Available online @ https://jjem.jnnce.ac.in
https:www.doi.org/10.37314/JJEM.SP0138
Indexed in International Scientific Indiexing (ISI)
Impact factor: 1.395 for 2021-22
Published on: 08 December 2023

"Investment Behaviour of College Teachers' in Kuvempu University": A Study

Mr. Rajesh R J*1, Dr. Giridhar K V*2

1*2, Sahyadri Commerce and Management College

1* raj.sahydri@gmail.com, 2* giridhar.management@gmail.com

ABSTRACT

Investment has become an integral part of everyone's life. People invest their savings in one or other investment avenues. People use various avenues to invest their money to get a better return in the future. The college teachers are pillars of society; they are well educated, and they are well aware of various investment avenues. The teachers educate the students about the different investment options prevailing in the market for investment purposes. In this backdrop, this paper aims to study the investment behaviour of teachers working in colleges ofKuvempu University. For the purpose of the study, primary data was used, and data was collected through a structured questionnaire from the college teachers working in degree colleges ofKuvempu University. The 53 responses were received from respondents, and the same are considered for the study. The major findings of the study are that long-term wealth creation and meeting emergencies are the main investment objectives behind respondents' investments, and respondents' most preferred investment avenues are insurance, mutual fund schemes, gold, and fixed deposits. Further, the respondents had confidence in their ability to select and manage investments, and they invested in companies they knew and trusted. The results of the analysis show that respondents have good financial knowledge and are systematically making investments in various investment avenues. Additionally, the investment decisions are taken by respondents themselves without any professional consultation, and most of them avoid risk and expect fixed returns from their investments.

Keywords: Investment, Investment Behaviour, College Teachers, Investment Avenues.

1 Introduction

Investment behavoiur is the pattern of investment of money by people in various investment avenues. The investment behaviour will assist in achieving the financial goals of the investors. investment in an appropriate avenue to get an expected return on their investment and for future life. Investment behaviour plays a vital role in the financial journey of investors, and it is a combination of different investment avenues that invest the savings of the investors.

Teachers play one of the most important roles in framing a well-educated society. The teachers will teach effectively when they are economically and financially satisfied in their personal lives. The college teachers are well educated because all have completed their post-graduate studies in different disciplines. It is curious to know the investment decisions of the teachers. This study tries to analyse the investment behaviour of the college teachers to determine whether they are managing their finances effectively and making financial decisions.

2 Review of Literature

Pandey et al. (2017) examined the investment and savings behaviours of college faculty members in the Puducherry region. Investor preferences are influenced by demographic parameters such as age, gender, education level, marital status, and income level. Most of the participants expressed a preference for investing in life insurance, post-office schemes, GPF/CPF, and setting aside funds for their children's future education, marriage, and tax benefits.

Yasodha et al. (2017) evaluated the teachers employed in the Coimbatore District's savings, investment pattern, and investment mode. In this case, the goal, purpose, and risk considerations of the investor are taken into account. The survey shows that when making investments, investors demand security and dependability. The respondents desired a reliable source of income from their low-risk investment route and preferred to place their money in a safer setting. According to researchers, providing features, knowledge, and understanding about investing in instruments influences investor choices.

Bindu (2017) examined the idea that the flow of individual investors' investments is supported by advantages and financial resources in a paper titled "Analysis of the Investment Pattern of College Teachers in Kerala." Financial assets with lower-risk returns were favoured by individual investors. According to the report, all instructors have provident funds, although a smaller proportion of them are invested in bonds and business stock. Tax benefits,

capital appreciation, high returns, and liquidity are the primary determinants of investing success.

Ushalakshmi et al. (2019) investigate the investment behaviour of teachers employed by the government and private colleges in the Dharmapuri District. Researchers discovered that since they are paid college instructors at both public and private universities, safety is their top priority when making investments. This activity was the outcome of both a lack of knowledge about the grievance procedure that is accessible in the event of a problem and a lack of financial literacy. The majority of them typically invest in gold, real estate, insurance, and secured fixed or recurring bank deposits.

Nishant Thard et al. (2019) examines the many information sources and aspects that teachers take into account before making an investment. 166 permanent academic members from Tezpur University and Gauhati University provided the sample. Few respondents to the survey reported owning bonds, shares, mutual funds, etc. The respondents learn about investing from their peers, and they make their investments in safe, secure locations where the principal amount is preserved and tax advantages are realised.

Gurinder Singh et al. (2019) investigate the factors influencing academicians' investment behaviour in the city of Jalandhar. The study comes to the conclusion that academics preferred investing in stocks that carried no risk. The investors take into account a variety of elements that influence their investment behaviour, such as the ability to meet their current financial needs, prospects for the future, complimentary benefits, prior investment experience, market conditions, government regulations, investor knowledge, growth rate, and inflation. Because academicians have busy lifestyles, researchers propose that financial experts should provide them with advice on investments.

Janaki Lokesh et al. (2019) investigated the factors impacting the investment behaviour of Bangalore university teachers. Because they were unfamiliar with other routes such as shares, debentures, bonds, and so on, the majority of respondents preferred life insurance plans and bank deposits as investment options. The primary goal of saving is to obtain tax benefits and fulfil future demands. Age, education, and knowledge of the contemporary financial system all influence respondents' investment decisions.

Velmurugan (2020) investigates the savings and investment patterns of self-financed college assistant professors in Theni District. The impact of socioeconomic and demographic

characteristics is taken into account here. The teachers required a steady income with less danger, so they placed their resources in a safer setting. When it comes to investing, most assistant professors choose safe options like bank deposits and savings accounts.

Sudarshini et al. (2021) examined the savings and investment patterns of Mangalore University teachers. Data from one hundred instructors at Mangalore University's associated colleges was gathered. Rather than investing in stocks or debentures, the majority of lecturers chose to use bank deposits, post-office savings, insurance, etc. Here, the respondents chose a low-risk, low-return investment strategy because they were risk-averse. In order to boost investment returns, the researcher contends that more knowledge of the many options is necessary.

Ranjeeta Phukan et al. (2022) conducted a study to assess the impact of age on investors' risk tolerance levels and preferences for various investment options among Delhi University instructors. According to the poll, respondents chose to invest in real estate, gold or silver, life insurance, post office deposits, and PPF because they were low-risk, while they avoided the stock market because it was risky. Education, age, income level, family size, and other demographic factors influence an investor's risk tolerance level.

Research Gap: A review of the literature evidenced that many of the researchers carried out studies on the investment behaviour or pattern, income, and savings patterns of college teachers in different regions of the country. But few studies were carried out in the state of Karnataka, none of the studies undertaken on the investment behaviour of college teachers' in Kuvempu University. To fill the gap covered in the present study.

3 Objectives

The following are the objectives of the present study given below:

- ❖ To study to the investment objectives of the college teachers',
- ❖ To know the preferred investment avenues of the college teachers',
- ❖ To understand the factors influencing in investment on various portfolios.

Hypotheses

$\mathbf{H_0}$ – There is no significant relationship between monthly income and amount invested every month.

$\mathbf{H_1}$- There is a significant relationship between monthly income and amount invested every month.

4 Research Methodology

The quantitative method and primary data have been used in the present study. The primary data is collected through a structured questionnaire and distributed to college teachers working in degree colleges in Kuvempu University's jurisdiction. For the study purpose, a questionnaire was distributed to 60 respondents, and out of these 53 responses, 53 were collected. So, the sample size of the study is 53 respondents. The primary data is analysed and interpreted by using tables including percentage, ranking, mean, standard deviation, and correlation coefficient to interpret the results.

5 Results and Discussion

The data collected from 53 respondents is presented in the form of different tables, including percentages, ranking, mean, and standard deviation. Data analysis and interpretation of data results are discussed below:

Table No.-1: Demographical Profile of the Respondents

Demographical Factors	Variables	Responses	Percentage
Gender	Male	38	71.70%
	Female	15	28.30%
	Total	**53**	**100.00%**
Age	20-30 years	04	7.55%
	30-40 years	34	64.15%
	40-50 years	10	18.87%
	Above 50 years	05	9.43%
	Total	**53**	**100.00%**
Education	PG in Commerce	37	69.81%
	PG in Management	10	18.87%
	PG in Arts	2	3.77%
	PG in Science	3	5.66%
	PG in Others	1	1.89%
	Total	**53**	**100.00%**
Type of College	Government College	26	49.06%
	Private Aided College	09	16.98%
	Constituent College	8	15.09%
	Private Unaided College	10	18.87%
	Total	**53**	**100.00%**
Designation	Professor	01	1.89%
	Associate Professor	06	11.32%
	Assistant Professor	30	56.60%
	Permanent Faculty in Unaided College	02	3.77%
	Guest Faculty	14	26.42%
	Total	**53**	**100.00%**
Monthly Income	Below ₹50,000	23	43.40%
	₹50,001-1,00,000	19	35.85%
	₹1,00,001-1,50,000	06	11.32%
	₹1,50,001-2,00,000	02	3.77%

	Above ₹2,00,000	03	5.66%
	Total	**53**	**100.00%**
Marital Status	Married	41	77.36%
	Single	12	22.64%
	Total	**53**	**100.00%**
Teaching Experience	0-5 years	07	13.21%
	6-10 years	13	24.53%
	11-15 years	25	47.17%
	16-20 years	04	7.55%
	Above 20 years	04	7.55%
	Total	**53**	**100.00%**

Source: Survey Data

From the above table 1, which displays the demographic profile of 53 respondents, the demographic factors include gender, age, education, designation, monthly income, marital status, and work experience. The gender majority (71.70% of respondents) is male, and the remaining 28.30% are female. The majority (64.15% of respondents) belong to the 30- to 40-year-old age group, and the least 7.55% belong to the 20-30-year-old age group. The educational qualifications of the respondents are the majority (69.81%) post-graduation in commerce and the least (3.77%) post-graduation in the arts.

The major portion 49.06% of respondents are working in government colleges, and very few (15.09%) are working in constituent colleges. According to the designation, 56.60% of respondents are assistant professors and only professors. Monthly income of the respondents: the majority (43.40%) belongs to the below ₹50,000, 35.85% of respondents belong to the ₹50,000-1,00,000 income group, and only 3.77% of respondents' income is between ₹1,50,000-2,00,000. The marital status of respondents is 77.36% married, and others (22.64%) are not yet married. The maximum of 47.17% of respondents had teaching experience between 11 and 15 years, and 15.10% of respondents had above 16 years of experience in teaching.

Table No.-2: Showsthe sources of influencesto respondents for investment

Sources of Influence	Responses	Percentage
Family members and Relatives	09	16.98%
Own Initiative	29	54.72%
Professional association	01	1.89%
Friends and Colleagues	13	24.53%
Agents or Brokers	01	1.89%
Total	**53**	**100.00%**

Source: Survey Data

Table 2 shows the sources of influences on respondents for investment: 16.98% of respondents opined that they were influenced by family members and relatives, 54.72% of respondents made the investment on their own initiative, 24.53% of respondents were influenced by friends and colleagues, and 2.78% of respondents were influenced through the consultation of professional associations and agents or brokers. The majority (54.72%) of respondents made the investment decisions on their own initiative. They started investing on their own initiative; investment is influenced by themselves. It was found that respondents are well aware of the importance of investment and investment avenues.

Table No.-3: Showing the frequency of investment by the respondents

Frequency of Investment	Responses	Percentage
Every Month	32	60.38%
Once in a Year	04	7.55%
Whenever I get Lump Sum Amount	17	32.08%
Whenever the Market is Low	04	7.55%
Whenever Good Opportunity Comes	13	24.53%
Total	**53**	**100.00%**

Source: Survey Data

Table 3 depicts the frequency of investments made by the respondents: 60.38% of respondents invest every month, 7.55% of respondents make the investment every year, 32.08% of respondents invest when they get a lump-sum amount, 7.55% of respondents invest when the market is low, and 24.53% of respondents invest their amount when a good opportunity is available for them. It is clear that the majority of respondents invest their small portion of earnings every month (a systematic investment plan) as investments for the future, and it shows they have better financial and investment knowledge.

Table No.-4: Showing investment objective(s) of the respondents

Investment Objectives	Responses	Rank
Meeting Emergencies	24	1
Educational needs	10	4
Tax Savings	15	3
Capital Appreciation	15	3
Long term wealth accumulation	24	1
Retirement Planning	18	2
Short term gain	06	5

Source: Survey Data

Table 4 discloses the objectives behind their investment: Meeting Emergencies and Long-term Wealth Accumulation rank first as their investment objectives; retirement planning, tax savings, and capital appreciation are in third place; educational needs and short-term gains rank fourth and fifth, respectively. The study reveals that wealth creation, meeting emergencies, and retirement planning are the main objectives behind teachers' investment; tax savings and capital appreciation are other objectives.

Table No.-5: Showing amount of investment by respondents in every month

Amount of Investment (per month)	Responses	Percentage
Below ₹ 5,000	17	32.08%
₹ 5,001-10,000	19	35.85%
₹ 10,001- 15,000	07	13.21%
₹ 15,001- 20,000	03	5.66%
above ₹ 20,000	07	13.21%
Total	**53**	**100.00%**

Source: Survey Data

Table 5 shows the amount of investment made by respondents in every month: 32.08% of respondents invest below ₹ 5,000, 35.85% of respondents invest between ₹ 5,000 and 10,000, 13.21% of respondents invest between ₹ 10,000 and 15,000, 5.66% of respondents invest between ₹ 15,000 and 20,000 every month, and 13.21% of respondents invest above ₹ 20,000 as an investment. Most of the respondents (32.08% and 35.85%) made investments below ₹ 5,000 and ₹ 5,000–10,000, respectively. Every month, teachers invest ₹5,000 to ₹10,000 of their earnings as investments. The majority of college teachers invest a portion of their income every month, while others invest when they get a lump-sum amount. This shows interest in and seriousness about investment decisions and their future financial planning.

Table No.-6: Showing respondents' preference to hold their investment

Period of Investment	Responses	Percentage
Below 1 year	02	3.77%
1-5 years	23	43.40%
6-10 years	14	26.42%
11-15 years	08	15.09%
above 15 years	06	11.32%
Total	**53**	**100.00%**

Source: Survey Data

Table 6 states the time frame in which respondents prefer to hold their investment: 3.77% of respondents hold their investment below 1 year, 43.70% of respondents hold investment 1–5 years, 26.42% of respondents kept their investment for a period of 6–10 years, 15.09% and 11.32% of respondents stay invested for a period of 11–15 years and above 15 years, respectively. It shows that the respondents preferred to hold their investments for the medium and long term. They know that they should stay invested for the long term to generate more returns and capital appreciation.

Table No.-7: Showing investment avenues invested by the respondents

Investment Avenues	Responses	Rank
Fixed Deposits	16	3
Recurring Deposits	11	5
Public Provident Fund	07	6
Pension Funds	11	5
Gold	16	3
Insurance Schemes	27	1
Mutual Funds	25	2
Government Bonds	03	10
Private Chit Funds	05	8
Shares and Debentures	15	4
Real Estate	06	7
Others	04	9

Source: Survey Data

Table 7 shows the investment avenues used by respondents for purposes of investment. Respondents invest their money in more than one investment option. According to the data collected, insurance (27) and mutual fund (25) schemes are the most preferred avenues for investment; fixed deposits (16) and gold (16) are the next preferred investment avenues; respondents invest in shares and debt (15); recurring deposits (11) and pension funds (11) are their next choices of investment; respondents also use investment avenues, namely PPF (7), real estate (6), chit funds (5), government bonds (3), and others (4). The majority of respondents preferred insurance, mutual funds, fixed deposits, gold, and shares to invest their money. This reveals that the majority of respondents preferred investment avenues with fixed returns that were less risky. College teachers are avoiding the risk and expecting constant returns and safety from their investments because most of them prefer to invest in insurance, mutual fund schemes, fixed deposits, and gold. Some of the teachers also took the initiative to invest in shares and debentures.

Table No.-8: Showing Investment Behaviour of respondents

(SDA- Strongly Disagree, DA-Disagree, NAD- Neither Agree nor Disagree, A-Agree, SA-Strongly Disagree)

Statements	SDA	DA	NAD	A	SA	Total	Mean	SD
I am confident of my ability to select financial instruments for investment.	12	03	01	21	16	**53**	**3.7**	**8.50**
I am confident to manage my investment.	09	05	01	24	14	**53**	**3.76**	**8.91**
I try to invest in risky stock for better return.	10	18	11	12	02	**53**	**2.74**	**5.73**
I usually invest in companies which I know and trust.	08	06	05	18	16	**53**	**3.74**	**5.98**
I make investment decision based on the recommendation or advice of professional investors/broker.	06	13	08	17	09	**53**	**3.38**	**4.39**
I prefer to invest in potential or profitable investment avenues even if they are riskier.	11	12	08	13	09	**53**	**3.12**	**2.07**
My investment is based on the market position.	08	09	06	21	09	**53**	**3.46**	**5.94**
Irrespective of inflation I will put money in fixed income securities.	12	07	08	21	05	**53**	**3.18**	**6.35**

Source: Survey Data

(The mean was interpreted as follows: Strongly Disagree in the point range 1.00-1.80, Disagree1.81-2.60, Neither Agree nor Disagree2.61-3.40, Agree 3.41-4.20, Strongly Agree 4.21-5.00)

Table 8 shows the investment behaviour of respondents. The respondents agreed (3.7) that they are confident about their ability to select financial instruments for investments, and they also agreed that they are confident in managing their investments themselves. The respondents neither agree nor disagree (2.74) with the statement that they try to invest in risky stocks for a better return. The respondents agreed (3.74) that they usually invest in companies that they know and trust. The respondents are neutral (3.38) about whether they make investment decisions based on the recommendations or advice of professional investors or brokers. Respondents neither agree nor disagree (3.12) that they prefer to invest in potential or profitable investment avenues, even if they are riskier. The respondents agreed (3.46) that their investment is based on the market position. Respondents opined that they stay neutral (3.18) irrespective of inflation and will put money in fixed-income securities.

From the above, it is clear that respondents make investment decisions and manage their investments themselves; they prefer to invest in companies they know and trust. Respondents' investment is based on market position. Usually, respondents avoid investing in risky stocks, but some of them take risks to get high returns, and respondents neither agree nor disagree that irrespective of inflation, they will stay invested in fixed-income securities.

Testing of Hypotheses

Table No.-9: Shows the Correlation between Monthly Income and Amount Investedevery month

		Monthly Income	Amount invested every month
Monthly Income	Pearson Correlation	1	.477**
	Sig. (2-tailed)		.000
	N	53	53
Amount invested every month	Pearson Correlation	.477**	1
	Sig. (2-tailed)	.000	
	N	53	53

**. Correlation is significant at the 0.01 level (2-tailed).

The Pearson Correlation coefficientr = 0.477 indicates that there is a significant correlation between monthly income and the amount invested every month. The above results show that there is a significant positive relationship between monthly income and the amount invested every month. That means there is an increase in investment when there is an increase in their monthly income, and vice versa. So, we reject the null hypothesis.

Suggestions

The following are the suggestions of the study to improve the investment behaviour of the college teachers. The suggestions given based on the findings are discussed below:

Lack of awareness of financial instruments leads to the majority of college teachers using fixed deposits, insurance, and gold as investment avenues. Insurance provides protection against losses resulting from unforeseen events such as disease, accidents, fire, marine mishaps, and the insurer's death; it is not an instrument for making investments. Gold and fixed deposits are unable to generate sufficient returns to keep up with inflation and make investors wealthy. Teachers should think about investing in gold, fixed deposits, and insurance as a portion of their portfolio rather than putting all of their money into these options.

Teachers' investment behaviour is influenced by their financial literacy, which can be strengthened by learning about financial concepts, practices, attitudes, and other aspects of money management. The college teachers' financial goals form the basis of their investment behaviour. Investment avenues are selected to allocate money towards achieving financial goals such as building wealth, planning for retirement, meeting emergencies, supporting children's education, etc.

The study recommends that, while estimating their return on investment, college teachers take time value and inflation into account. To reduce the possibility of loss and maximise profit, it is necessary to continually monitor the financial condition of organisations and businesses, as well as the investment opportunities, and change the investment avenues if necessary. Teachers must also be better knowledgeable about contemporary financial opportunities, including their duration, risk, rewards, and the amount of investment. Financial institutions and governmental organisations by organising a variety of workshops and seminars about investment opportunities. Furthermore, there is a need to teach financial education to kids at the early stages of their education (school and college). It contributes to increased financial literacy, which will lead to better financial management in the future.

6 Conclusion

Investments become an integral part of everyone's life to earn additional sources of income by employing their savings. Investments helps to attain the financial goals of the people. The college teachers' in Kuvempu University are well aware of the basics of investment and its importance; they have better financial literacy. The main objectives of investment for college teachers are wealth creation, meeting emergencies, and retirement planning. The investment behaviour displays that the major investment decisions, selection, and management investment avenues are taken by themselves. The college teachers preferred to invest for medium- and long-term periods, which resulted in a selection of investment avenues like fixed-income securities like insurance, mutual funds, gold, fixed deposits, etc.

The college teachers' investment behaviour can be modified by inducing financial education at the early stages of school and college levels through programmes, and there is a need to create awareness of modern investment avenues. Further, the college teachers consider inflation and time value money while determining the returns and regularly

monitor their investment avenues. Finally, college teachers achieve their financial objectives by using various financial instruments and considering the above suggestions to manage their investments effectively and efficiently by altering their investment behaviour.

Acknowledgement

We acknowledge our gratitude to 53 sample college teacher respondents for their cooperation and response with great zeal and sincerity as the chief source of the primary data for this study.

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