
A STUDY ON INVESTMENT LITERACY TOWARDS INVESTMENT DECISION MAKING BEHAVIOR OF WORKING WOMEN**DR.V. RAMANUJAM,****ASST. PROFESSOR, BSMED, BHARATHIAR UNIVERSITY, COIMBATORE.****L.LEELA, Ph.D.,****RESEARCH SCHOLAR, BSMED, BHARATHIARUNIVERSITY, COIMBATORE.****ABSTRACT**

The investment behavior is changeable to men and women. In today's trend, the participation of women in investment is growing stage. It is because of increased earning capacity of women and increased literacy rate of women. Even women have earning power; they are not participating in investment activities like men. The reason might be the awareness about investment and might be their family background. This present study is analysis about investment literacy of working women towards demographic factors. The study focuses the working women in respect of teaching faculties who comes under the category of professional degree with objective of impact of demographic factor on investment decision making behavior with respect to investment literacy.

Key Words: Investment Behavior, Women Investor, Investment Literacy.

INTRODUCTION

The study defined the Investment behavior how they take decision related to investment behavior like judge, predict, analyze and review the procedures for decision making, which includes investment psychology, information gathering, defining and understanding, research and analysis. (Slovic, 1972). Even though the fundamental investment rules and principles remain the same, investment climate and investor behavior change from time to time and place to place. Individual investor behavior is factored by their income, education, reading habits, cognition levels, etc. Women are no more behind men in earning and constructing their own investment portfolios. And generally seen that a woman expects more return than men for that the comparison on the gender with the expected rate of return. By virtue of increased employment rate and entrepreneurship activities, women are becoming financially independent. At the same time, a need for investment is also increasing for working women due to live longer than men – in a difficult situation. Again, this situation can leave women in need of sophisticated financial planning for income purposes at a crucial yet unfortunate time in their (and their families') lives. Second, the recent recession has, for better or worse, transformed the economic roles women play in their families. Men have for the most part suffered more job losses than women, which has caused women to have a more active role in many aspects of daily family life, including investment decisions. Finally, women are increasingly entrepreneurial in nature, seizing opportunities to start new businesses. This trend leads to difficult time management issues, particularly with familial commitments. Women need to make sure they are properly invested in order to make sure that they don't just invest the appropriate amount of time in their family, but they also invest the appropriate amount of money as well. According to a study conducted by NSSO 66th national wide survey the employment rate of women and men is gradually increased. Due to the reasons mentioned above, women started investing to secure their future and are becoming one of the largest groups of investors. It is clearly visible that the wealth controlled by women is increasing in all regions of India. As women are controlling sizable amount of wealth, few researchers have carried on research to know the investment behavior of women. Financial literacy is the term can encompass concepts ranging from financial awareness and knowledge, including of financial products, institutions, and concepts; financial skills, such as the ability

to calculate compound interest payments. Hence, it is important to know about investment behavior of women and their involvement. Some of the observations from existing literature on the investment by women mentioned below.

REVIEW OF LITERATURE

Sobhesh Kumar Agarwalla Samir K. Barua Joshy Jacob Jayanth R. Varma, 2013 investigate the influence of various demographic factors on different dimensions of financial literacy among the working young in urban India. The study found that the level of financial literacy among the working young in urban India is similar to the levels that prevail among comparable groups in other countries. They found that family income, decision making by self and joint family are the factor significant influence the financial knowledge. And also found that there was a positive relationship between financial knowledge and financial behavior and negative relationship between financial attitude and financial behavior. **Puneet Bhushan , Yajulu Medury, 2013**, studied the determinants of financial literacy level of salaried individuals based on various demographic and socio-economic factors. They found that the overall financial literacy level of respondents is not very high. And also found financial literacy level affected by gender, education, income, nature of employment and place of work whereas it does not get affected by age and geographic region. They suggest that findings of the study to policy makers and regulators to work out appropriate strategies in order to increase the level of financial literacy amongst the population. **John L. Murphy, 2013**, analyzes the psychological and social variables associated with financial literacy with respondents of individuals who were older than age 50 and their spouses with the help of ordinary least squares linear regression analysis with the objectives of finding the relationship between financial literacy and several economic and psychosocial variables. After controlling for earnings, level of education, and other socioeconomic variables in this exploratory study, they found that financial satisfaction and religiosity are correlated with financial literacy. **Hussein A. Hassan Al-Tamimi, Al Anood Bin Kalli, (2009)** assessed the financial literacy of the UAE individual investors who invest in the local financial markets. In addition, they examined the relationship between financial literacy and the influence of the factors that affect the investment decision. The results indicate that the financial literacy of investors is far from the needed level. The financial literacy level is found to be affected by income level, education level, and workplace activity. And high-income respondents hold high educational degrees, and those work in the field of finance/banking. They found that according to the gender, there was a significance difference in the level of financial literacy. Specifically, women have a lower level of financial literacy than men. And also found that there is a significant relationship between financial literacy and investment decisions. **Campbell, 2006** reports that individuals with lower incomes and lower education levels characteristics that are strongly related to financial literacy are less likely to refinance their mortgages during a period of falling interest rates. Most of the studies concentrate as the target group of respondents like students, retired person, salaried people and also on gender basis. Hence, this study focus the target group of respondents of working women professionals in teaching line.

NEED FOR THE STUDY

The trend of increasing investment is the indication of developing of nation. For increasing investment, there should be awareness level of investment activities among the investors. The awareness level is depending on the literacy level and their family background. In today's scenario, the literacy rate and earning power of women is high compared to past. Even, women have education, their participation in investment activities are not similar to men. Hence, there is need to study about women investors' literacy and demographic factors towards investment decision making behavior. It will be greater importance to formulation of policies and promotion to regulate in the investment market.

RESEARCH QUESTIONS:

What are the demographic factors influence the working women professionals' investment literacy behaviour?

What are the demographic factors influence the working women professionals' decision making behavior?

Whether investment literacy has influence the investment decision making behavior of working women professionals'?

OBJECTIVES:

1. To find the demographic factors have positively impact on investment decision making behavior and investment literacy of working women.
2. Investment literacy has positively impact on investment decision making behavior of working women.

RESEARCH METHODOLOGY

The study is based on secondary and primary sources of data. Secondary data comprises of various references which are already existed in the published form such as research papers, articles in referred and websites. Survey method was adopted. Primary data were collected by conducting personal interviews and filled up the questionnaires among 55 respondents randomly selected from the population of Coimbatore city. The questionnaire covers the demographic factors with the research questions. Statistical software SPSS is used to test the hypothesis at 5% level of significance by applying multiple regression analysis as a statistical technique.

HYPOTHESIS:

H₀1: Demographic factors have positive influence on the investment literacy of working women.

H₀2: Demographic factors have positive influence on the investment decision making behavior of working women.

H₀3: Investment literacy has positive influence on investment decision making behavior of working women.

TABLE 1 SHOWING SUMMARY OF SAMPLE CHARACTERISTICS

S. No	Demographics	Category	Respondents (55 Nos.)	Percent (100%)
1	Age	35-44	19	34.5
		45-54	36	65.5
	Total		55	100.00
2	Marital Status	Married	55	100.00
3.	Type of family	Nuclear	27	49.1
		Joint	28	50.9
	Total		55	100.00
4.	Status of Family	Head of the family	5	9.1
		Member of the family	50	90.9
	Total		55	100.00
5.	Education Qualification	Professionals	55	100.00
6.	Annual Income	5-10 Lakhs	3	5.5
		10-15 Lakhs	52	94.5
	Total		55	100.00
7.	Annual Household income	Below 8 Lakhs	16	29.1
		8-16 Lakhs	32	58.2
		16-24 Lakhs	7	12.7
	Total		55	100.00

Table 4.1 represents the percentage analysis on demographic details. This was to identify the sample characteristics. In respect of age factor, there 19 (34.5%) respondents from the category of 35-44 and 36 (65.5%) respondents from the category of 45-55 age group. Regarding marital status, all respondents are belonged to married. 27 (49.1%) of respondents belonged to nuclear family and 28 (50.9) respondents from joint family. In respect of status of family, 5(9.1%) respondents were belonged to head of the family and 50 (90.9 %) respondents were belonged to member of the family. Regarding educational qualification, all respondents were professional category. 3 (5.5%) respondents only belonged to 5-10 Lakhs of annual income category and 52 (94.5%) respondents were from 10-15 lakhs of annual income category. In terms of annual household income, 16 (29.1%) respondents were belonged to below 8 lakhs category, 32 (58.2%) respondents were from 8-16 lakhs category and only 7 (12.7%) respondents were from 16-24 lakhs category.

TABLE 2 SHOWING IMPACT OF DEMOGRAPHIC FACTORS TOWARDS INVESTMENT LITERACY

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	77.239	14.270		5.413	.000
	age of the respondent	-3.558	1.520	-.322	-2.341	.023
	Type of Family	.806	1.445	.077	.558	.579
	Status of Family	-5.184	2.833	-.284	-1.830	.073
	Annual Income	-6.642	3.291	-.287	-2.018	.049
	Annual household income	.856	1.322	.102	.647	.521
	R² = 0.523	F = 3.008		P= 0.014		
a. Dependent Variable: Investment Literacy						

The Table 2 represents the influence of demographic factors towards investment literacy of investors. The finding of analysis demonstrates that among the five demographic factors, age and annual has negative influence on investment literacy. The other three factors which are type of family, status of family, annual household income and holding period of investment are not statistically significant. All the demographic factors as predictors of investment literacy explains together ($R^2 = 0.523$) 52.3 percent of the total variance in investment literacy. As the model reveals the remaining 47.7% of variability is not explained. An analysis of variance (ANOVA) indicates that $F = 3.008$, $p < 0.014$, the model is significant. The result illustrate that demographic factors do not have positive significant influence on investment literacy. Therefore, hypothesis, $H_{0.1}$ is not supported with the findings as demographic factors do not have positively significantly influence on investment literacy.

TABLE 3 SHOWING IMPACT OF DEMOGRAPHIC FACTORS TOWARDS INVESTMENT DECISION MAKING BEHAVIOUR

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	96.204	14.540		6.616	.000
age of the respondent	-3.922	1.980	-.245	-1.981	.053
Type of Family	6.177	1.841	.406	3.354	.002
Status of Family	-8.861	3.523	-.335	-2.515	.015
Annual Income	-5.449	4.009	-.163	-1.359	.180
Annual household income	-2.668	1.616	-.220	-1.650	.105
$R^2 = 0.614$		$F = 5.921$		$P = 0.000$	

a. Dependent Variable: Decision Making

Table 3 represents the influence of demographic factors towards investment decision making behavior of investors. According to the result, the finding of analysis demonstrates that **type family** has positive ($t = 3.354$, $p = .002$) impact on investment decision making behavior of investor. Whereas **Status of family** has negative ($t = -2.515$, $p = 0.015$) influence on investment decision making behavior of investors. The other three factors which are age, annual income and annual household income are not statistically significant. All the demographic factors as predictors of investment literacy explains together ($R_2 = 0.614$) 61.4 percent of the total variance in investment literacy. As the model reveals the remaining 38.6% of variability is not explained. An analysis of variance (ANOVA) indicates that $F = 5.921$, $p < 0.000$, the model is significant. The result illustrate that demographic factors have positive significant influence on investment literacy. Therefore, hypothesis, $H_{0.2}$ states that, demographic factors have a positive impact on investment decision making behavior. The result illustrate that type of family has positive impact and status of family has negative impact on investment decision making behavior. Hence, it is concluded that $H_{0.2}$ is not supported.

TABLE 4 SHOWING IMPACT OF INVESTMENT TOWARDS INVESTMENT DECISION MAKING BEHAVIOUR

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	16.842	5.169		3.258	.002
Investment Literacy	1.013	.142	.700	7.133	.000
R² = 0.701		F = 50.880		P = 0.000	

a. Dependent Variable: Decision Making

Table 4 represents the influence of investment literacy towards investment decision making behavior of investors. According to the result, the finding of analysis demonstrates that investment literacy has positive ($t = 7.133$, $p = .000$) impact on investment decision making behavior of investor. The factors as the predictors of investment decision making behavior explains together ($R^2 = 0.701$) 70.10 percent of the total variance in investment literacy. As the model reveals the remaining 29.90% of variability is not explained. An analysis of variance (ANOVA) indicates that $F = 50.880$, $p < 0.000$, the model is significant. The result illustrate that investment literacy has positive significant influence on investment decision making behaviour. Therefore, hypothesis, $H_{0.3}$ states that, investment literacy has a positive impact on investment decision making behavior. The result illustrate that $H_{0.3}$ is supported.

CONCLUSION

The present study made an intense to attempt to answer three research questions with test of hypothesis and achieve objectives. Among the five demographic factors, age and annual income has negative influence on investment literacy. Type of family has positively impact and status of family has negatively influence the investment decision making behavior. In respect of investment literacy towards investment decision making behavior, investment literacy has positively influence the decision making behavior of women investors. Hence, it is concluded that in a more or less similar manner, their demographic factors like age, type of family, status of family and annual income emerged as determinants of investment literacy and decision making behavior. It should be noted that this research study was carried out in Coimbatore district and the women in teaching professionals only. Hence, this result cannot be generalized so as to make them applicable to all sector of working women in all states in India due to diverse demographic and literacy factors.

RECOMMENDATIONS

It has been recommended that age, type of family, status of family and annual income of the investors are the vital demographic factors entail to be considered for developing any investment instrument and framing policies.

SCOPE OF THE FUTURE STUDY

The research was conducted in Coimbatore city; it can be extended further to other parts of city. The respondents for the study are focused only on women investors in teaching professional only. There is a scope in other category of working women.

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