**RISK PERCEPTION OF WORKING WOMEN ON INVESTMENT WITH REFERANCE TO ALUVA MUNICIPALITY**

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Investment activities undertaken by people are one of the essential prerequisites for capital formation and faster growth of an economy, especially in case of developing economy like India. Investment is the employment of funds with the aim of achieving additional income or growth in value. It involves the commitment of resources which have been saved or put away from the current consumption in the hope that some benefit accrue in the future. Investment can be done in various sectors. When a person invests, it always requires a sacrifice of some present asset that they own, such as time, money or effort. The wealth created can be used for meeting the variety of objectives such as meeting shortages in income, fulfilling certain obligations etc. Risk is the possibility of something bad happening. It implies future uncertainty about the deviations the expected earnings or expected outcome. Risk and return are the primary ingredients in making investment choices. Expected return must be compared with risk. The greater the amount of risk an investor willing to take, the greater the potential return. The risk and return of the investment are dependent factors. Different type of risk is existing according to the nature of investment. Investors may be classified into three categories. Some are risk averse means who do not take risk. These investors are called rational investors. Other investors are risk seekers as they are ready to take believes that “higher the risks, higher will be returns”. Investors consider risk or uncertainty about the future outcome wish to avoid the investment purpose. They are neutral investors who neither take high risk nor high return. Role of women: In ancient times, women were not allowed even to get education and their role is to look after their home. But then people slowly started recognizing importance of education for women and today we find a lot of educated women. They know how to manage work life balance. Now a day we find more and more women who are financially independent. Women and men are same in many ways but there are good senses of reasons that women might require a different approach to financial planning. There are all sorts of reason that women seek financial advice. Every 9 woman will face unique personal situations. Some of these situations are demographic, some societal, some family related. They decided to make investment in both long term and short-term decisions. “Working women have a greater propensity to save and invest because of their independent earning power. They also get motivated by the investment behavior of their colleagues at their work place. They tend to be risk adverse, safety oriented and mostly guided by certainty of returns. However, on account of increasing level of knowledge and awareness, women are slowly participating in the risky investment portfolios and they are becoming analytic in their investment behavior.”

**SIGNIFICANCE OF THE STUDY**

In growing Indian economy, the security market is the active sectors in the financial system of our country. It makes important contribution to the development of economy. India has a long and indigenous tradition of savings and investment. Even when India was under the foreign rule it was always quick to adopt and develop the most modern ways to channel savings and investment.

**STATEMENT OF THE PROBLEM**

Investment that leads to capital formation is considered as an important factor in promoting economic development of a developing country like India. Risk and return are the primary ingredients in making investment choices. Since last two decades number of working educated women in total employment has been increasing, who have capabilities to save and invest. Women being more careful while dealing with financial matters, they prefer to avoid risks as far as possible. As research studies in the field of risk perspective of working women on investment have remained limited, an attempt has been made to study the risk perspective of working women in Aluva Municipality. To start with women who are working and earning more than 10000 per month, working in different sectors, and also self-employed women working for them are also covered under this study. Hence the problem under the study may be stated as ‘Risk perspective of working women on investment with respect to Aluva Municipality’.

**OBJECTIVES**

1. To identify the investment avenues chosen by women employees.

2. To understand the factors affecting the risk attitude of women investors.

3. To study the attitude of working women towards investment.

4. To study their relationship between income and investment.

**HYPOTHESIS**

H01: There is no significant relationship between income and investment.

H02: There is no significant relationship between annual income and risk attitude of women investors.

**SCOPE OF THE STUDY**

The scope of the study is limited to certain basic risk factors which the women investors may consider while choosing different investment avenues. Regarding the respondents, working women employees were chosen randomly within Aluva Municipality. The study is restricted to Aluva Municipality alone.

**RESEARCH METHODOLOGY**

Analyze of theoretical and empirical research was used to set up to the research framework and elaborate the structure for empirical research. All research questions derived from the objectives in this study were aimed at describing and developing a more detailed understanding within the area. Sample survey has been conducted for collecting primary data and also used secondary data. Primary data collection approach is used to gather information about consumer perception and behavior by highlighting on their attitude on green marketing. Primary data was collected through Google forms. The proposed sample size was studied and the research instruments are self-administered, e-mail, WhatsApp with customers. Secondary data used in this study came from the source as internal data within different research firm, journals, article, books, reports and online database. The quality of secondary data is good and authentic. The sample size used for the purpose of study is 100 respondents from Aluva Municipality. TOOLS FOR ANALYSIS ❖ Simple Percentage analysis ❖ Chi–square test❖ Likert scale ❖ ANOVA ❖ Weighted Average method.PERIOD OF THE STUDY The study is conducted for a period of 202-2024

**DATA ANALYSIS AND INTERPERTATION**

**Table 1**

**Profile of Respondents**

|  |  |  |  |
| --- | --- | --- | --- |
| **Age** | **Particulars** | **Respondents** | **Percentage** |
| 20-30 years | 26 | 26 |
| 30-40 years | 32 | 32 |
| 40-50 years | 28 | 28 |
| Above 50 years | 14 | 14 |
| Total | 100 | 100 |
| **Marital Status** | Married | 87 | 87 |
| Unmarried | 13 | 13 |
| Total | 100 | 100 |
| **Job Status** | Government service | 11 | 11 |
| Salaried | 43 | 43 |
| Self-employed | 10 | 10 |
| Professional | 21 | 21 |
| Others | 15 | 15 |
| Total | 100 | 100 |

Source:primary data

The table No.1shows that 43 percentages of the respondents are salaried and 21 percentage. Only 11 percentage respondents are government service and only 10 percentages are self- employed.

**Table No.2**

**RANKING OF FACTORS THAT INFLUNCE INVESTMENT DECISION**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **FACTORS** | **1** | **2** | **3** | **4** | **5** | **RANK** |
| **Safety** | 69 | 23 | 6 | 0 | 2 | 1 |
| **Higher Return** | 32 | 44 | 19 | 4 | 1 | 2 |
| **Liqudity** | 29 | 33 | 33 | 3 | 2 | 3 |
| **Regular Return** | 33 | 31 | 24 | 8 | 4 | 4 |
| **Others** | 15 | 16 | 49 | 8 | 12 | 5 |

**(Source :- Primary data)**

According to the table No.2 the main factors that affect the investment decision is safety of the investment whereas other give preference to high return. Next rank go to the liqudity related with investment. Remaining investors were take decision based on the regular return and others factors also.

#### **Table No.3**

#### **INVESTMENT OBJECTIVES**

|  |  |  |
| --- | --- | --- |
| **Objectives** | **Number of**  **respondents** | **Percentage** |
| **Higher risk with high returns** | 9 | 9 |
| **Lower risk with lower returns** | 7 | 7 |
| **Medium risk with medium returns** | 48 | 48 |
| **Neutral** | 33 | 33 |
| **others** | 3 | 3 |
| **Total** | 100 | 100 |

(Source :- Primary data)

Table 3 shows that least number of respondents hat is 9 percentage prefer high risk with high return. Opportunities because of risk factors and 7 percentage for lower risk with lower return. The majority of respondents about 48 percentage like to invest in medium risk with medium return plans where as 33 opt neutral plans. Because most of prefer safety of investment.

**Relation between Income and Investment**

H0: There is no significant relationship between income and investment. H1: There is significant relationship between income and investment.

**Table No.4**

**Relation between Income and Investment**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Income** | **Investment** | | | | | |
| Below 1lakh | 1-2  lakh | 2-4  lakh | 4-5  lakh | Above5 lakh | Total |
| 1-2lakh | 39 | 2 | 0 | 0 | 0 | 41 |
| 2-3lakh | 15 | 4 | 1 | 0 | 0 | 20 |
| 3-5lakh | 8 | 5 | 3 | 0 | 0 | 16 |
| 5-10lakh | 6 | 7 | 4 | 1 | 0 | 18 |
| Above10 lakh | 1 | 0 | 4 | 0 | 0 | 5 |
| Total | 69 | 18 | 12 | 1 | 0 | 100 |

(Source :- Primary data)

#### **RESULT OF CHI-SQUARE TEST**

|  |  |
| --- | --- |
| Table value | 26.30 |
| Calculated value | 26.7725 |
| Degree of freedom | 16 |
| Level of significant | 0.05 |
| Results | Reject |

Since the calculated value is greater than the table value we reject the null hypothesis i.e, H0andaccept the another one.

Thus, it is clear that income and investment are dependent to each other.

**Relation between annual income and risk attitude of women investors**

H0:.There is no significant relationship between annual income and risk attitude of women

investors

H1: There is significant relationship between annual income and risk attitude of women investors

**Table No.4**

**Relation between annual income and risk attitude of women investors**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Risk attitude** | **Income** | | | | | |
| **1-2**  **lakh** | **2-3**  **lakh** | **3-5**  **lakh** | **5-10**  **lakh** | **Above 10**  **lakh** | **Total** |
| **Risk averse** | 4 | 1 | 2 | 0 | 0 | **7** |
| **Risk takers** | 0 | 0 | 2 | 3 | 4 | **9** |
| **Moderate risk investor** | 9 | 16 | 8 | 10 | 1 | **44** |
| **Neutral** | 27 | 2 | 4 | 5 | 0 | **38** |
| **Others** | 2 | 0 | 0 | 0 | 0 | **2** |
| **Total** | **42** | **19** | **16** | **18** | **5** | **100** |

#### RESULT OF ANNOVA

|  |  |
| --- | --- |
| Table value | 2.87 |
| Calculated value | 0.9311 |
| Degree of freedom | (4, 20) |
| Level of significant | 0.05 |
| Results | Accept |

Table value at 5% level of significant and (4, 20) df = 2.87. Table value (2.87) is more than the calculated F values (.9311) accept null hypotheses**.**

There is no significant relationship between annual income and risk attitude of women investors.

#### **FINDINGS**

* + - Majority of the respondents are of age group 30-40 years
    - More than 80% of the respondents are married and are salaried employees.
    - Annual income of the respondents are more between 1-2 lakhs and only 5% have above 10 lakh,
    - Majority of the respondents, about more than 60% have annual investment below 1 lakh.
    - From the study it is clear that majority women investors prefer bank deposit and no one prefer real estate for investment purpose.
    - Income and investment of respondents are dependent to each other. It is proved by using chi square test.
    - Most of the women investors prefer medium risk with medium returns. This shows the general attitude of women investors.
    - The main motive or purpose of the respondents of investment decisions were,to meet the self-improvement and unanticipated losses.
    - Most of them consider safety and regular return as the main factors while making investment.
    - 63% of them are satisfied with safety and liquidity of investment and majority of them are also satisfied with the returns they get from their investment..
    - 44% of respondents form the category of moderate risk investor andonly9%arerisktakers.
    - Regarding the factor affecting the risk taking attitude of women investors, majority of them agree that lack of awareness is the major factor that affects them, followed by family background and income stability.
    - Majority of them disagree that lack of confidence affects their risk taking attitude
    - .
    - It is observed that most of the respondents seek expert advices while choosing investment options and least preferred advices is that of local brokers and agents.
    - 30% of the respondents invest in for a period of less one year.
    - The most common problem faced by investors while investing is that of high living expenses and low income.
    - Morethan50%oftherespondentsaresatisfiedwiththeiroverallinvestments.

#### **SUGGESTIONS**

* Awareness can be given to women investors about some investment plans like NSC, senior citizen savings scheme, mutual fund, government securities, systematic investment plan etc. along with the risk and reward benefits of each.
* Investors feedback about different alternative options can be collected so that improvements can be done in schemes. The fault or problems in the avenues can be avoided through this.
* Trustworthy and trained certified agents can be appointed by the institutions to facilitate financial awareness among women investors. It will be a big support to create a good view about the investment in various avenues.
* As literacy among women increases ,their employment /entrepreneurship have also increased. So if suitable work environment is provided along with flexible hours, they can achieve a balance between work and home responsibilities. Also more information about investment opportunities should be provided so that they can significantly contribute to investment in productive channels. It will increase their attitude towards the investment.

#### **CONCLUSION**

Working women always have a different perception related to the investments. Their perceptions will also changes with the kind of sector they are working and also with their family background. The study focus on risk perception of working women investors in Ernakulam district, and the various factors affecting the risk taking attitude of women investors, various avenues chosen by them .

The study came to the conclusion that most of the women investors are moderate risk takers and prefer to invest in bank deposits, gold and other safer instruments than risky assets. The main factor which affects the risk taking ability is that ‘ lack of awareness’ about investment alternatives and due to their family obligations. Many of them are confident enough to invest in but lack knowledge about investment avenues / have less knowledge about risky asset classes and are not having stable income. Thus women investors are confined to traditional, moderate risky & safe investment avenues.

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