Personality Influences Socially Responsible Investment (SRI): the Role of Religiosity

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Abstract

The current research study tries to examine the socially responsible investment system in Pakistan among the individuals of population. Quantitative research technique has been adopted. A sample of 300 questionnaire distributed and regression analysis is done to investigate the relationship between socially responsible investment and personality traits. Findings suggest that personality traits specifically agreeableness, neuroticism and openness contain a noteworthy control on financial decision taking in regards to socially responsible investment. Further moderation test applied to find religiosity factor role, the religiosity as a moderator between Agreeableness and Socially Responsible Investment enhances the intention of Socially Responsible Investment. Socially responsible investment also helps in discovering a new investing standard not only enhancing living status but also raises the social welfare in society.

Keywords: Personality, Religiosity and Socially Responsible

Introduction

The major aim of this research is to empirically identify the effect of personality traits on Socially Responsible Investment (SRI). This study contribute to show insights on the potential investor that is student, working adults and retiree psychology aspect about the SRI phenomena when making financial decision about different investment schemes offered by various financial bodies. "As there is need to study the Personal values, feelings, individual characteristics and social impact investors' vary prejudiced understanding of certainty in financial choices. Professional has established view that these factors may be more appropriate in explaining stock price movements than financial factors alone (Smith and Harvey, 2011; Shiller, 2002).

With that overall aim in mind such as concern for social, ethical and environmental issues when investing, Researcher want to study to what extent investors are influenced in their investment decisions by both religiosity beliefs and personality Traits such as Extraversion, agreeableness, Conscientiousness, neuroticism and openness. Since negative beliefs about the financial performance of SRI is regarded as an important obstacle toward SRI (Guyatte, 2006), the main bulk of previous research on SRI has mainly focused on the financial aspects of SRI such as comparing financial outcomes of SRI with conventional investments (Bauer, Koedijk & Otten, 2005; Bello, 2005; Gregory, Matatko & Luther, 1997; Hamilton & Statman, 1993). In dealing with indecisiveness and doubt, traders often depend on intellectual tendencies in making financial choices (Keil et al., 2007). Behavioral finance indicates that human decision taking includes a combination of intellectual and effective dimensions (Olsen, 2010).

This argument is also supported by (Jocey K.H & Leong Ken Yien, 2013) that previous studies mostly focus on rational aspect of investors in making financial decision while this important aspect of personality traits is ignore or have gain little attention in research work. Furthermore, religiosity factors as moderator impact on the relationship of personality traits dimensions and socially responsible investments (SRI) is a new perspective of this research study. However, Researcher believe, that financial beliefs about SRI do not always obstruct SRI. Previous research has shown that some private investors are prepared to invest ethically even if it brings less monetary returns (Webley et al., 2001; Nilsson, 2008), although SRI is more common among investors that also believe that SRI delivers high risk-adjusted return (Cumming & Johan, 2007). However, not much is known about the financial decisions behaviors of Pakistani population in investment prospective. One hypothesis in the present thesis is that Personality traits dimensions have a significant impact on SRI such as self-transcendent values, a positive attitude toward SRI, and social or personal norms that promote SRI can increase investors' intention to promote SRI.

As is apparently the case in many other developed countries, there is also need of identifying and determining the socially responsible investment trend in developing country like Pakistan. It is always considered that only financial aspects are important in financial decision making but due to globalization fast communication and adequate availability of information about different investment schemes has directed the investors to use subjective investment decision approach and emerged the need to invest in a healthy, wealthy, community welfare and environmental protection alarmed. Therefore Researcher proposes to examine the personality influence and impact of the religiosity as a moderator factor to determine which adequately suits SRI present and future needs. Hence, The study answer about that What is the potential socially responsible investor's decision making about the socially responsible investments (SRI) and how it is affected by personality traits determinants and secondly, how religiosity as moderator impact on the relationship of personality traits dimensions and socially responsible investments (SRI)?

There is less awareness about socially responsible investment trend in Pakistan. This study help in understanding the potential individual's financial decision making style having different personality traits dimensions which will provide guidance to financial planners as well as to financial institutions dealing in different investment schemes need to bring into line with SRI. Secondly, this study reflects the importance of SRI among individuals of less developed country like Pakistan. Furthermore, this research explored the moderator influence of religiosity to cater their relationship with financial decision making in better understanding of potential investors and fulfilling financial goals in line with SRI.

Literature Review

According to Nybom, (2005) SRI is not a new appearance but it lacks of general explanation. The difficult and essential issue for people is sustainability consumers. Consumers have to keep in view the everyday life concerns through acting responsibility and supporting sustainability. Besides average consumers the essential thing in deciding the future of world is influenced up to great extent by the investors, who spend their money to increase profit keeping in view sustainability (EurosifEuropeon, SRI study 2008). So, social investor looks for shares of successful companies that have great participation to community (Social Investment Forum: Socially Responsible Investing (SRI) Facts, 2007).).

Hence, the investment decision is affected by individual values. Assumptions show less profit with ethical investment and more with non-ethical (Minna, 2009). Investors investment decision is changed when various issues come like their continuous stream of profit or long term objectives or risk. SRI covers responsible investment, sustainable investment, ethical investment etc (Eurosif, 2010) and financial return and financial risk do matters investment according to the investors.

Socially Responsible Investment

There is some discussion in the educational and specialist literary works on what is SRI or, "ethical financial commitment," actually is (Sparkes and Cowton, 2004) but a joint meaning is as follows:

"Socially Responsible Investment (SRI) is a financial commitment procedure that views the public and ecological repercussions of investment strategies, both good and bad, within the perspective of extensive financial research. It is a procedure of defining and acquiring organizations that fulfill certain requirements of Business Social Liability (CSR)…" (SIF, 2003, p.3).Socially responsible investment is only a financial commitment policy that offers social and ecological goals with financial goals.

SRI can be named as 'ethical investing', 'green investing', 'targeted investing', 'values-based investing', 'sustainable investing' and more lately just 'responsible investing' (Cowton, 1998:181White, 1995:323 ; Petersen, 2005; Cranston 2004). SRI Achievement is possible through transmitting or investing in selected companies and this opinion is ecological public and Government aspects that business and institutions have to consider. According to (Drucker, 2009, p. 74), this is taken as "an extra lens through which organizations can be assessed".

This study investigated whether there exist difference in the SRI decisions on the basis of personality traits and religiosity factors. According to Phillips, Beal and Goyen, (2005) SRI investors can achieve non-financial utility because of their investment consisting of social dimension and Pienta and O'Neil (1994) argue that SRI investors have more inclination as, "other-cantered," instead of, "self-centered." Gardner and McLachlen (2004) employ the customer creating decisions design of Sproles (1985) and Kendall and Sproles (1986).

Personality Traits Dimension

The term personality have designed a wide range of personality characteristics and multi-level of abstraction (McAdams, 1995) and each stage produces better knowing with regards to different individual behavior and encounters (David and Srivastav, 1999). Various researchers have outlined many personality features and suggested that these features performed a crucial role in personal success. Among all personality features, five aspects are widely acceptable and most commonly used by researchers and experts to evaluate personal character. These five aspects are extraversion, agreeableness, conscientiousness, openness, and emotional balance. These five aspects named as the big five by the researches. This is supported by John and Srivastav (1999) argued that big five personality traits (extraversion, agreeableness, conscientiousness, neuroticism, openness) do not have theoretical perspectives but reflect natural language that people use to describe themselves and others. In this regard, Migliore (2011) argued that the five

factor model is one of the strongest theoretically supported models in trait psychology which explain taxonomy of five personality traits.

But a very little or negligible research work has been done to explain each factor in the big five personality traits and their relationship with SRI concept of financial decision making in the world. Contribution in this regards include a research work conduct by (Joyce K.H. Nga & Leong Ken Yien,2013) to investigates the influence of personality traits on decision making of socially responsible investing (SRI) criteria .

Further, (Taciano L. Milfont a,*, Chris G. Sibley, 2012) results are in line with others showing that ecological involvement is affected by basic character characteristics. Hirsh et al. studied about the relationship if values and personality traits and find out connection of these with ecological and environmental issues (Hirsh, 2010; Hirsh & Dolderman, 2007).

Taciano L. Milfont & C.G. Sibley, (2012) also explore emerging research related to the question of personality and environmental policy at the societal level Hence, This study adopt the big five traits of personality tailored from Jhon Sivastav (1999) in analyzing financial making decisions with respect to SRI.. The proposed hypothesis is:

 H1: Personality traits dimensions have a significant impact on SRI.

Extraversion

Leary et al., (2009) defined extraversion as "An extrovert is on the outside focused and would be at convenience interacting in a huge crowd". The phrase is also linked with sociability, raised enjoyment, ambitiousness, optimism assertiveness (McCrae and Costa, 1997; Robie et al., 2005).. Therefore it is creating the following:

 H1a: Extraversion has a significant impact on SRI.

2.2.2 Openness

McCrae and Costa, 1997; (Gunkelet al., 2010) explains it as the interest towards uniqueness, freshness, original appearance and new ideas". The persons enjoying this attribute are creative, innovative, liberal and inventive (Martins, 2002). Their decision making is also flexible in strategy (Robie et al. 2005). It has also been found by research that awareness is applies a beneficial effect on long-term investment strategies in company university US undergraduates (Mayfield et al., 2008). In lighting of the above findings, the persons who have awareness feature may identify risk. In openness the people deliberate other qualitative requirements such as SRI in economic decisions style. The resulting hypothesis is drawn by this:

 H1b: Openness has a significant impact on SRI.

Agreeableness

McCrae and Costa, (1997) defined it as agreeableness shows a one's ambiance, comfort and cooperativeness in public connections.

Martins, (2002) state that extremely agreeable people are sympathetic, soft hearted, and noble in nature and are warmly adopted by their groups. They are selfless and cooperative to public standards. It is possible that agreeable person's habitat great importance on public requirements and agreement in economical decisions style and therefore it suggests the following:

H1c: Agreeableness has a significant impact on SRI.

Conscientiousness

It has been defined as the consistency, industriousness, reliability and Determination of single (McCrae and Costa, 1997; Martins, 2002). These people are probably extremely self-disciplined and show effective participation in choice making (Gunkel et al., 2010). They are part of top rated alignment that may make them more particular about the way of financial commitment strategies made and threat they are ready to consider. So the following hypothesis is made:

H1d: Conscientiousness has a significant impact on SRI.

Neuroticism

Neuroticism is a condition of psychological uncertainty connected to high pressure and stress. (Migliore, 2011) states that a condition of emotional volatility connected with stress and extreme nervousness is defined as neuroticism. Hence, their enthusiasm to undertake risks influences by this in investing activities. Enthusiastically strong traders are more likely to perform investment strategies in equity and derivatives (Chitra and Sreedevi, 2011). Their improvisation could cause them to be extremely nervous or hasty in making an investment and spending and thus proposed hypothesis that:

H1e: Neuroticism has a significant impact on SRI.

Religiosity

The word religiosity is widely used interchangeably with the phrase "spirituality". However religiosity is simpler to describe than spiritual techniques (Rulindo et al, 2007). The early famous definition of religion was given by Taylor (1891) who defines religion as "the belief in spiritual beings". Delener(1990) described religiosity as " the degree to which beliefs in specific religious values and ideals are held and practiced by an individual".

Thus, religiosity can be indicates of oneness among associates of a community. But in different line of thinking, religious beliefs is a significant resource of lifestyle variations. For example, Humpreys (1996) had described that there is certainly a important gap between Judeo-Christian European customs in the UK and USA and also be discovered in the Islamic lifestyle.

Religiosity in Islamic viewpoints comes from the phrase religious techniques come from the phrase 'spirit' which mean in Arabic is ruh. Ruh is factor given by Allah to all mankind. (Rulindo et a,l 2007 Therefore, the real distinction between European view and the Islamic opinions on spiritual techniques is the perception of spiritual techniques toward spiritual beliefs.

Therefore, an important factor impact is going to be explored first time in this research work is religiosity, Defined as "Religiosity is a common term that is used in the research of religious values to make reference to the values and actions of individuals that deal with greatest or transcendent concerns". In this study, the core purposes of people in their distribution of funds into Socially Responsible Investment (SRI) will be investigated through religiosity .Hence, the proposed hypothesis will be: To explore this, following hypotheses to be assumed is:

 H2: Religiosity have a significant impact on socially responsible investments (SRI).

Furthermore religiosity as moderator impact on the relationship between personality traits and SRI will be explored. The reasoning was to choose the religiosity to first time discover out its impact in context of financial planning. A moderator variable identifies when or under what circumstances a forecaster varying impacts a reliant varying (Baron & Kenny, 1986; Holmbeck, 1997).

"A research by (Ghavam. Moltafet, Mohammed .Mazidi &Somayeh, Sadati, 2010) was to explore the relationship between personality traits and happiness, with religious orientation as a mediator variable and found that religious orientation plays a mediation role between personality traits dimensions and happiness nicely rather than of moderation role". In addition to this past researches of Maltby & Day (2003); mazidi & Ostorvar (2006) and Francis & Wilcox (2000) also favour this findings and maltby & Day (2003) and mazidi & Ostovar (2006) also supported these results and revealed that spiritual alignment was relevant to well- being and pleasure. Saroglou (2002) In a Meta –analysis analysis, using the five aspects design of personality as a structure, discovered that common religiosity was relevant to extroversion, agreeableness and conscientiousness. He discovered that Implicit spiritual was relevant to low agreeableness, low neuroticism and low openness, while extrinsic religious beliefs was relevant to neuroticism.

As it is mentioned earlier, different researches combined different variables together and applied them to determine the relationship between personality traits and religious. Although the previous studies have mainly confirmed the positive relationships of personality traits and religious orientation they did not clearly

mention the mechanism of these relationships. Therefore, the main goal of the present study is to explore the effects of personality dimensions on SRI with religiosity as a moderator variable. Therefore, the research current finding could be regarded as one of the most important contributions of this study and Combination of the variables in this model is, by itself, the most significant characteristic of this research. The proposed hypothesis is:

H3: religiosity moderate the relationship between personality traits and socially responsible investments (SRI)
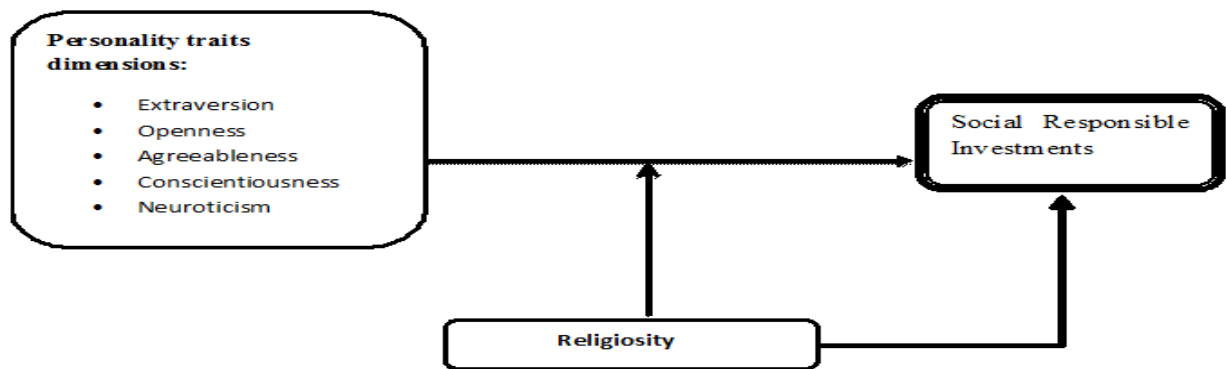
Research Methodology

The selection of right research methodology is one of the central parts and it is based on the type of research question. The goal of doing this research was is to discover out the socially responsible investors decision making potential in Pakistan by determining the relationship of selected variables. The research tried to examine main dependent variable socially responsible Investments which were measured by Personality traits dimensions and religiosity through quantitative research methodology. While considering the objectives as well as extent of research in mind along with the nature of population and the design of sampling, it is observed that the quantitative method is the suitable technique used to measure the objectives (Burns and Grove, 1993). Quantitative data as described by (Burna and Grove 1993:; Brink and Wood 1998) "can be transposed into figures, in a official, purpose, methodical procedure to acquire details and explain factors and their relationships".

3.1 Research Population and Sample

The current study runs on the non-probability testing technique that is comfort testing. According to Zikmund, W.R. (1997) convenience sample testing is, "a testing strategy that acquires and accumulates the appropriate information from the sample or the product (unit) of the study that are ideally available". In convenience sampling technique, selecting of sample from the population also depends on the ease of availability (Terre Blanche and Durrheim, 1999). Non-probability sampling is a form of subjective sampling method, where the selection of probability of each sample is not known (Polit and Hungler 1997:232). Researcher selected these sample members from the city of Bahawalpur (South-Punjab).

Sample Size

Sample size is selected keeping in mind time constraints and guidelines from past studies. According to Comrey and Lee (1992) sample of 200 will be suitable; example of 300 will be regarded as good; 500 very outstanding whereas 1000 will be outstanding. Therefore, keeping in view the above Comrey and Lee (1992) findings the 300 sample size has been decided to collect which is considered good. Hence, potential investors ranged from student, working adult and retiree were requested to participate in current study by personally visit to respondent and the target of 300 sample collection accomplished.

Development of Research Instrument

A self-administrative questionnaire was prepared as a survey instrument. The survey instrument enclosed two sections. First section of the survey instrument includes personal and demographic variables. This section was achieved information about gender, age, income, education and status of the respondent's.
Second section of the instrument survey includes the variables which were much important in the current study. These variables include Religiosity, Personality traits and Socially Responsible Investment. Religiosity was measured by using Margreet R. de Vries-Schot, Joseph Z.T. Pieper &Marinus H.F. van Uden; 2011) scale of religiosity. Personality traits were tailored from (John & Srivastava, 1999). The dependent variable of the study is socially responsible investment (SRI) and its item is adapted from different previous studies of (Minna, Kristiina & Korhone; 2009), (GregorDorfleitner, $ Sebastian Utz; 2014). The scales of this study were adopted from prior literature as well as published studies. Five factor Likert range which range from five (strongly agree) to one (strongly disagree) will be used to evaluate the reaction of questions used to measure socially responsible investment. Score for the questioner is developed simply by assigning numerical number to each question and adding these up to give an overall score for each respondent.

Reliability

The Reliability analysis results of current study shows that all the 46 items were reliable to measure the opinions of potential investors towards Socially Responsible Investment because the value of Cronbach's Alpha which is 0.7 is considered to be acceptably consistent for items which are evaluating specific idea or concept (Nunnally and Bernstein, 1994; Nunnally, 1978). Sekaran (2003) also said that the items which contain at least 0.7 values will be considered. The Reliability measures are shown in table below:

Table 4.3   Reliability of Measurements Instrument

Scales	Items	Cronbach Alpha
Religiosity	9	0.882
Extraversion	5	0.814
Agreeableness	4	0.847
Conscientiousness	4	0.797
Neuroticism	3	0.750
Openness	5	0.810
Socially Responsible Investment	16	0.903

Research Analysis and Findings

Correlation

Table 4.1 shows the correlation value of Religiosity; extraversion; agreeableness; conscientiousness, neuroticism; openness and socially responsible investment are .311, .382,.455,.382,.291 and .373 respectively. These values show that there is a correlation exists but it is weak except agreeableness. The correlation value of agreeableness is .455 shows that there is a strong correlation and all the variables have significant value below .05. Therefore, all variables have significant positive correlation.

Table 4.1

Correlations

		Religiosity	Extra	Agree	Consc	Neuro	Open	SRI
AVG_Releigiosity	Pearson Correlation	1						
	Sig. (2-tailed)							
	N	300						
AVG_Extra	Pearson Correlation	.414**	1					
	Sig. (2-tailed)	0						
	N	300	300					
AVG_Agree	Pearson Correlation	.381**	.507**	1				
	Sig. (2-tailed)	0	0					
	N	300	300	300				
AVG_Consc	Pearson Correlation	.372**	.500**	.494**	1			
	Sig. (2-tailed)	0	0	0				
	N	300	300	300	300			
AVG_Neuro	Pearson Correlation	.214**	.382**	.182**	.354**	1		
	Sig. (2-tailed)	0	0	0.001	0			
	N	300	300	300	300	300		
AVG_Open	Pearson Correlation	.365**	.379**	.468**	.477**	.310**	1	
	Sig. (2-tailed)	0	0	0	0	0		
	N	300	300	300	300	300	300	
AVG_SRI	Pearson Correlation	.311**	.382**	.455**	.382**	.291**	.373**	1
	Sig. (2-tailed)	0	0	0	0	0	0	
	N	300	300	300	300	300	300	300

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

Multiple Regression Analysis

SPSS 20.0 was used to check the result of proposed model given in literature. Regression analysis was run to measure the casual relationships of the independent variables on dependent variables. Hence, in the result findings value of beta and significant value (p>0.005) were observed to computes the actual results with the statistically generated expected results to confirm that there is a statistically significant relationships of the independent variables on dependent variables.

Hypothesis Testing

Extraversion and Socially Responsible Investment

Regression Analysis of the socially responsible investment model shows that there is a no significant relationship between Extraversion and Socially responsible investment with (β=0.095) and (p < 0.121). The results suggest that the Extraversion has no significant relationship with Socially Responsible Investment as p value is greater than 0.05. Based on these results, we reject H1a and conclude that the study did not find significant relationship of Extraversion with Socially responsible investment.

Agreeableness and Socially Responsible Investment

The regression analysis of the study shows that there is a significant positive relationship between Agreeableness and Socially Responsible Investment with (β=0.250) and (p < 0.000). This means the Agreeableness almost contribute 25% to Socially Responsible Investment. The results of the study support H1b.

Conscientiousness and Socially Responsible Investment

While considering the significance between Conscientiousness and Socially Responsible Investment, the results of the current study shows no significant relationship between these two variables with (β=0.104) and (p > 0.094). Therefore, the result of the current study shows no significant relationship between these two variables and results of the current study reject the H1c.

Neuroticism and Socially Responsible Investment

According to the results of the study, the variable Neuroticism has a significant positive relationship with Socially Responsible Investment. . The regression results of the Neuroticism has a significant positive relationship with (β=0.130) and (p < 0.016). That means the Neuroticism contribute almost 13% to Socially Responsible Investment. Results of the current study validate the H1d.

Openness and Socially Responsible Investment

The regression results of the study confirm the significant positive relationship between Openness and Socially Responsible Investment with (β=0.130) and (p < 0.029). According to these results, Openness contributes almost 13% to Socially Responsible Investment. These results of the study validate H1e.

Religiosity and Socially Responsible Investment

The regression analysis of the study shows that there is a significant positive relationship between Internal Religiosity and Socially Responsible Investment with (β=0.311) and (p < 0.000). This means the Religiosity contributes

almost 31% to Socially Responsible Investment. The results of the study support H2. Table 4.7 summarizes the regression results of the study below:

Table 4.2   **Regression Results**

Hypothesis	Model Variables			Estimate	S.E.	C.R.	P	Results
H1a	SRI	←	Extra	0.095	0.049	1.557	0.121	**Not Supported**
H1b	SRI	←	Agree	0.250	0.054	4.011	***	**Supported**
H1c	SRI	←	Consc	0.140	0.053	1.681	0.094	**Not Supported**
H1d	SRI	←	Neuro	0.130	0.046	4.412	0.016	**Supported**
H1e	SRI	←	Open	0.130	0.052	2.200	0.029	**Supported**
H2	SRI	←	Religsty	0.311	0.050	5.825	***	**Supported**

SPSS.20 Results
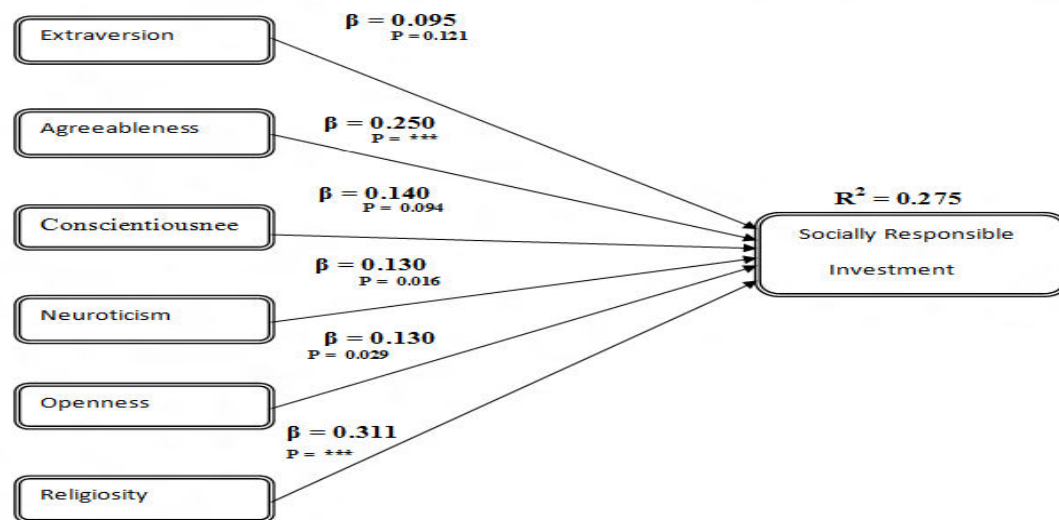
      Figure 4.2   **MODEL RESULTS**

Testing Moderator Hypothesis and Results

After testing the simple model, this section tests the hypotheses regarding the Religiosity moderator impact on the relation between personality traits dimension i.e Agreeableness, Neuroticism and Openness with Socially Responsible Investment. While the Extraversion and Conscientiousness independent variables does not have significant relationship with Socially Responsibility Investment in regression results therefore the moderator impact of Religiosity is not tested upon these two dimensions because to validate the moderating hypothesis, all these independent variables effect should be significant with Socially Responsible Investment. Measuring the moderated effect means an interaction term (Holmbeck, 1997). For testing these hypotheses, the current study develops three separate models for each moderating variable because for testing the moderating effect, the standardized scores of these variables are used. SPSS 20 used to test these moderating hypotheses. In this process, the dependent variable was regressed on independent variable, moderating variable and interaction term. This interaction term created by multiplying the scores obtained from independent and moderating variables. To avoid the multicollinearity problem, the standardized values of these variables are used as suggested by Aiken and West (1991). In this way, the significant correlation between these variables and interaction-term does not make problem in testing the moderating variables (Ozdogan & Altintas, 2010).

Moderator: Religiosity between Agreeableness and Socially Responsible Investment

To test the moderating effect of Religiosity, the independent variable Agreeableness, moderating variable (Religiosity) and Interaction term (Religiosity scores x Agreeableness scores) was regressed on dependent variable (Socially Responsible Investment). To validate the moderating hypothesis, all these effect should be significant. Table 4.3.1 shows the results of the analysis. There is a significant positive relationship between independent variable and dependent variable with (β=0.337) and ($p < 0.05$). The relationship between moderator variable and dependent variable is also significant with (β= 0.068) and ($p < 0.05$). While the interaction term is also significant with (β = 0.250) and ($p < 0.05$). Figure 4.3.1 summarizes the regression results of the study in model.

Table 4.3.1   **Regression Results (Moderator: Religiosity)**

Hypothesis		Model Variables	Estimate	S.E.	C.R.	P	Results
	SRI ←	Agree	0.337	0.054	6.285	***	
H3	SRI ←	Religiosity	0.068	0.056	1.220	***	**Supported**
	SRI ←	(Agree * Religiosity (Interaction)	0.250	0.44	4.519	***	

Moderator: Religiosity between Neuroticism and Socially Responsible Investment

To test the moderating effect of Religiosity, all the variables including independent variable (Standardized scores of Neuroticism), moderating variable (Standardized scores of Religiosity) and Interaction term (Neuroticism Standardized scores x Religiosity standardized scores) was regressed on dependent variable (Socially Responsible Investment). To validate the moderating hypothesis, all these effect should be significant. Table 4.3.2 shows the results of the analysis. There is a significant positive relationship between independent variable (Neuroticism) and dependent variable (Socially Responsible Investment) with (β=0.249) and ($p < 0.05$). The relationship between moderator variable and dependent variable is also significant with (β= 0.245) and ($p < 0.05$). While the interaction term is not significant with (β = 0.079) and ($p > 0.05$). There is no moderation effect proof.

Table 4.3.2   **Regression Results (Moderator: Religiosity)**

Hypothesis		Model Variables	Estimate	S.E.	C.R.	P	Results
	SRI	← Neuroticism	0.249	0.54	4.622	0.016	
H3	SRI	← Religiosity	0.245	0.54	4.542	***	**Not Supported**
	SRI	← Neuroticism* Religiosity (Interaction Term)	0.079	0.54	1.474	0.141	

Moderator: Religiosity between Openness and Socially Responsible Investment

To test the moderating effect of Religiosity, all the variables including independent variable (Standardized scores of Openness), moderating variable

(Standardized scores of Religiosity) and Interaction term (Neuroticism Standardized scores x Religiosity standardized scores) was regressed on dependent variable (Socially Responsible Investment). To validate the moderating hypothesis, all these effect should be significant. Table 4.3.3 shows the results of the analysis. There is a significant positive relationship between independent variable (Openness) and dependent variable (Socially Responsible Investment) with (β=0.306) and ($p < 0.05$). The relationship between moderator variable and dependent variable is also significant with (β= 0.168) and ($p < 0.05$). While the interaction term is not significant with (β = 0.096) and ($p > 0.05$). Therefore, reject the H2---- because the interaction term does not significantly affect dependent variable.

Table 4.3.3   Regression Results (Moderator: Religiosity)

Hypoth esis		Model Variables		Estima te	S.E.	C.R.	P	Results
	SRI	←	Openness	0.306	0.55	5.58 3	0.00 0	
H3	SRI	←	Religiosity	0.168	0.58	2.90 7	0.00 4	**Not Suppor ted**
	SRI	←	Openness* Religiosity (Interaction Term)	0.096	0.53	1.78 1	0.07 6	

Discussion

The two crucial aims addressed by this current research study: First, to gather details about the difference features of the participants that can be used to comprehend the modifications in different categories of socially responsible Investors. Second is to investigate the moderation effect of religiosity variable analyzed between the relationship of personality traits and Socially Responsible Investment discovered.

This study indicates that personality of agreeableness, neuroticism and neuroticism control choices of financial decisions. They seemed to be favored personality traits toward Socially Responsible Investment criteria in financial decision choice. On other hand the insignificant relationship of extroversion and conscientiousness towards Socially Responsible Investment criteria found. This finding presents the choice towards a higher logical strategy in the evaluation of Socially Responsible Investment criteria. While, the importance of the other traits (agreeableness, neuroticism and openness) in context of Socially Responsible Investment criteria gives assistance to the lifestyle of other economical choice

supports that are less than logical (Krishnan and Beena, 2009). This research discovered that SRI is considerably favorably affected by agreeableness. This can be described by the need for agreement to promote efficient "pro-social" actions (Nilsson, 2008). Agreeableness may create up for satisfying the ethical moral feeling of individuals when selecting Socially Responsible Investment (McLachlan and Gardner, 2004).

This research also discovered that the feature of openness favorably impacts the use of "heuristics". Individuals higher desire to embrace non-conventional guidelines is encourages by openness in financial decisions taking. While these alternatives may be "suboptimal", they are looking forward to further research analysis (Maule and Hodgkinson, 2002). Past research have also discovered that financilyst professionals depend more on rules of thumbs and recognized efficiency standards despite of habitual study in decision taking (Smith, 1999a).

Research indicates that Neuroticism trait positively and significantly influences the Socially Responsible Investment criteria. Therefore, this finding suggests the neuroticism trait less preferred rational approach in financial decision making toward the evaluation of Socially Responsible Investment criteria.

In contrast, extraversion and conscientiousness showed insignificant impact. Hence, recommend that people implement a logical choice strategy rather than the choice structure that is more depending on psychological and ethical intellect in analyzing SRI. In summarizing the results the findings are great contribution in order to expand the existing literature boundaries in regards to sustainable investment perspectives.

In conditions of Religiosity the major contribution of this study, evaluation of moderating impact of Religiosity between the relationship of personality traits and Socially Responsible explored out for the first time which was not studied (as a moderator in the context of Socially Responsible Investment) in the previous literature. Therefore, based on first hypothesis results, there was positive and significant relationship found between personality traits three dimensions (agreeableness, neuroticism and openness) and Socially Responsible Investment. While other two personality traits dimension (extraversion and conscientiousness) relationship was not significant due to which the moderation test was not be done for these two dimensions.

Hence, the results of moderations test for personality traits three dimensions (agreeableness, neuroticism and openness) conducted to check out that the Religiosity as a moderator. On conducting moderation test results of the study confirm the Religiosity as a moderator between the relationship of Agreeableness and Socially Responsible Investment. The hypothesis of the study proposes that the relationship between Agreeableness and Socially Responsible Investment varies as a function of Religiosity. Hence, it is clearly proof that the Religiosity enhances the intention of Socially Responsible Investment. On other hand, the results of

moderation test for neuroticism and openness disclosed no moderation effect of religiosity towards Socially Responsible Investment.

In contrast, these results not only support the argument that the agreeableness relationship is not straight forward but also confirm the religiosity as a moderator between Agreeableness and Socially Responsible Investment representing the important and incremental contribution of this current study.

The managerial implications of these contributions are discussed along with the other findings in the section of recommendations.

Conclusion

The current research discloses that particular individual personality traits specifically agreeableness, neuroticism and openness contain a noteworthy control on financial decision taking in regards to socially responsible investment. The control of personality dimensions outweighs the traditional approach of decision making because within the restrictions of imperfect information, doubt and restricted capabilities, individuals often create financial choices with surrounded rationality. This research contributes to this information by indicating that within surrounded rationality circumstances, being aware of an individual's character tendencies will enable one to understand and assess his/her financial choices to create better choices. Personality may be more easily and quicker deciphered in social circumstances in promoting the development of human well-being. In line with the results, this research indicates that personality characteristics may provide a entrance into further understanding the tacit financial making decisions choices of customers. As such, more effective interaction and information exchange can be carried out by statement of the character of customers in the area of financial planning as well as in financial connections and functions. It is also progressively appropriate to present behavioral finance courses in Finance Degree programs in Pakistan.

Secondly, the major contribution of current study suggests that the religiosity as a moderator between Agreeableness and Socially Responsible Investment enhances the intention of Socially Responsible Investment. As Pakistan is a Muslim country that is why Socially Responsible Investment pattern can be boost under the shadow of Religiosity factor which will lead toward social well being development of financial sectors. Ultimately sustainability and development goals of a developing country will be accomplished.

Limitations and Further Research

This research applied a sample of Master & M.S student, working adults and retiree respondents (potential investors) which limits the population generalizability within the boundary of southern Punjab area of Pakistan, not cover the whole country. First, Upcoming research analysis should improve this to different associates of individuals such as professional worker and retirees who actually have

at least one time investment experience. Secondly, Articles as well as books that were not accessible from library and internet were not included in the review which was the second limitation of this study. Hence, the future research should include further articles and books in research review. Third, this study only examines a limited variables personality and religiosity towards the Socially Responsible Investment phenomenon. Therefore, the impacts of personality characteristics as mediator and furthermore age, educational level and different cultural aspects as moderator need to be investigated in order to attractively focus the prospective traders and to meet their financial targets. Fourthly, the different students' categories according to their degree specialization are not taken in this research work. In line to this limitation, the future research should be focused to different students categories of different degree specializations as well as their responds can be compared towards Socially Responsible Investment phenomenon. Fifth, in current study no aspect of conventional financial decision making approach investigated. According to this limitation traditional financial decision making factors should be examined with these behavioral factors collectively. Last but not least, present study represents the Socially Responsible Investment phenomenon of Developing country (Pakistan). In connection to this a comparative study of developed and developing countries should be conducted to in future because Socially Responsible Investment is basically the phenomenon of developed countries.

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