A STUDY BASED ON INVESTMENT PATTERN OF GOVERNMENT EMPLOYEES IN VARIOUS AVENUES IN VELLORE DISTRICT

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Abstract
Investment is the employment of funds with the aim of getting return on it. In general terms, investment means the use of money in the hope of making more money. The present study is on Investment pattern of Government employees in various avenues in Vellore district. The population being large the survey was carried through a questionnaire, among   respondent of Vellore. Frequency analysis, ranking, ANOVA and other related statistical were done on the data.   Most of the government employees are well educated and have more experience in various fields. But they do not have thorough knowledge in the investment area to get return for their investment. They must be given awareness about the area of investment and rate of return from various nature of investment. Hence a study was undertaken by the researcher in the topic of investment pattern of government employees in different avenues.

Keywords: Investment, Government Employees, Various Avenues.

Introduction
Investment in terms of financial means any money that is spent today in the hope of financial benefits that may be reaped in future time frame. Any investment is the act of buying or creating assets with an expectation that the same would yield interest earnings or dividend or capital appreciation or any other return that is profitable. Almost all investments are differentiated from other kinds of transactions based on the aim of money spent. Money spent on making investment is primarily with the aim of obtaining some sort of return in a specific period of time. In the modern financial system there are so many investment avenues to choose from today's market and it has become difficult for everyone to decide about these avenues. Some of these investment avenues offer attractive returns but with high risks and some offer lower returns with very low risk.

Statement of the Problem
The statement of the problem under this study is to analyze the investment pattern and risk perception of government employees in different investment avenues based on current scenario.

Scope of the Study
Actually, investment of government employees is a kind of self-restriction from spending the entire income for genuine and self-protective reasons to stabilize the regular financial flow in the form of salary even during some inevitable brief-time hindrances. With this perspective the government employees Vellore district situated in the state of Tamilnadu, is studied in connection to the above stated factors.

Objective of the Study
1. To study the demographical profile of government employees based on investment decision.
2. To identify the government employees awareness level on investment.
3. To know the customers investment preference and their risk tolerance level towards financial instruments.
4. To study the factors influence on investment decision taken by government employees, their objective of savings and purpose of investment.

Limitations of Study
This study was carried out mainly in Vellore district, Tamil Nadu and, therefore, the results obtained may not be applicable as a whole, since the government employees differ in their preference, culture and demographics in various parts of the country. Due to time constraint, the reliable sample size was restricted to 150. The study was based on government employee investment pattern; it does not cover other kind of salaried investors.

Review of Literature
Dattatraya, Chavare T. (2013) The study has found that, there was a relationship between annual income and terms of investments. But, an age of investors and the amount of investment is not interrelated. It is suggested that, the investors should have thorough knowledge before making investment in different avenues.

Ujwala Bairagi and Charu Rastogi (2013) Investment is one of the major issues of the middle class families as their small savings of today are to meet the expenses of tomorrow. to study the preferences of investors for different investment products; and finally to identify the factors influencing investor awareness and preferences.

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Deepak Sood (2015) It is analyzed that there is relationship between Annual Savings and Age, Income, Sector wise Employment, Education of people. It was propounded here that the most preferred investment options are LIC and bank deposits and most of the factors influencing investment decisions were high returns, tax benefit and safety.

Bhawana Bhardwaj, Nisha Sharma, Dipanker Sharma (2013) The impression has, however, not been scientifically tested and substantiated due to lack of reliable data on income, consumption and saving behavior of employees working with Bahra University in Solan District. It is because of this reason that the study has been undertaken on the employees of Bahra University.

Lekshmi S.R (July 2015), The Government employees need to analyze the investment factors carefully using the reasonable business knowledge before making an investment decision. The Government employees do also need to diversify their investment in different avenues by developing a range of investments to minimize risks and maximize returns.

Apparao E. and Kishore Babu N (2015) The investment alternatives range from mutual fund schemes, insurance schemes, chits, bank fixed deposits, company fixed deposits, company shares, bonds /debentures, government securities, postal savings schemes and real estate etc.

Methodology
The research design is empirical in nature and Simple random sampling method was adopted. The major part of study is based on primary data. Primary data have been collected from the customers of central government, state government and quasi government in Vellore district. Secondary data was collected from various published and unpublished sources which include journals, books, articles, research papers and websites. The sample size was around 150 respondents in Vellore district.

Analysis of Data

Table 1: Demographic profile of the government employees (frequency and percentage)

Variables		Frequency	Percentage
Age	20-30 years	24	16.0
	31-40 years	62	41.3
	41-50 years	43	28.7
	Above 60 years	21	14.0
Gender	Female	67	44.7
	Male	83	55.3
Qualification	10th/12th/diploma	63	42.0
	Graduate	67	44.7
	Professional	18	12.0
Occupation	Salaried	82	54.7
	Professional	26	17.3
	Business	14	9.3
	Retired	28	18.7
Monthly income	Below 20000	49	32.7
	20000-40000	68	45.3
	40000-60000	21	14.0
	Above 60000	12	8.0
Occupation	Central government	58	38.7
	State government	47	31.3
	Quasi government	45	30.0

Source: primary data

Inference: From the table 1 it is found that 16% of respondents are between the age group of 20-30 years, 41.3 % are in the age group of 31-40 years, 28.7% fall between the age group of 41-50 years and 14% of respondents are above 60 years. It is observed that 44.7% are of female government employees and 55.3 % of male government employees. The education frequency table explores that 42% of government employees belong to 10th/12th/Diploma,44.7 % are belongs to graduate,12% of employees comes under professional and 2% of government employees are fall under other category such as farmers, IT Professional and others. It is found that the occupation comprises 54.7% are salary people, 17.3% belongs to professional, 9.3% are business persons and 18.7% are fall under retired. Only 32.7% of government employees are earning below20000,

45.3 are between 20000 - 40000, 14% are fall under 40000 - 60000 and 8% are above 60000 on the monthly basis. The occupation comprises 38.7% of respondent is central government, 31.3% belongs to state government, and 30.0% belongs to quasi government. Central government employee is most preferable to do more investment than other government employees.

Table 2: Investment preference of government employees

Variables		Frequency	Percentage
Preference to investment	Private sector	27	18.0
	Public sector	123	82.0
Time period	Short term (0-1 years)	25	16.7
	Medium term(1-5 years)	106	70.7
	Long term (above 5years)	19	12.7
Income of investment	Below 5000	63	42.0
	5000-10000	54	36
	Above 10000	33	22
Monitor the Investment	Daily	11	7.3
	Monthly	123	82.0
	Occasionally	16	10.7
Savings objective	Children Education	96	64.0
	Retirement	12	8.0
	Asset purchase	6	4.0
	Children Marriage	23	15.3
	Health care	13	8.7
Purpose of investment	Wealth creation	56	37.3
	Tax savings	18	12.0
	Earn return	26	17.3
	Future expenses	50	33.3

Source: primary data

Inference: It indicates that 18% of government employees prefer for private sector and 82% of government employees prefer to investment in public sector. It is found that the sample unit comprises 16.7% of government employees prefer to invest in a time period between 0-1 years (short term), 70.7% are between 1-5 years (medium term), and 12.7% are more than 5 years (long term). It is found that 42% of government employee prefer to make investment from their income below 5000, 36% are between 5000 - 10000, 22% fall under 10000 and above.

Table 3: Rank analysis

S. No	Mode of Awareness	Rank	Percentage
1	Shares	VII	47.3
2	Debentures & bonds	V	63.3
3	Mutual funds	IV	68
4	Bank	I	94
5	Insurance	VI	58
6	Real estate	IX	26.7
7	Gold/silver	III	73.3
8	Post office savings	II	77.3
9	Chit funds	VIII	33.3

Source: primary data

Inference: The table 3 summarizes the percentage value of various types of investment. Based on percentage value , bank has ranked I (94%), post office savings has got rank II (77.3%), gold and silver has ranked III (73.3%),mutual funds has placed in rank IV (68%), debentures and bonds has ranked V (63.3%), insurance has got rank VI (58%), shares has placed VII rank (47.3%),chit funds (33.3%) and real estate(26.7%) has ranked VII and IX respective.

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ANOVA - Table 4: Age with factor influencing investment decision

Factor influencing investment decisions		Sum of Squares	Df	Mean Square	F	Sig.	Significant / not significant
Higher liquidity	Between Groups	18.438	3	6.146	6.021	.001	Significant
	Within Groups	149.035	146	1.021			
Safety of money	Between Groups	4.144	3	1.381	1.202	.311	not significant
	Within Groups	167.750	146	1.149			
Regular returns	Between Groups	13.511	3	4.504	3.922	.010	Significant
	Within Groups	167.662	146	1.148			
High returns	Between Groups	13.508	3	4.503	3.798	.012	Significant
	Within Groups	173.085	146	1.186			
Long term benefits	Between Groups	21.441	3	7.147	4.097	.008	Significant
	Within Groups	254.699	146	1.745			
Capital appreciation	Between Groups	47.258	3	15.753	14.282	.000	Significant
	Within Groups	161.035	146	1.103			
Tax benefits	Between Groups	59.737	3	19.912	13.581	.000	Significant
	Within Groups	214.057	146	1.466			
Social prestige value	Between Groups	2.471	3	.824	1.036	.379	not significant
	Within Groups	116.069	146	.795			
Future security	Between Groups	.737	3	.246	.201	.896	not significant
	Within Groups	178.597	146	1.223			
Low risk	Between Groups	28.562	3	9.521	8.310	.000	Significant
	Within Groups	167.278	146	1.146			

Source: primary data

Inference: H_o- There is no association between age and safety of money, social prestige, future security at 5% level of significance. H_a- There is an association between age and higher liquidity, regular returns, high returns, long term benefits, capital appreciation, tax benefits and low risk at 5%level of significance.

Table 5: Association between income levels and time period for investment

Monthly income	Time period of investment			Total	Value	Significance
	Short term	Medium term	Long term			
Below 20000	7	38	4	49	13.796	.032
	(8.2)	(34.6)	(6.2)	(49.0)		
21000-40000	16	43	9	68		
	(11.3)	(48.1)	(8.6)	(68.0)		
41000-60000	2	13	6	21		
	(3.5)	(14.8)	(2.7)	(21.0)		
Above 60000	0	12	0	12		
	(2.0)	(8.5)	(1.5)	(12.0)		
Total	25	106	19	150		
	(25.0)	(106.0)	(19.0)	(150.0)		

Source: primary data

Inference: From the table 5, it is found that pearson chi square value is P=13.796, 0.032 are statistically significant at 5% level. Hence H_O rejected. This indicates that there is a significant relationship between investor's monthly income and time period for investment.

Findings
It revealed that majority of respondents are from the age group of 31-40 years. Male respondents are more preferable to do investment in various avenues than female respondents. With regard to education, most of the respondents of graduate have intension on saving habits. Salary class persons prefer to investment as compared to other professionals. The analysis reveals that 20000-40000 income group prefers to invest in various avenues. Central Government employees prefer more investment than others. More number of government employees tends to invest in public sector. From the analysis it is inferred that medium term of investment period is preferred by government employees. In India majority of respondents prefer to make

investment for children's education than health care. In ranking analysis, it is revealed that bank has ranked I and real estate has ranked IX. The chi square analysis reveals that there is a significant relationship between investor's monthly income and time period for investment. From the ANOVA analysis it is found that there is a significant difference between age and higher liquidity, regular returns, high returns, long term benefits, capital appreciation, tax benefits.

Suggestions
1. To enhance the saving habits, the saving mode must attract people by providing many offers and new attractive schemes.
2. Majority of the investing respondents were found to be in the age group of 31 to 40 years. Hence it is suggested that investment schemes tailored to the senior citizens need to be developed.
3. The perception of most investors on the safety and liquidity of different investment avenues is preferable. Hence there is need to create the environment to instill confidence on investing public with regard to the liquidity and safety of their investment schemes.
4. More transparency about the institution and their performance would help the investors to channelize their investments safely.

Conclusion
The Present study has important implications for investment avenues as it has come out with certain interesting facts regarding government employees. The employees still prefers to invest in financial products which give risk free returns. This confirms that Indian investors even if they are of high income, well educated, salaried, independent are conservative investors prefer to play safe. The investment product designers can design products which can cater to the investors who are low risk tolerant and use TV as a marketing media as they seem to spend long time watching.

Scope for Further Research
1. Study is limited to government employees investment decision. Other sector employees can be taken for future research.
2. Study can be done based on future upcoming investment avenues.

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