GMMC Journal of Interdisciplinary Studies
Vol. 12, December 2023, pp. 143-161
ISSN : 2392-4519 (Print), 3021-9086 (Online)
Journal homepage: http://gmmcjournal.edu.np

Factors Affecting Investment Decisions of Permanent School Teachers in Pokhara

Yubaraj Subedi*
[1]*Research Scholar*
Corresponding Author Email: pyubasubed@gmail.com

ABSTRACT

Received: August, 2023
Revised: September, 2023
Accepted: November, 2023
Available online: December, 2023

Investing is the use of money to increase its worth or generate more revenue. This article has been designed to examine the factors affecting investment decision of permanent school teachers in Pokhara. This study is based on causal comparative research design. It has used structured questionnaire to collect information. Samples were selected by multi sampling technique, selecting the than Chhorepatan Resource Center by purposive sampling in the first and selecting 139 permanent school teachers by simple random sampling in the second stage. The Total population of permanent school teachers of Pokhara Metropolitan City was 1,588 and targeted population was 211. The reliability of data is checked by calculating Cronbach Alpha and it was 0.77. Accounting information (AI), Firm`s Image (FI), Advocate Recommendation (AR), Personal Financial Need (PFA) and Dividend Policy (DP) were independent variable and Investment Decision (ID) was dependent variable. This research discovered that 61.2% of permanent teachers invest their fund in equity share. Lump sum investment method was more popular than systematic investment plan and monthly investment. 80% of permanent teachers invest less than 20% of their savings. Respondents prefers both cash and stock dividend policy. Regular income was found as main objective of investment. Friends and coworker's advice was also considering while investing in equity share. This research has also presumed that there was positive significant relation between investment decisions and decision factors. It is suggested to the investors of stock market, to analyze the fundamental factors of issuer and the issuer should follow regular dividend policy to attract the value investors toward their securities.

Keywords: Accounting information, advocate recommendation, dividend policy, firm`s image, investment decision

INTRODUCTION

Financial market is the place where financial assets are exchanged which provides the investment opportunities to potential investors. Financial market has been channeling the funds to deficit units from surplus units. House Hold, Business Firms, Government, Foreigners may be surplus units and Business Firms, Government, House Hold, Foreigners may be the deficit unit (Paudel et al., 2019). Fabozzi and Drake (2009) wrote that corporations and governments raise money by issuing claims against themselves that are invested, and investors divide their money across financial assets in order to achieve their goals. There are numbers of alternatives available in the financial market. Every individual wants to choose best alternatives. Investors expect positive reward in the future but future is uncertain. Investors can reduce level of uncertainties or level of risk associated with uncertainty. Individuals try to reduce level of uncertainties by managing portfolio. Nature of individuals varies from people to people. How an individual perceives and acts towards the available investment alternatives depends upon the nature of an individual. Investment simply means commitment of savings into any alternative that is expected to generate positive income (Sharma & Thapa, 2019).

An individual chooses any alternative after the analyzing available information. It may be fundamental analysis, technical analysis or behavoural investment decision. It depends upon the nature of the investors. Academic qualification, income, age, gender etc. affect the investment decision (Tripathi, 2021). The information derived from company transactions is known as accounting information. After being identified, the data is categorized, documented, and ultimately included in a variety of reports. Equity is a combination of amounts invested into the business by owners or shareholders and earnings of the business over the years. While the business operates, its profits and losses will increase or decrease equity. Companies issue periodical accounting reports as per the requirement of regulatory bodies.

The perception of the investors towards the firms also determines the investment decision. Fulfillment of social responsibility, producing high quality goods and services and firms leading position in the industry are perceived positively. It is the psychological aspect. An individual`s perception varies. The investors try to balance their standard and level with the firm they want to purchase stock since firm image reflects their identity (Phuyal, 2017). Only the investor cannot take the investment decision rather they may follow the advocate`s

suggestions. Family members, co-workers, friends, relatives, brokers may suggest to the investors.

Personal financial needs of the investors may differ. The objectives of the investor are to earn regular income, diversify investment or minimize the investment risk. On the other hand, investors prefer different dividend policy. Firms follow cash, stock or both dividend policy.

Teacher, doctor, engineer, nurse, army, police, civil servant are the major human resources, hired by government of Nepal to provide public services. Public services increase the social well beings. The person involved in teaching activities is a teacher. In Nepal the education given up to grade 12 falls under school education which lasts for13 years. Schools are divided into three categories. They are General, Ved Biggyan, and Technical School. Majority of students are enrolled in general school. Teachers are managed by government of Nepal in public school and managed by school itself in private school. In case of insufficient human resources, public school also manages teachers itself. Salary and other allowance are provided by government of Nepal according to rules and regulations published on Nepal Gazette.

This research focuses on how the teachers mobilize their saving. The access amount than expenses is known as saving. People use saving to purchase financial or real assets as well as liquidity. In present world, there are lots of investment alternatives available. Choosing the best alternative is a complex and rational task.

Investment is the activity done for the future return which is uncertain. Because of the uncertainty of future, the investment decision may vary from person to person. Different investment alternatives are available in the investment market. Real investment and financial investments are the major investment alternatives. Government of Nepal adopted liberal policy to promotes the investment environment. In the sector of financial market, different companies are listed in the NEPSE. The listed companies raise fund from the capital market. They should publish periodical financial statements for the concerned parties. Investors analyze the statement issued by the companies and make investment decision.

The types of investors affect the investment decision. Value investors think only for the inherent value of a stock. They think of the purchase of a stock for what it really is: a share of a business. They want to see businesses with solid values and sound financial performance, irrespective of what someone else does or does not (Gajmer, 2021). Thus, this study focuses to analyze the perception of permanent school teachers in Pokhara regarding investment decision and factors affecting it.

LITERATURE REVIEW

Investing is the use of money to increase its worth or generate more revenue. In order to reap the benefits in the future, resources that have been saved or stored away from current consumption must be committed. Investing is the practice of swapping one's current income for an asset that will hopefully generate profits in the future. The current period's consumption is sacrificed in order to secure a substantial return later on (Britannica Encyclopedia, 2020). Setting investment goals, creating an investment policy, choosing an investment strategy, choosing the particular assets, and monitoring and assessing investment performance are the five tasks that make up investment management (Frank & Pamela, 2009).

An investment is a financial commitment undertaken with the hope of earning a profit. If the investment is done correctly, the return will match the level of risk that the investor takes on (Fisher & Jordan, 2001). Setting investment objectives starts with a thorough analysis of what the entity wants to accomplish. Given the investment objectives, policy guidelines must be established, taking into consideration of any client-imposed investment constraints, legal/ regulatory constraints, and tax restrictions. This task begins with the asset allocation decision.

Any financial instrument that can be invested in with the hope that it will yield returns or maintain or grow in value is considered an investment. Two primary ways that investing can yield rewards are rising value and present income. Periodic interest payments on money invested in a savings account give current income. It is anticipated that an investment-grade common stock share would appreciate in value over time until it is sold. Bhattarai (2010) wrote investment is a commitment of money and other resources that are expected to generate additional money and resources in the future Investments are made in assets. Assets generally are of two types, real assets and financial assets (Gitman & Joehnk, 2012).

Investment is an intrinsically risky activity. Indeed, risk taking is an innate characteristic of human behaviour and as old as humankind itself. The portfolio manager must also understand the risks and risk management processes of companies in which s/he invests. The process of risk management entails identifying risk exposures, creating suitable exposure ranges, measuring these exposures continuously, and implementing the necessary modifications whenever exposure levels deviate from target ranges. The process is ongoing, and any of these actions may need to be changed to accommodate new information, policies, or preferences (Donald et al., 2007).

Claims on income from real assets or claims on government income are examples of financial assets. In general, the qualities of risk and return characterize financial assets.

Financial assets become interchangeable when these two aspects are compared, making the process of choosing from millions of assets easier. These features establish financial assets apart from physical assets, which have several different definitions (Bodie et al., 2016).

A gambler usually does a very short-term investment as a game or investment. Gambling is different from investment in many aspects. The time horizon involved in gambling is shorter than investment. The time of investment horizon may be less than 1 hour. People gamble as a way to entertain themselves. The return on gambling may be second factors. In both gambling and investing, a key principle is to minimize risk while maximizing profit. But, when it comes to gambling, the house always has an edge a mathematical advantage over the player that increases the longer they play. In contrast, the stock market constantly appreciates over the long term. This doesn't mean that a gambler will never hit the jackpot, and it also doesn't mean that a stock investor will always enjoy a positive return. It is simply that over time, if you keep playing, the odds will be in your favor as an investor and not in your favor as a gambler (Sharma et al.,2017).

The asset price liquidity theory was put forth by Pepper and Oliver. They proposed that the quantity of investment liquidity is a key factor influencing stock markets. To put it another way, people will invest more if they have more money to do so, which will raise share prices. Pepper and Oliver illustrate the point by considering a takeover financed by bank borrowing if this is not the only possible source of increased liquidity. Lending results in the creation of money. Therefore, using borrowed funds to finance a takeover expands the available money supply, or liquidity.

To reach their financial objectives, individual investors manage their personal funds. Typically, individual investors focus on generating a retirement income stream, making a return on idle capital, and giving their family stability. Institutional investors are frequently hired by people who lack the time or experience to make investing decisions. specialists in investments who get compensated to look after other people's funds. These experts exchanged a lot of securities for governments, corporations, and individuals. Banks, mutual funds, life insurance firms, and financial institutions are examples of institutional investors. Investors, both individual and institutional, use similar basic principles. Nonetheless, institutional investors are typically more knowledgeable and experienced in investing because they manage significant sums of money on behalf of others (Gitman & Joehnk, 2012).

Those investors who believe they are smarter than the average market participant, who like the rush of trading in and out of the market, and who usually ends up losing money on

their trades (with the occasional win to keep them in the game), are not hard to come across. And being on the losing end of the trade often causes even more of the gambling behaviors to kick in, so that they engage in the same risky trading behavior in an attempt to get back to even. This example is in contrast to the person who avoids such behavior (or keeps it to such a modest amount that it does not affect long-term wealth creation) and manages to save and invest over long periods of time to build wealth gradually.

There is a specific group of investors who have an overly cautious mindset, albeit they are less prevalent. Whether or not they have firsthand experience, their fear of losing money in a declining stock market is so great that they will not take on any level of risk. The failure with this approach is that people who cannot accept some amount of risk also risk outliving their money. At some point during mid-career, these expenses may be surpassed by earnings and debt is reduced. Then later in life, one's working career can end either voluntarily or not, and cash needs should be surpassed by income. But if one does not accumulate enough of a nest egg and invest it wisely, there can be a situation where one may outlive one's assets. Certain people in this situation intuitively know that they need to increase risk, but they simply cannot take action to do it. They know about concepts such as inflation and low yields on bonds, but they will not take the risk this is necessary to build wealth (Pompian, 2012).

Value investment is an investment technique that entails selecting securities that tend to be priced at a lower price than their intrinsic or book value. Such investors aggressively seek out securities that they believe the capital market is undervaluing. The guiding principle for their trading behavior based on the theme on market overreacts to both positive and bad news, culminating in stock price fluctuations that are unrelated to a company's long-term fundamentals. The overreaction provides a chance to benefit from purchasing stocks at a discount price. Value investing always looks for the underpriced stocks to pick up and hold for the future right time to trade on to book the profit from. It mostly doesn't deal for the short-time holding, rather provokes the investors to learn closely about the company and its' future growth (Gajmer, 2021).

A technique for determining a security's intrinsic worth through the analysis of linked financial and economic elements is called fundamental analysis. Fundamental analysts research all variables that have the potential to impact a security's value, ranging from microeconomic elements like the management team's efficacy to macroeconomic ones like the overall health of the economy and industry. The ultimate objective is to arrive at a figure that may be used by an investor to assess whether a security is overvalued or undervalued by comparing it to its

current price. This approach to stock analysis is said to be different from technical analysis, which uses previous market data, such as price and volume, to predict the direction of prices (Investopedia, 2021).

It's probable that retired investors value stability and are drawn to equities with large yields and dividend payments. However, other investor groups, young people with lengthy investment horizons, for example might favor stocks that reinvested earnings in order to boost stock prices over the long run. The dividend policy of each business attracts various kinds of investors, or clients. A company's share price may fluctuate when it makes significant policy changes since it may trigger a shift in the company's customer. Once a company has established a set of policies whether it be their dividend policy or environmental, social, and corporate governance policies, the clientele effect outlines the importance of refraining from making dramatic changes to such policies to prevent a shift in clientele, which may negatively impact the company's share price (Corporate finance institute, 2021).

Adhikari (2020) conducted research on the topic of "Factors Influencing Investment Decisions of Individual Investors at Nepal Stock Exchange". Finding the variables influencing individual investors' decisions to make investments on the Nepal Stock Exchange was the primary goal of the investigation. The study found that the following factors were most important in influencing individual investment decisions: government statements, anticipated capital increases, the company's standing in the industry, the appeal of non-stock investments, the ease of borrowing funds, the opinions of the majority shareholders of the company, family opinions, recent changes in the price of the company's stock, changes in the stock index, rumors, expected corporate eating, stock marketability, the outcomes of technical analysis, the dividend paid, the perceived ethics of the company, the reputation of the company's shareholders, and sentimentality for the company's goods and services.

Shrestha (2020) concluded Nepalese investor prefers stock of those companies whose expected return will be high in future. Also conclude that investment behavior of Nepalese investor is more influenced by company related variable than market related variable and risk and return related variable. In company related variable management team, financial performance, size, earning per share, dividend per share were studied.

Kandel (2019) achieved that existing information source used by investors was family members. There was positive relationship between risk perception of investors and investment decisions, influencing factors and development of mutual fund schemes, investment objective and investment in mutual funds, return on investment and investment in mutual funds,

promotional tools and investment in mutual funds and there was significant relationship between characteristics of mutual funds and investment decisions.

Kengatharan (2019) the eight key variables that have been shown to influence investing decisions are as follows: the company's prior stock performance, stability, goodwill, industry reputation, dividend payment history, projected corporate earnings, and expected dividend. Additional findings indicated that seven criteria had the least impact on investment decisions: the opinions of the majority shareholders of the company, the ease of borrowing money, the need for diversification, the opinions of friends and coworkers, the types of governing bodies, and social standing. The findings of the study indicate that the socio-economic attributes of investors, such as age, gender, marital status, educational attainment, and monthly income, significantly influence their investment choices.

Hagos and Sing (2019) concluded that the objective of the investment was children education, medication, entertainment, and marriage. Besides, Inflation, low-interest rate, and insufficient income were the main reason for an inability to save. Teachers consult before saving and investment decision with investment consultants and family members. On the other hand, public image of sources of investment, an initial amount of investment, potential risk, potential return, and liquidation was the factors influencing teacher's community on deciding to invest. Likewise, marital status, gender, family income, multiple earning status, family size, peer influence, self-control, financial literacy and parental specialization were associated positively with saving and investment of teacher's community.

Rana (2019) concluded that earnings and image, corporate governance and positioning, goodwill and market share, industry competition and size, fundamental market, and decision making were affecting the stock investment decision of the individual investors in Nepal. The fundamental market factors had high relative importance as perceived by the individual investors. Also found that there were not significant differences in the mean scores of male and female respondents associated with factor affecting to investment decision. There was significant difference in investment decision based on marital status of respondent. Likewise, there was no significant difference in perceptions of respondent towards the role of earnings and image, goodwill and market share, industry competition and Size factors affecting stock investment decision.

Katuwal (2018) focused on the investors' preference of the financial instruments, specific factors, which affect the investors' decision, investors' preference for investment in different sectors of investment and investors' awareness. The common stock was most preferred by the

investors, followed by preferred stock, debenture/bonds, government bonds and other. The earning per share, rate of return and dividend per share were most important factors affecting to investment decision. The cash dividend motived the investor most and followed by capital gain, stock dividend, liquidity, right share voting right and social status. The investment which secured sufficient preferred most and followed by less risky, marketability and social status.

Pokharel (2018) conclude that the reason for investing were found high rate of earning 24%, liquidity 33%, marketability 11%, value appreciation 14%, regular income 5%, Prestige 13%. Liquidity was the most preference reason for investment. The respondents view on factors of investment in company shares where market value is found in the majority. The influencing factors of investment decision was brokers advice rather than the investors sole decision.

KC (2018) accomplished that there was a positive correlation between advocate recommendation and investment decision. She also exposes that there was positive correlation between investment decision and market condition. Further, she concluded that there was significant relation between investment decision and financial performance of the firm. Highly educated and married women were investing in share market. Her study revealed that women investor where passive investor they prefer the primary market rather than secondary market women investors preferred dividend gain. She also found that friend advocate, past performance of the share, net profit of the form and financial indicators were most influencing factor in investment decision making and hydropower commercial bank and development bank categories were preferring by women investors.

Clement (2012) centered on the variables influencing Kisumu Municipality teachers' decisions to invest in equity stocks at the Nairobi Stock Exchange. Of the target population, only 28% had made stock market investments. The findings showed that behavioral and economic factors influenced people's decisions to invest in equities stocks. Expected dividends, capital appreciation, and share affordability were determined to be the main economic factors affecting decisions to invest in equities stocks. Self-attribution bias was formed by a number of behavioral elements, including herd behavior—depicted by the decision to invest based on popular opinion or shares in high demand—friends' and coworkers' recommendations, and overconfidence depicted by the respondents' perception that they are better than others.

MATERIALS AND METHODS

The causal-comparative research design has been adopted to analyze the relationship between decision factor with investment decision and seek the moderating effect of demographic variables. Population was the total number of permanent school teachers of Pokhara Metropolitan City which was 1588. Sample has been selected in multi stage. Schools of Pokhara Metro Politian City were divided into 11 resource Centers during the research tenure. Resource Centre was the hub of different schools located in similar physical and social circumstances. Chhorepatan Resource Centre had been selected by purposive sampling method. Urban and rural areas lied in this center. Schools of Pokhara Metropolitan City ward number 5,6,7,8,17 and 22 were under Chhorepatan Resource Centre among them ward no. 5, 6, 7, 8 and 17 were urban areas where as ward no 22 was in rural area. Out of 211 permanent teachers, 139 permanent teaches had been selected by simple random sampling using Micro Soft Excel.

Sample was determined by using following formula

$$n = \frac{N}{1+N(e^2)}$$

Where n = size of sample

N = Target Population

e = Error (0.05)

The research was quantitative in nature. In this research only primary data were processed. The quantitative data related to investment decision of permanent school teachers of Pokhara had been collected by using questionnaire. Questionnaire consisted of nominal, ratio, ordinal and 5 Point-Likert Scale questions. The reliability of data has been tested using Cronbach alpha and the value of Cronbach alpha was 0.7. Chi-square test had been used to analyze the relation between investment decision of permanent school teacher and their gender and annual income. One-way ANOVA had been used to assess the perceptual difference of permanent school teachers towards decision factors and dependent variable ID based on different demographic characteristics. Correlation had been used to analyze the relation between decision factors and ID of permanent school teacher. Likewise, multiple regression analysis had been used to examine the impact of decision factors on ID. 0.05 level of significance had been considered while interpreting the *p*- value.

The investment decision keeps as dependent variable and accounting information, firm`s image, advocate recommendation and dividend policy were considered as independent

variables. The variable personal financial need was the nominal form and it was not considering in this model. The multiple regression model is as follow.

$$Y = +\beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + e$$

Where Y = Investment decision (ID)

= Constant

x_1 = Accounting information (AI)

x_2 = Firm`s image (FI)

x_3 = Advocate recommendation (AR)

x_4 = Dividend policy (DP)

β_1 = coefficient of 1`st variable

β_2 = coefficient of 2`nd variable

β_3 = coefficient of 3`rd variable

β_4 = coefficient of 3`rd variable

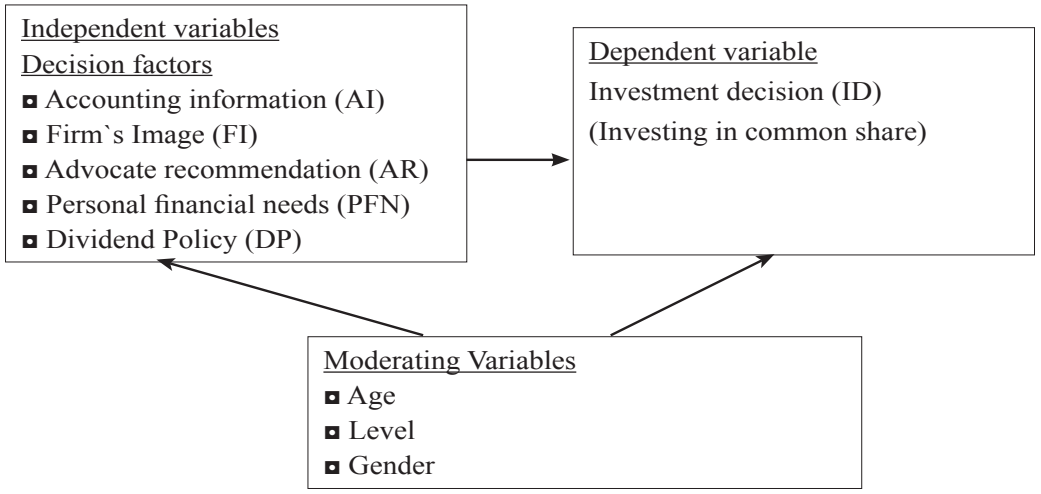
e = error term

Research Framework

In this research investment decision (ID), investment in equity share was the dependent variable and the decision factors accounting information (AI), firm`s image (FI), advocate recommendation (AR), personal financial needs (PFN) and dividend policy (DP) were the independent variables. Gender, age and level of teachers were the moderating variable. The relation among dependent, independent and moderating variable can be shown as below.

Figure 1

Research Framework



RESULTS

In this section information are presented after the analysis and discussion based on prior studies.

Table 1

Decision Factors and Investment Decision

Factors	N	Mean	Std. Deviation
AI	84	3.62	0.49
FI	84	3.80	0.62
AR	84	3.30	0.88
DP	84	4.01	0.59
ID	84	3.79	0.53

Note: Field survey (2022)

Table 1 exhibits decision factors and overall investment decision. The descriptive statistics with the minimum mean value for AR (M=3.30, SD=0.88) indicates that the investment decision of permanent teacher is less concerned with the advocate`s recommendation while taking investment decision.

Table 2

Gender of Respondent and their Investment Decision

		Investing in Equity Share		
		Yes	No	Total
Gender of Respondents	Male	68.18%	31.82%	100%
	Female	54.79%	45.21%	100%
	Total	61.15%	38.85%	100%

$\chi 2 = 6.914$ p = 0.009(d.f.=1)

Note: Field survey (2022)

Table 2 presents gender of respondent and investment status in equity share of permanent teachers. It reveals that Chi-Square test of independence ($\chi^2(1,139) = 6.914, p<0.05$) showed significant association between gender of respondent and their investment decision.

Table 3

Annual Income of Respondent and Investment Decision

			Investing in Equity Share		Total
			Yes	No	
Annual Income of Respondents	Less than 3 lakhs	N	23	13	36
		%	63.9%	36.1%	100%
	3-4 lakhs	N	29	29	58
		%	50%	50%	100%
	4-5 lakhs	N	22	12	34
		%	64.7%	35.3%	100%
	above 5 lakhs	N	11	0	11
		%	100%	0%	100%
Total		N	85	54	139
%		61.2%	38.8%	100%	

χ^2- *10.319* *p- 0.016 (d.f. = 3)*

Note: Field survey (2022)

Table 3 presents annual income of respondent and investment status in equity share by permanent school teachers. It reveals that Chi-Square test of independence (χ^2 *(3, 139) = 10.319, p<0.05*) showed significant association between annual income of despondence and their investment decision.

Table 4

Perception of Respondent towards Decision Factors based on Age

Decision Factors	Age	n	Mean	SD	*f*- value	*p*-value
AI	20-30	4	3.63	0.144	0.093	0.964
	31-40	18	3.58	0.569		
	41-50	34	3.65	0.448		
	51-60	28	3.61	0.529		
FI	20-30	4	3.75	0.540	0.923	0.434
	31-40	18	3.74	0.591		
	41-50	34	3.71	0.549		
	51-60	28	3.96	0.717		
AR	20-30	4	2.67	1.656	1.584	0.200
	31-40	18	3.39	0.810		
	41-50	34	3.16	0.904		
	51-60	28	3.50	0.711		

DP	20-30	4	4.06	0.375	0.035	0.991
	31-40	18	4.01	0.496		
	41-50	34	3.99	0.647		
	51-60	28	4.04	0.615		
ID	20-30	4	4.00	0.000	0.483	0.695
	31-40	18	3.76	0.525		
	41-50	34	3.73	0.641		
	51-60	28	3.85	0.416		

Note: Field survey (2022)

Table 4 depicts the descriptive statistics along with the *f* and *p* value of different decision factors and investment decision based on the age of respondents. The output shows that there is no perceptual difference towards the investment decision based on decision factors. However, the highest mean value is for DP and respondents with 20-30 years tends to have more perceive than others (*M=4.06, SD=0.375, F (3,80) = 0.035, p>0.05*). On the other side, the permanent school teacher tends to show the least affecting factor AR and respondents with 20-30 years have the least affected (*M=2.67, SD= 1.656, F (3,80) = 1.584 p>0.05*).

Table 5

Perception of Respondent towards Decision Factors based on Academic Qualification

Decision Factors	Academic Qualification	n	Mean	SD	*f*- value	p-value
AI	S.E.E.	5	3.40	0.487	2.945	0.025
	+2	11	3.59	0.302		
	Bachelor	29	3.43	0.517		
	Master	38	3.80	0.462		
	Above Master	1	3.75			
FI	S.E.E.	5	3.70	0.570	0.871	0.485
	+2	11	3.61	0.234		
	Bachelor	29	3.72	0.626		
	Master	38	3.91	0.688		
	Above Master	1	4.25			
AR	S.E.E.	5	4.27	0.494	2.180	0.079
	+2	11	3.42	0.560		
	Bachelor	29	3.13	0.974		
	Master	38	3.25	0.848		
	Above Master	1	4.00			

DP	S.E.E.	5	4.20	0.326	0.843	0.502
	+2	11	3.82	0.633		
	Bachelor	29	4.13	0.541		
	Master	38	3.95	0.634		
	Above Master	1	4.25			
ID	S.E.E.	5	3.70	0.991	0.170	0.953
	+2	11	3.86	0.466		
	Bachelor	29	3.81	0.607		
	Master	38	3.76	0.425		
	Above Master	1	4.00			

Note: Field survey (2022)

Table 5 shows the descriptive statistics along with the *f* and *p* value of different decision factors and investment decision based on the appointed level of respondents. The result shows that (*F (4,79) = 2.945, p<0.05*) is perceptual difference in AI towards the investment decision based on academic qualification. However, on the basis academic qualification there is no perceptual difference on FI, AR and DP. Highest mean score has been observed in decision factor AR among permanent school teacher with S.E.E. academic qualification (*M=4.27, SD= 0.494, F (4,79) = 2.180, p= 0.079*). The least mean score has been observed in decision factor AR among permanent school teacher bachelor academic qualification (*M=3.13, SD=0.974, F (4,79) = 2.180, p = 0.885*).

Table 6

Relationship between Decision Factors and ID

		AI	FI	AR	DP	ID
AI	Correlation	1				
	p -value					
	N	84				
FI	Correlation	.420	1			
	p -value	.000				
	N	84	84			
AR	Correlation	-.006	.391	1		
	p -value	.956	.000			
	N	84	84	84		
DP	Correlation	.117	.465	.399	1	
	p -value	.290	.000	.000		
	N	84	84	84	84	

		AI	FI	AR	DP	ID
ID	Correlation	.258	.339	.254	.320	1
	p -value	.018	.002	.020	.003	
	N	84	84	84	84	84

Note: Field survey (2022)

Table 6 presents the correlation among decision factors and ID. Correlation coefficient of decision factors are positive and significant at 5 % level of significance. It means ID of permanent teacher is positively correlated to AI, FI, AR, and DP. Result r (84) = 0.254, p<0.05 shows that AR is less correlated and r (84) = 0.339, p<0.05 FI is highly correlated with ID.

Table 7

Impact of Decision Factors on ID

		β	Se	*t*- value	*p* -value
1	(Constant)	1.716	.524	3.278	.002
	AI	.201	.124	1.618	.110
	FI	.105	.114	.922	.359
	AR	.080	.071	1.133	.261
	DP	.170	.108	1.580	.118
F- value		4.426			.003
	R^2	.183			

a. Dependent Variable: ID

Note: Field survey (2022)

Table 7 presents the regression analysis of decision factors and their impact on investment decision. The analysis exhibits that decision factors namely AI (β=0.201, t(80)=1.618, p>0.05), FI (β=0.105, t(80)=0.922, p>0.05), AR (β=0.080, t(80)= 1.133, p>0.05) and DP (β=0.170, t(80)= 1.580, p>0.05) did not significantly predict investment decision of permanent teachers but found the positive coefficient. The R^2 (=0.183, f(4,80)=4.426, p<0.05) shows 18.3% decision factors affected the ID. Other factors affected ID by 81.7 %. The regression equation formed as follows

$$Y= 1.716 + 0.201\ X_1 + 0.105\ X_2 + 0.080\ X_3 + 0.170\ X_4 + e$$

DISCUSSION

The result of this study sustains with fundamental analysis theory. The finding of similar research Shrestha (2020) concluded that investment behavior of Nepalese investor is more influenced by company related variable rather than market related variable and risk, and

return related variable which matches with the output of similar to this research. The research conducted in India by Achar (2012) observed that the educational status did not affect the investment decision of school teachers in India contrasted with the result of this research. This proves that observe the difference in circumstances played the vital role in investment decision. However, the conclusion of this study justified that there was association between investment decision and demographic factor ie. gender is similar to finding of this research.

CONCLUSION

This research is conducted to analyze the factors affecting the investment decision of permanent school teachers of Pokhara. The role of financial institutions, online payment system and online trading have enhanced the investment environment. The educated investors can easily utilize online trading and other new technologies to foster the investment. Further, educated investors believe in new technology. Current investment environment and available tools and techniques motivated the investors to invest in the stock market.

Mostly investors depend upon the behavoural theories and the fundamental analysis theories while investing in the equity share. Those investors who are seeking long term and steady profit follow the fundamental analysis theories. Teachers are the educated investors and they do not have sufficient time for the speculative investment. Value investors take the investment decision after analyzing the fundamental factors. Long term profit seeking value investors concentrate on the actual value of the stock and market price.

IMPLICATION

On the basis of the result of this research, it is suggested to the respondents to analyze the periodic accounting information issued by the securities issuer companies and made the investment decision accordingly. Value investors focus on steady income thus issuer should focus on regular dividend policy. This research is based on quantitative data, it is suggested to consider other qualitative factors which affect investment decision for the future researchers in the similar field.

REFERENCES

Achar, A. (2012). Saving and investment behavour of teachers: An empirical study. *International Journal of Physical & Social Science*, *2*(8), 262-285.

Adhikari, P. (2020). Factors influencing investment decisions of individual investors at Nepal Stock Exchange. *Management Dynamics*, *23*(1), 183-198.

Bhattarai, R. (2010). *Investment management* (6`th ed.). Buddha Acadmic Publishers and Distributors.

Bodie, Z., Kane, A., Marcus, A., & Mohanty, P. (2016). *Investments.* McGraw Hill Education (India) Private Limited.

Britannica, T. Editors of Encyclopaedia (2020, March 26). Investment. Encyclopedia

Britannica. https://www.britannica.com/topic/investment

Clement, N. (2012). *Factors influencing investment decision in equity stocks at Nairobi Securities Exchange among teachers in Kisumu Municipality, Kenya*[Unpublished master degree research report]. School of Business, University of Nairobi.

Corporate Finance Institute. (2021). *Understanding the clientele effect*. corporatefinance institute.com/resources/knowledge/trading-investing/clientele-effect/

Donald, L., Dennis, W., & Jerald, E. (2007). *Managing investment portfolios.* John Wiley & Sons, Inc.

Drake, P., & Fabozzi, F. (2009). *The basics of finance.* Jhon Wiley & Sons Inc.

Fisher, D., & Jordan, R. (2001). *Security analysis & portfolio management.* Prentice Hall of India.

Frank, F. J., & Pamela, P. (2009). *Capital markets,financial management & investment management.* John Wiley & Sons, Inc.

Gajmer, I. (2021), Value investing & investment discipline. *Investopaper*. https://www.investopaper.com/news/value-investing-the-investment-discipline/

Gitman, L., & Joehnk, M. (2012). *Fundamental of investing*(10th ed.). Dorling Kindersley India Pvt. Ltd.

Hagos, M., & Sing, S. (2019). Investing the behaviour of teachers towards saving and investment: Evidence from Mekele, Tigray, Ethiopia. *International Journal of Mechanical Engineering & Technology*, *10*(1), 370-384.

Investopedia. (2021). *Fundamental analysis*.https://www.investopedia.com/terms/f/fundamentalanalysis.asp

Kandel, L. (2019). Investor`s preference towards mutual fund: an analytical evidencce from Kathmandu valley. *Parvaha*, *25*(1), 103-112.

Katuwal, S. (2018). *Investors' preference for investment in financial instruments* [Unpublished master degree thesis]. Tribhuvan University, Kathmandu, Nepal.

KC, S. (2018). *Factor affecting share investment decision of women investors of Pokhara* [Unpublished graduate research report]. Pokhara University, Pokhara, Nepal.

Kengatharan, L. (2019). Factors influencing investment decisions in stock market: Evidence from individual investors in the Northern Province of Srilanka. *Asia Pacific Institute of Advance Research*, *1*(1),1-17.

Khan, S. (2019). *Factor affecting investment decision in the comman stock*[Unpublished graduate research report]. Pokhara University, Pokhara, Nepal.

Paudel, R., Baral, R., Gautam, R., & Rana, S. (2009). *Managerial finance.* Asmita Book Publication & Distributors (P) Ltd.

Phuyal, P. (2017). *Factor influencing investment decision making*[Unpublished research report]. Tribhuvan University, Kathmandu, Nepal.

Pokharel, P. (2018). A survey of investors pereference on stock market: A case of Nepal Stock Exchange. *Saptagandaki Journal* , *9*(1), 53-61.

Pompian, M. (2012). *Behavioral finance & investors types.* Jhon Wiley & Sons,Inc.

Rana, S.B. (2019). Factors affecting individual investors` stock investment decision in Nepal. *Tribhuvan University Journal, 33*(2), 103-124.

Sharma, G., Singh, T., & Awasthi, S. (2017). Determinants of investment decision making. *International Journal of Financial Management*, *7*(4), 32-33.

Shrestha, P. M. (2020). Factors influencing investment decisions of Nepalese investors. *Management Dynamics*, *23*(2), 145-160.

Tripathi, U. (2021). Investment *behavioural of individual investors toward share market in Pokhara* [Unpublished master thesis]. Tribhuvan University, Kathmandu, Nepal.