

ANALYSIS OF GENDER DIFFERENCES IN INVESTMENT BEHAVIOR AMONG EMPLOYEES IN KENYA'S LISTED COMPANIES

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Abstract

The purpose of the study was to determine the existence of gender differences in investment behaviour among employees in Kenya's listed companies. Three research questions guided the study namely: Are there gender differences in investing decisions? Does financial socialization contribute in gender financial behavior? Are there gender differences in financial literacy? Descriptive research design was adopted with target population as employees of listed companies identified using stratified sampling. The study used structured questionnaires that had both open ended and closed ended questions. Data collected was analyzed using SPSS to obtain both descriptive and inferential statistics. Cronbach's alpha reliability coefficient of 0.85 was obtained implying the tools were reliable. The study revealed existence of gender differences in determining financial behavior with gender differences influencing financial behavior. Further, there was negative relationship between gender differences and investing decision, among employees. Financial socialization and financial literacy were found to significantly affect financial behavior among employees irrespective of the gender. On the basis of the findings, it was inferred that gender differences affect investment decision and that financial socialization and differences in financial literacy contribute in determining financial behavior across gender. It is recommended that policies initiatives and dialogue need to be mooted aimed at increasing women's confidence in investment. Further, financial socialization

should be all inclusive irrespective of gender and that this should be embraced at early stage in life. Finally, women should be encouraged to seek financial literacy as a way of eliminating gender differences in investment behavior.

Keywords: Gender, Financial Socialization; Investment Behavior, Financial Risk Tolerance, Financial literacy

INTRODUCTION

Investors perform investment analysis by making use of fundamental analysis, technical analysis and judgment. Investment decisions are often supported by decision tools (Iyer & Bhaskar, 2012). It is however, assumed that information structure and the factors in the market systematically influence individuals' investment decisions as well as market outcomes (Clark-Murphy & Soutar, 2013). Iyer & Bhaskar (2012) note that investor market behavior derives from psychological principles of decision making in explaining why investors undertake investment. While making investment decisions, investors whether informed practically, technically about the industry of interest, there are some aspect behavioral irrationality of the fear of loss in the future. This different behavior in the individual investors is caused by various factors which compromise the investor rationality.

It is however generally believed that investment decisions are a function of several factors such as market characteristics and individual risk profiles, in addition to accounting information (Clark-Murphy & Soutar, 2013). The disposition error shows that regardless of accounting information, investors are influenced by sunk cost considerations and asymmetrical risk preferences for gain/loss situations (Iyer & Bhaskar, 2012). Nagy and Obenberger, (1994) noted that the classical wealth maximization criteria are important to investors, even though investors employ diverse criteria when choosing investment options.

Worldwide, gender differences in many areas including education, income, and wealth continue to narrow however in terms of long-term financial security there still exist disparities (Hira & Loibl, 2006). Researchers and financial practitioners alike avers that women invest their financial resources more conservatively and, in general accept less financial risk than men (Lemaster & Strough, 2013). The disparity in long-term financial security between men and women is more pronounced in developing countries compared to developed countries where gender equity across many spheres has not been realized. The disparity in these countries is compounded by cultural practices which tend to promote a patriarchal system (Suda, 2002) and the absence of affirmative action.

Many people make investment emotionally, feeling fantasy, mood and sentiments have been observed to affect investment decision. These are some psychological factors that affect the investors in investment decision. Investors are affected by how investment problems are presented to them. They often make different choices pertaining similar scenarios depending on how the problem has been framed (Jorden & Miller, 2008). Individuals considering to invest, it is argued would first conduct environment scanning for purposes of making informed investment decision (Roszkowski & Grable, 2010; Bhushan & Medury, 2013). Individuals also tend to portray different behavior while investing, given its dependence risk and the expected returns generated from such investments. Potential investors in developed countries differ significantly in various aspects, such as beliefs, life styles, behaviors, habits, personal characteristics.

In a study of the relationship between individual's demographic factors and investment behaviour in India, demographic factors were found to insignificantly influence the type of investment selected (Kesavan *et al.*, 2012). In Chitra & Sreedevi (2011) personality traits of investors were significant in influencing choice of investment method. Bayyurt *et al* (2013) on the other hand noted that, while men investors prefer common stocks and real estate investment, women investors are more risk averse and would rather invest in funds, and time deposit. Willows (2012) posit that trading frequency lowers investors' return, and that men trade more than women, while in terms of a risk adjusted basis, women earn higher returns than men.

In Kenya, gender debate currently revolves around fair representation with a constitutional requirement of at least one third representation by either gender (GoK, 2010; Kaimenyi *et al.*, 2013). There are also conscious efforts through equalization funds such as Women Enterprise Fund aimed at enhancing women access to credit and financing facilities for purposes of investment (Ijaza ,Mwangi, & Ng'etich, 2014). There is also a deliberate government policy to reserve and award at least a third of government tenders and procurement to the youth, women and persons living with disability. Similarly, in the country a number of Micro-Finance Institutions (MFIs) over the years have been targeting women entrepreneurs by not only offering financial support but also training programs aimed at promoting investment opportunities for women. Given all these initiatives the paper sought to investigate whether there are any significant gender differences in investment behavior amongst employees in the private sector.

Statement of the Problem

Over the years, investment managers have continued to utilize individual demographics such as gender in classifying investors into risk tolerance clusters. Such risk tolerance categorization forms the basis of establishing investment management standards, controlling purchases and

sales of investments, and managing overall client resources (Roszkowski & Grable, 2010). Whereas this could be valuable information in some cases, it has been observed that relying on a set of demographics factors for investors with different exposure levels to classify and determine investor risk tolerance could be misleading and may not necessarily improve investment outcome. In certain incidences, the use of such demographics as the indicator for risk tolerance has ended up in financial losses for investors (Bayyurt, Karışık, & Coşkun, 2013).

In addition, there is general consensus among researchers and investment managers that more research concerning the efficacy of certain demographics in categorizing someone into a risk-tolerance cluster is needed (Roszkowski & Grable, 2010; Hira & Loibl, 2006; Lemaster & Strough, 2013). Developing an approach that looks at demographic factors for groups with similar exposure to not only differentiate investors among levels of investor risk tolerance and also classify individuals into risk categories could help improve investment outcome. This research sought to investigate the demographic differences in investment behavior among employees assumed to have relatively similar exposure and expected to behave rationally. Specifically, the study sought to examine whether gender differences in investing decisions exist; relationship between financial socialization contribute and gender financial behavior; and finally whether there exist gender differences in financial literacy.

METHODOLOGY

Descriptive research design was used to study this research problem. As defined by Cooper and Schindler (2003), descriptive study is concerned with finding out what, where and how of a phenomenon. The design is concerned with intense investigation of problem solving situations in which problems are relevant to the research problem. The research focused on determining if there were any gender differences in investment behaviour among employees in listed companies in Kenya. The target population for the study were employees in selected listed companies disaggregated in terms of gender namely male and female. Stratified sampling technique was used to select the sample since population of interest was not homogeneous and could be subdivided into groups or strata to obtain a representative sample. The strata were in terms of financial, manufacturing, communication and agricultural. The list of these firms was obtained from the Nairobi Security Exchange.

In the study, self administered questionnaires that contained both open and close ended were used. The tool was pilot-tested with a few members of the population to enhance its validity and reliability of data that was to be collected. As part of fieldwork management and to ensure a high response rate, the questionnaire was followed with a telephone call to clarify any issue that respondents may not have been clear about. Completed questionnaires were edited

for completeness, accuracy and consistency before any processing of the responses was done. Thereafter, SPSS version 20 was used to analyze the data to obtain both descriptive and inferential statistics. These were in terms of percentages, ANOVA and regressions.

EMPIRICAL FINDINGS AND INTERPRETATIONS

The results are reported in terms background information the three research questions. The first sub-section provides background information followed by gender differences in investing decisions; financial socialization in investing decisions; and finally gender differences in financial literacy.

Background Information

In the subsection respondent demographic are provided, these are the gender, age, level of education, years of working in the organization and level of management. In the study sixty percent of the respondents were male, while the remaining forty percent were female. This is an indication that both male and female were involved in the study showing that the study may not suffer from gender biasness. In terms of age, 44 percent were aged between 31 to 40 years, 36 percent of the respondent were aged between 41 to 50 years with 14 percent and 6 percent aged between 18 to 30 years, and above 50 years, respectively. This implies that respondents of the different age categories were engaged in this study. Regarding the level of education, majority of the respondents estimated at 61 percent had bachelors degree, 27 percent and 7 percent had masters and doctorate degree, respectively. The remaining 5 percent of the respondents had acquired diploma as their highest education level. This indicates that the respondents were educated well enough to understand the questions and thus would give credible information related to this study.

In terms of work experience, half of the respondents, indicated to have served in their current work organization for a period of 1 to 5 years with 27 percent, 17 percent and 5 percent indicating having served in their current position for between 5 to 10 years, over 10 years, and less than a year, respectively. This implies that majority of the respondents had worked for a considerable period of time and therefore they were in a position to give credible information relating to this study. With regard to management level, 53 percent of were in the middle management level, 37 percent in the top management level, while the remaining 10 percent were support staff.

Gender Differences in Investing Decisions

The study sought to establish the extent to which gender differences contribute in determining gender financial behavior. The results show that majority of the respondents represented by 67 percent indicated that gender differences contribute in determining gender financial behavior to a great extent, 21.0 percent of the respondents indicated to a very great extent, whereas 12 percent of the respondents indicated to a moderate extent. The finding shows existence of traces of gender differences in contributing in the determination of gender financial behavior.

The study further sought to determine from the respondents views on a number of issues relating to investing decisions. These included investment preferences and risk differences, returns, among others. Regarding investment preferences and risk differences, the study revealed that majority of the respondents agreed that women are less willing to take on financial risks as compared to men. They noted that women adopt a risk averse strategy regardless of their occupation, experience and level of expertise and that they prefer more certainty in investment with lower returns as a trade-off during investment decisions. Additionally, the study shows that women choose to invest in stocks and personal businesses less often and in low amounts than men although they choose to invest more often and in high amounts in low-risk, lower return assets, such as certificates of deposit and homes.

On influence of over confidence in investment decisions, majority of the respondents agreed that increase or decrease in confidence is dependent upon the complexity of the task at hand and the perceived accompanying uncertainty. Specifically, women with lower inclination towards overconfidence in investment decisions usually display an increased risk aversion compared with men, while men are more prone to overconfidence than women, especially in male-dominated fields such as finance. It was also found that as knowledge increase. men become more risk averse, while women take up more risk thus narrowing the confidence gap.

On self-attribution bias and self-efficacy factors, majority of the respondents agreed that men generally evaluate their intelligence as being higher than women and that both men and women significantly underestimated their own self efficacy although women were found to be less confident. The study also revealed that men and women espouse success and failures differently and that men perceive that their initial knowledge of an assignment is much higher than women thereby impacting positively on their decision to invest. Adjusted R squared was 0.651 at 95 percent confidence level. This shows that 65.1 percent changes in investing decision could be accounted for by gender differences. The ANOVA tests established the regression model had a significance level of 1.4 percent an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5 percent. The calculated value was greater than the critical value ($4.103 > 1.647$) an indication that gender differences significantly influence investment decision. The significance

value was on the other hand less than 0.05 indicating that the model was significant. Table 1 shows a summary of the ANOVA results.

Table 1: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	0.571	1	0.571	4.103	.014 ^b
	Residual	10.994	79			
	Total	11.565	80			

In terms of t-test, the value was 0.469 holding other factors *ceteris paribus* investment behavior would stand at 0.469. A unit increase in gender differences would lead to decrease in investment decision by a factor of 0.577.

Table 2: Model Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.469	.388		4.423	.011
	Gender Differences	-.577	.020	.276	-5.730	.009

Financial Socialization in Investing Decisions

The study sought to establish the extent to which financial socialization contribute in determining gender financial behavior. The results show that more than half of the respondents majority of the respondents (62 percent) indicated financial socialization contribute in determining gender financial behavior to a great extent, while 26 percent and 12 percent of the respondents indicated to a very great extent and a moderate extent, respectively. These findings depict that financial socialization does contribute in determining gender financial behavior to a great extent.

The study further sought to determine from the respondents views regarding financial socialization in investing decisions. On social learning and financial social learning, the study revealed that majority of the respondents agreed that children more often than not, imitate and role play their parents' behaviors when they are with their peers. They also noted that financial socialization is the building block for modeling financial knowledge, financial attitudes and future financial behavior, while socially stereotyped gender roles have an impact on behavioral differences in men and women. Further the study revealed that parents expect their children to be financially independent as they mature.

On agents of financial socialization, majority of the respondents agreed that parents who are more cautious as money managers are better in socializing their children into avoiding unnecessary debt. The family was perceived as the principal socializing agent and contributes the most influence on values, attitudes and practices throughout life of the members, while parents' inability to provide support during periods of financial difficulty contributed towards the development of financial stress in childhood. Similarly, family, peer group, mass media, culture and institutions were found to be agents of financial socialization.

On biological determinism versus socialization in predicting behavior, majority of the respondents agreed that socialization plays a significant role in amplifying the differences between the boys and girls, however, training and support could transform individuals and strengthen cognitive and behavioral skills across gender. This study further established that this could also be strengthened by participating in identified groups. At a young age, the study found that boys tend to be more active and aggressive than girls, and fare better than girls in tests of spatial, navigational, and mathematical abilities. The value of adjusted R squared was 0.655 indicating that there was variation of 65.5 percent on investing decisions due to financial socialization at 95 percent confidence interval. This shows that 65.5 percent changes in investing decision could be accounted for by financial socialization. The ANOVA results shows that had a significance level of 1.2 percent an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5 percent. The calculated value was greater than the critical value ($6.563 > 1.647$) signifying that financial socialization significantly impact on investment decision. The significance value was less than 0.05 indicating that the model was significant.

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.142	1	1.142	6.563	.012 ^b
	Residual	9.434	79			
	Total	10.576	80			

The regressed results revealed that holding financial socialization to a constant zero, investment behavior would stand at 0.819. This implied that a unit increase in financial socialization would lead to increase in investment decision by a factor of 0.423.

Table 4: Model Coefficients

Model		Un standardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.819	.341		4.193	.008
	Financial Socialization	.423	.022	.236	6.714	.012

Gender Differences in Financial Literacy

The study sought to establish the extent to which gender differences in financial literacy contribute in determining gender financial behavior. More than half of the respondents indicated that gender differences in financial literacy contribute in determining gender financial behavior to a great extent, while 23.5 percent and 18.5 percent of the respondents indicated a moderate extent and a very great extent, respectively. From the results, it may be inferred that gender differences in financial literacy contribute in determining gender financial behavior to a great extent. This was tested using both ANOVA tests and regression.

The study further sought to determine the respondents' level of agreement with the some stated statements relating to gender differences in financial literacy. On gender and financial literacy, the study findings revealed that majority of the respondents agreed that when resources are in women's hands, they are more likely spent on improving family well-being, particularly that of children. Further, the study established that women are relatively less financially skilled than men and that financial literacy can be impacted by individual traits such as cognitive ability, personality type and preferences.

On gender differences in financial behavior and strategies, majority of the respondents agreed that gender differences are partially related to differences in socio-economic differences across men and women. When times are tough and individuals are trying to make ends meet, women preferred to reduce their spending by cutting down on costs of non-essentials while, men prefer looking for extra money. Further, women are significantly more likely than men to report that they keep a close watch on their financial affairs. Regarding gender differences and entrepreneurship and access to finance, majority of the respondents agreed that the number of women entrepreneurs is higher in countries where the general income per capita is small and where women have no other option for making a living and lower in countries where the general income per capita is high. In terms of setting up business, women generally start on a smaller scale compared to men although the number is relatively lower than that of men. The study further revealed that women have more difficulties in accessing salaried employment as

opposed to men thereby explaining why the number of women entrepreneurs is growing compared to men.

The value of adjusted R squared was 0.631 indicating that 63.1 percent of variations in investing decisions is due to gender differences in financial literacy, at 95 percent confidence interval. This shows that 63.1 percent changes in investing decision could be accounted for by gender differences in financial literacy. The ANOVA statistics results on the other hand show a significance level of 0.7 percent, which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5 percent. The calculated value was greater than the critical value ($3.547 > 1.647$) an indication that gender differences in financial literacy significantly influence investment decision. The significance value was less than 0.05 indicating that the model was significant.

Table 5: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.042	1	2.142	3.547	.007 ^b
	Residual	9.403	79			
	Total	10.445	80			

The regression equation, revealed that holding gender differences in financial literacy to a constant zero, investment behavior would stand at 0.701. The implication was that a unit increase in gender differences in financial literacy would lead to decrease in investment decision in these companies by a factor of 0.553.

Table 6: Model Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.701	.311		4.123	.019
	Gender Differences in Financial Literacy	-.553	.027	.216	-4.704	.010

Discussion of the Findings

The study established that gender differences contribute in determining investment behavior. Further women are less willing to take financial risks as opposed to men and that women adopt a risk averse strategy regardless of their occupation, experience and level of

expertise. Similarly, the study revealed that women investors prefer more certainty and lower returns as a trade-off, while making investment decisions. These findings support Jianakoplos & Bernasek (1989) who established more than half of women were not willing to take any financial risks as compared to a similar number of men. Charness & Gneezy (2007) also found out that when making long-term investment decisions like pension funds, the conservative strategy of women was observed to be more pronounced, compared to men.

On influence of confidence in investment decisions, the study revealed that increase or decrease in investor confidence dependent upon the complexity of the task at hand and the perceived accompanying uncertainty. Specifically, women with lower inclination towards confidence in investment decisions usually display an increased risk aversion compared with men. In addition, men are more prone to overconfidence in making investment decisions than women, especially in male-dominated fields such as finance, and that as knowledge increase men become more risk averse, while women take up more risk thus narrowing the overconfidence gap. These findings were consistent with the findings of Estes & Hosseini (1988) who established that women who had considerably lower confidence in an investment assignment than men. Similar findings were reported by Dittrich, Guth, & Maciejovsky (2001) who found that increase or decrease in overconfidence is dependent upon the complexity of the task at hand and the perceived accompanying uncertainty. They asserted that overconfidence increases with the complexity of the task and overconfidence decreases when the perceived uncertainty is high. This finding resonates with the finding by Graham and Harvey (2009) noted that investors who are more confident can trade more often. Further, they observed that investors who deal with large portfolios or have more education, are more likely to perceive themselves as more competent than investors with smaller portfolios or less education.

On self-attribution bias and self-efficacy factors, the study revealed that men generally evaluate their intelligence as being higher than women. Men perceive that their initial knowledge of an assignment is much higher than women. These findings are consistent with those of Gysler *et al* (2002) who inferred that men perceived that their initial knowledge of an assignment was much higher than that of women. Similarly, the findings concurred with those of Endres, Chowdhury & Alam (2008) who asserted that men's self-efficacy was substantially higher than that of women.

The study also established that financial socialization does contribute in determining gender financial behavior. The study also revealed that children more often than not, imitate and role play their parents' behaviors when they are with their peers and that financial socialization is the building block for modeling financial knowledge, financial attitudes and future financial behavior. From the study, it has been established that socially stereotyped gender roles have an

impact on behavioral differences in men and women and that parents expect their mature children to be financially independent. These findings concur with the findings of Danes & Hira (1987) who asserted that parents may expect their mature children to be financially independent although many parents had limited financial knowledge for their children to emulate. They further found out that financial socialization is the building block for modeling financial knowledge, financial attitudes and future financial behavior in people at a very early age. Similarly, the findings concurred with those of Bandura (1977), who argued that children more often than not, imitate and role play their parents' behaviors when they are with their peers.

On agents of financial socialization, the study revealed that parents who are more cautious as finance managers are better in socializing their children into avoiding unnecessary debt and that the family is the principal socializing agent and contributes the most influence on values, attitudes and practices throughout life. Also, the study established that parents' inability to provide their children with necessary comfort during difficult financial times results in the development of financial stress during childhood, and that family, peer group, mass media, culture and institutions, are the agents of financial socialization. These findings were consistent with the findings of Keranne & Hogg (2010) who noted that the family is the principal socializing agent and contributes the most influence on values, attitudes and practices in children as they transit into young adults and finally into adults. Jinhee & Chatterjee (2013) also argued that parents' inability to provide comfort during difficult financial periods could also result in the development of financial worry in childhood and consequently foster reluctance in young adulthood to seek financial and emotional support during times of crisis.

On biological determinism versus socialization in predicting behavior, the study revealed that socialization plays a significant role in amplifying the differences between boys and girls. With training and support, individuals can however strengthen cognitive and behavioral skills across the gender and that individuals are motivated and gain higher self-esteem through participating in identified groups. At youthful age, boys tend to be more active and aggressive than girls, and fare better than girls in tests of spatial, navigational, and mathematical abilities. These findings are consistent with the findings by Berenbaum (2002) who argued that boys are more active and aggressive than girls, and fare better than girls in tests of spatial, navigational, and mathematical abilities. Similarly, the findings concur with those of Taifel & Turner (1986) who noted that by participating in identified groups are motivated and gain higher self-esteem.

The study established that a gender difference in financial literacy does contribute in determining gender financial behavior. Specifically, the study findings revealed that when resources are in women's hands, they are more likely spent on improving family well-being, particularly that of children and that they are less likely than men to give themselves a failing

grade for their personal finance knowledge. Notwithstanding this, the study also revealed that women are relatively less financially skilled than men along several dimensions and that financial literacy can be impacted by individual traits such as cognitive ability, personality type and preferences. These findings concur with the findings of OECD (2013) that financial literacy would be impacted by individual traits such as cognitive ability, personality type, and preferences. Similarly, Hung & Brown (2012) acknowledged that gender differences in financial literacy do exist although women are relatively less financially skilled than men along several dimensions. National Foundation for Credit Counseling (2011) also found that women are significantly less likely than men to give themselves a failing grade for their personal finance knowledge.

On Gender differences in financial behavior and strategies, the study revealed that gender differences in the ability to make ends meet and in saving, are partially related to differences in socio-economic differences across men and women. During periods of economic strain, women preferred to reduce their spending by cutting down on costs of non-essentials while, men prefer looking for extra money. Similarly, women are significantly more likely than men to report that they keep a close watch on their financial affairs. These findings support Hung & Brown (2012) who contended that in addition to gender differences in financial knowledge and attitudes, men and women display a set of different financial behaviors and strategies. They however argued that women are not always outperformed by men in all domains. For instance, women are more likely than men to have a budget and keep track of their finances. The findings concurred with OECD (2013) which found that when the going is tuff, women would rather reduce their spending by cutting down on costs of non-essentials unlike men who would instead look for extra income.

On gender differences in access to entrepreneurship and finance, the study revealed that women are likely to venture in entrepreneurial activities as opposed to men. This was augmented by the fact while setting up business, women generally start on a smaller scale compared to men. This findings confirms why worldwide the number of women entrepreneurs has grown radically in recent years. Similarly, the study established that women have more difficulties in accessing salaried employment compared to men consistent with Weiler & Bernasek (2001) who noted that the number of women entrepreneurs has continued to grow in recent years. Similar findings were reported by IFC (2011) who observed that in setting up business, women generally start on a smaller scale compared to men and confine themselves in a limited range of sectors that more often than not require low capital intensity.

CONCLUSION

The study established that gender differences do contribute in determining investment behavior and that gender differences have a role to play in making investment decisions. The study established that financial socialization influences investment decisions among employees to a great extent. Financial socialization was found to be a significant variable and positively affects investment decision among employees. The study therefore concludes that increase in financial socialization enhances investment decisions. The study further established that gender differences in financial literacy significantly affected investment decision among employees. The study draws a further conclusion that increase in gender differences in financial literacy results in a decrease in investment decision among employees.

The study recommends that financial risks should be minimized in order to increase the chances of women investment since women are less willing to take financial risks as compared to men. Policies that increase women confidence in investment should be considered and implemented since women with lower inclination towards overconfidence in investment decisions usually display an increased risk aversion compared with men. There is need to promote financial socialization since it is the building block for modeling financial knowledge, attitudes and future financial behavior. This way, everyone in the society who has undergone adequate financial socialization will find it easier to make viable investment decisions. The study recommends that gender differences in financial literacy should be eliminated so as to improve the cases of women investment. This is because women are less likely than men to give themselves a failing grade for their personal finance knowledge.

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