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Determinants Of Investment Decision Making Among Kenya Ferry Services Employees

Nelson Nabianga Joseph[1], Abdullah Ibrahim Ali[2]

[1]Jommo Kenyatta University of Agriculture and Technology, School of Economics and Commerce
P. O. Box 81310-80100 Mombasa- KENYA.
nabianganelson@gmail.com

[2]Jommo Kenyatta University of Agriculture and Technology, School of Economics and Commerce
P. O. Box 81310-80100 Mombasa- KENYA.
allhyie@yahoo.com

Abstract: Purpose of this study was to investigate the determinants of investment decision making among the employees of Kenya Ferry Services (KFS). The objective of this research is therefore to establish the determinants of investment decisions making among employees of Kenya Ferry Services. The specific objectives were to analyze the effects of income level, education level, source of information and financial advice on investment decision making. This study adopted a descriptive survey design. Stratified random sampling method was be used. The study targeted all the 325 employees of KFS in Mombasa County. The sample size for the study was 97 respondents which represented 30% of all employees working at KFS. A modified Likert scale questionnaire was developed divided into three parts. A pilot study was carried out to refine the instrument. The quality and consistency of the survey was further assessed using Cronbach's alpha. The overall Cronbach's alpha for the four categories which was 0.752. The findings of the pilot study showed that all the four scales were reliable. Data analysis was performed on a PC computer using Statistical Package for Social Science (SPSS Version 22) for Windows. Analysis was done using frequency counts, percentages, means and standard deviation and the information generated will be presented in form of graphs, charts and tables. The study findings concluded that income level to a great extent on employee investment decision making. Other factors in the study that were found to contribute significantly to employee investment decision making include sources of information used and financial advice. Education level was found to have insignificant effect on individual investment decision making. From the research findings, the study has determined that income level to be a very key variable investment decision. It was recommended that the employer should remunerate their employees fairly well as per the labor laws so that they can be able to set aside a proportion of their income in investment. Government should infuse to the school curriculum the content that will educate the learners on financial management and investment. The study further recommends that employers should come up with programmes the will offer financial advice to their employees on matters pertaining to investment decision making so that they can be able to diversify their investment by developing a portfolio of investments to minimize risks and maximize returns.

Keywords: Determinants, Investment, Decision Making**.**

1. Introduction

Houston (2010) defined investment as when an individual saves current financial resources to use for future consumption through the use of investment products. There are various investment options like banks, Fixed Deposits, Government bonds, stock market, real estate, gold and mutual funds. The common investors hence are faced with difficult decision to make when opting to invest his resources. These decisions are characterized by several factors such as ability to understand financial matter, income level, like safety, liquidity, risk, et cetera.

2015 Global Investor Sentiment Survey (GISS) which polled investors across 23 countries in developed and emerging markets. Investors have by and large been resiliently optimistic, but more so in certain markets than others. A number of interesting observations about investor beliefs, misconceptions and biases were revealed. Investors living in emerging markets, as well as those 25-34 years old in both developed and emerging markets, showed the highest appetite for foreign investments. And, nearly seven out of 10 investors surveyed expected the best equity returns to be outside their home country this year (GISS, 2015).

Locally the government of Kenya has placed effort to enhance investment for both local and international investors by improving infrastructure which including the planned standard gauge double rail line connecting Mombasa to Nairobi. In addition, a new rail line together with an oil pipeline and a road are planned to be built to connect the proposed port of Lamu to Southern Sudan and Ethiopia. Enhancing the capacity of the port of Mombasa and constructing a second port in Lamu for increased trade and to reduce time taken in handling import/export cargo, investment in power supply through construction of windmills and geothermal power plants and expansion of Jomo Kenyatta International Airport in Nairobi and the largest in the region which is being undertaken inter alia a consortium of Belgian firms, and the expansion of the one in Kisumu to an international status to open up the western region of the country and countries in the neighborhood such as Uganda, Rwanda, Burundi and Eastern Congo (http://www.kenyabrussels.com/).

Kenya Ferry Services Ltd Profile

Ferry services at Likoni Mombasa started in 1937. The ferries have remained the one and only link to the south coast. The operations are situated on the gateway to the port of Mombasa. The link is important not only to the local users but to those heading to Tanzania and beyond. It was not until 1957 that the era of modern ferries surfaced. The company continued operating for about 32 years until 1989 when it decided to pull out. It is then that the Government of Kenya

decided to take over the operations of the ferries. Kenya Ferry Services Ltd owns and operates seven ferry vessels namely: MV. Mvita, MV. Pwani, MV. Harambee, MV. Kilindini, MV. Nyayo, MV. Kwale and MV. Likoni. The company provides a linkage between Mombasa Island and the Mainland South via Kilindini sea channel at Likoni and Mtongwe crossing points. Kenya Ferry Services main activity is the provision of ferry link to pedestrians and vehicle traffic at Likoni and Mtongwe crossing points. The company serves an average of 300,000 passengers and a total of 6000 units of motor vehicles on daily basis. Kenya Ferry Services has managed to attract a fairly qualified human capital and currently has staff strength of 325 employees. One of corporations key human resource strategic objectives is to develop and retain a well-motivated and competent human resource- an essential prerequisite for the company for it to meet its core functions.

Problem Statement

Financially educated investors help financial markets to operate efficiently, as they take better trading decisions based on fundamental and or technical analysis instead of acting irrationally. On the other hand, the principles of behavioral finance suggest that individuals often do not make decisions in rational, well-informed and unbiased manner (Byrne, 2007). In the global scene, various studies have connected financial literacy with increased investment. Al-Tamimi (2009) when studying financial literacy and investment decisions of UAE investors, the results indicate that there is a significant relationship between financial literacy and investment decisions. A survey conducted by Volpe (2012) to investigate investment literacy among online investors. In his findings he argued that online investors should have more knowledge than normal investors to succeed in the securities markets, because they are more likely to be surrounded by financial misinformation and manipulation.

Studies conducted in Kenya on the effects of financial literacy on investment decision making. Amisi (2012) assessed the financial literacy of the pension fund managers the relationship between financial literacy and the influence of the factors that affect the investment decision. The results indicated that financial literacy has a significant effect on investment decision making by fund managers. Mwangi and Kihiu (2012) examined a study on the impact of financial literacy on access to financial services in Kenya. The study established that the probability of a financial illiterate person remaining financial excluded is significantly high calling for increased investment in financial literacy programs to reverse the trend. Doyo (2013) investigated the effect of financial literacy on pension preparedness among members of the informal sector in Kenya: a case study of the Nairobi Market. She concluded that financial literacy has a positive influence on pension preparedness among members of the informal sector. Muriuki (2014) analyzed factors influencing investment decisions of Sacco funds in Kenya and found that the level of financial literacy of the fund managers influenced their investment decision making. A number of studies have concentrated on area of financial literacy but few have narrowed down to determinants of investment decision making hence exists a bigger gap. This study sought to establish the determinants of investment decision making among employees. The investigation was center on varied and different variables, income level, education level, source of information and advice and how they relate to investment decision an area that has not received sufficient study in the past.

Theoretical Review

Bounded Rationality Theory proves that individuals have limited information and imperfect knowledge while making investment decision. This implies that investors are more often lack the financial literacy skills to enable them make wise investment decision so that they can achieve optimal return on their investment. The bound rationality theory posits that investor can make decisions basing on past experience. Therefore financial literacy knowledge impacted to individual investor will enable him/her make decisions based on the knowledge acquired. Dual- process theory suggests that decisions are driven by both intuitive and cognitive processes (Evan, 2008). The fast system suggests a quick intuitive answer but the second system monitors and intervenes. Financial literacy skills acquired will make the second system stronger hence the rationally investment decisions will have a positive effect. On the other hand social learning theory posits that financial attitudes and values people have about money come from their environment. Therefore through social interactions many decisions of individuals' investors are affected as they receive and possess information through interacting with others.

Conceptual Framework

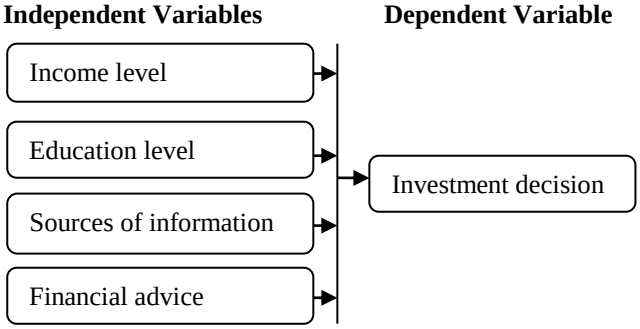

Figure 1: Conceptual Framework

Review of Determinants of Investment Decision Making

Income Level

Hossain and Nasrin (2012) submission that all possible factors influencing investors' investment decisions are not constant over time and that they may vary widely from investor to investor for distinct demographic features. To support this finding, Tomola (2013), income level affect investors' preference and attitudes towards investment decisions. These results are similar to those of Shaikh and Kalkundrikar (2011), who argued that the factors influencing investors' investment decisions are based on various demographic factors like, level of income, level of market knowledge, educational qualification and the number of dependents. The income level of an individual plays a great role in shaping the type investment to venture. The investor with higher income level is likely to investor more compared to those investors with low income level who invest a small proportion of their income (Nwibo & Alimba, 2013).

Education Level

Hinga (2014) posit that level of education is expected to have a positive impact on individual saving. Higher education levels is assumed that people will have a better understanding of their personal financial matters in order to make financial decisions and be able to plan for their future. Hogarth (2002) found that more educated people can manage their money in terms of insuring, investing, saving and budgeting. He assessed the relationship between education and savings and concluded that countries that have higher financial literacy also have higher savings rates indicating a strong link between education and wealth accumulation. Nwibo & Alimba (2013) investigated the determinants of investment decisions among agribusiness investors in South-East, Nigeria they found that educational status on the agro-enterprises engaged by the agro-entrepreneurs has shown that educational attainment of an individual has a way of shaping the type of agribusiness enterprise one ventures into. On this note, the study identified holders of secondary school certificate as the major players in farm input supply, farm processing and distribution. Whereas, primary school certificate holders (43%) have been identified to be the major players in farm production. These findings were justified as farm input supply; farm processing and distribution demand higher academic proficiency than farm production that can be performed by every individual whether educated or not as it involves production of arable crops and rearing of livestock. Individual with higher education level are likely to be more active in capital markets due to reduced information asymmetry. Higher education levels were found to be related to equity ownership by households. One the other hand less educated households have higher probability of making mistakes than better educated households (Mwangi & Evelyne, 2012).

Sources of Information and Financial advice

Mirshekary and Saudagaran (2005) examined how investors use the information disclosed in financial statements and also they examined the significance of various information sources on investment decision making. Their study was based on primary research. They sent their survey to various financial user groups in Tehran stock brokers, private investors, bankers and institutional investors. They were required to assign ranking to each financial statement. The respondents ranked the company's annual audit report as the most influential source of information. After this, oral information was ranked as the second and information published in daily newspapers ranked as the third most influential source of information. Furthermore, advice given by friends, stockbrokers and rumors were ranked as the least influential. The researchers concluded that investment decision makers use annual financial statement of different companies for investment decision making purposes.

Muhammad, Kashifur and Ahmed (2011), flow of information like decisions made by government bodies, media news etcetera causes the stock prices to move up or down. Due to this behavior of stock market and due to new information, stock investors make their investment decisions. Muhammad et.al. (2011), investors who possess private information about future prospects of the firms, trade more actively as compared to the investors without such information. Information about the firms irrespectively of its sources enables the investors to form opinion about the value of a firm. Accordingly, various types of information flowing towards stock markets play a pivotal role for the investment decisions. Many studies have been conducted on finding the impact of information flooding on stock prices both if it is a hidden source or known public source of information. Information asymmetry (i.e., the situation when some relevant information is known to few people and not to the others) is one of the core factors that could affect the stock market due to the weakness of rules and regulations on the disclosure of financial information.

Rooij (2007) found that financial literacy affects financial decision-making because individuals with low literacy are more likely to rely on other people as their main source of financial advice and are less likely to make informed investment decisions. Lusardi (2005) found that financial literacy correlates with tool use. Studies have shown that a high proportion of individuals with low financial literacy tend to rely on informal tools such as; family, friends and acquaintances for financial advice.

Measurement of Investment Decision

Investment decision-making is an important part of strategic decision-making in every enterprise because new investment projects essentially affect future economic results and the enterprise's prosperity. Successfulness of new projects dramatically contributes to the growth of an enterprise's efficiency. On the other hand, unsuccessfulness can lead not only to a considerable decline in efficiency, but it can even jeopardize its future existence. Successfulness or unsuccessfulness of projects thus considerably depends on the quality of the process of preparing, evaluating and selecting these projects. The quality of investment decision-making is affected by a large number of factors, while the most important include the choice of the criteria for the evaluation and selection of investment projects (Hana, 2010)

Making In terms of qualitative outputs, projects of investment character can be characterized by three basic factors: cash flows or, in other words, the difference between receipts and expenditures resulting from investment; real service life; and risk that is run by the implementation of investment and for which the enterprise should require an adequate return. There are many methods or criteria for the evaluation of capital projects; thus, the approach to these basic factors differs. The criteria for the evaluation of capital projects can be divided into two groups (Sahdal, 2003):

Static criteria that consider mainly cash flows. They consider time in constraint mode and, in principle; they do not deal with risk. They include, for example, total investment income, net total investment income, annual average return ability, average payback period, payback period.

Dynamic criteria that take into account all three factors, i.e. cash flows, service life and undergone risk as well. They involve, for example, net present value, internal rate of return, profitability index, benefit-cost ratio, discounted payback period. During the evaluation of investments, other

instruments mainly in connection with integration of the risk and uncertainty of this process of evaluation are used. They include, above all, sensitivity analysis, scenarios and simulation techniques. The evaluation of investment projects is enabled by real options. The choice of a criterion for evaluating investments reflects more aspects, mainly preferences of the decision-maker (impact on relative or absolute profitability, stress on short payback period, and existence of the budget constraint), intensity and elaborateness of the application of particular criteria, relevance of the decision, time pressure or customs in the organization.

Research Methodology

The study adopted the descriptive research design in collecting the data from the respondent. Sarah (2012) defines descriptive research as a fact finding approach generating across sectional study of the present situation. The choice of using descriptive design was preferred since the methods of data collection it utilizes, that is questionnaires are applicable to the study and aid in collecting precise information.

The target population of the study was all 324 employees working in KFS within Mombasa County (Kenya Ferry Services, 2015). A sampling size of 30% of the population was reasonable, and representative. Random sampling satisfies the law of statistical regularity (Kothari, 2004). To ensure that all the employees in each department is represented, the research adopted stratified random sampling. The research instrument used in the study was questionnaire which was considered the most suitable research instrument for descriptive research design. Orodho and Njeru (2003) stated that in questionnaires respondents fill in answers in written form and the researchers collect the forms with the completed information.

Research obtained secondary data from journals published and website that contain company profile. The researcher also engaged the human resource department to obtain records that will enable in identifying the respondents. Resource on determinants of investment decision making from literatures of previous researchers were also be used to build on the study.

To enhance validity and reliability, a pilot study was done in the same area through administering the instruments to 10 randomly selected respondents from each department. Each department was presented by one respondent in the pilot study who were not part of the actual study. The instrument was further enhanced by making necessary adjustments to the questionnaire based on the pilot study.

After all primary data was collected; the researcher classified it in accordance with variables. Statistical package for social scientist (SPSS) data analysis program version 22 was used to generate inferential and descriptive statistics.

This model helped to establish the relationship between the independent variables and the dependent variable. The researcher used multiple regressions to help determine the relationship between the variables under study. Model used to study the effects of financial literacy on investment decision making. The model specification was as follows:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \varepsilon$$

Where

α: is a constant term,

βn: coefficients to be determined

ε: error term

Y: the dependent variable (investment decision).

X1: income level.

X2: education level.

X3: source of information.

X4: financial advice.

Results

The study targeted 97 employees of Kenya Ferry Services in Mombasa County, Kenya. From the study, 62 out of the 97 sample respondents filled-in and returned the questionnaires making a response rate of 63.9%.

According to Mugenda and Mugenda (1999) a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent; therefore, this response rate was adequate for analysis and reporting.

Reliability Coefficients

Scale	Cronbach's Alpha	Number of Items
Income Level	0.764	4
Education Level	0.809	4
Sources of Information	0.723	4
Financial Advice	0.791	4

The overall Cronbach's alpha for the four categories which is 0.752. The findings of the pilot study shows that all the four scales were reliable as their reliability values exceeded the prescribed threshold of 0.7 (Mugenda and Mugenda, 2003).

Discussion

The results showed that majority of respondents were male which was represented by 82.26% of the total response rate while 17.74% of the respondents were female. This showed that more male than females participated in the study. The age of respondents below 30 years were 9.7%; between 31 and 40 were 30.6%; between 41 and 50 years were 40.3% and 51 years and above were 19.4% of the total respondents. A mean score of 2.69 with a standard deviation of 0.898 and a median of 3.00 were registered which showed that mean age was between 41-50 years. This showed that majority of respondents were 50 years and below.

Determinants of Investment Decision Making

Income Level

The respondents were asked to give their monthly gross income and the responses showed that respondents who earn

below Kshs. 30,000 were 11.3%; between 31,000 and 50,000 were 12.9%; between 50,001 and 100,000 were 56.5% while those earning over 100,000 of the total response rate were 19.4%. The result was represented by a mean score of 2.84 with a standard deviation of 0.872 and median of 3.00. This showed that majority of respondents earn Kshs 100,000 and below.

The respondents were ask on a 5-point scale to state whether they strongly agree, agree, neutral, disagree or strongly disagree with the given statements about effects of income level on investment decision making. The respondents agreed with a mean of 3.74 and standard deviation of 1.305 that income affects their investment decision making. Respondents agreed with a mean of 4.06 and standard deviation of 0.744 that they need to earn more income to be able to make investment decision. The respondents also agreed with a mean of 4.11 and standard deviation of 0.812 that their income is too small that they cannot set aside a proportion for investment. The respondents further strongly agreed income level has an overall influence on investment decision making. The results are consistency with the findings of Nwibo & Alimba, (2013) who argued that the investor with higher income level is likely to investor more compared to those investors with low income level who invest a small proportion of their income.

Education Level

The study sought to establish the education levels of the respondents where those with high school education were 21.0%; certificate or diploma holder were 33.9%; degree holders were 30.6%; master's degree were 12.9% of the total response rate while only 1.6% were of PhD level. A mean score of 2.40 with a standard deviation of 1.016 and a median of 2.00 were registered. This showed that majority of respondents were educated at certificate or diploma level and above.

The finding on the extent to which education level influence investment decision among employees as expressed by respondents are indicated that respondents agreed with a mean of 4.02 and standard deviation of 0.839 that though they have higher education they cannot make investment decision of their own. The respondents were neutral with the mean of 3.29 and a standard deviation of 1.122 that they can make proper investment choice due to their level of education. This is an indication that most employees of KFS are not sure if their education level is sufficient enough to enable them make investment decision. The respondents also were neutral with a mean of 2.82 and standard deviation of 1.048 this is another indication that employees are still not sure if they need higher education to enable them make proper investment decision. The respondents further agreed with a mean of 3.71 and a standard deviation of 1.014 that education affects overall investment decision making. The results are in line with the findings of Hinga (2014) who posit that education level is expected to have better understanding of their personal matters in order to make financial decisions and be able to invest for their future.

Sources of Information used in Making Investment Decision

The respondents were asked to indicate the frequency to which they used sources of information when making investment decision. The respondents stated with a mean of 4.29 and a standard deviation of 0.879 that they frequently used the media (radio, TV and Newspaper). The respondents indicated with a mean of 3.29 and standard deviation of 1.122 that occasionally they use financial statements when making investment decision. The respondents also indicated with a mean of 3.48 and standard deviation of 0.741 that they occasionally use internet when making investment decision. The respondents further indicated that they seldom rely on rumors when making investment decision with a mean of 2.1 and standard deviation of 1.014. The results above shows that employees of KFS mostly use media as a source of information when making investment decision white internet and financial statements are occasionally used by the KFS when making investment decision. Rumors are not often relied on by KFS employees when making investment decision. The results are in line with Mirshekary and Saudagaran (2005) where rumors were ranked least influential when making investment decision while disagree with the results that financial statement are most influential source of information.

Financial advice

The respondents indicated with a mean of 4.60 and a standard deviation of 0.664 that they always use financial experts when making investment decision. The respondents occasionally use family members and friends which were indicated by a mean of 2.68 and standard deviation of 0.647 and 0.696 respectively. The respondents also indicated that they frequently use the opinion of the firm's majority stakeholders when making investment decision making. The results indicates that KFS employees seek advice from financial experts, frequently use firm's majority stakeholders while family members and friends are occasionally used by KFS employees when making investment decision.

Investment decision

The research sought to find out the preferred source of investment among the employees of KFS. The results shown in the figure 4.5 above indicates that 62.9% of the respondents invest in stock; 11.3% invest in bonds; 17.3% invest in real estate while 8.1% invest in transport and communication with a mean of 1.71 and a standard deviation of 1.030. This indicates that majority KFS employees invest in stock market.

Overall effect of Determinants of Investment Decision Making.

The respondents were asked to give the extents to which the determinant of investment decision affects their investment decision making. The results as shown in the table 4.7 indicate that respondents agreed to a great extent with a mean of 4.11 and standard deviation of 0.814 that income have overall effects of investment decision. The respondent indicated with a mean of 3.46 and standard deviation of 0.951 that education level influences their investment decision making to a moderate extent this also applies to

sources of information used when making investment decision making with a mean of 3.31 and standard deviation of 0.892. The respondent further indicated that financial advice affects to a great extent effects their overall investment decision making this was indicated with a mean of 3.54 and standard deviation of 0.647. It can be concluded from the above results that income level and financial advice are the most influential factors that greatly affects the investment decision making among employees of KFS.

Correlation Analysis

To establish the relationship between the independent variables and the dependent variable the study conducted correlation analysis which involved coefficient of correlation and coefficient of determination.

	Investment Decision Making	Income Level	Education Level	Sources of Information used	Financial Advice
Investment Decision Making	1				
Income Level	.966	1			
Education Level	.955	.965	1		
Sources of Information used	.881	.894	.941	1	
Financial Advice	.943	.944	.931	.809	1

Coefficient of Correlation

In trying to show the relationship between the study variables and their findings, the study used the Karl Pearson's coefficient of correlation (r). This is as shown in Table 4.8 below. According to the findings, it was clear that there was a positive correlation between income level and investment decision making shown by a correlation figure of 0.966; Education and investment decision making shown by a correlation figure of 0.955; Sources of information used and investment decision making shown by a correlation figure of 0.881; financial advice and investment decision making; shown by a correlation figure of 0.943. This showed that there was a strong positive correlation highest being noted in income level and lowest in sources of information used with a positive correlation

Coefficient of Determination (R2)

Table 4.9 showed that the coefficient of determination was 0.947. Coefficient of determination explains the extent to which changes in the dependent variable can be explained by the change in the independent variables or the percentage of variation in the dependent variable (Investment decision) that is explained by all independent variables. From the findings this meant that 94.7% of investment decision making is attributed to combination of the four independent factors investigated in this study.

Table 4.9 Coefficient of Determination (R2)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.973[a]	.947	.943	.190

4.5 Regression Analysis

4.5.1 ANOVA

The study used ANOVA to establish the significance of the regression model. The significance value is 0.022 which was less than 0.05 thus the model is statistically significance in predicting how income level, education level, sources of information used and financial advice affect investment decision among employees of Kenya Ferry Services. This therefore means that the regression model had a confidence level of above 95% hence high reliability of the results obtained.

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	36.822	4	9.206	54.109	.000[b]
	Residual	2.065	57	.036		
	Total	38.887	61			

Multiple Regressions

The researcher conducted a multiple regression analysis as shown in Table 4.11 so as to determine the relationship between investment decision making and the four variables investigated in this study.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.251	.214		1.169	.247
	Income Level	.465	.132	.474	3.530	.001
	Education Level	.144	.155	.172	.934	.354
	Sources of Information used	.062	.097	.070	.645	.522
	Financial Advice	.344	.139	.279	2.485	.016

a. Dependent Variable: Investment Decision Making

The regression equation was:

$$Y = 0.251 + 0.465X1 + 0.144X2 + 0.062X3 + 0.344X4$$

The regression equation above has established that taking all factors into account (investment decision making as a result of income level, education level, sources of information used and financial advice) constant at zero investment decision making among employees of KFS will be 0.251. The findings presented also shows that taking all other independent variables at zero, a unit increase in income level will lead to a 0.465 increase in the scores of investment decision making among employees of KFS; a unit increase in education level will lead to a 0.144 increase in investment decision making among employees of KFS, a unit increase in sources of information will lead to a 0.062 increase in the scores of investment decision making among employees of KFS; and a

unit increase in financial advice will lead to a 0.344 investment decision making among employees of KFS.

This therefore implies that all the four variables have a positive relationship with investment decision making with income level contributing most to the dependent variable. However the p-values for sources of information used is greater than the common alpha level of 0.05, which indicates that it is not statistically significant. From the table we can see that the predictor variables of income level, education level and financial advice got variables coefficients statistically significantly since their p-values are less than the common alpha level of 0.05.

Conclusion

The objective of the study was to establish the determinants of investment decisions making among employees of Kenya Ferry Services (KFS) in Mombasa County. From the study findings, income level and financial advice were found to have a significant and positive impact on investment decision making, it would be wise to conclude that income level, financial advice and investment decision making have a strong positive relationship. It can also be concluded that the more employee earn they will make a decision to invest a proportionate of their income while financial advice seek from financial experts will enable the employee make wise decision.

On the effects of education level on investment decision making, the study established that education level has an insignificant relationship with investment decision. The study has also found out that source of information has small relationship with investment decision making. The study concludes that education level and sources of information do not have greater effects on the decisions of employees to invest.

Recommendations

The researcher recommends that the employees need to analyse the determinants investment of investment decision making carefully using the reasonable business knowledge before making an investment decision. Since income level was found to be affecting determinant in making investment decision the employer should remunerate their employees fairly as per the labour laws so that they can be able to participate in investment activities. Financial advice also influence investment decision making of most employees of KFS hence the company come up with programmes the will offer financial advice to their employees on matters pertaining to investment decision making so that they can be able to diversify their investment in different companies by developing a portfolio of investments to minimize risks and maximize returns.

Since education level was of insignificance for making investment decisions the government should infuse to the school curriculum the content that will educate the learners on financial management and investment making.

Suggestions for Further Studies

This study focused on the determinants of investment decision making among employees of Kenya Ferry Services. Since only 94.7% of results was explained by the independent variables in this study, it is recommended that a study be carried out on other factors that affect investment decision making, specifically, a study on relationship between behavioural factors and investment decision making from across the country should be carried out in order to pick out other variables not covered in this study. The research should also be done in other organizations and the results compared so as to ascertain whether there is consistency on effect determinants of investment on investment decision making among respondents in the various organizations.

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