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Psychological Factors Affecting Investment Decisions in Working Women

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Abstract
This study is an inquiry into the psychological factors that influence investment decisions with working women, among whom more and more appear to be attaining economic independence and control over individual finances. Although this is so, various emotional and cognitive aspects continue to mold working women's perceptions and approaches toward investment opportunities.

Extant literature highlighted that women were more risk-averse, emotionally cautious, and socially influenced in comparison with men. The most important psychological factors found for women include less financial confidence, fear of loss, regret aversion, and being prone to social influence.

The data was collected from working women using a structured questionnaire. Data analysis was carried out using SPSS and Smart PLS. Results implied that psychological factors including tolerance for risk, emotional stability, level of financial confidence, and peer pressure had a strong bearing on the investment decisions of working women. There were greater inclinations toward safe investment options such as fixed deposits, insurance, and gold on the part of the respondents, chiefly to avoid financial losses and look after family interests. Women were influenced by suggestions from peers.

The research concludes that psychological considerations are equally crucial as financial awareness in influencing the behavior of investment. It suggests context-specific financial education programs that counteract emotional biases, instill financial confidence, and foster autonomous decision-making among working women. Identifying and addressing these psychological drivers have the potential to result in empowered, rational, and effective investment habits in this emerging constituency.

Keywords: Psychological factors, Investment decisions, Working women, Economic independence, Financial confidence, Risk aversion, Emotional stability

Introduction
Investor behavior refers to the attitude, preference, and decision-making profile of individuals when investing funds in various financial instruments. In working women, it is influenced by a mix of individual, occupational, and social factors. Contrary to the traditional perspectives where the family budget and investment were left to men, working women today increasingly participate in economic activity and bring significant additions to household income. Their

dual role - and earners and family caregivers - tends to influence how they perceive risk, evaluate opportunity, and choose investments.

The investment pattern of working women has changed significantly during the last two decades. In the past, working women limited investments to low-risk options like fixed deposits, gold, and recurring savings schemes. But with growing education levels, financial literacy, and availability of online platforms, working women are investing in mutual funds, equities, and other market-linked instruments. The advent of fintech products, online investment platforms, and financial literacy programs has empowered women to position themselves more within finances.
Working women, as compared to non-working women and homemakers, experience financial issues at home and abroad. They experience time stress, work stress, and household money pressures—all the contributing factors that can reinforce psychological determinants of investment behavior. Research into this group offers vital understanding into how economically active, contemporary women choose to invest under competing pressures and expectations. It further fills gaps in existing research within the field of behavioral finance, which has traditionally discounted women, particularly in more highly developed countries such as India.

With growing economic independence and jobs in the labor force, working women currently have special challenges in managing their own family finances. While they contribute substantially to household incomes, social mores and conventional gender role expectations may restrict their freedom of choice, particularly when investing for the future. Women tend to be conditioned to be conservative in handling money, yet further reinforcing this tendency toward low-yielding financial assets. In contrast, the pressures of contemporary working life might elicit more knowledgeable and active financial conduct. The interplay of these variables renders investment behavior among working women an interesting research subject.
Additionally, psychological characteristics like overconfidence, worry, and peer pressure are usually given less importance in traditional financial education. Realizing their impact on investment choice-making would allow for developing specific financial courses for enhancing choice-making. This study investigates the impacts of psychological characteristics on investment choice-making among Indian working women.

Literature Review

Spouse Effect and Joint Financial Decision-Making

The role of a spouse in making financial decisions is a well-established but complex feature of household financial affairs. Sunden and Surette's (1998) findings constitute compelling empirical evidence that married women tend to engage their husbands significantly in the process of making investment choices. The tendency increases as the perception that the husband possesses higher financial knowledge or experience heightens. Although this dependency can become a source of support, it also runs the risk of undermining the woman's financial independence regularly.

For most working women, specifically beginners in financial instruments or markets, the advice of a supportive spouse can alleviate the fear of taking risks in finance. The joint effort may promote greater financial aspirations and reinforce marital ties through mutual planning and trust. Among employed women, they have their own economic sources of income, workplace exposure to financial products such as provident funds, insurance, and investment

schemes, and generally a clearer idea of personal finance than non-employed women. Even so, conventional gender roles and cultural expectations may be very much a part of shaping financial behavior.

In the case of working women, money decision-making is typically hybrid in nature. Although they may make or propose investment plans on their own, final money decisions are usually made jointly with their spouse. The joint money decision-making model represents both mutual financial planning desire and lingering traditional spousal roles. The extent of spousal influence in this blended approach relies significantly on variables like the quality of inter-partner communication, transparency in communicating about financial issues, confidence in the woman's financial competence, and her true knowledge pertaining to investment instruments.

Financial Literacy and Participation in Investment Decisions

Financial literacy is the key to being well-educated and careful investment practices. It enables someone with the expertise to analyze risk, predict returns, interpret financial products, and make economic choices. Such an individual will likely plan for the future, diversify, steer clear of high-risk pitfalls, and save long-term wealth. Lusardi and Mitchell (2011) have revealed that higher financial literacy is closely linked to improved investment performance and improved quality of financial decisions. Low financial literacy can, in contrast, result in less than optimal choices like underinvestment, weak diversification, excessive dependence on word-of-mouth recommendations, or vulnerability to financial frauds.

In spite of the rising focus on money education worldwide, a long-standing gender gap in economic literacy prevails. Chen and Volpe (2002) and subsequent follow-up research repeatedly concluded that, women lag behind men in terms of money knowledge is not just due to lack of ability or intelligence but due to variations in exposure, interest, and confidence. Lower financial literacy among women would result in lower self-efficacy in financial decision-making and lower tendency towards investment behaviors.

In the case of working women, the work exposes them to the organized financial system and products like salary bank accounts, Employee Provident Fund (EPF), health insurance, and Employee Stock Ownership Plans (ESOPs). This subjects them more to financial instruments and makes them more financially aware. Women employed in fields such as technology, finance, or business administration, particularly, are likely to exhibit greater financial literacy because of exposure at the professional level to economics and financial planning.

On top of professional and household responsibilities, there is not much time left to engage actively in handling money. The need to look after very young children or elderly relatives once more imposes additional pressures. Even women who are financially savvy may still be leaving financial choices in the hands of a husband or suspending investment activity simply due to tiredness, stress, or other priorities.

Gender Factors and Risk Perception in Investment Decisions

Risk perception is the most important of the psychological variables that shape investment choices. It dictates the extent to which a person will invest their capital into uncertain results with the anticipation of financial returns. Research by Charness & Gneezy (2012) and Byrnes et al. (1999) found women to be more risk-averse than men. This risk aversion based on

gender is due to the desire for low-risk, capital-protected investment product ensuring security and certainty.
Risk aversion changes with situations, experience, and financial exposure. Working women, who are financially independent and aspiring, the attitude towards and risk tolerance can develop profoundly with age. They plan, save, and invest more systematically with their regular income. Their interaction with financial products allows them to make better-informed risk-reward decisions. Women who have gained some financial security and savings buffer start looking at moderately risky alternatives like mutual funds, Systematic Investment Plans (SIPs), and even equity markets.
Women who work, tend to deal with dual responsibilities of work and home. This effect has a bearing on a more balanced investment strategy. One side they prefer low-risk investments to provide security and stability for their families, on the other, their status as income generators gives them the strength to direct part of their income toward growth investments, aware of the necessity to outgrow inflation and accumulate wealth in the long term.

Psychological Biases and Investment Behaviour
Psychological biases are inherent to human behavior and have a significant role in the way people make economic decisions. In investment contexts, they lead to irrational, emotionally driven choices that do not conform to optimum financial logic. Overconfidence, loss aversion, herding, and mental accounting are some of the best-studied psychological biases in behavioral finance. These biases influence women and working women specifically in investment planning.
Overconfidence, which was studied by Barber and Odean (2001), is a cognitive bias in which individuals overestimate their information, predictive ability, or ability to control results. In their research, men are more likely to exhibit this trait more strongly, resulting in overtrading and risky behavior. Women are less likely to take risks with money and are not as likely to take reckless actions. However, this is not always true. Professional women, especially those holding management roles or having a lot of experience working with workplace budgets, team expenses, or financial projects, can also suffer from domain-specific overconfidence. In these environments, they may overestimate their capabilities in making sound financial decisions, which can lead to premature investments or unwarranted exposure to specific categories of assets.

Loss aversion, formulated by Kahneman and Tversky (1979), is another common bias, particularly among women. This is the tendency to feel the pain of a monetary loss more intensely than the pleasure of an equal gain. Hence, most women would shun higher-risk but greater-gain type investments, e.g., stocks or mutual funds, and opt for lower-risk investments, e.g., fixed deposits, recurring deposits, and insurance schemes. Although this approach provides emotional security and comfort, it tends to impede long-term wealth creation, especially during periods of inflation when conservative investments trail behind.
Further, herding is also prevalent in most common cases, especially in social and informal circles. Women are known to obey peer opinion, family opinion, or trend propagated through social media platforms when it comes to investing. This can lead to herd behavior—imitation of others' investment decisions without appropriate examination or adaptation to their own financial needs. While this tendency is not only a woman's prerogative, the social/emotional nature of women's interaction can make group influence all the more potent, increasing the probability of popularity over performance–driven irrational investment decision-making.

Mental accounting, another subtle but powerful bias, occurs when money is treated differently based on its source or destination. For example, a woman might view salary, bonuses, gifts, and savings as separate "mental accounts" to which she uses varying levels of risk tolerance or priority. While this technique is helpful in budgeting, it will interfere with global financial planning and effective portfolio diversification.
For working women, identification of these biases is the precursor to their avoidance. Financial competence, personalized guidance, and reflective decision-making can minimize their influence, leading to more rational, bold, and goal-oriented investment behavior.

Investment Decision and Behavioural Factors
There is an increasing body of evidence from behavioral finance that makes a strong connection between investor performance and behavioral biases. Guiso and Jappelli (2008) showed that those who are knowledge savvy and sensitive to their psychological biases perform better in their investments. However, much of the current literature does not treat the working women segment as a homogeneous and united group. As such, there is comparatively less knowledge on how their unique blend of economic independence, family roles, emotions, and social responsibilities affects their investment performance.
Working women are likely to exhibit what may be called a "match-and-mix" behavior in making monetary decisions. Their tendency to invest in relatively more active options like mutual funds, equity-linked SIPs, or even ETFs rises with rising financial literacy, professional experience, and exposure, along with having managed family or personal budgets. Women like these, especially when goal-focused and disciplined, can go against the stereotypical image of the risk-averse female investor.

Specifically, the double roles many working women shoulder - that of professionalism and caregiving - introduce unique psychological pressures that may influence investment behavior. Being hurried by time, feeling emotionally drained, and being required to prioritize others' interests most times leaves them with less energy or bandwidth to be able to devote to personal finance planning. The intersection of these stressors with societal expectations - such as putting money in the control of male peers - adds depth to the working woman's investment scenario.

In order to enhance the investment performance of working women, these behavioral and psychological impediments have to be tackled in an integrated way. Solutions include professional financial counsel services specifically targeting women, online financial literacy interventions with flexible, time-flexible learning, and employer-provided financial initiatives such as investment presentations in the workplace or automatic enrollment in diversified savings plans. Equipping working women with resources, knowledge, and support systems has the capability to transcend the psychological and emotional barriers to confident investing and end up with more stable, robust financial outcomes.

Research Methodology
This research used a descriptive and quantitative research approach to explore how psychological characteristics influence investment choice among employed women. The research design centered on five primary psychological characteristics—risk aversion, overconfidence, herding, trait anxiety, and influence from the spouse—and their influence on investment behavior, with financial literacy as the moderating factor.

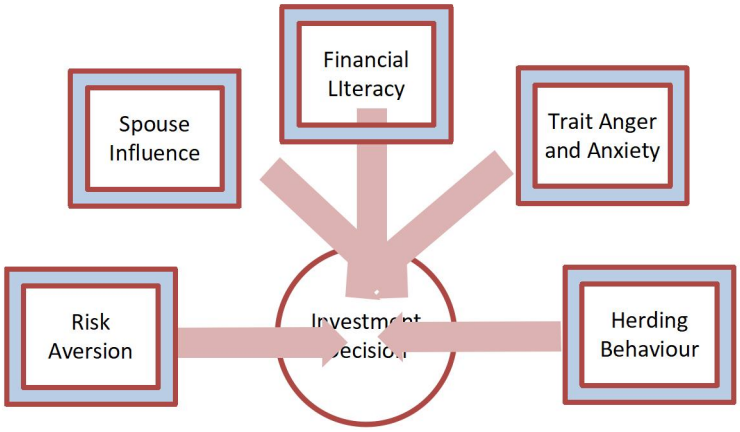

Figure 1. – Conceptual Framework of the Study

Measurement

All variables were operationalized with standardized and validated Likert-scale measures drawn from previous research. For example, risk aversion and trait anxiety were assessed with scales created by Gambetti and Giusberti (2012), overconfidence by Mumaraki and Nasieku (2016), and herding behavior by Kengatharan and Kengatharan (2014). Financial literacy was assessed by self-assessment of investment knowledge, confidence and level of financial education exposure. Investment conduct was measured in terms of frequency of investment, instrument type utilized, level of satisfaction, and independence of decision-making. All scales employed a 5-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree).

Data Collection

Data were gathered through a systematic Google Form survey administered to professional women working in different professions in urban India. The sample was 150 working women aged between 25 and 55 years employed in education, IT, banking, healthcare, and entrepreneurship. Purposive sampling (targeting working women) and snowball sampling (referrals) was employed. It was voluntary participation, and all the norms of ethics were adhered to, such as informed consent and anonymity of response.

Common Method bias

One of the commonly used methods for identifying CMB is checking VIF scores using a complete collinearity test. For this study, all VIF scores were less than 3.3 and ranged from 1.672 (AIFDINVO). This suggests the absence of significant multicollinearity or common method bias, according to the standard advocated by Kock (2015).

Results and Discussions

Measurement Model

To ensure the validity and reliability of the constructs used in this study on psychological factors affecting investment decisions in working women, several measurement model evaluations were conducted. First, indicator reliability was examined by assessing the outer loadings of each observed variable on its respective latent construct. Most indicators showed strong loadings above the threshold of 0.70, indicating that they are good representations of their associated constructs. For instance, variables such as AIFDINVO (0.808) and TINVPR (0.782) loaded well on their respective constructs, while a few like AHRCAL (0.648) were slightly lower but still within an acceptable range for exploratory research.

Second, internal consistency reliability was established using both Cronbach's alpha and composite reliability measures (rho_A and rho_C). Each construct had values above the recommended 0.70 threshold, with Financial Literacy and Family Influence tending to have even higher reliability. This reflects high internal consistency in that the items within each construct consistently measured the same factor. Convergent validity was then assessed using the Average Variance Extracted (AVE). All constructs had AVEs greater than 0.50, proving that a large percentage of variance in the observed variables was accounted for by each construct. For instance, Financial Literacy had an AVE of 0.591, which depicts high convergent validity.

To ascertain discriminant validity, both Heterotrait-Monotrait (HTMT) ratio and Fornell-Larcker criterion were used. The square root of AVE of each construct was greater than its correlation with the other constructs, affirming that each of the variables was unique and non-overlapping with the other variables. HTMT also remained less than 0.85 for all possible construct pairs, further evidencing that each factor represented a unique dimension in the model. Lastly, multicollinearity was checked using the Variance Inflation Factor (VIF). All the VIF values were very much below the conventional threshold of 5, the maximum being 2.282, and no serious multicollinearity existed among the indicators. This confirms that the constructs were statistically different from each other, and the path coefficients were clearly interpretable.

Overall, the measurement model tests ensured that the constructs employed in this research are reliable and valid, and it provided a sound platform for structural relationship analysis of psychological factors with investment behaviour for working women.

Table 1: Outer Loadings of Measurement Items on Latent Constructs

	Cultural and Social Influence	Engagment and Performance	Family Influence	Financial Literacy	Investment Behaviour
AIFDINVO		0.808			
REINVD		0.692			
SCINVD		0.724			
TINVPR		0.782			
AHRCAL					0.648
WWIINVC					0.768
FRPIC					0.776
RRINVFM					0.816
FINVWR				0.704	
PMI				0.759	
CERRIO				0.796	
CUBIC				0.811	
FIINVD			0.707		
FDINVRA			0.734		
MFFDJ			0.763		
FOIINVD			0.816		
SWDINVFP	0.728				
SWCINV	0.732				
HINVGREF	0.766				
CFAINVC	0.801				

Table 2: Reliability and Convergent Validity Assessment of Constructs

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	cted (AVE)
Cultural and Social Influence	0.753	0.76	0.843	0.574
Engagment and Performance	0.745	0.75	0.839	0.567
Family Influence	0.756	0.786	0.842	0.572
Financial Literacy	0.768	0.773	0.852	0.591
Investment Behaviour	0.747	0.765	0.84	0.569

This table shows the internal consistency and convergent validity statistics for the five latent variables utilized in the study—Cultural and Social Influence, Engagement and Performance, Family Influence, Financial Literacy, and Investment Behaviour. These statistics are imperative in ascertaining that the constructs utilized in the model are statistically reliable

and valid in capturing the underlying concepts of psychological influence on investment decisions among working women.
Cronbach's Alpha is the conventional internal consistency measure that assesses how much the items in a set are related within a construct. In this research, all constructs have alpha values greater than the widely accepted 0.70, from 0.745 (Performance and Engagement) to 0.768 (Financial Literacy), affirming satisfactory reliability. Cronbach's alpha does, however, assume equal weighting among all indicators, which will not always be the case. To rectify this, Composite Reliability is also presented in two types: rho_A and rho_C. These measures provide a more refined reliability test by taking into consideration the various loadings of every item.

Composite Reliability (rho_c) for all the constructs is more than 0.83, ranging from a high of 0.852 for Financial Literacy to a low of 0.839 for Engagement and Performance. These figures well exceed the suggested minimum of 0.70, affirming that the indicators effectively measure their corresponding constructs. Similarly, rho_A values—being a more conservative measure—range from 0.75 to 0.786, again pointing to high reliability.
Together with internal consistency, convergent validity is assessed using Average Variance Extracted (AVE). AVE assesses the ability of a construct to explain variance in its indicators, and a cutoff of 0.50 is considered acceptable. In this model, all constructs exceed this standard, with AVE ranging from 0.567 (Engagement and Performance) to 0.591 (Financial Literacy). These confirm that the variance in the observed indicators for more than half is explained by their respective latent constructs, which means that they have strong convergent validity.

Overall, this table confirms the strength of measurement model robustness by ensuring that all the constructs are both conceptually clear and internally reliable. The high reliability and adequate convergent validity provide a firm basis for further analysis of the structural model. These findings guarantee that whatever conclusions are deduced from the correlations between psychological factors affecting investment choices of working women are derived from valid and dependable measurements.

Table 3: Discriminant Validity Assessment Using HTMT Criterion

HTMT

Cultural and Social Influence	formance	Influence	al Literacy	Behaviour
Cultural and Social Influence				
Engagment and Performance	0.496			
Family Influence	0.418	0.289		
Financial Literacy	0.474	0.455	0.203	
Investment Behaviour	0.499	0.494	0.395	0.557

This table illustrates the Heterotrait-Monotrait Ratio of Correlations (HTMT), a contemporary and statistically sound approach utilized to estimate discriminant validity in Structural Equation Modeling (SEM). Discriminant validity is the degree to which a construct is actually unique from other constructs in the model, such that they all measure distinct and independent concepts. This is important in behavioral research, as in the current study on psychological factors affecting investment decisions of working women.

All the HTMT values across the five constructs—Cultural and Social Influence, Engagement and Performance, Family Influence, Financial Literacy, and Investment Behaviour—are far below 0.85. The highest value here is just 0.557 between Financial Literacy and Investment

Behaviour, still well within the acceptable range. Other pairs of variables, like that of Engagement and Performance with Family Influence (0.289) or Family Influence and Financial Literacy (0.203), also demonstrate much lower HTMT values, adding to the discriminant validity evidence.

These findings verify that each construct within the model is differentiated empirically, validating the theoretical framework of the research. For instance, while Engagement and Performance might share some similarities with Investment Behaviour, a HTMT of 0.494 indicates that they are not synonyms and measure different things in the investment decision process. Consequently, Cultural and Social Influence demonstrates moderate but reasonable correlations with the other constructs, e.g., Financial Literacy (0.474), suggesting that these constructs, although related, measure distinct behavioral and psychological constructs.
In summary, this HTMT evidence strongly supports discriminant validity between the latent constructs, guaranteeing that all the psychological factors captured in the research contribute uniquely to the explanation of the investment behavior of working women. This statistical evidence adds a layer of credibility to the structural model and justifies the theoretical differences between the variables in the research.

Table 4: Discriminant Validity Assessment Using Fornell-Larcker Criterion

Fornell and Larcker					
	Cultural and Social Influence	formance	Influence	al Literacy	Behaviour
Cultural and Social Influence	0.757				
Engagment and Performance	0.38	0.753			
Family Influence	0.336	0.241	0.756		
Financial Literacy	0.367	0.351	0.157	0.769	
Investment Behaviour	0.377	0.373	0.306	0.433	0.755

It provides a traditional method of testing discriminant validity in Structural Equation Modeling (SEM). Discriminant validity guarantees that every construct in research is distinct and not too correlated with other constructs, hence verifying that the model measures different theoretical concepts. This table is particularly helpful in research such as this one that examines numerous psychological and social variables that determine investment behavior among working women.
Based on the Fornell-Larcker criterion, it should be that the square root of each construct's Average Variance Extracted (AVE) value (noted on the diagonal in bold) is larger than the correlation values that each construct shares with any other in the model (off-diagonal values). These diagonal values are the square roots of AVE for each latent variable: Cultural and Social Influence (0.757), Engagement and Performance (0.753), Family Influence (0.756), Financial Literacy (0.769), and Investment Behaviour (0.755).

On checking, every diagonal value is actually greater than the corresponding off-diagonal values, which verifies that every construct covers more with its own indicators than with another construct. For instance, Financial Literacy's square root of AVE is 0.769, which is greater than its correlation with Cultural and Social Influence (0.367), Engagement and Performance (0.351), Family Influence (0.157), and Investment Behaviour (0.433). It proves Financial Literacy is a unique construct in this model.
Likewise, the construct Engagement and Performance also has a square root AVE of 0.753, which is greater than its inter-construct correlations with other constructs like Cultural and Social Influence (0.380) and Family Influence (0.241), thereby also providing discriminant

validity. Investment Behaviour, the dependent variable of this research, also illustrates high uniqueness with a square root AVE of 0.755, which is above its highest inter-construct correlation (0.433 with Financial Literacy).
In short, this table confirms the conclusion that all the constructs in the model are unique and capture distinct dimensions of psychological and social influences on investment behavior. The successful discriminant validity validation through the Fornell-Larcker criterion enhances the overall coherence of the measurement model and ensures that the ensuing structural model analysis is based on valid and unique constructs.

The strongest factor in this research is Financial Literacy with a path coefficient of 0.288 and a very significant p-value of 0.000. This verifies that greater financial awareness and ability definitely enhance investment choices among working women. Family Influence also demonstrates a strong impact on investment behavior with a value of 0.181 and p-value of 0.002, implying that the family—particularly the spouse or the elders—can have a significant influence on women's financial behavior. Likewise, Engagement and Performance demonstrates a statistically significant impact (0.174, p = 0.020), wherein higher levels of participation and confidence in managing money result in riskier investment behavior.

Table 5: Structural Model Results and Hypothesis Testing

	Original sample (O)	P values	
Cultural and Social Influence -> Investment Behaviour	0.154	0.066	Rejected
Engagment and Performance -> Investment Behaviour	0.174	0.020	Accepted
Family Influence -> Investment Behaviour	0.181	0.002	Accepted
Financial Literacy -> Investment Behaviour	0.288	0.000	Accepted

In contrast, the influence of Cultural and Social Factors was not statistically significant, with a coefficient of 0.154 and a p-value of 0.066, which was just above 0.05 cutoff point. This indicates that although cultural and social environments may influence overall attitudes or perception, they do not have an overarching and direct influence on real investment behavior among working women—perhaps in response to increased individual economic independence and decreased dependence on society.
Path coefficient analysis indicates the strength and significance of the relationships between independent variables and investment behavior. Of the four hypothesized paths, three were statistically significant with p-values below 0.05: Engagement and Performance (0.174, p=0.020), Family Influence (0.181, p=0.002), and Financial Literacy (0.288, p=0.000) — all of which were accepted, which depicts a positive and significant effect on investment behavior. But Cultural and Social Influence had a path coefficient of 0.154 with p-value 0.066, which was less than the cutoff value of 0.05, and was hence rejected. This indicates that family, involvement, and financial literacy do affect investment choices significantly, while cultural and social influence don't affect significantly in this specific model.

Discussion

Individuals' investment behavior, particularly that of working women, is determined by a dynamic interrelationship of psychological, social, and informational determinants. The results of the study present significant contributions to understanding the ways in which important constructs are related to financial literacy, family influence, engagement and performance, and cultural-social factors in determining investment choice. The analysis

presented here synthesizes the empirical findings with the literature to understand the implications and patterns found in the research.
The highest determinant identified under this study was financial literacy, with the highest path coefficient (0.288, p = 0.000). This is in favor of knowledge, education, and awareness about finance as they are able to facilitate women in making sound investment choices. Other previous research such as Lusardi and Mitchell (2011) also corroborated that individuals with higher financial education were more capable and confident in managing investments. Working women, who tend to be exposed to business settings and financial instruments, seem to gain an advantage from this literacy, converting it into smarter and more proactive investment practices. Yet it also indicates a lingering gap—those with poor financial literacy tend to fall behind in taking part, underscoring the need for comprehensive financial training programs specific to working women.

Spouse or close family influence was also found to have a strong impact on investment behavior (path coefficient = 0.181, p = 0.002). This is supported by studies by Fonseca et al. (2012) and Sunden & Surette (1998), which mention that women, particularly in the context of marriage or family, tend to depend on or listen to others' financial choices. Although this influence can bring security and shared responsibility, it can also undermine financial independence when it is unbalanced. Curiously, the double function of family—as both a facilitator and a possible inhibitor—indicates that emotional and relational dynamics must be considered when creating financial empowerment plans. For working women, family influence is complex: it can be guidance, a source of fiscal guidance, or sometimes a constraint in exercising independence in planning finances.

Participation and performance also resulted as a strong determinant (0.174, p = 0.020), highlighting active participation, confidence, and decision-making ability in money matters. Women who actively take part in financial planning, monitoring markets, or have their own portfolios are more inclined to invest independently and logically. It corroborates behavioural finance literature stressing participation and perception of performance as investment readiness drivers. The workplace, the peer setting, and the web-based financial communities could all play a constructive role by increasing women's interaction with money.

Interestingly, social and cultural influence, though moderately related to investment behavior (0.154), proved to be statistically insignificant (p = 0.066). This indicates an emergent trend in working women's behavior. Although traditional gender roles, societal pressures, or cultural constraints could have heavily impacted investment choices in the past, contemporary working women, particularly those with greater financial literacy and economic freedom, might be increasingly unbundling themselves from such shackles. The result can be interpreted as a pointer to changing social norms and the development of individualized financial choice-making by professional women. The effect might, however, still hold in more traditional or rural contexts, suggesting a contextual difference worth further investigation.

The discriminant validity results (HTMT and Fornell-Larcker) confirmed that every construct was distinct and conceptually different, further affirming the validity of the model. The measurement models also cleared the necessary thresholds of reliability and convergent validity, evidence of high data quality. Furthermore, the VIF scores confirmed there was no multicollinearity, and each variable brought something new to the model without redundancy.

In total, the study highlights the multifaceted drivers of investment among working women. The strongest drivers are financial literacy, and these are reinforced by personal involvement and family influence. Social and cultural factors, while historically influential, are possibly declining for today's working women, tracking broader social and economic change. These results have important implications for policy makers, financial education providers, and advisory bodies. Efforts to enhance women's economic independence should be directed towards establishing confidence and positive participation, as well as towards sensitizing families to independent financial decision-making.

Conclusions and Implications

This research aimed to test the psychological variables that affect investment choices of working women and specifically looked at financial literacy, role and performance, family influence, and cultural and social pressures. The research presents robust empirical evidence that financial literacy, family influence, and performance have important roles in determining working women's investment behaviour but that cultural and social influence was not statistically significant. These findings indicate a paradigm shift from the conventional investment scenario, with the observation that today's working women, particularly those who are financially aware and actively contributing to decision-making, are taking more autonomous and enlightened investment decisions.

The most prevalent factor was financial literacy, emphasizing the importance of planned financial education and awareness campaigns for working women. Improved financial awareness means more assertive and rational investment choices and less chance of being swayed by bias or emotion. Influence from family was also strong, reflecting that money discussions in households, even between spouses, still influence investment proclivities and risk tolerance. Participation and performance, which measure how engaged and confident women are in financial issues, also highlight the need to establish platforms that engage women to be actively involved in investment processes.

Conversely, the reduced influence of social and cultural influence could reflect a more general shift in society whereby financial choices are becoming more personal than conventional. This observation is important for financial institutions, schools, and policymakers that want to create inclusive investment products and services.

Academic Implications

The implications of this research are valuable in contributing to the expanding literature in behavioral finance, gender research, and investment psychology in that it illuminates the special determinants of investment behavior for working women. Although existing academic literature has tended to consider investors a uniform category, this research distinguishes investment behavior by gender and employment, providing a richer understanding. It emphasizes that psychological and situational factors like financial literacy, family, and participation in financial activities have different effects on investment choice-making, which are not necessarily equally applicable to men and women.

Theoretically, the findings affirm and build upon behavioral finance theory by introducing gender-specific constructs and relating them to psychological measures of risk aversion, overconfidence, and emotional reliance. Empirically, the study contributes by confirming constructs such as financial literacy as both a direct and moderating effect on behavior—

implying that cognitive abilities not only shape financial knowledge but also the emotional self-assurance necessary to behave accordingly.

This study also offers methodological contributions. Through adopting a systematic quantitative methodology with the use of PLS-SEM (Partial Least Squares Structural Equation Modeling) and maintaining strong construct validation with Fornell-Larcker, HTMT ratios, Cronbach's alpha, and VIF analysis, the study ensures enhanced credibility for gendered financial research. Subsequent scholars can adopt this model as a reference point to study differences across regions, cultures, or even occupational classes. Furthermore, the abandonment of cultural and social influence as a statistically significant factor opens up new terrain for debate, questioning classical presumptions and challenging researchers to investigate the changing role of societal norms in women's economic autonomy.

Essentially, the intellectual contribution of this research is its synthesis of gender, behavioural psychology, and finance theory, providing an enhanced lens with which scholars can more accurately analyze the intricate dynamics of working women's investment decision-making.

Managerial Implications

This research has a number of significant managerial implications, more so for financial institutions, HR departments, investment advisors, and policymakers who aim to promote inclusive economic growth. One such contribution is the significant contribution of financial literacy toward influencing working women's investment choices. Managers and financial planners would therefore need to make targeted education programs a priority, e.g., in-office financial literacy sessions, interactive investment simulations, and webinars specific to women professionals. Such initiatives have the potential to empower working women with knowledge and confidence to take independent, informed financial decisions.

Additionally, the overriding influence of family on investment behaviour implies that financial service providers need to ponder introducing family-inclusive financial planning services. These can be joint consultation sessions, spousal investment tools, or apps for family budgeting that nudge subtly towards the active involvement of women while respecting household power dynamics.

HR professionals can play their part, too. By incorporating financial wellness modules into employee benefits schemes and providing one-to-one financial advice, they can increase the financial participation and future security of female employees. This not only increases employee satisfaction but also leads to improved retention of women in the workplace.

Marketing-wise, investment product developers need to rethink how they address women customers. Rather than generic messages, there is a necessity for gender-sensitive messaging that speaks to both rational and emotive drivers of investment choices. Channels such as social media, which impact female investors more so at an emotional and social level, can be used well with peer-to-peer testimonials and community-based participation to bring about trust and engagement.

Lastly, as engagement and performance were also discovered to have a notable effect on investment behavior, feedback tools, progress measures, and gamified investment quizzes may raise active involvement. This can be taken advantage of by fintech firms with the creation of mobile applications or dashboards that enable women to track, compare, and learn about their investment performance in real-time.

Limitations and Future Research

Although this research offers significant insights, it should be noted that there are a number of limitations that can be used as guidance for further research. First, the sample was restricted to employed women, and findings might not be representative for non-employed women, retirees, or female entrepreneurs, each of whom would have varying financial behavior, obligations, and exposure. Having these segments included in future research could provide a more comprehensive picture of gendered investment dynamics.

Second, the research was based to a great extent on self-reported survey data, which is susceptible to social desirability bias and recall error. Respondents might under or over report their level of investment knowledge or risk-taking. Future research might use mixed methodology, like qualitative interviews, diary studies, or behavioural tracking instruments to provide depth and objectivity to the evidence.

Thirdly, cultural and social influence was statistically insignificant in this model. Although this may mean that there is an actual change in societal norms, it is also possible that this reflects a context-specific restriction, particularly if the participants were predominantly urban, educated professionals. Future studies could then do comparative studies between urban and rural settings or across states or countries to see how local cultures still influence women's financial choices.

In addition, the affective elements of psychological behavior, i.e., anxiety, loss aversion, or confidence enhancement, were not quantified directly as constructs. These affective factors can prove particularly important, particularly for women subject to peer approval and social media influencer pressures. Future studies can utilize psychometric scales to measure emotional intelligence, stress levels, or mental wellness against financial decision-making.

Finally, longitudinal research might reveal the precise way women's investment behavior changes over time with specific life events like marriage, giving birth, or career advancement. This would assist in creating adaptive financial plans that change with a woman's professional and personal life.

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