

A Study on the Investment Preference of Government Employees on Various Investment Avenues

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Abstract: *Various investment opportunities are available for an individual to his savings and he can choose the appropriate investment schemes, which suit his needs. The different types of investments are provided by many financial institutions like commercial banks, co-operative banks, post office savings bank, life insurance corporations, public limited companies etc.,. Of all the above mentioned institutions, post office saving bank play vital role. The present study has made to study the investment awareness, preferences, experiences, satisfaction, objectives and purpose of the investors on post office saving schemes in tiunelveli city. The primary data was collected purely on random basis from 87 sample respondents. The study found that majority of investors are aware of all the post office saving schemes, preferred post office saving account, the main objectives of the investors are regular return, children education and marriage are the main purpose, and only a very few investors are dissatisfied with post office saving schemes.*

Keywords: Post office, Government employees, Investments

I. INTRODUCTION

There is a lot of investment choices and one must select the most appropriate one. The person dealing with the planning needs to know all the various investment choices and how these can be chosen for the purpose of attaining the overall objectives. The details of making the investment along with the various ways in which the investment has to be maintained and managed. The developing countries like India face the enormous task of finding sufficient capital in their development efforts. Most of these countries find it difficult to get out of the vicious circle of poverty of the low income group, low savings, low investment, low employment etc. With high capital output ratio, India needs very high rates of investments to make a leap forward in her efforts of attaining high levels of growth. Since the beginning of planning, the emphasis has been on investment as the primary instruments of economic growth and increase in national income. In order to have production as per target, investment is considered the crucial determinant and capital formation is to be supported by appropriate volume of saving.

II. REVIEW OF LITERATURE

Richa(2014) in her study argued that post office continue to be a major attraction for savers. Finance ministry officials say that the attraction for the post office deposits schemes stems from the higher interest rate they offer vis-à-vis what banks give.

A study by S.Mathumitha (2015) titled 'Investors attitude secondary method. Primary data was collected in changanassery taluk, Kottayam district. The total number of respondents is 80.

2.1 Objective of the Study

The purpose of the analysis is to determine the investment behaviour of government employees and investment preference for the same. Investors perception will provide a way to accurately measure how the investors think about the products and services provided by the company. More than ever management needs ongoing feedback from the

investors, partners and employees in order to continue to innovative and grow. For this analysis, customer perception and awareness level will be measured in important areas such as:

1. To examine the factors considered by government employees before investing.
2. To analyse the risk tolerance level of the government employees.
3. To understand the type of financial instruments the government employees would prefer to invest.
4. To analyse the duration of investment the government employees prefer.

2.2 Significance of the Study

The understanding of the relationship between the savings and investment pattern is essentials as savings forms the basis for the development of the economy. If the savings and investment pattern among the households is good, then it results in the development of both money and capital market and in turn the economy. The present study is an empirical study to identify the extent, nature and preferences of the investors in Coimbatore district and to ascertain their investment habits. The study area is featured by a good number of salaried employees belonging to the government employees who have the ability to save and invest. This study will help the salaried class employees to plan savings and investment towards maximizing the returns. There is depth analysis of the preference and risk perception will help the government to work out the various feasible schemes to mobilize finance from salaried class investors.

III. RESEARCH METHODOLOGY

There are only a few studies covering the issue of investor awareness, perceptions and behaviour. The issues investigated in the present study include preference of investment avenues and investment pattern is the most preferred objective of investor towards the investment avenues.

SOURCES OF INFORMATION

Primary data: Information is collected by conducting a survey by distributing a questionnaire to 87 in tirunelveli city using convenient sampling technique. These 87 government employees are of different age group, different occupation, different income levels and different qualifications.

Secondary data: This data is collected from Articles in financial Newspaper, Expert's opinion published in various print media, Books written by various Foreign and Indian authors on investments and data available on internet.

Techniques used for analysis: Tools like Percentage analysis, Likert scale were used.

SOCIO-ECONOMIC PROFILE OF THE GOVERNMENT EMPLOYEES

The socio-economic profile of the government employees constitutes a significant component in understanding the social structure of the society. The variables that relate to structural position are age, education, income, expenditure, savings and investments. The age analysis helps in classifying the employees to indicate existing population structure. It is assumed that aged employees give a mature insight into various changing dimensions of the society. Education affects employment chances and values of the employees towards society. The ever changing scenario with regard to income, expenditure, saving reflects changes in standard of living of the employees and quality of life.

IV. ANALYSIS AND INTERPRETATION

The preferred study identifies the preferred investment avenues among the government employees using self assessment test. It also attempts to study the relationship between personal and demographic profile of the government employees and the investment avenues are chosen by them.

Table 1: OCCUPATION

Sl.No	OCCUPATION	NO. OF RESPONDENT	PERCENTAGE
1	Private employee		25.28
2	Government employee		50.57
3	Business	13	14.94
4	Others	8	9.19

	TOTAL	87	100
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Source: primary data

From the above table out of 87 respondents 25.28% of the respondents are private employee and 50.57% of the respondents are Government employee and 14.94% of the respondents are business and 9.19% of the respondents are others. Hence we conclude majority of the respondents are Government employee.

Table:2 SATISFIED WITH THE POSTAL INVESTMENT

SL.NO	SATISFIED WITH POSTAL INVESTMENT	NO. OF RESPONDENTS	PERCENTAGE
1.	Agree	40	45.97
2.	Disagree	10	11.49
3.	Strongly agree Strongly agree	30	34.48
4.	Strongly disagree	7	08.04
	TOTAL	87	100

Source: Primary data

From the above table out of 87 respondents 45.97% of the respondents are agree and 11.49% of the respondents are disagree and 34.48% of the respondents are strongly agree and 08.04% of the respondents are strongly disagree. Hence we conclude majority of the respondents are agree.

Table:3 PREFER TO INVESTMENT

SL.NO	PREFER TO INVESTMENT	NO.OF RESPONDENTS	LIKERTSCALE	TOTAL SCALE
1.	Bank deposit	22	4	88
2.	Post office RD, NSC, Recurring and fixed deposit	16	3	48
3.	Insurance policy	23	5	115
4.	Government (i.e.) RPF, KGID, PF GPF/PPF	14	2	28
5.	Others	12	1	12
	TOTAL	87		291

Source: Primary data

$$\begin{aligned} \text{Likert value} &= \text{FX/no. of respondents} \\ &= 291/87 \\ &= 3 \end{aligned}$$

From the above table about the level of satisfaction regarding the prefer of investment shows likert scale value is 3 which are greater than the mid value.

V. FINDINGS

1. Government employees belonging the age group of above 50 years have high level of preference for investment.
2. Female government employees have high level of preference for investment.
3. Government employee having the majority of the respondents for postal investment.

VI. SUGGESTIONS

1. Today there are so many special investment schemes in market which encourage people for the saving.
2. The investors have to identify the market situation and price fluctuations in the precious metals.
3. To enhance the saving habits, the saving mode must attract people by providing many offers and new attractive schemes.

VII. CONCLUSION

This study will benefit a large spectrum of salaried individuals belonging to various households, investment agencies, financial institutions, banks and the government in general, in understanding the movement and scope for accumulation on money for public and private sector growth.

REFERENCES

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