
**FINANCIAL MANAGEMENT BEHAVIOR & FINANCIAL
DECISION: ROLE OF SELF-CONTROL, OPTIMISM &
DELIBERATIVE THINKING**



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Table of Contents

1. Introduction:	1
1.1 Problem statement:	4
1.2 Research Questions:	5
1.3 Objectives:.....	7
1.4 Significance of study:.....	7
2. Literature:	9
2.1 Theoretical framework:	9
Prospect theory	21
Disposition effect	22
2.2 Conceptual framework:	25
2.3 Hypotheses:	26
3. Research Methodology:	27
3.1 Variables:	27
3.1.1 Dependent Variables:	27
3.1.2 Independent variables:.....	27
3.2 Data collection:	28
3.3 Sample	28
3.4 Statistical tests:	28
3.5 Operational definition:	29
3.5.1 Self-control:	29
3.5.2 Optimism:	30
3.5.3 Deliberative Thinking:.....	30
3.5.4 Financial Decision:	30
3.5.5 Financial management behaviour:.....	31
4 Results and analysis	32
4.1 Demographics analysis.....	32
4.2 Principle component analysis.....	35
4.3 Reliability analysis	37
4.4 Descriptive Statistics	38
4.5 Correlations Analysis	39
4.6 Regression analysis	41
5 Conclusions and Recommendations	47
References	50

Abstract:

The purpose of the paper was to identify how individual's financial behaviour and financial decision are affected by several variables. It is important to investigate how psychological characteristics influence individual's financial behaviors and financial decisions. This objective was achieved by administering a questionnaire. A survey having measures of financial management behaviour, financial decisions, Self control, optimism and deliberative thinking was sent to representative sample (n= 400). Two main statistical techniques were used to analyze collected data i.e correlation analysis and regression analysis. Correlation was used to determine the existence of relationship among financial management behavior and financial decision with self control, optimism and deliberative thinking. Regression test was used to identify the nature of relationship between variables. In addition to that PCA test and reliability test were also performed.

The Findings shows that self-control and deliberative thinking have weak correlation with financial management behaviour where as optimism have moderate correlation. Financial decisions have no significant difference in relation with self control, optimism and deliberative thinking; all of them have moderate correlation.

Keywords: Financial Management Behaviour, Financial decision, Optimism, Deliberative thinking, self-control, Principle component analysis.