



IMPACT OF SAVINGS AND INVESTMENT BEHAVIOUR OF WORKING WOMEN IN CHENNAI

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Abstract

In the modern era, Savings stimulate investment, which in turn stimulates the nation's economy's capital production. When it comes to savings, the household sector is the most important in India. Women's income used to be merely an extra source of income. However, today's women's income is crucial to the family. The involvement of women is essential to handling unforeseen situations within the family in the future. Several research have demonstrated that the investment behaviour of men and women differs. In addition to having a lower risk tolerance, women invest for lower returns. The purpose of this research article is to examine working women's savings and investment behaviour. In relation to several investment routes such as bank deposits, insurance, postal savings, bonds, debentures, shares, chit funds, real estate, mutual funds, and gold, the study looks at the degree of awareness and the present investing pattern. Furthermore, the research has endeavoured to identify the primary determinant of investment decision-making. Research has also been done on the financial portfolios that working women favour.

Key words; Savings, investment, extra source of income, capital, lower risk, deposits and Working women.

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Introduction

Savings and Investment plans are play a crucial role for nations that are not seeing enough economic growth. Savings mobilisation is required, which entails promoting the

necessity for ever-increasing savings in order to enhance economic strategies. Women in particular have a propensity of saving money, which is now extended to investing. Women used to save for both future needs and

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emergencies, even in the days when they were primarily dependent on the income of others. The number of working women from India's newly developing middle class has increased due to a variety of factors. Working women nowadays place a strong focus on the necessity of investing and the importance of getting started early to benefit from long-term investments in the form of higher returns.

As times have changed, women are now actively investing their excess money, though this is dependent on a number of factors, including their willingness to take risks, the influence of friends and family, and the difficulty of learning about new and cutting-edge investment opportunities.

Savings and Investment behavior of Working Women

According to earlier studies, women are more likely than males to be risk averse, have a conservative investment mindset, have less financial knowledge, lack confidence, and rely on advice from others when making financial decisions. Indian women typically rely on their husbands' counsel, even if they have their own investments. Wives might have a big influence on the investments married women make. This study aims to illustrate the impact of working women's savings and investment behaviour in Chennai.

Review of literature

Kansal and Zaidi (2015) focuses on Indian women's investing habits. According to this report, women are less confident in their investment decisions and are more risk averse than males. This study identifies a number of variables, including return, long-term growth, risk, liquidity, and retirement income, that influence women's investment decisions. The majority of women who invest do so in relatively safer assets such as government securities, gold, silver, bank deposits, and post office savings.

The study conducted by **Awais and Laber (2016)** centred on two primary characteristics that influence risk tolerance and

investment decisions: financial literacy and investment spending. Making investing decisions is a crucial aspect of being an investor. This study showed that an investor's ability to take on risk is influenced by his/her level of knowledge. It was also discovered that investors must take on more risk while making financial decisions because experience increases investment risk.

Sharma and Douglas (2017) examined the variables impacting women's preferences while making investment decisions. A study found that a number of factors, including psychographic and demographic factors, have an impact on investment decisions. Even though all investors may be the same, their opinions on various investment schemes may differ.

Sharma P.C (2019) indicates that women investors possess a moderate level of knowledge regarding the investment game. The perception of investors is greatly influenced by factors such as fund characteristics, creditability, convenience, and fund family, all of which provide the necessary boost to the investment process.

According to **Veluchamy and Thangaraj's (2020)** research, the investment patterns of female executives were primarily influenced by factors such as age, nativity, educational attainment, marital status, family structure, size, composition of earning members, number of educated individuals per family, designation, personal income, and family income.

Kappal and Rastogi (2020), analysed that, the female entrepreneurs view investments as long-term tools and are generally risk-averse and conservative. When it comes to business, they are willing to take chances, but not when it comes to investing. This low-risk behaviour can be attributed to a number of factors, including a lack of time to fully comprehend investments and a lack of product understanding. According to the research, people are more willing to take risks with their investments if they take the time to learn about the intricacies of investing

instruments. The interviews also show that female.

STATEMENT OF THE PROBLEM:

The nation's socioeconomic paradigm revolves around the words of Pandit Jawaharala Nehru, a former Indian prime minister: "When women move forward, the family moves, the village moves, and the nation moves." It is a widely acknowledged truth that economic and social development can only be meaningful when women are included in the mainstream of progress.

Prior to and during independence, women were mostly employed in housekeeping roles. However, they are now involved in every sector. The primary cause is the significant rise in their educational background in India. They are working on this all over the place. In India, women handle the majority of the family's finances. Their primary motive to met future expenses due to this they save money from income and make investment in different portfolio. In light of this, the researcher chose the current topic—the savings and investment behaviour of Chennai's working women for his study.

Objectives of the Study

1. To study about savings and investment behaviour of working women.

2. To analysis the preference of investment pattern of working women.
3. To evaluate the satisfaction level of savings and investment of working women's in Chennai City.

Research Methodology

In this study, both descriptive and analytical methodologies were applied. Additionally, primary and secondary data were used to achieve the study's objective. Using social media, the questionnaire was distributed to Chennai locals in order to collect the primary data. Secondary data has been gathered via a variety of Internet polls, as well as current events, newspapers, and several online marketing publications. The necessary information was supplied by 175 respondents using a convenient sampling technique. The gathered data is analysed using a percentage analysis and correlation coefficient.

Hypothesis of the Study

- There is no correlation among the Annual Income, Annual Savings and Annual Investment made by the respondents

Limitations of the Study

The study was limited to Chennai city in Tamil Nadu. There could only be 175 respondents in total.

Results and Discussions

Table – 1: Demographic Profile of the Respondents

| Particulars | | Respondents | Percentage |
|----------------|---------------|-------------|-------------|
| Age | Up to 35 | 28 | 16% |
| | 36-45 | 32 | 18% |
| | 46-55 | 90 | 51% |
| | Above 55 | 25 | 14% |
| | Total | 175 | 100% |
| Marital Status | Married | 130 | 74% |
| | Un married | 30 | 17% |
| | Single parent | 15 | 9% |



| | | | |
|----------------------------|-----------------------|------------|-------------|
| | Total | 175 | 100% |
| Types of Family | Nuclear family | 155 | 89% |
| | Joint family | 20 | 11% |
| | Total | 175 | 100% |
| Education Level | Up to School Level | 40 | 23% |
| | Degree (UG & PG) | 88 | 50% |
| | Professional | 27 | 15% |
| | ITI / Diploma | 20 | 11% |
| | Total | 175 | 100% |
| Occupational status | Government employee | 60 | 34% |
| | Privet employee | 75 | 43% |
| | Business / Profession | 30 | 17% |
| | Others | 10 | 6% |
| | Total | 175 | 100% |
| Annual Income | Upto Rs. 2,00,000 | 72 | 41% |
| | Rs. 2,00,001-4,00,000 | 40 | 23% |
| | Rs.4,00,001-6,00,000 | 35 | 20% |
| | Rs.6,00,001-8,00,000 | 16 | 9% |
| | Above Rs. 8,00,,000 | 12 | 7% |
| | Total | 175 | 100% |

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The above table 1 indicates that, out of 175 respondents:

- **Age Wise Classification:** Majority 51% of the respondents belongs to the age group between 46-55 years and least 14% of the respondents belongs to the age group is above 55 years.
- **Marital status Wise Classification:** Majority 74% of the respondents are married and least 9% of the respondents are single parent.
- **Types of family Wise Classification:** Majority 89% of the respondents is belongs to nuclear family and least 11% of the respondents are belongs to joint family.
- **Educational Qualification Wise Classification:** Maximum 50% of the respondents are degree holders and least 11% of the respondents are ITI/Diploma holders.
- **Occupation Wise Classification:** Maximum 43% of the respondents are Private employees and minimum 6% of the respondents are others like daily workers and contract workers, etc.
- **Annual Income Wise Classification:** Maximum 41% of the respondent's annual income are up to Rs. 2,00,000 and least 7% of the respondent's annual income are above Rs. 8,00,000.

Table – 2: Savings and Investment Profile of the Respondents

| Particulars | | Respondents | Percentage |
|--------------------|----------------------|-------------|-------------|
| Annual Savings | Upto Rs. 50,000 | 68 | 39% |
| | Rs. 50,001-1,00,000 | 42 | 24% |
| | Rs.1,00,001-1,50,000 | 37 | 21% |
| | Rs.1,50,001-2,00,000 | 16 | 9% |
| | Above Rs. 2,00,,000 | 12 | 7% |
| | Total | 175 | 100% |
| Annual Investment | Upto Rs. 25,000 | 75 | 43% |
| | Rs. 25,001- 50,000 | 40 | 23% |
| | Rs.50,001-75,000 | 36 | 21% |
| | Rs.75,001-1,00,000 | 15 | 9% |
| | Above Rs. 1,00,,000 | 9 | 5% |
| | Total | 175 | 100% |
| Investment Pattern | Bank deposits | 48 | 27% |
| | Gold | 35 | 20% |
| | Post office savings | 60 | 34% |
| | Securities | 22 | 13% |
| | Others | 10 | 6% |
| | Total | 175 | 100% |

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The above table 2 shows that, out of 175 respondents:

- **Annual Savings basis:** Maximum 39% of the respondent’s savings capacity is upto Rs. 50,000 par annum followed by 24% of the respondent’s savings capacity between Rs. 50,001-1,00,000 par annum, 21% of the respondent’s savings capacity between Rs. 1,00,001-1,50,000 par annum, 9% of the respondent’s savings capacity between Rs. 1,50,001-2,00,000 par annum and only 7% of the respondents respondent’s savings capacity is above Rs. 2,00,000 par annum.
- **Annual Investment basis:** Maximum 43% of the respondent’s investment ability is upto Rs. 25,000 par annum followed by 23% of the respondent’s investment ability between Rs. 25,001-

50,000 par annum, 21% of the respondent’s investment ability between Rs. 50,001-75,000 par annum, 9% of the respondent’s investment ability between Rs. 75,001-1,00,000 par annum and only 5% of the respondents respondent’s investment ability is above Rs. 1,00,000 par annum.

- **Investment pattern basis:** Maximum 34% of the respondents are preferred post office savings schemes followed by 27% of the respondents are preferred investment in bank deposits, 20% of the respondents are preferred investment in gold, 13% of the respondents are preferred investment in different securities and 6% of the respondents are preferred investment other options like cite funds, insurance, etc.,



Table – 3: Level of satisfaction of the respondents among the services/benefits available in the Savings and Investment Portfolio

| services/benefits | Highly Satisfied | Satisfied | Moderate | Dissatisfied | Highly Dissatisfied |
|--------------------------------|------------------|-----------|----------|--------------|---------------------|
| Prompt returns | 85 | 60 | 30 | - | - |
| Transparency in operation | 67 | 74 | 31 | 3 | - |
| No Hidden costs | 121 | 51 | 3 | - | - |
| Communication on new schemes | 101 | 45 | 29 | - | - |
| Assists in Investment decision | 82 | 54 | 24 | 15 | - |
| Prompt payment of maturity | 97 | 64 | 14 | - | - |
| Keeps customer satisfaction | 113 | 54 | 6 | 2 | - |

The above table 3 examined that, out of 175 respondents, majority 121 respondents are highly satisfied with no hidden costs followed by Keeps customer satisfaction (113), Communication on new schemes (101) and Prompt payment of maturity (97). Maximum 74 respondents are satisfied with Transparency in operation followed by Prompt payment of maturity (64) and prompt returns (60). Around 30 respondents are moderately satisfied with Transparency in operation, Prompt returns and

Communication on new schemes. Few respondents are dissatisfied with Assists in Investment decision (15), Transparency in operation (3) and Keeps customer satisfaction (2). None of the respondents are highly dissatisfied with the services/benefits available in the Savings and Investment Portfolio.

H0: There is no correlation among the Annual Income, Annual Savings and Annual Investment made by the respondents

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Table – 4: correlation among the Motivational factor of online shopping of the consumers during Covid-19

| | | Annual Income | Annual Savings | Annual Investment |
|--------------------------|---------------------|---------------|----------------|-------------------|
| Annual Income | Pearson correlation | 1 | .654(**) | .645(**) |
| | Sig. (2-tailed) | . | .000 | .000 |
| | N | 175 | 175 | 175 |
| Annual Savings | Pearson correlation | .654(**) | 1 | .658(**) |
| | Sig. (2-tailed) | .000 | . | .000 |
| | N | 175 | 175 | 175 |
| Annual Investment | Pearson correlation | .645(**) | .658(**) | 1 |
| | Sig. (2-tailed) | .000 | .000 | . |
| | N | 175 | 175 | 175 |

Note: ** Correlation is significant at the 0.01 level (2-tailed).

Hypotheses is rejected in the case of

1. Annual income of the respondents is correlated with annual savings and annual investment made by the workings women in Chennai.

2. Annual savings of the respondents is correlated with annual income and annual investment made by the workings women in Chennai.
3. Annual investment of the respondents is



correlated with annual income and annual savings made by the working women in Chennai.

Major findings

- Majority 51% of the respondents belongs to the age group between 46-55 years and least 14% of the respondents belongs to the age group is above 55 years.
- Majority 74% of the respondents are married and least 9% of the respondents are single parent.
- Majority 89% of the respondents is belongs to nuclear family and least 11% of the respondents are belongs to joint family.
- Maximum 50% of the respondents are degree holders and least 11% of the respondents are ITI/Diploma holders.
- Maximum 43% of the respondents are Private employees and minimum 6% of the respondents are others like daily workers and contract workers, etc.
- Maximum 41% of the respondent's annual income are up to Rs. 2,00,000 and least 7% of the respondent's annual income are above Rs. 8,00,000.
- Maximum 39% of the respondent's savings capacity is upto Rs. 50,000 par annum and only 7% of the respondents respondent's savings capacity is above Rs. 2,00,000 par annum.
- Maximum 43% of the respondent's investment ability is upto Rs. 25,000 par annum and only 5% of the respondents respondent's investment ability is above Rs. 1,00,000 par annum.
- Maximum 34% of the respondents are preferred post office savings schemes and only 6% of the respondents are preferred investment other options like cite funds, insurance, etc.,
- Out of 175, Majority 121 respondents are highly satisfied with no hidden costs followed by Keeps customer satisfaction (113), Communication on new schemes (101) and Prompt payment of maturity (97). Maximum 74

respondents are satisfied with Transparency in operation followed by Prompt payment of maturity (64) and prompt returns (60). Around 30 respondents are moderately satisfied with Transparency in operation, Prompt returns and Communication on new schemes. Few respondents are dissatisfied with Assists in Investment decision (15), Transparency in operation (3) and Keeps customer satisfaction (2). None of the respondents are highly dissatisfied with the services/benefits available in the Savings and Investment Portfolio.

- There is a correlation among Annual Income, Annual savings and Annual Investment made by the women's working in Chennai.

Suggestions

- Promoting and appropriately educating individuals about investing in shares and other assets is vital.
- It is important to take the right steps to educate working women about the various profitable and very secure government schemes.
- It is recommended that the government and other entities develop investment strategies specifically targeted towards women, encouraging them to explore high-yield possibilities alongside conventional ones.
- Women are not aware of the many opportunities for savings and investments available to them. It is necessary to educate them on the advantages and potential of alternative paths.
- It is important to encourage working women to invest in high-risk areas where bigger returns may be possible.
- Most women like investing that is self-managed. Managing investments through stock exchanges, banks, and other organisations that offer a variety of services and can advise us on where

and how to invest would be a wise decision.

Conclusion

Making wise financial decisions requires both information and talent, as the success of every decision has grown in importance in recent years. Working women investors have distinct demands when it comes to savings, security, interest, and capital growth, thus they have varied expectations from their investments. It's equally crucial to use money to an individual's advantage. Working women must take charge of their finances by saving money because of the many uncertainties in life and in relationships. It's critical to comprehend the various investor kinds because this research focuses on working women investors and examines their saving and investing habits. Women investors are becoming more and more risk-takers, and they have their own investing methods. Additionally, the majority of working women were found to be extremely satisfied with their savings and investment portfolio. They receive the necessary boost in the investing procedure from these. Consequently, in order to draw in more female investors and maintain their confidence, investment managers must concentrate on these aspects. When selecting an investment, investors cite financial security as their top consideration. Thus, greater investment protection should be offered by the Government.

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