ISSN (Online): 2455-3662
EPRA International Journal of Multidisciplinary Research (IJMR) - Peer Reviewed Journal
Volume: 10| Issue: 8| August2024|| Journal DOI: 10.36713/epra2013 || SJIF Impact Factor 2024: 8.402 || ISI Value: 1.188

INVESTMENT SAVING PATTERN AND BEHAVIOUR OF IT SECTOR EMPLOYEES TOWARDS INVESTMENT AVENUES

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Article DOI: https://doi.org/10.36713/epra18104
DOI No: 10.36713/epra18104

ABSTRACT

In every country, savings play a vital role in the economy. Savings are used as a catalyst for growth across the nation when they are invested in services and products that the public can use. The IT sector is a significant contributor to India's economy, and the professionals working in this sector play a crucial role in driving technological innovation and economic growth. However, there is a gap in understanding the investment saving patterns and behaviours of IT sector professionals. Despite their relatively high earning potential, there is limited research on how IT professionals manage their finances, make investment decisions, and plan for long-term financial security. This study aims to address this gap by examining the investment saving patterns and behaviours of IT sector professionals. The study was limited to measure the financial awareness, preference, saving pattern and factors affecting decision making. For the purpose of the study 212 respondents of IT sector employees are randomly selected from Ernakulum district.

KEY WORDS: *Investment Avenue and IT Sector*

1.INTRODUCTION

The most vibrant sector of the Indian financial system in recent years has been the investment corporations. The massive expansion of the Indian capital market can be attributed to economic reforms within the country and economic opening up. This study examines how savings, investment awareness and pattern affect investors' attitudes regarding investments in particular. In addition, it emphasizes the advantages that investors receive from their savings. Age, education, income, expenses, savings, and investments are the factors in the study that are related to structural position. The employees' ages are classified using the age analysis to show the current demographic structure. Older workers are presumed to possess a sophisticated understanding of the many evolving facets of society. Employee values toward society and employment prospects are impacted by education. A person's occupation indicates their transition from primary to new and customary roles. The constantly shifting picture of income, expenses, and savings is reflected. Shifts in the employees' living standards and overall quality of life. In every country, savings play a vital role in the economy. Savings are used as a catalyst for growth across the nation when they are invested in services and products that the public can use. Investment opportunities are abundant in the Indian financial scene as well. It contains sensible possibilities for the average man to invest his savings, however it's undoubtedly not the greatest or deepest market in the world.

2.STATEMENT OF THE PROBLEM

This study is to identify the saving pattern and behaviour of IT sector employees The study on the investment saving pattern and behaviour of IT sector employees towards investment avenues holds significant potential for informing various stakeholders about the financial dynamics of this important workforce segment and for guiding strategies aimed at optimizing financial well-being for both individuals and the broader economy. The investment saving habits and behaviour of IT workers are very crucial for several reasons. The choices they make have a bearing on the personal economic stability but also determine the direction of economic growth and market motion. By studying this group's behaviour, policy makers obtain insights into effective techniques for boosting savings and investments, which ultimately enhance individual financial well-being as well as broader national development.

3.OBJECTIVES OF THE STUDY

- To study the investor awareness of IT Sector employees towards the investment avenues in the study domain.
- To measure the investment preference of IT sector employees towards the investment avenue
- To understand the relationship and saving pattern of IT sector employees
- To analyze the investment decision of IT sector employees

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4. HYPOTHESES OF THE STUDY

H1: There is significant effect between investment awareness and decision making
H2: There is significant effect between investment preference and decision making
H3: There is significant effect between saving pattern and decision making

5. RESEARCH METHODOLOGY

Data has been collected through both primary and secondary. However, the study is based mainly on primary data. Primary data is collected through structured questionnaire**.** Secondary data is collected through journals, books, and website. Population of the sample is employees working in IT sector in Ernakulum district**.** For the purpose of the study 212 respondents of IT sector employees are randomly selected from Ernakulum district. Convenience sampling was used to collect data.Data analysis has been done by appropriate mathematical and statistical tools like Mean, standard deviation, T test, ANOVA, correlation and regression analysis.

6. MAJOR FINDINGS OF THE STUDY

- There is a high mean score 3.94 for investment awareness state that respondents have diverse investment objective like long term goal, Income, capital appreciation
- The study helps to reveals that investors have high preference on previously invested instruments mean score is 3.86
- The study helps to reveal that IT sector employees generally perceive saving as crucial for ensuring a secure future for themselves and their families mean score 4.08
- The study reveals that when the market goes down it sector employee tends to sell the risker investment and invest the money in safety instruments mean score is 3.91
- The study reveals that there is a significant relationship between investment awareness and decision making
- The study reveals that there is a significant relationship between investment preference and decision making
- The study reveals that there is a significant relationship between saving pattern and decision making
- The study reveals that there is significant difference based on age regarding investment awareness, preference, saving pattern and decision making
- The study reveals exists a positive relationship between investment awareness and decision making the data also showed that the relationship is significant

7.CONCLUSION

To sum up, this study offers a thorough grasp of the financial priorities and decision-making processes of IT sector employees by examining their investment saving habits and behaviour. This group exhibits a strong preference for safe and diverse investment options and is distinguished by comparatively higher income levels and digital savvy. The best options include mutual funds, term deposits, and provident funds, which show a balanced attitude to risk and return. The information shows that these employees' investing decisions are heavily influenced by age, income, and financial literacy, with younger employees adopting more aggressive investment strategies and older employees choosing more conservative options. The dependence on digital channels for investment management is a noteworthy discovery. These technologies' real-time information, ease of use, and accessibility fit in nicely with both business and lifestyle. Furthermore, financial advising services are important, particularly for people with higher incomes, suggesting that people are increasingly turning to professionals for advice on making better investment decisions. The study also emphasizes how financial awareness and education affect investing behaviour. Higher financial literacy among employees increases the likelihood that they will invest in a greater variety of financial goods and diversify their portfolios. This emphasizes the necessity of focused financial education initiatives to improve IT industry workers' understanding of and confidence in investing. Overall, the results point to proactive, knowledgeable investors in the IT sector that put convenience, development potential, and safety first when making decisions about their investments. These insights can be used by financial institutions and policymakers to provide customized financial services and solutions that address the unique requirements of this group. Stakeholders can create a more inclusive and effective investing environment by taking into account their preferences and improving financial literacy, which would ultimately benefit IT sector employees' stability and financial well-being.

8.SUGGESTIONS

- Read Articles and Books: Begin with Investment-Friendly Books. Seek reliable sources and writers who can make difficult ideas understandable.
- Keep Up with Financial News: To be informed about market movements and economic indicators, keep up with credible financial blogs, publications, and websites.
- Establish Your Money Objectives:
  Short-Term Goals: Decide what you want to accomplish in the next few years, such accumulating money for a trip or purchasing a vehicle.
  Long-Term Objectives: Make plans for significant life events like as purchasing a home, retiring, or paying for a child's school.
- Recognize Various investment Types:
  Stocks: Due to market volatility, stocks have a greater risk profile despite their potential for large profits.
  Bonds: Usually less risky than stocks, they pay interest on a regular basis and provide income.
  Mutual funds and exchange-traded funds (ETFs): Offer diversification through holding a range of stocks, bonds, and other assets.
  Real estate: Has the potential to increase in value and provide rental income, but it also needs constant maintenance and may provide liquidity issues.
  Commodities, cryptocurrencies, and private equity are

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examples of alternative investments that provide varying risk-return profiles.

- Consider Investment Time Horizon:
  Short-Term: To save money, investments needed within a few years may choose less volatile assets.
  Long-Term: Given that market swings can eventually level out, it is possible to afford to take on greater risk in exchange for possibly larger profits.
- Utilize Different Savings Accounts: Keep separate savings accounts for things like vacation, schooling, or a down payment on a house. Transfer money automatically to each account according to your schedules and savings objectives.
- Reduce Costs: Examine your spending on a regular basis to find areas where you may save money, such reducing the number of pointless subscriptions you have or eating out less often. To free up additional cash for savings, think about haggling over prices or transferring to less expensive options.
- Education on risk management: Educate people on risk management by holding seminars or webinars on how to handle high-risk investments and how to reduce possible losses.
- Holistic financial education: Establish a curriculum for holistic financial education that addresses a variety of subjects, such as risk management, diversification, and financial goal-setting, and autonomous decision-making.
- Frequent Assessment of Financial Health-Ups: Encourage staff members to consult financial consultants on a regular basis to assess and modify their investment portfolios.
- Provide rewards for learning: Provide rewards for taking part in financial literacy initiatives, such as prizes, honours, or extra financial advantages.
- Education and Training: Strengthen financial literacy initiatives to support investors in making well-informed choices grounded in their expertise.
- Feedback and Improvement: Constantly get input from staff members regarding their need for financial education, then modify the programs to better meet their needs.
- Create consistent Investment Products: Financial institutions can create and market investment products that provide low volatility and consistent returns, like bonds, fixed deposits, and conservative mutual funds, in light of the preference for stable investments.
- Investor Counselling Services: Make counselling services available to investors so they can control their emotions and come to logical conclusions, particularly in times of market decline. By doing this, the propensity to abruptly switch from riskier to safer investments may be lessened.
- Behavioural Finance Education: To assist investors in understanding frequent biases and emotional reactions that may affect their investment decisions, include behavioural finance concepts into educational programs.
- Clear Information about Risks and Returns: Make sure that all investment products include information about possible risks and anticipated returns that is easy to understand. This can assist investors in setting reasonable expectations and making well-informed decisions.
- Encourage Long-Term Investment plans: Inform investors about the possible risks associated with trading often based on erratic market swings as well as the advantages of long-term investment plans.

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