

The Influence of Self-Esteem, Personality, Sensation Seeking, On Financial Risk Tolerance and Their Impact on Investor's Wealth

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Abstract:

Investment is an activity that must be carried out by every individual to prepare for his future. Investment is very important because it is a manifestation of a commitment to increasing one's assets in the long term. The purpose of this study was to analyze the effect of Self-Esteem on Financial Risk Tolerance. To analyze the influence of Personality on Financial Risk Tolerance. To analyze the effect of Sensation Seeking on Financial Risk Tolerance. To analyze the effect of Financial Risk Tolerance on Investor Wealth. To analyze the effect of Self-Esteem on Investor Wealth. To analyze the influence of Personality on Investor Wealth. To analyze the effect of Sensation Seeking on Investor Wealth.

The method in this research is quantitative and qualitative. The method of determining the sample used is purposive sampling. The conclusion in this study is that self-Esteem has a positive effect on Financial Risk Tolerance. Personality has a positive effect on Financial Risk Tolerance Sensation Seeking has a positive effect on Financial Risk Tolerance Financial Risk Tolerance has a positive effect on Investor Wealth Self-Esteem has a positive effect on Investor Wealth Personality has a positive effect on Investor Wealth Sensation Seeking has a positive effect on Investor Wealth.

Key Word: *self-Esteem, Personality, Sensation Seeking, Financial Risk Tolerance, Risk Tolerance.*

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I. Introduction

Investments can be made in various ways, for example using asset investments such as investments in the purchase of land, gold, securities and others. All of these can form a profitable investment portfolio. Investors' interest in stock instruments is related to unlimited return opportunities, which are not found in other instruments such as bonds and banking instruments.

Currently, the interest of young investors in investing in stocks is very high, which can be seen from the records of the IDX (Indonesian Stock Exchange) throughout 2016, the growth of new active investors is dominated by people aged 17-30 years (Mahrofi, 2017). This sizeable growth indicates that the majority of young individuals have realized the importance of investing from an early age. Being a young investor is very profitable because the earlier you invest potential future profits, the higher. In addition, young or productive investors have more time to learn about investing so that they will gain more experience in investing in the future.

Financial Risk Tolerance (FRT) or financial risk tolerance is the ability of investors to accept negative returns or results that are not in line with their expectations (Kannadhasan et al, 2016). In this case, of course, the level or level of each investor will be different. Previous studies have found that FRT is influenced by several factors, such as demographic, environmental, and psychosocial factors. Demographic and environmental factors are the most studied and positive factors for FRT (Gautam, S., & Matta, 2016; Moreschi, 2011). Psychosocial factors have not been widely studied, however (Grable and Joo, 2004) conducted research on the influence of environmental and psychosocial factors on financial risk tolerance. They found a positive influence of psychosocial factors on Financial Risk Tolerance. With regard to psychosocial factors, there is a positive influence of Self-Esteem, Personality, and Sensation Seeking on Financial Risk Tolerance (Kannadhasan et al, 2016).

Wealth creation through investment groups can contribute to people's well-being in many ways beyond increasing income, such as providing economic resilience in adverse circumstances or increasing one's power and prestige. According to Ratner (2010), investing in social groups and organizations is an important

component of long-term economic growth. Given the importance of wealth to economic well-being, understanding how wealth is distributed is critical.

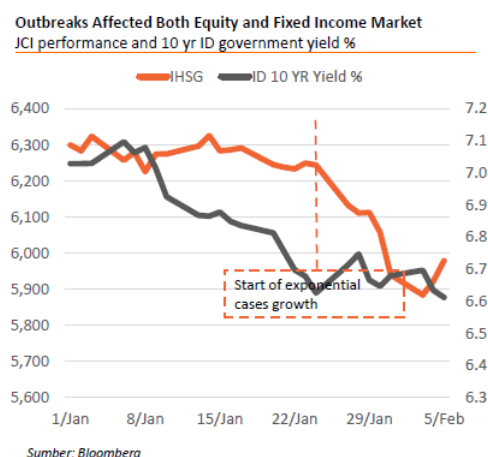


Figure 1.1. Indonesia's Investment Growth

Based on the above phenomenon, it is known that investment growth in Indonesia has decreased after Covid-19. The phenomenon of the gap to the decline in investment in Indonesia that has occurred recently is one of the factors for investors to consider investing in companies. "Stocks are said to be a high-risk investment because they are very sensitive to changes that occur, such as changes in the political, social and economic fields, both nationally and globally. Internal conditions can also affect stock price fluctuations.

The research gap in research conducted by Jawaheer & Manual (2016) explains that self-esteem has a positive effect on financial risk tolerance, personality has a positive effect on financial risk tolerance, and sensation seeking positively affects financial risk tolerance. Anastasia & Malelak (2019) explains that the increased stimulus for investors to risk tolerance encourages them to act boldly on risk. Although the limited and ambiguous information received by investors encourages the acceptance of ambiguity, thereby creating the discomfort of uncertainty about the results achieved. Kannadhasan and Goyal (2016) explain that self-esteem has a positive effect on FRT and is a significant predictor of FRT. Samsuri, et al (2019) explained that financial literacy has a positive effect on investment intentions. The biggest problem that causes someone to stay away from investing is a lack of financial knowledge. People who are financially literate and know the difference between mutual funds and stocks are willing to take risks during the investment decision-making process.

In addition, the gap phenomenon, namely the decline in investment due to Covid-19, is an interesting phenomenon to study. From the research gap and the gap phenomenon above, the formulation of the problem is what are the factors that affect Financial Risk Tolerance and investor wealth.

II. Material And Methods

Literature Review

Financial Risk Tolerance

According Financial Risk Tolerance (FRT) is the readiness or ability of investors to accept negative returns when they do not match their expectations (Kannadhasan et al, 2016). In other words, FRT is the level of ability that can be obtained by investors in taking investment risks. A condition is said to be risky if the decision maker feels uncertain about the consequences or impact of his choice (Lestari, 2013). This type of investment has uncertain returns and risks. Investments that generate significant returns will usually have significant risks as well. Investors tend to choose investments that have a significant return with a certain risk, or a low risk with a certain return (Pak and Mahmood, 2015).

Personality

Personality is closely related to the differences in individual characteristics, these differences describe the unique characteristics of each individual. Differences in characteristics will affect the individual's response to the environment consistently. Personality is one of the psychological studies that was born based on the thoughts, studies or findings (results of the practice of handling cases) of experts, the object of personality study is human behavior, human behavior whose discussion is related to the existence, why, and how of such behavior (Yusuf, 2007).). Personality is an inner trait or psyche, namely the innate qualities of the ability to influence people and special temperaments that distinguish one individual from another (Schiffman and Kanuk, 2007).

Sensation Seeking

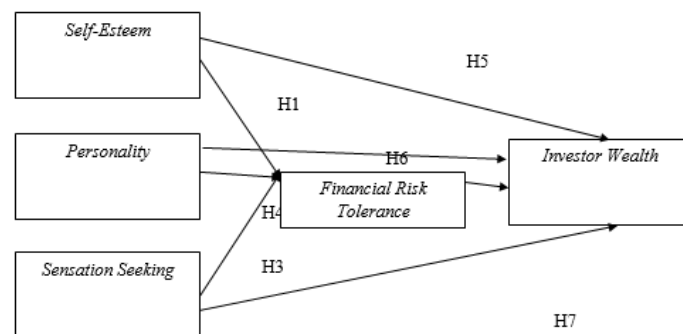
Sensation seeking is another important trait consistently associated with FRT (Wong and Carducci, 1991). Sensation seeking is defined as 'the search for diverse, new, complex, and intense sensations and experiences, and the willingness to take physical risks for such experiences' (Zuckerman, 1994). In simple words, this type of behavior is 'due to biochemical reactions' in the brain (Larsen and Buss, 2008). Typically, an individual who has a higher sense of sensation seeking accepts risk as a possible outcome to achieve the desired level of excitement and stimulation (Zuckerman, 1978).

Investor Wealth

Wealth creation through investment groups can contribute to people's well-being in many ways beyond increasing income, such as providing economic resilience in adverse circumstances or increasing one's power and prestige. According to Ratner (2010), investing in social groups and organizations is an important component of long-term economic growth. Given the importance of wealth to economic well-being, understanding how wealth is distributed is critical. Despite the striking evidence of an ever-increasing trend of investment groups in Kenya, the realization of the goals of these groups remains important as the groups struggle with barriers to strategic financial investment for wealth creation. They constantly face the challenge of formalizing influence, embracing corporate governance and monitoring & control systems.

Hypothesis

- H1: Self-Esteem has a positive effect on Financial Risk Tolerance.
- H2: Personality has a positive effect on Financial Risk Tolerance.
- H3: Sensation Seeking has a positive effect on Financial Risk Tolerance.
- H4: Financial Risk Tolerance has a positive effect on Investor Wealth.
- H5: Self-Esteem has a positive effect on Investor Wealth.
- H6: Personality has a positive effect on Investor Wealth.
- H7: Sensation Seeking has a positive effect on Investor Wealth.



Gambar 2.1. Kerangka Pikir

Theoretical Framework

METHODOLOGY

Research paradigm

In this study, the paradigm adopted by the researcher is post-positivism. Post-positivism historically stems from the paradigm of regular positivism. In positivism, researchers can achieve objective truth by researching and exploring the phenomenon. However, post positivism is a modern derivative of this philosophy which holds that there is an objective reality that exists apart from this research. Table 3.1 summarizes the research paradigm.

Types of research

The type of quantitative research chosen is descriptive research method with a survey approach, which is a method that aims to collect as much information as possible through the distribution of structured questionnaires to respondents. The type of question used is structured. Structured here is aimed at the level of standardization in determining the data collection process, where the questionnaires and questions have been prepared beforehand and the process is direct (Malhotra, 2014). The purpose of this descriptive method is to describe something that has always been a characteristic or function of the existing market.

Unit of Analysis

In this study, the population to be studied is young entrepreneurs who live in the city of Semarang. The population of young entrepreneurs living in Semarang City is not known with certainty. The sample of this research is some young entrepreneurs who live in the city of Semarang and the number of samples to be taken is 100 young entrepreneurs who live in the city of Semarang.

Measurement Scale

The measurement of the questionnaire in this study used a Likert scale. The Likert scale is a scale method that can measure positive to negative responses from a statement, where the interval on the research questionnaire is determined on a scale of 1 to 7. The answer form of the Likert scale is in the form of answers from strongly agree to strongly disagree. On a scale of 1 given a score of strongly disagree, then on a scale of 2 given a value of disagree, on a scale of 3 given a value of not agreeing, on a scale of 4 being given a neutral value, on a scale of 5 being given a slightly agreeing value, on a scale of 6 being given a value of agreeing to the last on a scale of 7 is given a score of strongly agree.

Method of collecting data

Questionnaires will be used to collect primary data. Questionnaires will be developed based on research variables, both dependent and independent. In this study, the questionnaire consisted of questions that were carefully collected from the attributes of the variables measured and their operational definitions. The 5-Likert scale will be used in this item. The answers that the sample can choose range from Strongly Agree (SS) to Strongly Disagree (STS). This is considered a technique that can prevent bias because each respondent gets the same question. It is also effective for collecting data from a large number of respondents in a limited time.

Data analysis technique

Reliability Test

After making sure that the measure measures the right things, and then collecting data using that measure, the researcher must make sure that the data is reliable. Reliability can be defined as the repeatability and consistency of data, which means that each result will produce almost the same result (Sekaran and Bougie, 2016). When reliability tests are carried out, researchers often see that there are 4 methods of testing data reliability, including Test-Retest, parallel form reliability, inter-item consistency reliability, and split half. According to Sekaran (2016), the reliability test has 2 parts to it, the first part is the stability of the measurement and the second part is the internal consistency of the measurement.

Validity test

This study uses construct validity, which includes convergent and discriminant validity. To test convergent validity, this study used Average Variance Extracted (AVE). The AVE is calculated by adding up the squares of all standardized factor loads, and then dividing by the total number of items. The rule of thumb for the AVE is that if the AVE is equal to or higher than 0.5 it means there is good convergence, while lower than 0.5 points is for errors in items. To establish discriminant validity, the formula will be used from Hair et al. (2014), which is the root of AVE.

Multicollinearity Test

The multicollinearity test was conducted to determine whether there was a correlation between the variables entered into the model. The method for diagnosing the presence of multicollinearity is carried out by using the Variance Inflation Factor (VIF) test which can be calculated by the following formula: If the VIF value is <5 , then it is certain that there is no multicollinearity.

Partial Least Squares Structural Equation Modeling (PLS-SEM)

The reason this study uses PLS-SEM is because PLS-SEM is more suitable for this case because it is more ready to produce reliable data when the influence between variables and supporting theory is not too strong. The second reason why we chose PLS-SEM is because the sample size is relatively small, so it would be better to use PLS-SEM instead of covariance-based SEM software (CB-SEM) such as AMOS. The third reason why PLS-SEM was chosen to anticipate if the data distribution is not normal, it is better to use PLS-SEM because the provisions are more flexible than CB-SEM when it comes to irregular data distribution (Hair et al., 2014).

Sobel Test

The Sobel Test is an indirect effect significance test tool that is commonly used and widely recommended (MacKinnon, Lockwood, Hoffman, West, & Sheets, 2002). The purpose of the Sobel Test is to

determine whether the mediator (M) mediates the effect of IV to DV. Preacher, K. J., & G. J. Leonardelli recommends that if possible, researchers should use bootstrapping for better results. The standard error derivative in Sobel is assumed to come from estimates of a and b from independent (different) regressions, and the regression is multiple regression not other regression tests (eg logistic regression, structural equation modeling, and multilevel modeling). This test uses unstandardized coefficients. The following are some formulations for testing the indirect effect of MacKinnon, Warsi, & Dwyer (1995):

$$\text{Sobel test} \rightarrow Z \text{ - value} = \frac{a \times b}{\sqrt{(b^2 S_a^2 + a^2 S_b^2)}}$$

a: unstandardized regression coefficient X (in regression $X \rightarrow M$),

Sa²: standard error regression coefficient X that affects M,

b: unstandardized regression coefficient M (in multiple regression $X \& M \rightarrow Y$),

Sb²: standard error regression coefficient M (in multiple regression $X \& M \rightarrow Y$).

III. Result

Respondent Profile

100 samples collected in this study came from an online form of a questionnaire in the form of a google form link. Table 4.1 shows the profiles of respondents collected for this study, which collects information on gender, last education, age and length of business.

Table 4.1 Respondent Profile

Variable Demographics	Category	Amount	Percentage
Gender	Male	45	45%
	Female	55	55%
Last education	SMA/SMK	21	21%
	Diploma	22	22%
	Bachelor (S1)	57	57%
Business Length	< 1 year	47	47%
	2-3 year	25	25%
	>3 year	28	28%

Based on table 4.1. it can be seen that the majority of respondents in this study were female as many as 55 respondents (55%) and male sex were 45 respondents or 45%.

Furthermore, for the education category, the majority of respondents in this study had a bachelor's degree (S1), as many as 57 respondents (57%), who had a Diploma education were 22 respondents (22%), and 21 respondents had a high school/vocational education. (21%).

In the old business category, the majority of respondents in this study have businesses that have been established for <1 year, namely 47 respondents (47%), have businesses that have been established for >3 years, namely 28 respondents (28%), and the rest have a business that has been established for 2-3 years as many as 25 respondents (25%).

Table 4.2 Age Profile of Respondents

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Age	100	20,00	30,00	25,2200	2,35522
Valid N (listwise)	100				

Research result

Reliability Test Results

Reliability tests were carried out to prove the accuracy, consistency, and accuracy of the instrument in measuring construction (Sekaran and Bougie, 2016). This study tested the reliability of the items using the internal consistency reliability test, in which the test was conducted and measured using Cronbach's alpha

coefficient, composite reliability and corrected total item correlation. The table below is the results of the pre-test for reliability.

Table 4.3 Reliability Test Results

Variabel	Cronbach alpha	Kriteria	Hasil
Self-Esteem	0.966	0.6	Reliabel
Personality	0.887	0.6	Reliabel
Sensation Seeking	0.956	0.6	Reliabel
Financial Risk Tolerance	0.970	0.6	Reliabel
Investor Wealth	0.980	0.6	Reliabel

The results from table 4.3 show that all 5 variables are considered reliable because they are above the threshold, which is 0.6 for Cronbach's Alpha.

Validity test

After confirming that the measure is reliable, the researchers need to make sure that the measure is valid. First, the researcher must test the convergent validity, which can be tested using the Cross Loading (PLS) method. Table 4.4 shows the detailed test results:

Table 4.4 Cross loading test results

	Self-Esteem	Personality	Sensation Seeking	Financial Risk Tolerance	Investor Wealth
SE1	0.845				
SE2	0.794				
SE3	0.863				
SE4	0.915				
SE5	0.856				
SE6	0.943				
SE7	0.929				
SE8	0.934				
SE9	0.901				
SE10	0.777				
P1		0.872			
P2		0.836			
P3		0.795			
P4		0.893			
P5		0.914			
P6		0.854			
SS1			0.924		
SS2			0.960		
SS3			0.939		
SS4			0.847		
SS5			0.924		
FRT1				0.910	
FRT2				0.952	
FRT3				0.958	
FRT4				0.947	
FRT5				0.953	
IW1					0.955
IW2					0.946
IW3					0.960
IW4					0.933
IW5					0.943
IW6					0.921
IW7					0.898
IW8					0.891
IW9					0.863
IW10					0.911

The results from table 4.4 show that the items are grouped together with each group having their own components. Therefore, based on the results in table 4.4, convergent validity has been established. The next additional method to measure convergent validity is Average Variance Extracted, which is another method that can be used to measure convergent validity. In testing convergent validity, it can be proven by the Average Variance Extracted (AVE) value greater than 0.5, which is a rule of thumb (Hair et al., 2016).

Table 4.5 AVE Table

Indikator	AVE
Self-Esteem	0.770
Personality	0.663
Sensation Seeking	0.851
Financial Risk Tolerance	0.892
Investor Wealth	0.851

The results from table 4.5 show that all 5 variables have crossed the threshold set for the AVE, which is 0.5. Therefore convergent validity has been established.

Hypothesis Test Results

After ensuring that the measures used in this study are valid and reliable, the next step is to test the hypotheses of the selected research model. In this study, SEM was used to analyze the model of the relationship between endogenous and exogenous variables from the research model. In PLS-SEM, there are 2 parts that approach it, namely the inner and outer models, namely the structural model and the measurement model. These sections will be discussed in the following chapters.

Outer Model

The Outer Model, or measurement model, shows directional arrows between variables and indicators for each variable (Ringle, 2011). To ensure the suitability of the model, the researcher must observe the results and compare them and judge based on the results. To assess the external model, we used external loading, composite reliability, Cronbach's alpha, AVE and VIF calculated by Smartpls. The test results are shown in table 4.6.

Table 4.6 Results of Inner model

Variabel	Indikator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE	Conclusion
Self-Esteem	SE1	0.845	0.966	0.971	0.770	Fit
	SE2	0.794				Fit
	SE3	0.863				Fit
	SE4	0.915				Fit
	SE5	0.856				Fit
	SE6	0.943				Fit
	SE7	0.929				Fit
	SE8	0.934				Fit
	SE9	0.901				Fit
	SE10	0.777				Fit
Personality	P1	0.872	0.887	0.918	0.663	Fit
	P2	0.836				Fit
	P3	0.795				Fit
	P4	0.893				Fit
	P5	0.914				Fit
	P6	0.854				Fit
Sensation Seeking	SS1	0.924	0.956	0.966	0.851	Fit
	SS2	0.960				Fit
	SS3	0.939				Fit
	SS4	0.847				Fit
	SS5	0.924				Fit
Financial Risk Tolerance	FRT1	0.910	0.970	0.976	0.892	Fit
	FRT2	0.952				Fit
	FRT3	0.958				Fit
	FRT4	0.947				Fit
	FRT5	0.953				Fit
Investor Wealth	IW1	0.955	0.980	0.983	0.745	Fit
	IW2	0.946				Fit
	IW3	0.960				Fit
	IW4	0.933				Fit
	IW5	0.943				Fit
	IW6	0.921				Fit
	IW7	0.898				Fit

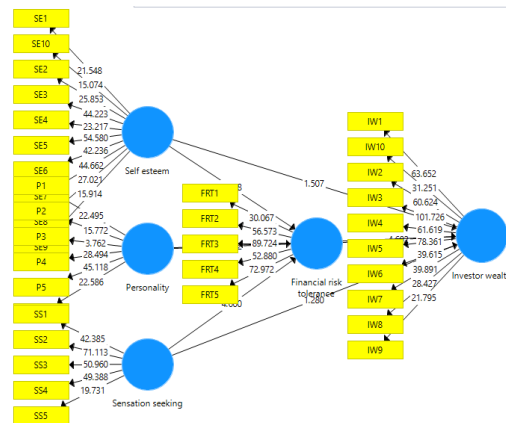
IW8	0.891	Fit
IW9	0.863	Fit
IW10	0.911	Fit

Based on the results from table 4.8, the results of Cronbach's alpha show that all 5 variables are above the threshold of 0.7. Therefore, based on the results, the items are reliable because they are above the threshold when they are above 0.7 (Hair et al., 2014).

Another method for measuring item reliability is composite reliability. The results from table 4.6 show that the composite reliability for the 5 variables is above the threshold of 0.7. Therefore, based on the results, the items are reliable because they are above the threshold when they are above 0.7 (Hair et al., 2014).

The results for AVE in table 4.8 show that 5 of the variables are above the threshold value, which is 0.5. The AVE value refers to how much the construct is able to explain the variance in the indicator (Hair et al., 2014). The threshold is 0.5 or 50%, if the value is below 0.5 there is an error in the item.

Inner model



To assess the model continuously, researcher uses coefficient path, critical value, and p-value which are shown in table 4.10.

Table 4.10 Results of Structural Model

H	Variable Correlations	Path Coefficient	Critical Value	P-Value	Kesimpulan
H ₁	Self-Esteem has a positive effect on Financial Risk Tolerance	0.419	3.498	0.001	H1 accepted
H ₂	Personality has a positive effect on Financial Risk Tolerance	0.118	2.062	0.048	H2 accepted
H ₃	Sensation Seeking has a positive effect on Financial Risk Tolerance	0.658	4.600	0.000	H3 accepted
H ₄	Financial Risk Tolerance has a positive effect on Investor Wealth	0.584	4.602	0.000	H4 accepted
H ₅	Self-Esteem has a positive effect on Investor Wealth	0.128	2.507	0.013	H5 accepted
H ₆	Personality has a positive effect on Investor Wealth	0.113	2.215	0.025	H6 accepted
H ₇	Sensation Seeking has a positive effect on Investor Wealth	0.175	2.280	0.021	H7 accepted

Research Hypothesis Testing

Hypothesis Test 1

In testing the first hypothesis, it can be seen that this research is supported. The results from table 4.10 show that none of the variables has a path coefficient of 0 or below 0, which means that the relationship between variables is strong. Hypothesis 1 states that Self-Esteem has a positive effect on Financial Risk Tolerance with a path coefficient of 0.419, a critical value of 3.498 and a p-value of 0.001.

Hypothesis Test 2

The second hypothesis in this study is supported. Hypothesis 2 states that Personality has a positive effect on Financial Risk Tolerance with a path coefficient of 0.118, a critical value of 2.062 and a p-value of 0.048.

Hypothesis Test 3

Hypothesis 3 in the research is supported. Hypothesis 3 states that Sensation Seeking has a positive effect on Financial Risk Tolerance with a path coefficient of 0.658, a critical value of 4.600 and a p-value of 0.048.

Hypothesis Test 4

The hypothesis to empathy is supported. Hypothesis 4 states that Financial Risk Tolerance has a positive effect on Investor Wealth with a path coefficient of 0.584, a critical value of 4.602 and a p-value of 0.000.

Hypothesis Test 5

Hypothesis 5 in this study is supported. Hypothesis 5 states that self-esteem has a positive effect on investor wealth with a path coefficient of 0.128, a critical value of 2.507 and a p-value of 0.013.

Hypothesis Test 6

Hypothesis 6 in this study is supported. Hypothesis 6 states that Personality has a positive effect on Investor Wealth with a path coefficient of 0.113, a critical value of 2.215 and a p-value of 0.025.

Hypothesis Test 7

Hypothesis 7 in this study is supported. Hypothesis 7 states that Sensation Seeking has a positive effect on Investor Wealth with a path coefficient of 0.175, a critical value of 2.280 and a p-value of 0.021.

IV. Discussion

The Influence of Self Esteem on Financial Risk Tolerance.

Hypothesis 1 states that Esteem has a positive effect on Financial Risk Tolerance. Investors with high Self-Esteem tend to take risky investments and have good performance compared to those with low Self-Esteem because the performance of investors with high self-esteem must be consistent with their self-image. The higher the self-esteem that young investors have, the higher the investor's financial risk tolerance.

The Influence of Personality on Financial Risk Tolerance.

Hypothesis 2 states that Perc Personality has a positive effect on Financial Risk Tolerance. Personality traits are characteristics that often come to the surface, describing an individual's behavior. Personality is an individual's ability to influence other individuals, understand and see oneself, measure external and internal character patterns, and interactions between humans in the everyday environment (Anastasia et al, 2019). The first individual personality has a high level of FRT, young investors have a high level of FRT because investors are willing to take risks.

The Effect of Sensation Seeking on Financial Risk Tolerance.

Hypothesis 3 states that Sensation Seeking has a positive effect on Financial Risk Tolerance. Thrill Seeking is consistently associated with financial risk tolerance. Investors with high Sensation Seeking tend to take high financial risks. The general nature of Sensation Seeking affects investors' financial risk tolerance.

Effect of Financial Risk Tolerance on Investor Wealth Turnover.

Hypothesis 4 states that Financial Risk Tolerance has a positive effect on Investor Wealth. Perception of risk has an important role in individual behavior, especially in decision making in uncertain circumstances. Perception of risk is defined as a subjective assessment by a person of the likelihood of an event; and how concerned the individual is with the consequences or effects of the event.

Effect of Self-Esteem on Investor Wealth.

Hypothesis 5 states that Self-Esteem has a positive effect on Investor Wealth. Investors with high Self-Esteem tend to take risky investments and have good performance compared to those with low Self-Esteem because the performance of investors with high self-esteem must be consistent with their self-image. According to the Association of Kenya Investment Groups, the current value of assets held by investment groups in Kenya (savings & investments) is approx. KShs80 billion (USD888 million) and counting. One in every three adults in Kenya is a member of an investment group. Investment groups play a major role in wealth creation but efforts are generally very fragmented and highly disorganized to create wealth well below potential.

The Influence of Personality on Investor Wealth.

Hypothesis 6 states that Personality has a positive effect on Investor Wealth. Personality factors consist of sensation seeking, locus of control, ambiguity tolerance, impulsivity, aggression and sociability, extraversion, emotional stability, autonomy orientation, flexibility and competence, anxiety and susceptibility to boredom, achievement motivation, and so on (Anastasia et al, 2019). Investors with competitive personalities, high aggressiveness, and impatience tend to be more risk tolerant. That is, the personality of the investor has an effect on the level of Financial Risk Tolerance. Perception of risk has an important role in individual behavior, especially in decision making in uncertain circumstances. Perception of risk is defined as a subjective assessment by a person of the likelihood of an event; and how concerned the individual is with the consequences or effects of the event (Farah Margaretha Leon, 2019).

Effect of Sensation Seeking on Investor Wealth.

Hypothesis 7 states that Sensation Seeking has a positive effect on Investor Wealth. Thrill Seeking is consistently associated with financial risk tolerance. Investors with high Sensation Seeking tend to take high financial risks. The general nature of Sensation Seeking affects investors' financial risk tolerance. Perception of risk is defined as a subjective assessment by a person of the likelihood of an event; and how concerned the individual is with the consequences or effects of the event.

V. Conclusion

Hypothesis Conclusion

The results of the research and analysis that have been carried out will be concluded based on the following research hypotheses:

1. H1: Self-Esteem has a positive effect on Financial Risk Tolerance. From data processing, it shows that there is no variable that has a path coefficient of 0 or below 0, which means that the relationship between variables is strong. Hypothesis 1 states that Self-Esteem has a positive effect on Financial Risk Tolerance with a positive path coefficient, and p value <0.05. Thus it can be said that hypothesis 1 of this study can be accepted.
2. H2: Personality has a positive effect on Financial Risk Tolerance. From the data processing, it is known that the path coefficient value is positive, and the p value <0.05. Therefore, it can be concluded that H2 is supported. Thus it can be said that hypothesis 2 of this study can be accepted.
3. H3: Sensation Seeking has a positive effect on Financial Risk Tolerance. From the data processing, it is known that the path coefficient value is positive, and the p value <0.05. Thus it can be said that hypothesis 3 of this study can be accepted.
4. H4: Financial Risk Tolerance has a positive effect on Investor Wealth. From the data that has been tested, it is known that the path coefficient value is positive, and the p value <0.05. Thus, it can be concluded that hypothesis 4 is acceptable.
5. H5: Self-Esteem has a positive effect on Investor Wealth. From the data that has been tested, it is known that the value of Self-Esteem has a positive effect on Investor Wealth. Thus, it can be concluded that hypothesis 5 can be accepted.
6. H6: Personality has a positive effect on Investor Wealth. From the data that has been tested, it is known that the path coefficient value is positive, and the p value <0.05. Thus, it can be concluded that hypothesis 6 can be accepted.
7. H7: Sensation Seeking has a positive effect on Investor Wealth. From the data that has been tested, it is known that the path coefficient value is positive, and the p-value <0.05. Thus, it can be concluded that hypothesis 7 can be accepted.

Theoretical Implications

The following are the theoretical implications of the results of this study:

Table 5.1 Theoretical Implications

No.	Results	Theoretical Implications
1.	Self-Esteem has a positive effect on Financial Risk Tolerance.	These results are in line with research by Farah Margaretha Leon, 2019 which states that self-esteem has a positive effect on financial risk tolerance, personality has a positive effect on financial risk tolerance, sensation seeking positively affects financial risk tolerance.
2.	Personality has a positive effect on Financial Risk Tolerance	These results are in line with the research of Kannadhasan et al., 2016 which stated that self-esteem is positively related to FRT and is a significant predictor of FRT, personality type is another significant predictor of FRT, and this study

No.	Results	Theoretical Implications
		found that individuals with higher levels of sensation seeking tend to take more financial risk.
3	Sensation Seeking has a positive effect on Financial Risk Tolerance	These results are in line with research by Farah Margaretha Leon, 2019 which states that self-esteem has a positive effect on financial risk tolerance, personality has a positive effect on financial risk tolerance, sensation seeking positively affects financial risk tolerance.
4	Financial Risk Tolerance has a positive effect on Investor Wealth.	This result is in line with Sabri's research (2016) which states that people with low financial literacy are not willing to take risks. In this study, the following five significant environmental factors: net worth, marital status, education, household income, and financial knowledge
5	Self-Esteem has a positive effect on Investor Wealth.	These results are in line with the research of Kannadhasan et al., 2016 which stated that self-esteem is positively related to FRT and is a significant predictor of FRT, personality type is another significant predictor of FRT, and this study found that individuals with higher levels of sensation seeking tend to take more financial risk.
6	Personality has a positive effect on Investor Wealth	These results are in line with research by Farah Margaretha Leon, 2019 which states that self-esteem has a positive effect on financial risk tolerance, personality has a positive effect on financial risk tolerance, sensation seeking positively affects financial risk tolerance.
7	Sensation Seeking has a positive effect on Investor Wealth	These results are in line with the research of Kannadhasan et al., 2016 which stated that self-esteem is positively related to FRT and is a significant predictor of FRT, personality type is another significant predictor of FRT, and this study found that individuals with higher levels of sensation seeking tend to take more financial risk

Theoretical implications are consequences of research results that can be used as contributors to the development of knowledge, in this case, to strengthen the findings of reference research and as a bridge in the gap between studies.

Managerial Implications

After the elaboration of the theoretical implications, the managerial implications will be discussed, namely as a contribution in the form of practical suggestions for managers based on research findings which can then be used as a reference or basic basis for decision making. The following is a table of managerial implications in this research:

Table 5.2 Managerial Implications

No	Variabel	Managerial Implications
1.	Self-Esteem	Investors with high Self-Esteem tend to take risky investments and have good performance compared to those with low Self-Esteem because the performance of investors with high self-esteem must be consistent with their self-image.
2.	Personality	The first individual personality has a high level of FRT, young investors have a high level of FRT because investors are willing to take risks.
3.	Sensation Seeking	Investors with high Sensation Seeking tend to take high financial risks. The general nature of Sensation Seeking affects investors' financial risk tolerance
4.	Financial Risk Tolerance	Perception of risk has an important role in individual behavior, especially in decision making in uncertain circumstances. Perception of risk is defined as a subjective assessment by a person of the likelihood of an event; and how concerned the individual is with the consequences or effects of the event.
6	Investor Wealth	Perception of risk has an important role in individual behavior, especially in decision making in uncertain circumstances. Perception of risk is defined as a subjective assessment by a person of the likelihood of an event; and how concerned the individual is with the consequences or effects of the event

Research Limitations

This research still contains shortcomings and limitations. The following are some of the limitations and shortcomings of the study.

1. This research is only limited to young entrepreneurs in the city of Semarang, so the scope of the research is not broad.
2. There are other variables outside this research that can be applied in the model or tested on the same object.

Future Research Agenda

The results in this study and the limitations found so that they can be input for future research are:

1. In future research, it can be expanded by adding independent variables that affect Investor Wealth and Financial Risk Tolerance, such as investment management skills and characteristics, management compensation.
2. In future research, it is possible to expand the object of research into young investors in Indonesia.

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