



The Impact Of Social Media Context-Switch Notifications On Students' Reading Attention And Topic Name-“A Study On Personal Financial Planning And Saving Behaviour Of Salaried Employees”

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Abstract- Personal financial planning plays an important role in achieving financial security and improving the standard of living of individuals. Salaried employees often face challenges in managing income, expenses, savings, investments, and future financial needs due to rising living costs and economic uncertainty. This study focuses on analyzing the financial planning practices and saving behaviour of salaried employees. The research examines factors such as income level, expenditure pattern, financial awareness, investment preferences, risk attitude, and saving habits that influence personal financial planning. The study aims to understand how salaried employees manage their finances and the importance they give to savings and investments for future goals such as education, retirement, emergencies, and wealth creation. Both primary and secondary data sources are used for the study. Primary data is collected through questionnaires and surveys from salaried employees, while secondary data is collected from journals, books, articles, and financial reports. The findings of the study indicate that income level, financial literacy, and awareness about investment options significantly affect saving behaviour and financial planning decisions. It is also observed that many salaried employees prefer safe investment avenues such as bank deposits, insurance, and provident funds, while fewer employees invest in market-linked instruments due to risk factors and lack of knowledge. The study concludes that effective financial planning helps salaried employees achieve financial stability, reduce financial stress, and improve future financial security. It also highlights the need for increasing financial education and awareness among employees to encourage better saving and investment practices.

Keywords: Personal Financial Planning, Financial Security, Salaried Employees, Saving Behaviour, Income Management, Financial Awareness, Investment Preferences, Financial Literacy, Risk Attitude, Savings and Investments, Wealth Creation, Retirement Planning, Emergency Funds, Bank Deposits, Insurance, Provident Fund, Financial Stability, Expense Management, Future Financial Goals, Investment Awareness.

I. Introduction

In today's modern and competitive world, personal financial planning has become an essential part of every individual's life. Financial planning refers to the process of managing income, expenses, savings, investments, and future financial goals in a systematic manner. It helps individuals achieve financial security, meet future needs,



and maintain a stable standard of living. For salaried employees, proper financial planning is especially important because their income is generally fixed and they must balance their daily expenses, family responsibilities, savings, and investments within limited resources. Saving behaviour is an important aspect of personal financial planning. It reflects the attitude and habits of individuals toward managing money and preparing for future uncertainties. Salaried employees save money for various purposes such as children's education, marriage, retirement, medical emergencies, home purchase, and wealth creation. However, factors such as inflation, rising living costs, lack of financial knowledge, and changing economic conditions often affect their saving and investment decisions. In recent years, awareness about financial planning and investment options has increased due to the growth of banking services, insurance products, mutual funds, stock markets, and digital financial platforms. Despite these opportunities, many salaried employees still face difficulties in making effective financial decisions because of inadequate financial literacy and improper budgeting practices. Some employees prefer traditional saving methods like bank deposits and provident funds, while others are gradually shifting toward modern investment avenues that provide higher returns.

II. Review Of Literature

1. Annamaria Lusardi and Olivia S. Mitchell (2021)

The researchers studied the importance of financial literacy in personal financial planning. Their study found that individuals with better financial knowledge are more likely to save regularly, plan for retirement, and make effective investment decisions. The study highlighted that lack of financial awareness negatively affects saving behaviour.

2. Kapoor (2022)

Kapoor explained that personal financial planning helps individuals manage income and expenses systematically. The study emphasized budgeting, saving, and investment planning as essential elements for achieving financial security. It also pointed out that salaried employees should develop disciplined saving habits to meet future financial goals.

3. Gitman and Joehnk (2020)

The authors examined the financial behaviour of working individuals and found that income level and family responsibilities significantly influence saving and investment decisions. The study concluded that higher income groups generally show better financial planning and investment practices.

4. Bashir et al. (2013)

This study analyzed investment preferences among salaried employees. The findings revealed that most employees prefer low-risk investment avenues such as bank deposits, insurance, and provident funds due to safety and guaranteed returns. Lack of awareness about stock markets and mutual funds was identified as a major reason for limited investment diversification.



5. Jariwala (2015)

Jariwala studied the relationship between financial literacy and saving behaviour. The research found that employees with better financial education are more likely to prepare budgets, maintain emergency funds, and invest in long-term financial instruments. The study also highlighted the importance of financial awareness programs.

6. Agarwal and Mazumder (2018)

The researchers examined the saving habits of salaried employees in urban areas. Their findings showed that inflation, rising living costs, and family obligations directly affect the saving capacity of employees. The study concluded that financial discipline and proper planning are necessary for maintaining financial stability.

III. Research Methodology

The study follows a descriptive research design to examine the personal financial planning and saving behaviour of salaried employees. It focuses on collecting primary data through structured questionnaires and analyzing the patterns, preferences, and awareness levels of respondents.

Sampling Method:

The study used the Convenience Sampling Method. Under this method, salaried employees who were easily available and willing to participate were selected as respondents for collecting data. This method helped in saving time and cost during the research process.

Sample Size:

Sampling method: Convenience sampling Sample size: 100 salaried employees
The sample for the study was selected from salaried employees using a convenient sampling method. Respondents were chosen based on their availability and willingness to participate in the survey. The selected sample represents different age groups, income levels, and employment sectors.

Data collection tools:

- Percentage Method – Used to present responses in percentage form.
- Tables – Used for systematic presentation of data.
- Bar Charts and Pie Charts – Used for graphical representation of findings.

Scope of the study:

- The study focuses on the financial planning and saving behaviour of salaried employees.
- It examines their awareness, saving habits, and investment patterns.
- The study is limited to a specific area and selected respondents.

Limitations of the study:

1. Limited Sample Size



The study is conducted on a limited number of salaried employees, which may not fully represent the behaviour and opinions of all salaried individuals.

2. Time Constraint

The research is carried out within a limited period of time, which restricts detailed analysis and extensive data collection.

3. Geographical Limitation

The study may be restricted to a particular area or region, so the findings cannot be generalized to all locations or populations.

4. Dependence on Primary Data

The study mainly depends on the responses given by employees through questionnaires and surveys. The accuracy of the study depends on the honesty and understanding of respondents.

5. Changing Financial Behaviour

Financial planning and saving behaviour may change over time due to economic conditions, inflation, income changes, and market fluctuations. Therefore, the findings may not remain the same in the future.

6. Lack of Financial Knowledge Among Respondents

Some respondents may have limited knowledge about financial planning and investment options, which could affect the quality of responses.

7. Personal Bias of Respondents

Respondents may provide biased or incomplete information regarding their income, savings, expenses, and investment practices.

IV. Data Analysis & Interpretation

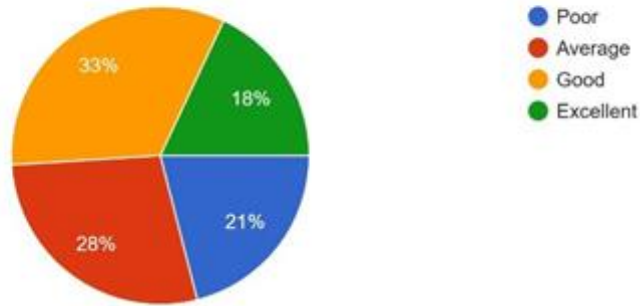
How would you rate your financial Knowledge	No of People
Poor	21%
Average	28%
Good	33%



Excellent	18%
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7. How would you rate your financial knowledge?

100 responses



Interpretation –

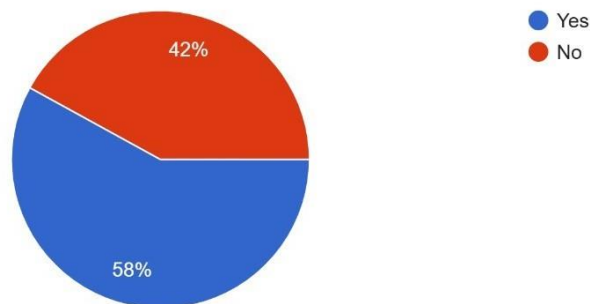
The largest group of respondents rates their financial knowledge as Good (33%), suggesting that many people feel reasonably confident about their understanding of financial matters. A significant portion (28%) considers their knowledge Excellent, indicating a fairly strong level of confidence among respondents.

However, 21% rate their knowledge as Poor, and 18% as Average, showing that a notable segment still lacks strong financial understanding.

Have you set financial goals (short-term/long term)	
Yes	58%
No	42%

10. Have you set financial goals (short-term/long term)?

100 responses





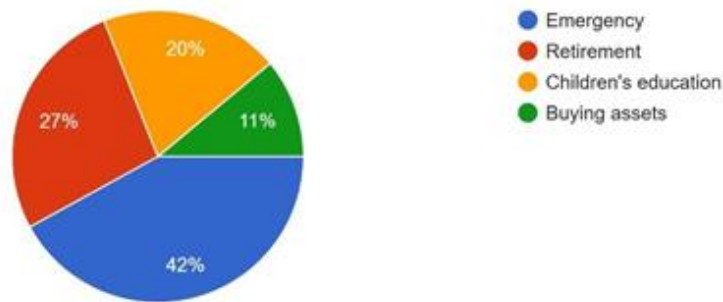
Interpretation –

A majority of respondents have set financial goals (58%), indicating that more than half are planning for their financial future, whether short-term or long-term. However, a significant portion (42%) have not set any financial goals, showing that many people still lack clear financial direction.

What is your main reason for saving	
Emergency	42%
Retirements	27%
Children’s Education	20%
Buying Assets	11%

12. What is your main reason for saving?

100 responses



Interpretation –

The primary reason for saving among respondents is emergency purposes (42%), indicating that most people prioritize financial security and being prepared for unexpected situations. The second major reason is retirement (27%), showing that a good portion of individuals are planning for their long-term future. 20% of respondents save for children’s education, reflecting family-oriented financial planning. The smallest group (11%) saves for buying assets, suggesting that fewer people are focused on wealth creation through asset purchases.

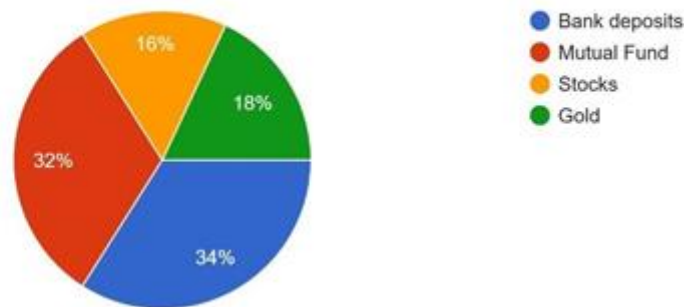
Where do you mainly invest	
Bank Deposite	34%



Mutual Fund	32%
Stocks	16%
Gold	18%

16. Where do you mainly invest?

100 responses



Interpretation –

Most respondents prefer safe investments, with bank deposits (34%) being the most popular, followed by mutual funds (32%). Fewer people invest in gold (18%) and stocks (16%), showing a lower preference for riskier options.

V. Conclusion

The study on personal financial planning and saving behaviour of salaried employees highlights the growing importance of financial management in today's economic environment. Salaried employees face various financial responsibilities such as household expenses, education, healthcare, retirement planning, and emergency needs. Therefore, proper financial planning and disciplined saving habits are essential for achieving financial security and long-term stability. The study reveals that income level, financial literacy, risk perception, and family responsibilities play an important role in influencing saving and investment decisions. Most salaried employees prefer safe and secure investment options such as bank deposits, insurance policies, provident funds, and recurring deposits. At the same time, limited awareness about modern investment avenues and lack of financial knowledge restrict many employees from making diversified investment decisions. The research also shows that employees who practice budgeting, regular savings, and planned investments are more financially stable and better prepared for future uncertainties. Effective financial planning helps individuals reduce financial stress, improve wealth creation, and achieve future goals such as children's education, home purchase, and retirement security. However, the study also identifies certain limitations such as limited sample size, time constraints, and dependence on respondent opinions, which may affect the overall findings. Despite



these limitations, the study provides valuable insights into the financial behaviour of salaried employees and emphasizes the need for improving financial awareness and education.

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