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Financial Planning and Investment Behaviour of Women Teachers – A Perceptional Analysis

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Abstract

This study examines the critical role of financial literacy among women educators in Shivamogga, Karnataka State, highlighting the impact of their financial knowledge on personal and student financial outcomes. Despite the growing importance of personal finance education, many teachers lack essential skills, which can affect their ability to guide future generations. In this backdrop, the present study reveals key demographic, income, and saving trends, emphasizing the need for targeted financial education and support. Recommendations include tailored workshops, partnerships with financial institutions, and community advisory programs to enhance financial literacy and empower women educators, ultimately fostering a financially stable society.

Keywords: *Financial Literacy, Women Teachers, Investment Behaviour, Financial Planning, Empowerment etc.*

1. Introduction:

Financial literacy refers to an individual's ability to understand and effectively use various financial documents, including statements and reports. Regardless of one's profession or income level, it is essential to manage money wisely. In recent years, the importance of personal finance education has gained prominence as people increasingly take charge of their own retirement savings and investment decisions. However, despite growing awareness, many individuals still lack the financial knowledge needed to make sound decisions about their money. However, educators hold a vital role in shaping society, particularly due to their influence on children and young adults. As the individuals responsible for preparing future business and political leaders, it is crucial for teachers to be financially literate themselves. Many research studies suggest that many educators have limited training in personal finance, which can impact the investment decisions they make for their own financial security
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Financial literacy encompasses a broad range of concepts and tools, such as budgeting, managing credit, understanding risks, and planning for retirement. Earlier research studies show that those with a solid grasp of personal finance are more likely to manage their money efficiently, invest wisely, and avoid financial pitfalls. However, like many professionals, educators often face financial challenges such as student loan debt, low salaries, and limited alternative income sources, making financial literacy even more critical for them. It is essential to equip students with financial skills for future success, but this responsibility falls largely on teachers. Yet, if teachers themselves are not financially literate, they may struggle to impart these crucial skills to their students. Educators' financial knowledge can significantly impact their students' future spending and saving habits. Therefore, improving teachers' financial literacy is not only beneficial for their own financial stability but also for the generations they influence. By understanding and improving their financial education, teachers can take control of their financial futures, make informed investment decisions, and serve as better role models for their students. In this backdrop, the present study contributes to the broader conversation on financial literacy and highlights its importance in helping individuals achieve long-term financial security. As personal finance continues to gain attention, ensuring that educators are financially literate is a crucial step toward fostering a financially stable society.

2. Role of Banks in Financial Planning and Investment for Women

Banks in India are key players in the country's financial ecosystem, providing a wide range of services that support women in their financial planning and investment journeys. Over time, banks have recognized the unique financial needs of women, who are often the primary financial planners for their households. In response, many financial institutions have developed products and services specifically targeting women, such as women-centric savings accounts, loans with favorable terms, and investment schemes tailored to their risk preferences and long-term goals.

Banks are also instrumental in promoting financial literacy among women. Given that many women, particularly in rural areas, lack access to formal education and financial resources, banks have launched various initiatives to improve women's understanding of financial products, investment strategies, and wealth management. Workshops, seminars, and digital tools are being offered to educate women on topics such as budgeting, saving, managing debt, and investing in mutual funds, equities, and other financial instruments.Government-backed programs like the PradhanMantri Jan DhanYojana (PMJDY) have played a significant role in enhancing financial inclusion for women by encouraging them to open bank accounts. These programs aim to bring more women into the formal financial system, providing them with access to credit, insurance, and investment opportunities, which are critical for their financial growth and security.

In recent years, Indian women have taken a more proactive role in financial planning and investment, reflecting broader shifts in their social and economic status. With more women joining the workforce, attaining higher education, and becoming financially independent, their involvement in wealth management has grown. Women are increasingly participating in household financial decisions, focusing on long-term goals such as retirement savings, children's education, and securing financial futures for their families.Traditionally, women in India have been risk-averse investors, preferring safe options such as fixed deposits, gold, and real estate. However, there has been a gradual shift, with more women exploring diversified portfolios that include equities, mutual funds, and systematic investment plans (SIPs). As financial literacy improves, women are becoming more confident in handling complex financial products, aiming for higher returns to meet their goals.

Despite these advances, women still face significant challenges in financial planning and investment. Gender-based wage gaps, limited financial literacy in rural areas, and societal norms that restrict women's control over financial matters are ongoing barriers. Moreover, women often prioritize their family's financial needs over their own, leading to under-investment in their personal financial security, particularly for retirement.

In the light of the above, banks and financial institutions are addressing these challenges by offering women-specific financial products, improving access to credit, and promoting gender equality in financial services. Initiatives such as women's self-help groups (SHGs), microfinance schemes, and entrepreneurial development programs are also helping women, especially in rural areas, to participate in financial planning and investment.

3. Objectives and Research Methodology

In lines with the above, this study made to evaluate and analyze the effectiveness of financial planning and investment behavior among women teachers. The study focuses on 100 women teachers from various educational institutionals, including Primary and High Schools, Pre-University, Under-Graduate, and Post-Graduate levels, all within Shivamogga city, an educational, industrial, and investment hub in Karnataka. The study relies on both primary and secondary data. Primary data was gathered through direct interviews with the respondents using a structured questionnaire, employing purposive sampling to select participants. Secondary data was collected from published materials such as textbooks, journals, newspapers, periodicals, websites, and annual reports from various committees, departments, and commissions. Descriptive statistical tools were applied for data analysis.

4. Data Analysis and Discussion

As already stated, an effort is made to analyse and present the opinions of respondents selected for the study on a few dimensions of financial planning behavior and investment decisions. This analysis from the point of view of (i) Demographic profile (Age) (ii) Annual Income (iii) Saving Habits and Invesment Preferences (iv) Factors Influencing on FinancialDecisions (v) Percentage of Income Allocated to Savings (vi) Preferences for Fixed Interest Investment Plans (vii) Investment Preferences in Commodities (viii) Frequency of Investmentsin Stocks andotherAssets (ix) Kay Factors Influencing on InvestmentDecision Making.

Table -1:Distribution of Respondents by Age Group

Age(in years)	**No.of Respondents**	**Percentage (%)**
21 - 30	70	70
31 - 40	10	10
41- 50	16	16
Above 51	4	4
Total	**100**	**100**

Source: Primary Data

Table-1 reveals a significant concentration of respondents in the 21-30 age group, comprising 70% of the total. This predominance suggests that younger individuals are more likely to engage in the survey, potentially reflecting their greater interest in financial issues or digital accessibility. In contrast, only 10% of respondents fall within the 31-40 age range, while 16% are aged 41-50**.** The above 51 category has a mere 4%**,** indicating minimal representation of older demographics. This age distribution highlights a potential bias in the data, emphasizing the need for targeted outreach to ensure a more balanced representation of all age groups in future studies.

Table -2: Socio-Economic Profile (Annual Income)

Income (Rs.)	No.of Respondents	Percentage (%)
Less than 1lakh	80	80
1-5 lakhs	1	1
5-10 lakhs	17	17
More than 10lakhs	2	2
Total	**100**	**100**

Source: Primary Data

A close observations of the above table a significant concentration of respondents, with 80% earning less than 1 lakh annually. This suggests a predominantly low-income demographic, which may indicate limited financial resources and purchasing power. Only 1% of respondents earn between 1-5 lakhs**,** while 17% earn 5-10 lakhs and merely 2% exceed 10 lakhs. The data highlights economic challenges faced by the majority, which could influence their financial decisions and investment behaviors. This skewed income distribution underscores the need for targeted financial education and support services for lower-income groups to improve their financial literacy and stability.

Table -3:Saving Habits and Invesment Preferences

Habits and Preferences	No.of Respondents	Percentage (%)
Keepingcash at Home	61	61
Savingin a Bank Deposit/Account	2	2
Informal savings club suchaskitty/women'sclub, etc.	5	5
Formal Investments inpost office schemes(NSC/KVP/MIS/SSS/PPF)	13	13
StocksandShares	6	6
MutualFunds	5	5
No Savings due to insufficient Income after Expenses	8	8
Total	**100**	**100**

Source: Primary Data

It is clear from the above table that 61% of respondents preferkeeping cash at home, reflecting a cautious approach to finances, likely due to a lack of trust in formal banking systems or limited access. Only 2% save in deposit accounts, while 5% participate in informal savings clubs. Investment in post office schemes accounts for 13%**,** showing some engagement in formal saving instruments. A mere 6% invest in stocks and shares, and 5% in mutual funds, suggesting low investment diversification. Additionally, 8% reported no savings due to insufficient income, highlighting significant financial insecurity among respondents.

Table – 4:Factors Influencing on FinancialDecisions

Factors	No.of Respondents	Percentage (%)
Unsolicitedinformationreceivedbye-mails/SMS/Post/Social-Media etc.	24	24
Information received at a branch	1	1
Informationfoundon Internet	17	17
Informationfromcompany Tele-callers	6	6
Informationinprint/Electronicmedia	21	21
Brochures about specific Companies or Schemes	5	5
Recommendation from a Financial Adviser or Broker	20	20
Advicefrom Friends/Relatives	2	2
Notapplicable	4	4
Total	**100**	**100**

Source: Primary Data

Contents of the table reveals that 24%of respondents rely on unsolicited information from emails, SMS, and social media, indicating a significant influence of digital channels on financial decision-making.21% gather information from print and electronic media, while 17% turn to the internet, highlighting diverse sources offinancial information. Recommendations from independent financial advisers or brokers impact 20%**,** showcasing the value of professional guidance. In contrast, only 1%seek information from bank branches, suggesting low engagement with traditional banking. The findings emphasize the need for financial institutions to enhance their digital presence and communication strategies to reach potential investors effectively.

Table – 5: Percentage of Income Allocated to Savings

Percentage	No.of Respondents	Percentage (%)
NoSavings	24	24
Upto 10%	6	6
10%to 20%	26	26
20%to 30%	25	25
30%to 40%	8	8
40%to 50%	7	7
Morethan50%	4	4
Total	**100**	**100**

As far as the details of the above table that 24% of respondents save nothing, reflecting financial strain and prioritization of immediate expenses. Among those who do save, 26% allocate between 10% to 20% of their income, and 25% save 20% to 30%**,** suggesting a modest commitment to savings among a significant portion. However, only 8% save 30% to 40%**,** and a mere 4% save more than 50%**,** indicating limited high-saving capacity. This data underscores the need for financial education and strategies to enhance savings habits, particularly for those struggling to save at all, promoting long-term financial stability.

Table – 6: Preferences for Fixed Interest Investment Plans

Investment Plans	No.of Respondents	Percentage (%)
Bank/Post office FixedDeposits/Companyfixed Deposits	68	68
Bank/PostofficeRecurring Deposit(R.D)A/c	2	2
Bonds/Debentures	20	20
NationalSavingsScheme (NSC)	8	8
KisanVikasPatra(KVP)	2	2
Total	**100**	**100**

Source: Primary Data

It shows that 68% of respondents prefer bank or post office fixed deposits, highlighting a strong preference for traditional, low-risk investment options. This suggests a significant reliance on familiar financial instruments, likely driven by the perceived security they offer. 20% invest in bonds and debentures, indicating some awareness of diversified fixed-income options. However, interest in recurring deposits and other schemes like the National Savings Scheme and KisanVikasPatra is minimal, with each attracting only 2% of respondents. This concentration on fixed deposits suggests a need for financial literacy initiatives to promote awareness of alternative investment options that may yield higher returns.

Table– 7: Investment Preferences in Commodities

Commodities	No.of Respondents	Percentage (%)
Gold	50	50
Silver	1	1
GoldExchangeTradedFunds (ETF's)	16	16
GoldMutual Funds	10	10
OtherCommoditiessuchas Agriculture, Metaletc.	20	20
None oftheabove	3	3
Total	**100**	**100**

Source: Primary Data

It indicates a strong preference for gold, with 50% of respondents choosing it as their primary investment commodity, reflecting its traditional status as a safe haven asset.

16% opt for Gold Exchange Traded Funds (ETFs), and 10% invest in gold mutual funds, suggesting a growing interest in more accessible investment vehicles. In contrast, only 1%invest in silver, highlighting a limited diversification in precious metals. 20% of respondents consider other commodities, such as agriculture and metals, indicating some interest in diversification. Overall, the data suggests a need for enhanced education on alternative commodity investments to foster broader investment strategies.

Table – 8: Frequency of InvestmentsinStocksandotherAssets

Frequency	No.of Respondents	Percentage (%)
Weekly	55	55
Monthly	2	2
Yearly	13	13
Morethanayear	4	4
Notapplicable	26	26
Total	**100**	**100**

Source: Primary Data

Evidents of the table that 55% of respondents invest in stocks and other assets on a weekly basis, indicating a proactive and engaged approach to managing their investments. In contrast, only 2% invest monthly and 13% yearly, suggesting that most participants do not view investing as a regular activity. Additionally, 4% invest less than once a year, while 26% indicate that investing is not applicable to them. This disparity in investment frequency may point to varying levels of financial literacy and confidence among respondents, highlighting the need for educational initiatives to encourage consistent investment habits and diversify participation across different frequencies.

Table – 9: Kay Factors Influencing on InvestmentDecisionMaking

Factors	Ratings					Statistics	
	SA (5)	A (4)	N (3)	DA (2)	SDA (1)	Mean	Standard Division
Returns are permitted as parameter while investing.	26	32	20	10	12	3.5	3.23
Consideration of entry and exit load during investing.	27	52	16	3	2	3.99	3.56
Risk factor is considered while Investing.	25	16	20	38	1	3.26	2.98
Tax benefits are considered.	10	56	26	6	2	3.66	3.22
Capital appreciation is considered.	35	17	10	25	13	3.36	3.18

Source: Primary Data

From the above analysis highlights several factors affecting investment decisions, with the consideration of entry and exit loads receiving the highest mean rating of 3.99, indicating strong awareness among respondents. The importance of expected returns follows closely at 3.5**,** showing that profitability is a primary concern. In contrast, risk factors scored lower, with a mean of 3.26**,** suggesting that many respondents may either underestimate risk or prioritize other factors. Tax benefits also play a significant role, with a mean of 3.66**.** Overall, the data underscores the need for educational efforts to enhance understanding of risk management and diversification in investment strategies.

5. Suggestions

- Develop workshops and online courses tailored to low-income groups, focusing on basic financial management, budgeting, and savings strategies to improve overall financial literacy.
- Partner with banks and financial institutions to create trust-building initiatives, such as low-fee savings accounts or financial incentives for first-time depositors, to encourage formal savings habits.
- Launch campaigns to educate respondents about various investment options beyond traditional fixed deposits and gold, highlighting the benefits of diversification through seminars, webinars, and informative content on social media.
- Strengthen the digital presence of financial institutions by providing educational content through social media, blogs, and videos that address common financial questions and concerns, particularly targeting younger audiences.
- Develop programs that promote systematic investment plans (SIPs) to encourage regular investing, even in small amounts, to build long-term financial habits among respondents.
- Provide specific training on assessing and managing investment risks, including workshops that cover the importance of understanding market conditions, risk assessment, and long-term investment strategies.
- Foster community-based financial advisory programs where individuals can receive personalized financial guidance from trained volunteers or professionals, encouraging dialogue and trust.
- Establish a feedback system for respondents to share their financial concerns and preferences, allowing for more tailored financial products and services that meet their needs.
- Regularly evaluate the effectiveness of implemented programs through follow-up surveys and focus groups to adapt strategies based on participant feedback and changing economic conditions.

6. Conclusion:

To sum up, enhancing financial literacy among educators and women is crucial for fostering a financially savvy society. The present study reveals significant gaps in financial knowledge, particularly among women teachers, who often face economic constraints. Addressing these gaps through targeted educational initiatives and banking services can empower women to make informed financial decisions, ultimately contributing to their financial security and independence. Future efforts should focus on developing comprehensive financial literacy programs, leveraging digital tools, and building trust with financial institutions. By way of equipping educators and women with essential financial skills, we can create a ripple effect that benefits future generations and promotes overall economic stability.

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