

EMPLOYEE'S INVESTING PURPOSE ON POST OFFICE SAVING SCHEMES

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ABSTRACT

The present study aims to examine the purpose of government and private employees' investments in post office saving schemes, with special reference to Coimbatore District. The study is primary in nature, and the essential data have been gathered through the issue of a predetermined questionnaire. A total of 634 employees are investing in post office saving schemes in Coimbatore District. The data collected were analyzed using simple percentages and the Garrett Rank Test. Most government and private sector employees invest in post office schemes to ensure the well-being of their children, meet future family needs, and address emergency situations.

Keywords: Purpose- Investing – Government and Private Employee's – Preference -Post Office Saving Schemes.

Introduction:

In India, there are multiple investment avenues available to meet the various needs of investors. These investment options differ from each other based on their returns, maturity period, risk tolerance, and other factors. The post office department is a historical department in India, fostering a culture of saving among the people. The department has launched various saving schemes that are easy and convenient for individuals. A savings mindset is fundamental for every Indian, whether they reside in a village or a town. Post office savings is also one of the ways for people to save their hard-earned money. The Indian postal system provides a platform for individuals to deposit their money, especially for those who do not have access to a bank in their area.

Review of Literatures:

Karthikeyan (2001) observes that majority of investors of both semi-urban and urban areas are very much willing to invest in small savings schemes in future provided they have more for savings. **Ravindran and Venkatachalam (2016)** found that household investors are highly aware of post office savings schemes, safety and security are their major objective, and children education is the main purpose of investment in the post office savings schemes. **Santhana Kamala (2020)** discloses that to improve online transactions and systemized work and will give more facilities when compare to bank and other financial institutions. **Shanmugapriya and Saravanan (2020)** identifies that the investors are satisfied with the post office financial saving schemes like post office saving deposit, Post office Recurring Deposit and Post office Monthly Income Scheme.

Statement of the Problem:

The post office is the backbone of rural areas, serving as a traditional and income-generating department. People tend to trust post office savings more than those offered by other sectors. Nowadays, the post office department provides a variety of facilities, including a website app, ATM cards, and common service centers. This department is adopting innovative and systematized activities. **Amalorpayamary and Santhurusankara Velsamy (2015)** disclose that the majority of investors are aware of all the post office saving schemes and prefer the post office saving account. The main objectives of the investors are to secure regular returns, support children's education, and provide for marriage expenses, which are the primary purposes of investing in post office saving schemes. This research focuses on the purposes of government and private employees' investments in post office saving schemes. It raises the following questions: What is the purpose of saving in post offices? What are the influencing factors in saving schemes? The study will help identify employee preferences regarding post office schemes and the factors influencing their investment decisions.

Research Gap

Many researchers has undergone the post office savings scheme studies but no one has been conducted government and private employee's investing purpose on post office saving schemes. Therefore, I have focused on this aspect in the present study.

Objectives of the study

The following are the objectives of the study,

1. The socio economic profile of the Government and Private employees' preference towards post office saving schemes offered by the post office.
2. To find out the Employees Investing Purpose of Post Office Saving Schemes.

Research Methodology:

The universe of the study area is Coimbatore District, which is quite large. It is therefore decided to use convenience sampling for identifying the respondents. The study is mainly based on primary data and the required data for the study have been collected through issue of structured questionnaire. The questionnaire contains questions relating to the personal profile of the sample respondents, their post office saving schemes details and satisfaction. A sample of 634 government and private employees has been selected by adopting convenience sampling technique. The data collected are analysed using simple percentage and Garrett Rank Test.

Significance of the Study

Recently, the postal department has introduced several new services in India, including banking facilities at the doorstep. Numerous researchers have examined various aspects of post office saving schemes, such as parent perceptions, the views of working women, rural investors' awareness, satisfaction, and associated challenges. The present study covers the Government & private employee' investing purpose of post office savings schemes with special reference to Coimbatore district. with a particular focus on Coimbatore district. For this research, I have selected ten post office saving schemes: Savings Bank Account, Time Deposit, Recurring Deposit, Monthly Income Scheme, National Savings Certificate, Public Provident Fund, Kisan Vikas Patra, Senior Citizen Savings Scheme, Sukanya Samriddhi Account, and Jansuraksha Schemes.

Findings of the study

The findings of the study are segregated into three sections: the socio-economic profile of government and private employees, their post office saving scheme details, and the purpose of their investments in post office saving schemes.

i) Socio Economic Profile of the Government and Private Employee's (Percentage Analysis)

- ❖ Out of 318 (50.20%) are residing in Village area.
- ❖ Most of the female employee's 376 (59.30%) are holding the post office saving schemes.
- ❖ Majority of 376 (59.30%) employees are in the age group between 21 to 40 years.
- ❖ Out of 634 employees, 525 (82.80%) are married.
- ❖ Most of the 232 (36.60%) employees are post graduates.
- ❖ Out of 634 employees, 376 (59.30%) private employees are using post office saving schemes.
- ❖ Majority of 318 (50.20%) employees belongs to the joint family.
- ❖ A Majority of 440 (69.4%) employees are members in the family.
- ❖ Out of 634 employees, 370 (58.40%) have two earning members in their family.
- ❖ Most of the 278 (43.80%) employees have two non - earning members in their family.
- ❖ Majority of the employee's, i.e., 380 (59.50%) have four to five members in their family.
- ❖ Out of 634 employees, 376 (59.30%) earn Rs. 20,000 as monthly income.
- ❖ Most of the 270 (42.60%) employee's family income is between Rs. 25,001 to Rs. 50,000.
- ❖ Out of 634 employees, 434 (68.50%) have savings per month is up to Rs. 10,000.

ii) Government and Private Employee details of Post Office Saving Schemes(Percentage Analysis)

- ❖ Majority of the 288 (45.40%) employees are holding post office saving schemes in village area.
- ❖ Most of the 184 (29.00%) employees have source of knowledge is post office employees.
- ❖ Majority of the 452 (71.30%) employees are visited personally to post office.
- ❖ Out of 634 employees, 286 (45.10%) are visited to post office is very often.
- ❖ A Majority of 326 (51.40%) employees have held their post office schemes is one to five years.
- ❖ Out of 634 employees, 402 (63.40%) have invested annually is up to Rs. 25,000.
- ❖ Majority of the 284 (44.80%) employees have maturity period of investment schemes is above 5 years to 10 years.
- ❖ Most of the 412 (65.00%) employees are not using apps for postal schemes.
- ❖ Out of 634 employees, 524 (82.60 %) are not transferred fund from one branch to another branch.
- ❖ Majority of the 398 (62.80%) employees are giving importance to savings and then to household spending.
- ❖ Out of 634 employees, 510 (80.40%) has does not close schemes prematurely.
- ❖ Most of the employees 265 (41.80%) have renew the investment in the same schemes.
- ❖ Majority of the 572 (90.20%) employees have suggested advertisement is necessity for promoting the post office saving schemes.
- ❖ Out of 634 employees, 482 (76.00%) have the postal schemes is complementary to bank services.
- ❖ Of the total employees, 594 (93.70%) are recommended post office saving schemes to others.
- ❖ Majority of the 520 (82.02%) employees have savings bank account.
- ❖ Out of 634 employees, 204 (32.18%) are preferred mode of advertisement is newspapers and social media.

Garrett Rank Test

Garrett Ranking technique ranks the purpose of the post office saving schemes indicated by the Government and private employees on different aspects. The employees have ranked the purpose of post office saving schemes, savings and purpose for rarely associated with post office schemes.

Purpose of Investing in Post Office Savings

The employees want to invest their money for some purpose. This study covers the purpose of savings in post office. The employees are investing in the post office to meet family needs, emergency needs, the well-being of their children, and the tax burden, Getting security during old age and Retirement benefit, low transaction cost and good return, they feel that post office savings provided safety and security and the postal department offers variety of saving schemes. The below table 1 reveals that purpose of savings in post office.

Table 1 Purpose of Savings in Post Office – Garrett Rank Test

S.No	Purpose of Savings in Post Office		R1	R2	R3	R4	R5	R6	R7	R8	R9	Total	Average	Rank
1	To meet emergency needs	Frequency	98	70	104	78	78	50	56	44	56	634	54.01	3
		Garrett weight	7938	4830	6448	4368	3900	2200	2128	1364	1064	34240		
2	To meet family needs in future	Frequency	84	156	86	74	64	28	40	72	30	634	56.46	2
		Garrett weight	6804	10764	5332	4144	3200	1232	1520	2232	570	35798		
3	Well-being of my children	Frequency	150	100	98	62	62	44	56	26	36	634	58.76	1
		Garrett weight	12150	6900	6076	3472	3100	1936	2128	806	684	37252		
4	For regular income	Frequency	66	52	40	92	68	90	102	64	60	634	48.78	5

		Garrett weight	5346	3588	2480	5152	3400	3960	3876	1984	1140	30926		
5	Variety of saving schemes offered by Postal Department	Frequency	36	52	38	70	120	104	84	64	66	634	46.98	6
		Garrett weight	2916	3588	2356	3920	6000	4576	3192	1984	1254	29786		
6	To reduce income tax burden	Frequency	16	54	64	54	46	86	86	100	128	634	42.43	9
		Garrett weight	1296	3726	3968	3024	2300	3784	3268	3100	2432	26898		
7	Getting security during old age and Retirement benefit	Frequency	42	32	84	72	54	76	100	80	94	634	45.68	7
		Garrett weight	3402	2208	5208	4032	2700	3344	3800	2480	1786	28960		
8	Low transaction cost and good return	Frequency	32	50	76	44	82	70	80	120	80	634	45.23	8
		Garrett weight	2592	3450	4712	2464	4100	3080	3040	3720	1520	28678		
9	Safety and security	Frequency	112	68	48	82	64	84	30	62	84	634	51.87	4

Garrett Ranking analysis is used to find out the purpose for government and private employees' savings in the post offices and the purpose of the savings are ranked. In the table which shows that most of the employees invest in the post office for the well-being of their children. (58.76) so it is ranked as 1st, To meet family needs in future is ranked as 2nd, To meet emergency needs is ranked as 3rd, (51.87) investments for safety and security purposes, it is ranked fourth, regular income is ranked as 5th, Variety of saving schemes offered by Postal Department (46. 98) is ranked as 6th, Getting security during old age and Retirement benefit is ranked as 7th, Low transaction cost and good return is ranked as 8th, 9th rank is Reduced income tax burden. The above table clearly displays that the majority of the employees have invested in the post office saving schemes for the purpose of well-being of their children.

Conclusion

The present study reveals that the majority of government and private employees have invested in post office saving schemes for the well-being of their children, future family needs, emergency situations, safety, security, and similar purposes. The socio-economic variables and the details of post office saving schemes are associated with preferences, such as gender, age, marital status, area of residence, educational qualification, family structure, number of earning members, number of non-earning members, monthly income, family income, and other factors. Furthermore, factors such as employment status, awareness of saving schemes, frequency of visits to the post office, and personal financial goals also play a role in shaping preferences for post office saving schemes.

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