Analysis of tax planning initiatives and financial management practices for salaried employees

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DOI: https://doi.org/10.22271/27084515.2024.v5.i1h.310

Abstract
This study delves into tax initiatives and financial practices at Quasar Consultancy Pvt. Ltd., specifically targeting salaried employees. Through comprehensive surveys, it seeks to gauge employee awareness of tax planning strategies and the utilization of financial management tools. Utilizing statistical methods like Chi-square analysis, ANOVA, multiple linear regression, and the Mann Whitney U test, the collected data will be rigorously analyzed to identify patterns and correlations. Findings reveal insights into employee perceptions, behaviors, and preferences in tax planning and financial management. Based on these findings, the study offers strong suggestions to optimize tax planning and financial management practices within the organization. Suggestions include enhancing tax planning awareness, promoting regular utilization of financial management tools, and tailoring support for achieving financial goals. Ultimately, the study aims to enhance organizational efficiency and success, ensuring Quasar Consultancy Pvt. Ltd. remains competitive in the dynamic business landscape. Through these efforts, Quasar Consultancy Pvt. Ltd. seeks to empower its employees with the knowledge and tools necessary to navigate the complexities of tax planning and financial management confidently.

Keywords: Tax planning, financial management, salaried employees, organizational efficiency

Introduction
In today’s complex financial landscape, effective tax planning and financial management are critical for salaried employees aiming to optimize their income, secure their financial future, and achieve overall financial well-being. At Quasar Consultancy Services Pvt. Ltd., a company specializing in knowledge processing, business process, and financial process outsourcing, the need for robust financial strategies is particularly pronounced given the professional nature of its workforce. Quasar Consultancy Services Pvt. Ltd. is dedicated to offering comprehensive accounting services to a diverse range of clients, including large industrial houses, multinational corporations, and leading banks. Despite this professional environment, employees often encounter challenges in navigating the intricacies of tax regulations and personal financial management. This study aims to address these challenges by analyzing the current tax planning initiatives and financial management practices adopted by the company's salaried employees. In today’s intricate financial landscape, where economic fluctuations and regulatory changes are a constant, effective tax planning and financial management have become paramount for salaried employees who seek to optimize their income, secure their financial future, and achieve overall financial well-being. Navigating this complex terrain is particularly crucial for employees at Quasar Consultancy Services Pvt. Ltd., a distinguished firm specializing in knowledge processing, business process, and financial process outsourcing. Given the professional nature of its workforce, the necessity for sound financial strategies is accentuated.

Review Literature
Vionita Pertiwi (2021) examined the role of financial attitudes in the decision-making process for emergency fund ownership. Recognizing the importance of understanding these attitudes to shape behavior towards maintaining an emergency fund, the study aimed to develop a precise financial attitude scale using the Rasch model. The research involved 106 respondents and utilized Winsteps software for analysis. Through a two stage analysis process, the study demonstrated that the developed instrument had a high reliability index, as
evidenced by both Cronbach's alpha and item reliability values. ThiAnhNhu Nguyen (2023) delves into the significance of financial behavior in the context of emergency funds, particularly within developing countries. Emergency funds act as a crucial safety net against financial shocks, especially for individuals in the informal workforce or residing in nations with lower-middle-income status. This study investigates the role of financial literacy in shaping emergency fund practices, focusing on financial knowledge, financial behavior, and financial attitude. Analyzing data from the Southeast region of Vietnam, a developing country in Asia, the study employs logistic and order logistic regression techniques. The results reveal that individuals with better financial behavior are more likely to possess emergency funds, with savings sufficient to cover at least three months of living expenses. Interestingly, while income level emerges as a crucial determinant of emergency fund size, financial knowledge and financial attitude do not exhibit statistically significant impacts on saving for emergency funds.

Meghali Bora (2024) study explores a comparison between old & new tax regime of Income tax act, 1961 for Salaried Individuals. This analysis covers the recent changes introduced in the 2023 Budget, including increased tax rebate limits, adjusted tax slabs, and changes in surcharge rates aimed at making the new regime more attractive. Studies have explored how these modifications impact tax liability, financial planning, and savings. Research indicates that while the old regime offers more deductions and exemptions, the new regime simplifies tax filing and lowers tax rates for many individuals. The review highlights the understanding of these changes for effective tax planning and financial decision-making.

Natal et al. (2024) conducted a thorough investigation into the financial behaviors of young, single professionals aged 24 to 35. Their mixed-methods approach focused on 18 five industries, utilizing quantitative analysis with 75 respondents and qualitative insights from in-depth interviews. The findings indicated that demographic factors did not significantly influence professionals' saving habits and purchasing behaviors during the inflation surge. Professionals across various demographics prioritized strong savings and reduced spending for financial stability, highlighting the importance of personal financial management during economic uncertainties. This study offers valuable insights for professionals in different industries to prioritize specific aspects of financial management amid global inflation challenges.

Waghchaure and Chawale (2024) examine the crucial role of financial literacy in shaping investment behavior among salaried and non-salaried individuals. Financial literacy, defined as the understanding of financial concepts and the ability to make informed financial decisions, is pivotal in promoting economic growth and poverty alleviation by ensuring equal access to financial systems. Previous research has established that financial literacy significantly influences investment decisions, yet the differential impact of employment status on financial literacy remains underexplored. Bridge that gap by comparing the financial literacy levels and investment behaviors of salaried versus non-salaried individuals. Through comprehensive surveys, interviews, and data analysis, the authors aim to reveal how employment status affects financial understanding and subsequent investment choices.

Turayev Aljon Akmal and Meliboyev Sherbek Muzaffar (2024) explores the critical role of individual income tax systems in contemporary economies, emphasizing their importance as a major source of government revenue and a mechanism for achieving various socioeconomic goals. The research aims to evaluate the effects of individual income taxation on economic behavior and outcomes, focusing on specific aspects or regions where applicable. By conducting a thorough review of existing literature and empirical data, the authors assess the progressivity of income tax systems, investigate the ``19 distributional impacts of taxation policies, and analyze how taxpayers respond behaviorally to modifications in tax rates and incentives. The study employs various methodologies and data sources to examine the effectiveness of tax credits, deductions, and exemptions in influencing tax compliance among different income groups. It also delves into the incidence of tax evasion and the role of enforcement strategies in promoting tax compliance.

Need for the study
The need for the study arises from the importance of optimizing tax planning and financial management practices for the benefit of salaried employees at Quasar Consultancy Services Pvt. Ltd. In today's dynamic economic landscape, effective tax planning not only ensures compliance with regulatory requirements but also contributes significantly to individuals' financial well-being. By understanding the current strategies and practices in place, this study seeks to identify potential gaps and areas for improvement. Additionally, in an era of changing tax laws and evolving financial markets, it is essential for organizations to stay abreast of the latest trends and best practices. Therefore, this study aims to provide insights that can enhance employee satisfaction, promote financial resilience, and ultimately contribute to the overall success of Quasar Consultancy Services Pvt. Ltd.

Objectives of the study
- To evaluate the effectiveness of current tax planning strategies and financial management practices for salaried employees at quasar consultancy services Pvt. Ltd.
- To identify key tax savings strategies for salaried employees.
- To understand employee awareness and utilization of tax benefits.
- To propose recommendations for improving tax planning and financial management.

Scope of the study
The scope of this study encompasses a thorough examination of tax planning initiatives and financial management practices, specifically targeted towards salaried employees. It involves assessing the effectiveness of current tax planning strategies, identifying key tax-saving instruments utilized by employees, and analyzing financial management habits such as budgeting, saving, and investing. Additionally, the study aims to evaluate employee awareness levels regarding available tax benefits and their utilization to optimize tax liabilities. Furthermore, the scope extends to proposing actionable recommendations for enhancing tax planning and financial management practices,
including the development of educational programs to support employees in better managing their finances. Benchmarking against industry best practices will provide insights into aligning Quasar’s strategies with leading standards to promote organizational success and ensure compliance with regulatory requirements. Overall, the study aims to offer valuable insights that contribute to improving employee financial well-being, organizational efficiency, and strategic decision-making.

**Research Methodology**

**Source of Data Collection**

**Primary Data:** Primary sources of information are the information which requires the personal efforts to collect it and which are not readily available. Primary sources display original thinking, report on new discoveries, or share fresh information. Primary source of knowledge is another type of source through which the information was collected. The first data are collected through structured questionnaire.

**Secondary Data**

Secondary sources are which the information is collected by other important sources through which the information was collected. These sorts of sources are readily available of data or information where the researcher needs not to put the much effort to gather the information because it’s already collected by the experts. Usually, secondary data is collected from internet, journals, and research papers.

**Statistical analysis**

**Chi-square analysis**

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Value</th>
<th>DF</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson chi-square Likelihood Ratio</td>
<td>224.322</td>
<td>25</td>
<td>.000</td>
</tr>
<tr>
<td>N of valid cases</td>
<td>299.381</td>
<td>25</td>
<td>.000</td>
</tr>
</tbody>
</table>

**Table 2:** The table shows the significant difference between years employed and their confidence in their financial management skills using chi-square analysis

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Value</th>
<th>DF</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson chi-square Likelihood Ratio</td>
<td>229.837</td>
<td>25</td>
<td>.000</td>
</tr>
<tr>
<td>N of valid cases</td>
<td>301.942</td>
<td>25</td>
<td>.000</td>
</tr>
</tbody>
</table>

**Table 3:** The table shows the significant difference between department and their satisfaction with financial management support using one way ANOVA analysis

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sum of Squares</th>
<th>DF</th>
<th>Mean Square</th>
<th>F</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>2.177</td>
<td>5</td>
<td>.435</td>
<td>.827</td>
<td>.533</td>
</tr>
<tr>
<td>Within Groups</td>
<td>54.742</td>
<td>104</td>
<td>.526</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>56.918</td>
<td>109</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 4:** The table shows the ANOVA results for multiple linear regression analysis of factors affecting confidence in achieving financial goals

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Sum of Squares</th>
<th>DF</th>
<th>Mean Square</th>
<th>F</th>
<th>Asymp. Sig. (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>9.198</td>
<td>4</td>
<td>2.299</td>
<td>2.267</td>
<td>.067</td>
</tr>
<tr>
<td>Residual Total</td>
<td>106.520</td>
<td>105</td>
<td>1.014</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>115.718</td>
<td>109</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 5:** The table shows the gender differences in confidence in achieving financial goals using mann Whitney U test results

<table>
<thead>
<tr>
<th>Gender of the respondent</th>
<th>N</th>
<th>Mean Rank</th>
<th>Sum of Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>52</td>
<td>52.34</td>
<td>2721.50</td>
</tr>
<tr>
<td>Female</td>
<td>58</td>
<td>58.34</td>
<td>3383.50</td>
</tr>
<tr>
<td>Total</td>
<td>110</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Conclusion**

In the realm of fiscal management, Quasar Consultancy Pvt. Ltd. stands as a paragon of strategic foresight and prudent decision-making. Through meticulous tax initiatives and effective financial management practices, the company has fortified its financial resilience while empowering its salaried employees to navigate the complexities of taxation with confidence and proficiency. By fostering a culture of financial literacy and accountability, Quasar Consultancy Pvt. Ltd. has not only enhanced its organizational efficiency but also instilled a sense of financial ownership among its workforce. Embracing innovation and adaptability, the company continually evolves its tax strategies and financial frameworks to stay abreast of regulatory changes and market dynamics. As a result, Quasar Consultancy Pvt. Ltd. emerges as a trailblazer in the realm of fiscal acumen,
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