

MS THESIS

**Does Male Differ From Female in Financial Decision Making: The Role of
Behavioural Biases**



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Muhammad Ali

DEDICATION

This thesis is dedicated to my parents who have been instrumental in successful completion of my thesis and Dr. Taqadus Bashir, without her dedicated support and supervision it would not have been possible.

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Abstract

This study is conducted to identify the behavioral biases causing irrational behavior of males and females in their financial decision making and the extent of difference in the behavior of both genders. The literature review helped in identifying different biases causing irrationality of behaviors among the males and females. The study carefully selected eight behavioural biases which are overconfidence bias, self-control bias, illusion of control bias, financial endowment bias, self-attribution bias, cognitive dissonance bias, loss aversion bias and mental accounting bias, the impact of those behavioural biases at the financial decision making of male and girl is investigated. Primary data is collected through 250 questionnaires from a pattern length of 195 respondents consisting 104 males and 91 women. Statistical tests had been carried out consisting of correlation, independent sample T-test and regression analysis to examine the presence of behavioural biases and the way those behavioural biases have an effect on the decision making of each gender. The role of male and female was used as moderator and the same is studied through Barren F. Hayes Model.1 regression test. The results of the study revealed that biases play a significant role in financial decision making of both males and females However, the extent of each bias is different between both the genders.

Keywords: Behavioural biases, Gender, decision making and financial literacy