



**Misamis University**  
Ozamiz City

**IMPACT OF PERSONALITY TRAITS AND RISK TOLERANCE ON INVESTMENT  
DECISIONS AMONG PRIVATE AND PUBLIC TEACHERS IN OZAMIZ CITY**

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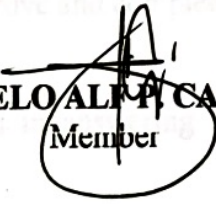
## APPROVAL SHEET

This thesis entitled **"IMPACT OF PERSONALITY TRAITS AND RISK TOLERANCE ON INVESTMENT DECISIONS AMONG PRIVATE AND PUBLIC TEACHERS IN OZAMIZ CITY**, "submitted by **AIZA A. ANDRADA, HONEY LAIZA D. DASOK, JAYFORD A. DERAMA, ERL JOSHUA Y. NACARIO, NOVATRES P. PANCHO** and **JOHN RAE SANDE**, in fulfillment of the requirements for the degree **Bachelor of Science in Business Administration**, has been examined and is recommended for acceptance and approval of Oral Examination.

  
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## ABSTRACT

Investment decisions are often viewed as the chance to be successful as investors determine to put their assets in different financial markets. This study determined the impact of personality traits and risk tolerance on investment decisions among public and private teachers and aims to know if the teachers in Ozamiz City will go for investment with the presence of different personality traits and risk tolerance factors that could greatly affect their decisions. It was conducted in Ozamiz City province of Misamis Occidental among randomly selected 120 private and public teachers. This study employed a descriptive and inferential research design of the quantitative study. In gathering the data, the researchers used the adapted personality traits, risk tolerance, and investment decisions questionnaire. Mean, Frequencies and Standard Deviation, Pearson correlation, and Multiple Regression Analysis were the statistical tools used. The quantitative study revealed that risk tolerance is more strongly associated with investment decisions. However, the level of risk tolerance revealed that private teachers are more risk-takers regarding investment decisions. Besides, most private teachers scored high on the assessment level of investment decisions. Lastly, public institutions have an impact on personality traits and risk tolerance in investment decisions in Ozamiz City. Therefore, the findings were consistent with the proposed hypotheses. Furthermore, there is a significant and positive association between the two factors, indicating that the more risk-tolerant a teacher is, the riskier investment decision the private and public teachers will make. Therefore, the study recommends that teachers be encouraged to engage in business to generate more ideas and income to support the investment aspect.

**Keywords:** *Aggressive, Extraversion, Investment Decisions, Personality traits, Risk Tolerance*

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## Chapter 1

### INTRODUCTION

#### **Rationale of the study**

Investment decisions are often viewed as the chance to be successful as investors determine to put their assets in different financial markets. In this vein, business risks are associated with the investors towards the assets they have invested. Thus, personality traits are construed as significant indicators for the investment decisions considered by individuals (Topper, 2020).

The choice of an investment means capital budgeting from the standpoint of financial management. Capital budgeting and investment decisions are rarely seen as being distinct in company. However, the term "capital" is only used to describe real assets in investment decisions. These assets can take any form, including buildings, machinery, raw materials, and so on. Investment, on the other hand, refers to any such real property. In other words, investment decisions are based on whether increasing capital assets now will result in higher revenues that will be sufficient to offset expenditures tomorrow. Investment decisions are thus the commitment of financial resources at various times with the hope of economic rewards at later dates (Shivam, 2020).

Investment Decision refers to the decision made by investors or top management about how much money to invest in the opportunities (Business Jargons, 2022). Investment decisions are concerned with how a company's funds should be allocated

among various assets in order to generate the highest return for investors; at the same time, investment decisions can be long-term, also known as capital budgeting, in which funds are committed on a long-term basis. However, the decision on short-term investments, also known as working capital, is based on the amounts of cash, inventories, and debtors. As a result, there are both long-term and short-term investment decisions to make (Topper, 2020).

Personality traits are traits and qualities that contribute to defining an individual's distinctive qualities. They are frequently formed over the course of a lifetime and may hold true in a variety of contexts (Indeed, 2022). As they are crucial in describing the consistent patterns of behavior that last for a long time, these reflect fundamental differences between people (Caspi, Robert & Shiner, 2005). Characteristics and personality traits vary from person to person. There are those who are very talkative, those who are very quiet, those who are active, and those who are lazy. While some people worry a lot, others don't seem to worry at all (Diener, Lucas & Cummings, 2022).

Those descriptions are viewed as the person's personality traits. These consist of five categories: agreeableness, conscientiousness, extraversion, neuroticism, and openness. Personality tests based on the Big Five Personality Traits Model that the spectrum of an individual as a unique aspect among others (Criteria, 2015).

The Big Five Personality Qualities Model is used to investigate the connections between personality and many other life indicators and to assist individuals in making financial decisions based on the various personality traits they possess. It can help people

better grasp how they stack up against others and give names to their traits (Psychology Today, 2022).

As a result, Taiwan National at Nanhua University believed that personality qualities should be factored into financial decisions. The study looked at how individual investors' personality influenced their inclinations to invest in equities. People's intents to invest in stocks are heavily influenced by subjective norm, attitude, and perceived behavioral control, according to partial least squares based on structural equation modeling approaches employing a sample of 385 respondents. Subjective norms influence attitudes as well. According to the findings, people with open and agreeable personalities are more likely to influence subjective norms, whereas people with neurotic personalities are more likely to have negative attitudes toward stock investments. The agreeableness, extroversion, conscientiousness, and openness of people influence their judgments of their behavioral control over stock investing (Lai, 2019). Prior stock trading experiences significantly influenced the relationships between attitude and stock investment intention, as well as the relationships between extroversion and subjective norm, attitude, and perceived behavioral control (Lai, 2019).

The investor's risk tolerance is necessary for these investment choices. Risk tolerance is the degree of loss an investor is ready to accept when making an investment choice. A combination of aggressive, moderate, and conservative criteria will determine how much risk an investor can afford to take. Knowing one's level of risk tolerance effects investment choices and portfolio planning. For instance, someone with a low risk tolerance will invest prudently, selecting more low-risk options and fewer high-risk ones. (CFI, 2022). Additionally, when investors try to gauge their risk tolerance, they consider

how at ease they feel maintaining their positions during sharp declines in the stock market (McBride, 2022)

Moreover, a key element of investing is risk tolerance. This is important to take instinct and aptitude into account when assessing the worth of their investments. However, taking on too much risk could result in panic and a rash sale (Twin, 2020). Age is frequently linked to risk tolerance, yet it is not the only determinant. However, in a general sense, younger people with a longer time horizon are often able to and are encouraged to take on greater risk than those older with a short-term horizon. Age, investing objective, and level of comfort all affect risk tolerance. (Twin, 2020). In this vein, investors are divided into three groups based on their level of risk tolerance: aggressive, moderate, and conservative.

Therefore, investors with an aggressive risk tolerance typically have a solid understanding of the market's risks. Less than investors with an aggressive risk tolerance, investors with a moderate risk tolerance accept some risk in their investments. However, conservative investors, on the other hand, assume the least amount of market risk. Typically, they avoid risky investments and opt to invest in financial instruments or securities that offer protection for their investment capital. (Anugrah, 2022).

Subsequently, several scholars in India have determined that an investor's risk tolerance is crucial while making an investment decision. Numerous studies have indicated that age, gender, marital status, income level, education, family background, occupation, and other factors influence a person's ability to take risks. According to the findings, single investors take greater risks than married investors, and women are more

risk averse than males. Investors between the ages of 25 and 45 have the lowest risk tolerance. However, in terms of personality type, people who are aggressive and impatient take more risks than people who are type B (Henna & Ashwin, 2015).

In the meantime, a study of potential investors in Kazakhstan regarding the connection between personality traits, risk tolerance, and investment preferences found that personality traits have some bearing on a person's risk tolerance behavior, which in turn affects investment preferences for stocks, securities, and bonds. The findings of this study, therefore, imply that when giving private investors financial advice, investment advisors should consider a number of elements, including the unique risk tolerance of each investor (Pak & Mahmood, 2015).

According to a study in Kisumu Municipality, Kenya, with the working title Factors influencing investing decision in equities stocks at the Nairobi securities exchange among teachers, teachers have poor financial literacy. Despite the fact that many people view equity stocks as investments, most people would prefer put their money into other asset types, such as real estate (Clement, 2015). The results revealed that both economic and behavioral factors can affect a person's decision to invest in equities stocks. The primary economic variables affecting decisions to invest in equities stocks were anticipated dividend payments, potential for capital gains, and share prices that were within reach. The decision to invest based on popular opinion or shares in high demand as well as recommendations from friends and coworkers was an example of herd behavior, and the respondents' convictions that they are superior to others were an example of overconfidence (Clement, 2015).

Additionally, the purpose of this study was to comprehend how personality affects risk tolerance and investment preferences among public and private teachers. To collect the data, professional teachers in Ozamis City were invited to respond to a survey on their personality traits, risk tolerance, and investing choices. This study did not cover any other subjects unrelated to risk tolerance, personality traits, or decision-making. A survey and adopted research questionnaires will be used as the primary sources of data for the study. Researchers used the quantitative approach to ascertain how personality affects risk tolerance and investment choices among public and private teachers. With the help of this research study, private and public-school teachers in Ozamiz will be able to better understand how risk tolerance and personality traits influence investment choices.

Furthermore, for those who are already investors, this study will help them assess themselves and their skills to determine what they need to improve for their investment to continue to thrive. The findings of this study can assist those planning to invest in determining what factors to consider in their decision-making. Aspiring investors can make appropriate plans if it is shown that personality qualities, risk tolerance, and decision-making are all positively correlated.

Regardless of the different findings that researchers were looking such as if personality traits and risk tolerance have an impact when it comes to individual decisions, the result remains inscrutable. Thus, the researchers aimed to know if the teachers in Ozamiz City will go for investment with the presence of different personality traits and risk tolerance factors that could greatly affect their decisions. Moreover, this study looked at how potential private investors' risk tolerance and personality factors affect their investing choices (Pak & Mahmood, 2015). It encouraged the researchers to dig deeper

into the substantial relationship between personality traits and risk tolerance, which affects investment choices made by potential private teachers as well as privately and publicly employed instructors in Ozamiz City at the primary through tertiary levels.

### **Theoretical Framework**

This study was anchored on three theories: Big Five Theory developed in 1949 by Fiske. A Measure of Risk Tolerance Based on economic theory was also developed by Sherman, Hanna, Gutter & Fan (2015). Malkiel (1996) and Investment Decision Theory by Tatum (2022).

The fundamental five personality traits that make up The Big Five are neuroticism, extraversion, openness, agreeableness, and conscientiousness (Lim, 2020). It focuses on measuring attributes and holds that in order to better understand personality, one should pay attention to an individual's traits and defining behaviors (Saul & Kassin, 2016). It comprises a personality inventory that gauges an individual's personality qualities and allows researchers to characterize an individual's personality using the five universal traits. The five-factor model aids trait theorists in determining the presence or absence of a person's qualities (Matthews, Gerald, Deary, Ian, Whiteman, & Martha, 2017).

The five-factor model is categorized into five unique areas and characterizes a person's personality using common language word descriptors. The five characteristics are neuroticism, agreeableness, extraversion, openness to new experiences, and conscientiousness. Neuroticism, for example, is stated to include anxious-calm, impulsive-controlled, and vulnerable-secure traits. Each basic attribute has a subtype (Johnsons, 2017). Personality traits describe a person's unique ways of thinking, feeling,

and acting. A person with high extraversion, for example, is likely to be friendly across time and in a variety of situations. Finally, personality traits are linked to consistency and stability. As a result, the notion that people differ from one another in terms of where they stand on a set of fundamental trait dimensions that persist across time and under diverse conditions is central to trait psychology (Diener & Lucas, 2022).

Contrarily, the Five-factor model of personality argues that due to the stabilization and maturity of features over time, a person's conduct would be consistent under a range of circumstances (Srivastava, John, Gosling & Potter, 2015). Traits are important and fascinating because they explain long-lasting, consistent patterns of behavior (Caspi, Roberts, & Shiner, 2015). What's more, these recurring patterns have an impact on a number of areas of our lives (Roberts, Kuncel, Shiner, Caspi, & Goldberg, 2007).

An important tool for researchers and financial planners, self-reported risk tolerance gauges a person's willingness to take risk. Unfortunately, there has never been a conclusive connection between subjective measures of risk tolerance and economic theory. Using a more accurate economics-based measurement of subjective risk tolerance, this study explored the connection between relative risk aversion and risk tolerance. Using several risk tolerance metrics, the results of an online poll are presented and compared to those of past studies. A larger range of risk tolerance is now allowed under the new rule, which has important ramifications for short-term asset investments (Hanna, Gutter & Fan, 2015).

However, according to the Measure of Risk Tolerance Based on Economic Theory, an investor's risk tolerance should depend on their household's circumstances, stage in life, and other subjective factors. Risk tolerance is a topic covered in financial planning textbooks and is frequently used by financial planners. As a result, the majority of tests employ a subjective assessment of a trader's capacity for both financial and emotional loss. There are various variables that affect risk tolerance, such as net worth and income. Additionally, suggested tests should identify emotional reactions to various financial situations and decisions one might make in that situation. The degree of risk tolerance plays a critical role in how an individual decides to accumulate wealth, retire, invest in human capital, allocate their portfolio, and purchase insurance (Fan et al., 2015).

Accordingly, there are at least four ways to gauge risk tolerance: by asking about investment preferences, by asking both investment-related and subjective questions, by observing actual conduct, and by posing hypothetical questions with properly thought-out scenarios (Fan et al., 2015).

Risk tolerance criteria are used by financial planners; however they are not based on a basic understanding of economics. The objectives of this study were to offer a measure of risk tolerance based on economic theory and to describe some early patterns of risk tolerance based on that measure. The results indicate that risk tolerance varies widely among people, but significant gender- or age-related patterns have not been identified (Fan et al., 2015).

An excellent example of the first strategy is the Federal Reserve Board's Surveys of Consumer Finances, which provides investment decision measures (SCF). Researchers

found that just a tiny proportion of respondents are prepared to incur risks above average in order to make returns on their investments using the SCF risk tolerance data, employed respondents aged 16 to 70. Only 4% of the sample were willing to take substantial risks on investments in order to gain a significant return, and 40% were hesitant to take any financial risks at all. Compared to similarly equivalent married couples and male-headed households, female-headed households showed lower risk tolerance, and risk tolerance increased with education and income (Fan et al., 2014).

However, Investment Decision Theory examines investments based on risk and prospective returns. It is a notion based on the assessment of various elements related to the investing process. Ideally, the theory will examine many elements to discover how to select the best investments for a specific objective or purpose. Making informed investment decisions is the goal of an investment theory. It is feasible to construct a portfolio that will help the investor achieve objectives by considering the investor's goals and objectives. To make intelligent investment decisions, it is critical to understand the investment as well as the market in which it is exchanged. Creating an investment theory that incorporates all these elements increases the likelihood of success and assists the investor in avoiding investment possibilities that are not in his or her best interests (Tatum, 2022).

Therefore, people can identify their attributes and get a better sense of how they compare to others using the five-factor approach. It also explores links between personality and a variety of other facets of life (Psychology Today, 2022). Self-reported risk tolerance measures a person's propensity to take on risk, making it a helpful tool for researchers and financial planners. However, earlier subjective risk tolerance assessments

lacked a firm foundation in economic theory. Using a more accurate economics-based measurement of subjective risk tolerance, this study explored the connection between relative risk aversion and risk tolerance. The results of a web-based survey are presented and compared with results from past studies utilizing different risk tolerance assessments (Hanna, Sherman, Fan, Jessie, 2015).

### **Conceptual Framework**

Making investment decisions involves distributing money among several investment options to maximize return. It merely helps businesses choose the appropriate assets to use their capital on (Commerce Mate, 2018). They mostly affect a company's prospective earnings and growth rate over the long run. Furthermore, because wise investment planning could result in a significant inflow of cash, these choices affect how an organization will fare in the future. However, making the wrong choice could be fatal to a company's continued existence and result in significant losses (CFO, 2022).

Investment decisions are taken to spread out large sums of money over a longer time frame. Since the company only has a limited amount of money and there is more demand than there are resources for, such choices need to be carefully considered. Therefore, each company must do necessary spending monitoring and effective investment planning in order to achieve its goals (Commerce Mate, 2018).

Individual characteristics like tolerance and personality qualities frequently have an impact on people's decision-making processes when it comes to investments (Pandey, 2020). Mainly, personality characteristics mostly influence risk tolerance behavior. Extraversion, conscientiousness, agreeableness, neuroticism (emotional instability), and

openness experience make up the Big Five qualities. The results showed that personality attributes and risk tolerance have a big impact on investment choices (Thanki, 2015).

Accordingly, one of the qualities that accentuates a person's social traits is extraversion. It shows that those who want to stay in touch appreciate being among people and talking, in contrast to introverted people who prefer their own company and prefer to stay alone (Sadi et al., 2017). Conscientiousness is a sign of a person's dependability, punctuality, deliberateness, self-discipline, and competence. Before acting impulsively, conscientious people may control themselves, manage themselves methodically, and plan carefully in a situation. These people are organized, prepared, detail-oriented, and, in the majority of situations, have good time management. Self-satisfied individuals think things through and make decisions after doing so (Anic, 2018).

Meanwhile, agreeableness refers to individuals who take care of others, are courteous and friendly, but also verify information and make critical judgments about methodical details (Halder et al., 2018). Contrarily, disagreeable people put their own interests ahead of others' concerns and avoid getting involved in other people's issues. But disagreeable people lack empathy and care less about other people. Finally, people with neuroticism have trouble controlling their emotions. It can be difficult to control one's emotions in today's fast-paced society. However, strong people are those who have stable emotions (Costa & McCrae, 2019). Neurotic people are described as being grumpy, anxious, melancholy, tense, depressed, and guilty (John et al., 2015).

Moreover, people with an openness to experience are thought to be adventurous, daring, creative, sensitive, imaginative, and unusual. They also tend to listen to their

hearts. However, one's readiness to take risk from investments is referred to as risk tolerance. Risk tolerance can also refer to a person's attitude and conduct regarding the risks involved in investments. Different investors have different attitudes about risk; some enjoy it, some shun it, and some don't care about it in their investments (Wulandari & Iramani, 2018).

As a result, investors with an aggressive risk tolerance level frequently have a thorough awareness of the hazards associated with the market. These investors are used to the ups and downs in the value of the securities in the portfolio due to market fluctuations. They have the skills and endurance required to manage the risk of the investment. Additionally, deal primarily in securities that have a chance to yield bigger returns, such as equities. There is a potential that these investors may make big returns when the market is performing well and suffer significant losses if the market is not performing well because they are accustomed to these price changes and can manage them (Anugraha, 2022).

Conversely, Investors with a moderate risk tolerance, on the other hand, accept some risk in their investments, but less so than investors with an aggressive risk tolerance. They establish a limit for how much loss they can take. Typically, these investors use a combination of risky investments, such as equities, and safe investments, such as fixed-income securities, to spread out the risk. Usually, they split 50:50 to reduce risk and generate decent profits (Anugraha. 2022).

However, conservative risk-tolerant investors assume the least amount of market risk. They steer clear of risky ventures and favor making investments in securities or

financial products that safeguard their money (Anugraha, 2022). Rather than aiming for larger returns, they prefer to avoid risk and loss. They mainly invest in secure assets like bonds and deposits. These investors favor investments with low risk and large returns. Risk tolerance is a key concept in investing. The risk appetite of the investors must be considered in all investment decisions. As a result, a number of variables affect a stock market investor's choice. Success in the stock market may depend on his level of risk tolerance in addition to his obvious personality traits (Anugraha, 2022).

According to the research, the study found that risk-tolerance behavior moderates the relationship traits and behavioral biases, and that conscientiousness and extroversion traits strongly influence behavior biases. Personality factors have an impact on behavior biases. According to the report, to lessen the impact of these biases, financial advisors should inform their customers and set lock-gain and stop-loss points. Additionally, investment advisors should disseminate information more effectively so that investors' portfolios can be built into a well-diversified investment. They should also try to set up effective approaches associated with investment quality and provide swapping options as to the investor's risk-tolerance behavior (Singh et al., 2022).

A different study found that a complex interplay of personal attributes, personality traits, risk tolerance, emotions, and demographics like as gender, age, and educational attainment influences an investor's decision-making process (Menyeh & Adil, 2021). However, personality traits have been determined to be the most essential factor determining a person's behavior. Furthermore, it noted that personality plays an important part in comprehending the process of making investment decisions and supports to the creation of a sound finance theory with behavioral bases (Durand et al., 2019).

Therefore, in this context, the researchers decided to study the impact of personality traits and risk tolerance on investment decisions among private and public school teachers in Ozamiz City.



Figure 1 Schematic Diagram of the Study

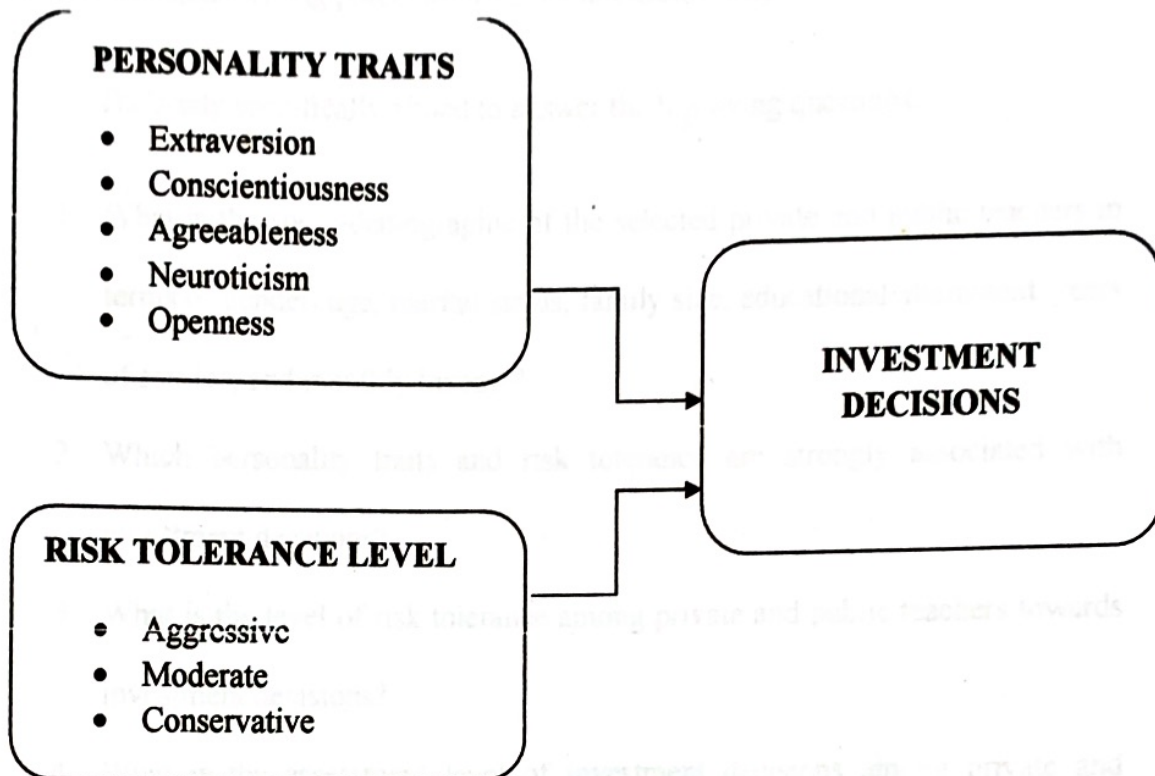


**Figure 1 Schematic Diagram of the Study**

## **Statement of the Problem**

The study focused on determining the impacts of personality and risk tolerance on investment decisions among potential investors in Ozamiz City.

The study specifically aimed to answer the following questions:

1. What is the socio-demographic of the selected private and public teachers in terms of gender, age, marital status, family size, educational attainment, years of service, and monthly income?
2. Which personality traits and risk tolerance are strongly associated with investment decisions?
3. What is the level of risk tolerance among private and public teachers towards investment decisions?
4. What is the assessment level of investment decisions among private and public teachers?
5. What is the impact of personality traits and risk tolerance toward investment decisions among private and public teachers in Ozamiz City?

## **Null Hypothesis**

This study aimed to prove the following hypotheses based on all of the variables mentioned above:

Ho1: There is no correlation between investment decisions and potential investors' risk tolerance and personality traits.

**Ho2: There is no significant impact of personality traits and risk tolerance on investment decisions.**

### *Research Methodology*

#### *Design*

The study was carried out using a quantitative research design. Quantitative research involves gathering and processing numerical data to test hypotheses and measure predicted probabilities, spot trends or averages, and extrapolate results to broader populations (Munir, 2020). The design of this study is important as it makes it possible to measure variables and relationships. It goes into detail on important issues including where the data came from, where the gaps are, how dependable it is, and what exclusions were made during the data research (Munir, 2020). However, descriptive and inferential statistics were utilized in this study, which compared mean, frequency, percentage, and standard deviation to summarize the features of a sample or data set. This study also used a manager-related survey to determine the relationship between the personality traits and risk tolerance when making investment decisions (Ali & Memon, 2015).

#### *Setting*

The study was carried out in Karachi City, which is a metropolitan city in the southern coastal province, which has a GDP of PKR 1.64 trillion (2021). There are 100,000 small and medium-sized private and public schools in Karachi City, but the study only included 10,000. These schools are an arbitrary sample collected from them. Public and private

## Chapter 2

### Research Methodology

#### Design

This study was carried out using a quantitative research design. Quantitative research involves gathering and processing numerical data. It can analyze causal linkages, produce projections, spot trends and averages, and extrapolate results to broader groups (Bhandari, 2020). The design of this study is important since it makes it much easier to analyze samples and populations. It goes into detail on important topics including where the data came from, where the gaps are, how dependable it is, and what exclusions were made during the data research (Bhasin, 2020). However, descriptive and inferential statistics were utilized in this study, which computed mean, frequency, percentage, and standard deviation to summarize the features of a sample or data set while also using a randomly selected sample of data to characterize and infer the population (Minitab, 2022). Quantitative research designs aid in measuring respondents' personality traits and risk tolerance when making investment decisions (Pak & Mahmood, 2015).

#### Setting

This study was carried out in Ozamiz City, a coastal component city in the Misamis Occidental province, which has a total of 51 barangays (PhilAtlas, 2022). There were numerous private and public schools in Ozamiz City, but the researchers chose six schools from elementary to tertiary level and collected data from them. Public and private

schools were represented by the six schools that were chosen. For the elementary school, the researchers chose Our Lady of the Angel School (OLAS), a private school, and Ozamis City Central School, a public school in Tinago, Ozamis City. We selected two public schools for secondary education: Ozamiz City School of Arts and Trade (OCSAT), located in Maningcol, Ozamiz City, and Ozamiz City National High School (City High), situated on Bernad Street in Lam-an, Ozamiz City. Also, the researchers included Immaculate Conception which is a private institution that is situated on Burgos Street in Ozamis City. The researchers selected Misamis University, which is situated in H.T. Feliciano Street Aguada, Ozamiz City. The Philippine Association of Colleges and Universities (PACUCOA) has granted the AUTONOMOUS STATUS in the area. Data were collected by the researchers from the chosen private and public schools in Ozamiz City.

### **Respondents**

The respondents of this study were chosen using convenience sampling, which involves using respondents who are "convenient" to the researcher, where there is no pattern. The researchers surveyed 120 employees as respondents for the chosen study in Ozamis City. There were 60 faculty members and 60 staff from public and private academic institutions in Ozamis City. The faculty was the topic teachers or instructors of the institutions. The staffs were the administrative personnel of the institutions, which were the secretaries, registrars, assistants, counselors, tellers, and so on. Fifty percent (50%) of the respondents were from private academic institutions, and another fifty percent (50%) were from public academic institutions.

## Instrument

The researchers conducted a survey using the adapted research questionnaire to have a fair and relevant study result.

**A. Personality Traits Questionnaire:** This 4-point Likert scale was taken from The Big Five Personality Test by Truity (2021). The 60 questions on the personality test yield precise scores for each of the Big Five personality traits. Openness, conscientiousness, extraversion, agreeableness, and neuroticism were used by the researchers to categorize it.

The following scale assessed teachers' personality traits on investment decisions.

| Responses            | Continuum | Interpretation |
|----------------------|-----------|----------------|
| 4- Strongly Agree    | 3.25-4.00 | Very High      |
| 3- Agree             | 2.50-3.24 | High           |
| 2- Disagree          | 1.75-2.49 | Low            |
| 1- Strongly Disagree | 1.00-1.74 | Very Low       |

**B. Risk Tolerance Questionnaire:** The researcher adapted Risk Tolerance Questionnaire by Grable (2000). It is composed of 5 questions to determine aggressive, conservative, or somewhere in between. It helped the researchers to understand where respondents fall on the risk spectrum.

The following scale was used to assess teachers' level of risk tolerance on investment decisions.

| Responses         | Continuum | Interpretation |
|-------------------|-----------|----------------|
| 3- Strongly Agree | 2.34-3.00 | Aggressive     |
| 2- Agree          | 1.67-2.33 | Moderate       |
| 1- Disagree       | 1.00-1.66 | Conservative   |

**C. Investment Decision Questionnaire:** Adapted from the Investment Decision Questionnaire by Shiundu (2009). It has 28 questions to solicit input to establish a framework for all investment-related decisions. The answers to this questionnaire aid in developing the investment policy statement and the asset allocation, manager selection, ongoing evaluation, and reporting requirements for the portfolio.

The following scale was used to assess teachers' investment decisions.

| <b>Responses</b>     | <b>Continuum</b> | <b>Interpretation</b> |
|----------------------|------------------|-----------------------|
| 4- Strongly Agree    | 3.25-4.00        | Very High             |
| 3- Agree             | 2.50-3.24        | High                  |
| 2- Disagree          | 1.75-2.49        | Low                   |
| 1- Strongly Disagree | 1.00-1.74        | Very Low              |

To determine the respondents' personality traits, risk tolerance, and investment decision level among investment decisions, the researcher used this measuring technique to determine a viable result. The researcher used the Likert scale; 4-means strongly agree, 3-means agree, 2-means disagree, and 1-means strongly disagree.

#### *Statistical interpretation*

| <b>Responses</b>     | <b>Continuum</b> | <b>Interpretation</b> |
|----------------------|------------------|-----------------------|
| 4- Strongly Agree    | 3.25-4.00        | Very High             |
| 3- Agree             | 2.50-3.24        | High                  |
| 2- Disagree          | 1.75-2.49        | Low                   |
| 1- Strongly Disagree | 1.00-1.74        | Very Low              |

## **Data Collection**

After receiving consent from their consultant, the researchers first obtained the College Dean's authorization before starting the study so they could distribute the questionnaires to the participants. After obtaining the necessary permissions, the researchers sent a formal letter of request to the respondents, explaining the study's objective and assuring them that the information they had collected would only be used for that purpose.

Before starting to collect data from the respondents, the researchers sought their permission. Then, the respondents received a questionnaire from the researchers asking them about how their personality and risk tolerance affect their investment choices.

After the respondents completed to answer the survey questionnaire, the information was obtained for evaluation and interpretation upon retrieval. Finally, data were tabulated, analyzed, and interpreted.

## **Ethical Consideration**

When conducting research, ethical considerations such as informed consent, avoiding the risk of harm, and maintaining confidentiality must be taken into account (Trochim, 2006). People would not be forced to take part in the study. Do not hold it against them if they choose not to participate; this is their choice.

According to Trochim (2006), moral concerns must be taken into account when gathering data. First, it is understood by the term "informed consent" that the study subject is completely aware of the evaluation being done. This is an ethical consideration

when gathering data. The project's goal must be made clear to participants. Second, people must take part in the evaluation on a voluntary basis to qualify as participant. Participant withdrawals are always free and have no negative consequences for future involvement. Third, do no harm is a principle that can be applied to both bodily and psychological harm, which might appear as tension, pain, anxiety, a drop in self-esteem, or a violation of privacy. Fourth, confidentiality specifies that any identifiable information is only known to or accessible by the program coordinator. Confidentiality also ensures that such information won't be present in any reports or published materials. Fifth, anonymity entails a more stringent level of privacy than confidentiality because the research team is unable to determine the participant's identity. The phrase "only assessing relevant components" refers to evaluating only those components that are pertinent to the program or initiative being undertaken. Evaluations should be as straightforward as possible, with a constant eye on the goal and the information the data have revealed.

### **Statistical Treatment Data**

The data was analyzed using the following statistical tools in order to address the issue raised in this study.

Descriptive Statistics or Mean, Frequency, and Standard Deviation were used to determine the respondents' profile.

Pearson correlation. It was applied to data analysis to ascertain whether personality traits and risk tolerance for investing decisions are associated.

Multiple Regression Analysis. Its purpose was to determine the predictions and judge whether the hypotheses are true. It was employed in Ozamiz City to gauge the

# degree and influence of personality traits and risk tolerance on investment choices among private and public school instructors

Demographic Profile of the Study Subjects

Table 1 provides demographic data of the respondents, including gender, age, marital status, years of experience, and educational attainment. According to the study, 50% (n=37) were male and 50% (n=37) were female. It is noteworthy that the age distribution among respondents in the percentage of each age group was as follows: 20-30 (12.5%), 31-40 (27.0%), 41-50 (37.5%), 51-60 (15.0%), and 61 and above (8.0%). However, data reveal that 40.0% of male respondents answered the survey as single, while 40.0% of female respondents answered the survey as married. Each respondent's marital status ranged from 1 to 10; the average score of the respondents was classified into three categories: small (1-4 members with 14%), medium (5-10 members with 26.9%), and large (more than ten members with 59.1%). Family size was also a representative of social family size. This is its significance in the present study; this variable has been selected as a representative of social status. In demographic data, it was discovered that the Master's Degree is 3.0%, Master's Degree is 20.0%, Bachelor's Degree is 13.0%, college graduate is 10.8%, BSED (General Education) is 7.0%, Bachelor's Degree is 40.8%, and MA is 5.0%. The higher percentage is 40.8% (Bachelor's degree). Each respondent is independent. However, the researchers included respondents who worked within the range of 1 to 10 years of service, which has a percentage result of 34.1%, 11 to 20 years of service, which has a percentage result of 20%, and 21 to 30 years of service, which has a percentage result of 45.9%. Eventually, the researchers

## Chapter 3

### RESULT AND DISCUSSION

#### Demographic Profile of the Respondents

Table 1 provides demographic data of the respondents, including gender, age, marital status, number of children in the household, educational attainment, employment history, and monthly income. According to the study, there are 37.6% male, and 63.3% female. It is determined that the age distribution among respondents in the percentage of each age group was as follows: 20-30 (55.9%), 31-40 (29.1%), 41-50 (9.9%), 51-60 (4.1%) and 61 above is .8%. Moreover, data reveal that 40.0% of single respondents answered the survey, while 60.0% percent of married respondents answered the survey as well. Each respondent's family size ranged from 1 to 17; the family size of the respondents was classified into three categories small (1-4 members with 73% ), medium (5-10 members with 26.9%), and large (more than ten members) were in medium size family which was also a representative of typical family size. Due to its significance in the proponents' study, this variable has been selected as a representative distribution of the demographic data. It was discovered that the MaEd is 5.0%, Master's Degree 20.8%, MaCar 0.8%, BEED 15.0%, college graduate 10.8%, BEED General Science 1.7%, College degree 40.8%, and MBA 5.0%. The higher percentage is 40.8% (college degree) from the overall respondent. However, the researchers included employment history which utilized the range of 1 to 10 years of service, which has a percentage result of 70.1%, 11 to 20 years of service, which has a percentage result of 20%, and 21 to 30 years of service, which has a percentage result of 9.8%. Eventually, the researchers

defined low income as 10,000 or less, moderate income as 10,001-19,000, and high income as 30,001 and above.

Contrarily, many Indian research, have concluded that an investor's risk tolerance is essential while making investment decisions. Numerous studies have indicated that age, gender, marital status, income level, education, family background, occupation, and other factors influence a person's ability to take risks. According to the findings, single investors take greater risks than married investors, and women are more risk averse than males. Investors between the ages of 25 and 45 have the lowest risk tolerance. However, because they are aggressive and impatient, people with personality type A take more risks than people with mentality type B (Henna & Ashwin, 2015).

According to the study, women make up the majority of the respondents, spend more time considering their financial options, and take on less risk than men do. Simply put, they are more likely than men to invest with risk levels that are suitable, demonstrating that women have more expertise. In addition, it was determined that the respondents aged 20-30 are more driven by rational analysis and that younger teachers exhibit higher optimism towards older age groups. Moreover, most respondents who filled out the surveys were married, indicated that they have three family members, and were mostly college graduates. However, the majority of the results fall under 1 to 10 years of service and the majority falls under the moderate-income individual in terms of years of service and monthly income.

**Table 1***Demographic Profile of selected Respondents (n=120)*

| <b>Variables</b>               | <b>Frequency</b> | <b>Percentage</b> |
|--------------------------------|------------------|-------------------|
| <b>Gender:</b>                 |                  |                   |
| Male                           | 44               | 36.7              |
| Female                         | 76               | 63.3              |
| <b>Age:</b>                    |                  |                   |
| 20-30 years old                | 67               | 55.9              |
| 31-40 years old                | 35               | 29.1              |
| 41-50 years old                | 12               | 9.9               |
| 51-60 years old                | 6                | 4.1               |
| 61 years old and above         | 0                | 0.8               |
| <b>Marital Status:</b>         |                  |                   |
| Single                         | 48               | 40.0              |
| Married                        | 72               | 60.0              |
| <b>Family Size:</b>            |                  |                   |
| 0                              | 1                | 0.8               |
| 1                              | 5                | 4.2               |
| 2                              | 7                | 5.8               |
| 3                              | 46               | 38.3              |
| 4                              | 25               | 20.8              |
| 5                              | 15               | 12.5              |
| 6                              | 10               | 8.3               |
| 7                              | 2                | 1.7               |
| 8                              | 3                | 2.5               |
| 17                             | 1                | 5.0               |
| <b>Educational Attainment:</b> |                  |                   |
| MaEd                           | 6                | 5.0               |
| Master's degree                | 25               | 20.8              |
| MaCar                          | 1                | 0.8               |
| BEED                           | 18               | 15.0              |
| College Graduate               | 13               | 10.8              |
| BEED Gen. Science              | 2                | 1.7               |
| College Degree                 | 49               | 40.8              |
| MBA                            | 6                | 5.0               |
| <b>Years of Service:</b>       |                  |                   |
| 0-10 years                     | 88               | 70.1              |
| 11-20 years                    | 24               | 20.0              |
| 21-30 years                    | 8                | 9.8               |
| <b>Years of Service:</b>       |                  |                   |
| 10,000 below                   | 8                | 6.7               |
| 10,001-30,000                  | 96               | 80.0              |
| 30,001-above                   | 16               | 13.3              |

*Source: Authors' work (2022)*

## **Personality Traits and Risk Tolerance are Strongly Associated towards Investment Decisions**

Table 2 shows that the Big 5 has a mean of .441 while the risk assessment has .553, with both interpretations of moderate positive correlation.

Many scholars have come to the conclusion that the degree of risk tolerance of investors plays a crucial part in making an investment decision, according to the study of risk tolerance and, based on demographic and personality type research in Gujarat, India. As a result, it's critical to gauge investors' degrees of risk tolerance. Furthermore, numerous studies have found that an individual's propensity for taking risks is influenced by his or her fundamental demographic traits, including age, gender, marital status, amount of income, education, and occupation. However, no significant systematic attempt has been undertaken to determine how a person's personality attribute affects his or her propensity for taking risks (Heena & Ashwin, 2015).

Moreover, the study of Mishra (2016) supported the findings of the study that risk tolerance is highly correlated with greater materialism, younger age, and male gender, although individual investors' levels of risk tolerance vary depending on a range of factors including materialism, age, gender, and the ratio of wages to the number of family members.

According to the study, the majority of respondents have favorable inclinations for risky investing choices. As a result of their moderately positive association, the statistics above show a strong positive relationship between the Big 5 and Risk Assessment. Additionally, risk tolerance is more closely linked to investment choices.

**Table 2**

*Personality traits and risk tolerance are strongly associated towards investment decisions*  
(n=120)

| <b>Model</b>    | <b>r-value</b> | <b>Interpretation</b>         |
|-----------------|----------------|-------------------------------|
| Big5            | .441           | Moderate Positive Correlation |
| Risk Assessment | .553           | Moderate Positive Correlation |

*Note: 1 Correlation is significant at the 0.01 level (2-tailed).*

*2. (-1.00) Perfect Negative Correlation, (-0.60) Strong Negative Correlation, (-0.30) Moderate Negative Correlation, (-0.10) Weak Negative Correlation, (0.00) No Correlation, (0.10) Weak Positive Correlation, (0.20) Moderate Positive Correlation, (0.60) Strong Positive Correlation, (1.00) Perfect Positive Correlation*

*Source: Authors work (2022)*

### **Level of Risk Tolerance among Private and Public Teachers**

Table 3 shows mean dependent variable in private is 2.92. We can see that the mean level is higher, followed by the public with a mean of 2.69. So, even though they both fall into the same mean, still the private has the highest level based on the table below. With that, the data reveal that private has a high level of risk tolerance compared to public respondents, and most public teachers are risk-takers when it comes to investment decisions.

Critics assert that public sector employees exhibit excessive risk avoidance, yet the study's findings show that they have a lesser risk tolerance when it comes to their financial decisions. This claim was put to the test by comparing the financial risk

tolerance scores of personnel from the public and private sectors who had utilized financial planning services. Employees in the public sector performed poorer than those in the private sector in terms of financial risk tolerance. Even after accounting for additional risk tolerance-related variables, differences persisted (Roszkowski & Grable, 2016).

In relation to respondents from the public, the study suggests that private respondents had the highest level of risk tolerance. Therefore, while making investment decisions, the majority of public educators are assertive in taking risks.

**Table 3**

*Level of risk tolerance among private and public teachers (n=120)*

| Model   | Mean | Interpretation |
|---------|------|----------------|
| Private | 2.92 | High           |
| Public  | 2.69 | High           |

*Correlation is significant at the 0.01 level (2-tailed).*

*Source: Authors work (2022)*

#### **Assessment Level of Investment Decision among Private and Public Teachers**

Table 4 present the assessment level of investment decisions among private and public teachers, where private has the mean of 3.15 while public has 2.84.

Awunyo-Vitor et al. (2015) used second-cycle institution teachers in the Kumasi metropolis to research the variables impacting teachers' mutual fund investing decisions.

In addition, to determine the elements influencing respondents' choice to invest in mutual funds, the logistic regression model was used. According to the study, 68.75% of respondents are aware of mutual funds as a form of investment, and 50% of them learned about them from advertisements for mutual fund services and products. Additionally, the logistic regression model showed a favorable association between decisions to invest in mutual funds and marital status, family size, other sources of income, and financial education.

Moreover, the study of Ananthapadmanabha (2017), the degree of consumption, saving, and investment has a direct impact on one's quality of life. Teachers' attitudes toward spending, saving, and investing would be a reflection of their financial choices, which would impact their quality of life and, in turn, have an impact on their profession and the educational system. Research into these significant players in the school system is vital for educational change.

The study implies that private school teachers have the highest assessment level of investment decisions. In addition, personality qualities of aggressive risk tolerance, extroversion, and openness to experience are present among private school teachers.

**Table 4***Assessment level of investment decision among private and public teachers*

| <b>Factors</b>      | <b>Mean</b> | <b>SD</b> | <b>Interpretation</b> |
|---------------------|-------------|-----------|-----------------------|
| Investment decision |             |           |                       |
| Private             | 3.15        | .29       | High                  |
| Public              | 2.84        | .42       | High                  |

*Source: Authors work (2022)***Impact of Personality Traits and Risk Tolerance towards Investment Decisions**

Table 5 presents the regression analysis results for risk assessment and the big five variables. In risk assessment, private has a mean of .251, while public, has a .390 mean. Meanwhile, the big 5 in private has a .106 mean and .470 in public.

A research study of potential investors in Kazakhstan titled "Impact of personality on risk tolerance and investment decisions" found that risk-taking behavior is influenced by personality variables, which in turn influences investment decisions in stocks, securities, and bonds. According to the findings of this study, investment advisers should consider a person's personality qualities and personal risk tolerance, among other things, while providing investing advice to private clients (Pak & Mahmood, 2015).

Kubilay and Bayrakdaroglu's (2016) study suggested that when individual investors make investing decisions, they should consider their financial risk tolerance and the chance of coming into contact with psychological biases by being aware of their personality traits. It was found that investors' personalities affected their ability to take

financial risks and that there was a significant correlation between investors' personality traits and the psychological biases they encountered.

The study reveal that every significant predictor of the value indicates the percentage increase in public inferences for risk assessment based on the data below. Therefore, in Ozamiz City, public institutions have a greater influence on personality traits and risk tolerance when it comes to investing decisions.

**Table 5**

*Impact of personality traits and risk tolerance towards investment decisions*

*(n=120)*

| Model           | Unstandardized Coefficient (B) |        |
|-----------------|--------------------------------|--------|
|                 | Private                        | Public |
| Risk Assessment | .251                           | .390   |
| Big 5           | .106                           | .470   |

*a. Dependent Variable: Invdec*

*b. Selecting only cases for which Public or Private = 1.0*

*Source: Authors work (2022)*

## Chapter 4

### **SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION**

#### **Summary**

The purpose of this study was to determine how personality traits and risk tolerance affect investing decisions among private and public-school teachers in Ozamiz City. Investment decisions are typically considered as a chance to succeed when investors determine where to deploy their money in various financial markets. Investment Decision refers to the decision made by investors or top-level management regarding the number of funds to be deployed in investment opportunities. Among private and public teachers in Ozamiz City, the aim of this study was to ascertain the degree of risk tolerance toward investment decisions, to examine the degree of assessment of investment decisions, and to ascertain whether personality traits and risk tolerance have an impact toward investment decisions.

#### **Findings**

The findings indicated that women make up the majority of respondents, who spend more time investigating their investment options and take on less risk than men do. In terms of age, respondents aged 20-30 are more driven by rational analysis and that younger teachers exhibit higher levels of optimism towards older age groups. The majority of respondents reported being married, and this fact was a key factor in determining their risk tolerance. Moreover, the majority of the respondents indicated that they have three (3) family members; and most of the respondents are college graduates.

In terms of years of service and monthly income, the majority of the result falls under 0 to 10 years of service; and monthly income falls under the moderate-income individual. However, a moderately positive association between the Big5 and risk assessment was found in the survey results. Largely, the level of risk tolerance suggested that the general public has a greater level, and the majority of public-school instructors are risk-takers. Accordingly, the regression analysis results for risk assessment and big five (5) variables indicated that the value indicates the percentage increase in public inferences for risk assessment based on the means is high.

## **Conclusion**

Risk tolerance is strongly associated with and has the highest level of investment decisions. Besides, most private teachers scored high on the assessment level of investment decisions. Also, public school teachers were largely criticized for how personality attributes and risk tolerance affected investment choices. The study's results show a positive relationship between extroversion and openness to new experiences and risk tolerance and investment decision-making. Furthermore, this study investigated the association between a person's personality characteristics and risk tolerance when making investment decisions. The findings were consistent with the proposed hypotheses. There is a significant and favorable correlation between the two variables, showing that private and public-school instructors choose riskier investments the more risk-tolerant they are. It is so because there is a meaningful and favorable link between the two factors.

## Recommendations

The researchers have given the following recommendations:

1. To boost their risk tolerance on investment decisions, female teachers must go through training such as exploring negotiation activity on investing funds in the sphere of business.
2. Younger married respondents must be encouraged to invest in as much as they have lower risk tolerance.
3. As much as the small size of a family and a college degree holder influences their risk tolerance, it is strongly advised that this group size broadens their investment interest and develops their interpersonal and investing skills.
4. To help future business graduates make prudent financial decisions, the school must provide courses in behavioral finance.
5. More investment options should be available because investment decision-making is the most crucial part of financial management.

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Appendix A  
Misamis University  
Ozamiz City  
College of Business and Management



Dear Sir/Ma'am:

Blessed  
day!

The researchers would like to request permission from you to conduct a survey for our thesis, entitled "Impact of Personality Traits and Risk Tolerance on Investment Decisions among Private and Public Teachers in Ozamiz City." This survey will last approximately 5-10 minutes and will be scheduled at a time convenient for the respondents. Partaking in the survey is entirely voluntary, and there are no known or presumed risks associated with taking part in this study.

All information provided will be kept strictly confidential and used solely for academic purposes. Unless otherwise agreed, the respondents' names will not appear in any thesis publications that result from this study.

Your approval is much appreciated. Thank you in advance for your time and interest in this research.

Sincerely,

  
**HONEY LAIZA D. DASOK**  
Lead Researcher

Noted by,

  
**MR. JOSEPH GLENN J. LAPUT**  
Research Adviser

Approved By:

  
**DR. EFREN J. BARILLO, CPA**  
Dean, College of Business and Management

Appendix B  
**THE BIG FIVE PERSONALITY TRAIT TEST**  
 Adapted from Truitt (2021)

Gender:

Age:

Marital Status:

Family Size:

Educational Attainment:

Years of Service:

Monthly Income:

**Instruction:** Rate each word according to how well it describes you. Base your ratings on how you are, not how you would like to be.

4- Strongly-Agree 3-Agree 2- Disagree 1- Strongly-Disagree

| <b>Extraversion</b>                                           | <b>4</b> | <b>3</b> | <b>2</b> | <b>1</b> |
|---------------------------------------------------------------|----------|----------|----------|----------|
| 1. I am the life of the party.                                |          |          |          |          |
| 2. I start arguments just for the fun of it.                  |          |          |          |          |
| 3. Outgoing.                                                  |          |          |          |          |
| 4. I change my plan frequently.                               |          |          |          |          |
| <b>Conscientiousness</b>                                      |          |          |          |          |
| 5. I am always prepared.                                      |          |          |          |          |
| 6. I get chores then right away.                              |          |          |          |          |
| 7. It is important to me that people are on time.             |          |          |          |          |
| 8. I make plans and stick to them.                            |          |          |          |          |
| 9. I always make good use of my time.                         |          |          |          |          |
| 10. I feel comfortable with myself.                           |          |          |          |          |
| 11. Original.                                                 |          |          |          |          |
| 12. Systematic                                                |          |          |          |          |
| 13. Self-Disciplined                                          |          |          |          |          |
| 14. Organized                                                 |          |          |          |          |
| <b>Agreeableness</b>                                          |          |          |          |          |
| 15. I have a kind word for everyone.                          |          |          |          |          |
| 16. I feel comfortable around people.                         |          |          |          |          |
| 17. I am better than other people.                            |          |          |          |          |
| 18. I make friends easily.                                    |          |          |          |          |
| 19. I treated everyone with kindness and sympathy.            |          |          |          |          |
| 20. I accept people the way they are.                         |          |          |          |          |
| 21. I take care of other people before I take care of myself. |          |          |          |          |
| 22. I stop what I am doing to help other people.              |          |          |          |          |
| 23. Agreeable                                                 |          |          |          |          |
| 24. Charitable                                                |          |          |          |          |

|                                                       |  |  |  |  |
|-------------------------------------------------------|--|--|--|--|
| 25. Humble                                            |  |  |  |  |
| 26. I do not like to draw attention to myself.        |  |  |  |  |
| <b>Neuroticism</b>                                    |  |  |  |  |
| 27. I often feel blue.                                |  |  |  |  |
| 28. I avoid taking on much of responsibility.         |  |  |  |  |
| 29. There are many things I do not like about myself. |  |  |  |  |
| 30. I am often troubled by negative thoughts.         |  |  |  |  |
| 31. My moods change easily.                           |  |  |  |  |
| 32. I have a vivid imagination.                       |  |  |  |  |
| 33. I often feel anxious about what could go wrong.   |  |  |  |  |
| 34. I often worry that I am not good enough.          |  |  |  |  |
| 35. I find it difficult to get to work.               |  |  |  |  |
| 36. I stay in the background.                         |  |  |  |  |
| 37. I seldom feel blue.                               |  |  |  |  |
| 38. I don't talk a lot.                               |  |  |  |  |
| 39. Shy                                               |  |  |  |  |
| 40. Soft-Hearted                                      |  |  |  |  |
| 41. Tense                                             |  |  |  |  |
| 42. Inquisitive                                       |  |  |  |  |
| 43. Forgetful                                         |  |  |  |  |
| 44. Reserved                                          |  |  |  |  |
| 45. Nervous                                           |  |  |  |  |
| 46. Moody                                             |  |  |  |  |
| 47. Talkative                                         |  |  |  |  |
| 48. Pessimistic                                       |  |  |  |  |
| <b>Openness</b>                                       |  |  |  |  |
| 49. I believe in the importance of art.               |  |  |  |  |
| 50. I am interested in the meaning of things.         |  |  |  |  |
| 51. I am skilled in handling social situations.       |  |  |  |  |
| 52. I enjoy going to the art museum.                  |  |  |  |  |
| 53. I enjoy having a new idea.                        |  |  |  |  |
| 54. I have a lot to say.                              |  |  |  |  |
| 55. I am not interested in abstract ideas.            |  |  |  |  |
| 56. I criticize other people.                         |  |  |  |  |
| 57. I am not to found of art.                         |  |  |  |  |
| 58. I avoid philosophical discussions.                |  |  |  |  |
| 59. Creative                                          |  |  |  |  |
| 60. Inquisitive                                       |  |  |  |  |

Appendix C  
**RISK TOLERANCE QUESTIONNAIRE**  
**ADAPTED FROM GRABLE (2000)**

**Instruction:** Rate each word according to how well it describes you. Base your ratings on how you are, not how you would like to be.

3- Strongly-Agree 2-Agree 1- Disagree

| <b>Risk Tolerance Assessment Items</b>                                              | <b>3</b> | <b>2</b> | <b>1</b> |
|-------------------------------------------------------------------------------------|----------|----------|----------|
| 1. Investing is too difficult to understand.                                        |          |          |          |
| 2. I am more comfortable putting my money in a bank account than in a stock market. |          |          |          |
| 3. When I think about the word "risk", the term "loss" comes to mind immediately.   |          |          |          |
| 4. Making money in stocks and bonds is based on luck.                               |          |          |          |
| 5. In terms of investing, safety is more important than returns.                    |          |          |          |

Appendix D  
**INVESTMENT DECISION QUESTIONNAIRE**  
**ADAPTED FROM SHIUNDU (2009)**

**Instruction:** Rate each word according to how well it describes you. Base your ratings on how you are, not how you would like to be.

4- Strongly-Agree 3-Agree 2- Disagree 1- Strongly-Disagree

| <b>Investment Decision Assessment Items</b>                                        | <b>4</b> | <b>3</b> | <b>2</b> | <b>1</b> |
|------------------------------------------------------------------------------------|----------|----------|----------|----------|
| 1. Feeling for a firm's products e.g., shares.                                     |          |          |          |          |
| 2. To get rich quickly.                                                            |          |          |          |          |
| 3. Firm status in the industry.                                                    |          |          |          |          |
| 4. The creation of well-organized financial markets.                               |          |          |          |          |
| 5. Perceived ethics of the firm.                                                   |          |          |          |          |
| 6. I am feeling on the economy.                                                    |          |          |          |          |
| 7. The reputation of the firm.                                                     |          |          |          |          |
| 8. The firm's involvement in solving community problems.                           |          |          |          |          |
| 9. Expected corporate earnings from financial statements.                          |          |          |          |          |
| 10. Profit and position condition of income statement and balance sheet of a firm. |          |          |          |          |
| 11. Dividends paid.                                                                |          |          |          |          |
| 12. The price of a share.                                                          |          |          |          |          |
| 13. Expected dividend by investors.                                                |          |          |          |          |
| 14. Past performance of the firm's stock.                                          |          |          |          |          |
| 15. Information obtained from the internet.                                        |          |          |          |          |

|                                                        |  |  |  |  |
|--------------------------------------------------------|--|--|--|--|
| 16. Fluctuation/development in the stock index.        |  |  |  |  |
| 17. Coverage in the press.                             |  |  |  |  |
| 18. Statement of government officials.                 |  |  |  |  |
| 19. Current economic indicators like interest rate.    |  |  |  |  |
| 20. Recent price fluctuation in a firm's stock.        |  |  |  |  |
| 21. Broker recommendation.                             |  |  |  |  |
| 22. Family member opinions.                            |  |  |  |  |
| 23. Friend or coworker recommendations.                |  |  |  |  |
| 24. People's opinions on the firm's stock.             |  |  |  |  |
| 25. The attractiveness of non-stock investment.        |  |  |  |  |
| 26. Needs for diversification.                         |  |  |  |  |
| 27. Ease of obtaining borrowed funds                   |  |  |  |  |
| 28. You are minimizing the risk of loss on the market. |  |  |  |  |

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Weight: 46 kg

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2022 - present

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2010 - 2011

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