ABSTRACT

THE EFFECT OF FINANSIAL LITERACY ON INVESTMENT DECISIONS THROUGH OVERCONFIDENCE BIAS AND HERDING BEHAVIOR BIAS IN CAPITAL MARKET INVESMENT
(Study on Economics and Business Management Students at Siliwangi University)

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The purpose of this study is to examine and analyze the influence of financial literacy on investment decisions through overconfidence bias and herding behavior bias among 2022 finance concentration management students in the Faculty of Economics and Business at Siliwangi University. The research method used is descriptive with a quantitative approach. Primary data was collected through an online questionnaire distributed via Google Forms. The analyses employed were path analysis and the Sobel test. The findings indicate that Financial Literacy has a significant positive effect on Investment Decisions. Financial literacy has a significant negative effect on investment decisions through the overconfidence bias. Financial literacy has a significant negative effect on investment decisions through the herding behavior bias. The Sobel test indicates that the overconfidence bias mediates the relationship between financial literacy and investment decisions in a negative direction. Similarly, the herding behavior bias was found to mediate the relationship between financial literacy and investment decisions, also in a negative direction.

Keywords: Financial Literacy, Overconfidence Bias, Herding Behavior Bias, and Investment Decisions.

ABSTRAK

PENGARUH LITERASI KEUANGAN TERHADAP KEPUTUSAN INVESTASI MELALUI *OVERCONFIDENCE BIAS* DAN *HERDING BEHAVIOR BIAS* PADA INVESTASI PASAR MODAL
(Studi Pada Mahasiswa Manajemen Ekonomi dan Bisnis Universitas Siliwangi)

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Tujuan penelitian ini adalah untuk mengetahui dan menganalisis pengaruh Literasi Keuangan terhadap Keputusan Investasi melalui *Overconfidence Bias* dan *Herding Behavior Bias* pada mahasiswa manajemen konsentrasi keuangan angkatan 2022 fakultas ekonomi dan bisnis Universitas Siliwangi. Metode penelitian yang digunakan adalah deskriptif dengan penelitian kuantitatif. Teknik pengumpulan data primer melalui penyebaran kuesioner secara *online* melalui *Google Forms*. Analisis yang digunakan adalah analisis jalur dan uji sobel. Berdasarkan penelitian diketahui bahwa Literasi Keuangan berpengaruh positif signifikan terhadap Keputusan Investasi. Literasi Keuangan berpengaruh negatif signifikan terhadap Keputusan Investasi melalui *Overconfidence Bias*. Literasi Keuangan berpengaruh negatif signifikan terhadap Keputusan Investasi melalui *Herding Behavior Bias*. Uji Sobel menunjukkan bahwa *Overconfidence Bias* memediasi hubungan antara Literasi Keuangan dan Keputusan Investasi dengan arah negatif. Demikian pula, *Herding Behavior Bias* terbukti memediasi hubungan antara Literasi Keuangan dan Keputusan Investasi, juga dengan arah negatif.

Kata kunci: Literasi Keuangan, *Overconfidence Bias*, *Herding Behavior Bias*, dan Keputusan Investasi.