Investment Awareness and Behavioral Perception towards Selection of Investment Avenues among Teaching Professionals in Andhra Pradesh State

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ABSTRACT: Teachers can save well and invest wisely to have a fantastic retirement plan, even though they work in a noble profession with modest pay. This blog will cover risk management strategies, investment plans, and the moral and social obligations associated with investing. If you are a teacher intending to begin your investment adventure, have recently begun your teaching career, or an experienced teacher wanting to begin an investment, this guide will assist you in investing your hard-earned money effectively to get decent returns.

Understanding how teaching professionals save, invest, and make decisions is the aim of this research. A selection of investment avenues by teaching professionals, factors influencing their preferences for investments, the characteristics of investment planning, and their desire to have their savings invested in the safest and most liquid way are just a few of the numerous aspects of savings and investment behavior and selection. Nevertheless, a person's choice differs based on how much danger they can bear. Their investment objectives also vary; they may be anything from financial security to extra revenue. The goal of this study is to pinpoint the causes of the rise in investing activity among young professionals. This study looks at the behavioral factors influencing investment among teaching professionals and used a structured survey to evaluate the investing behavior of teaching profession investors.

Keywords: Behavioral patterns, teaching professionals, savings, and strategic investment

I. INTRODUCTION:

A financial asset bought with the goal of earning income or credit is called an investment. Purchasing goods that are not needed now but will be put to use to increase value later on is referred to as an investment in the language of economics. An investment in the financial world is a financial asset bought with the hope of increasing income or profitably selling it at a better price.

An investment is a financial action done with the intention of making a profit. It is the resolve to set aside money for now in order to benefit from it later. As such, it is a compensation for holding out for cash. Saving is therefore the first step towards investing.

The primary elements that impact investment decisions are convenience, tax benefits, safety, return, capital growth, and risk. There are various possibilities for investing, and each one has a different trade-off between profit and risk. A few examples include bank accounts, stocks, mutual funds, gold, insurance, and tangible assets. If investors look closely at the options and understand the fundamental concepts, they can build a portfolio that maximizes returns while reducing risk exposure. An investment

is the net addition to a country's physical capital stock; it is the relinquishment of cash or other resources in anticipation of gains in the future. In the present financial environment, there are numerous investing possibilities available.

II.   REVIEW OF LITERATURE:

According to the literature, several scholars have conducted extensive research on investors' investing awareness and behavioral perception. It was stated that there are numerous psychosocial elements that influence people, such as education, information, awareness, and responsibility.

Jadhav, S.D., Chogule, A., and Kasar, R. (2023).[1]. Assessing the ways in which different factors influence risk preferences and investment decisions is the primary goal of this study.

Khizerulla, M., Jaggaiah, T., Kethan, M., and Shaik, M.B. (2022).[2]. Gaining further insight into the investment and saving behaviors of IT professionals is the aim of this study.

Vijayakumar L., et al. (2021).[3] In this study, the researcher investigates the factors that influence and drive investing, the investment channels available to various groups of people, and the consequences of pandemics on investor decisions.

Fatima Akhtar (20204)[4] The purpose of this research is to examine the mediation effect of psychological biases, specifically financial risk tolerance (FRT) and financial overconfidence, on the relationship between an investor's personality traits and the perceived performance of their investments in the context of a developing financial market such as Indian Capital Markets.

Kripa.M. Das and Rajesh T (2020)[5] did a study on the pattern of savings among female investors and concluded that, while several schemes are available for investment, the majority prefer to participate in traditional avenues. Investors choose investment alternatives based on their knowledge of various investment channels, risk tolerance, and investment objective.

Samuel Anbu Selvan and Ramraj, (2021)[6] The material reviewed above demonstrates the major influence on investors' views of diverse investment opportunities. His study attempts to identify flaws with investors' perceptions of various investment opportunities in Tamil Nadu.

Bansal, N., et al. (2019)[7] This study investigates the motivations for savings, awareness level, investing pattern, and conduct of investors in Delhi.

Usha Lakshmi and Dr. K. Selvavinayagam (2019)[8] look at the investment practices of college instructors at both public and private universities. Researchers found that while making investments, compensated college instructors at both public and private universities put safety first.

K.S., M. Usman, and M. Aftab (2019)[9]. This study examines the impact of risk perception, socioeconomic surroundings, return perception, venality degree, revolution in investment plan, and knowledge of investor behavior on mutual funds.

Gupta & Associates (2018)[10] The link between FL and financial instruments and activities is the main topic of this study.

Dr. N. S. Pandey and P. Kathavarayan (2017)[11] studied college employees' investment and saving practices in the Puducherry area. This study examines investor preferences for debentures, bank deposits, mutual funds, stocks, and life insurance, among other products.

Chaurasia, P. (2017)[12] This study looks into how demographic characteristics and investing goals influence the investment strategies that individual investors pick. A structured questionnaire was employed in this survey approach.

Goel, Ankit, and Khatik, Rajendra (2017)[13] investigated investors' awareness of mutual fund investing in India. They observed that while the majority of respondents were aware of mutual funds, they had not invested in them due to a lack of comprehensive knowledge about them.

Anju K J and Dr. Anuradha P S (2017)[14] conducted studies to learn more about the investing and saving practices of Bengaluru's teaching professionals.

Sameer S. Manek (2017)[15] performed study on the investment behavior of Rajkot City professionals. According to the researcher, investors were supposed to make a high return while remaining risk-averse.

Mishra and Mishra (2016)[16], in their article titled In "Financial Risk Tolerance among Indian Investors: A Multiple Discriminate Modeling of Determinants," risk tolerance among staff members at a respectable university in Bhubaneshwar, Odisha, India, was examined using the individual value of materialism. However, this study ignores the investors' occupation and education level, which influence their investing decisions and risk tolerance levels. These two are the most significant factors.

Kumar and Niladri (2015)[17], in their study on Behavioral Prospects of Individual Decision Making, highlight common decisional errors make by investors and portfolio managers. They found that psychological patterns including representativeness availability, information cascades, emotional contagion, imitation, and anchoring heuristics all affect the way people invest.

Debbich (2015)[18] investigates whether financial advice from financial product providers may take the place of customer financial literacy.

Sathiyamoorthy M.C. and colleagues (2015)[19], the majority of participants in the study are putting money aside for bank deposits as a safeguard against an uncertain future.

DincAydemir and Aren, (2014)[20] To sum up, a significant amount of research has looked at how people's financial literacy affects their ability to make financial decisions.

Virani, Dr. Varsha (2014)[21] The study investigates the savings and investment habits of school teachers in Rajkot.

Van Rooij and associates (2012)[22] The aim of this research was to ascertain the correlation between the patterns of saves and investments among educators.

Shahrabani (2012)[23] The researcher in this study identifies no desire to control financial unhappiness with personal budget.

III.   RESEARCH METHODOLAGY:

3.1 Need of the study.

People from every phase of life are drawn to investing in all kinds of assets, regardless of their profession, financial situation, level of education, or family history. This trend is growing in popularity. A person behaves like a prospective capitalist when he possesses more money than he requires for immediate consumption. Businesses that have made substantial financial gains may desire to spend their profits in expanding their existing business or starting a new one.

3.2   Statement of the problem.

An investment is the net increase to a nation's physical stock of capital, or it may be described as the sacrifice of current cash or other resources in return for future benefits. There are several ways to get financing given the state of the monetary market. Risk and time are the two most crucial aspects of every venture. However, their investing behavior may be influenced by psychological biases, ingrained thought patterns, emotional tendencies, and other circumstances throughout the time of investment.

3.3   Objectives.

1. To exploring the investing preference of teaching professionals.
2. To investigate the factors impacting Teaching Professionals.
3. To investigate the objectives of evaluating the degree of contentment that educators have with the financial services given by investment firms.
4. To offer suggestions for enhancing teaching professionals' investment behavior.

3.4   Scope for the study.

he current study focuses on the investment behavior of all teaching professionals who live in the Guntur and Krishna districts. The study focused on understanding individuals' preferences for investment avenues, the variables influencing their investment decision, and their level of investment awareness.

3.5 Conceptual framework.

Behavioral factors
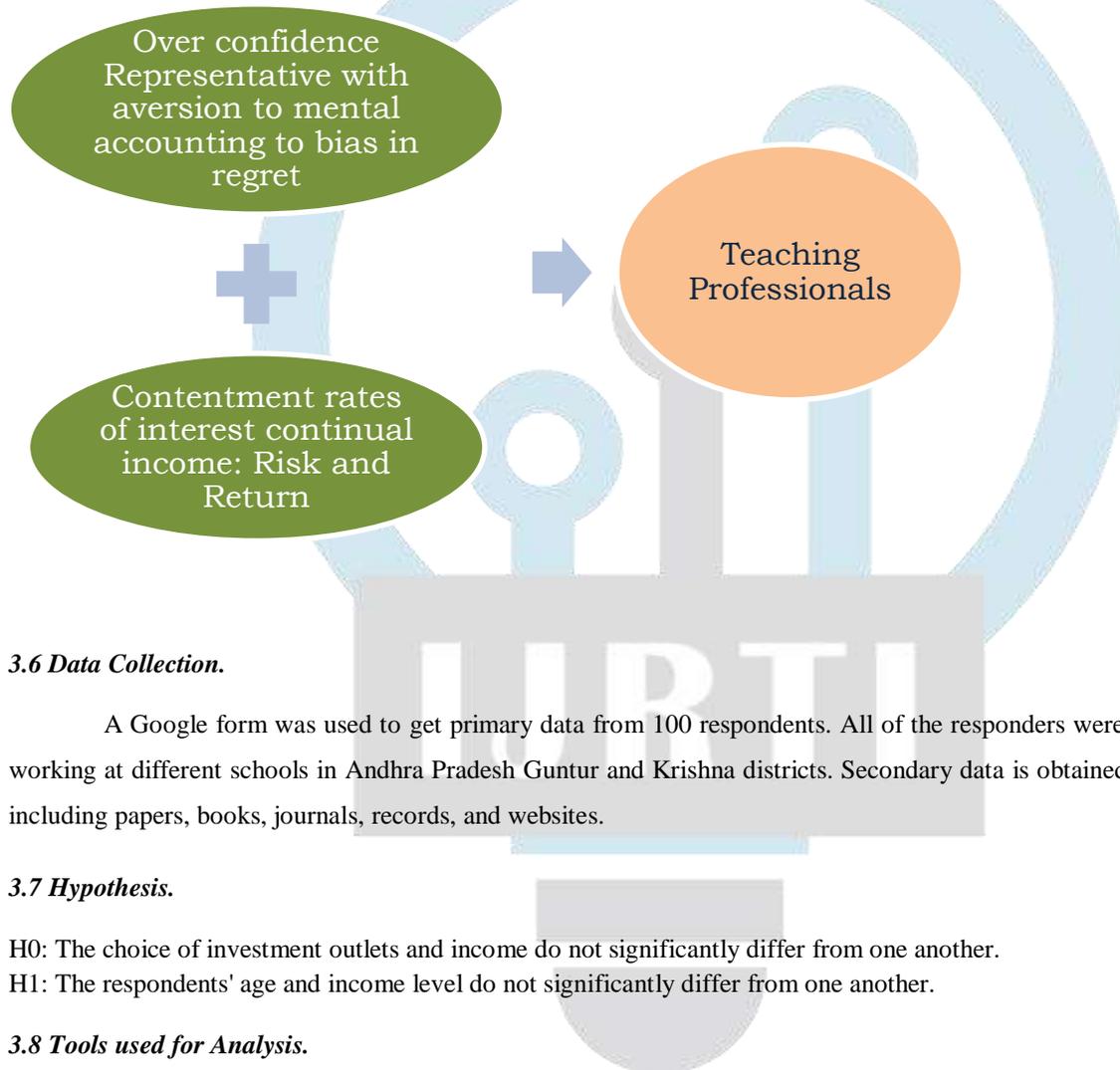
3.6 Data Collection.

A Google form was used to get primary data from 100 respondents. All of the responders were educators with experience working at different schools in Andhra Pradesh Guntur and Krishna districts. Secondary data is obtained from a variety of sources, including papers, books, journals, records, and websites.

3.7 Hypothesis.

H0: The choice of investment outlets and income do not significantly differ from one another.
H1: The respondents' age and income level do not significantly differ from one another.

3.8 Tools used for Analysis.

To get the required results, survey data were gathered in MS Excel and then imported into SPSS 20.0. ANOVA, T-test, Chi-square test, and Correlation Analysis were among the additional tools employed.

IV. DATA ANALYSIS AND INTERPRETATION:

Table 1: Different Investment Preferences of Teachers

Investment options:	Duration of investment (Minimum)	Who invests?	Risk	Returns offers
Equity	N A	An investor who understands how to balance risk and rerurn.	High	N A
M F	ELSS schemes typically have a three-year lock-in term.	An investor willing to take on medium to high risk.	Low/High	Market Linked
National Pension Scheme(NPS)	60-years	An investor making retirement plans.	Low/High	Market linked (8 to 10%)
Public Provident Fund (PPF)	15-yeats	Long term investment goals	Zero	7.9%
Fixed deposits (FDs)	7-days	Someone who does not want to face risks or be exposed to equity.	Zero	Fixed returns vary among banks.
Senior citizen saving scheme (SCSS)	5-years	Senior citizens	Zero	8.7%
Pradan mantra vaya vindana yojana(PMVYA)	10-years	Senior citizens	Zero	7.4%
Post office RD	5-years	Indian citizens	Zero / low risk	7.7%

Table 2: Results of the t-test for demographic variables in connection to variables influencing the investment of teaching professionals

Factors impacting investment options for teaching professionals	Gender	N	Mean	Sd.	T value	P value
Rate of Interest	Male	50	2.61	.495	3.117	.002
	Female	50	2.46	.500		
Return & Risk	Male	50	2.67	.477	1.205	.229
	Female	50	2.62	.488		
Regular Income	Male	50	2.86	.352	6.048	.000
	Female	50	2.63	.509		
Safety & security	Male	50	2.3	.502	1.615	.107
	Female	50	2.38	.545		
Tax benefits	Male	50	2.38	.499	2.707	.007
	Female	50	2.48	.525		

(Source: SPSS 20.0 was used to compute primary data)

Analysis: The study's findings indicate that among teaching professionals, there was a substantial variation in the factors impacting their investment preferences based on gender. The hypothesis's t-test results are shown in Table 2. From the perspective of managerial decision-making, it was discovered that lower interest rates, tax advantages, and safety and security were the main factors influencing male respondents' investment decisions when it came to accepting the alternative hypothesis and rejecting the null hypothesis. In a similar vein, women favored less costly alternatives over oil-based ones in order to meet their needs.

Table 3: ANOVA Results to Identify the Factors Affecting Teaching Professionals' Investment Behavior:

Factors impacting investment options for teaching professionals	Age (in years)	N	Mean	Sd	F value	P value
Rate of Interest	25-35	25	2.00	.000	2.543	0.080
	36-45	15	2.50	.707		
	46-60	10	2.56	.500		
Return & Risk	25-35	40	2.00	.000	4.288	0.014
	36-45	25	3.00	.000		
	46-60	55	2.66	.479		
Regular Income	25-35	55	2.50	.500	13.037	.000
	36-45	40	2.80	.707		
	46-60	36	2.79	.414		
Safety & security	25-35	23	1.75	.957	4.225	.015
	36-45	33	3.00	.000		
	46-60	22	2.33	.511		
Tax benefits	25-35	44	2.00	.816	2.023	.133
	36-45	31	2.00	1.414		
	46-60	29	2.42	.502		

(Source: SPSS 20.0 was used to compute primary data)

Analysis: Table-3 shows the findings of an ANOVA that looked at age differences and variables impacting investment preferences for educators. It was discovered that those who answered who were older than 35 years old gave various considerations more weight when making decisions. The null hypothesis is thus disproved.

Table 4: Results of the Multiple Liner Regression analysis are summarized

Model	R	R Square	Adjusted R Square	Std. Error of the estimate.
1	.317 a	0.1	0.095	0.978

	Model	Sum of Squares	df	Mean Squared	F	Sign.
1	Rogation model	52.752	3	17.584	18.369	.000b
	Residual value	473.857	490	0.957		
	Total	526.609	491			

(Source: SPSS 20.0 was used to compute primary data)

a. The investment behavior of teaching professionals is a dependent variable.
b. Predictors: Age, Gender, Income, and Constant

Table 5: The relationship between the respondents' investment choice (a dependent variable) and other independent factors

Model		Un standardized coefficients		Standardized coefficients	t	Sig.	Co linearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	9.643	.746		12.928	.000		
	Age	1.310	.234	.241	5.608	.000	0.986	1.015
	Gender	-.244	.093	-.112	-2.618	.009	0.994	1.006
	Income	-202	.060	-.144	-3.353	001	0.988	1.013

*(**Source:** SPSS 20.0 was used to compute primary data)*

Analysis: Table 5 shows the correlation between the respondents' investment choices (the dependent variable) and a range of independent factors, including gender, age, and income. After doing multiple linear regression analysis, it was shown that the model as a whole is significant. It is often known that among teaching professionals, age, gender, and salary all have a significant influence on their investment preferences.

V.   FINDINGS

1. Most teaching staff members are aware of a variety of financial choices, such as bank deposits and security measures implemented by the government.

2. Risk perception is high for stock and mutual funds, but low for bank savings and government securities.

3. Equity and mutual funds are expected to yield higher returns than insurance. They merely bought insurance to protect their lives.

4. According to several respondents, savings are mostly for family security.

5. Savings and investments cover unforeseen medical expenses.

VI.   CONCLUSION

The majority of respondents have just modest savings, according to the investing behavior of teaching professionals. Additionally, they are given precedence over insurance policies and bank accounts. Making money is the main objective of investing, with the long-term objective being to meet their family's needs. One of the main factors affecting investment decisions is the state of the economy. The majority of participants selected medium-term investments that have a moderate level of risk and reward. While most respondents anticipate higher returns, they are generally happy with their present results. The respondents' relatives and friends provided them with information on the investment. Thus, encourage professionals to make larger investments as this would promote economic growth.

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