

Impact of Individual Values on Investor Decision Making A Case of Lahore Stock Exchange

ALI HASSAN

MS Scholar, Department of Management Sciences, University of Gujrat, Pakistan.

Email: ali.464614@gmail.com

IRTAZA ANSAR

MS Scholar, Department of Management Sciences, University of Gujrat, Pakistan.

Email: irtazaansar@yahoo.com

AMIR SHEHZAD

MS Scholar, Department of Management Sciences, University of Gujrat, Pakistan.

Email: 10012720-022@uog.edu.pk

Abstract

This study attempted to investigate the impact of individual values on investor decision making. Questionnaire was the research instrument and 200 questionnaires were filled from the investors of the Lahore stock exchange. Individual values were selected from Rokeach's value system. Dependability, tolerance, capability, self-realization and welfare values were used to measure individual values. Investor decision making was measured by risk tolerance level, needs and goals of investors. Regression technique was applied and correlation coefficient was found in the study. The study found the significant impact of individual values on investor decision making. Tolerance, self-realization and capability values had significant positive while dependability and welfare values were significant negatively related with risk tolerance level. Investor needs revealed significant negative relationship with dependability, self-realization and welfare values and significant positive relationship with tolerance and dependability values. It also found significant negative relationship of dependability values and significant positive relationship of tolerance and welfare values with investor goals. Findings of the study concluded individual values as significant and important factors of investor decision making. The study is first of its nature in the sense that it examined the impact of individual values on investor decision making and highlight the need of understanding individual values for decision making.

Keywords: *Individual Values, Investor Decision Making, Lahore Stock Exchange, Rokeach's Value System.*

Introduction

Values have been used to define cultures and individuals and to describe inspirational angles of behavior and behavior in organizations (Durkheim 1893, 1897; Weber 1905). According to Robbins and Assess (2011), principles are firm values that "carry your idea as to what is right, good, or desirable". The value of principles is the impact of someone's behavior and actions. These principles inform about the ways we choose our lifestyles and the choices we create. A value may be described as something that we keep beloved, those things/qualities which we consider to be of value. Individual values have been linked with decision making by different researchers. McGuire, D. et al (2006) linked the individual's values with the decision making of line managers. But the relationship of values with investor decision making was not analyzed too much and only few literature was available.

When we think of our principles we think of what is essential to us in lifestyle. Each of us holds several principles (e.g., accomplishment, protection, benevolence) with different levels of importance. A particular value may be very essential to one individual but insignificant to another. Principles and values and ones belief connected inextricably to impact. When values are triggered, they become filled with sensation. Individuals for whom freedom is an essential value become aroused if their freedom is confronted, in hopelessness when they are hopeless to secure it, and are happy when they can appreciate it. Principles make reference to suitable objectives that encourage activity. People for whom public purchase, justice, and helpfulness are important values are inspired to engage in these goals. Principles surpass particular activities and circumstances. Behavior and loyalty, for example, are values that may be appropriate at work or in school, in sports, business, and state policies, with family, friends, or unknown people. This function differentiates values from smaller ideas like norms and behavior that usually make reference to particular activities, things, or circumstances. Principles and values provide as requirements or standards. Principles and values inform the assessment of actions, guidelines, individuals, and activities. People choose what is good or bad, validated or unlawful, worth doing or preventing, depending on possible repercussions for their valued values. But the impact of values in daily choices is hardly ever aware. Principles get into attention when the actions or decision one is considering have inconsistent effects for different values one cherishes. Individuals cannot deal efficiently with these specifications of human lifestyle on their own. Rather, people must connect appropriate objectives to deal with them, connect with others about them, and obtain collaboration in their desire. Principles are the culturally desirable ideas used to signify these objectives psychologically and the terminology used to show them in public connections from a transformative viewpoint. (Shalom H. Schwartz, 2009)

A 'value' is generally established by a particular perception that is relevant to the value of a concept or kind of behavior. Some individuals may see excellent value in preserving the globe's jungles. However an individual who depends on the signing of woodlands for their job may not position the same value on the woodlands as an individual who wants to preserve it. Values can affect many of the decision we create as well as have an effect on the decisions. It is what one believed – and what one desired – and one's own sense of principles, designs, and understanding what one wanted.

Values have been a main idea in the public sciences since their beginning. Values were essential for describing decision making and planning. Values and principles have performed an important part not only in sociology, but in mindset, anthropology, and relevant professions as well. Principles are used to define cultures and people, to monitor modify over time, and to describe the motivational angles of behavior and actions (Durkheim 1893, 1897 and Weber 1905).

Personal values were linked with the financial decision making. As financial decision making based on the individual goals its values and needs. Values provide a broad spectrum to make decisions about the financial decisions. Decisions may be ethical or unethical. For a rational decision personal values and traits are very much influencing. Values and Principles are those things that are truly essential in one's life. They are based on family, religious beliefs, social companies, lifestyle and professional influences. Values and principles provide inner referrals points for what is good, suitable, beneficial, important and wonderful. They also inform the inner inspiration that books our activities. Attaching one's personal economical targets back to someone's values can make sound economical decision-making easier, and it helps adhering to a budget.

Determining individual values, principles and perspective results in the growth of an individual objective statement from which you can create objectives. An individual objective declaration is someone's reason for being, someone's objective in life. This objective declaration should be linked straight back to individual principles and perspective. While it's not always easy to communicate your principles, perspective and objective, it provides a sense of purpose in your financial planning. Connection of values and principles, perspective and objective allows you to make objectives that are in positioning with what you want to achieve (Robert B. Walker, 2012).

Personal principles and values offer inner referrals for what is good, valuable, important, useful, wonderful, suitable, and valuable. Values produce actions and help fix common individual problems of success by relative positions of value, the outcomes of which offer solutions to concerns of why people do what they do. Principles are acquired in many different ways by the most important place for building values is a person's close relatives. Family members is accountable for educating children what is right and wrong long before there are other impacts. It is thus said that a kid is a representation of his or her parents. As a kid starts school, instructors and class mates help shape the decision of kids. Religion also results in educating kids values. Values realized what content factors are essential, How much cash will be needed? Where to get the finance? What trade-offs will make? When to get and where to spend the finance? And so on. There is no doubting that choices relevant to finance are essential – they impact each of our lifestyles and those around us. And values principles impact these decisions (money and youth, 2012).

Significance

Findings of the study are helpful for the agents and brokers who earn money by attracting people to invest in stock, bonds and other securities. They will come to know how investor decisions can be affected and investors can be convinced. This study is also helpful for the different organizations who want to raise funds by attracting individuals to invest in their securities. It is also supportive for government policy purposes. The results of this study are most importantly applicable to the individual investors of developing economies where values are important part of their decision making as compare to the developed economies. Literature is available on values and decision making relationship but very little is available on investor decision making. This is the first study in Pakistan analyzing the impact of individual's values on its investment decision making.

Objectives

The aim of this study is to check that how much value is important for investor decision making and how values affect investor decision making. The objective is also to provide insights about the relationship of values and decision making and help to understand the important values. Its purpose is also to provide information agents, brokers and government authorities that how the benefits can be obtained by the values that are most important for decision making. More specific objectives of this study are given below.

- To identify the important values for decision making.
- To analyze the impact of values on decision making.

Hypothesis

The main objective of this study is checking the impact of values on investor decision making. According to this objective, there are three main hypotheses of this study.

Hypothesis#1

H_0 = There is no relationship between values and investor's risk tolerance level.

It can be reduced in following sub-hypotheses.

$H_{01(a)}$ = There is no relationship between dependability values and investor's risk.

$H_{01(b)}$ = There is no relationship between tolerance values and investor's risk.

$H_{01(c)}$ = There is no relationship between capability values and investor's risk.

$H_{01(d)}$ = There is no relationship between self-realization values and investor's risk.

$H_{01(e)}$ = There is no relationship between welfare values and investor's risk.

Hypothesis#2

H_0 = There is no relationship between values and investor's needs.

This hypothesis is reduced in its sub hypotheses are given below.

$H_{02(a)}$ = There is no relationship between dependability values and investor's needs.

$H_{02(b)}$ = There is no relationship between tolerance values and investor's needs.

$H_{02(c)}$ = There is no relationship between capability values and investor's needs.

$H_{02(d)}$ = There is no relationship between self-realization values and investor's needs.

$H_{02(e)}$ = There is no relationship between welfare values and investor's needs.

Hypothesis#3

H_0 = There is no relationship between values and investor goals.

Sub-hypotheses of last main hypothesis are also given below.

$H_{03(a)}$ = There is no relationship between dependability values and investor goals.

$H_{03(b)}$ = There is no relationship between tolerance values and investor goals.

$H_{03(c)}$ = There is no relationship between capability values and investor goals.

$H_{03(d)}$ = There is no relationship between self-realization values and investor goals.

$H_{03(e)}$ = There is no relationship between welfare values and investor goals.

Literature Review

Many researchers have investigated about the impact of values on the decision making of the managers and other employees in the organization. Values play a significant role in the decision making of the individuals .it could be found through many studies.

A variety of experiments illustrate that attitudes and principles are different constructs, not only in the thoughts of scientists, but also in the thoughts of experts (Hofstede, 1998). Behaviors are most likely to differ in conditions of the stage of significance connected to the item or scenario. They differ from principles primarily due to their life expectancy within your intellectual schemata. Values can influence the having of certain attitudes; however, compared with attitudes, principles are regarded imperative for action (Bates et al., 2001).

Some of the most crucial choices a manager makes include individual principles – how much emphasis to position on the immediate passions of the client or the long-term passions of the organization, how to apportion time between family members and organizational responsibilities, what actions to compensate or prevent. Many supervisors appreciate that a strong understanding of principles is crucial in being an authentic leader, as well as in acquiring the dedication and productivity of business members. (Kouzes & Posner, 2006).

Principles are so deep-seated that one never actually “sees” values themselves. What is seen are the ways through which values reveal themselves (e.g., in opinions, behavior, choices, wishes, worries, etc.). Values can be individual, expert, business, or social. Although they are connected, the influence among them differs. Principles offer the foundation for the objectives of a business. They quietly give route to the thousands of decisions created at all stages of the company every day. They are at the center of the lifestyle of an organization (Grojean et al. 2004).

The web link between personal principles and managing decision-making is regarded to be powerful, complicated and less well recognized. Bet and Gibson (1999) claim that values create as people are revealed to levels within a public program (family, perform, employment) and a variety of these exterior aspects must also be taken into consideration in examining causal relationships. Failing to research principles in the perspective of other factors may be one reason for this lack of solid research results (Shrum and McCarthy, 1992). Some research have outlined antecedents such as age, sex, knowledge, and the moderating impact of lifestyle and team alignment in analyzing the impact of principles on various decision outcomes (Bigoness and Blakely, 1996; Erez and Earley 1987; Giacomino and Akers, 1998; Johnson and Elder 2002; Wagner 1995).

Argawal and Krishnan (2000) analyzed the relationship between managing values and authority styles. Centered on an example of fifty manager-subordinates couples based in South-East Indian, they found that great process focused management rated accomplishment values considerably greater than low-task management. High interaction management provided considerably higher positions to protection and benevolence and lower positions to self-direction and power as compared to low interaction management. Task focused authority style was significantly relevant to both accomplishment and benevolence. Relations-oriented authority was considerably relevant to benevolence, protection and achievement.

Keast (1996) analyzed the connection between principles and the decision-making of 10 CEOs in community educational institutions in Greenland. Using a qualitative analysis style, the analysis showed that principles performed an important part in the decision-making procedure. It discovered that a level of likeness seems to be available in the regularity with which the same principles reoccurred in the decision-making of all ten CEOs. The analysis also exposed that some values that exposed great situations in the choice situations were also discovered to be extremely occurring in the follow-up discussions, showing their advanced level of occurrence in the CEOs' value make-up. Distributed decision-making happened most often in business redevelopment choice situations and this value, together with believe in, presented most regularly in the follow-up business redevelopment interviews.

Carroll (1993) is to believe that supervisors with a powerful set of financial principles will put financial problems ahead of social problems. Sharfman et al. (2000) also found that supervisors with a powerful ethical principle focus emphasized community problems, regulating problems and governmental problems similarly. Similarly, legal principles oriented supervisors emphasize regulating and governmental problems similarly with group issues. He analyzed the consequences of managing principles on social problems evaluation. A complete of 129 supervisors from the US attended the study. They found a clear connection between the problems analyzed as important and the administrator conducting the assessment. Economic principles focused supervisors stressed both community and regulating principles less than supervisors of other principles orientations.

Sparrow and Wu (1998) analyzed the connection between nationwide culture and values and HRM choices of Taiwanese workers. Although the research is based on workers and not supervisors and uses social principles rather than personal principles as its device of measurement, the research is popular for its concentrate on HRM decision-making. National culture included 5% to 10% of the complete personal difference in HRM choices. This restricted platform of scientific research indicates that there is an important relationship between the person principles of supervisors and decision-making procedures. Individual principles describe, to a certain level, a variety of organizational choices, from leadership and choice styles.

Character aspects that have been determined as impacting financial high threat consist of sensation looking for, extraversion, impulsivity, and awareness to experience, conscientiousness, anxiety, and neuroticism. Feeling looking for (Zuckerman, 1994) is inspired by the need for arousal of the neurological system. This need is met by different, complicated, novel, and extreme stimulation and experiences. Great feeling hunters have a great need for excitement and therefore usually take more and larger threats than low feeling

hunters (Wong & Carducci, 1991). Sensation looking for and extraversion may affect financial risky. Teenagers are generally more extravert and open to new experiences than senior citizens, and this may partially describe the age effect on risky. These all behaviors come from the values make up of an individual, its surrounding and environment. Extraversion has an established connection with the need for excitement and therefore with feeling looking for (Lauriola & Levin, 2001).

Dr Dhiraj Jain (2012) tried to find the impact of demographic factors on investor's decisions. Regular income is considered as being a primary objective of the investors and the expected rate of return varies from individual to individual based on their risk preference. It was found that there is negative relationship between age, marital status and occupation and also a positive relationship between income, cities and investor's knowledge.

Methodology

LSE (Lahore Stock Exchange) has two branches which are in two industrial cities of Pakistan, Sialkot and Faisalabad. Sialkot branch is called as "Sialkot trading floor". Almost 50% of the transactions of LSE are on internet and it was first stock exchange of Pakistan. Data for the study was of primary nature and 200 individual investors were contacted. Convenience non- probability sampling technique was used to select samples. Lahore and Sialkot branches were visited for this study and by using primary data collection method; questionnaires were filled from individual investors in LSE from more than 200 individual investors. But considered only 200 responses as some responses were rejected by the respondents or were incomplete.

Variables of the Study

In this study, Rokeach's value system has been used as there are two sets of values, terminal values and instrumental values and selected 5 values which affect the individual investor's decision behavior. Dependability, tolerance, capability, self-realization, welfare and principle values were selected to measure individual values.

Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree) used to measure the values. Many researchers had used Rokeach's value system in their researches such as McGuire et al, (2006), Norman. T. Feather (1975) and William. J. Bigoness (1996). Adequacy of Rokeach's value system was tested by V .A. Braithwaite (1985).

Investor's decision behavior is a dependent variable having three dimensions: risk tolerance level, investor needs and goals. W. V. Harlow and Keith C. Brown (1990) used risk tolerance level to measure the investor's risk in investment decision making.

Instrument of the Study

A three page questionnaire was the instrument of the study. It was divided into three major parts. Part 1 was used to collect demographic information about individual investors. Investors were asked to provide information about five important demographics. They provide information about their gender, age, income source, work status and qualification. Second part of the questionnaire included questions on values. Five values from Rokeach's value system were selected that were important for investment purpose. Investors were requested to rate from strongly disagree (1) to strongly agree (5). The reason of using Rokeach's value system because of widely used by many researchers in past (Murghy and Gordon 2004; Cornnor & Becker 2003; Lenartowicz & Johnson 2003).

Last portion of questionnaire was designed to collect data about three dependent variables of the study. Responses about the risk tolerance level were collected by different question to which respondents rated

from strongly disagree to strongly agree. Response of investor about individual needs and goals were collected by one direct question for each variable.

Result and Analysis

Statistical Package for Social Sciences (ver.16) was used for data analysis. Relationship between dependent and independent variables were analyzed by descriptive, correlation and regression analysis. Results and analysis were started after checking the reliability of questionnaire used in this study. In first step, reliability analysis was undertaken by calculating crone batch alpha. Table 1 show that the value of crone batch alpha is greater than standard value of 0.70.

Table.1 Reliability Analysis

Cronbach's Alpha	Number of Items
0.819	26

Descriptive Analysis

Descriptive analysis of independent and dependent variables are summarized in table2 and 3 respectively. First part of table2 shows the demographic characteristics of respondents. It shows that most of the investors are male and they are self employed having investment as the primary source of income. It is also showing that investors in Lahore stock exchange have good educational background and keenly involved in investment activities.

Second part of table2 has summarized the responses of independent variables of this study. It shows that most investors believe that they have self control and take reliable and consistent decisions. While the responses of tolerance values shows that they accept their faults and consider the views of other while making investment decisions. Self-realization values also show that investors are excited about their investment activities and feel sense of achievement in their decisions. In addition to this they also try hard for best outcomes and make their decisions with full freedom. Moreover, responses of welfare values are explaining the beliefs that they invest for comfortable life and to enjoy the equal status.

Table.2 Descriptive Analysis (1)

Gender	Male	Female			
Frequency	161	39			
Percentage	80.5	19.5			
Age	15-25	26-35	36-45	Above 45	
Frequency	49	49	74	28	
Percentage	24.5	24.5	37	14	
Income Status	Salary	Rental Income	Investment		
Frequency	49	37	114		
Percentage	24.5	18.5	57		
Work Status	Govt. Employed	Self Employed			
Frequency	37	163			
Percentage	18.5	81.5			
Qualification	Matric	Graduate	Post Graduate		
Frequency	29	106	65		
Percentage	14.5	53	32.5		

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Dependability Values					
Consistency					
Frequency	-	20	17	114	49
Percentage	-	10	8.5	57	24.5
Reliability					
Frequency	-	-	49	74	77
Percentage	-	-	24.5	37	38.5
Self control					
Frequency	-	28	46	97	29
Percentage	-	14	23	48.5	14.5
Tolerance Values					
Accepting Faults					
Frequency	20	-	-	94	86
Percentage	10	-	-	47	43
Being Open minded					
Frequency	-	8	49	66	77
Percentage	-	4	24.5	33	38.5
Capability Values (Competency)					
Frequency	-	20	-	131	49
Percentage	-	10	-	65.5	24.5
Self-realization Values					
Excitement					
Frequency	20	-	8	78	94
Percentage	10	-	4	39	47
Achievement					
Frequency	-	8	20	114	58
Percentage	-	4	10	57	29
Freedom					
Frequency	-	8	20	95	77
Percentage	-	4	10	47.5	38.5
Strive Hard					
Frequency	-	-	20	85	95
Percentage	-	-	10	42.5	47.5
Welfare Values					
Comfortable Life					
Frequency	-	20	8	86	86
Percentage	-	10	4	43	43
Equality					
Frequency	-	49	69	53	29
Percentage	-	24.5	34.5	26.5	14.5

Table3 includes the summary of descriptive of dependent variables of the study. It shows that respondent investors have risk taking habit and prefer to take economical business risk after careful judgment. Their

risk tolerance level is between medium and high level because of good results from their investments in past. They invest to fulfill their medium and long term needs and their goal of investment is capital appreciation.

Table.3 Descriptive Analysis (2)

Risk	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Risk Taking Habit					
Frequency	-	8	20	95	77
Percentage	-	4	10	47.5	38.5
Risk Acceptability					
Frequency	-	28	-	77	95
Percentage	-	14	-	38.5	47.5
Taking Economic Risk					
Frequency	-	8	20	95	77
Percentage	-	4	10	47.5	38.5
Taking Business Risk					
Frequency	-	28	-	106	66
Percentage	-	14	-	53	33
Risk Results					
Frequency	-	8	20	66	106
Percentage	-	4	10	33	53
Risk Tolerance Level	Low Risk	Medium Risk	High Risk		
Frequency	28	78	94		
Percentage	14	39	47		
Investor Needs	Short term	Medium Term	Long Term		
Frequency	58	68	74		
Percentage	29	34	37		
Investor Goals	Current Income	Capital Preservation	Capital Appreciation		
Frequency	29	28	143		
Percentage	14.5	14	71.5		

Normality Test

Variables of this study were on ordinal scale but after transformation, they were also converted into quantitative variables. Next two analyses are correlation and regression analysis so the primary requirement of these analyses is the normal distribution of data.

Table.4 Test of Normality

	Dependability	Tolerance	Capability	Self-realization	Welfare	Risk	Needs	Goals
Kolmogorov-Smirnov Z	3.12	4.42	5.34	6.47	3.79	5.52	3.42	6.61
Asymp. Sig. (2-tailed)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

a. Distribution is normal

Results of normality test are given in table4. It shows that the distribution of all the variables is not normal as the p-value of all the variables in this test is significant at 0.01. Their distributions were become normal after taking the natural logarithm.

Correlation Analysis

Table5 includes the summary of correlations among dependent and independent variables. It shows that how relationship, independent variables have with dependent as well as other independent variables. All the independent variables have significantly strong relationship with the risk tolerance level of investor but only dependability values and welfare values have significant relationship with goals of investors. Investor needs are also strongly correlated with dependability, tolerance and self-realization values and most importantly all the independent variables have strong correlation. It also shows that there is no multi collinearity problem among independent variables.

Table.5 Correlation analysis

	Dependability	Tolerance	Capability	Self-realization	Welfare	Risk	Needs	Goals
Dependability	1.00	0.77**	0.60**	0.79**	0.24**	0.74**	-0.72**	-0.05**
Tolerance	0.77**	1.00	0.69**	0.92**	0.74**	0.85**	-0.43**	-0.03
Capability	0.60**	0.69**	1.00	0.65**	0.52**	0.65**	-0.09	0.03
Self-realization	0.79**	0.92**	0.65**	1.00	0.68**	0.92**	-0.58**	-0.11
Welfare	0.24**	0.74**	0.52**	0.68**	1.00	0.52**	-0.07**	0.44**
Risk	0.74**	0.85**	0.65**	0.92**	0.52**	1.00	-0.39**	-0.04
Needs	-0.72**	-0.43**	-0.09	-0.58**	-0.07	-0.39**	1.00	0.48**
Goals	-0.49**	-0.03	0.03	-0.11	0.44**	-0.04	0.48**	1.00

**Correlation is significant at 0.01.

Regression Analysis

In the last section of results and analysis, linear regression was used to check the impact of values on investor decision making. General form of regression model used in this study is given below.

$$\text{Investor decision making} = \beta_0 + \beta_1 X_{it} + E_{it}$$

β_0 = Constant or intercept in regression model

β_1 = Slope or coefficient of independent variable

E_{it} = Disturbance term

X_{it} = Independent variables of study

In accordance with general form of regression model, there were three models for regression analysis.

Model 1

$$\text{Risk Tolerance Level} = \beta_0 + \beta_1 \text{Dependability} + \beta_2 \text{Tolerance} + \beta_3 \text{Capability} + \beta_4 \text{Self-realization} + \beta_5 \text{Welfare} + E_{it}$$

Model 2

Investor Needs = $\beta_0 + \beta_1 \text{Dpendability} + \beta_2 \text{Tolerance} + \beta_3 \text{Capaability} + \beta_4 \text{Self-realization} + \beta_5 \text{Welfare} + \text{Eit}$

Investor Goals = $\beta_0 + \beta_1 \text{Dpendability} + \beta_2 \text{Tolerance} + \beta_3 \text{Capaability} + \beta_4 \text{Self-realization} + \beta_5 \text{Welfare} + \text{Eit}$

Table6 summarized the results of model1. According to the results, $H_{01(a)}$, $H_{01(b)}$, $H_{01(c)}$, $H_{01(d)}$ and $H_{01(e)}$ cannot be accepted as the significant p-value is less the significant level of 0.01. H_{01} can also be not accepted as all the sub null hypotheses are not accepted. So, it shows that there is significant impact of individuals' values on investor risk level while making investment decisions. Except from dependability and welfare values, there is significant positive relationship between values and risk tolerance level.

Table.6 Coefficients

Model 1	Coefficients	Std. Error	T	Sig.
(Constant)	12.0332	0.6886	17.4741	0.00
Dependability	-1.0117	0.0969	-10.4440	0.00
Tolerance	1.1334	0.1465	7.7390	0.00
Capability	0.7890	0.1152	6.8495	0.00
Self realization	1.4468	0.0719	20.1117	0.00
Welfare	-1.7621	0.1351	-13.0395	0.00

a. Significant at 0.01

Table7 contains the results for the goodness of fit and it shows that model is fit for predicting the relationship between dependent and independent variables.

Table.7 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1835.42	5.00	367.08	446.26	0.00
	Residual	159.58	194.00	0.82		

Table8, model summary, shows that independent variables in model are explaining the 92% variations of investor decision making. According to the value of R-square model 1 is highly significant.

Table.8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
1	0.9592	0.9200	0.9179	0.9070

Results of model 2 are summarized in Table9 and it shows that all the null sub hypotheses of main hypothesis H_{02} are not accepting at significant level of 0.01 and that's why H_{02} is also not accepting. So, there is significant relationship between individual values and investor needs. All the independent variables in model have significant negative relationship with investor needs except tolerance and capability values.

Table.9 Coefficients

Model 2	Coefficients	Std. Error	t	Sig.
(Constant)	6.5460	0.2684	24.3887	0.00
Dependability	-0.5096	0.0378	-13.4972	0.00
Tolerance	0.5046	0.0571	8.8399	0.00
Capability	0.5828	0.0449	12.9825	0.00
Self-realization	-0.1852	0.0280	-6.6061	0.00
Welfare	-0.2481	0.0527	-4.7108	0.00

a. Significant at 0.01

ANOVA results, table10, show that model 2 is fit for predicting the investor decision making with the help of selected individual values.

Table.10 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
2	Regression	106.4771482	5	21.29542965	170.4137	0.00
	Residual	24.24285176	194	0.124963153		
	Total	130.72	199			

Model 2 is explaining the 81.45% variation in the investor decision making and it is also highly significant model.

Table.11 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
2	0.9025	0.8145	0.8098	0.3535

Results of model 3, in table12, shows that except $H_{03(b)}$ and $H_{03(d)}$ all other null sub hypotheses are not accepting. So, H_{03} may partially reject because all the null sub hypotheses are not rejecting. Only dependability, capability and welfare values have significant impact on investor goals. So capability and welfare values have significant positive while dependability has significant negative relationship with investor goals.

Table.12 Coefficients

Model 3	Coefficients	Std. Error	T	Sig.
(Constant)	3.0656	0.3599	8.5183	0.00
Dependability	-0.2909	0.0506	-5.7461	0.00
Tolerance	0.1139	0.0765	1.4887	0.14
Capability	0.1944	0.0602	3.2295	0.00
Self-realization	-0.0400	0.0376	-1.0631	0.29
Welfare	0.2494	0.0706	3.5316	0.00

Table13 of ANOVA results is also showing that model 3 is suitable for the prediction of investor goals due to individual values.

Table.13 ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
3	Regression	63.4354	5	12.68708	56.47162	0.00
	Residual	43.5846	194	0.224663		
	Total	107.02	199			

According to the model summary of model 3, individual values are explaining the investor decision making up to 59.27% and it is also significant.

Table.14 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
3	0.7699	0.5927	0.5822	0.4740

Finding and Discussion

Findings about individual values and investor decision making relationship are almost not available from literature and significant gap exist. This study provides significant findings about this relationship. Findings

of model 1 show that dependability, tolerance, self-realization, capability and welfare values are significantly predicting the risk tolerance level of investors.

Dependability and welfare values have negative relationship with risk tolerance level which means that individuals who are consistent, reliable, having self control and prefer to comfortable and relaxed life takes lower risk. Tolerance, capability and self-realization values have positive impact on risk tolerance level. Higher the tolerance level of accepting the faults of other and remain open minded about external information lead towards taking high risk in their investment decisions. More belief about individuals owns capability, leads towards higher risk due to overconfidence about his/her competency. Individuals having freedom, personal sense of achievement and living more excited life also takes more risks.

Model's 2 findings also show that individual values are significant predictor of investor needs. Tolerance and capability values are positively influencing the investor needs. Investors who have higher the tolerance level of accepting the faults of others and believe on their competencies invest to fulfill their long term needs. While dependability, self-realization and welfare values are negatively related with investor needs which means that individuals who remain consistent, reliable, having self control and freedom along with living exiting, comfortable and relaxed life always try to fulfill their short term needs and therefore their investment decision remain around fulfilling the short term needs.

Findings of investor goals are explained by model 3. It shows that dependability, capability and welfare values are significant predictors of investor goals. Dependability values are negatively while capability and welfare values are positively influencing the choice of investor goals. Findings of this model show that individuals having consistency, reliability and self control prefer to support current income while individuals who want to enjoy equal status in society and believe to be competent invest for capital preservation or appreciation.

Conclusion

This study concluded the significant impact of individual values on investor decision making. Dependability, capability and welfare values were significant predictors of investor's risk, needs and goals while tolerance and self-realization values are significant predictors of investor risk and needs. Variance explained by three models are 92%, 81.45% and 59.27% respectively which is also supporting the importance of individual values in investor decision making.

This study revealed the importance of understanding the investor decision making from the perspective of individual values. Its focus was also on the importance of individual values as significant factor affecting investor decision making. It also identifies the important factor for research in investment decision making as well as individual values of investors. Further research in this domain can be conducted by considering other values that are not the part of this study.

Last but not least, it depicted the attention of broker, investment agents and other stakeholder (Government, Business organizations etc) to get awareness about the individual values for getting benefits from investment and fund raising activities as well. It also drawn the intention of individual investor to study values as important factor and also get understanding that how their own values can affect their investment decisions. They can identify the ways to control the impact of their values to same themselves from undesirable outcomes.

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