

An analysis of Financial Quotient of Information Technology Professionals in India and its Impact on their Financial Decision Making Ability

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ABSTRACT

This study analyzed the Financial Quotient level of Information Technology Professionals in India and it has also been studied that what is the impact of financial quotient on financial decision making ability of Information Technology professionals. Here a survey has been conducted on 400 Information Technology professionals across several cities. The results revealed that the level of financial quotient of Information Technology professionals is not good although it is also not poor. It has been identified that there is a significant impact of financial quotient on the financial decision making ability of Information Technology professionals. There is an enormous scope to improve the financial quotient among Information Technology professionals. Improved financial quotient level will help them to make better strategic decisions in their organization as their understanding towards managing money will improve and it will also help them to improve their personal financial well being.

1. INTRODUCTION

With the rapidity in growth of Information Technology (IT) industry and due to increasing demand for its services IT professionals are also booming with handsome packages and perks. But this young generation should also keep in mind one thing that if their hard earned money will not be wisely spent and invested than it may not lead to a dazzling future for them and for their family especially after retirement.

So, the IT professionals should also give importance to improving their money management skills so as to make an effective decision for improving their financial well being. **So, there is a big question that how it will be known that an IT professional is financially intelligent or not? And answer to this question is by measuring their “Financial Quotient”.**

What Is Financial Quotient?

In today's world a new phrase is emerged as “Financial Quotient”. **Financial Quotient is a measure of financial intelligence. It is about measuring personal financial management ability. Financial quotient is about the intelligence on managing your money, income, expenses, investment and anything else that involves money.**

Relationship between Financial Literacy, Financial Intelligence and Financial Quotient

When we talk about the two terms ‘financial literacy’ and ‘financial intelligence’ in actual fact, there is no exact formal or standardized definition for the term ‘financial literacy’. A concise but yet meaningful definition is provided by **OECD in 2005 and we considered this definition as base and accepted definition among member countries: “Knowledge and understanding of financial concepts, and the skills, motivation and confidence to apply such knowledge and understanding in order to make effective decisions across a range of financial contexts, to improve the financial well-being of individuals and society, and to enable participation in economic life.”**

Given that the term ‘financial intelligence’ has never been academically defined and explored on individuals, (**Kamil N, Musa R & Sahak S, 2013**) defines the concept of ‘financial intelligence’ as ‘adequate knowledge and aptitude on basic financial concepts and the application of which shapes reasonable and responsible personal financial affairs’.

Following the above term of ‘financial intelligence’ we can understand the term ‘financial quotient’. **‘Financial Quotient’ or ‘FQ’ is basically the “measurement of financial intelligence i.e. assessing the adequacy of knowledge and aptitude on basic financial concepts of an individual which would enable him to make reasonable**

and responsible personal financial choice which could affect his personal financial well-being and which would enable him to do proper money management’.

Developing financial intelligence is important from both companies as well as individual’s perspective. It enhances the ability of IT professionals to move from a service to a strategic organization, to evaluate the company critically, to understand the business, to understand the bias in numbers and to use numbers and financial tools. Higher financial intelligence plays a key role in preventing individuals from becoming involved with fraudulent financial transactions. It is also beneficial for wealth preservation. People who develop financial plans tend to be 10 to 15 percent wealthier than those who do not (Palmer, 2008).

LITERATURE REVIEW

Syerina Nik Kamil N.S., Musa R. and Zaleha Sahak S. (2014) explained that over the years of assessing individual’s general intelligence via intelligence quotient (IQ) test, behavioral scientists and academicians have also explored other areas in measuring intelligence, which include emotion, social and spiritual, among others. They developed a model of financial intelligence and its measurement, deliberated in terms of its effect on behavioral intention towards credit card spending and repayment behavior of young urban Malaysian adults. The financial intelligence quotient (FIQ) in this research work is pretty much restricted to personal financial management such as cash-flow and budget management, credit management, savings and perhaps some basic investment practices. This is to enable individuals from all walks of life to make sound personal financial decision for financial well-being. This denotes the researcher’s intention to exclude the so called intelligence in high finance areas such as investment, stock market trading as well as trading in other financial market products such as interest rate, foreign exchange, bonds, futures, commodities and so on.

Pellinen A., Tormakangas K., Uusitalo O. and Raijas A. (2011), focused on private investors’ financial knowledge and understanding, and investigate how this aspect of financial capability becomes evident in their actual investment decisions. They provided further understanding about the financial capability of ordinary mutual fund investors’ knowledge and ability. Financial capability was conceptualized as the investors’ knowledge concerning their investment into mutual funds. They used Rasch model as a measurement instrument to measure the ability, which was based on the techniques developed by the scholars in educational and psychological studies that are experts in ability measurement. Five domains were adopted to evaluate financial capability from the perspective of a mutual fund investor: information, the amount of available funds, risk-taking capacity versus expected returns, horizon of the investment and taxation. Moreover, a measurement instrument to evaluate financial knowledge was developed consisting of a test with 40 indicators or items.

Olusola Samuel F., Egbide B. C. and Imoleayo O. (2013), argued that financial intelligence is one of the five components of a twenty first century education, the kind of education that actually delivers the financial and wealth building results that people deserve. They established that without financial intelligence, graduates from African private higher education schools will be forced to follow the road of financial disaster, ruin, and anti-excellence which most people travelled.

Tamer and Muzaffer (2013), examined that human resources functions is in a psychological trauma as it has been moving away from administrative duties to focusing on strategic management roles. Underlying this trauma is the desire of the professional human resources managers to gain more respect and recognition within their organizations as strategic partners with others from this stand. The common denominator of recognition and respect is being equipped with financial intelligence. To establish a relationship between the human aspects of business organizations and financial intelligence is difficult but also a necessity. It is an increasing necessity to pursue financial results with human resource management outputs.

Mohd R., Mohamad S. and Nor N. (2015), made an effort to understand the financial behavior of Gen Y via Financial Intelligence logit ruler. Gen Y has been described as having poor financial behavior reflecting their high level of debts which mostly come from education loans. This study was twofold: first to measure the reliability and validity of the instrument used for this study adapted from previous research; secondly was to develop the financial intelligence logit ruler aimed at identifying Gen Ys’ classification on the basis of their level of financial intelligence. In this study it was established that financial literacy and financial knowledge, these two terms were used interchangeably by many previous researchers.

Citigroup Inc. (NYSE:C) (2011), The Citi FIN-Q survey, designed to measure the financial quotient or well being of Asian consumers, shows that the region is becoming increasingly sophisticated in their handling of money management personal finance matters. 52% of the Asian respondents believe that they have a good or very good understanding of money management and personal finance matters. Citi scored respondents on 11 different questions closely related to financial well being with a maximum possible score of 100. Citi financial quotient for the region stands at 54.6 out of 100 points in this survey.

MoneySENSE, A National Financial Education Programme for Singapore (2012), through its Core Financial Capabilities Framework developed by the Financial Education Steering Committee (FESC which provides strategic direction and oversees financial education programmes in Singapore) sets out five core financial capabilities that can help consumers work towards managing cash flow, buying a home within their means, providing for their healthcare needs and having sufficient income for life. These five core capabilities were: 1) Understanding money 2) Understanding yourself, your rights and responsibilities 3) Managing everyday money 4) Planning ahead 5) Selecting financial products. The framework was developed so that financial educators can educate consumers.

Phenya A. (2011) had found that even after the governments' support to small businesses in order to stimulate economic growth and development as an alternative means of job creation most of these businesses fail due to a lack of financial management skills. It has been found that the small business owners/managers surveyed did not have a proper accounting system in place. They also lacked the knowledge to compile financial statements and cash budgets and they could not analyze these statements. The survey concluded that small business owners/managers at Dr JS Moroka Municipality have limited basic financial management skills which need to be broadened.

Lindsey D., Kelly L., Brent W. and Price R. (2011), evaluated a financial literacy curriculum at the Howard University business school, by measuring the financial knowledge acquired after participating in a variety of programs. To evaluate the curriculum a survey was administered to collect data on financial knowledge and demographic characteristics. This research work provided a better understanding of relevant factors that may influence the success of financial education at the college level generally, but specifically among African American students. In the survey it was found that financial knowledge score of the students of Howard university business school was just above 60%, so there could be further improvement.

Bayer P.J., Bernheim B.D. and Scholz J.K. (2008), have examined the effects of financial education on financial decision-making skills by identifying an interesting source of variation in pertinent training. Researchers have examined the effects of employer-based retirement education and found that both participation in and contributions to voluntary savings plans are significantly higher when employers offer retirement seminars. The effect is typically much stronger for non-highly compensated employees than for highly compensated employees. The frequency of seminars emerges as a particularly important correlate of behavior.

Amisi S. (2012), assessed the financial literacy of the pension fund managers who invest in the pension's scheme funds in local financial markets. In addition, the relationship between financial literacy and the influence of the factors that affect the investment decision is also examined. The results of the study indicated that the financial literacy level is far from the needed level. To achieve optimal outcomes in this complex decision making environment requires decision makers to have adequate levels of financial knowledge and skills. The criteria or factors that affect investment decision were categorized to rational or analytical factors because they have a significant effect on decision making by pension funds managers in Kenya. This implies that financial literacy has a strong positive relationship with investment decision making.

Report of the Financial Literacy Task Force of the COMCEC Capital Market Regulators Forum (2013), says that due to fundamental changes in the economic environment of the world, individuals and families are increasingly responsible for their own long-term financial well-being. Loan products became too complex for consumers to easily understand, and disclosure was inadequate to clarify the risks. Derivative financial products in turn became so complex that institutions trading them were also unaware of the extent of risks they were assuming. Lack of financial knowledge can contribute to poor decisions and poor decisions can lead to challenges for financial markets. So, it can be rightly said that financial literacy influences decision making ability.

Trombita K. (2011), reviewed that financial education is must to improve a student's financial knowledge, cultivating money management skills, increasing confidence around financial decision-making and providing appropriate perspective related to their financial well-being.

AL-Shubiri F. (2012), this study explains rapidly changing business environment, the need for very timely and effective business information is recognized as being indispensable for organizations not only to succeed, but even to survive. The researchers in this study have explained a concept known as Business intelligence (BI) which refers to a managerial philosophy and a tool that is used in order to help organizations and refine information and to make more effective business decisions. The sample of study was 50 industrial firms for the period 2006-2010 listed on Amman Stock Exchange. It was concluded that Business Intelligence plays a crucial role to support decision-making in firms of all sizes.

Hung A.A., Parker A. M. and Yoong J.K. (2009), have a view that economic conditions have raised serious concerns about Americans' financial security, especially for those who lack the skills and resources to withstand financial market downswings and take advantage of upswings. Individuals are taking responsibility for a growing number of financial

decisions, the two most important arguably being the purchase and financing of a home and preparing for retirement. For individuals, poor savings and investment decisions may carry serious implications for long-term financial security.

Lusardi A. and Mitchell O.S. (2014), researchers started with an overview of theoretical research, which casts financial knowledge as a form of investment in human capital. They have drawn on recent surveys to establish how much (or how little) people know and identify the least financially savvy population subgroups. This was followed by an examination of the impact of financial literacy on economic decision making in the United States and elsewhere. Econometric models and experiments have done much to confirm the causal impact of financial literacy on economic decision making.

James B.D., Boyle P.A., Bennett J.S. and Bennett D.A. (2012), examined the association of health and financial literacy with decision making in older adults. Data was collected from 525 community-dwelling older persons without dementia from the Rush Memory and Aging Project, an ongoing longitudinal study of aging. Among community based older persons without dementia, higher levels of health and financial literacy were associated with better decision making, suggesting that improvements in literacy could facilitate better decision making and lead to better health and quality of life in later years.

Amromin G., David I.B., Agarwal S., Chomsisengphet S. and Evanoff D.D. (2010), reviewed the literature on financial counseling, financial literacy, and consumer decision making. They found ample evidence that many consumers are not financially literate and that's why they lack sufficient information about financial concepts and instruments to make informed financial decisions. In some cases, financial education improves financial literacy and behavior, and it is most effective for those who have the least financial knowledge, income, and savings.

Ali P., McRae C. and Ramsay I. (2014), the analysis found that at 16 and 17 years of age the participants are currently active in making financial decisions and thinking keenly about their futures. Many are engaged in goal oriented savings behaviors directly related to achieving independence after school. It was seen during the study that young people are keenly aware of the role of money in securing their independence. Findings in this research suggested that young people are very aware of the challenges facing them with respect to their futures. This study suggested engagement and awareness by young people with respect to achieving individual financial independence.

Mian T. S. (2014), have a view that financial literacy and information requires that a person knows and understands the forms, functions and use of money and financial services. They measured financial literacy in reference to retirement planning and stock market participation. The results of this study confirmed that people with higher financial literacy were more inclined to make retirement plans and were more interested in participating in the stock market. It was also observed that more financially educated people were less willing to get advice from financial experts and believe that they themselves can handle problems related to their financial matters which show that people with higher financial literacy level take decisions on their own.

Green S. (2013), addressed the impact of financial literacy on high school students' financial decisions. To analyze the impact, financial literacy information was provided to the treatment group and the treatment and control group discussed college expectations. Following the treatment or non-treatment, students completed a survey that was used to measure their financial decisions. And it was found that there was no significant impact. The results suggested that while financial literacy did not have an impact on students' financial decisions, other variables did. The confounding variable that may have had the most impact is the students' classification level.

OBJECTIVES OF THE STUDY

1. To identify financial quotient level of Information Technology professionals in India.
2. To study the impact of level of financial quotient on financial decision making ability of Information Technology professionals.

Universe

Universe refers to the Population of the study. The study is on Information Technology professionals; so all the information technology professionals (including those related to ITes sector) taken together will form the population of the study.

Sample Size

For this study a sample size of 400 Information Technology professionals is considered.

Sampling Method

For the study a convenient sampling method is used, data is collected from the Information Technology professionals of IT and ITes companies operating in several cities across India.

Data Collection

The primary data were collected through structured questionnaire. The structured questionnaire was divided into six sections from section A to section F.

The **Section A** containing personal details; **Section B** contains statements to study Money Management Behavior of IT professionals. The **Section C** contains statements to measure Financial Knowledge of IT professionals. **Section D** consists of statements to identify the Implementation part of financial knowledge which IT professionals possess. **Section E** contains statements to analyze the financial decision making skills of IT professionals. **Section F** consists of statements to identify the financial status of IT professionals.

The Secondary Data is collected through Published data from various sources such as Journals, Books related to the study and Reports prepared by research scholars, universities & economists, Public records, Statistics and Internet.

Tools And Techniques

Scaling

A Likert scale is a psychometric scale used in this research work. In this study we have used 5 point Likert scale:
Scale: Strongly Disagree, Disagree, Neutral, Agree and Strongly Agree.

Reliability and Validity Test

The researcher has done the reliability and validity test. Reliability of the variables was estimated by ALPHA model in the SPSS. It is shown in (Annexure No-1). It is found that all the variables and scale used in this research are reliable. There is no missing value of the variables. Thus the collected data is valid and it validates for analysis.

Table 1: Reliability Statistics of scales

Reliability Statistics	
Cronbach's Alpha	No. of Items
0.871	78

Source: As computed by the Researcher

The other tools used are percentage analysis and regression analysis.

RESULTS AND FINDINGS

Financial Quotient among Information Technology (IT) Professionals

Financial quotient of IT professionals is examined on the basis of their financial knowledge and how they implement their financial knowledge. Several latent variables are described on the basis of correlated variables to assess financial knowledge and its implementation.

Responses received to assess financial knowledge revealed the following results:

Table 2: Level of Financial Knowledge

Financial Knowledge	
Mean Score	Std. Deviation
2.6461	0.30324

The mean score of financial knowledge is used to assess the overall level of financial knowledge i.e. $2.6461/5 * 100 = 52.92\%$.

Following is the result on the basis of responses received to analyze the implementation of financial knowledge by IT professionals:

Table 3: Level of Financial Knowledge Implementation

Financial Knowledge Implementation	
Mean Score	Std. Deviation
2.8267	0.38362

The overall level of financial knowledge implementation of IT professionals is $2.8267/5 \times 100 = 56.53\%$.

The calculation of financial quotient is as follows:

Table 4: Level of Financial Quotient

Components	Level	Weights	Values
Financial Knowledge	52.92%	0.5	26.46%
Financial Knowledge Implementation	56.53%	0.5	28.27%
	Overall Financial Quotient		54.73%

Mere knowledge of basic financial concepts may never lead to wealth maximization unless it is implemented. Here financial quotient is analyzed by giving equal importance to financial knowledge and its implementation. Equal weights have been assigned to both the components to evaluate Financial Quotient and it is found that Financial Quotient Level of IT professionals are 54.73%.

Using the responses earned on the survey used in this study to determine financial quotient level helped in examining the degree of and categorizing the level of financial quotient:

- Scores of 70% or greater are viewed as a high level of financial quotient.
- Scores between 50% and 70% are viewed as an average level of financial quotient.
- Scores of 50% or less are observed as a low level of financial quotient.

Here, in this study the overall Financial Quotient level is 54.73% thus reflecting that IT professionals come in the category of average level of financial quotient.

Impact of Level of Financial Quotient on Financial Decision Making Ability

After assessing the financial quotient of IT professionals, it is analyzed that what's the impact of financial quotient of IT professionals on their financial decision making skills. Several situations were given to IT professionals to test their financial decision making skills.

Impact of Level of Financial Quotient on Decision Making during High Inflation Situation

The F ratio (ANOVA) in Table 5 is 8.515 is statistically significant at 1 percent level of significance.

Table 5: ANOVA Result for Impact of Level of Financial Quotient on Decision Making during High Inflation Situation

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.289	1	5.289	8.515	0.004 ^b
	Residual	247.198	398	0.621		
	Total	252.486	399			
a. Dependent Variable: Decision Making_ High Inflation						
b. Predictors: (Constant), Fin Quotient						

Source: As computed by the Researcher

On the basis of Table 6 we can say that:

$$\hat{Y} \text{ Decision Making during High Inflation} = 1.505 + 0.437 \text{ of Financial quotient}$$

Table 6 shows that financial quotient (β) = 0.437 which means that there will be an increase in decision making skills of IT professionals during the situation of high inflation for every 0.437 units increase in financial quotient.

Table 6: Coefficients Result for Impact of Level of Financial Quotient on Decision Making during High Inflation Situation

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	99.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.505	0.412		3.650	0.000	0.438	2.572
	Fin Quotient	0.437	0.150	0.145	2.918	0.004	0.049	0.825

a. Dependent Variable: Decision Making_High Inflation

Source: As computed by the Researcher

Hypothesis H0₁: There is no significant impact of financial quotient of IT professionals on their decision making skills in the situation of high inflation. $\beta = 0$

From the Table 6, it is clear that the t value is 2.918 and p value 0.004 which is significant at 1 per cent level of significance. **Hence the null hypothesis “There is no significant impact of financial quotient of IT professionals on their decision making skills in the situation of high inflation i.e. $\beta = 0$ ” is rejected**, which means financial quotient has positive impact on decision making skills during the situation of high inflation.

Impact of Level of Financial Quotient on Decision Making Skills towards Reliability of Source of Information While Purchasing a Financial Product/Service.

The F ratio (ANOVA) in Table 7 is 24.054 is statistically significant at 1 percent level of significance.

Table7: ANOVA Result for Impact of Level of Financial Quotient on Decision Making Skills towards Reliability of Source of Information While Purchasing a Financial Product/Service.

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.428	1	11.428	24.054	0.000 ^b
	Residual	189.094	398	0.475		
	Total	200.522	399			

a. Dependent Variable: Reliability_Decision

b. Predictors: (Constant), FinQuotient

Source: As computed by the Researcher

Table 8 reveals that:

$$\hat{Y} \text{ Decision Making towards reliability of source of information} = 0.897 + 0.643 \text{ of Financial quotient.}$$

Table 8 shows that financial quotient (β) = 0.643 which means that there will be an increase in decision making skills of IT professionals towards checking reliability of source of information while buying any financial product or service for every 0.643 units increase in financial quotient.

Table 8: Coefficients Result for Impact of Level of Financial Quotient on Decision Making Skills towards Reliability of Source of Information While Purchasing a Financial Product/Service.

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	0.897	0.361		2.488	0.013	-0.036	1.830
	FinQuotient	0.643	0.131	0.239	4.904	0.000	0.304	0.982

a. Dependent Variable: Reliability_Decision

Source: As computed by the Researcher

Hypothesis H₀2: There is no significant impact of level of financial quotient on decision making skills of IT professionals towards checking the reliability of source of information while purchasing a financial product/service. $\beta = 0$

From the Table 8, it is clear that the t value is 4.904 and $p < 0.001$ which is significant at 1 per cent level of significance. Hence the null hypothesis “There is no significant impact of level of financial quotient on decision making skills of IT professionals towards checking the reliability of source of information while purchasing a financial product/service i.e. $\beta = 0$ ” is rejected, which means financial quotient has positive impact on decision making skills towards checking the reliability of source of information while purchasing a financial product/service.

Impact of Level of Financial Quotient on Deciding about Fund Allocation for Contingencies by IT professionals

The F ratio (ANOVA) in Table 9 is 7.82 is statistically significant at 1 percent level of significance.

Table 9: ANOVA Result for Impact of Level of Financial Quotient on Deciding about Fund Allocation for Contingencies by IT professionals.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.565	1	3.565	7.822	0.005 ^b
	Residual	181.421	398	0.456		
	Total	184.986	399			

a. Dependent Variable: Contingency_Decision

b. Predictors: (Constant), FinQuotient

Source: As computed by the Researcher

Table 10 reveals that:

$$\hat{Y} \text{ Decision Making towards allocating fund for contingencies} = 1.819 + 0.359 \text{ of Financial quotient.}$$

Table 10 shows that the value of financial quotient (β) = 0.359 which means that there is an increase in decision making skills of IT professionals towards allocating fund for contingencies for every 0.359 units increase in financial quotient.

Table 10: Coefficients Result for Impact of Level of Financial Quotient on Deciding about Fund Allocation for Contingencies by IT professionals.

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.819	0.353		5.149	0.000	0.904	2.733
	FinQuotient	0.359	0.128	0.139	2.797	0.005	0.027	0.691

a. Dependent Variable: Contingency_Decision

Source: As computed by the Researcher

Hypothesis H0₃: There is no significant impact of level of financial quotient of IT professionals on their decision making skills towards allocating fund for contingencies. $\beta = 0$

From the Table 10, it is clear that the t value is 2.797 and p value 0.005 which is significant at 1 per cent level of significance. **Hence the null hypothesis “There is no significant impact of level of financial quotient of IT professionals on their decision making skills towards allocating fund for contingencies i.e. $\beta = 0$ ” is rejected,** which means that financial quotient has positive impact on decision making skills towards allocating fund for contingencies.

Impact of Level of Financial Quotient on Investment Decision Making Skills Regarding Children’s Education.

Table 11: ANOVA Result for Impact of Level of Financial Quotient on Investment Decision Making Skills Regarding Children’s Education.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.945	1	1.945	3.395	0.066 ^b
	Residual	227.992	398	0.573		
	Total	229.938	399			

a. Dependent Variable: Investment Decision_Education
b. Predictors: (Constant), FinQuotient

Source: As computed by the Researcher

Table 12 reveals that:

\hat{Y} Investment decision making skills with regard to children’s education = 2.436 + 0.265 of Financial quotient.

Table 12 shows that financial quotient (β) = 0.265 which means that there is an increase in investment decision making skills of IT professionals towards children’s education for every 0.265 units increase in financial quotient.

Table 12: Coefficients Result for Impact of Level of Financial Quotient on Investment Decision Making Skills Regarding Children’s Education.

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	90.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	2.436	0.396		6.153	0.000	1.783	3.089
	FinQuotient	0.265	0.144	0.092	1.843	0.066	0.028	0.502

a. Dependent Variable: Investment Decision_Education

Source: As computed by the Researcher

Hypothesis H0₄: There is no significant impact of level of financial quotient of IT professionals on their investment decision making skills regarding children’s education. $\beta = 0$

From the Table 12, it is clear that the t value is 1.843 and p value 0.066 which is significant at 10 per cent level of significance. **Hence the null hypothesis “There is no significant impact of level of financial quotient of IT professionals on their investment decision making skills regarding children’s education i.e. $\beta = 0$ ” is rejected,** which means that financial quotient has positive impact on investment decision making skills of IT professionals in context to children’s education.

Impact of Level of Financial Quotient on Decision Making Regarding Amount of Life Insurance Cover.

The F ratio (ANOVA) in Table 13 is 22.91 is statistically significant at 1 percent level of significance. Therefore, the model is acceptable. This shows that financial quotient is a significant predictor of decision making ability of IT professionals in context to the amount of life insurance cover.

Table13: ANOVA Result for Impact of Level of Financial Quotient on Decision Making Regarding Amount of Life Insurance Cover.

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	16.695	1	16.695	22.919	0.000 ^b
	Residual	289.905	398	0.728		
	Total	306.599	399			
a. Dependent Variable: Decision-making_ Life Insurance						
b. Predictors: (Constant), Fin Quotient						

Source: As computed by the Researcher

Table 14 reveals that:

$$\hat{Y} \text{ Decision Making regarding amount of life insurance cover} = 0.721 + 0.777 \text{ of financial quotient.}$$

Table 14 shows that the value of financial quotient (β) = 0.777 which means that there is an increase in decision making skills of IT professionals towards amount of life insurance cover to be taken for every 0.777 units increase in financial quotient.

Table 14: Coefficients Result for Impact of Level of Financial Quotient on Decision Making Regarding Amount of Life Insurance Cover.

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	0.721	0.446		1.615	0.107	-0.435	1.877
	FinQuotient	0.777	0.162	0.233	4.787	0.000	0.357	1.197
a. Dependent Variable: Decisionmaking_ LifeInsurance								

Source: As computed by the Researcher

Hypothesis H0₅: There is no significant impact of level of financial quotient of IT professionals on their decision making skills regarding the amount of life insurance cover. $\beta = 0$

From the Table 14, it is clear that the t value is 4.787 and $p < 0.001$ which is significant at 1 per cent level of significance. **Hence the null hypothesis “There is no significant impact of level of financial quotient of IT professionals on their decision making skills regarding the amount of life insurance cover i.e. $\beta = 0$ ” is rejected,** which means that financial quotient has positive impact on decision making skills of IT professionals in context to the amount of life insurance cover.

Impact of Financial Quotient of IT professionals on their Overall Financial Decision Making Ability.

The F ratio (ANOVA) in Table 15 is 45.13 is statistically significant at 1 percent level of significance. Therefore, the model is acceptable. This shows that financial quotient is a significant predictor of overall decision making ability of IT professionals.

Table 15: ANOVA Result for Impact of Financial Quotient of IT professionals on their Overall Financial Decision Making Skills.

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6.450	1	6.450	45.135	0.000 ^b
	Residual	56.875	398	0.143		
	Total	63.324	399			
a. Dependent Variable: Financial_DecisionMaking						
b. Predictors: (Constant), FinQuotient						

Source: As computed by the Researcher

Table 16 reveals that:

\hat{Y} Decision Making skills in context to financial matters = 1.485 + 0.483 of financial quotient.

Table 16 shows that the value of financial quotient (β) = 0.483 which means that there is an increase in financial decision making skills of IT professionals for every 0.483 units of increase in financial quotient.

Table 16: Coefficients Result for Impact of Financial Quotient of IT professionals on their Overall Financial Decision Making Skills.

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	99.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	1.485	0.198		7.511	0.000	0.974	1.997
	FinQuotient	0.483	0.072	0.319	6.718	0.000	0.297	0.669
a. Dependent Variable: Financial_DecisionMaking								

Source: As computed by the Researcher

Hypothesis H₀: There is no significant impact of financial quotient of IT professionals on their financial decision making ability. $\beta = 0$

From the Table 16, it is clear that the t value is 6.718 and $p < 0.001$ which is significant at 1 per cent level of significance. **Hence the null hypothesis “There is no significant impact of financial quotient of IT professionals on their financial decision making ability i.e. $\beta = 0$ ” is rejected**, which means that financial quotient has positive impact on financial decision making skills of IT professionals.

CONCLUSION

IT professionals’ Financial Quotient

Two factors were taken into consideration to measure financial quotient among IT professionals, these are; IT professionals’ financial knowledge and implementation of financial knowledge by IT professionals. Several statements were asked to test their financial knowledge and how they implement their knowledge. To examine financial quotient equal weight age has been given to both financial knowledge and its implementation as acquiring knowledge alone will not lead towards better financial well being unless it is implemented.

It is concluded that IT professionals have poor knowledge of insurance and they are also unable to analyze financial risk which shows that they may get attracted towards such financial products or services which carry higher risk. They were unable to understand the terminologies like liquidity, overdraft, net worth and cash flows, they were having poor understanding of financial statements like balance sheet and income statement, thus reflecting that those who are currently working at senior level in their organizations and those IT professionals who may get an opportunity to work in future at senior level might face problem in strategic decision making especially when they have to make decisions regarding the profitability, cash flows and margins on the project. For this purpose they have to depend totally on their company's chief financial officer.

Also their poor financial knowledge will hinder their personal financial well being. However, they are good in calculating the returns on fixed deposits as we have already seen that IT professionals are more interested in making investments in traditional investment avenues. IT professionals also have an understanding that if their expenses will surpass their income then it will result into deficit. But overall it is found that financial knowledge possessed by IT professionals is not good.

Without proper implementation of financial knowledge one cannot achieve personal financial goals. It is found that IT professionals do not keep a proper watch on their overall financial matters and they have a careless attitude towards their financial affairs. They have not allocated their savings in capital market may be due to their poor knowledge regarding stock market. IT professionals are also not good in tax planning and they have not yet planned for the funds required post retirement, as it is better to start investing at a younger age for funds required post retirement and to meet other future financial goals.

It is seen in the study that IT professionals have a moderate level of financial knowledge i.e. 52.92%. After analyzing their implementation part it is found that level of financial knowledge implementation by them is 56.53% which is slightly better than level of financial knowledge. By assigning equal weights to both these factors the financial quotient of IT professionals is arrived at 54.73% level which is categorized as the average level.

As IT professionals do not possess good level of financial knowledge so the first step required is to impart them financial education and then guidance should be given to them regarding implementation of financial knowledge, then only it would be possible to improve their level of financial quotient.

Impact of IT professionals' Financial Quotient Level on their Financial Decision Making Ability

1. It may be stated that there is a significant positive effect of financial quotient on decision making ability of IT professionals during the situation of high inflation, checking the reliability of source of information while purchasing a financial product/service, allocating funds for contingencies, investment regarding children's education and regarding the amount of life insurance cover.
2. The Financial Quotient has a positive impact on IT professionals' overall financial decision making ability as the coefficient is significant. This may be concluded that as financial quotient will improve, by and large the IT professionals' financial decision making ability will also improve.

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