CHAPTER V
CONCLUSION

A. Conclusion

Based on the data analysis that has been conducted previously, the conclusions as follows:

1) Financial Literacy variable has a positive and significant influence on the investment decisions making, By having an understanding of the basics of adequate financial literacy, individuals are more confident and directed in choosing investments that suit their needs, which in turn can improve the quality of investment decision making.
2) The Financial Behavior Bias variable has a positive and significant influence on Investment Decision Making, this influence factor is positive when the bias, in a positive and beneficial context so that it can help investors take advantage of profitable investment opportunities or reduce uncertainty.
3) Financial Literacy has a positive and significant influence on Risk Perception, Financial literacy includes an individual's understanding of basic financial concepts, such as risk management, investment and diversification. As such, financial literacy helps individuals manage risk more confidently and wisely.
4) Financial Behavior Bias has a positive and significant effect on Risk Perception, These biases can reinforce how one perceives risk, either by overestimating or underestimating it, depending on experiences and preconceived beliefs. This relationship is significant as the bias affects how individuals interpret potential gains and losses, which in turn affects their overall perception of risk.
5) Risk Perception has a positive and significant effect on Investment Decision Making, Risk perception reflects the extent to which it realizes and assesses the risks associated with investment decisions. This is

because it can identify risks more clearly, manage expectations, and make decisions based on rational risk analysis, so as to improve the quality of investment decisions.

6) Risk perception mediates have a positive and significant the relationship between financial literacy and investment decision-making. Risk perception can have a positive and significant influence on financial literacy and investment decision making, because individuals who have a good understanding of financial risk tend to improve their financial literacy through seeking more in-depth information and knowledge, so that they are able to make more informed, rational, and wise investment decisions by carefully considering the potential gains and losses.
7) Risk Perception have not mediates the relationship between financial behavior bias and investment decision making positively. In general, this can happen because risk perception is subjective and influenced by various things, such as financial literacy, investment experience, and individual psychological state. When risk perceptions are not matched by an adequate understanding of risk management or the influence of external factors, individuals are less likely to leverage these perceptions to change their financial or investment behavior. As a result, risk perception is not strong enough to be a direct influence on both variables.

B. Implication

Based on the results of the research conducted, the following research implications can be obtained:

1. Managerial Implication

This research facilitates technical guidance for employees related to financial literacy so that employees have better financial literacy will affect the investment decisions of the employees concerned so as to make stable finances that will support more optimal organizational performance. Ministry of Village could initiate a structured financial education program to reduce behavioral finance biases that may influence investment decisions. In addition, the results on "risk perception as mediation" suggest that employees need a deeper understanding of investment risks. This is important to avoid making decisions based on unreasonable beliefs or lack of information. Training on risk analysis and simulations of investment decision making can help the Ministry of Villages manage risk.

Overall, the application of these results can help the Ministry of Village to build a culture of risk management.

2. Teoritis Implication

By strengthening behavioral finance theory as a grand theory in understanding the dynamics of investment decision making, this study makes a theoretical contribution. Behavioural finance, which combines elements of finance and psychology, is a relevant framework to explain how financial literacy and behavioural finance biases influence individuals' investment decisions, especially in an organizational context such as ministry of villages. The results support the idea that cognitive abilities, such as financial literacy, and emotional biases and risk perception, influence financial behavior. Risk perception as a mediating variable suggests that investment decisions are influenced by an individual's perception of the level of risk faced apart from pure rationality.

This confirms that financial literacy and biases and emotional factors and perceptions should be considered to understand the complexity of financial decision-making, which reinforces the relevance of behavioral finance in academic literature. In addition, this study opens up opportunities to further explore the role of social and ecological environmental components in expanding the scope of behavioral finance theory.

C. Limitations of the study

This study has several limitations that need to be considered so that it is important to be taken into account. The data used is limited to ministry of villages employees, so the results may not be fully generalizable to other organizational contexts or broader populations. The research approach focuses on the variables of financial literacy, financial behavioral biases, risk perception, and investment decision making, so the potential influence of other factors, such as macroeconomic conditions or government policies, has not been accommodated. The data collection method using questionnaires may face the risk of response bias, such as social desirability bias, where respondents provide answers that are considered more socially acceptable. In addition, this study is cross-sectional, so it cannot capture the dynamics of changes in individual financial behavior in the long term.

These limitations provide opportunities for further research with broader coverage, the use of longitudinal methods, or mixed approaches to gain a more in-depth and comprehensive understanding.