



A STUDY ON INVESTMENT DECISION MAKING BEHAVIOUR OF EMPLOYEES IN A PRIVATE HOSPITAL IN KARUR DISTRICT

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ABSTRACT

This study investigates the factors influencing the investment decision-making behavior of hospital employees. In the context of complex investment landscapes and varying financial literacy, this research aims to identify the key determinants shaping employees' investment choices, such as financial literacy, risk tolerance, income level, and peer influence. Using convenience sampling, data were collected from 121 hospital employees through a structured questionnaire. The findings reveal that market conditions and risk-taking behavior significantly impact investment decisions, while peer influence and financial security also play notable roles. This research provides insights that can help improve financial planning strategies for healthcare employees, ultimately contributing to their long-term financial well-being.

KEYWORDS

Investment Decision-Making, Financial Decision, Investment Behaviour, Healthcare Sector, Market Conditions, Risk Preferences, Savings and Investments

INTRODUCTION

Investment management in the current scenario has evolved more and more complex because various schemes run by different bodies are present. It is all about mobilization and channelizing the savings of investors and to be utilised in a better form if needed. An individual's investment is depended on several factors such as level of investment avenues awareness and availability of surplus funds, risk appetite level etc. Investment decisions are also influenced by the goal of the project and the time frame within which it may be completed. One important factor that is thought to determine capital formation is investment.



An essential component of any nation's economy is savings. The money, which is saved in a variety of options accessible to the public, drives the nation's economic growth. Diverse opportunities are also presented to investors by Indian financial possibilities. Even though it's not the world's greatest or deepest market, it provides a fair range of possibilities for the average person to invest their funds. In order to save for an uncertain future and to generate a specified quantity of money for a specific life goal, investors must invest and earn a return on their idle resources.

This study aims to explore the factors influencing the investment decisions of hospital employees. With the ever-changing market conditions, varying levels of financial literacy, and the need for stable long-term savings, it is crucial to understand how hospital employees navigate financial investments. This research seeks to analyse how external factors such as market conditions, financial knowledge, risk tolerance, and income level affect their investment choices. By identifying these key drivers, this study hopes to provide valuable insights into improving the financial well-being of hospital employees.

SCOPE OF THE STUDY

The scope of this study on investment decision-making behaviour of hospital employees extends across multiple dimensions, encompassing both the internal and external factors that influence their financial choices. This research delves into the unique financial landscape faced by healthcare workers, whose demanding work schedules, job stress, and exposure to health-related risks often create distinct financial needs and challenges. By exploring a wide range of determinants such as financial literacy, risk appetite, income levels, and investment preferences, this study aims to provide a comprehensive understanding of how hospital employees approach personal investments. This study's findings will not only contribute to academic knowledge on investment behaviour but also have practical implications for improving the financial well-being of hospital employees, making it valuable for policymakers, hospital administrators, and financial service providers.

NEED OF THE STUDY

The need for this study on the investment decision-making behaviour of hospital employees arises from the growing recognition of the importance of financial well-being in shaping overall employee satisfaction and productivity. Hospital employees, particularly those in clinical roles, often face high levels of stress, long working hours, and unpredictable schedules, which can affect their ability to actively manage personal finances. Despite their



critical role in society, their financial needs and behaviours remain under-researched compared to other professional sectors. As the healthcare workforce is a diverse group that includes doctors, nurses, administrative staff, and support personnel, each of these groups may have distinct financial priorities, risk tolerances, and investment behaviours. Understanding these differences is essential to offer customized financial solutions and support.

REVIEW OF LITERATURE

Ramya.s Dr.SNS Rajalakshmi, the title of the article **A STUDY ON PRIVATE EMPLOYEES PREFERENCE TOWARDS INVESTMENT WITH SPECIAL REFERENCE TOCOIMBATORE CITY** A study with reference to private employees towards investment on Coimbatore city. The primary objectives are, To find the awareness level towards investment avenue. To analyze the factor influencing the investment pattern of a salaried person. A sample 100 private employees were taken into study and their data was collected. Since the information has to be taken from the private employees, the questionnaire has prepared for studying the investment pattern. The study has been based upon the primary data. The data will be collected from a respondents through a structured questionnaire. Questionnaire to establish the investment pattern of private employees. In this study we have used random sampling method. That is a sample chosen randomly is meant to be an unbiased representation of the total population. The following are the tools that is used in the data Percentage analysis, One-way Anova, Ranking, Chi-square.

The authors of the article are **Ramanathan K V & Meenakshisundaram K S**, the title of the article **Study of Investment Decision making behavior of Bank Employees**. A study which is conducted to know about the investment decision making behaviour with special reference to bank employees. The primary objectives are, to study the significance of demographic factors influencing the investment decision of the respondents. In order to understand the relationship between demographic factors and the Investment period by the investors. To understand the relationship between demographic factors and the source of information awareness on investment. The respondent of this study consists of the people employed in Banks. The research is analytical and tool used for data collection in structured questionnaire. The findings are, Majority of the investors across the gender, marital status and grade have given their preference of tax planning as their objective



of investment. Majority of the investors preferred long term investment rather than medium- and short-term investments. Friends are the main source of information for the investors followed by financial news and family members. Graduates make investment for the purpose of additional family income while post graduates invest with asset creation as their objective. In the case of professionals, it is a habit. Percentage of income that they invest depends on their annual income. More the income more percentage of income they invest.

The authors of the article are, **Mrs. Christina Jeyadevi. J, Dr. A. Kaboor**, the title of the article is **A STUDY ON INVESTMENT PREFERENCE OF PRIVATE SECTOR EMPLOYEES CONCERNING COIMBATORE**. The study is conducted to know the investment preference of private sector employees with special reference to Coimbatore city. The main objectives are, to present the socio-economic profile of the sample respondents. To find the relationship between investment preference and socio-economic profile. To recommend to the investors where they need to invest their money. Primary data is gathered by conducting a survey and distributing a questionnaire to 225 people in Coimbatore using the Convenient Sampling Technique. Secondary data is gathered from articles in financial newspapers, expert opinions published in various print media, books on investments written by various foreign and Indian authors, and data available on the internet. Percentage analysis and correlation were used to find the result of the study. The findings of the study states that, educational qualification (0.773) and monthly investment (0.731) have positive and significant relationship with level of investment preference at 5% significant level. People prefer to invest in gold and SIP as they have a guarantee of returns on the assets invested.

The authors of the article are, **Chandrasekaran, Durgadevi. PK, Dharani Kamatchi.S Gajalakshmi. A**, the title of the article is **FACTORS INFLUENCING THE INVESTMENT DECISION OF THE CUSTOMERS IN BANKING SECTOR**. The study talks about the factors which influences the investment decision of the customer in Banking sector. The primary objectives are, to determine the basic driving force of investment in banking sector. To identify the factors that influence an individual for investing and what the individual needs. To assess the perception of customers about their investment choice in the banking sector. To analyze the importance of demographic factors influen basis of investment preference. To analyze the importance of demographic factors influen basis of investment preference. For this research study, the researcher has used primary data that he or she derived from 110 respondents from customers of the banking



sector. The study will depend on the questionnaire and will take the form of convenience sampling method while drawing the inference from the data collected survey. The findings include the distribution of sample says that majority of people which is 55.5% are at the age of 18 to 30. People in the 18 to 30 age group prefer to invest in bank assets sector. The distribution of sample says that majority of people which is 64.5% are male. The distribution of sample says that majority of people which is 66.4% are graduates. Graduates always seek to generate multiple sources of income and are interested in investment in the banking sector.

The authors of the article are, **Dr. C. Thilakam, P. Santhanam**, the title of the article is **Savings and Investment Behaviour of Private Sector Employees in Tirunelveli District**. A study which talks about the savings and investment behaviour of the private sector employees with special reference to Tirunelveli district. The primary objectives of the study are to study about savings and investment behaviour of private sector employees in Tirunelveli district. Analyse the purpose of investment of private sector Private sector employees. Identify source of investment and investment preference of private sector employees. The research design is empirical in nature since the study is conducted using both analytical and diagnostic types of research. The major section of the study is based on primary data. The sample size was 120 and the respondents were selected from private sector employees in Tirunelveli district. The findings include 25 percent of respondents were women, and 75 percent of respondents were men, according to the survey. A significant proportion of female participants were selected for the research because female family members were also influential in the choice to invest. Their perspective and opinions were therefore quite important for the investigation. The suggestions states that the private sector employees should develop proper plan which will help them in to their short- or long-term savings investment decision making.

OBJECTIVES OF THE STUDY

- To determine the factors that affect on an individual for making an investment and what the individual requires.
- The study aims at studying the factors like, financial literacy, risk-taking behaviour, market conditions and peer influence will affect the investment behaviour of the employee or influences the decisions made by employees.
- To study the influence of demographic variables on financial literacy.

RESEARCH METHODOLOGY

In this study, the methodology involves using a structured questionnaire to collect primary data from 121 hospital employees, with secondary data sourced from company websites.

Primary Data:

Primary data are collected directly from the source for the specified purposes of the study. In this study data is collected using a structured questionnaire to gather firsthand responses from employees at the hospital.

Secondary Data:

Secondary data refers to information that has already been collected for other purposes and is available from existing sources. For this study, this data can be obtained through company websites, annual reports, and other publicly available financial information.

CONCEPTUAL MODEL

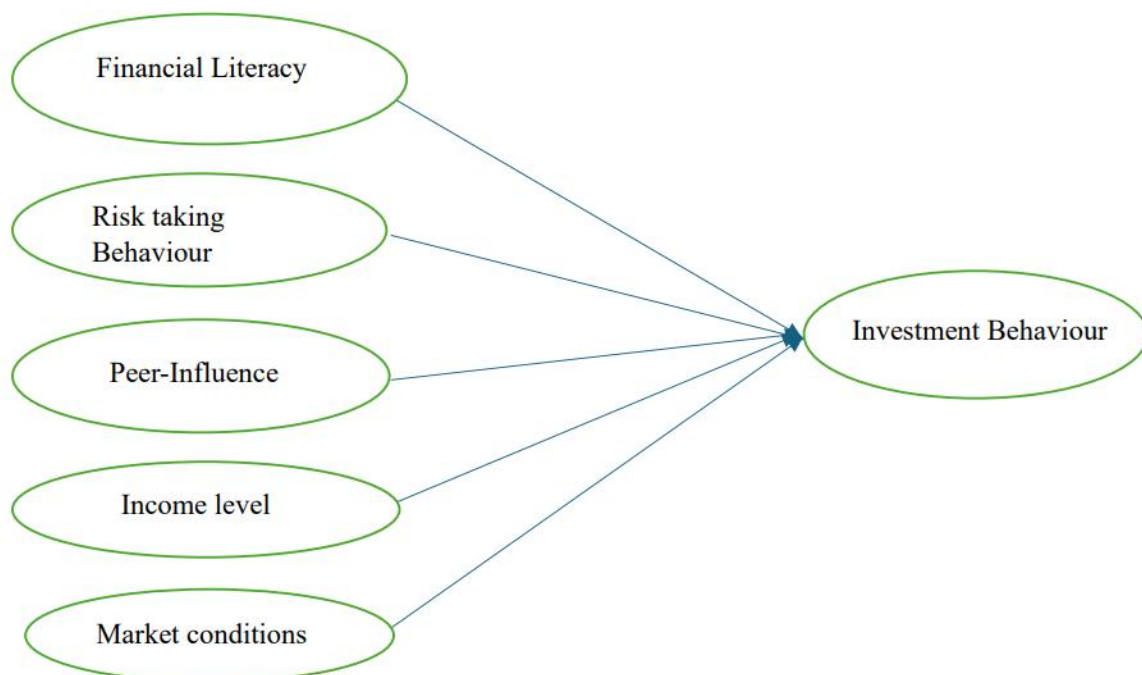


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Dependent Variable:

Investment Behaviour:

Investment behavior refers to the actions and decisions individuals make regarding their financial investments. It includes how they allocate resources, their risk tolerance, and the factors influencing their choices, understanding this behavior helps assess patterns in decision-making and potential outcomes for financial well-being.

Independent Variables:**Financial Literacy:**

Higher financial literacy typically equips people with better decision-making skills, enabling them to make informed investment choices and manage their finances effectively.

Risk taking behaviour:

This is the extent to which an individual is willing to take risks in their investment decisions.

Peer influence:

Peer influence refers to the impact that friends, colleagues, or social networks have on an individual's investment decisions.

Income Level:

An individual's income level can significantly affect their investment capacity and choices. Higher income provides more disposable resources for investment, allowing for diversified portfolios, while lower-income individuals may have limited investment opportunities and take a more conservative approach.

Market conditions:

This variable includes the external economic environment, such as stock market trends, interest rates, inflation, and economic stability.

DATA ANALYSIS**Interpretation of Demographic variable & Mean variable**

S.No	Particulars	Frequency/Mean	Percent
1	Age of the Respondents		



	Under 25	36	29.8%
	25-34	39	32.2%
	35-44	30	24.8%
	45-54	14	11.6%
	55 and above	2	1.7%
	Total	121	100%
2	Gender of the Respondents		
	Male	47	38.8%
	Female	72	59.5%
	Others	2	1.7%
	Total	121	100%
3	Education Level of the Respondents		
	Up to 12th	6	5.0%
	Undergraduate (UG)	68	56.2%
	Postgraduate (PG)	42	34.7%
	No Formal Education	5	4.1%
	Total	121	100%
4	Job Role of the Respondents		
	Nurse	27	22.3%
	Administrative	45	37.2%



	Staff		
	Technician	25	20.7%
	Other	24	19.8%
	Total	121	100%
5	Marital Status of the Respondents		
	Married	61	50.4%
	Unmarried	58	47.9%
	Other	2	1.7%
	Total	121	100%
6	Investment Behaviour		
	Monthly Income	1.74 (Mean)	
	I make Investments Frequently	3.31 (Mean)	
	I Thoroughly Research Investments Before Making Decisions	3.59 (Mean)	
	I Rely on Savings Accounts for My Investments	3.58 (Mean)	
	I Rely on Financial News for Making Investment Decisions	3.51 (Mean)	
	I Know About	3.62 (Mean)	



	Different Investment Options		
	I Know About the Risks and Returns Associated with Different Types of Investments	3.50 (Mean)	
	I Often Create a Personal Budget to Manage My Spending	3.69 (Mean)	
	I Regularly Save a Portion of My Income	3.64 (Mean)	
	I Am Willing to Take Financial Risks for Potential Higher Returns	3.50 (Mean)	
	I Prefer Investments with Guaranteed Returns Over Riskier Options	3.61 (Mean)	
	I Can Handle Significant Fluctuations in the Value of My Investments	3.31 (Mean)	
	I Consider Myself a Risk-Taker in	3.38 (Mean)	

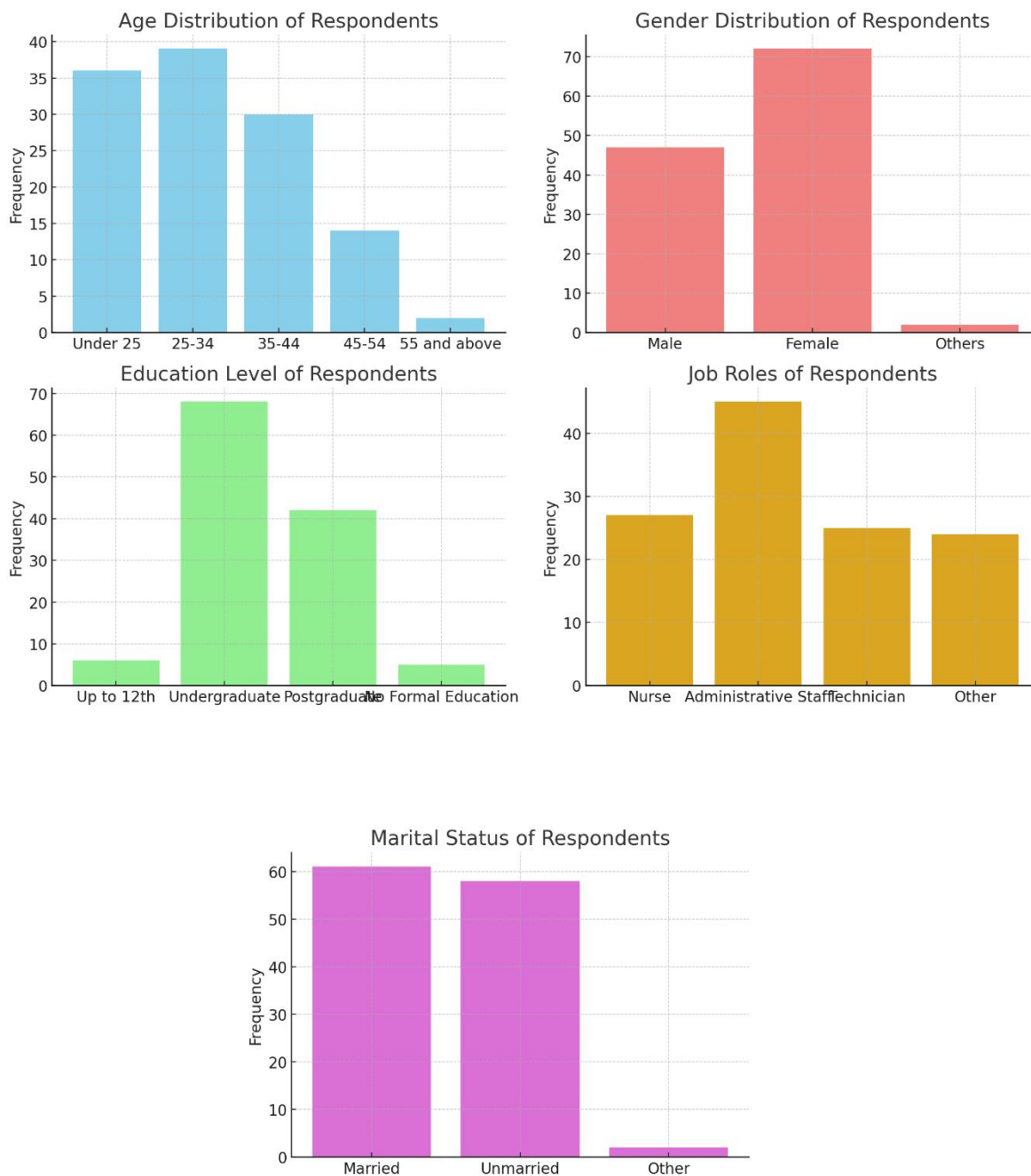


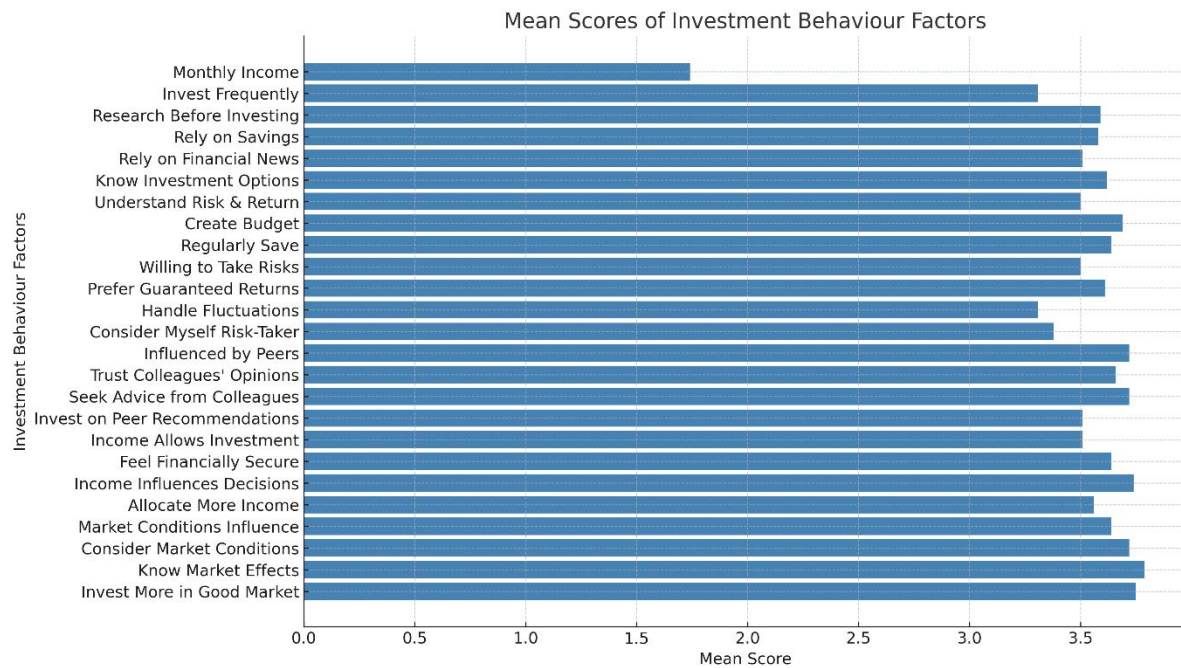
	Investments and Other Financial Matters		
	I Am Influenced by the Investment Choices of My Peers	3.72 (Mean)	
	I Trust the Financial and Investment Opinions of My Colleagues	3.66 (Mean)	
	I Seek Advice from Colleagues Before Making Investment Decisions	3.72 (Mean)	
	I Have Invested in Options Recommended by My Peers	3.51 (Mean)	
	My Income Level Allows Me to Comfortably Invest a Portion of My Earnings	3.51 (Mean)	
	I Feel Financially Secure Enough to Make Investments	3.64 (Mean)	
	My Investment Decisions Are Influenced by My	3.74 (Mean)	



	Current Income Level		
	I Allocate a Higher Percentage of My Income to Investments as My Income Increases	3.56 (Mean)	
	Current Market Conditions Significantly Influence My Investment Decisions	3.64 (Mean)	
	I Consider Market Conditions When Making Investment Choices	3.72 (Mean)	
	I Know That Market Changes Affect My Investment	3.79 (Mean)	
	I Invest More When the Market Is Doing Well and the Returns Are high	3.75 (Mean)	

Chart for demographic variable





FINDINGS

The study reveals that the majority of respondents are working-age adults (25-44 years), predominantly female (59.5%), and well-educated, with most holding undergraduate (56.2%) or postgraduate (34.7%) degrees. Job roles are largely administrative (37.2%), followed by nurses (22.3%) and technicians (20.7%). Respondents exhibit moderate financial literacy, preferring safer investment options like savings accounts, influenced by peer opinions and market conditions. Regression analysis shows market conditions significantly affect investment behavior ($\beta = 0.385$, $p = 0.000$), while financial literacy, peer influence, and income levels are not significant predictors. Correlations reveal no strong relationship between financial literacy and age or income.

CONCLUSION

The study on the investment decision-making behavior of hospital employees highlights several key factors influencing their investment choices. The majority of respondents are working-age adults, with a significant portion being female and holding undergraduate degrees. The analysis shows that market conditions and risk tolerance play a crucial role in shaping investment decisions, while financial literacy, though present, is moderate. Job roles and marital status also influence investment preferences, with a cautious approach towards



high-risk investments. The study emphasizes the need for tailored financial education programs that focus on improving financial literacy, especially in relation to market conditions and diverse investment options. Overall, the findings suggest that while employees have a basic understanding of financial matters, more focused interventions could enhance their decision-making abilities and long-term financial well-being.

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