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Savings and Investment Behaviour among IT Working Women: A Study with reference to Chennai

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ABSTRACT

This research explores the behaviour of women with jobs in the information technology (IT) industry regarding how much money they save or invest over time. The growing number of women working in cities makes it very important for financial institutions and policymakers to know how these women manage their disposable incomes, especially if they have become financially independent. The research looks at profiles of women working in the IT sector, their major financial goals, and their level of financial literacy. The study indicated that a large majority of women employed in IT are saving but that most are saving in the form of low-risk investments such as Fixed Deposits (FD), Public Provident Funds (PPF), and gold. Despite being in higher tax brackets, these women tend to invest in lower-risk investments. However, among the younger professionals with higher levels of financial awareness, there is also a growing trend towards investing in Mutual Funds through Systematic Investment Plans (SIP) and the Equity Markets. The study found the primary motivations for saving to be retirement security, children's education, and long-term wealth creation. The major barriers preventing women from diversifying their investments continue to be limited time to research the market and an ingrained belief in preserving their capital. While IT women in Chennai have achieved financial empowerment, there is still a strong need for targeted financial education to change behaviours away from the traditional methods of saving to a more sophisticated approach based on strategy.

Keywords: Investment Behaviour, Women IT Professionals, Financial Literacy, Chennai, Savings Pattern, Portfolio Diversification, Financial Empowerment

1. INTRODUCTION

1.1 Concept and Importance

Women's economic participation is rapidly changing because the growth of India's Information Technology (IT) industry has had a profound effect on their roles in the workforce and at home, particularly in large urban areas such as Chennai, where IT is most prevalent. In the past, women primarily served as financial managers for their families' homes to make sure money was being managed appropriately. However, due to an increase in education levels; increases in employment opportunities; the introduction of new initiatives aimed at increasing financial inclusion; and the increase of digital financial services available to people in India, more women can now take part in their family's financial decision-making process. Today, many women working in IT earn equal salaries to men, have significant experience using computers and the internet, and have many opportunities to participate in long-term investment decisions.

1.2 Need for the Study

Despite increased income and access to digital banking technology, a large number of women professional use only traditional forms of saving (bank accounts), and do not invest their money in more diverse ways. The potential reasons for this might include financial education gaps; risk aversion; cultural reasons; and/or lack of knowledge about new forms of banking/investing.

1.3 Influence Factors

Among female professionals working in IT, there are a number of influences that shape their investment behaviour. These influences include demographic characteristics, financial literacy, income levels, and digital exposure to finance, family obligations, risk tolerance, and access to investment information. These influences together will shape how women plan to save money and invest their savings.

1.4 Statement of the Problem

Despite attractive salary and developing technical abilities, women currently within the IT field in Chennai generally have very conservative views towards their own personal financial Investments. Financially successful women are confused by the disparity between their earning abilities and how much wealth they have accumulated. As such, a lack of financial awareness, confidence and diversification may be issues when it comes to making sound Financial Decisions.

1.5 Theoretical Framework

This study combines several theories to understand how demographic traits, understanding of finance, ability to take risks, and social responsibilities affect how women invest. It also considers how diverse and inclusive ways to do finances and behavioral biases may affect women's investment strategies and long-term financial planning within their investment portfolio**s.**

1.6 Significance of the Study

The study contributes academically to gender-based financial behaviour research, supports financial institutions in designing women-focused products, and helps policymakers strengthen financial inclusion and investment awareness programs.

1.7 Objectives

- To examine demographic characteristics and their impact on saving behaviour.
- To identify preferred investment options and influencing factors.
- To analyse awareness and satisfaction regarding investment schemes.

1.8 Scope of the Study

The research focuses on women working in IT/ITES companies in Chennai, particularly along the OMR corridor and major IT parks, analyzing savings behaviour, investment preferences, financial literacy, and demographic influences during the period 2024–2025.

2. SCHOLARLY REVIEW

Existing literature indicates that the savings and investment behaviour of working professionals, particularly women in urban sectors, is influenced by financial literacy, demographic characteristics, income levels, and risk perception. Several studies emphasize that despite improved earnings and educational attainment, investors often exhibit conservative investment preferences focused on safety, liquidity, and capital protection.

Recent studies provide strong evidence linking financial literacy with investment decision-making. **Dr. A. Alexander and Dr. Meenakshi Rajeev (2025)** found that financial knowledge and awareness significantly improve saving habits and investment participation, while risk perception and financial behaviour act as mediating factors. Similarly, **Sushmitha and Jayabal (2025)** analyzed working women in Chennai and identified key dimensions such as investment awareness, investment attributes, preferences, decision-making, and satisfaction that collectively influence investment behaviour. Their findings highlight the growing shift from male-dominated financial decision-making toward greater financial independence among women professionals.

Research focusing on behavioural and socio-economic factors further strengthens this understanding. **Chellamma and Sornaganesh (2024)** demonstrated that behavioural finance elements such as psychological biases and risk perception significantly influence investment decisions, suggesting the need for improved financial literacy to reduce emotionally driven financial choices. Likewise, **Vazarkar and Saini (2024)** observed that educated working women prefer safer investment avenues like fixed deposits, insurance, and mutual funds, even when they possess the capacity to invest in higher-return instruments.

Earlier studies also emphasize the role of awareness and demographic influences. **Anitha (2023) and Meenambigai et al. (2022)** highlighted that income level, occupation, education, and awareness significantly shape investment preferences among working women in Chennai. **Mercy Silvester and Vijayakumar (2020)** further noted that tax benefits, retirement planning, and long-term financial security are primary motivations for investment decisions among working professionals.

Overall, the literature suggests that while financial literacy, income growth, and digital financial access have improved investment participation, a tendency toward risk-averse investment behaviour continues to persist. These findings underline the importance of

examining how financial literacy specifically influences the personal investment behaviour of IT sector employees in Chennai.

3.1. Research design

This research employed a combined quantitative and qualitative methodology in order to study the investment and savings behaviour of women working in the IT industry in Chennai. The descriptive element focused on the present-day level of investment knowledge, preferences and patterns of investment behaviour, while the analytical component sought to examine the association between various demographic factors and financial behaviour. The primary data were gathered from a cross-sectional survey designed to obtain data from three years (2025), with the analysis of the relationship between demographics and financial behaviour supported by secondary data trends covering the period 2012 - 2025 The reliability and validity of the results were guaranteed by using data triangulation techniques..

3.2. Population and sample

The population includes female professionals employed in IT/ITES companies in Chennai**,** estimated at 3.5–4 lakh women (35–38% of the IT workforce)**.** Using simple random sampling**,** a sample of 150 respondents was selected across age, income, experience, education, and marital status.

- **Age distribution:** 20–29 years (34.7%), 30–39 years (42.0%), 40–49 years (18.7%), 50+ (4.6%)**.**
- **Income levels:** Below ₹30,000 (12%), ₹30,001–₹50,000 (31.3%), ₹50,001–₹70,000 (35.3%), Above ₹70,001 (21.4%)**.**
- **Marital status:** Single (49.3%), Married (45.3%), Divorced/Widowed (5.4%)**.**
- **Experience:** <2 years (14.7%), 2–5 years (34.0%), 6–10 years (32.0%), >10 years (19.3%)**.**

3.3. Data Collection Methods

Prior to collecting the primary data used for this study, we developed a structured questionnaire. The questionnaire was distributed to participants by both physical means and electronically using Google forms in the time frame from January 2025 to March 2025. Questions in the questionnaire focused on a variety of topics, including demographic information, savings behaviour, investment preferences, financial literacy, and investment satisfaction. Secondary data sources for this study consisted of academic journals, books, Reserve Bank of India reports, SEBI 2023 Investor Survey, and other financial databases.

3.4 Statistical Tools and Techniques

Data analysis was performed using Microsoft Excel and SPSS v.26 with **$p < 0.05$** significance level. Tools included Descriptive Statistics**,** Pearson Correlation**,** One-Way ANOVA**,** Paired Sample T-Test**,** Multiple Regression, and Chi-Square with Cross-tabulation.

4. Analysis and Interpretation

4.1. Objective 1: To examine demographic characteristics and their impact on saving behaviour.

Variables	Percentage of income saved	Investment Horizon	Frequency of investment	Risk preference while investing
Income saved	1			
Investment Horizon	-0.0089	1		
Frequency of investment	-0.0793	0.1654	1	
Risk preference	0.3307	0.0276	-0.0844	1

Table 4.1: Impact on saving behaviour.

4.2. To identify preferred investment options and influencing factors.

Regression Statistics				
Multiple R	0.3318			
R Square	0.1101			
Adjusted R Square	0.0820			
Standard Error	0.8527			
Observations	99			
ANOVA				
	df	***MS***	***F***	***Significance F***
Regression	3	2.8503	3.9195	0.01097
Residual	95	0.7272		
Total	98			
Variables	***Coefficients***	***t Stat***	***P-value***	
Intercept	4.7590	11.5138	1.0121E-19	
Investment schemes	-0.5277	-2.8758	0.0049	
Investment Horizon	-0.1867	-1.6227	0.1079	
Risk preference	-0.0512	-0.3884	0.6985	

Table 4.2: Investment Options and Influencing Factors

4.3. To analyse awareness and satisfaction regarding investment schemes.

t-Test: Paired Two Sample for Means	***Percentage of income saved***	***Frequency of investment***
Mean	2.0909	1.8282
Variance	1.2263	1.2049
Observations	99	99
Pearson Correlation	-0.0793	
Hypothesized Mean Difference	0	
df	98	
t Stat	1.6130	
P(T<=t) one-tail	0.0549	

t Critical one-tail	1.6605	
P(T<=t) two-tail	0.1099	
t Critical two-tail	1.9844	

Table 4.3: Satisfaction regarding investment schemes.

Objectives	Variables & Analysis Used	Key Statistical Evidence	Interpretation Linked to Study Theme
Objective 1: To examine the demographic characteristics of employees and their impact on saving habits	Income level, experience, education vs investment behaviour (ANOVA, Regression, Correlation)	Income vs investment behaviour: F = 1.349, p = 0.263 (Not significant). Experience vs investment behaviour: F = 0.603, p = 0.615 (Not significant). Regression R^2 = 0.0469 (Very low explanatory power). Income vs % saved correlation = 0.1306 (Weak positive). Experience vs investment history r = 0.6203 (Strong positive).	The findings indicate that demographic factors such as income level, years of experience, and education do not independently determine saving and investment behaviour among Infosys employees in Chennai. This suggests that financial literacy and behavioral tendencies may play a stronger role than demographic status.
Objective 2: To determine preferred investment options and factors influencing investment	Savings rate, risk preference, investment horizon, investment frequency (Correlation analysis and	Savings vs Risk preference r = 0.3307 (Moderate positive). Savings vs frequency r = -0.0794 (Very weak). Investment horizon vs frequency r = 0.1654 (Weak positive). Paired	The results show that saving capacity influences risk tolerance more than investment activity. Employees who save more are moderately willing to take higher investment

choices	Paired t-test)	t-test savings vs frequency: t = 1.613, p = 0.1099 (Not significant).	risks.
Objective 3: To analyse awareness and satisfaction regarding investment schemes	Tax-saving awareness, information sources, decision independence, investment satisfaction (Correlation and Paired t-test)	Awareness vs satisfaction r = -0.2891 (Moderate negative). Paired t-test awareness vs satisfaction: t = -20.58, p < 0.001 (Significant). Info source vs decision independence r = -0.0448 (Very weak). Satisfaction vs financial goal achievement: t = 14.66, p < 0.001 (Significant difference).	A significant insight of the study is the financial literacy paradox. Employees with higher awareness of tax-saving investment options report lower satisfaction with their current investments.

Table 4.4: Integrated Analysis

4.5. Integrated Discussion of Findings across all Objectives

The combined statistical analysis reveals several important behavioural patterns among Infosys employees in Chennai during the 2024–2025 study period.

Even though it was thought that investment behaviour would be greatly affected by things like income, education, and experience, statistical tests indicate differently. Statistically, demographic variables account for only a small amount of the variation in investment behaviours according to the ANOVA and regression results. This shows that financial literacy, awareness, and individual attitudes toward risk have more of an effect on determining how people invest.

According to the results of correlation analysis, employees who are savers (i.e., save more of their income) exhibit a greater level of risk tolerance than those who save less. However, there is no assurance that a person who has saved a portion of their income will invest frequently or will diversify the investments they do make. Therefore, it can be assumed that having knowledge about the financial markets and strategies for investing in those markets is required in order to convert savings into effective investment products.

The study's results indicate that as an investor is made more informed and educated about how to save taxes through different forms of investment, their evaluation will likely lead to more critical evaluations; therefore, this increased level of awareness will also increase expectations in terms of return on investments or the amount of capital needed to generate diversification and/or the amount of capital needed to achieve tax efficiency.

Results from the paired t-test shows disconnection between perception of investment satisfaction and achievement of financial goals. This suggests that employees may have confidence in their investments despite the fact that they aren't achieving optimal financial results from them. This is a typical pattern among people that use traditional or low-risk investments, but lack the understanding or knowledge base to develop investment strategies to realize long-term wealth**.**

As the respondents in this research are IT professionals who work in a corporate environment (for example, Infosys), the results strongly indicate that there is a significant opportunity for corporate financial literacy initiatives to help with:

- Investment Planning Workshop
- Tax Saving Strategy Awareness Program
- Retirement/Wealth Creation Planning Session

These initiatives will assist with aligning employees' financial knowledge, savings behaviour and investment behaviour more effectively through education about these topics.

5. Conclusion

5.1. Major Findings of the Study

Through its analysis of how employees at Infosys in Chennai demonstrated financial literacy and how they financially invested between the years 2024 and 2025, this research study was able to conclude that while respondents generally have a moderate awareness of financial instruments, the majority of their investment behaviour is conservative, with responses preferring to invest in low-risk products such as FIXED DEPOSITS, GOLD, or PUBLIC PROVIDENT FUNDS. This supports the findings of other studies showing that women investors tend to lean towards security/low-risk and long-term stability when making financial decisions.

A secondary finding is the awareness-satisfaction paradox: research responded that have higher tax awareness also reported lower levels of satisfaction with their investments. Literature has found similar results that the more financially literate an individual is, the greater their critical evaluation of various financial choices, as well as how well their equity is performing within their overall portfolio as measured against similar investments within that geographical sector.

5.2. Study Limitations

This study used only employees from one IT company in Chennai so the findings cannot be generalized across other industries or regions. Also, the sample size and timeframe of the study were too small and included self-reported responses that could cause bias in perception.

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