

Shaping Tomorrow's Investment: Unravelling the Socially Responsible Investment (SRI) Intention

¹Sidra Gazali, ²Kaleem Ullah

¹Ph. D. Scholar at UIMS, PMAS, Arid Agriculture University, Rawalpindi, sggazali84@gmail.com

²Lecture, UIMS, PMAS, Arid Agriculture University, Rawalpindi

ABSTRACT

There has been a recent surge of interest in socially responsible investment, attracting attention from all industries, including investors. Nevertheless, the factors that impact one's attitude and attention towards SRI remain relatively unexplored. Hence, this study aims to identify important factors that shape the attitude and attention of consumers when making investment decisions in the stock market. The data is collected from the individuals who are already investing in stocks. Therefore, the target population for the study are those individual investor trading actively at Pakistan Stock Exchange (PSX). For data collection non-probability sampling techniques is used because of the non-availability of the sampling frame. The minimum sample size of two hundred is suitable when using structural equational modelling for effective generalizability and validity (Hair et al., 2006). However, the present study has used sample size 400 which will be above the minimum sample size requirement. In first phase the pilot study was conducted, and the data is found reliable. PLS-SEM is employed in the second stage. The data analysis employs the technique of partial least squares structural equation modelling (PLS-SEM). The study findings indicate a substantial relationship between collectivism, knowledge, and SRI bias, and the attitude towards SRI. However, there is no significant association between perceived danger and attitude towards SRI. Attitude exhibits a robust and meaningful correlation with SRI.

Keywords: *Socially responsible investment, Attitude, perceived risk, PLS-SEM*

INTRODUCTION

By and large, the finance industry was driven by the conventional spotlight on boosting profits. As of late, there has been a shift in investment choices past the objective of the profit maximization. Investors are presently having a look at companies which are socially responsible and ethically governed.

Socially Responsible Investment (SRI), usually alluded to as sustainable or ethical investing, has turned into a strong and significant element that questions the traditional belief that financial profits ought to be the possibly factor thought about while pursuing investment decisions. SRI means a key change in the investment field, where elements connected with ethics, society, and the environment are integrated into the most common way of deciding (Palacios-González & Chamorro-Mera, 2018).

The essence of SRI includes a key revaluation of the objective of investment. Investors are turning out to be more mindful of the impact they have in forming business conducted and, thus, the effect on society. This change depends on a values-oriented strategy that means to synchronize investment portfolios with individual ideas and ethical principles. Investors see their financial decisions as transactions as well as manifestations of their ideals and contributions towards constructing a better environment (Renneboog et al., 2008).

The incorporation of values into SRI diverges from the conventional accentuation on boosting profits and adds an unobtrusive component to investment choices. Besides, the idea of SRI is firmly connected to the environmental, social, and governance (ESG) framework. Investors are logically utilizing ESG rules to survey the manageability and ethical conduct of associations. These rules offer an orderly framework for investors to assess an organization's impact on the environment, its treatment of employees, and the viability of its corporate governance. Thus, the ESG framework assumes a crucial part in deciding socially responsible investment goals by giving a structured approach to survey the more extensive results of investment decisions (Boffo & Patalano, 2020).

Corporate reporting that is transparent, especially in regards to environmental, social, and governance (ESG) factors, empowers investors to pursue well-informed choices that are in accordance with their ethical principles. Access to broad and trustworthy information enables investors to look at the ethical effect of enterprises, advancing a culture of responsibility in the business circle. Thus, there has been a huge expansion in the demand for transparency and disclosure in regards to environmental, social, and governance (ESG) issues. Investors are logically pushing for normalized reporting standards that work with huge correlations among companies (Cao et al., 2021).

The inspiration driving pushing for transparency isn't exclusively founded on ethical worries, yet in addition on the comprehension that associations with solid manageability policies might enjoy a serious benefit in overseeing long haul gambles, like governmental changes and shifts in customer preferences. Hence, the accessibility of information assumes a vital part in interfacing financial goals with the capacity to pursue financial choices that are ethically informed (Cao et al., 2021).

The factors affecting the aim to take part in socially responsible investment reach out past individual values and knowledge accessibility. They are firmly entwined with more extensive socio-economic patterns. The rise of social justice, environmental manageability, and ethical business developments has prompted a circumstance where investors currently see socially responsible investing (SRI) as both a moral obligation and a financially favorable decision (Vyas et al., 2020).

The socio-economic scenery of SRI is altogether impacted by legislative changes and regulatory frameworks. Governments and international associations are recognizing the need of embracing ethical business systems to handle worldwide issues, for example, climate change, wealth disparity, and human rights violations. Thus, investors are more disposed to be influenced by the regulatory framework, assessing resources in view of their adherence to rules and ethical standards (Revelli, 2016).

At last, the factors that impact one's aim to take part in socially responsible investment are a perplexing mix of individual values, the accessibility of knowledge, and socio-economic patterns. The reception of SRI means a more thorough change in the objective and comprehension of investment, where financial choices are progressively viewed as an approach to effectively add to good social and environmental outcomes (Romero-Castro et al., 2021). As we arrange the complexities of contemporary finance, grasping these factors becomes crucial for investors, governments, and companies the same.

The adoption of Environmental Social Governance (ESG) fund by companies is a step towards putting these goals into practice through finance (Boffo & Patalano, 2020; Revelli, 2016; Castro, Chousa & Pico, 2021). In addition to maintaining the funds' financial performance, these ESG funds focus on environmental, social and governance factors such as healthcare, clean energy, skills development, affordable housing and food for all (Revelli, 2016b; Rinaudo, Koller & Schatz, 2022). There is very less amount of research conducted in developing countries to understand the drivers of sustainable investment (Jonwall et al., 2022). Therefore, the present study has been conducted in the

background that SRI is gaining momentum across the world. However, in extant literature there are limited studies which studied behavioural intention towards SRI. The better understanding of investors' intention will be useful for companies for designing their products as per the preference and need of the investor and it will also be a good contribution in literature of SRI and ESG issues.

LITERATURE REVIEW

Underpinning Theory

The Attitude-Intention Theory is a key idea in social psychology that gives a complete record to the association among attitudes and conduct intentions. Basically, this thought proposes that a person's attitude towards a specific way of behaving significantly affects their intention to really play out that way of behaving. The Attitude-Intention Theory, got from the Theory of Planned Behaviour, sets that attitudes affected by beliefs, judgements, and perceived social standards, altogether affect one's social intentions (Ajzen, 1980).

Attitude-Intention Theory offers crucial insights into the psychological processes that support direction by perceiving the unique exchange among attitudes and intents. Attitudes, which are evaluative judgements about conduct, assume a vital part in moulding intentions and are hence significant for foreseeing and grasping different human ways of behaving, going from consumer choices to social acts. The Attitude-Intention Theory assumes a key part in upgrading our perception of the cognitive processes that impact human way of behaving. Also, it has practical implications in different domains, including marketing, health psychology, and social advocacy (Madden et al., 1992).

These theories have limitations in explaining determinants of behaviour and these theories are open to incorporate relevant variables as long as they heighten the explanatory power of the model and captures a significant variance in the attitude and intentions. These variables can be incorporated in addition to the original constructs of the theories (Ajzen, 1991). Due to this reason, several researchers have modified and extended the original theories in order to better explain the phenomenon (Husin & Rahman, 2016; Alam *et al.*, 2012). Therefore, the present study have addressed this limitations and incorporate the variables which are relevant to the context of the study.

Hypothesis Development

Collectivism and Attitude

Individuals in collectivist cultures will generally conform to group norms and show attitudes that are steady with the ideals and assumptions for their social environment. It is guessed that this conformity to group norms will prompt a more pronounced relationship between individual beliefs and the prevailing social beliefs, rather than social orders that focus on individualism. The expanded effect of collectivism on individual attitudes is supposed to be seen in various regions, like cultural customs, social associations, and dynamic systems. This speculation depends on the hypothetical concept of collectivism, which proposes that individuals in collectivist cultures focus on the unity of the group, interdependence, and societal harmony over individual independence. Thus, their attitudes are affected to line up with the aggregate values that are profoundly ingrained in their cultural environment (Hofstede, 1983).

The cultural element of collectivism has been totally analyzed regarding its impact on individual cognition and conduct. Hofstede's Cultural Aspects Theory (1980) states that collectivist cultures focus on connectivity, loyalty, and the well-being of the aggregate over individual liberty. This

is contrary to individualist social orders, which focus on personal freedom and achievement. This cultural contradiction lays out the framework for analyzing the intricate connection among's collectivism and attitudes (Hofstede, 1983).

Triandis (1980) conducted research showing that collectivist cultures develop a hearty feeling of responsibility towards the community and elevate adherence to societal norms. Inside such cultures, individuals are prone to assimilate aggregate ideals, bringing about a more prominent likelihood of their attitudes aligning with those frequently seen in the more extensive social environment. This is steady with the social identity theory proposed by Turner et al. (1979), which expresses that individuals get a significant part of their self-concept from the groups they have a place with, thus forming their attitudes and ways of behaving properly.

Moreover, the powerful review conducted by Markus and Kitayama (1991) stresses on fact that collectivist social orders put a high worth on keeping up with harmonious relationships, cultivating collaboration, and sticking to social norms. Individuals in these cultures will generally change their beliefs and feelings to advance harmony and forestall potential disagreements. Late diverse examinations, for example, the ones did by Oyserman et al. (2002), give more proof that cultural factors, specifically collectivism, considerably affect individual attitudes. By and by, it is vital to see the value in the always changing person of collectivism and concede that cultural changes and globalization could impact the power of this association. As social orders progress, it becomes fundamental to grasp the complex connection among collectivism and attitudes to gauges and explains individual conduct in different cultural settings.

The proposed speculation tries to upgrade the current body of literature by especially exploring the effect of collectivism on the coinciding between individual attitudes and society norms, offering helpful insights into the cultural factors that shape human cognition and conduct.

H1: Collectivism positively affects the attitude toward SRI intention.

Perceived Risk and Attitude

The manner in which individuals perceive risk essentially affects their attitudes, particularly in situations where there is a ton of uncertainty and the chance of unfortunate results is noticeable. It is guessed that seeing a more serious risk is connected to taking on additional cautious and judicious attitudes, as individuals plan to lessen ambiguity and shield themselves from likely damage. This speculation depends on the Risk Insight Attitude (RPA) framework, which suggests that particular attitude orientations are related with different kinds of perceived risks, for example, financial, health, or social worries. The literature survey means to look at past examinations on perceived risk and attitudes in many fields to acquire a wide perception of this correlation.

The correlation between perceived risk and attitudes has been a focal concentration in various fields, like consumer conduct, health psychology, and choice sciences. Perceived risk, as characterized by Bauer (1960), is the emotional assessment of uncertainty and likely unfriendly results connected to a choice. The view of risk has been found to affect attitudes towards different things and ways of behaving. Inside the space of consumer conduct, a review conducted by Peter and Ryan (1976) shows that customers survey things and services not exclusively on their perceived benefits, but rather likewise on the accompanying hazards.

There is areas of strength for a between seeing an elevated degree of risk and having a negative attitude towards a product or administration. This is on the grounds that customers will generally focus on staying away from risk while deciding. This lines up with the concept that individuals are headed to

limit uncertainty and forestall potential misfortunes, as proposed by Prospect Theory (Kahneman & Tversky, 1979).

Perceived risk plays a vital part in moulding health-related attitudes and ways of behaving inside the field of health psychology. The Lengthy Equal Cycle Model (EPPM) created by Witte and Allen in 2000 features the meaning of danger discernment and adequacy in impacting individuals' responses to health messages. Individuals are more disposed to take on attitudes and ways of behaving that relieve the perceived danger, for example, rehearsing deterrent health measures, when they perceive an elevated degree of risk.

Besides, the Social Amplification of Risk Framework (Kasperson et al., 1988) sets that perceived risk not set in stone by individual factors, but at the same time is moulded by social and cultural impacts. The exchange between social environment and media openness can either amplify or reduce the perceived degree of risk, in this way impacting the attitudes and responses of society. By and by, it is vital to acknowledge that the association between perceived risk and attitudes is complex and dependent upon the particular conditions. Few studies propose that the view of peril doesn't necessarily bring about bad attitudes, yet rather can boost individuals to assemble extra knowledge or execute activities to lessen the risk (Loewenstein et al., 2001). Also, the nature and show of perceived risks could set off assorted cognitive and profound responses, so impacting attitudes.

To summarise, it can be hypothesized as under;

H2: Perceived risk positively affects the attitude toward SRI intention.

Knowledge about SRI and Attitude

The correlation between knowledge about Socially Responsible Investment (SRI) and individual attitudes towards SRI is supposed to be positive. Individuals who have a more prominent understanding of SRI concepts, exercises, and their potential impacts on societal and environmental issues are more disposed to have good attitudes towards SRI. This hypothesis depends with the understanding that information and awareness assume a crucial part in impacting attitudes. It proposes that acquiring a more profound understanding of socially responsible investment (SRI) is probably going to prompt a more sure impression of it. The literature study will analyze earlier exploration on the correlation between knowledge and attitudes with regards to SRI, examining the impact of education and information transmission on moulding individual viewpoints.

The convergence of knowledge and attitudes inside the framework of Socially Responsible Investment (SRI) has gotten extensive concentration in academic literature. Academics have continually stressed the vital meaning of knowledge in affecting individuals' views towards ethical and sustainable investment rehearses. As per a review conducted by Sparkes and Cowton (2004), a restricted understanding of SRI (Socially Responsible Investing) could prompt doubt and ominous views among investors. Uninformed investors might hold misconceptions or view SRI as financially unviable because of their absence of knowledge about its principles and impact. This features the meaning of teaching and spreading information as potential factors for advancing good views towards SRI.

Besides, research conducted by Hamilton et al. (1993) as well as Hong and Kacperczyk (2009) features the relationship between financial literacy, cognizance of ethical investment, and good attitudes towards socially responsible investing (SRI). Individuals having a more prominent level of financial literacy are more capable at understanding the conceivable long-term advantages of socially responsible investing, bringing about additional uplifting outlooks. The study by De Groot and Steg (2007) features the meaning of information accessibility and transparency in moulding views towards SRI. The review

shows that when investors are furnished with transparent and careful information in regards to an organization's environmental, social, and governance (ESG) exercises, they are leaned to develop good attitudes towards socially responsible investing (SRI).

Moreover, Theory of Planned Behaviour Ajzen (1991) offers a theoretical design that backs up the proposed association. As per this thought, attitudes are formed by abstract standards and perceived social control, the two of which can be improved by knowledge and information. Thus, those with a more significant perception of SRI might see it as a socially excellent conduct, bringing about additional good views and, perhaps, an elevated tendency to participate in socially responsible investment rehearses. By the by, it is vital to consider the conceivable directing components, like personal beliefs, cultural conditions, and the introduction of socially responsible investment (SRI) information. The impact of information on attitudes towards SRI principles might shift relying upon the correspondence and contextualization of those principles.

To sum up, the proposed hypothesis is steady with past exploration that features the immediate correlation between understanding of SRI (Socially Responsible Investing) and individual attitudes towards ethical and sustainable investment.

H3: Knowledge about SRI positively affects the attitude toward SRI intention.

SRI Bias and Attitude

The hypothesis proposes that the presence of a bias in Socially Responsible Investment (SRI), whether positive or negative, essentially affects individual attitudes towards SRI. This bias might emerge from preconceived ideas, cultural conditioning, or openness to specific wellsprings of information. The hypothesis proposes that persons who have a positive SRI bias are bound to have good attitudes towards socially responsible investing, while those with a pessimistic bias will generally have more wary or ominous attitudes. This study uses current literature to analyze the causes and consequences of SRI bias on individual attitudes, improving our cognizance of the complexities surrounding view of socially responsible investment.

The investigation of SRI bias offers helpful insights into how preconceived suspicions and prejudices impact individual attitudes towards socially responsible investing. The examinations conducted by Statman and Glushkov (2009) and Kumar and Lee (2006) stress the presence of a positive bias, wherein investors who have a tendency towards ethical and socially responsible ways of behaving will generally consider better feelings towards socially responsible investing (SRI). The tendency towards energy might be moulded by individual ideals, ethical factors, or a conviction in the useful impacts of responsible investing on future financial additions. Then again, the literature has likewise inspected the presence of a negative tendency towards SRI.

As per a review conducted by Schmidt-Gotz et al. (1994), it is workable for individuals to feel wary or negative attitudes about socially responsible investing (SRI) on the grounds that they are stressed over likely financial forfeits or accept that SRI could influence their investment returns. Negative bias can likewise arise because of misunderstandings in regards to the exhibition of socially responsible investments or a conviction that financial profits are contrary with ethical principles.

The foundation of SRI bias is affected by cultural and demographic factors. Research conducted by Derwall et al. (2004) and Renneboog et al. (2008) proposes that the commonness of positive or negative bias towards socially responsible investing (SRI) may be impacted by cultural varieties and regional norms. Individuals' attitudes and want to partake in socially responsible investment exercises might be affected by their cultural predispositions, which thus can shape their view of ethical investing.

Besides, the impact of media openness and information sources is significant in trim SRI bias and, thus, attitudes.

The review conducted by Linnenluecke and Griffiths (2010) stresses the impact of media depictions on the development of bias, where positive media representation prompts a good bias and negative inclusion fortifies a wary perspective. The use of information outlining and correspondence strategies by financial foundations, advocacy groups, and the media can possibly shape bias, thus impacting individual attitudes towards socially responsible investing (SRI). The Cognitive Discord Theory, proposed by Festinger in 1957, offers a conceptual framework for grasping the getting through nature of bias and its impact on attitudes. Individuals frequently tend to change their attitudes to match their prior biases to ease cognitive discord. Thus, it is basic to get a handle on the sources and implications of SRI bias to know the complexities of individual viewpoints on socially responsible investing completely.

At last, the proposed association between SRI bias and attitudes depends on a broad assortment of examination that explores the sources, impacts, and consequences of bias in the domain of socially responsible investment. Analyzing this correlation improves our cognizance of how biases impact individuals' insights and attitudes towards ethical and socially responsible financial ways of behaving.

H4: SRI bias positively affects the attitude toward SRI intention.

Attitude and Intention

The hypothesis proposes an immediate correlation between attitudes towards Socially Responsible Investment (SRI) and the intention to put resources into SRI. Individuals, who consider uplifting outlooks towards socially responsible investing (SRI), which incorporates good view of ethical investment, social responsibility, and manageability, are supposed to have a higher likelihood of communicating a more grounded intention to partake in socially responsible investment practices. This study uses current literature to inspect the empirical information that upholds the association between attitudes and investment intentions inside the setting of socially responsible investing (SRI).

Concentrates on in the realm of Socially Responsible Investment (SRI) routinely show a strong correlation between views towards SRI and the tendency to take part in responsible investing. Research conducted by Sparkes and Cowton (2004) has uncovered individuals who hold great attitudes towards ethical and socially responsible ways of behaving are bound to communicate a longing to put resources into associations that share their values and ethical contemplations. Theory of Planned Behaviour offers a theoretical framework that upholds the theory by featuring the impact of attitudes on the development of social intentions. As per this thought, attitudes assume a vital part in forming social intentions. Good manners towards a specific conduct, in particular SRI, are expected to bring about an uplifted tendency to participate in this conduct (Ajzen, 1991).

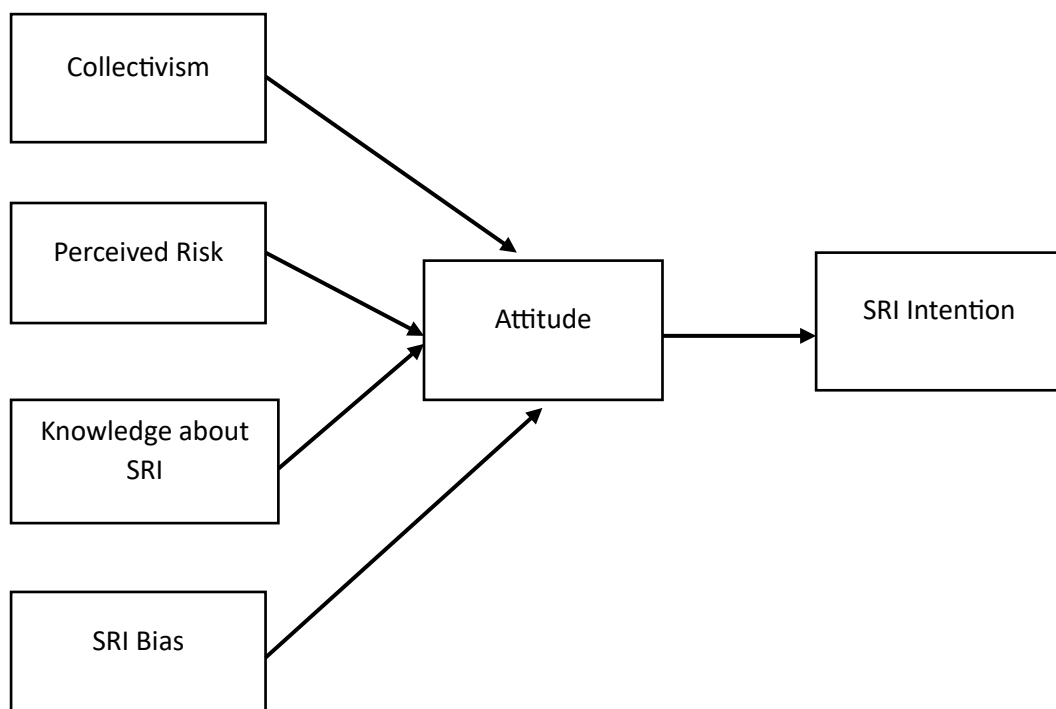
Besides, a review conducted by De Groot (2019) features the significance of attitudes in moulding investment intentions comparable to environmental, social, and governance (ESG) practices. Investors who have good views towards companies that show hearty ESG (Environmental, Social, and Governance) execution are more disposed to demonstrate their intention to put resources into these companies. This tendency is roused by the idea that these investments are in accordance with their ethical and sustainable beliefs. Also, the scholarly exploration on consumer conduct and financial direction gives proof that attitudes are fundamental in impacting intentions. As per the Attitude-Behavior Consistency model proposed by Fishbein and Ajzen (1977), individuals are leaned to act in arrangement with their attitudes. Thus, the people who have good attitudes towards socially responsible investing (SRI) are expected to have a more pronounced tendency to remember socially responsible

factors for their investment choices. The connection between feelings and investment intentions can be affected by cultural and demographic factors. The review conducted by Renneboog et al. (2008) shows that cultural predispositions assume a huge part in forming individuals' attitudes in regards to ethical investment, which thus influences their tendency to capably contribute.

Theoretical frameworks of Attitude-Behavior Consistency Model and Theory of Planned Behaviour provides support to the hypothesis that positive attitudes towards socially responsible investment (SRI) practices lead to a greater intention to engage in such practices.

H5: Attitude positively affects the intention toward SRI.

Fig 1 Conceptual Framework



METHODOLOGY

This study utilises a quantitative research design to examine the attitudes and behaviours of investors in the Pakistan Stock Exchange (PSX). The study centres on gathering primary data via a methodical survey to comprehend investor preferences, attitudes towards Socially Responsible Investment (SRI), and the factors that impact investment choices.

The study focuses on active investors who are engaging in the Pakistan Stock Exchange. To account for the extensive and varied investor community, a non-probability sampling method, namely purposive sampling, will be utilised. We will aim to attract investors from diverse demographic backgrounds, with varying degrees of experience and investment portfolios, in order to obtain a comprehensive and inclusive sample.

Investors will be solicited via online platforms, financial forums, investment seminars, and brokerage companies. This strategy facilitates the incorporation of a heterogeneous group of investors. Participation in the survey will be optional, and participants who are interested in taking part will get the essential information regarding the study's goals and methods.

A systematic questionnaire will be created to gather numerical data. The questionnaire will encompass sections pertaining to demographic information, investment expertise, attitudes towards socially responsible investing (SRI), investment preferences, and factors that impact investment decisions. The data gathering procedure will employ close-ended questions and Likert scales to ensure standardisation and efficiency. Prior to the primary data collection, a preliminary test will be carried out with a limited number of investors to evaluate the comprehensibility, pertinence, and efficacy of the questionnaire. The feedback obtained from the pilot study will be utilised to enhance and optimise the survey instrument.

Online surveys will be utilised to gather data, ensuring extensive coverage and accessible engagement for investors. The survey link will be disseminated via social media, financial forums, and brokerage platforms. Participants will receive information regarding the assurance of anonymity and confidentiality of their responses.

The data will be collected from the individuals who are already investing in stocks. Therefore, the target population for the study are those individual investor trading actively at Pakistan Stock Exchange (PSX). For data collection non-probability sampling techniques will be used because of the non-availability of the sampling frame. The study will use convenience and purposive sampling strategy for two reasons. First, availability and willingness of the investors is very necessary for the collection of data. Secondly it is cost and time effective.

A minimum sample size of two hundred is suitable when using structural equational modelling for effective generalizability and validity (Hair et al., 2006). However, the present study will use sample size 400 which will be above the minimum sample size requirement. The sample size also fulfils the criteria of the 10-times rule recommends that sample size be calculated by $1:10$ (total no of items*10) and G^* power.

Statistical software will be utilised to do quantitative data analysis. Descriptive statistics, including frequencies, means, and standard deviations, will be used to summarise demographic features and important factors. Statistical inference techniques, such as correlation analysis and regression analysis, will be employed to investigate the connections between variables, specifically examining the link between attitudes towards socially responsible investing (SRI) and investment behaviours.

This study will strictly adhere to ethical protocols, guaranteeing participant consent, confidentiality, and anonymity. Participants will be notified of the voluntary nature of their participation, and their data will be only utilised for research objectives. The study admits the presence of potential limitations, specifically the sample bias that is inherent in non-probability sampling. The findings might be cautiously extrapolated to the wider investor population in the Pakistan Stock Exchange. The data gathering process is projected to last for a duration of six weeks, comprising a two-week pilot testing phase, succeeded by a four-week period for survey administration. The completion of data analysis and report writing is scheduled for the upcoming weeks. objective of this research is to offer a thorough comprehension of investor attitudes and behaviours in the Pakistan Stock Exchange, specifically pertaining to Socially Responsible Investment.

RESULTS

Measurement Model

Partial least squares structural equation modelling (PLS-SEM) analysis comprises of two step process. The first step is the is the analysis of the measurement model and the second step is the

evaluation of the structural model. The measurement model establishes the reliability and validity of the data. The first step is important as unless the data is reliable, structural model analysis cannot be conducted. The table 1 shows that the data is reliable as the value of Cronbach's alpha and Composite reliability are above the minimum cut off 0.7. convergent validity is also established as the value of Average variance extracted (AVE) for all the variables is above 0.5.

Table 1 Reliability of the Data

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Attitude	0.932	0.932	0.949	0.787
Collectivism	0.897	0.898	0.928	0.764
Knowledge about SRI	0.888	0.892	0.923	0.749
Perceived Risk	0.864	0.873	0.901	0.646
SRI Bias	0.897	0.898	0.936	0.83
SRI Intention	0.936	0.936	0.954	0.839

The table 2 shows the value of hetrotrait and monotrait ratio (HTMT) which shows discriminant validity of the variables. The criteria for HTMT is that values for all the variable should be less than 0.85. all the values are below 0.85 which establishes the discriminant validity of the data.

Table 2 HTMT

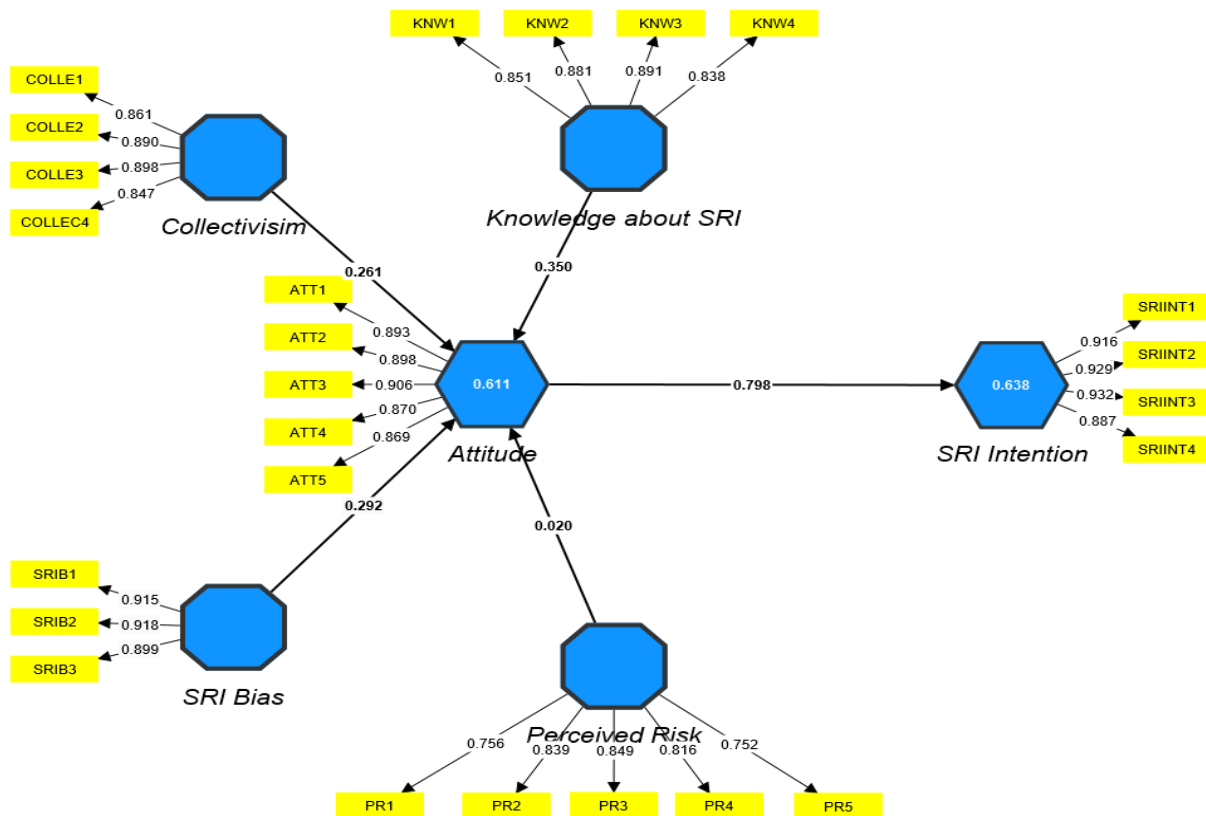
	Attitude	Collectivism	Knowledge about SRI	Perceived Risk	SRI Bias
Attitude					
Collectivism	0.73				
Knowledge	0.726	0.606			
Perceived Risk	0.16	0.286	0.072		
SRI Bias	0.753	0.811	0.651	0.179	
SRI Intention	0.855	0.635	0.641	0.165	0.682

Variance inflation factor (VIF) is used to check the presence of the multicollinearity. The value of VIF should be less than 3.3. In table 3 all the values are less than 3.3 which shows multicollinearity is not detected within the model.

Table 3 variance inflation factor (VIF)

	Attitude
Attitude	
Collectivism	2.341
Knowledge about SRI	1.601
Perceived Risk	1.079
SRI Bias	2.383
SRI Intention	

Fig 2 Measurement Model



Structural Model

Structural model assessment comprises of several analysis such as coefficients of variables (β), t-values, multivariate coefficient of determination (R^2), effect size (f^2). Bootstrapping has been done with 5000 resample is used as recommended by Hair et al., (2014). Based on the analysis, attitude ($\beta=0.798$, t-value=41.006, P-value 0.000) have significant impact on SRI intention. The collectivism ($\beta=0.261$, t-value= 4.755, P-value 0.000), knowledge ($\beta=0.261$, t-value= 4.755, P-value 0.000), was found to have a positive influence on attitude towards SRI investment. In addition to that, the result also shows that SRI bias also has a significant ($\beta=0.292$, t-value= 5.691, P-value 0.000) relationship with attitude. However, the relationship between perceived risk and attitude has an insignificant relationship with attitude towards SRI investment.

Table 4 Structural Model Results

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Attitude -> SRI Intention	0.798	0.799	0.019	41.006	0.000
Collectivism -> Attitude	0.261	0.258	0.055	4.755	0.000
Knowledge -> Attitude	0.35	0.35	0.045	7.83	0.000
Perceived Risk -> Attitude	0.02	0.024	0.029	0.681	0.248
SRI Bias -> Attitude	0.292	0.293	0.051	5.691	0.000

Table 5 shows explanatory power of the model. The coefficient shows that that independent variables explain 63% variance on SRI intention.

Table 5 R square

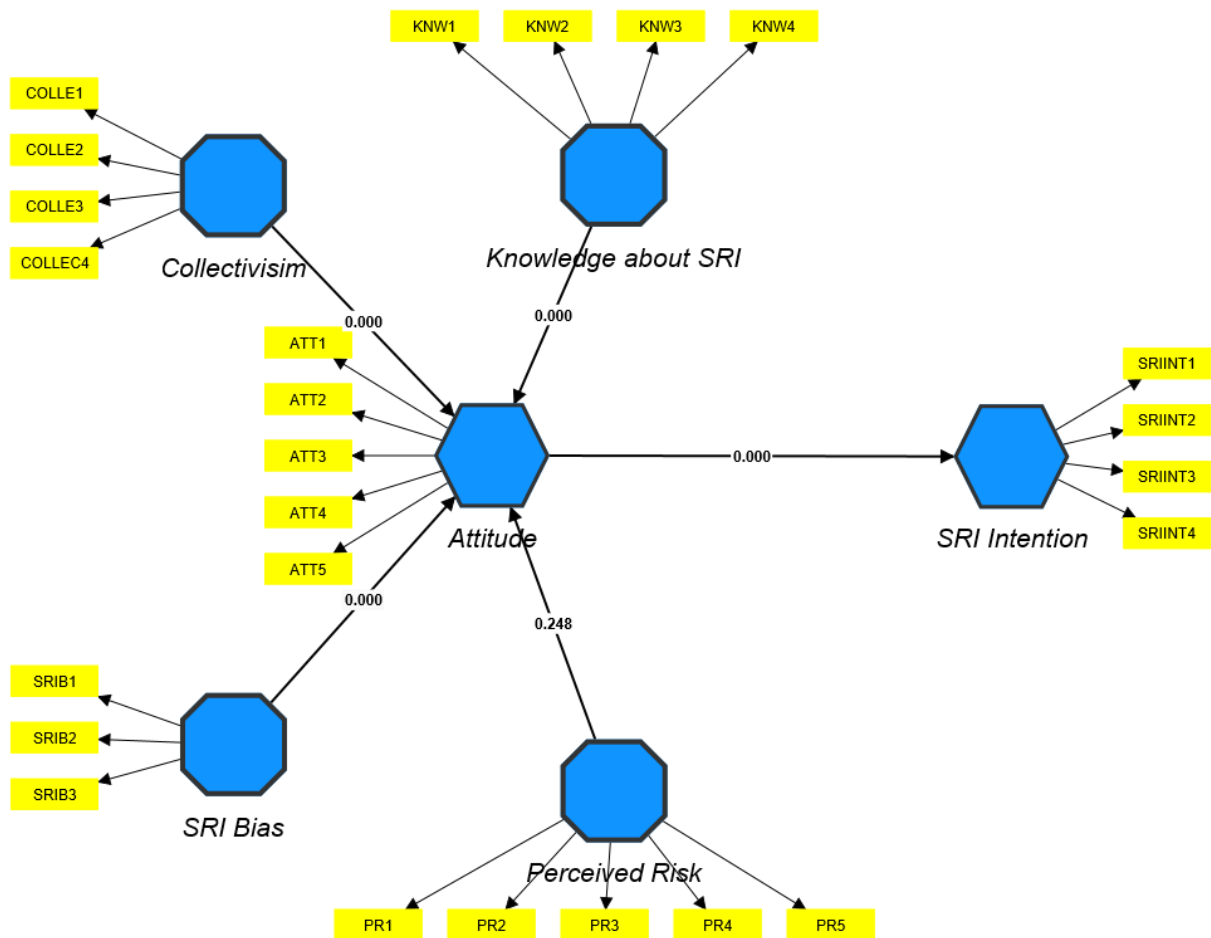
	R-square	R-square adjusted
Attitude	0.611	0.607
SRI Intention	0.638	0.637

The effect size shows individual variables effect on SRI intention. Knowledge about SRI have the highest effect on SRI intention. SRI bias is the second most effective variable followed by attitude and perceived risk.

Table 6 Effect size (f -square)

	Attitude
Attitude	
Collectivism	0.074
Knowledge about SRI	0.196
Perceived Risk	0.001
SRI Bias	0.092

Fig 3 Structural Model Results



CONCLUSION

The impact of collectivism, perceived risk, knowledge on Socially Responsible Investment (SRI), and SRI bias has huge consequences for individuals' attitudes and intentions towards

SRI. The amalgamation of these factors reveals a complex territory where cultural, psychological, and informational elements meet up to form investment preferences.

Collectivism, as a cultural element, essentially impacts individuals' views on socially responsible investing. Collectivist societies focus on community and shared ideals, which prompts a more grounded inclination for investments that stick to ethical and socially responsible standards. These discoveries show that advocating for SRI in collectivist societies might bring about additional good reactions, as individuals are normally delicate to the communal consequences of their financial choices.

The view of risk plays a vital part in either hindering or enabling the adoption of SRI. The idea of socially responsible investing (SRI), as a high-risk endeavour, may deter potential investors especially in situations where it is focused on to keep up with financial stability. Thus, tries to lessen perceived risk, through centered educational initiatives and clear communication, could enormously contribute to cultivating a good disposition towards SRI.

Understanding of SRI is a vital figure impacting attitudes and intentions. A financial backer who has broad knowledge is more disposed to acknowledge the potential advantages of SRI, for example, getting through manageability, positive society impact, and, surprisingly, serious financial gains. Endeavours focused on working on financial knowledge and offering effectively accessible information in regards to socially responsible investing (SRI) is vital in enabling individuals to pursue well-informed investment decisions that line up with their personal beliefs and principles.

The presence of SRI bias, no matter what its course, gives an emotional element that influences individuals' tendencies towards socially responsible investments. To beat biases, it is important to take on a sophisticated method that explicitly handles preconceived ideas and assumptions connected to SRI. Stressing the economic feasibility of SRI, introducing instances of fruitful results, and scattering misconceptions can assist with checking prejudices and advance a more fair evaluation of SRI choices.

Generally, the impact of collectivism, perceived risk, awareness about SRI, and SRI bias on attitudes and intentions towards SRI investment is intricate and shifted. Recognizing the interrelatedness of these aspects empowers a more careful cognizance of the dynamics at action. Redone interventions that explicitly focus on the cultural environment, lessen perceived risk, further develop knowledge, and check biases can all together prompt a good change in individuals' attitudes and intentions towards socially responsible investing (SRI). With the rising worldwide awareness of environmental, social, and governance challenges, it is turning out to be more vital to explore these factors to shape the fate of socially responsible investing.

The article has contributed to the existing literature on SRI. Presently there are less studies within this context. This study has enriched the existing literature by finding the drivers of the attitude towards SRI. The two new antecedents i.e. Cultural dimension (collectivism) and behavioural bias (SRI bias) are the new variables added within the framework. The study shows that these two variables are important for developing the attitude towards SRI.

The practical consequences of the interaction between collectivism, perceived risk, knowledge about Socially Responsible Investment (SRI), and SRI bias are significant for financial institutions, legislators, and advocacy groups meaning to empower sustainable investment practices. Grasping and managing these factors could give guidance for making fruitful approaches to work on good views towards SRI and urge intentions to put resources into socially responsible exercises. Financial institutions ought to use their understanding of collectivist beliefs to tailor their communication to line up with community-oriented objectives. To lessen the perceived risk, it is vital

to embrace transparent and educational methods, which include giving express information in regards to the advantages and disadvantages of SRI. It is vital to put forth attempts to work on financial literacy, especially according to the concepts and advantages of SRI, to engage investors to pursue well-informed choices. To address SRI bias really, it is important to make proactive strides, for example, featuring fruitful SRI models and scattering legends to encourage trust among likely investors. By recognizing and managing these factors overall, financial institutions, policymakers, and advocacy groups can foster explicit projects that advance a more inclusive and knowledgeable approach to socially responsible investing.

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