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Financial Risk Tolerance and Additional Factors That Affect Risk Taking in Everyday Money Matters

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Abstract

The purpose of this research was to extend the investigative line of inquiry, as initiated by Carducci and Wong (1998), regarding risk taking in everyday money matters by examining demographic, socioeconomic, and attitudinal characteristics that may be used either individually or in combination as determinants of financial risk tolerance. Discriminant analysis results indicated that risk tolerance was associated with being male, older, married, professionally employed with higher incomes, more education, more financial knowledge, and increased economic expectations. Findings suggest that the achievement of financial success can be explained, at least in part, by a combination of someone's personality characteristics and socioeconomic background.



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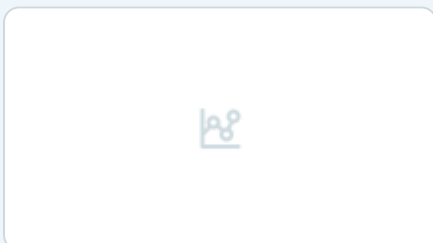
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Author information

Authors and Affiliations

Kansas State University, USA.

John E. Grable

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