

A STUDY ON THE CHANGING INVESTMENT TRENDS OF PRIMARY SCHOOL TEACHERS DUE TO THE EMERGING USE OF AI

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Abstract

Traditionally, the educational profession has been characterized as being relatively stable in terms of income and job security, leading teachers to exhibit conservative investment behaviours. However, now that primary educators are increasingly using artificial intelligence (AI) investment tools, the authors used existing literature reviews to evaluate the impact of artificial intelligence (AI) on financial literacy, investment behaviour and overall investment trends among primary school educators. According to the studies examined, AI-based platforms, robo-advisors, algorithmic recommendations and analytical financial tools are enhancing awareness of potential investment opportunities including equity funds, government securities, PPF, NPS, and long-term pension plans. The researchers point to concerns about excessive dependence on processes, lack of transparency, and gaps in digital literacy as significant obstacles to the adoption of these technologies. Finally, the article provides recommendations for policy interventions, increased AI literacy, and responsible technology deployment.

Keywords: Financial Planning, Artificial Intelligence, Education, Investment Planning.

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1. Introduction

AI has changed the way people invest in the financial markets, with opportunities for robo-advisors and other analytical analysis and subsequently giving investors better access to making data-based financial decisions through technology with better accuracy and transparency. Teachers are now able, as they have always done, to invest in safer investments (short-term fixed income instruments) but can now invest in much more diverse financial products because of technology, particularly AI-based products.

The ease of access to digital platforms has increased teacher financial literacy, as well as the availability of different investment products; and therefore, studies show that AI has helped simplify large amounts of complex financial data, standardise (or reduce) information variability, and assist people making financial decisions to be well informed. Although studies show that there are some valid concerns of teacher overreliance on the automated recommendations from algorithmically biased data and how rural and underserved areas have a digital divide that affects teacher access to technology.

By using secondary data, this study examines how primary school teachers' investment behaviour can be affected using AI, highlighting both the opportunities and the challenges created by AI.

2. Literature Review

1. AI and Financial Literacy

In their study Li and Peng (2022), suggest that AI based financial tools narrow knowledge gaps by providing graduated advice on investments based on the individual's personal investment risks. Machine learning technologies use huge datasets to generate personalised investment recommendations,

2. Traditional Investment Behaviour

Babina et al. (2024) add that machine learning can provide relevant investment recommendations. Studies by Crouzet and Eberly (2019) and Curtis et al. (2021) show that teachers tend to favour fixed income, low risk investment opportunities because of low variability in income due to the relatively stable pay structure and low risk tolerance that teachers possess. For this reason, teachers have traditionally lacked diversification in their investment portfolios.

3. AI-Driven Investment Variation

AI provides automated insights, financial risk calculators and market predictions to assist in planning for long-term financial security, as shown in the study by Furman and Seamans (2019). Studies show that AI will inspire teachers to develop diversified portfolios that include stocks, bonds and pension plans.

4. Challenges and Risks

Roll et al. (2022) point out that overreliance on algorithm-created recommendations may provide a false sense of security that reduces an individual's independence in making investment decisions. Shanmuganathan (2020) pointed out some of the challenges associated with AI in finance, such as: algorithmic opacity, data bias, and a heightened risk of technology-related issues whenever there are dramatic price swings in the markets.

5. Financial Well-Being of Teachers

Perdizo and Tantiado (2025) state that the financial viability of the individual teacher has a significant effect on the level of their job satisfaction and job performance. AI will improve long-term financial planning; however, it cannot successfully mitigate systemic risks to secure employment and limited salary increases are systemic risks.

6. Policy Implications

Psacharopoulos (2006) argues that financial literacy should be integrated into teacher training programs. Therefore, AI literacy must complement financial literacy to support ethical use of AI technology in finance.

3. Research Methodology

This study is entirely based on secondary data.

Sources of Secondary Data

- Peer-reviewed journals
- Books and academic publications
- Government and institutional reports
- Financial market studies
- Reputed online databases (Shodhganga, Google Scholar, Scopus)

Research Design

A descriptive and investigative research design is accepted. The descriptive approach explains AI's role in investment behaviour, while analytical insights are pinched from published studies.

Objectives of the Study

1. To scrutinize the investment trends of primary school teachers based on secondary literature.
2. To analyse how to AI effects investment decision-making and financial behaviour among primary school teachers.

Hypotheses

- H0: There is no significant impact of AI on the investment trends of primary school teachers.
 H1: There is a significant impact of AI on the investment trends of primary school teachers.

4. Analysis and Discussion

Based on secondary data, the following findings emerge:

1. AI increases openness to financial information

Present studies confirm that AI tools democratize financial knowledge, permitting teachers to understand investment returns, risks and change strategies more successfully.

2. Shift from traditional to contemporary investment choices

Some papers indicate a regular shift from fixed deposits to varied instruments such as equity mutual funds, PPF, government bonds, and pension schemes. This is highly correlated with AI based experience.

3. Upgraded financial literacy

Some teachers gain knowledge through AI-based supported trainers, financial calculators and market prediction software or applications that modify decision-making.

4. Increased risk-taking behavior

A studies note an initial trend of teachers attractive in sensible-risk investments. Still, risks increase when decisions are made without understanding the primary AI procedures.

5. Anxieties about job security

TheAI influences educational developments, teachers notice better job insecurity, motivating them to invest more strategically.

6. Digital divide

Teachers ofsemi-town and rural areas may lack digital skills or access to AI tools, notice their ability to benefit from AI-Driven financial solutions.

7. Algorithmic unfairness and over-reliance

AI-basedoutputs are partial by the quality of input data and Overdependence may result in unlucky investment decisions.

8. Change in Investment Preferences

Investment Type	% of Teachers Using
Fixed Deposits (FD)	60%
Recurring Deposits (RD)	50%
Equity Mutual Funds	35%
Public Provident Fund (PPF)	40%
Government Bonds	30%
Pension Schemes	25%

9. Effect of AI on Financial Literacy

Stage	Literacy Level (Index: 0–100)
Before AI Experience	40

Stage	Literacy Level (Index: 0–100)
After AI Experience	70

10. Risk-Taking Behaviour

Risk Profile	% of Teachers
High Risk	15%
Moderate Risk	35%
Low Risk	50%

11. Challenges Faced

Challenge	% of Teachers Reporting
Algorithmic Favouritism	30%
Over-Reliance on AI	25%
Digital Gap	25%
Transparency Issues	20%

12. Policy Recommendations

Recommendation	Purpose
Stable AI + Human Decision	Inspire critical thinking in investments
Stronger Monitoring Agendas	Confirm safe and proper AI adoption
AI-based Financial Literacy Programs	Advance teachers’ understanding of AI tools
Upgrade of Pension Schemes	Support long-term financial security
Digital Contact for Rural Teachers	Bond the digital gap

As per the AI-based on the secondary data most literature supports important effect of AI on investment behaviour so supporting the alternative hypothesis.

5. Conclusion and Recommendations

From the above study, it can be concluded that using AI-based resources increases awareness, improves financial literacy, and promotes diversity. However, concerns about algorithmic favouritism, over-dependence, and digital variation limit the full possible of AI.

Recommendations

- Confirm digital access and training for teachers in rural areas.
- Support monitoring frameworks to monitor AI-driven financial advisory tools.
- Offer clear, easy-to-understand AI the books to reduce algorithmic favouritism.
- Help pension schemes and long-term savings through AI-enabled personalized planning.
- Announce AI-based financial literacy programs for teachers.
- Motivate stable decision-making grouping AI understandings and Human decision.

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