

A STUDY ON FACTORS AFFECTING INVESTMENT DECISIONS OF EDUCATED WOMEN IN SIDDHARTH NAGAR DISTRICT

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ABSTRACT

Indian educated women are now a day's becoming equally independent as compared to men in every aspect of life. If there is matter of education, politics, technology, science, media as well as finance, women are performing well and good in every field. In this piece of research, I have focused on women's active participation investment of their surplus money in different financial alternatives or avenues available in the market. Although there are different factors affecting the decisions of investment. This research work is under taken on 100 randomly selected educated women of Basti district. The results of research work reflect the different factors put significant impact on investment decisions of educated women. The study conducted with the help of personal interview with structured questionnaire. Further this study is helpful for the academicians, potential investors, investment advisors and women related studies.

Keywords: *Indian Working Women, Investment Behavior, Investment Avenues, Investment Awareness, Financial Literacy, Investment Options, Risks, Source of Information.*

INTRODUCTION

In today's modern world like men, women are participating in each field of society. Whether it is education, politics, science, research, finance, economics, medical etc. women are considered as backbone and essential component of society. They are the major driving force for economy towards a developed country. But still the Indian society is male dominated and women are considered incomplete without the existence of male person in her life or related decisions. Through this empirical research work I like to draw attention towards the investment influencing factors for the educated women that no matter how much they are educated but still they are guided and advised by other male persons in the family and still unable to take investment decisions independently.

REVIEW OF LITERATURE

Dr. Anju Singh et al. (2021) it is commonly believed that only cold, calculated logic can be relied upon when making financial judgments. The theories & research of behavioral finance contradict this conventional understanding of finance. According to the tenets of behavioral finance, investors' choices are influenced by irrational tendencies like heuristics & cognitive biases. In the modern-day period as the role of the woman in the home has evolved tremendously. Women are increasingly able to make their own investment decisions because of their growing economic independence. The purpose of this research is to analyze how gender prejudice influences women's financial decisions. The data has been obtained from 345 working women. The study examines the effects of mental accounting, loss aversion, pack mentality and over confidence biases on female investors projected rate of return and duration of investment. The results have been evaluated utilizing multiple regression. Research shows that some types of bias can significantly affect financial decisions.

Hyo-Eun Seong et al. (2021) The purpose of this research is to examine the variables that influence VC funding for new businesses, identify the most important ones, and propose a decision-making model that can serve as a benchmark for future funding decisions. The analytic hierarchy process was employed for this purpose in this study (AHP). This research utilized 19 evaluation elements focused on the entrepreneur, product & service, Target market, and finances to build a decision-making concept model for venture capital investment decisions. It surveyed 15 VCs and 15 startup support experts (consultants, employees of startup support organizations, etc.) with a questionnaire. The survey found that the entrepreneur is more important than the product or service, the market, or the availability of capital. More crucial than an entrepreneur's personality or technical expertise was their reliability and business fit. Thus, it was verified that the dependability & business fit of entrepreneurs became significant decision variables in venture capital investment judgments on cutting-edge firms.

ISMAIL et al. (2021) Information drives the primary forces of the stock market, which are supply & demand. The most important thing to remember is that investors' opinions change depending on the data they have access to at any given time. Investors' actions in the stock market can have a significant impact on the market's performance, but it can be challenging to deduce what they'll make of any given piece of information. Thus, the purpose of this research is to conduct a type diagnosis of behavioral investors among FMPs in the Oman financial market. To determine the impact of demographic variables like age & gender on investor bias, this study analyzed the different personality types of stock market investors. It divides investor prejudices into distinct categories based on factors like age and gender. This study uses first-hand information gleaned from a survey sent out to a random sample of male and female participants in the Muscat Securities Market. A variety of statistical tests, including the sample t-test, one-way ANOVA, CATPCA, and ALSCAL, were employed to determine whether or not there was a statistically significant difference in age, gender, or level of experience between the groups of respondents. According to the results of the current investigation, investors of all sexes are susceptible to cognitive biases.

Dr. Rizwan Ullah Khan, Dr. (2021) Women now are widely acknowledged as powerful economic drivers thanks to their drive, skills, and ability as business owners. Women's contributions to economic growth are so

substantial that we plan to study what influences women entrepreneurs in Pakistan. Information was gathered from 181 licensed SMEs in Pakistan using standardized questionnaires. The process involves the creation of a conceptual model and the use of SPSS & AMOS for statistical analysis. The findings show that women-owned businesses benefit from a combination of internal and external elements that contribute to their success. These factors include the desire for accomplishments, willingness to take risks, and confidence in one's own abilities. Based on the findings of this study, it is recommended that the Small and Medium Enterprises Development Authority (SMEDA), policymakers, and practitioners implement a number of incentives & supports tailored to women business owners so as to inspire them to sustain their operations over the long term. Although several studies have tested the impact of various factors on women's entrepreneurial success, ours explored some psychological, cultural, & religious elements that have received comparatively little attention, especially in Pakistan. The new research adds to the body of knowledge by providing pieces of empirical evidence that have previously been missing.

Pertaining to risk tolerance of women, most studies have shown that women are more risk averse than men (Yusof, 2015), (Aph.gov.au, 2011), (www.assetmark.com, 2018), (Venter and Kruger, 2017), (Agnew, 2005), (Kansal and Zaidi, 2015). (Bruce and Johnson, 1994), (Jianakoplos and Bernasek, 1998), (Lewellen, Lease and Schlarbaum, 1977), (Sunden and Surette, 1998), (Al-Ajmi, 2008) and (Yusof, 2015) determined that women take less financial risk than men. From survey responses of 5200 men and 6400 women, (Barsky et al., 1997) also concluded that women are more risk-averse than men.

OBJECTIVES OF THE STUDY

The main objectives of the study are:

1. To study educated women's perception & knowledge of different investment options.
2. To study the influence of educational level of women investors.
3. To establish the relationship between women education and their decision-making ability.

RESEARCH METHODOLOGY

Empirical study means collecting data through different methods of observation and scientific instruments with experience etc. online survey methods has been used to conduct the study.

- **Qualitative research:** in qualitative research we find out what and how people think and form different kinds of opinion. Based on certain parameters.
- **Quantitative research:** When we collect differentiate and analyze different numerical data and draw relation between certain variables are called quantitative research.

HYPOTHESES

Ho1: There is no significant relationship between women's education and their investment attitude.

H 1: There is significant relationship between women's education and their investment attitude.

Ho2: There is no significant influence of husband and other members of family on an educated women's

investment decision-making.

H 2: There is significant influence of husband and other members of family on an educated women's investment decision-making.

For achieving desired objectives following research methodology has been adopted.

Sample design:

a) **Universe-** All the educated women working in different sectors and house women in Basti region have been included in the Universe of the study.

b) **Selection criteria of the sample-**Random sampling method is used to collect primary data.

Sources of the data- Primary data will be used to conduct the study and educated women from different working sectors are:

- 1) **Health professionals**
- 2) **Teaching professionals**
- 3) **Banking professionals**
- 4) **House women**

c) **Sample size-**100.

Data Collection-Primary data collected through questionnaires (Google form).

DATA ANALYSIS AND INTERPRETATION

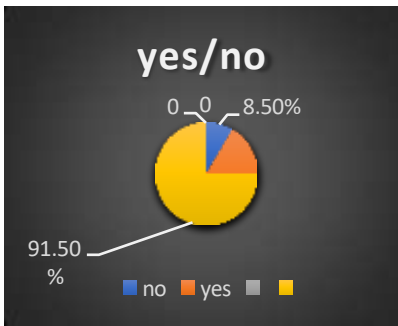
The data analysis of the empirical study conducted on the educated women are given below according to the question mentioned in the questionnaire:

Q1. "I like to invest in those investment avenues where I have previous experience."



- 78% women like to invest in investment avenues based on experience.
- Whereas 22.85% women denied this.

Q2. "I am possessive about my financial decisions"



- 91.50% women are possessive about their financial decisions"
- Whereas 8.50% women denied this.

Q3. "Emotions are also a factor which helps in taking investment decisions."



- 74% women agreed that while taking investment decisions people consider their emotional influences also.
- Whereas 26% women denied this.

Q4. "I consider family decisions while taking investment decisions."



- 91% women consider family decisions while taking investment decisions.
- Whereas 9% women denied this.

Q5. "Family members considers my advice in investment matters."



- 86% women agreed that their Family members considers her advice in investment matters.
- 14% women denied this.

Q6. "I consider friends advice while taking investment decision."



- 73% women agreed that they take friends advice while investing.
- 27% women denied this.

Q7. "Before taking investment decision I would like to take advice from brokers."



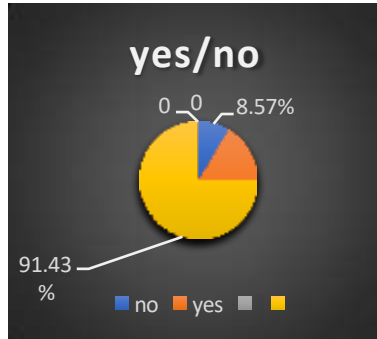
- 62.86% women take broker's advice before taking investment decision.
- 37.14% women denied this.

Q8. "I consider journals and magazines to gather information before investing."

- 82.86% women agreed that they consider journals and magazines to gather information before investing.
- 17.14% women denied this.



Q9. "Market conditions are also a factor which helps in taking investment decisions."



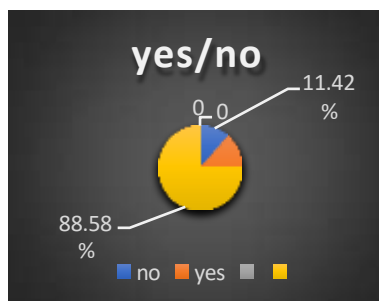
- 91.43% women agreed that investment decisions are mostly influenced by market conditions.
- 8.57% women denied this.

Q10. "I like to invest in government securities to lower risk."



- 87.15% women agreed that they like to invest in government securities to lower risk.
- 12.85% women denied this.

Q11. "I consider risk as a factor while taking investment decisions."



- 88.58% women are not comfortable in investing risk associated investment. They consider risk as an important factor.
- 11.42% women denied this.

Q12.Extra income motivates me to invest.



- 77.13% women agreed that extra income induces her to invest more.
- 22.87% women denied this

Q13. "I consider returns as a factor while taking investment decisions."



- 88.58% women agreed that they consider returns as a factor while taking investment decisions.
- 11.42% women denied this.

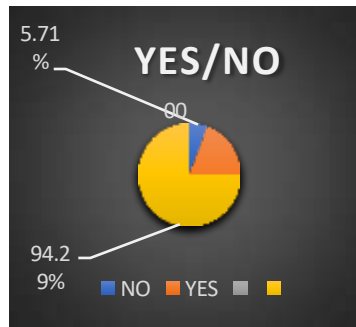
Q14. "Investment decision helps to build physical assets."



- 90% women agreed that investment decision helps to build physical assets.

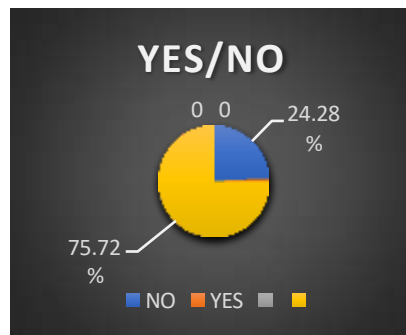
- 10 % women denied this.

Q15. "I invest because it helps to maintain high standard of living."



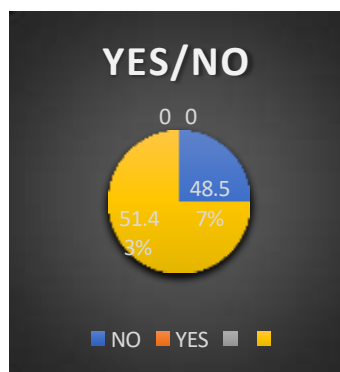
- 94.29% women agreed that they invest because it helps to maintain high standard of living.
- 5.71% women denied this.

Q16. "Investment also increases my financial strength."



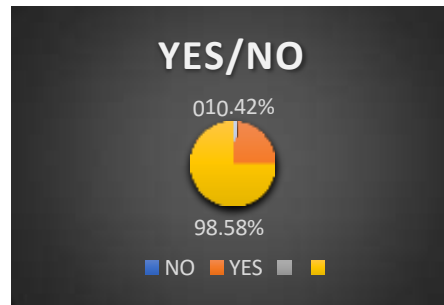
- 75.72% women agreed that investment also increases my financial strength.
- 24.28% women denied this.

Q17. I take investment decision independently.



- Only 51.43% women agreed that they take investment decision independently.
- 48.57% women denied this.

Q18. "Wise investment decision helps me to become more independent about future."



- 98.58% people agreed that to become more financially independent we need to take wise decisions.
- Only 1.42 % denied this.

CONCLUSION

After data analysis and interpretation, we can easily draw the conclusion that:

- ❖ Educated women are more attentive and frequently used her experience in investment decisions.
- ❖ Majority of educated women's around 91% consider family decisions while taking investment decision and around 86% educated women's family members also take their advice in investment matters.
- ❖ Most of the educated women around 73% also take friends advise before investing their money.
- ❖ Only 62.86 educated women take investment advice from professionals or brokers.
- ❖ Most of the educated women around 82.86% considered journals and magazines for information while investing their money.
- ❖ Majority of educated women around 91.43% consider market condition as an important factor while taking investment decision.
- ❖ Around 87.15% educated women invest in government securities for lowering their risk factor.
- ❖ Majority of educated women considered risk return criteria before investing their money.
- ❖ Almost 90% educated women invest their money to build physical assets.
- ❖ Majority of educated women around 94.25% agreed that they invest money to maintain their high standard of living.
- ❖ Most of educated women agreed that investment increases her financial strength and help them to become more independent in future.
- ❖ And at last, it has been concluded that only 51.43% women take investment decision independently apart from all the things.
- ❖ 98.58% women agreed that to become more financially independent we need to take wise decisions. Only 1.42 % denied this.

Based on the above conclusion, we can say that:

Ho1: rejected because there is significant relationship between women's education and their investment attitude.

H 1: accepted because there is significant relationship between women's education and their investment attitude.

Ho2: rejected because there is significant influence of husband and other members of family on an educated women's investment decision-making.

H 2: accepted because there is significant influence of husband and other members of family on an educated women's investment decision-making.

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