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Investor's Behaviour and the Financial Planning among the IT Women Professionals

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Abstract:

Women's roles in family, business, and society are gradually being recognised in financial planning in India. Women's participation in economic activities is increasing, as is their role in investment decisions. Her voice in investing decisions is growing more prominent as a result of her increased education, work, and financial contributions to the family. When it comes to investing, the role of a woman's husband becomes critical. The purpose of this study is to determine the association between investor behaviour and financial planning among IT Women Professionals in Hydrabad. To that objective, the independent variable is Investor Behaviour, and the dependent variable is as follows. Invest money, make investment decisions, plan for retirement, make temporary arrangements, make financial judgments, and cover unexpected expenses in information technology. Financial Planning is a dependent variable, and its sub variables include cash and money management, insurance preparation, investment planning, and tax preparation, among others. This study is descriptive in nature, and data will be collected using a questionnaire distributed to 409 employees of Hydrabad's IT Women Professionals. Multiple regression analysis will be employed to conduct the analysis in this study. We concluded from the outcomes of this study that there is a favourable association and a significant influence between investor behaviour and financial planning among IT women employees in Hyderabad.

Key Words:Investor's behaviour, financial planning,IT women professionals

1. Introduction:

Since the 1990s, India's economy has been integrated into the global economic system, creating enormous employment prospects at the top of the official sector. The Information Technology (IT) sector was one of these industries that grew the fastest. **Aggarwal, 2005** attempted to analyse women's positions in the newly emerging field of information technology. The study discovered that the Information Technology industry is driving the rise of IT-enabled services. It is a non-discriminatory industry that offers men and women equal chances. Women are engaged mostly in the information technology sector in locations like as Bangalore, Poona, Chennai, Delhi, Hyderabad, and Bombay. According to reports, women make up approximately 19 percent of the workforce in India's major IT-based industries: 19 percent in the software business, 40 percent in the telecom sector, 80 percent in the airline industry, 45 percent in ITES, and 50 percent in BPOs. The high rate of female employment in the ITES sector (45percent on average) is a welcome departure from the low rate of

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female employment in the IT industry (12.5percent). According to a Dataquest-IDC poll conducted in October 2002, the NIIT employed the most women at 29 percent, whereas RoltaIndia employed the fewest at 4%.

Investor Behavior - The common way in which investors make precise decision regarding investments and invest their money, as dictated by structural, cultural, and psychological anomalies, as described in the literature (**Shiller, 2000**)

Individual investors' investment behavior is markedly different from that of institutional investors. According to **Gerald Appel (2006)**, cited in **Sarkar and Sahu**, investor behavior (IB) is described as an investor's acquisition, use, assessment, and disposal of items, services, ideas, or experiences to suit their requirements and wishes (**2017**). Four types of biases influence individual investor behavior: heuristic biases, prospect biases, market biases, and herding biases.

Financial literacy and planning are not static concepts, but a dynamic, ongoing process. Financial planning is difficult by the fact that it takes into account a variety of variables, asset classes, and an ever-changing external environment. Financial planning requires time because it is a comprehensive process that takes into account both personal and financial goals. This area includes risk management (insurance), income tax management, planning for Retirement, estate planning, child education planning, and investment management.

2. Review of Literature:

RajarajenVanjeko Finance India illustrated how these characteristics can be used to gain a better knowledge of individual investors and their financial product demands in December 2010 with its study of Indian investors' investment characteristics. Additionally, it indicates the investor's long-term objectives. According to the report, individual investors are increasingly turning to stocks as an investment vehicle.

According to a **December 2013** study by **Ramprasath.S and Dr. B. Karthikeyan** on individual investors' attitudes toward various assets, the majority of investors place a high premium on the factor "safety." Individual investors have also invested in bank accounts, life investment policies, and bullion. Similarly, the majority of investors regularly assess the performance of their investment vehicles.

Consumer investment behaviour in mutual funds and other goods, (**January–June 2013) by Suresh Chandra Bihari and Apoorv Raj** According to their findings, commercial sources are attracting and supporting more customers in making judgments. On the other hand, personal sources provide value to their decision-making process. Magazines, newspapers, videos, advertising, exhibits,

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demonstrations, and exhibitions, as well as co-workers, all contribute significantly to the process of locating pertinent information.

(**Danes, Huddleston-Casas, & Boyce, 1999**) conducted a survey among 4,107 youths from various schools around the United States to learn more about "Financial Planning Curriculum for Teens: Impact Evaluation." They examined financial behaviours, knowledge, and self-efficacy prior to and during participation in the High School Financial Planning Curriculum using primary data acquired via questionnaires and surveys. The researchers identified and concluded that significant changes in financial knowledge, behaviour, and self-efficacy happened immediately and three months after students completed the curriculum. Around 50% of adolescents improved their comprehension, 33.33% improved their behaviour, and more than 40% increased their confidence in handling their money.

The study "The Changing Function of the Financial Planner from Financial Analytics to Coaching and Life Planning" (**Dubofsky&Sussman, 2009**) examined the demand for and benefit of non-financial coaching and counselling by financial planners. The survey elicited responses from 3380 financial planners. According to the study, financial planners guided their customers through critical life events that reveal human imperfections, such as cancer, divorce, family dysfunction, religion and spirituality, depression, and death. The data indicate that while the majority of respondents have had some training to assist customers experiencing non-financial challenges, 40% have gotten no training or skill development in this area.

Seth et al. investigated the level of financial planning among investors in Delhi and the National Capital Region (**2010**). The purpose of this study was to determine the relationship between financial planning and a variety of other variables such as age, income, and educational achievement. Investors in Delhi and the NCR, the survey states, have separate financial planning techniques for various financial products. Financial planning has an effect on investor behaviour and resulting in investor well-being, as demonstrated by the current research. There is a dearth of literature on how to structure the Financial Planning Training Module for various investor classes. There is an urgent need to build a behavioural model that can be used to better understand investor behaviour and to promote rational financial judgement-making through financial planning.

3. Research Methodology

3.1 Research Design:

The study employs a research design that is guided by the investigation's aims and the outcome's focus. The researcher conducts the investigation using a descriptive research design. A descriptive research study seeks to describe the traits and characteristics of an individual or a group. The research

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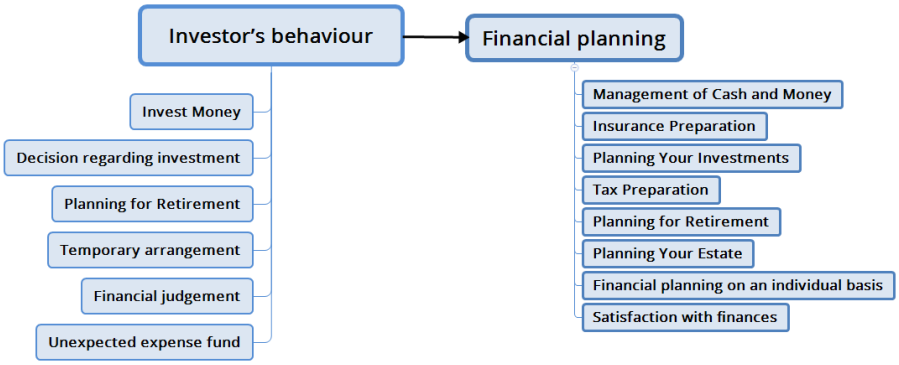
design explains the current state of affairs. The study examines the investor behaviour and financial planning of female IT professionals, with a focus on one IT company in Hyderabad. The study examines the current situation of investor behaviour and financial planning among female IT Professionals.**Figure 1:Framework of the research**



Objectives of the Study:

- To investigate the investor behavior and financial planning of Hyderabad-based IT women professionals.
- To ascertain the disparities in attitudes on investor behavior and financial planning among IT Women Professionals in Hyderabad.
- To ascertain the extent to which investor behavior affects financial planning**.**

Hypotheses of the Study:

- There is no statistically significant variation in attitudes toward financial planning among IT Women Professionals in Hyderabad based on demographic characteristics.
- There is no statistically significant variation in investor behavior between IT Women Professionals employees in Hyderabad based on their demographic profile.
- Investor behavior has little bearing on financial planning**.**

3.2 Data Collection:

The researcher collected primary data from IT women professional's employees using a well-structured questionnaire. The questionnaire is divided into three sections; the first section contains a demographic profile of the personnel. The second section discusses investor behaviour; the third section discusses financial planning.

3.3 Reliability Analysis:

Additionally, reliability analysis was used to determine the reliability of the factors listed above. To be regarded satisfactory, the dependability range of 0.83 to 0.87, which fulfils Cronbach's alpha, should be at least 0.70.

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Table 1: Reliability Analysis

S.No.	Variable	Item	Cronbach's Alpha
I	Investor's Behaviour	30	0.83
II	Financial planning	39	0.87

3.4Sampling Technique:

The study employed the sample process probability model. The questionnaire's receiver was chosen using a simple random sample. This data collection procedure is straightforward and affordable. Through introduction, the strategy utilised equal chance to find skilled IT women professionals. This inspection procedure was developed specifically for this research to assure the presence of female IT workers.

3.5Sample Size:

Totally 438 questionnaires were distributed. 425questionnaires were received. 13questionnaires were not received. Out of 425 received questionnaires 409 were eligible and the remaining 16 were with flaws. Hence, the sample strength was 409.

4. Data Analysis:

The path analysis technique is used to determine the independent variables that affect the dependent variable. Investor behaviour is treated as an independent variable in this approach. Financial planning is a variable that is dependent on other variables.

Regression Analysis

Table 2: Impact of dimensions of Investor's behaviour on Management of Cash and Money of Financial Planning

Independent Variable	Dependent Variable	R	R^2	Adj. R^2	F	p
Invest Money, Decision regarding investment, Planning for Retirement, Temporary arrangement, Financial judgement, Unexpected expense fund	Management of Cash and Money of Financial Planning	0.445	0.184	0.181	47.9	0.001

Source: primary data

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The preceding table illustrates the effect of investor behaviour characteristics on the Management of Cash and Money of financial planning among IT women professionals' employment. This table forecasts and summarises six significant determinants of investor behaviour, including Invest Money, decision regarding investments, planning for Retirement, Temporary arrangement, financial judgements, and unexpected expense fund. Investor's behaviour elements such as Invest Money, decision regarding investment, planning for Retirement, Temporary arrangement, Financial judgement, and Unexpected expense fund are all significant in six IT women professionals' employees.

The coefficient of determination R^2 is the square of the product moment interactions. R^2 increases in proportion to the value of R. R^2 adjusted to be smaller than R^2 will always be less than R^2. If the difference between adjusted and unadjusted R^2 is modest, the model is good. As a result, the following hypothesis was developed to corroborate this position.

HO: There is no effect of investor behaviour characteristics on Management of Cash and Money and financial planning among employees of IT women professionals.

Invest Money, Decision regarding investment, planning for Retirement, Temporary arrangement, financial choice, and unexpected expense fund all have an R value of 0.445 and an R^2 value of 0.184, implying an 18.4% prediction of Financial Planning's Cash-Money Management. Because the gap between the adjusted R^2 and the R^2 value is only 0.003, the sample size approaches the population size. At the 0.001 level of significance, the F-value of 47.9 is significant. As a result of this, the following regression equation was created.

Table 3: Co-efficient table

S.No.	Model	Un-standardized Coefficients		Standardized Coefficients	t	p
		B	Std. Error	Beta		
	Constant	2.095	0.1982		9.52	0.001
1	Invest Money	0.235	0.0462	0.276	4.78	0.001
2	Decision regarding investment	0.224	0.0515	0.206	3.35	0.001
3	Planning for Retirement	0.215	0.0422	0.272	4.76	0.001
4	Temporary arrangement	0.234	0.0525	0.202	3.39	0.001
5	Financial judgement	0.275	0.0442	0.279	4.73	0.001
6	Unexpected expense fund	0.264	0.0505	0.206	3.31	0.001

Source: primary data.

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Management of Cash and Money of Financial Planning = (2.095) + Invest Money (0.235) + Decision regarding investment (0.224) + Planning for Retirement (0.215) + Temporary arrangement (0.234) + Financial judgement (0.275) + Unexpected expense fund (0.264).

The 'beta' value of Invest Money of Investor's behaviour is 0.276, which corresponds to a 27.6percent influence of Invest Money of Investor's behaviour on Management of Cash and Money of Financial Planning. The t-value of 4.78indicates that the standardised regression coefficient is significant at a p-value of 0.001. As a result, the Invest Money of Investor's behaviour confirms the impact of Management of Cash and Money and Financial Planning on the employees of IT women professionals.

The 'beta' value of Investment choice of Investor's behaviour is 0.206, which corresponds to a 20.6 percent influence on Decision regarding investment of Investor's behaviour on Management of Cash and Money in Financial Planning. The t-value of 3.35 indicates that the standardised regression coefficient is significant at a p-value of 0.001. Thus, the decision regarding investment of the investor's behaviour indicates the impact of Management of Cash and Money and Financial Planning on the employees of IT women professionals.

The 'beta' value of Planning for Retirement of Investor's behaviour is 0.272, which has a 27.2percent impact on the Management of Cash and Money of Financial Planning. The t-value of 4.76 indicates that the standardised regression coefficient is significant at a p-value of 0.001. As a result, the Planning for Retirement of Investors' behaviour confirms the effect of Financial Planning on Management of Cash and Money among IT women professionals' employees.

The 'beta' value of Temporary arrangement of Investor's behaviour is 0.202, which reflects a 20.2percent impact on the Management of Cash and Money of Financial Planning. The t-value of 3.39 indicates that the standardised regression coefficient is significant at a p-value of 0.001. As a result, the Temporary arrangement of Investor behaviour confirms the impact of Financial Planning on Management of Cash and Money among IT women professionals' employees.

The 'beta' value of Investor's financial choice of 0.279, which represents a 27.9percent impact on Investor's financial judgement on Management of Cash and Money in Financial Planning, falls on the slope of the regression line. The t-value of 4.73 indicates that the standardised regression coefficient is significant at a p-value of 0.001. Thus, the financial judgement of the investor validates the impact on Management of Cash and Money and Financial Planning among the workforce of IT women professionals.

The 'beta' value of the unexpected expense fund of the Investor's behaviour is 0.206, which reflects a 20.6 percent impact on the Management of Cash and Money of Financial Planning. The t-value of 3.31indicates that the standardised regression coefficient is significant at a p-value of 0.001. Thus, the unexpected expense fund of investor behaviour indicates the impact of financial planning on Management of Cash and Money among IT women professionals' employees.

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4.1 Findings:

The investigation determined that Invest Money, investment choice, Planning for Retirement, Temporary arrangement, financialjudgment, and unexpected expense fund all have a favorable effect on Management of Cash and Money in financial planning. According to Raheja and Lamba (2014), no single factor was less commonly demonstrated by school leaders. Additionally, they noticed a high frequency of collaborative and compromise styles, followed by forcing and smoothing. According to Boon, Y. A. (2011), only Invest Money, decision regarding investment, planning for Retirement, Temporary arrangement, financialjudgment, and unexpected expense fund mediate the relationship between distributive and procedural fairness, as well as cash-money management. Additionally, the investigation determined that none of the investor's behavior factors had an effect on the Management of Cash and Money and Financial Planning of IT women professionals' personnel. S. V. Kalambet (2015); V. Kovalenko (2013); M. Ohanyan (2014); Amiri, Razavizade, and Gholam (2013); Jayaraj (2013); Murithi, Narayanan, and Arivazhagan (2012) established a link between investor behavior and financial planning.

The investigation revealed that Invest Moneyed, decision regarding investments, planning for Retirement, Temporary arrangement, financial judgments, and Unexpected expense fund all had a beneficial effect on Insurance Planning and Financial Planning. According to Raheja and Lamba (2014), no single factor was less commonly demonstrated by school leaders. Additionally, they noticed a high frequency of collaborative and compromise styles, followed by forcing and smoothing. According to Boon, Y. A. (2011), only Invest Money, Decision regarding investments, planning for Retirement, Temporary arrangements, financialjudgments, and unexpected expense funds mediate the relationship between distributive and procedural fairness, as well as Insurance Planning. Additionally, the investigation determined that none of the factors affecting investor behavior have an effect on insurance or financial planning among IT women professionals' employment. S. V. Kalambet (2015); V. Kovalenko (2013); M. Ohanyan (2014); Amiri, Razavizade, and Gholam (2013); Jayaraj (2013); Murithi, Narayanan, and Arivazhagan (2012) established a link between investor behavior and financial planning.

5. Suggestions:

- Investors should comprehend how each financial judgment can affect every aspect of their household's finances. As a result, people should appreciate how critical financial literacy is to their financial planning.

- The first stage in financial planning is to establish financial goals and objectives; however, correct goal numbers are critical. The next stage is to determine how much money should be

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invested to accomplish the aim. There are numerous online calculators that can assist in determining the precise values.

6. Conclusion:

The findings of this study represent a novel attempt to investigate an obvious yet overlooked association between investor behaviour and financial planning among IT Women Professionals in Hyderabad. As Amiri, S., and Razavizade, N. (2013) imply, a relationship between investor behaviour and financial planning has been identified. Financial literacy is viewed as a high priority among IT professionals, the well-educated, and individuals who utilise financial services. Proper financial planning necessitates diversification of investments across asset classes while taking risk tolerance, investment purpose, and time horizon into account. Money only works for money when a sound financial plan is developed using effective financial knowledge abilities and an openness to competent help. To seek professional counsel or advice from friends and family, it is noticed that the majority of IT professionals seek financial planning guidance from a professional financial advisor, but also seek advice from friends and family.

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