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A Study of Determinants of Investment Behaviour and Their Influence on Investment Intentions among Public Sector Employees in Haryana

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Abstract: This study investigates the determinants of investment intentions among public sector employees in Haryana, India, by examining five key factors: Investment Knowledge and Experience (IKE), Perceived Benefits (PB), Perceived Behavioural Control (PBC), Perceived Risk (PR), and Subjective Norms (SN). A descriptive–causal research design was adopted, with data collected from 240 respondents across six revenue divisions (Ambala, Faridabad, Gurugram, Hisar, Karnal, and Rohtak). Within each division, one city was randomly selected, and employees from four government departments (Education, Police, Women & Child Development, and Health) were sampled using a combination of quota and snowball techniques. Partial Least Squares Structural Equation Modeling (PLS-SEM) was employed to assess the measurement and structural models. Reliability and validity analyses confirmed that all constructs exhibited strong internal consistency and discriminant validity (Fornell–Larcker and HTMT criteria). The structural model demonstrated an R² of 0.313 for Intention to Invest, indicating that the five predictors jointly explain 31.3% of variance in investment intentions. These findings suggest that enhancing perceived benefits and control while mitigating risk perceptions can meaningfully boost investment intentions among government employees. Practitioners and policymakers should focus on targeted financial education and risk-mitigation strategies to foster favorable investment behaviors in this demographic.

Keywords: Investment Behavior, Intention to Invest, Perceived Benefits, Perceived Behavioural Control, Perceived Risk etc.

I. INTRODUCTION

An investor is defined as an individual or entity to whom the allocation of financial resources—whether into equities, debt instruments, real estate, currencies, commodities, or derivatives such as options and futures—is made with the principal aim of generating financial returns. Traditionally, financial decision-making has been explained through classical finance theories, which have presumed that investors act with full rationality and complete access to relevant information. However, this idealized model has been increasingly challenged by the field of behavioral finance, wherein it has been demonstrated that cognitive limitations, emotional responses, and various psychological biases frequently govern actual investment behavior (Almansour & Arabyat, 2017; Shukla et al., 2024). In practical contexts, investment decisions have often been characterized by risk aversion, wherein predictable and stable outcomes are preferred. Numerous empirical studies have emphasized the critical role played by psychological constructs such as risk perception, risk tolerance, and risk propensity in determining investment choices (Wildavsky & Dake, 1990; Mahmood et al., 2011; Vlahovic et al., 2021; Hossain & Siddiqua, 2022; Putri Pa et al.,

2022). As investment is inherently a matter of deferred consumption, individuals are required to make trade-offs between present utility and anticipated future returns. Modern financial markets offer a wide spectrum of instruments that differ significantly in terms of their associated risk and reward profiles. Consequently, two fundamental dimensions—time horizon and risk-bearing capacity—must be balanced. While longer time horizons allow greater tolerance for short-term volatility, a higher willingness to accept risk may lead investors toward equities, real estate, or speculative derivatives, whereas more risk-averse individuals tend to select fixed-income or savings instruments (Das & Bhowal, 2023). Despite these normative considerations, a growing body of research has indicated that investors frequently deviate from rational behavior. Initial studies by Nagy and Obenberger (1994), Odean (1999), and Barber and Odean (2001) revealed that biases such as overconfidence, anchoring, and mental accounting often influence financial decision-making. Subsequent findings by Ariely (2008) demonstrated how regret aversion and self-control issues may lead to inefficient asset allocation. Waweru et al. (2008) further found that attention biases often drive investors to focus disproportionately on widely publicized or "trending" stocks, irrespective of underlying fundamentals. Such behavior was interpreted as reflective of herding tendencies and availability heuristics, leading to speculative trading practices. Ajzen's (1991) theory of planned behavior has been employed to conceptualize intention as the motivational force guiding behavior. In this context, behavioral biases are seen as critical mediators between perception and intention. Building on this, recent studies (Trang & Tho, 2017; Iyer et al., 2024; Shukla et al., 2024) have identified several biases—such as gambler's fallacy, representativeness, and overconfidence—as significantly influencing investor intentions and trading decisions. Research by Zhang and Li (2023) and Rahman et al. (2022) has reaffirmed that behavioral distortions not only shape individual portfolios but also contribute to inefficiencies at the broader market level.In India, where household savings are traditionally channeled into improving future well-being, a wide spectrum of investment opportunities—some easily tradable, others not; some high-risk, others low-risk—coexists. An investor's choice among these avenues often reflects not only their risk tolerance but also the innate behavioral tendencies highlighted above. Government employees in Haryana, who enjoy stable salaries and occupational benefits, represent a distinctive cohort for studying how these behavioral and market factors translate into real-world investment intentions. Because their income streams are relatively predictable, government employees might exhibit different risk perceptions and propensities compared to private-sector workers.

II. LITERATURE REVIEW

Understanding the individual investment intentions is essential in the field of personal finance. Several theories, including the Theory of Planned Behavior, emphasize that factors such as perceived behavioral control, subjective norms, perceived risk, attitude, perceived benefits, and investment knowledge significantly shape an investor's intention to engage in financial decision-making. A range of studies across demographic and behavioral contexts offer insights into how these psychological and situational variables affect investor behavior and choice of investment avenues. The literature reviewed below is structured around these six critical factors.

2.1 Perceived Behavioral Control

Perceived behavioral control (PBC) refers to an individual's belief in their ability to successfully perform the behaviors necessary to achieve a desired outcome—in this context, investment-related actions. Rooted in the Theory of Planned Behavior (Ajzen, 1991), PBC has consistently emerged as a robust predictor of investment intentions. It encompasses one's perceived ease of executing trades, understanding market dynamics, and overcoming procedural and technological barriers. Hemalatha (2019) identified that, among Indian investors engaged in online equity trading, perceived utility and perceived ease of use significantly influenced the intention to invest. Her findings illustrated that investors with higher confidence in navigating digital platforms, comprehending transaction mechanisms, and managing associated risks were more inclined to participate in online investments. Supporting this, Anju and Anuradha (2015) emphasized the role of prior experience, familiarity with financial instruments, and self-efficacy in fostering a sense of control, which in turn positively impacts investment behavior.

More recent empirical evidence continues to reinforce this relationship. For instance, Iyer et al. (2024) noted that academicians who perceived themselves as financially capable and in control were more likely to make informed mutual fund decisions, despite the presence of behavioral biases.

2.2 Subjective Norms

Subjective norms are defined as the perceived social pressures exerted by referent groups—such as family members, peers, and professional associates—, which influence an individual's intention to engage in specific behaviors, including investment decisions. These social influences have been shown to play a critical role in shaping investors' behavioral intentions, particularly in collectivist cultures like India, where familial and communal relationships often dictate financial choices. Hemalatha (2019) reported that subjective norms, including peer influence and familial endorsement, significantly contribute to shaping investor attitudes toward digital trading platforms. It was observed that individuals receiving positive reinforcement or word-of-mouth recommendations from trusted acquaintances demonstrated a greater propensity to engage in online equity trading. Further evidence from Jothilingam et al. (2018) revealed that, within South Indian households, investment decisions—especially those made by women—are often mediated by the opinions of spouses or elder family members. This dependence on familial input has been found to impact the willingness to transition from traditional savings instruments, such as gold or fixed deposits, to modern alternatives like mutual funds or equity shares. Shah and Brahmbhatt (2018) similarly noted that perceived consensus among workplace peers and social groups enhances the formation of positive investment intentions, particularly in cases where individual knowledge or financial literacy is limited. Recent empirical studies have corroborated these findings. For instance, Singh and Mehta (2022) demonstrated that social endorsements, especially in the form of peer discussions and family suggestions, significantly influence millennials' preferences for mutual funds in urban India. Banu and Kumar (2023) further identified that social conformity, particularly in middle-income households, acts as a moderator between risk perception and actual investment behavior. Moreover, Goyal and Joshi (2024) emphasized that subjective norms continue to act as a salient antecedent of investment intention in digital financial markets, especially among first-time investors who rely on social validation before decision-making.

Collectively, this body of research underscores that subjective norms—whether manifested through familial expectations, social approval, or peer endorsement—serve as powerful catalysts in translating favorable investment attitudes into concrete behavioral intentions, particularly in culturally interdependent societies.

2.3 Perceived Risk

Sulaiman (2012) demonstrated that perceived risk is shaped by factors such as liquidity needs, portfolio composition, and market volatility perceptions. Investors perceiving heightened volatility were found to exhibit a significantly lower propensity to allocate funds toward equities. Grable (2016) made a nuanced distinction between "risk tolerance" and "risk aversion," underscoring that individuals with low tolerance for ambiguity tend to actively avoid investments associated with volatility. This distinction aligns with Kahneman and Tversky's (1974) prospect theory, which posited that individuals are more sensitive to potential losses than equivalent gains. Consequently, in environments where perceived risk is elevated, investors demonstrate a marked reluctance to engage in high-risk investments. Empirical findings by Mayfield et al. (2008) and Ton and Dao (2014) further support this perspective, revealing that risk-averse investors display a preference for long-term, stable investment avenues such as bonds, insurance, or fixed deposits. The tendency to avoid equities or market-linked instruments has been particularly evident among demographic groups characterized by financial conservatism—such as married women—whose investment behavior is often driven by fear of capital loss (Sellappan et al., 2019). Hemalatha (2019) reinforced these conclusions in her study on online equity trading, identifying perceived risk as a direct and significant negative predictor of investment intention, in conjunction with constructs like subjective norms and perceived behavioral control. Singh and Srivastava (2022) identified perceived risk as a key inhibitor of mutual fund investments among first-time retail investors in Tier-2 cities of India. Sharma and Dube (2023) demonstrated that digital investors who associate online platforms with

transactional risks—such as cyber fraud or technical failure—showed significantly reduced investment intentions. Similarly, Krishnan and Joshi (2024) reported that among Generation Z investors, perceived volatility and lack of trust in regulatory mechanisms suppressed intentions to invest in newer asset classes like crypto currencies and tech stocks.

2.4 Perceived Benefits

Praba (2011) found that individuals whose savings objectives were aligned with wealth maximization and contingency planning were more inclined to invest in equity and mutual funds, owing to their perceived long-term benefits. In a study focused on online equity trading behavior, Hemalatha (2019) identified "perceived benefit" as a statistically significant predictor of investment intention, particularly when benefits were framed in terms of anticipated dividend income, capital gains, and bonus allocations. Similarly, Mane (2012) reported that mutual funds were favorably viewed by investors who associated them with professional portfolio management, liquidity, and tax-saving opportunities—attributes that directly influenced positive investment behavior. Hibbert, Lawrence, and Prakash (2012) emphasized that finance-literate investors who understood the implications of diversification and long-term returns were more likely to invest in international stocks and mutual funds, driven by their recognition of embedded advantages. Cohen and Kudryavtsev (2012) further reinforced this link by demonstrating that positive past investment outcomes, such as returns from index-tracking funds, enhanced the perceived value of similar future investments, thereby strengthening intention. Likewise, Reddy and Krishnudu (2019) observed that among rural investors, awareness of how securities contribute to economic growth and capital formation enhanced the perception of broader socio-economic benefits, motivating increased investment participation. Recent studies have substantiated these earlier findings. For example, Shah and Kumar (2023) revealed that investors who perceived high utility in digital mutual fund platforms—including benefits such as real-time tracking, algorithmic rebalancing, and low-cost access—were more likely to exhibit sustained investment behavior. Similarly, Banerjee and Iqbal (2024) found that first-generation investors in urban India associated investment in government-backed securities with financial security and stable returns, significantly increasing their intention to invest in such instruments.

2.5 Investment Knowledge and Experience

Chen and Volpe (1998) demonstrated that increased financial knowledge significantly enhances the likelihood of investing in complex financial instruments such as equities and mutual funds. These findings established a strong association between literacy and proactive financial behavior. Subsequently, Barber and Odean (2000) provided empirical evidence that individuals possessing prior market experience tend to display greater confidence in their investment decisions, which, in turn, reinforces their intention to invest, particularly in equity markets. Bhandari and Deaves (2006) further emphasized that novice investors, due to limited exposure to financial products and market mechanisms, are less likely to engage in investment, especially in risk-laden or complex instruments such as derivatives. In line with these observations, Cohen and Kudryavtsev (2012) confirmed that investors with previous market experience—regardless of gains or losses—demonstrate more nuanced investment behavior, as their intentions are influenced by learned outcomes and refined risk perceptions. Similarly, Hibbert, Lawrence, and Prakash (2012) illustrated that individuals with professional or academic backgrounds in finance are more inclined to engage in diversified investment strategies, including retirement planning and international portfolio allocation. Government employees with investment experience in structured savings instruments, such as provident funds, have also been found to exhibit greater openness to expanding their portfolios to include equities and mutual funds (Lekshmi et al., 2017). Conversely, a lack of awareness regarding the structure, benefits, and accessibility of mutual funds has been cited as a barrier to investment intention, particularly among rural or first-time investors (Muthumeenakshi & Manikandan, 2017). Furthermore, Sellappan et al. (2019) observed that young female investors, who actively seek information from peers, financial advisors, or digital media, are more inclined to invest when they possess prior exposure to or knowledge of equity market dynamics. For instance, Sharma and Ghosh (2024) found that investment knowledge acquired through digital financial literacy programs significantly improved the intention of urban youth to invest in equity-linked savings schemes.

2.6 Investment Behaviour and its Impact on Investment Intentions

Investment behaviour has increasingly been recognized as the result of a dynamic interplay between psychological dispositions, social influences, and informational resources. These multidimensional factors collectively shape an individual's intention to allocate financial resources across various instruments. Central to this behavioural framework is the construct of perceived behavioural control, which refers to an individual's confidence in their ability to understand, access, and manage financial platforms and procedures. This dimension has been identified as a significant predictor of investment intentions, as individuals who perceive greater control are more inclined to engage in investment activities (Hemalatha, 2019; Anju & Anuradha, 2015). Subjective norms, defined as the perceived social pressure or encouragement from influential groups such as family members, peers, or colleagues, have also been shown to exert substantial influence on investment behaviour. Studies have found that investors frequently rely on interpersonal sources of financial advice when forming their preferences—particularly in collectivist cultures. For instance, Jothilingam et al. (2018) and Kavita Shah and Brahmbhatt (2018) demonstrated that investment decisions, particularly among women, are often guided by the recommendations of spouses and social networks. Recent evidence further supports the role of social influence, with Sharma and Ghosh (2024) indicating that peer-driven financial conversations in digital spaces significantly shape millennial investment intentions. Perceived risk continues to function as a major deterrent in investment decision-making. It has been established that risk perception is shaped by multiple variables including financial literacy, demographic characteristics, and prior experience (Grable, 2016; Sulaiman, 2012). In this context, greater risk aversion has been linked to a preference for conservative financial instruments such as fixed deposits and insurance schemes. Hemalatha (2019) and Sellappan et al. (2019) found that perceived uncertainty and fear of loss notably reduce investment intentions, particularly among older investors or those with limited financial exposure. Recent findings by Krishnan and Mehta (2023) suggest that digital investment platforms, while offering accessibility, also amplify perceived risk due to concerns around cybersecurity and market volatility. Attitudes toward investment are another salient factor, encompassing emotional and cognitive evaluations of various investment options. Research indicates that such attitudes are often driven by a combination of trust, anticipated returns, and psychological comfort with specific asset classes. Studies by Rubaltelli et al. (2015), Bhuvaneswai (2018), and Tyagi et al. (2018) observed a pronounced preference among Indian investors for traditional and low-risk assets such as gold and savings accounts, attributing this to affective attitudes shaped by cultural and experiential learning. The perception of investment benefits—including capital appreciation, portfolio diversification, tax advantages, and liquidity—has consistently been associated with stronger investment intentions. Investors who are more aware of these benefits are more likely to view financial instruments as viable means to achieve long-term financial goals (Hemalatha, 2019; Praba, 2011; Hibbert et al., 2012). Ramakrishna Reddy and Krishnudu (2019) and Sharma & Ghosh (2024) emphasized that perceived social and economic utility further enhances such investment motivations, especially in rural and semi-urban contexts. Crucially, investment knowledge and experience form the cognitive foundation upon which rational investment decisions are made. A well-documented positive relationship exists between financial literacy and investment intention, as supported by Volpe et al. (1996), Cohen and Kudryavtsev (2012), and Priti Mane (2012). Likewise, Sinha and Das (2023) identified that prior investment experience, particularly during volatile market cycles, fosters adaptive strategies and stronger risk-adjusted decisions.

Across these five factors, a consistent pattern emerges: **perceived behavioral control**, **subjective norms**, **perceived risk**, **perceived benefits**, and **investment knowledge/experience** each play distinct, but interrelated, roles in shaping investment intentions. For government employees in Haryana—who typically enjoy stable incomes—designing interventions that enhance perceived behavioral control (e.g., through user-friendly digital platforms), leverage positive subjective norms (peer-led workshops), clearly communicate benefits (tax advantages, long-term wealth accumulation), and build financial knowledge (tailored training on market instruments) could significantly boost their intention to invest in diversified assets.

III. OBJECTIVES OF THE STUDY

The main objective of this study to determinants of investment behaviour and their Influence on investment intentions among public sector employees in Haryana.

IV. RESEARCH METHODOLOGY

The primary objective of this study is to examine the impact of various factors responsible for investment behavior on the intentions to invest among public sector employees in Haryana, India. To achieve this objective, a descriptive–causal research design was employed. The descriptive component involved identifying and quantifying the key factors that influence investment behavior, while the causal component aimed to test and establish the direction and strength of the relationships between those factors and the intention to invest. Haryana is administratively divided into six revenue divisions: Ambala, Faridabad, Gurugram, Hisar, Karnal, and Rohtak. Each division comprises multiple districts, resulting in a total of 22 districts. The target population for this study consisted of public sector employees working within four specific state departments: the Haryana Education Department, the Police Department, the Women & Child Development Department, and the Health Department. From each of the six revenue divisions, one city was selected randomly. Within each selected city, purposive sampling was used to identify employees belonging to the four target departments. This study is based on primary data . A quota of 40 respondents per city was established to maintain proportional representation. Within that quota, each of the four departments was allocated an equal sub-quota of 10 respondents. After identifying an initial set of respondents in each department (for example, through departmental contact persons or official employee directories), a snowball-sampling technique was employed to reach additional participants. Consequently, each city contributed 40 respondents (10 from each of the four departments), resulting in a total sample size of 240 respondents.

V. ANALYSIS AND FINDINGS

The research study explored the investment behaviour of government employees in the state of Haryana. The questionnaire comprised 22 statements reflecting various reasons influencing government employees to invest in different financial instruments, along with 5 statements measuring their intentions to invest. The 22 statements were grouped into five categories, namely: **Perceived Behavioural Control, Subjective Norms, Perceived Risk, Perceived Benefits, and Investment Knowledge and Experience.**

Measurement model

The measurement model in Smart PLS assesses the associations between latent constructs and their corresponding observed indicators, emphasizing the evaluation of reliability, convergent validity, and discriminant validity. Reliability is assessed using Cronbach's alpha and composite reliability to ensure internal consistency among the items. Convergent validity is verified by examining standardized factor loadings and calculating the Average Variance Extracted (AVE). Discriminant validity is established by comparing the square root of each construct's AVE with its correlations with other constructs, ensuring that each construct is empirically distinct (Hair et al., 2019).
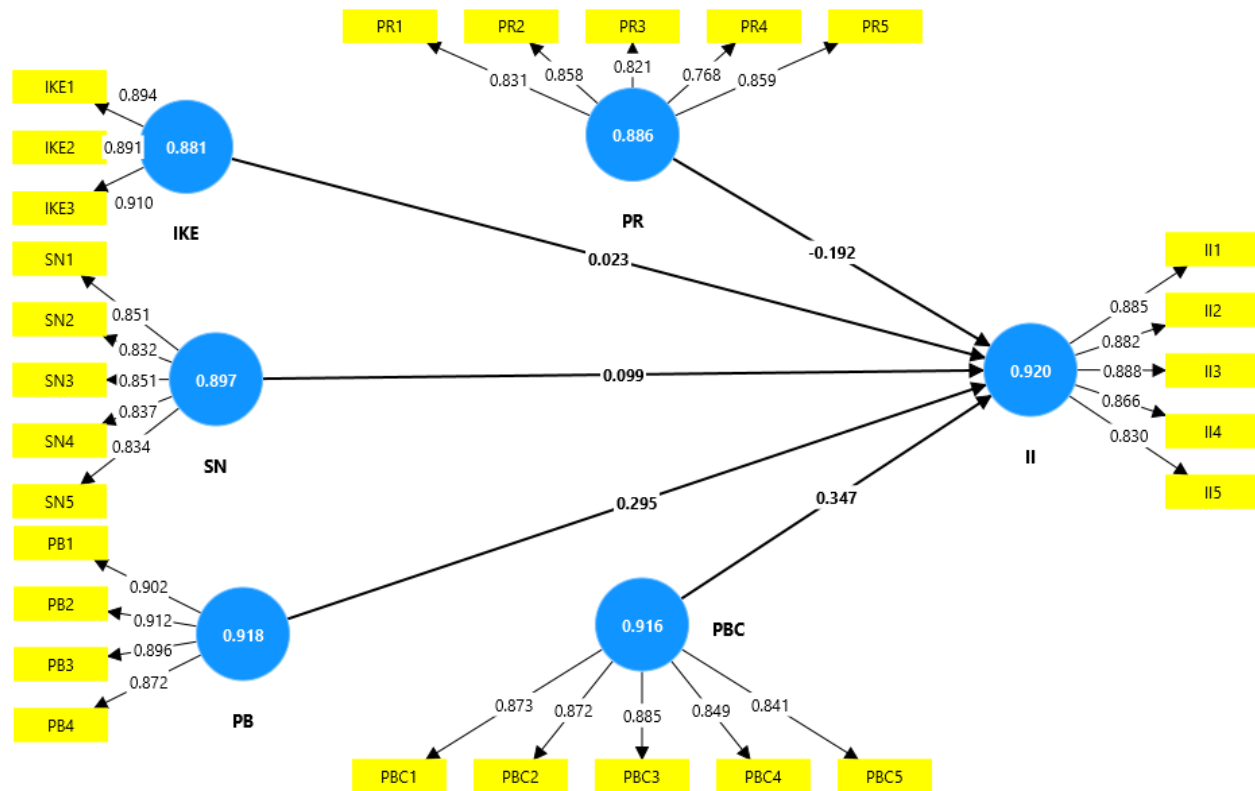
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Figure 1: Measurement Model

Table 1: Scale Measurement

Constructs	Items	Factor Loading	VIF	Cronbach's alpha	CR	AVE
Perceived Risk	PR1	0.831	2.645	0.886	0.916	0.685
	PR2	0.858	2.606			
	PR3	0.821	1.872			
	PR4	0.768	1.768			
	PR5	0.859	2.319			
Perceived Behavioural Control	PBC1	0.873	2.832	0.916	0.937	0.747
	PBC2	0.872	2.605			
	PBC3	0.885	2.054			
	PBC4	0.849	2.761			
	PBC5	0.841	2.666			
Subjective Norms	SN1	0.851	2.456	0.897	0.924	0.707
	SN2	0.832	2.313			
	SN3	0.851	2.474			
	SN4	0.837	2.188			
	SN5	0.834	2.324			
Perceived Benefits	PB1	0.902	2.026	0.918	0.942	0.802
	PB2	0.912	2.524			
	PB3	0.896	2.061			
	PB4	0.872	2.456			
Investment Knowledge and Experience	IKE1	0.894	2.283	0.881	0.926	0.807
	IKE2	0.891	2.566			
	IKE3	0.910	2.555			
Intention to Invest	II1	0.885	2.186	0.920	0.940	0.758
	II2	0.882	2.038			
	II3	0.888	2.036			
	II4	0.866	2.623			
	II5	0.830	2.223			

Table 1 presents the measurement properties of the constructs used in the study based on the Structural Equation Modeling (SEM) framework. The evaluation includes **factor loadings**, **variance inflation factors (VIF)**, **Cronbach's alpha**, **Composite Reliability (CR)**, and **Average Variance Extracted (AVE)**. These metrics assess the **reliability** and **validity** of the measurement model. All items under each construct show standardized factor loadings above 0.75, ranging from **0.768 to 0.912**,

indicating **strong item-construct relationships**. Factor loadings above 0.70 are considered ideal for confirmatory factor analysis (Hair et al., 2022), suggesting that each item effectively measures its respective construct. The **VIF values** for all items range between **1.768 and 2.832**, well below the critical threshold of 5.0. This indicates **no multicollinearity issues** among items within each construct, supporting the internal consistency of the model. **Cronbach's Alpha** values for all constructs range from **0.881 to 0.920**, surpassing the recommended benchmark of 0.70. This shows that the items within each construct are **highly consistent**. **Composite Reliability (CR)** values range from **0.916 to 0.942**, further confirming the **internal reliability** of each construct. CR values above 0.70 are considered acceptable, and those above 0.90 reflect excellent reliability. All **Average Variance Extracted (AVE)** values range from **0.685 to 0.807**, exceeding the threshold of 0.50. This confirms **adequate convergent validity**, indicating that each construct explains more than 50% of the variance in its indicators.

Table 2: Discriminanat validity-Fornell–Larcker criterion

	II	IKE	PB	PBC	PR	SN
II	0.870					
IKE	0.319	0.898				
PB	0.434	0.592	0.896			
PBC	0.457	0.377	0.443	0.864		
PR	0.091	0.324	0.417	0.375	0.828	
SN	0.371	0.534	0.521	0.427	0.222	0.841

Table 2 presents the discriminant validity of the constructs using the Fornell–Larcker criterion. Discriminant validity is established when the square root of the Average Variance Extracted (AVE) for each construct (shown on the diagonal) is greater than its correlations with other constructs (shown off-diagonal). In this analysis, the square root of AVE for each construct is as follows: Intention to Invest (II) = 0.870, Investment Knowledge and Experience (IKE) = 0.898, Perceived Benefits (PB) = 0.896, Perceived Behavioural Control (PBC) = 0.864, Perceived Risk (PR) = 0.828, and Subjective Norms (SN) = 0.841. These values are all higher than their respective inter-construct correlations, which confirms that each construct is empirically distinct from the others. For instance, the correlation between Perceived Benefits and Investment Knowledge and Experience is 0.592, which is lower than the square roots of AVE for both constructs (0.896 and 0.898, respectively). Similarly, the correlation between Subjective Norms and Perceived Risk is 0.222, well below the diagonal values of 0.841 and 0.828. Overall, the results demonstrate strong discriminant validity across all constructs in the model, indicating that the measurement model adequately distinguishes between different theoretical concepts.

Table 3: Discriminanat validity-HTMT ratio

	II	IKE	PB	PBC	PR	SN
II						
IKE	0.352					
PB	0.470	0.662				
PBC	0.493	0.418	0.482			
PR	0.096	0.361	0.462	0.420		
SN	0.405	0.608	0.574	0.464	0.244	

Table 3 presents the assessment of discriminant validity using the **Heterotrait-Monotrait (HTMT) ratio**, which is a modern and more sensitive method compared to the Fornell–Larcker criterion. The HTMT ratio estimates the correlation between constructs based on the average of heterotrait–heteromethod correlations relative to the geometric mean of the average monotrait–heteromethod correlations. Discriminant validity is considered acceptable when HTMT values are **below 0.85** (Henseler, Ringle, & Sarstedt, 2015). In this table, all HTMT values are below the recommended threshold of 0.85, indicating

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that discriminant validity is well established among the constructs. For example, the HTMT value between **Investment Knowledge and Experience (IKE)** and **Perceived Benefits (PB)** is **0.662**, which, while relatively high, still remains under the threshold. Similarly, the HTMT between **Subjective Norms (SN)** and **Perceived Benefits (PB)** is **0.574**, and between **Perceived Behavioural Control (PBC)** and **Intention to Invest (II)** is **0.493**—both well within the acceptable range. The lowest HTMT value is between **Perceived Risk (PR)** and **Intention to Invest (II)** at **0.096**, showing a weak relationship and clear distinction between the constructs.

Structural Model

The structural model illustrates the path coefficients, along with the outer weights and loadings. The path coefficients represent the strength and direction of relationships between constructs. Outer weights reflect the contribution of individual indicators to their respective latent variables, and loadings demonstrate the strength of each indicator's association with its latent construct.
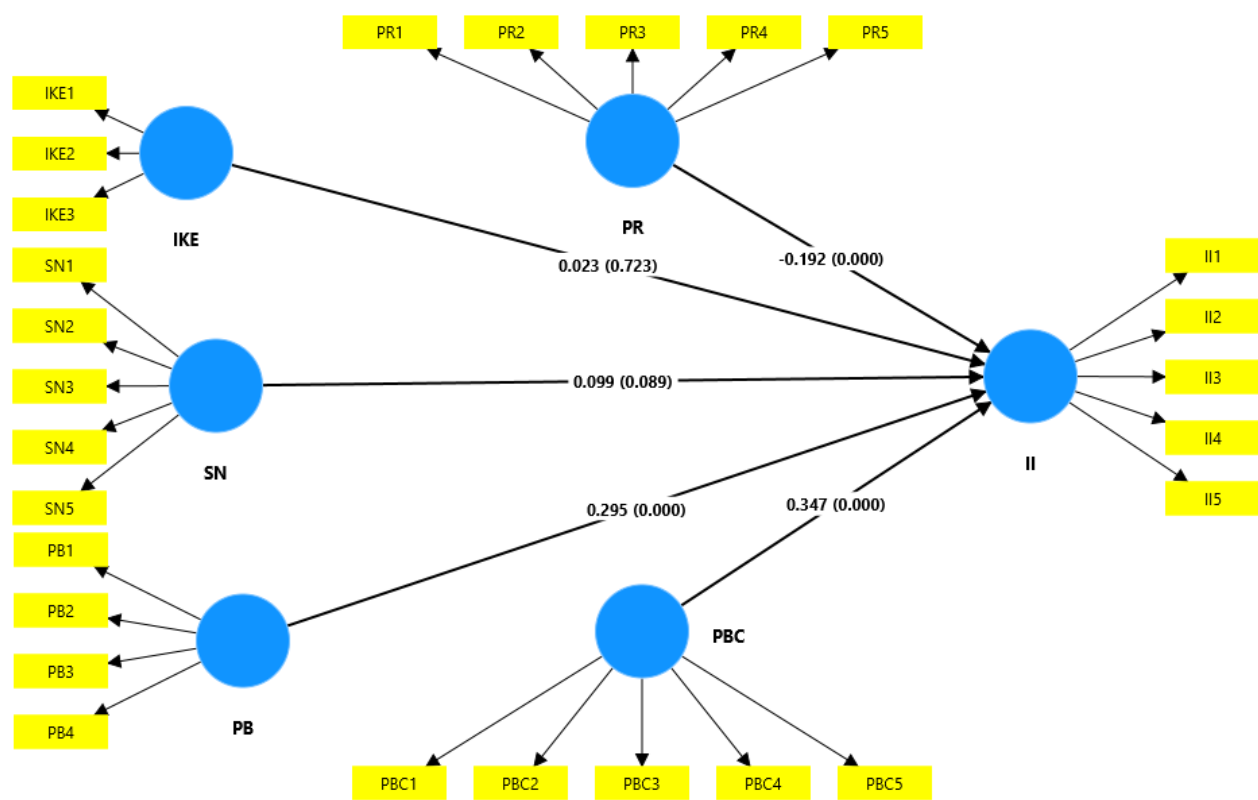

Figure 2: Structural Model

Table 4: Coefficient of Determination (R²), Adjusted R², and Path Significance for Intention to Invest

	R-square	R-square adjusted	T statistics	P values
II	0.313	0.305	7.060	0.000

Table 4 presents the coefficient of determination (R²), adjusted R², T-statistics, and p-values for the dependent variable Intention to Invest (II). The R² value of 0.313 indicates that approximately 31.3% of the variance in the intention to invest is explained by the independent variables included in the model. The adjusted R² value of 0.305 accounts for the number of predictors and sample size, confirming that the model maintains a good explanatory power even after adjusting for potential overfitting. The T-statistic of 7.060 is well above the critical value of 1.96, indicating a statistically significant relationship. Additionally, the p-value of 0.000 (less than 0.05) confirms that the model's explanatory power for intention to invest is highly significant. These findings suggest that the model is robust and effectively captures the key factors influencing government employees' investment intentions.

Table 5: Hypothesis Testing Results – Path Coefficients, T-Statistics, and Significance Levels

	Original sample (O)	Standard deviation	T statistics	P values
IKE -> II	0.023	0.064	0.355	0.723
PB -> II	0.295	0.067	4.425	0.000
PBC -> II	0.347	0.061	5.726	0.000
PR -> II	-0.192	0.053	3.604	0.000
SN -> II	0.099	0.058	1.704	0.089

a) IKE → II (β = 0.023, p = 0.723)

H01: Investment Knowledge and Experience (IKE) has no significant impact on Intention to Invest (II).

H1: Investment Knowledge and Experience (IKE) has a significant impact on Intention to Invest (II). This path is not statistically significant (**T = 0.355**, **p > 0.05**), indicating that **Investment Knowledge and Experience** does **not have a significant effect** on investment intentions among government employees. This suggests that having investment knowledge or experience alone does not necessarily drive government employees' intent to invest.

b) H2: PB → II (β = 0.295, p = 0.000)

H02: Perceived Benefits (PB) have no significant positive impact on Intention to Invest (II).

H2: Perceived Benefits (PB) have a significant positive impact on Intention to Invest (II).

This path is statistically significant (**T = 4.425**, **p < 0.001**), suggesting that **Perceived Benefits positively and significantly influence** the intention to invest. Thus, **H2 is supported**. The hypothesis that *Perceived Benefits (PB)* significantly impact intention to invest is **strongly supported**. Employees are more likely to invest when they perceive clear financial or non-financial benefits.

c) H3: PBC → II (β = 0.347, p = 0.000)

H03: Perceived Behavioural Control (PBC) has no significant positive impact on Intention to Invest (II).

H3: Perceived Behavioural Control (PBC) has a significant positive impact on Intention to Invest (II).

This relationship is also statistically significant (**T = 5.726**, **p < 0.001**), showing that **Perceived Behavioural Control** is a **strong predictor** of investment intention. Hence, **H3 is supported**. *Perceived Behavioural Control (PBC)* shows a **strong positive and significant influence** on investment intention, supporting the hypothesis. This indicates that when employees feel confident in their ability to make investment decisions, their intent to invest increases.

d) H4: PR → II (β = -0.192, p = 0.000)

H04: Perceived Risk (PR) has no significant negative impact on Intention to Invest (II).

H4: Perceived Risk (PR) has a significant negative impact on Intention to Invest (II).

The path is statistically significant (**T = 3.604**, **p < 0.001**) and negative, indicating that **Perceived Risk has a significant negative influence** on investment intention. Thus, **H4 is supported**. The hypothesis that *Perceived Risk (PR)* negatively influences investment intention is **supported**. Higher risk perception significantly reduces the likelihood of investment, highlighting the deterrent effect of financial uncertainty or loss.

e) H5: SN → II (β = 0.099, p = 0.089)

H05: Subjective Norms (SN) have no significant positive impact on Intention to Invest (II).

H5: Subjective Norms (SN) have a significant positive impact on Intention to Invest (II).

This path shows a marginal relationship with T = 1.704 and p = 0.089, which is greater than the conventional 0.05 threshold. Therefore, the impact of Subjective Norms on intention to invest is not statistically significant, and H5 is not supported. *Subjective Norms (SN)* do not significantly impact investment intention, so this hypothesis is **not supported**. This indicates that social pressure or influence from peers and family does not play a major role in shaping investment decisions in this group.

VI. CONCLUSION

This study aimed to examine the factors influencing the investment behaviour and intention to invest among government employees in Haryana. By employing Structural Equation Modeling (SEM) through SPSS AMOS, the research provided robust insights into the psychological and behavioral drivers behind investment decision-making in this segment. The analysis identified five key constructs—Perceived Behavioural Control, Subjective Norms, Perceived Risk, Perceived Benefits, and Investment Knowledge and Experience—as determinants of intention to invest. The results revealed that Perceived Benefits and Perceived Behavioural Control have a positive and significant influence on investment intention, indicating that employees are more likely to invest when they perceive tangible gains and feel confident in their ability to invest. Perceived Risk, on the other hand, showed a significant negative relationship with investment intention, implying that concerns over potential losses hinder investment decisions. Interestingly, Investment Knowledge and Experience and Subjective Norms were found to have no significant impact on investment intention, suggesting that mere financial literacy or external social influences are insufficient to drive investment behavior in this group.

Overall, the study concludes that government employees' investment decisions are more strongly shaped by their perceptions of benefits, personal control, and risk, rather than by knowledge or peer influence. These findings have important implications for financial planners, policymakers, and investment service providers seeking to promote investment culture among public sector employees. Tailored strategies that reduce perceived risk and enhance perceived control and benefit awareness can be more effective in encouraging proactive investment behavior.

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