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Original Research Paper

Management

A STUDY ON KNOWLEDGE OF INVESTMENT DECISION AMONG HEALTHCARE PROFESSIONALS IN VADODARA

Ms. Mital Thakkar	Assistant Professor Sumandeep Vidhyapeeth
Dr. Pinkal Shah*	Professor Sumandeep Vidyapeeth*Corresponding Author
Dr. Medha Wadhwa	Assistant Professor Sumandeep Vidhyapeeth
Mr. Axay Raval	Studen Sumandeep Vidhyapeeth

ABSTRACT

"Investing the money is working smarter and not harder." Financial knowledge is the mix of one's knowledge, skill and attitude towards financial matters. The purpose of the study is to check the knowledge of Healthcare Professionals in Investment Decision in Vadodara. We use Descriptive cross sectional research design & the data's are collected from both desk research. The study is carried out on a sample of 384 respondent of Vadodara. Sample collected by convention sampling technique. From the Study, it was observed that Healthcare professionals are highly involved in dealing with various products and services of personnel and professional financing ranging from Investment, Insurance and Banking services. Though they are highly qualified they are largely depended on financial advisers.

KEYWORDS : Investment Decision, Knowledge, Attitude, Behavior, Healthcare Professionals

INTRODUCTION

The problem of lack of knowledge of Investment is not only with developing countries but also with developed countries. Today individuals are not able to gulp financial principles easily and thus are not able to manage financial risks related effectively and suffer from financial downfalls.

Country like India which has high young population, the government is in a position to increase the level of financial knowledge. The government and other private institutions have taken steps through financial education programs. The OECD defines financial knowledge as –"A combination of awareness, knowledge, skill, attitude and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being."

Financial knowledge is the understanding of interest calculations, relationship between inflation and return, inflation and prices, risk and return, and the role of diversification in risk reduction. The financial behavior assesses how the individual deals with money.

Healthcare Professionals start earning after a long training period and when they are almost 30, so it is a disadvantage for them. Because, the initial earning phase involves paying off educational loans, starting a family and setting up a practice. "Starting out late and long erratic working hours does influence a doctor's financial life. They don't have much time to concentrate on planning their finances so they take the advice from the financial adviser.

The present study attempts to focus on the existing knowledge of investment decision of Healthcare Professionals in Vadodara. The study aims to establish the association, if any between the various socio-demographic variables and level of knowledge of Investment Decision. The study also attempts to find whether knowledge of Investment Decision level of Healthcare Professionals does have any impact on their investment decision?

The Purpose of the study is to find out

(1)To measure the level of Investment Decision amongst the Healthcare Professionals.

(2) To find out the association between different Healthcare Professionals and Investment Decision.

(3) To explore the association between various socio-demographic variables and level of Investment Decision amongst the Healthcare Professionals in Vadodara.

RESEARCH METHODOLOGY

The present study is Descriptive cross-sectional in nature as we have explored the level of investment decision of Healthcare Professionals. The data was collected through structured close ended questionnaire where the respondents were evaluated for their answers. One mark was given for correct answer and zero for the incorrect answer. These were then tabulated and categorized according to the following grades:

1. Less than 12 : Very Poor
2. 12-17 : Poor
3. 17-19 : Below Average
4. 19-22 : Average
5. 23-26 : Good
6. 27-29 : Very Good
7. 30 & Above : Excellent

Sample Size:

Total sample size of 384 various healthcare professionals working in hospital in Vadodara is considered for the study. The justification for sample size determination is given below.

Following formula can be used to determine sample size (Nargundkar, 2003290).

$n=p(1-p)(Z/e)2$
$n= 384$
Where,
n= Sample Size
Z = Z value from the standard normal distribution for the confidence level desired by the researcher. For this study, the researcher has assumed 95 percent confidence level. Then from the standard distribution tables, the Z value is 1.96.

p = Frequency of occurrence of something expressed as proportion (0.50).

E = Tolerance error. This can be decided by the researcher. For this study, the researcher as assumed tolerance error 0.05.

Applying above formula, the sample size comes to 385. Hence, we collected the primary data from 384 respondents.

Hypothesis:

H0: There is no association between the category of the healthcare professional and level of Investment Decision.

H0: There is no association between Gender, Age, Monthly Income, Marital Status and level of Investment Decision.

The data collected will be analyzed through SPSS version 23 after entering the data into MS Excel. The test used for establishing the hypothesis is Chi-Square test of Association. All the results are analyzed at 0.05 level of p value at 95% of confidence interval.

DATA COLLECTION & ANALYSIS

Table 1 Cross-tabulation and the output of chi-square test of Healthcare Professionals & Level of Investment Decision

		Grade of Knowledge Score							Total	Chi-Sq (p value)
		Very Poor (less than score of 12)	Poor (Between 12-17)	Below Average (17-19)	Average(19-22)	Good (23-26)	Very Good (27-29)	Excellent (30 and above)		
Profession	Doctors	14	34	5	16	3	2	2	76	32.94
	Nurses	67	66	9	33	20	9	1	205	
	Paramedical Staff	17	32	4	16	6	3	0	78	
	Administrative Staff	1	12	1	3	7	1	0	25	
Total									384	

The above table shows that the maximum number of respondents (86%) are average or below average regarding the level of financial literacy. There are only three (0.8%) of respondents having excellent level of financial literacy. The association between the levels of grade of knowledge is significantly associated with the type of stream of work the healthcare professional is involved in. The various healthcare professionals included in the study are at the level of average or below that and is associated with whatever the line of work done by them.

Table 2 Crosstab and the output of chi-square test of Gender, Material Status, Age Group & Monthly Income

		Grade of Knowledge Score							Total	Chi Sq (P value)
		Very Poor (less than score of 12)	Poor (Between 12-17)	Below Average (17-19)	Average(19-22)	Good (23-26)	Very Good (27-29)	Excellent (30 and above)		
Gender	Male	57	95	13	41	25	8	1	240	4.558 (0.602)
	Female	42	49	6	27	11	7	2	144	
Total									384	
Marital Status Married		50	92	1	41	20	5	3	212	4.558 (0.602)
Unmarried		41	69	6	29	15	7	5	172	
Total									384	
Age Group Below 25 years		19	28	2	17	9	1	0	76	15.20
25-35 Years		40	57	8	18	12	6	3	144	
		17	30	4	19	7	3	0	80	
		23	29	5	14	8	5	0	84	
Total									384	
Monthly Income	less than or equal to 10000	31	39	10	24	15	4	1	124	35.02
	10001-25000	16	36	5	15	8	5	1	86	
	25001-50000	24	31	1	7	4	2	1	70	
	50001 – 100000	21	23	0	9	3	0	0	56	
	More than 100000	7	15	3	13	6	4	0	48	
Total									384	

From the above table it has been observed that

1. Only 14.1% of the male and 13.8% of female respondents is having more than average knowledge of Investment. However, the chi square test of association shows that the level of financial literacy is independent of the gender of the healthcare professional.

2. Material Status exhibits that out of 212 married respondents 184 have less than average average knowledge of Investment. The same is observed in unmarried respondents where majority of them show lesser average knowledge of Investment. However there is no association between average knowledge of Investment Decision and the marital status of the respondent as the p value of the chi square is more than 0.05.

3. Under the age group table exhibits that 13.1% of the respondents in the age group of below 25 years, 14.5% in the age group 25-35 years, 12.5% in the age group 35-45 years and 15.5% in the age group of above 45 years shows more than average knowledge of Investment Decision. This also is non-significantly associated with the age group of various categories of healthcare professionals as the p value for chi square test is 0.648 (more than 0.05).

4. Monthly Income shows that the majority of the respondents, 86% of the total 384, irrespective of the category of the healthcare professional are at the average or below that for the knowledge of Investment Decision. This is insignificant as the chi-square value of association is 35.021 with a p value of 0.068. (>0.05)

FINDINGS & SUGGESTION

The analysis of the results shows that the knowledge of Investment Decision among the different categories of the healthcare professionals is average or near to average related to different financial avenues available to them for making investment decisions.

The study also highlights that the association between the level of financial knowledge and the different categories of the healthcare professionals is significantly associated with the type of profession to which they belong to. The null hypothesis for the same is rejected, henceforth.

The study establishes no association between various socio-demographic variables like gender, marital status, monthly income and age group with the level of financial knowledge. The null hypothesis for the same, hence, is failed to reject.

The study helps in identifying that the level of financial knowledge of the most sort after group of our society needs to be addressed. The more knowledge and awareness related to different financial avenues will give them the liberty to take their own decisions rather than depending upon some external agency for the same. The financial knwoledge of these professionals can be increased through organizing various seminars and motivating them to manage their own funds. The subject of financial management where the basics of financial aspects be addressed can be introduced in their curriculum. The similar kind of study can be carried out at the regional, state or national level where various healthcare professionals can be educated about the level of basic financial knowledge.

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