



# "Investment Behaviour Of Working Women In Muzaffarpur Affect By Various Fcators"

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## ABSTRACT:

The Middle class family working woman are being financially independent, hence, she want to investment for family wellness and future welfare. Investment of working women in different sectors is play important role in their income, which affect G.D.P. of the nation. Mostly working women in Muzaffarpur can also make financial planning to achievement of financial growth, which is self decision of working women, no other person influences. It is important to observed that participation of the working women in investment is great planning, because their economic under plot is changing. The main aim of our study is the detailed description of investment in different sectors of working women's in Muzaffarpur districts, which affects by various factors. Our study illustrates that the Muzaffarpur working womens investment is greatly influenced by information factor, social factor, educational factor, psychological factors, firms image etc. Out study supports educational programs, financial programs, policy formulation etc, which makes the women investors, more involvement in various sectors investment.

**Key words :** Working women in Muzaffarpur, Behaviour of investment, self investment decision, social factors, psychological factors, educational factors, information factors etc.

## Introduction :

Mostly women's are involves in various activities like science and technology, education, medical, politics, media etc. Presently women's are hard working, manage social and gathering life and professional life, and becoming financially independent. working women's earns more and influences more their financial and investment decisions. The income of working woman is considered always as a supplementary income in the family. According to Kalpagam, 1995, women's and children's in the family generally considered as consumers, not producers.

Preferences of working women investors generally changes with the change of time. Different opportunities in investment in various sectors are available for working women like bank balance, real estate, equity, mutual funds, gold, shares, educational plan etc, with the objectives like future benefits, income stability, profit, security etc. Investment decisions of working women's are highly relay on the several factors like influences of family and friends, income and expenditure, risk-taking capability saving behaviors, knowledge of investments in particular sectors etc. Hence, the working women behavior in investment is diverse due to several factors behaves as safety in investment, regularly flow of income, job security, retirement benefits, take saving benefits etc. Correct

investment plan decides awareness about financial needs and various investment plans. If working women aware about returns and investments avenues, hence, they take bold and important decisions in investments, which secure their future. The present study is focused on the working women investments in Muzaffarpur, Bihar.

The research study can be beneficial to bankers, investors, government, financial institute etc. in such as response to introduces new and secure investment schemes and also develop strategies, which aware more about different investments for working women's. Positive return in future is the commitment for investors. The expectation of investors is the return in future, so, they invest in various sectors.

Three types of investors namely moderate investors, conservative investors and aggressive investors. Tamini in 2006, proposed traditional market theory, it is not only the market but also accordance with tenants of expected utility theory. The investment needs, constraints in making decision in investment and goals objectives are the considered as the basic expectations of investors, but it is not true for successful investors at all time. Several factors influences their attitude like online trading, experience of other successful investors, investors awareness etc. According to Tamini and Hussein in 2006, a better understanding of behavioral processes and outcomes is important for financial planner as investors generally respond to market movement should help investment advisor in devising appropriate assets allocation strategies for clients.

Behavioral finance blends behavioral and psychological components of financial decision making calls into questions conventional finances, which understands, why investors act in certain ways when investing in financial assets. According to Olsen in 1998, it aims to comprehend and forecast the repercussions of psychological decision making on the financial markets. Olsen believes that investors are influenced their own biases rather than being rational.

According to Javed et al. in 2017, behavioral finance combines behavioral biases with an intellectual psychological component as well as finance and economics to create a solid supporting rationale for people's irrational behaviour while making financial decisions.

According to Barberis and Thaler in 2003, even if investors are capable of accurately processing all available information to all investors are rational and their investing decisions are influenced by behavioral preconceptions. The investors were believed to be their investment decisions purely on risk return analysis, in such a response to achieve maximum goal of wealth in order to principles of financial fundamental. They were believed to be unbiased in their forecaste of the stock returns. According to Lowenstein et al, in 1998, the thought of second school claims that when investors face uncertainly, they act irrationally inefficient and inadequately. Investment awareness among working opportunities governs competency and willingness of women investors, which capitalize and save their finances for good returns, explained by several researchers.

Kahneman and Tversky in 1979 studied and it was found that the behavioral finance concept and analysis of expected utility theory which found that people do not value of those outcomes, which just possible in comparison with outcomes which are obtained with certainly, this theory thrown out prospect theory in which value is assigned to gain and losses rather than to final assets and probabilities are replaced by decision weights.

Nagy and Obenberger in 1994, examines the important criteria, which affect decision of equity investors of individuals with different firms. Maximum wealth was significant among respondent, while the recommendations effect of individual stockbrokers, brokerage houses, family members and participants were found insignificant.

According to Kent, Hiirshleifer and Tech in 2001, the most common factors which affects investors perception, while making investment decision are :

- (i) Individual investors show Loss avers behavior,
- (ii) Investors mostly use past presentation as an indicator future performance in stock purchase decision,
- (iii) Investors generally do not participate in all assets securities categories,
- (iv) Investors behave on status ego,
- (v) Investors trade to aggressively,
- (vi) Investors behave parallel to each other,
- (vii) Investors do not always form efficient port folios, and
- (viii) Investors are influenced by historical low or high trading stocks.

Financial literacy level effects the individual investment preference, the investment perspective, objective, and advice sources.

Shrestha in 2020, reported that the Napalese working women investment decisions are highly influenced by the company related variables.

### **Important Factors Affecting Investment Decision :**

Various factors such as individual risk profiles, nature of market, and accounting information is the main characterized investment decision in the working women.

According to Shelifer in 2000, financial decisions of investors are greatly affected by external and internal factors, which included mainly, level of income, financial knowledge, the risk preference level of individuals availability of information, general market condition etc.

- (a) **Social Factors :-** According to Watts and strogatz in 1998, social factors related to the social interaction, social networks and the social contacts that people make sometimes forcefully. According to Jager. These social networks helps to the information exchange between friends, family neighbour and other surrounding peoples.

Ames in 2004, suggested that when individual investor perceive greater level of general resemblance to a target group, they engage greater level of projection on specific attributes, they think about qualities and their own attitude, and relate them to the specific target. Investment decision of women and social interactions are the important relation between them.

Social interactions greatly influence investment decision in working woman.

- (b) **Psychological Factors :-** The psychology relates with investigating how human learn, activity of human mind, communicate and make decisions, explores by Zhou in 2014. These are the aspects that from the foundation of behaviors of the individuals, which is affected to the decision of investment.

According to Duxburg et al. in 2020, over the last decade, financial and investment choices of working persons were greatly influences by psychological and emotional behaviors.

Rosdini et al. in 2020, pointed that choice of investors are not solely guided by rational factors but are, significantly molded by psychological elements. These factors given shape behavior and attitude, for example a positive minded mood tends to fosters optimism, whereas, a negative minded mood can drive pessimism.

- (c) **Firms' Image :-** During the making of investment decision literatures have briefly examined and claimed that the firm's image is highly considering unit.

Qureshi and Hunjra in 2012, suggested that the image of the firm of corporate governance plays and vital role in the making of investment decision.

Akert and Church in 2006, suggested that the firm image can be built on the basis of the factors such as brand building, transparency and quality of management. These factors influences the decision of investment of individual investors.

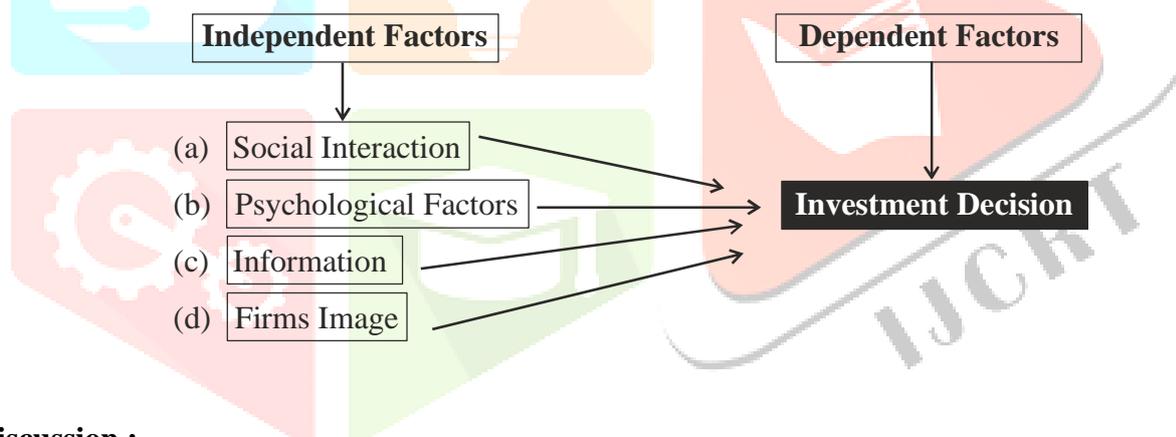
Image of the firm and decision of investment are the positive relation between them.

- (d) **Information Factor :-** According to Ricciardi in 2008, states that information behaves like catalyst which enables investors to make rational investment decision. Emmett in 2019, suggested that stock investment is a decision issue and individual investors make proper evaluation of the products regarding to the information basis, which is disclosed by the organization.

Tripathi, Pandey and Chaubey in 2016, states that investors give priorities to the financial information compared to non-financial information when they make investment decision.

### Concept of Investment Framework :

Investment considered the spending for the sacredness of future with the affinity of gain, which is the scarification of investors.



### Discussion :

Several studies find that the decision of working women about investment is highly influenced by information factor and social factor. According to Chang in 2004, knowledge of experience plays vital role to make investment decision but it is little correlation with working women in Muzaffarpur district. In Muzaffarpur, information factor is greatly correlated with investment decision, social factor also impact on the investment decision. Dimitrios in 2007, explained individual investors greatly influenced by news and media, whereas, matured investors, more focus on the technical and fundamental analysis. Firms image also a strong correlation with investment decision. It is a significant factor.

Investment decision, firms image, information factor and social factor exhibit positive relationship, which affect decision of investment of working women in Muzaffarpur. Qureshi and Hunjm in 2012, also explain that the firms image plays important role in the investment decision. This study shows psychological factor plays very little effect on the investment decision of working women in Muzaffarpur. Greene and Villanueva in 1991, explain that macro-economic indicators and fluctuation not affects in the investors decision towards investment.

## Conclusion :

The main objective of our work is to the investigation of behavior of working women in Muzaffarpur. From this study, we conclude that various factors like social factor, information factor, psychological factors, firms image etc, are highly influenced the investment decision of working women in Muzaffarpur. Social factors, firms' image and information factors are strongly correlates but psychological factor shows little effect on the investors investment decision.

Given diagram shows dependent variables and independent variables are strongly correlates with each other and it is concluded that the proposed model is adjusted accurately. From our observations and conclusion, it is important to note that social factors, information factors and image of the firm have highly effect in investment decision of working women of Muzaffarpur.

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