

## **A STUDY ON INVESTMENT BEHAVIOUR OF SALARIED EMPLOYEES IN TRICHIRAPLLI DISTRICT**

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### **Abstract**

The concept of savings is really essential to cope with the fast evolving multi-faceted social commitments. Humans work in order to earn income to meet their personal requirements. Savings and Investment are commitment of a person's funds to grow future income. Human needs are unlimited hence he has to work more. In this research paper an attempt has been made to study the bank employee's individual behaviour and level of satisfaction towards various investment alternatives. The study was made with a sample of 75 Salaried employees, **who are residing in MM Nagar , Uyyakondan Thirumalai, Trichy district**, through a structured questionnaire using the statistical tools such as measures of central tendency, regression analysis, analysis of variance .The results of multivariate analysis revealed that there is no significant difference between expected return satisfaction and Investment evaluation decision. Anova also revealed that there is no significant difference between expected return and the level of satisfaction of the respondents

**Key Words:**, Satisfaction level, Investors satisfaction, Expectation and Investment behaviour

### **Introduction**

Savings is common to all societies and this practice differs from one another. In India there are various investment avenues available to meet differing needs of investors. The investors saving schemes will have a significant impact on the saving behaviour of people. A study on behaviour and level of Satisfaction assumes a greater significance in the formulation of policies for the development and regulation of savings in general and protection and promotion of small and household investors in particular. Some of these investment avenues offer attractive returns but with high risks and some offer lower returns with very low risks.

## Review of literature

**Karthikeyan (2016)** examined the inclinations and level of fulfillment towards post office reserve funds plans with test of 1000 speculators in the city of Trichy city with a goal to find out the reasons that powers the financial specialists to put resources into present office plans and on learn the degree of fulfillment of the financial specialists and to recognize the swot examination of post workplaces. The investigation was done with an organized meeting plan and reasoned that there is noteworthy relationship between age gathering, sex, family pay, reserve funds and yearly salary and mail station reserve funds by the financial specialists. It was likewise presumed that there is no huge relationship between instruction capability and individual reserve funds made by the financial specialists. The analyst has additionally done Mahalanobis Multi segregate investigation and isolated into two gatherings one is with low degree of fulfillment and the other is with significant level of fulfillment on the mail station reserve funds conspire choosing 7 segment factors.

It was presumed that the general examination uncovered that the fundamental purpose behind putting resources into the mail station were impacted by 3 factors in particular, meet the crisis needs, to meet the family needs in the close to fates and to take care the prosperity of the youngsters.

**Ishwarya P (2014)** had undertook a study the behaviour and satisfaction level of investors towards various investment alternatives available for the salaried class employees in the city of Mangalore. The study was conducted with an objective to ascertain the behaviour of salaried class employees and to measure the satisfaction level of salaried class employees towards available investment avenues. The researcher has taken a sample of 100 respondents using convenient sampling technique. It was concluded that that most of the respondents expressed their views positively towards investment activities. Majority of the respondents are not only less aware about the investment avenues but also they are less satisfied about their investment in marketable securities. The research also concluded that 36% of respondents are satisfied on their investment in non- marketable securities and 64% of respondent's satisfaction is poor. It was also concluded that 88% of respondents are satisfactory on their investment and only 12% of respondents perceived and reported to have lower degree of satisfaction on their investment in physical assets.

**Vinoth R & Rajkumar R (2013)** has undertaken a study titled, “Investors satisfaction, expectations and practical problems on mutual fund investments. An investigation study with special reference to Coimbatore City”, with an objective to study the priority of investments over mutual funds by the investors, to study the practical problem of mutual fund and to study the expectation of mutual fund investors. The study was carried out with a sample of 150 respondents through a structured questionnaire using convenient sampling technique. It was concluded that high returns was the top priority while ranking the decision making factors. The respondents also felt that the mutual funds have not offered the expected returns for their investment. It was also concluded in the research that majority of the respondents were satisfied on the service of agents of mutual fund organisations. It was also concluded that personal factors of the respondents have no significant influence on the source of awareness of mutual funds and type of business, whereas the personal factors have significant influence on the type of scheme.

### **Objective of the study**

From the above literature review, it can be understood that the studies in respect of the level of satisfaction with reference to Salaried employees **who are residing in MM Nagar , Uyyakondan Thirumalai, Trichy district** were not made earlier. Hence an attempt has been made to analyse the satisfaction level of the banking professionals with the following objectives.

- Study the mean and deviation, of the selected demographic variables.
- Analyse the variance between annual investment and level of satisfaction
- Analyse the expected return and investment evaluation decision.

### **Hypothesis**

- H<sub>0</sub>: There is no significant influence on demographic factors on annual investment.
- H<sub>0</sub>: There are no significant difference between expected return-satisfaction and Investment evaluation decision.
- H<sub>0</sub>: There are no significant difference between expected return and the level of satisfaction.

### Research Methodology

The research methodology depicts the flow of the research process and serves as guidance for the research to carry out the research study.

It contains information source, test size, strategies and devices of examination. In this study, the analyst has utilized the essential information acquired from 75 respondents working as salaried employees.

### Data Analysis and Interpretation

Primary data was collected through questionnaire comprising of various parameters from the respondents. The information generated through the survey is being reported through the tabulation of categorical variables and the results are discussed below.

#### Descriptive statistics

	<b>N</b>	<b>Mean</b>	<b>Standard Deviation</b>
<b>Particulars</b>	<b>Statistic</b>	<b>Statistic</b>	<b>Statistic</b>
Age	75	1.26	0.672
Gender	75	1.10	0.302
Marital Status	75	1.55	0.260
Qualification	75	1.18	0.589
Annual Income	75	1.23	0.799
Savings percentage	75	1.10	1.119
Annual Investment	75	2.34	0.683
Awareness	75	1.48	0.617
Grade of Employment	75	1.72	0.530
Valid	75		

Gender, Marital status, Annual Income, Annual Investment and Grade of work shows Leptokurtic. Age, Educational capability, Percentage of reserve funds and mindfulness shows Platykurtic. Skewness estimation of the yearly venture is extremely high and shows that the mean, mode and middle contrasts are high. Mean estimation of Age is 1.26 and it shows that the larger part respondent has a place with the age bunch somewhere in the range of 31 and 40. 17.6% of respondents have a place with under 30 years, 48.8% of respondents have a place with 31-40, and 23.2% of respondent has a place with 41-50 and the rest 10.4% have a place with over 50 years. Gender shows that 80% of the respondents were male and the rest has a place with ladies.

The mean estimation of conjugal status is 1.15 and shows that larger parts of the respondents were unmarried (84.8%). The mean estimation of instructive capability is 1.18 and indicated that 27.2% of the respondents were graduates, 37.6% of the respondents were post graduate and 35.2% of the respondents were experts. The mean estimation of yearly salary shows that 1.23, which shows that 25.6% of the respondents gaining under five lakhs, 48% of the respondents profit between 5-10 lakhs, 16.8% of the respondents income between 10-15 lakhs. 7.2% of the respondents' profit between 15-20 lakhs and the rest 2.4% has a place with over 20 lakhs for each annum. The mean estimation of level of reserve funds is 2.10 which shows that 36% of the respondents level of reserve funds is under 10 percent, 29.6% of the respondents level of reserve funds is between 10-15 percent, 23.2% of the respondents level of reserve funds is between 15-20 percent and the rest 11.2% of the respondents level of investment funds over 20 percent of their income.

#### ANOVA

	<b>Sum of Squares</b>	<b>Degree of freedom</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Regression	13.854	3	3.773	16.673	0.000 <sup>a</sup>
Residual	24.022	71	0.186		
Total	77.876	74			

**Predictors:** Constant Educational Qualification, Percentage of Savings

**Dependent Variable:** Annual Investment

**Coefficients of variance**

	Unstandardized Coefficients		Coefficients	t	Level of Sig.
	B	Std. Error	Beta		
Constant term	0.264	0.276	-	0.955	0.341
Qualification	-0.083	0.066	-0.093	-1.259	0.211
Annual Income	0.289	0.058	0.403	5.112	0.000
Percentage of Savings	0.247	0.053	0.353	4.378	0.000
Return expected	0.061	0.051	0.085	1.206	0.230
Level of satisfaction	-0.021	0.074	-0.031	-0.419	0.676

**Annual Investment**

**Hypothesis:** The selected factors has no influence on Annual Investment

Interpret that the effect of educational qualification, annual income, percentage of savings, return expected and the level of satisfaction on Annual investment is given by the regression equation, Annual investment(Y) = a + bi .It is concluded that Annual Income and Percentage of savings influence the amount of annual investment to the extent of 28.8% and 23.7 % respectively. F value is 16.673 and is significant at 0.01 levels. Hence the Null Hypothesis is rejected.

**Return expected and satisfaction level****ANOVA**

	Sum of Squares	Df	Mean Square	F	Significance
Between Groups	1.196	3	0.259	0.686	0.514
Within Groups	53.713	71	0.475		
Total	55.909	74			

**Null Hypothesis:** There is no significant difference between its expected return and the level of satisfaction of the respondents.

**Interpretation:** Based on the result generated by SPSS, the significant value is 0.514 and it is greater than 0.05. Hence the null hypothesis is accepted since there is no significant difference between the levels of satisfaction of respondents with respect to their expected return.

**Findings**

- a. Annual investment is very high and shows that the mean differences are very high.
- b. Maximum respondents are in the age group of 31 – 40 and more than 75% of the respondents are males.
- c. 48% of the respondents are in the income group of Rs.5-10 Lakhs and more than 50% of the respondents are fully aware of the investment.
- d. Gender, Marital status, Annual Income, Annual Investment and Grade of employment shows Leptokurtic and Age, Educational qualification, Percentage of savings and awareness shows Platykurtic.
- e. Annual Income and Percentage of savings influencing the amount of annual investment.
- f. No significant difference between its expected return and the level of satisfaction of the respondents.
- g. There is no significant difference between Expected return - satisfaction versus investment evaluation decision under safety principal and liquidity.

## Conclusion

It is critical approach for the researcher and administrative specialists to comprehend the investors' perceptions, discernments, preference and their interests available. An investigation might be led solely for other part of employees with a point of view to help and advance the financial investors. Also research may be pursued to help the middle income group in making best investments clubbed with higher return and satisfaction to the investors. Investment procedures must be simple and clear to attract more investors.

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