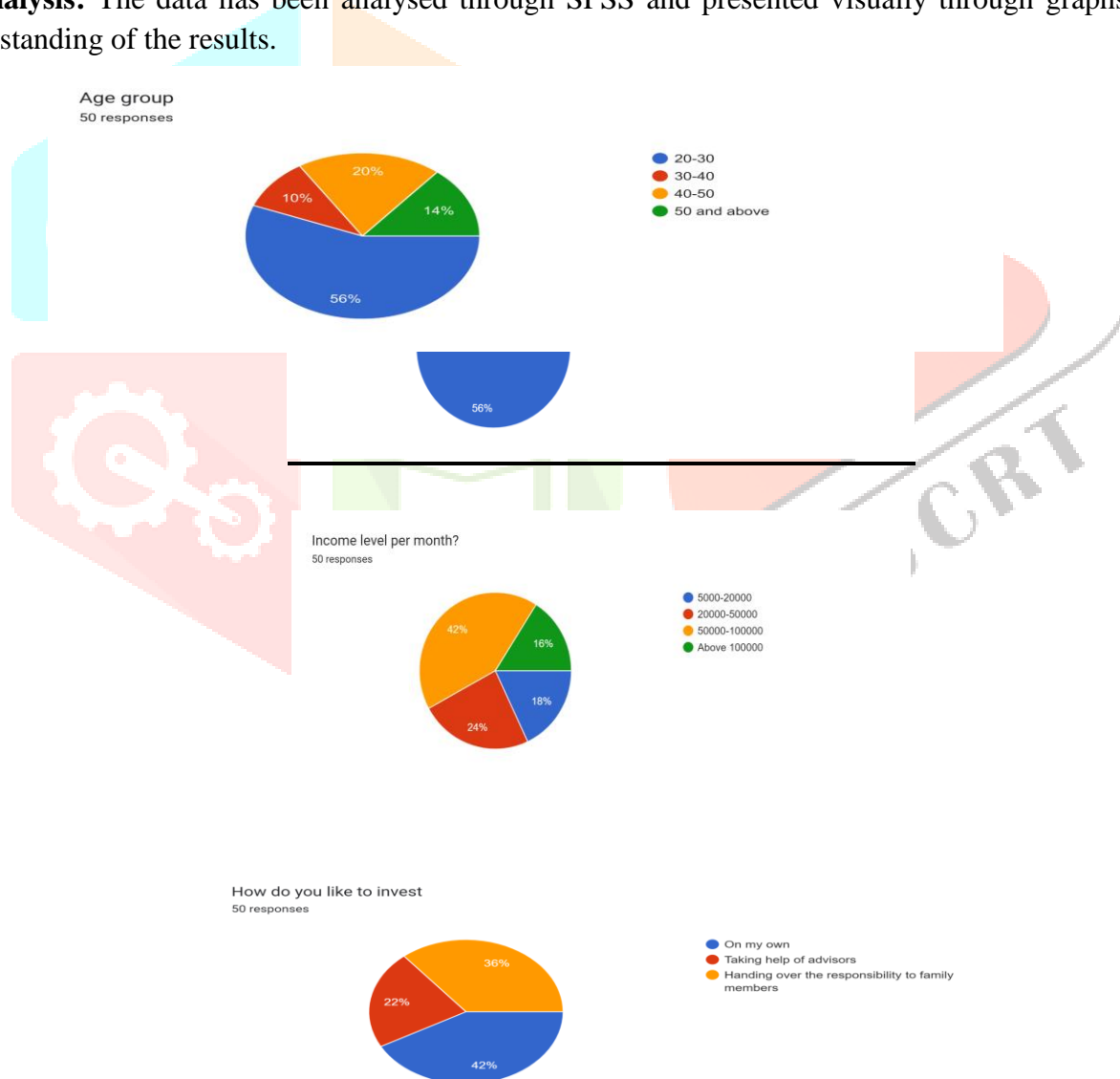
3.Objectives of the study:

1. To analyse the knowledge and awareness about investment tools among working women.
2. To study the risk and return perception of women in their investments.

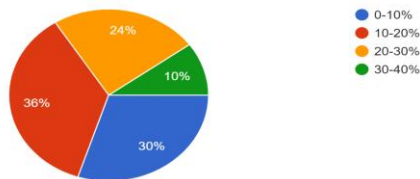
4. Methodology:

The scope of the study is limited to Hyderabad with special focus to women working as lecturers in Colleges and making Investments. The data will be collected from women lecturers through a structured questionnaire and also from websites, publications, books, journals, magazines.

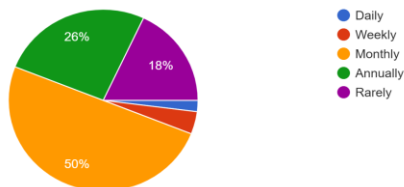
5. Analysis: The data has been analysed through SPSS and presented visually through graphs for a clear understanding of the results.



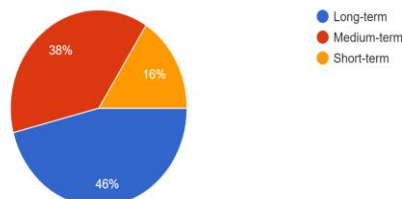
What is the Percentage/amount of income invested
50 responses



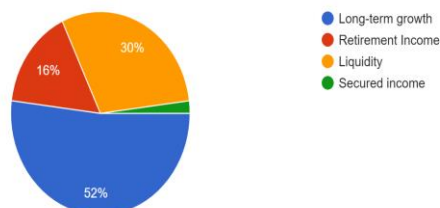
What is the frequency of your investment?
50 responses



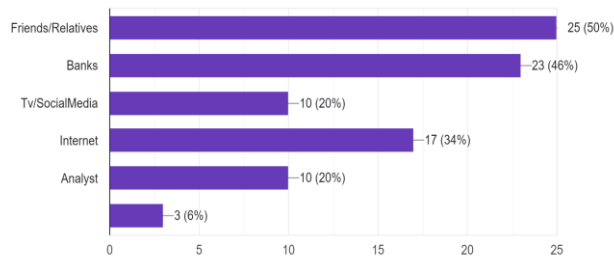
What is the time period you prefer for investment?
50 responses



What is the objective of your investment?
50 responses

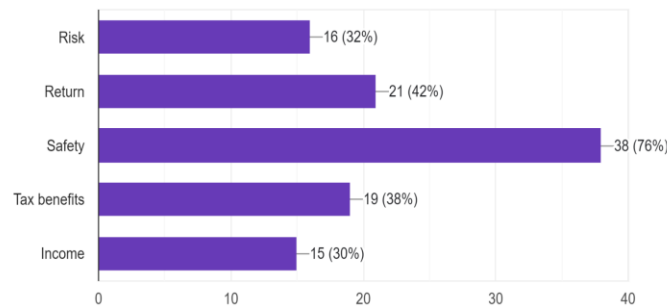


What is the source of information for your investment?
50 responses



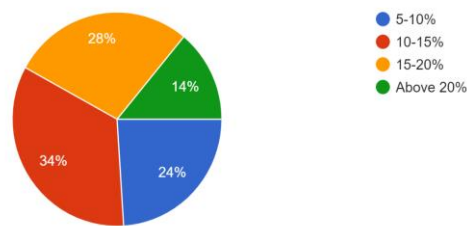
What are the factors influencing your investment decisions?

50 responses



Mention the percentage of returns you expect from investment

50 responses



Interpretation:

- The dataset includes the majority of individuals who fall within the 20-30 age range, indicating a relatively younger demographic. There is also a significant representation of individuals aged 40-50 and 50 and above, suggesting a mix of different age cohorts.
- The majority of respondents, comprising 56% of the total sample, reported being married. This suggests that a significant proportion of the survey participants are in a marital relationship. Their perspectives and experiences may be influenced by the dynamics, responsibilities, and challenges associated with marriage.
- The majority of respondents' income levels are falling between 20,000-100,000. The largest proportion of respondents, comprising 42% of the total sample, reported earning between 50,000 to 1 lakh per month. It is important to consider the perspectives of this group, as they may have different priorities and behaviours compared to individuals with lower incomes.
- The largest proportion of respondents, comprising 42% of the total sample, indicated a preference for investing on their own. This suggests that a significant portion of the survey participants feel confident in their own investment knowledge and decision-making abilities. They may prefer to research and manage their investments independently. It is important to consider the level of financial literacy and expertise within this group when analysing their investment preferences and behaviours. The next significant group, accounting for 22% of the respondents, indicated a preference for seeking the assistance of advisors for their investments. This suggests that individuals within this category value professional advice and expertise in managing their financial assets. They may seek guidance from financial advisors, wealth managers, or other professionals with specialised investment knowledge.
- The largest proportion of respondents, comprising 36% of the total sample, reported investing between 10% to 20% of their income. This suggests that a significant portion of the survey participants allocate a moderate portion of their earnings towards investments. These individuals prioritise saving and

investing a substantial portion of their income, which can indicate a long-term approach to wealth accumulation. The smallest proportion in your survey, comprising 10% of the respondents, indicated investing between 30% to 40% of their income. Their investment strategy indicates a strong emphasis on wealth accumulation or a specific financial objective that requires a substantial commitment.

- The majority of the respondents indicated that they make investments on a monthly basis implying a regular and systematic approach to investing. The remaining percentage is divided between daily and weekly investments indicating more active trading or short-term investment strategies.
- 46% of respondents prefer long-term investments, while 38% of respondents prefer medium-term investments and 16% of respondents prefer short-term investments. It seems that the majority of respondents in your survey are inclined towards long-term investments, followed by medium-term investments, and a smaller percentage prefer short-term investments.
- 52% of respondents aim for long-term growth. While, 30% of respondents prioritise liquidity and 16% of respondents are focused on retirement income. The remaining percentage is allocated to securing income. These findings reveal that the majority of respondents are interested in long-term growth when it comes to their investments. A significant portion also values liquidity, which refers to the ability to access funds quickly. Additionally, a smaller percentage of respondents are specifically targeting retirement income, while others are seeking secure income. These insights provide valuable information about the investment objectives of the participants in the survey.
- 50% of the respondents gather the source of information from friends/relatives, 46% of them rely on banks, 34% on the internet, 20% on both social media, internet and analysts and 6% claim to have other sources.
- 76% of respondents claim that their investment decisions are based on safety, 42% mention returns, 38% put tax benefits, 32% consider risk factors and 30% expect the income.
- 34% of respondents expect a return of 10-15%. 28% of respondents expect a return of 15-20%. 24% of respondents expect a return of 5-10%. 14% of respondents expect a return of above 20%. These findings indicate the range of return expectations among the participants in the survey. The largest percentage of respondents expects a return of 10-15%, followed by those expecting 15-20%. A significant portion also anticipates a return of 5-10%. A smaller percentage of respondents have higher expectations, aiming for returns above 20%.

5. Findings

Based on the analysis of the data on investment behaviour, the following conclusions can be drawn from the study:

- Working women exhibit a diverse range of investment preferences, suggesting that they actively participate in financial decision-making and seek to grow their wealth.
- The age group of 20-30 appears to be the most active in terms of investment, indicating that younger working women are inclined towards exploring various investment avenues.
- The main sources of investment information for working women include friends/relatives, banks, TV/social media, and the internet. This highlights the importance of social networks and digital platforms in influencing their investment decisions.
- Working women prioritise medium-term and long-term growth investments, with a focus on capital appreciation, future needs, and generating a regular source of income. This suggests a forward-thinking mindset and a desire for financial stability and security.

- Bank deposits, insurance, mutual funds, gold, and government securities are the preferred investment avenues among working women. This indicates a preference for diversified investment options that offer a mix of safety, growth potential, and liquidity.
- The motives for investment among working women vary, but the most prominent ones include planning for future needs, increasing family income, and making wise use of their money. This reflects a sense of responsibility and a desire for financial independence.
- Risk perception and tolerance also vary among working women. While some prefer moderate risk, others lean towards minimal risk.
- Women generally exhibit a willingness to wait for their investments to recover during periods of value decrease. This suggests a patient and long-term approach to investment, aligning with their focus on future needs and growth.

6. Conclusions

Investment advisors can gain insights into effective strategies for engaging and advising working women on their investment choices. Policymakers can use the findings to design targeted initiatives to enhance financial literacy among working women, thereby empowering them to make informed investment decisions. Overall, this study aims to contribute to the existing literature on investment behaviour by focusing specifically on the unique perspectives and preferences of working women. By exploring the factors that shape their investment decisions, this research will provide valuable insights into promoting financial inclusion and empowering working women to achieve their long-term financial goals.

7. Suggestions

- Diversification across different investment avenues can help mitigate risk and maximise returns. Respondents can explore a combination of bank deposits, insurance, mutual funds, gold, and real estate based on their preferences.
- Seeking advice from financial advisors can provide valuable insights and guidance.
- Regular monitoring and review of investments are essential to ensure they align with changing goals and market conditions.
- Education and awareness programs can help respondents make informed investment decisions and understand the potential risks and rewards.
- Respondents should consider creating an emergency fund to meet unexpected expenses.
- Tax planning should be incorporated into investment strategies to optimise returns and minimise tax liabilities.
- Respondents should stay updated with financial news and market trends to make informed investment decisions.

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