

Evaluation of Sustaining Strategies of Financial Management–Planning for IT Professionals during Recession with reference to Pune Region – A Study

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ABSTRACT

Overall, it is observed that in IT sector, the professionals are relatively paid very high salaries. At the same time, it is experienced in IT scenario that this sector is highly instable. Also, staff turnover in this sector is comparatively very high, just next to the turnover of marketing executives. As a result, it becomes not only necessary but also mandatory for IT professionals to develop sustaining strategies, especially during recessionary trends.

1. Introduction

Several competent and efficient IT professionals were observed in severe financial difficulties after recessionary hits. Those professionals who have already well managed their financial resources were in no difficulty whatsoever. However, those professionals who have never cared to manage their financial resources properly in the light of fruitful future were struggling a lot even to survive.

This burning social scene compelled the researcher to think on the lines of development of sustaining strategies for Financial Management-Planning for IT professional especially during the recession.

2. Interdisciplinary Relevance of the Research Topic

There exist several Statistical Techniques and Mathematical Tools to predict business fluctuations. However, there is no guarantee that the inclinations or indications of all such tools and techniques would be proved accurate for all the immutable time to come.

Although this research focuses only on IT Professionals that too, working in Pune Region, the researcher strongly feels that the findings of this research would really be highly helpful and useful for the professionals working in other sectors also.

3. Significance of the Research Study in the context of current status

After the research topic was finalized the researcher has also started with the review of relevant literature. However, on the basis of this review, it can be inferred that the studies regarding evolution of sustaining strategies for Financial Planning for IT Professionals are not conducted in detail. Thus, the researcher strongly feels that the findings of his studies would definitely be highly beneficial for the society at large.

4. Review of Research and Development in the Research Subject

After finalization of research topic in consultation with the experts and eminent personalities from IT sector, the researcher prepared a Questionnaire with the help of a statistical expert. The nature of the Questionnaire is strictly structured and non-disguised.

Thereafter, the researcher conducted the pilot study consisting of 15 respondents on the basis of the Questionnaire so prepared. The findings of the pilot study are highly interesting and encouraging for the researcher in the sense that the researcher is well convinced of the fact that there is a real social need to conduct such a research.

5. Research Objectives

- i) To develop a broad idea about Financial Management-Planning of IT Professionals in Pune region.
- ii) To evolve Sustaining Strategies for Financial Management-Planning for IT Professionals during recession in Pune region.
- iii) To ascertain the level of Financial Satisfaction of IT Professionals in Pune region and to identify the main reasons for prevailing dissatisfaction, if any.
- iv) To check the percentage of sponsorship provided by IT organizations for upgradation of their employees.
- v) To suggest the alternate careers for IT professionals in Pune Region.

6. Research Methodology

Following are the details of Research Methodology:

Sr. No.	Particulars	Details
1	Type of Data	Primary and Secondary Data.

2	Population	IT Professionals in Pune.
3	Sampling Area	Different Geographical Locations in Pune Region.
4	Nature of Source of Data	Qualitative and Quantitative.
5	Sampling Methodology	Convenience.
6	Sample Size	100.
7	Nature of Data Collection Instrument	Non – disguised Structured Questionnaire.
8	Types of Questions	Open Ended and Close Ended.
9	Division of Questionnaire	Two Sections.
10	Section I of Questionnaire (includes)	Personal information of IT Professionals.
11	Section II of Questionnaire (includes)	Questions regarding their opinions about Financial Management Planning.
12	Method of Primary Data Collection	Personal Interview with Structured Questionnaire.
13	Method for Generation of Innovative and Creative Ideas	Personal discussions with experts and eminent personalities from IT Sector.
14	Reliability of Questionnaire	Reliability Test carried out for checking the reliability of questions.
15	Sources of Secondary Data	Review of Literature from Magazines, Research Papers, Journals, Newspapers (Economic Times, Financial Express) etc. and relevant websites.

7. Limitations of the Study

- a) The study is mainly focuses on Financial Management-Planning of IT Professionals.
- b) The geographical area of the study is restricted to Pune only.

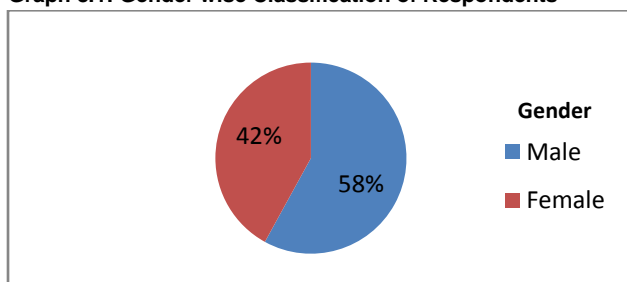
8. Data Analysis

8.1 Gender:

Table 8.1: Gender wise Classification of Respondents

Particulars	No. of Respondents	Percentage
Male	58	58 %
Female	42	42 %
Total	100	100 %

Graph 8.1: Gender wise Classification of Respondents



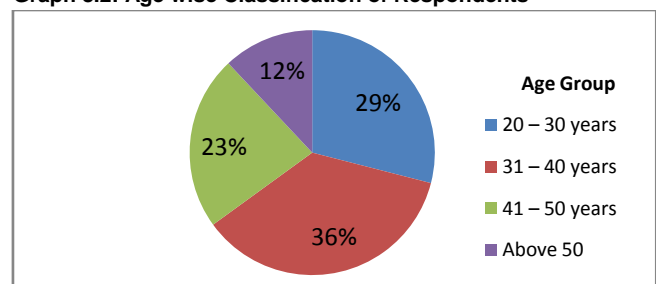
According to Table 8.1, 58 respondents are male where as 42 respondents are female.

8.2 Age:

Table 8.2: Age wise Classification of Respondents

Particulars	No. of Respondents	Percentage
20 – 30 years	29	29 %
31 – 40 years	36	36 %
41 – 50 years	23	23 %
Above 50	12	12 %
Total	100	100 %

Graph 8.2: Age wise Classification of Respondents



As per Graph 8.2, maximum respondents are 36% in age group of 31 to 40 years followed by 29% in age group of 20 to 30 years and 23% in age group of 41 to 50 years.

8.3 As compared to other sectors, respondents feeling better about their payment:

Particulars	No. of Respondents	Percentage
Yes	92	92 %
No	08	08 %
Total	100	100 %

92% of the respondents fill that they are paid better than other sectors.

8.4 Satisfied with present salary structure:

Particulars	No. of Respondents	Percentage
Yes	87	87 %
No	13	13 %
Total	100	100 %

87% of the respondents are satisfied with their present salary structure.

8.5 Respondents feel that the fear of recession is highest in IT Sector as compared to other sectors:

Particulars	No. of Respondents	Percentage
Yes	69	69 %
No	31	31 %
Total	100	100 %

69% of the respondents feel that the fear of recession is highest to IT Sector as compared to other sector.

8.6 Feeling about security in your existing employment:

Particulars	No. of Respondents	Percentage
Yes	62	62 %
No	38	38 %
Total	100	100 %

Only 62% of the respondents feeling secured in their existing employment.

8.7 Percentage of monthly earning, need to spend (invest) for career upgradation:

Particulars	No. of Respondents	Percentage
Nil	09	09 %
up to 5%	32	32 %
5% to 10%	41	41 %
10% to 15 %	10	10 %
15 % to 20 %	08	08 %
Total	100	100 %

32% of the respondents are ready to spend their 5% monthly income for career upgradation where as 41% of the respondents are ready to spend their 5 to 10 % monthly income for career upgradation.

8.8 Organization sponsor or partially financial support for career upgradation:

Particulars	No. of Respondents	Percentage
Yes	58	58 %
No	42	42 %
Total	100	100 %

58% of the respondents mentioned that their organization sponsor or partially financial support for their career upgradation.

8.9 Respondents made provisions for contingencies after taking into consideration of their present personal liabilities:

Particulars	No. of Respondents	Percentage
Yes	86	86 %
No	14	14 %
Total	100	100 %

86% of the respondents made provisions for contingencies after taking into consideration of their present personal liabilities.

8.10 Respondents feeling about percentage of liabilities secured:

Particulars	No. of Respondents	Percentage
up to 30%	08	08 %
30% to 50%	42	42 %
50% to 70%	27	27 %
70 % to 90 %	14	14 %
100%	09	08 %
Total	100	100 %

42% of the respondents feel that their liabilities are secured up to 50% where as 27% of the respondents feel that their liabilities are secured up to 70%.

9. Findings

- a) 59% of the respondents are between age group of 31 to 50.

- b) Only 8% of the respondents fill that they are not paid better than other sectors.
- c) 13% of the respondents are not satisfied with their present salary structure. The reasons for not satisfaction are seniority and service period not considered, opaque promotion policy, overwork etc.
- d) Only 31% of the respondents feel that there is no fear of recession in IT Sector as compared to other sector.
- e) 38% of the respondents feeling insecure in their existing employment. The reasons for insecurity are continuous development in technology; youngsters are easily available at lower salaries, etc.
- f) 9% of the respondents are not ready to spend any part of their monthly income for career upgradation where as 8% of the respondents are ready to spend their 15 to 20 % monthly income for their career upgradation.
- g) 42% of the respondents mentioned that their organization is not ready sponsor or partially financial support for their career upgradation.
- h) Only 14% of the respondents not made any provisions for contingencies after taking into consideration of their present personal liabilities.
- i) 8% of the respondents feel that their liabilities are secured up to 30% where as 9% of the respondents feel that their liabilities are secured 100%.
- j) More than 55% of the respondents mentioned that they can manage easily during the recession period on the basis of their savings and provisions for contingencies.
- k) 59% of the respondents mentioned that their personal life will not affect much during recession period in IT sector.
- l) 76% of the respondents mentioned that it is not easy to switch over to alternate career.

10. Conclusions

- a) It is observed that IT Professionals in Pune region are aware about Financial Management-Planning.
- b) It is necessary to develop Sustaining Strategies for Financial Management-Planning for IT Professionals during recession depending upon their personal financial liabilities.
- c) The level of Financial Satisfaction of IT Professionals in Pune region is high.
- d) Only 60% of the IT organizations provided sponsorship for upgradation of their employees.
- e) IT professionals can work in other allied management areas of the organization if required. Also they should learn and upgrade themselves in other working management areas of the organizations.

11. Scope for further Research

- a) To develop a broad idea about Financial Management-Planning of Professionals in different sectors.
- b) To evolve Sustaining Strategies for Financial Management-Planning for Professionals in other sectors.

12. Suggestions

IT professional should make the necessary provision for contingencies after considering their present personal liabilities. They should think about probable happenings in their

sector and avoid liabilities unnecessarily. IT professionals should also upgrade themselves in other areas so that they can change their work area during recession period if required.

References

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