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Behavioral Investment Transition And Financial Decision-Making Of It Professionals In Bengaluru

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Abstract: Savings and investments are crucial drivers of economic progress and play a key role in advancing India's development. The Information Technology (IT) sector contributes significantly to the nation's Gross Domestic Product (GDP) and serves as an essential pillar of economic strength. This study seeks to analyse the saving and investment patterns of IT professionals in Bengaluru. The topic was chosen because, although IT professionals have attracted economic attention, the full potential of their income utilisation remains largely unexplored. Data for the study was collected from 439 respondents through a structured questionnaire. To address the research objectives, statistical tools such as Two-Way ANOVA, Pearson's Correlation, Factor Analysis, and Multiple Linear Regression were applied. The results indicate a positive relationship between annual savings and the expected rate of return on the portion of income invested. The findings also highlight that key determinants influence portfolio choices and that various aspects of investment planning affect investment objectives. The insights and recommendations from this research can assist policymakers, financial institutions, corporate managers, and investors in formulating strategies to enhance investment levels, boost economic growth, and strengthen the nation's financial foundation.

Introduction

An outlook of 2030 gives a snapshot of the world where the developing economies will have more than 65% of all global investment and 50% of global accumulated capital stock with them. Savings and investments are imperative for accelerating economic growth and taking India to greater heights. In order to devise appropriate strategies for capital formation and economic growth, the financial planners should be well equipped with in-depth understanding of saving and investment behaviour of individuals and organisations. IT sector plays a vital role in its contribution towards India's GDP. Bengaluru, India's silicon-valley gives employment to nearly 35% of IT professionals. The aim of this research was to understand the saving and investment behaviour of the IT professionals in Bengaluru. The rationale behind choosing this topic is that IT professionals have gained attention of economists but there still remains untapped potential of their income.

1. Review of Literature

Thorough review of related theories and literature were carried out from the year 1936 to 2015 (Anju & Anuradha, 2015). Evidences suggest that investor behavior and investment activities are strongly influenced by the risk bearing capacity of individual investors. Respondents have a lower risk tolerance level which makes them highly risk averse. (Chattopadhyay & Dasgupta, 2015; Shinde & Zanvar, 2014; Lodhi, 2014; Elankumaran & Ananth, 2013; NCAER (1960, 2011, 2000), Al-Ajnmi, 2008). The demographic and psychographic characteristics strongly influenced the risk bearing capacity of the individual (Kiran & Rao, 2004; Rajarajan, 2003).

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To study investor's risk aversion, Cohn et.al, (1994,1997) analysed the investments in risky assets. In 1979, Kahneman and Tversky argued that apart from risk preference, there are other factors like lock in period of investment, financial knowledge, psychological biases and social norms that affect the investment behavior. Several studies have revealed that considerations of safety were given utmost importance while choosing investment avenues (Sood & Kaur, 2015; Bhushan, 2014; Chhabra & Mundra, 2014; Pandey, 2014; Bhardwaj, Sharma & Sharma, 2013; Srividhya& Visalakshi, 2013; Virani, 2013; Jain and Jain, 2012; Samudra & Burghate, 2012; Bhatt & Bhatt, 2012; Das, 2012).

Most of the individuals chose to invest in financial instruments that earned risk free returns even if they had high income and education (Fenta, Dessie, Mitku&Muluneh, 2017; Murithi, Narayanan & Arivazhagan, 2012; Patel & Patel, 2012; Brahmabhatt Kumari & Malekar, 2012; Thiruchelvam & Mayakkannan, 2011). Though the security market underwent efficient growth and offered quality IPOs, individuals still opted for risk free investments (Kabra, Mishra & Dash, 2010). A number of studies have found that the investors preferred investments with capital appreciation (Chaturvedi & Khare, 2012; Sultana & Pardhasaradhi, 2012; Ramanujam & Ramkumar, 2012). Previous studies have reported that there is an unambiguous relationship between lifestyle characteristics like personality, investment experience, confidence level, dependency level of investor and investment behavior. (Umamaheshwari & Kumar, 2014; Jayaraj, 2013; Thomas & Rajendran, 2012; Chitra & Sreedevi, 2011; Warren, Stevens, McConkey, 1990; Lal,1992). The choice of investment depends on the objective behind investment (Raheja and Lamba, 2014). The personality of an individual is significantly impacted by investment biases (Shahla, Nooredin & Gholam, 2013). Optimistic individuals prefer have long-term investment than pessimistic (Dhar and Dey 2012).

2. Statement of the Problem and Significance

GDP is growing faster in the developing economies than the developed because of the growth of Savings and Investment. Personal financial well-being and security for a healthy economy can be achieved through savings and investment by individuals. The investible surplus of over three- fourths of the high income individuals is parked into bank and post office deposits (IIMS Dataworks Research Report, 2007). The survey conducted by Visa Financial Literacy Barometer in 2012 had ranked India 23rd among 28 countries. It found that only 35% of Indians respondents are financially literate and 25% of high income category respondents don't have enough funds to meet a personal financial emergency. Bengaluru also known as India's Silicon Valley is the world's second largest IT assemblage and it is giving employment to almost 35% of India's IT professionals. Capital formation in the economy will be more effective if the income earned by the IT professionals are channelised into savings. Their needs and behaviour have to be studied in depth in order to encourage them to contribute towards economic growth. Hence, this study of the Saving and Investment Behaviour of IT professionals in Bengaluru is imperative.

3. Research Methodology

Quantitative approach, Deductive logical reasoning and Descriptive design are employed in this study. Judgement Sampling and Exponential Non-discriminative Snowball Sampling were applied to select the district Bengaluru and the IT professionals respectively. Primary data was collected through self-administered structured questionnaire and secondary data consisted of books, periodicals, reports, company websites, articles and journals. The period of study is two years from January 2015 to January 2017. Descriptive statistics, Normality test, Reliability test, Two-way ANOVA, Factor Analysis, Correlation and Multiple Linear Regression were the statistical tools and techniques applied. The softwares used for analysis were IBM SPSS Statistics Version 23 and Microsoft Excel 2011.

3.1 Research Objectives

1. To understand the nexus between annual savings and expected rate of return on savings for investment.

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2. To analyse the influence of the key determinants of saving and investment behaviour on the preference of the investment portfolio.
3. To determine the impact of various aspects of investment planning on the investment objectives.

3.2 Research Hypotheses

1. The interaction between annual savings and expected rate of return on percentage of savings for investment is not significant.
2. Efficacious factors do not impact the preference of investment portfolio.
3. Aspects of investment planning do not influence the investment objectives.

3.3 Regression Model used for Analysis

1. $Y20 = \beta20 + \beta21X21 + \beta22X22 + \beta23X23 + \varepsilon$
2. $Y_{30} = \beta_{30} + \beta_{31}X_{31} + \beta_{32}X_{32} + \varepsilon$

where,
Legend / Intercept: β_{20}, β_{30} Regression coefficients: β_{21}, β_{22}, β_{23}, β_{31}, β_{32} Investment Portfolio: Y_{20}, Investment objectives : Y_{30}
Factors influencing the investment decision: X_{21}, X_{22}, X_{23}
Aspects of Investment Planning: X_{31}, X_{32}

Epsilon,
Disturbance (error) term: ε

3.4 Normality

Most variables had measures of skewness and kurtosis within the excellent range (between ±1.0) and all variables are within the acceptable range (between ± 2.0) (George & Mallery, 2014). The Kolmogorov-Smirnov and Shapiro-Wilk test confirmed that the data is normally distributed ($p > 0.05$). Normality was confirmed visually using Histograms and P-Plots.

3.5 Data Collection

Questionnaire was personally administered to 50 IT professionals from the actual sample for pilot study.Feedback from six University Professors and two Senior IT managers affirmed that the questionnaire had face validity. The overall reliability scale of 62 items had Cronbach's Alpha of 0.917 (Nunnally, 1978; Hair et al.,1998). Therefore, the questionnaire was confirmed and administered.

3.6 Limitations

Although this paper is aimed to achieve the research objectives in full earnest and accuracy, there are certain limitations. The study is not devoid of demerits of Snowball sampling and Judgement sampling. It is circumscribed to 439 IT professionals from various companies in Bengaluru district only. The study could be affected by respondent bias.

3.7 Scope for further Research

Researchers may conduct the study on more samples and using different advanced statistical models. Further studies may be attempted to investigate other categories of investors on the basis of their age, gender, education, occupation and geographical region.

4. Data Analysis and Interpretation

1. Demographic Characteristics

Table.1–Demographic Profile

Demography	Types	Frequency	Percent
Age Group	Below 26 years	63	14
	26 - 30 years	182	42
	31 - 35 years	138	31
	36 - 40 years	45	10
	40 years & above	11	3
Gender	Male	351	80
	Female	88	20
Marital Status	Single	144	33
	Married	288	66

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	Separated	6	1
	Widow / Widower	1	0
Qualification	Graduate	256	58
	Post Graduate	183	42
Work Experience	2 - 4 years	110	25
	5 - 7 years	113	26
	8 - 10 years	123	28
	11 -13 years	52	12
	14 - 16 years	41	9
Designation	Junior Programmer	19	4
	Programmer	66	15
	Senior Programmer	122	28
	Team / Project Lead	140	32
	Assistant Manager	20	5
	Manager	46	11
	Senior Manager	26	6
Annual Income (Rs.)	2 - 5 lakhs	81	19
	6 - 10 lakhs	176	40
	11 - 15 lakhs	83	19
	16 - 20 lakhs	30	7
	21 - 25 lakhs	38	9
	26 - 30 lakhs	16	4
	31 lakhs and above	15	3
Family Status	Joint	91	21
	Nuclear	348	79
No. of Dependants in the family	None	69	16
	One	71	16
	Two	157	36
	Three	89	20
	More than three	53	12
Family Earning Status	Single earner household	190	43
	Dual earner household	187	43
	Multiple earner household	62	14
Upbringing Status	Rural household	144	33
	Urban household	295	67
	Total	439	100

Source: Primary data through questionnaire

Table.1 shows the Case summaries on respondent's demography. 439 responses were received from IT professionals employed in various companies of Bengaluru.

2. Annual Savings and Expected Rate of Return on Savings for Investment

Table.2 - Two-Way ANOVA on Annual Savings

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	202.535[a]	19	10.660	18.786	.000
Intercept	518.068	1	518.068	913.027	.000
Annual Savings	4.478	2	2.239	3.946	.020
Expected rate of return	122.580	6	20.430	36.005	.000
Annual savings * Expected rate of return	37.900	11	3.445	6.072	.000
Error	237.748	419	.567		
Total	1756.000	439			
Corrected Total	440.282	438			

a. R Squared = .460 (Adjusted R Squared = .436) Source : Author's research

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In Table.2, both family earning status and annual income have significant effect on annual savings of IT professionals, F=3.946, p=.020 and F=36.005, p=.000 respectively. Hence the alternate hypothesis that the interaction of family earning status and annual income have significant effect on annual savings (F=6.072, p=.000) is accepted.

3. Efficacious Factors on Investment Portfolio

Identification of Factors from Independent Variables – To understand the efficacious factors that influence the investment decision, eighteen statements were identified.

Table.3 - KMO and Bartlett's Test

Kasier-Meyer-Olkin Measure of Sampling Adequacy		.924
Barlett's Test of Sphericity	Approx Chi Square	3847.725
	df	153
	Sig	.000

Source : Author's research

Factor Analysis is considered to be appropriate if the sample is more than 300 (Field, 2005). In Table.3, the KMO measure is 0.924, which falls into the range of being superb (Kaiser, 1974; Hutcheson & Sofroniou, 1999). The Chi-Square value of Barlett's test of Sphericity is 3847.725 and the significance value is 0.000 indicating that the data is suitable for factor analysis.

Table.4 – Components and Variances

Sl. No	Components	Eigenvalues	% of Variance explained	Cumulative variance
1	Component 1 (Fiscal)	7.800	43.331	43.331
2	Component 2 (Regulatory)	1.507	8.373	51.704
3	Component 3 (Legal Formalities)	1.220	6.778	58.481

Extraction Method: Principal Component Analysis
Rotation Method: Varimax with Kaiser Normalization Source : Author's research

Table.4 shows that the first component accounts 43.331% of the variance, the second 8.373% and the third 6.778%.

a) Fiscal factors include Portfolio diversification needs, Your personal experience/intuition, Your family and friends, Tax shelter, Public image of source of investment, Awareness of a new product, Major life events like retirement etc and Economic events like budget etc.

b) Regulatory factors include Safety of principal, Maturity of investment, Low initial amount of investment, Easily available and understandable, Lock in period of funds and Your age, health, income and responsibilities.

c) Monetary factors include Liquidity of investment, Regularity of returns, Interest rate of investment and Protection against risk.

Identification of Factors from Dependent Variables – To identify the preference of investment portfolio, twenty statements were Identified.

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Table.5 - KMO and Bartlett's Test

Kasier-Meyer-Olkin Measure of Sampling Adequacy		.881
Barlett's Test of Sphericity	Approx Chi Square	4762.623
	df	190
	Sig	.000

Source : Author's research

In Table.5, the KMO measure is great (0.881) (Kaiser, 1974; Hutcheson &, 1999). The Chi-Square value of Barlett's test of Sphericity is 4762.623 and the significance value is 0.000

Table.6 – Components and Variances

Sl. No	Components	Eigenvalues	% of Variance explained	Cumulative variance
1	Component 1 (Market)	7.233	36.164	36.164
2	Component 2 (Equities)	2.467	12.334	48.497
3	Component 3 (Banking)	1.726	8.632	57.129
4	Component 4 (Saving)	1.204	6.019	63.148
5	Component 5 (Property)	1.065	5.323	68.471

Extraction Method: Principal Component Analysis
Rotation Method: Varimax with Kaiser Normalization Source : Author's research

Table.6 shows that the first component accounts for 36.164% of the variance, the second 12.334%, the third 8.632%, the fourth 6.019% and the fifth 5.323%. The remaining factors are not significant.

a) Market include investments in Debentures, Bonds, Commodity market, FOREX market, Chit Funds, Art and Passion, Hedge funds, Virtual Real Estate and Private Equity Investments.

b) Equities include investments in Mutual funds and Equity Share market

c) Banking include investments in Savings account, Bank deposits, Public provident fund and Life Insurance

d) Saving includes investment in Post office savings, National Savings certificate and Government Securities.

e) Property includes investment in Real Estate Property and Jewellery / Gold.

Table.7 - Correlation Analysis

	Fiscal factors	Regulatory Factors	Monetary Factors	Market	Equities	Banking	Saving	Property
Fiscal	1							
Regulatory	0	1						
Monetary	0	0	1					
Market	.075	-.222**	-.089	1				
Equities	.177**	-.126**	.159**	0	1			
Banking	.083	.191**	.130**	0	0	1		
Saving	.102*	.168**	.012	0	0	0	1	
Property	.179**	.121*	.058	0	0	0	0	1

** Correlation significant at 0.01 level (2-tailed)
* Correlation significant at 0.05 level (2-tailed) Source : Author's research

Table.7 indicates that there is an association between the efficacious factors and investment portfolio.

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Table.8 - Regression Results for Saving

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std.Error	Beta	t	Sig.
(Constant)	1.000E-013	.047		.000	1.000
Fiscal factors	.102	.047	.102	2.159	.031
Regulatory Factors	.168	.047	.168	3.564	.000
Monetary Factors	.012	.047	.012	.262	.794
R^2					.039
Adjusted R^2					.032
F- Static					5.812

Source : Author's research

In Table.8, the correlation coefficient (R) is 0.196 and the R-square is 0.039. The ANOVA tab indicates that the F statistic is 5.812 with a significance level of 0.001.

Table.9 - Regression Results for Banking

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-1.001E-013	.046		.000	1.000
Fiscal factors	.083	.046	.083	1.778	.076
Regulatory Factors	.191	.046	.191	4.112	.000
Monetary Factors	.130	.046	.130	2.799	.005
R^2					.060
Adjusted R^2					.054
F- Static					9.302

Source : Author's research

Table.9 shows that correlation coefficient (R) is 0.246 and the R-square is 0.060. The ANOVA tab indicates that the F statistic is 9.302 with a significance level of 0.000.

Table.10 - Regression Results for Property

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-1.002E-013	.047		.000	1.000
Fiscal factors	.179	.047	.179	3.828	.000
Regulatory Factors	.121	.047	.121	2.581	.010
Monetary Factors	.058	.047	.058	1.237	.217
R^2					.050
Adjusted R^2					.043
F- Static					5.812

Source : Author's research

The multiple correlation coefficients (R) are 0.223 and the R-square is 0.050 (Table.10). The ANOVA tab indicates that the F statistic is 7.614 with a significance level of 0.000.

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Table.11 - Regression Results for Equities

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	1.001E-013	.046		.000	1.000
Fiscal factors	.177	.046	.177	3.837	.000
Regulatory Factors	-.126	.046	-.126	-2.729	.007
Monetary Factors	.159	.046	.159	3.435	.001
R^2					.072
Adjusted R^2					.066
F- Static					11.325

Source : Author's research

The multiple correlation coefficients (R) are 0.269 and the R-square is 0.072 (Table.11). The ANOVA tab indicates that the F statistic is 11.235 with a significance level of 0.000.

Table.12 - Regression Results for Market

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-1.000E-013	.046		.000	1.000
Fiscal factors	.075	.046	.075	1.612	.108
Regulatory Factors	-.222	.046	-.222	-4.793	.000
Monetary Factors	-.089	.046	-.089	-1.924	.055
R^2					.063
Adjusted R^2					.057
F- Static					9.759

Source : Author's research

The multiple correlation coefficients (R) are 0.223 and the R-square is 0.050 (Table.12). The ANOVA tab indicates that the F statistic is 7.614 with a significance level of 0.000. Hence, we reject the null hypothesis and accept the alternate hypothesis that efficacious factors impact the preference of investment portfolio.

4. Aspects of Investment Planning on Investment Motives

Identification of Factors from Independent Variables –To understand the level of agreement in the aspects of investment planning, six statements were identified.

Table.13 - KMO and Bartlett's Test

Kasier-Meyer-Olkin Measure of Sampling Adequacy		.661
Barlett's Test of Sphericity	Approx Chi Square	641.916
	df	15
	Sig	.000

Source : Author's research

In Table.13, the KMO measure is mediocre (0.661) (Kaiser, 1974; Hutcheson & Sofroniou, 1999). The Chi-Square value of Barlett's test of Sphericity is 641.916 and the significance value is 0.000

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Table.14 – Components and Variances Explained

Sl. No	Components	Eigenvalues	% of Variance explained	Cumulative variance
1	Component 1 (Financial)	2.396	39.936	39.936
2	Component 2 (Risk)	1.266	21.098	61.034

Extraction Method: Principal Component Analysis
Rotation Method: Varimax with Kaiser Normalization Source : Author's research

The table.14 shows that the first factor accounts for 39.936% of the variance and the second 21.098%.

a) Financial Aspect includes I am disciplined at savings, I have control on my finances and I am more of a saver than investor.

b) Risk Aspect includes I enjoy investment planning, I think anyone can have a comfortable investments if they just plan and save and I am willing to take risk to attain gain.

Identification of Factors from Dependent Variables– To understand the investment motives, fourteen statements were identified.

Table.15 - KMO and Bartlett's Test

Kasier-Meyer-Olkin Measure of Sampling Adequacy		.867
Barlett's Test of Sphericity	Approx Chi Square	2520.222
	df	91
	Sig	.000

Source : Author's research

In Table.15, the KMO measure is good (0.867) (Kaiser, 1974; Hutcheson & Sofroniou, 1999). The Chi-Square value of Barlett's test of Sphericity is 2520.222 and the significance value is 0.000

Table.16 – Components and Variances Explained

Sl. No	Components	Eigenvalues	% of Variance explained	Cumulative variance
1	Component 1 (Family needs)	5.651	40.363	40.363
2	Component 2 (Income Generation)	1.396	9.972	50.334
2	Component 3 (Legal Formalities)	1.156	8.258	58.593

Extraction Method: Principal Component Analysis
Rotation Method: Varimax with Kaiser Normalization Source : Author's research

Table.16 shows that the first factor accounts 40.363% of the variance, the second 9.972% and the third 8.258%.

a) Family needs include Education – Own / Children, Risk coverage, Security after retirement, Child's marriage, Emergency purposes (Medical etc), Other family needs, and Entertainment.

b) Income generation includes Earn Returns, Hedge against inflation, Multiply the savings and Buying capital assets.

c) Legal Formalities includes Tax benefits, Government Regulation and Repayment of debt.

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Table.17 indicates that there is an association between aspects of investment planning and investment motives.

Table.17 – Correlation Analysis

Model	Financial Aspect	Risk Aspect	Family Needs	Income Generation	Legal Formalities
Financial Aspect	1	.000	.046	.112*	.116*
Risk Aspect	.000	1	.195**	.277**	-.148**
Family Needs	.046	.195**	1	.000	.000
Income Generation	.112*	.277**	.000	1	.000
Legal Formalities	.116*	-.148**	.000	.000	1

*. Correlation significant at 0.05 level (2-tailed). Source : Author's research

Table.18 - Regression Results for Family Needs

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-1.000E-013	.047		.000	1.000
Financial Aspect	.046	.047	.046	.985	.325
Risk Aspect	.195	.047	.195	4.164	.000
R^2					.040
Adjusted R^2					.036
F- Static					9.154

Source : Author's researcl

The multiple correlation coefficients (R) are 0.201, and the R-square is 0.040 (Table.18). The ANOVA table shows that the F statistic is 9.154 with a significance level of 0.000.

Table.19 - Regression Results for Income Generation

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-1.001E-013	.046		.000	1.000
Financial Aspect	.112	.046	.112	2.443	.015
Risk Aspect	.277	.046	.277	6.051	.000
R^2					.089
Adjusted R^2					.085
F- Static					21.290

Source : Author's researcl

The multiple correlation coefficients (R) are 0.298, and the R-square is 0.089 (Table.19). The ANOVA table shows that the F statistic is 21.290 with a significance level of 0.000.

The multiple correlation coefficients (R) are 0.188, and the R-square is 0.035 (Table.20). The

Table.20 - Regression Results for Legal Formalities

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-1.002E-013	.047		.000	1.000
Financial Aspect	.116	.047	.116	2.468	.014
Risk Aspect	-.148	.047	-.148	-3.138	.002
R^2					.035
Adjusted R^2					.031
F- Static					7.969

Source : Author's research

ANOVA table shows that the F statistic is 7.969 with a significance level of 0.00

Hence we reject the null hypothesis and accept the alternate hypothesis that Aspects of investment planning influence the investment motives.

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5. Findings and Discussions

The following are the general research and hypotheses related findings of the study.

1. 57% of the respondents annually save upto Rs 150000 and 24% of them between Rs 150000- Rs 300000.
2. 45% of the respondents annually saved upto 10% from their salary for investment purposes and 28% of them saved between 11%-20%.
3. The expected rates of return on investments were between 11%-20% for 45% of the respondents.

4. More than half of the respondents agreed that they saved money regularly, had control over finances and enjoyed investment planning.
5. Majority of the respondents felt that planning helps to have comfortable investments and were willing to take risk to attain gain. However, IT professionals were more of savers than investors.
6. Regularity of returns, Interest rate of investment, Protection against risk, Safety of principal, Maturity of investment, Ease of availability, Own age, health, income and responsibilities, Personal experience/intuition, Tax shelter and Major life events like retirement etc were the major vital factors that influenced the investment decision.
7. The utmost significant investment objectives of IT professionals were to earn returns, avail tax benefits, multiply the savings, provide security after retirement and meet emergency purposes.
8. Life insurance Policies was the most preferred investment avenue. Followed by Bank deposits, PPF, Real Estate Property, Mutual funds, NSC, Jewellery or Gold and Savings account.
9. The interaction between the annual savings and the expected rate of return had a positive impact on the percentage of savings for investment. It implies that before channelising their savings into a particular investment, the respondent makes thorough comparison between the rates of return of the available investment avenues.
10. Efficacious factors impact the preference of investment portfolio.

a. IT professionals considered regulatory factors such as safety of principal, maturity of investment, low initial amount of investment, ease of availability and understandability, lock in period of funds and own age, health, income, responsibilities the most while choosing any investment avenue.
b. On the other hand, fiscal factors such as portfolio diversification needs, own personal experience/intuition, own family and friends, tax shelter, public image of source of investment, awareness of a new product, major life events and economic events were considered for investments in Savings, Property and Equities.
c. The monetary factors such as liquidity of investment, regularity of returns, interest rate of investment and protection against risk impacted while investing in Equities, Market and Banking avenues.

11. Aspects of investment planning influence the investment objectives.

a. The IT professional's enjoyment in investment planning, ability to plan and save and willingness to take risk to attain gain impacted all their objectives of investment.
b. Whereas, the respondent's discipline towards savings, control over finances and being a saver than investor influenced only the Income Generation and Legal Formalities motives.

6. Implications / Recommendations

The results of this research study have the following vital practical implications.

1. To the Managers of the Firm - It is important to ensure that the firm's products and management practices build a good impression in the minds of the investors so as to create social image. They should understand the various needs of the investors and develop products as per their requirement.
2. To the Policy Makers - Financial literacy or awareness programmes have to be conducted to make individuals understand their financial necessities at different phases of life and the investment avenues offered to them. The establishment of a stimulating environment and shortening of procedural formalities will convince the investors to park their savings into

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corporate securities. In order to promote investments in financial products, there is necessity for a conducive fiscal policy and the improvement of apposite governing mechanisms. Financial education should be introduced in the secondary school level rather than restraining only in commerce based higher level of education.

3. To the Investment Agencies - While providing investment advices the agencies should focus on avoiding the information irregularity and clearing the ambiguities of the investors. The financial product issuers should possess exhaustive knowledge of the different investor categories based on their life stage, emotional risk tolerance and their financial literacy level to target each of these segments. They should initiate financial awareness programmes about all investment avenues available. There is an urgent need to study the complex behaviour of investors in order to devise proper asset distribution stratagems for successful portfolio management of their clients. They have to offer meticulous assistances to aid the investors in making the accurate financial moves.

4. To the Investors - The investor should have in depth and up-to-date information about various financial products available before making any investment decision. They should make themselves capable of managing their finances and securing personal financial well-being. They should take continual efforts to educate themselves by attending financial awareness programmes or other facilities. They should understand the importance of financial planning to achieve their financial goals effectively.

7. Conclusion

This research study has examined the saving and investment behavior of IT professionals in Bengaluru. It revealed that there is positive interaction between annual savings and expected rate of return on percentage of savings for investment, efficacious factors impacts the preference of investment portfolio and aspects of investment planning influences the investment objectives. The results and recommendations of this study will serve as a guide to the economic planners, the investment agencies, the manager of the firm and the investors to build appropriate strategies for augmenting investments, accelerating economic growth and strengthening India.

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