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Research Paper

Identifying and Modeling the Relationships Between Economic and Non-economic Components Financial Stress of Individual Investors of the Capital Market (Integrated Approach of Techniques Meta-Synthesis - Fuzzy Delphi - Dematel)[1]

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INTRODUCTION[5]

The study aims to explore the various factors influencing the financial stress of individual investors in the capital market and elucidate the intricate relationships between economic and non-economic components of financial stress, along with their consequences. The significance of public participation in the capital market is emphasized, as the accumulation of micro-savings from individuals plays a crucial role in forming capital—a pivotal factor in economic development. Economists have historically focused on understanding economic growth and the role of financial capital in this process. Identifying and addressing challenges in the capital market has been a constant endeavor. Given the increasing number of individual shareholders and the

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substantial value of their transactions in the country's capital market, understanding the psychological factors and behaviors of these investors becomes imperative. Economic, social, political, and other variables can impact their trading approaches. Consequently, a precise understanding of the factors affecting the financial behavior of individual investors is essential for implementing effective programs to guide their investments in a scientific and systematic manner. By delving into the components influencing the financial stress of individual investors, the research aims to contribute to the recognition and understanding of the public's concerns in the securities market. Addressing these financial stressors is crucial for building and enhancing public confidence in the capital market, ultimately fostering economic growth and development.

MATERIALS AND METHODS

The research method is characterized by a mixed exploratory approach, utilizing a survey strategy within a single-section timeframe. Data analysis was conducted using MAXQDAv10, SPSS, and Excel software. The research method involves the following steps:

A. Consolidation of qualitative research data: Identification of economic and non-economic factors influencing financial stress and its consequences was achieved through the meta-synthesis technique, following the seven stages proposed by Sandelowski and Barroso (2007). This stage involved reviewing 204 studies from 1989 to 2019 and extracting relevant factors from 59 selected studies.

B. Compilation of extracted variables: Using the fuzzy Delphi technique, mental data from panel members of experts were converted into nearly objective data through an interview process. The content validity ratio (Lawshe) was employed to confirm or reject the components identified by panel members.

C. Identifying the pattern of relationships between economic and non-economic components of financial stress: In the third step, the Demetel technique, based on the principles of graph theory, was employed to extract relationships and determine the intensity of interaction and mutual influence among economic and non-economic components of financial stress within the studied graph.

RESULTS AND DISCUSSION

The findings of the research indicate the identification of 137 items (111 items related to financial stress and 26 items related to outcomes) through the Meta-Synthesis method. Subsequently, through expert interviews, an additional 24 items and 3 new components were suggested. Among the proposed items, 19 are associated with financial stress, and 5 are linked to the consequences of financial stress. Regarding the proposed components, 2 are related to financial stress, and one component is related to the consequences of financial stress.

The content validity index calculation demonstrates the acceptance of these components by the panel of experts, with complete consensus. Following the fuzzy Delphi process, a total of 5 economic and 5 non-economic components affecting the financial stress of individual capital market investors were identified, comprising 109 items. Additionally, 2 economic components and 2 non-economic components related to the consequences of financial stress were confirmed, totaling 25 items.

CONCLUSION

The research findings reveal that the economic component "government decisions" has the highest impact with a score of 2.8775 and, simultaneously, the least influence among the economic components with a degree of impact of 1.1918. On the non-economic side, the component "Implications for society (non-individual)" is the most ineffective with an impact of 0.6943, while also having the highest impact among the components with a score of 2.7156. The results obtained from the Demetel technique suggest that the consequences of financial stress exhibit the least intensity in terms of the R index, but conversely, they have the most impact on financial stress components according to the C index. This observation aligns with financial and economic realities. Moreover, the economic component "legal factors and related standards" holds the highest weight and importance among components influencing the financial stress of individual shareholders, with a rate of 4.3214. Conversely, the economic component "consequences for the economy" has the lowest weight and importance among the outcome components of financial stress, with a rate of 3.1267. The component "government decisions" emerges as the most important cause of financial stress with a net impact of 1.6858, while the component "consequences for society (non-individual)" has a net impact of -2.2013, signifying its significance as the most crucial component of financial stress. In terms of net effect, variables related to financial stress are greater than zero, indicating their influence on outcome variables of financial stress. Conversely, all components of the outcome variable of financial stress are less than zero, suggesting their susceptibility to the influence of financial stress components. This study contributes a comprehensive list of items and components affecting the financial stress of real capital market investors and its consequences.

Keywords: Financial Stress, Individual Investors, Capital Market.

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