

## INVITATION TO PARTICIPATE IN A RESEARCH PROJECT

**Dear Respondent,**

My name is Muhammad Sajid and I am working as a regular faculty member at Government College University Faisalabad, Pakistan. Currently I am doing my PhD in Finance at Royal Holloway, University of London in United Kingdom. You are invited to participate in enclosed survey questionnaire candidly, considering that the same will help to examine “The Role of Life Attitudes, Day-to-Day Experiences, Financial Literacy and Managerial Cognitive Abilities in Decision Making”. My research is supervised by Dr Matthew Li and Dr Evangelos Giouvriss. Your participation is completely voluntary, anonymous (I will not ask for any identification information) and will be used only for academic purposes. If you have any questions or comments about this research or want to know the findings of this study, you may contact me at [Muhammad.Sajid.2016@live.rhul.ac.uk](mailto:Muhammad.Sajid.2016@live.rhul.ac.uk) or +92 314 6160441.

***Thank you for considering taking part in this research.***

<b>Section I: Demographics</b>
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Please complete the following demographic information, giving your best knowledge where exact answers are not known. Your information will be kept strictly confidential and will only use by the researcher for academic purposes:

1. Company Name: \_\_\_\_\_
2. Gender: Male  Female
3. Designation/ Position: \_\_\_\_\_
4. Tenure (number of years in the current Position): Less than 2  2-4  5-6  7-8  9-10  Above 10
5. Level of Management: Lower  Middle  Top
6. Past Experience (in years): No past experience  Less than 2  2-4  5-6  7-8  9-10  Above 10
7. Highest Qualification: Bachelor  Master  MPhil  PhD
8. Do you hold a Business Degree (e.g., MBA)? Yes  No
9. Major: Accounting  Finance  Both Accounting & Finance  Other  (please specify: \_\_\_\_\_)
10. Age: Below 30  30-40  41-50  51-60  Above 60
11. Marital Status: Single  Married  Divorced  Separated  Widowed

<b>Section II: Life Attitudes</b>
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1. Please answer according to your own feelings, rather than how you think “most people” would answer.

<i>Instructions: Read the following statements about yourself and circle the number that best corresponds with your answer.</i>	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
i) In uncertain times, I usually expect the best.	0	1	2	3	4
ii) It's easy for me to relax.	0	1	2	3	4
iii) If something can go wrong for me, it will.	0	1	2	3	4
iv) I'm always optimistic about my future.	0	1	2	3	4
v) I enjoy my friends a lot.	0	1	2	3	4
vi) It's important for me to keep busy.	0	1	2	3	4
vii) I hardly ever expect things to go my way.	0	1	2	3	4
viii) I don't get upset too easily.	0	1	2	3	4
ix) I rarely count on good things happening to me.	0	1	2	3	4
x) Overall, I expect more good things to happen to me than bad.	0	1	2	3	4

2. Assume you have the choice between two alternatives. Alternative 1: You receive Rs. 10 lakh. Alternative 2: You receive a lottery ticket that yields a 75% chance of winning Rs. 20 lakh. With 25% probability it is worthless. Which alternative do you choose?  
 (i) Alternative 1      (ii) Alternative 2
3. Suppose you have to pay Rs. 1m as your debt due. Would you prefer to replace this payment through the following alternative: With a probability of 75% you must pay Rs. 2m. With 25% probability you do not have to pay anything.  
 (i) Yes      (ii) No
4. Presume that you won Rs. 2m as a prize in a lottery and there are two options, which one do you choose:  
 (i) Take the prize immediately      (ii) Take the prize after 1 month with 5% premium

**Section III: Day-to-Day Experiences**

<i>Instructions: Below is a collection of statements about your everyday experience. Using the 1-6 scale below, please indicate how frequently or infrequently you currently have each experience. Please answer according to what really reflects your experience rather than what you think your experience should be. Please treat each item separately from every other item.</i>	Almost Always	Very Frequently	Somewhat Frequently	Somewhat Infrequently	Very Infrequently	Almost Never
i) I could be experiencing some emotion and not be conscious of it until sometime later.	1	2	3	4	5	6
ii) I break or spill things because of carelessness, not paying attention, or thinking of something else.	1	2	3	4	5	6
iii) I find it difficult to stay focused on what's happening in the present.	1	2	3	4	5	6
iv) I tend to walk quickly to get where I'm going without paying attention to what I experience along the way.	1	2	3	4	5	6
v) I tend not to notice feelings of physical tension or discomfort until they really grab my attention.	1	2	3	4	5	6
vi) I forget a person's name almost as soon as I've been told it for the first time.	1	2	3	4	5	6
vii) It seems I am "running on automatic," without much awareness of what I'm doing.	1	2	3	4	5	6
viii) I rush through activities without being really attentive to them.	1	2	3	4	5	6
ix) I get so focused on the goal I want to achieve that I lose touch with what I'm doing right now to get there.	1	2	3	4	5	6
x) I do jobs or tasks automatically, without being aware of what I'm doing.	1	2	3	4	5	6
xi) I find myself listening to someone with one ear, doing something else at the same time.	1	2	3	4	5	6
xii) I drive places on 'automatic pilot' and then wonder why I went there.	1	2	3	4	5	6
xiii) I find myself preoccupied with the future or the past.	1	2	3	4	5	6
xiv) I find myself doing things without paying attention.	1	2	3	4	5	6
xv) I snack without being aware that I'm eating.	1	2	3	4	5	6

**Section IV: Financial Literacy**

1. Considering a long time period (e.g. 10 or 20 years), which asset normally gives the highest return?  
 (i) Savings accounts      (ii) Bonds      (iii) Stocks      (iv) Don't know
2. Buying a company stock usually provides a safer return than a stock mutual fund.  
 (i) True      (ii) False      (iii) Don't know
3. A 15-year mortgage typically requires higher monthly payments than a 30-year mortgage, but the total interest paid over the life of the loan will be less.  
 (i) True      (ii) False      (iii) Don't know
4. If you buy a 10-year bond, it means you cannot sell it after 5 years without incurring a major penalty.  
 (i) True      (ii) False      (iii) Don't know
5. If the interest rate falls, what should happen to bond prices?  
 (i) Rise      (ii) Fall      (iii) Stay the same      (iv) None of the above      (v) Don't know

**Section V: Cognitive Reflection**

1. A bat and a ball together cost Rs. 110. The bat costs Rs. 100 more than the ball. How much does the ball cost? (Rs. \_\_\_\_\_).
2. If it takes 5 machines 5 minutes to make 5 shirts, how long would it take 100 machines to make 100 shirts? (\_\_\_\_\_ min).
3. In a lake, there is a patch of lily pads. Every day, the patch doubles in size. If it takes 48 days for the patch to cover the entire lake, how long would it take for the patch to cover half of the lake? (\_\_\_\_\_ days).

**Section VI: Behaviour and Attitudes**

1. Do you think that the percentage of Asian countries in the United Nations is more or less than 10%?  
(i) More      (ii) Less
2. What do you think, what is the percentage (number between 0 and 100) of Asian countries in the United Nations? \_\_\_\_\_ %.
3. In playing games that use dice, which condition would you prefer?  
(i) I throw the dice myself      (ii) It makes no difference whether others throw dice for me, or I do it myself
4. What is the more frequent cause of death in Pakistan?  
(i) Stroke      (ii) Road Traffic Accidents
5. Lubna is 31 years old, single, outspoken, and very bright. She majored in philosophy. As a student, she was deeply concerned with issues of discrimination and social justice, and also participated in anti-nuclear demonstrations. Which of the following two statements is more likely to be true?  
(i) Lubna is a bank teller      (ii) Lubna is a bank teller and is active in the feminist movement
6. Imagine that the Pakistani Ministry of National Health Services is preparing for the outbreak of an unusual disease, which is expected to kill 600 people. Two alternative programs to combat the disease have been proposed. Assume that the exact scientific estimates of the consequences of the programs are as follows: If Program A is adopted, 200 people will be saved. If Program B is adopted, there is 1/3 probability that 600 people will be saved, and 2/3 probability that no people will be saved. Which of the two programs would you favor?  
(i) Program A      (ii) Program B
7. Suppose there are two stocks that you want to buy and hold for one month, however, due to your budget problem, you can only buy one of them, and the rates of return on these two stocks are uncertain, in some situation, stock A may have a higher rate of return, while in other situation, stock B might perform better. Suppose you finally buy stock A, and then, after one month, the result shows stock B has a higher rate of return. At that time, will you feel regret?  
(i) Yes, but a little      (ii) Yes, very regret
8. Imagine you are travelling in Hong Kong, and you decided to go to Restaurant A, which had been recommended by a reliable guidebook. When you arrive, you notice that Restaurant B nearby is very busy, while Restaurant A have only a few customers. So, will you change your mind and go to restaurant B instead?  
(i) Yes      (ii) No

9. For each of the following general knowledge questions (I-X), please provide a low and a high estimate such that you are 90% certain the correct answer will fall within these limits. You should aim to have 90% hits and 10% misses.

I. (1<sup>st</sup> president of Pakistan) Iskander Ali Mirza's age at death?

Please provide a Low Estimate: e.g. 20 years old

Please provide a High Estimate: e.g. 85 years old

II. Number of members in National Assembly of Pakistan?

Please provide a Low Estimate:

Please provide a High Estimate:

- III. Length of the River Indus (km)?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- IV. Time sun rays take to reach earth [in minute(s)]?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- V. Life expectancy in Pakistan in 2010 (in years)?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- VI. Number of time zones in Asia?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- VII. Population of Karachi (in million)?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- VIII. Number of countries and territories in the world?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- IX. Diameter of the sun (km)?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:
- X. Number of languages in the world?  
 Please provide a Low Estimate:   
 Please provide a High Estimate:

10. Look back at your answers from Question 9 (general knowledge). Without changing any of the stated intervals, please estimate how many correct answers do you think you had in Question 9? Your estimated correct answers?
11. All participants receive the same instructions as you do. Please state how many correct answers do you think that other participants had in Question 9? Your estimation about others' correct answers?
12. In a city with 100 criminals and 100,000 innocent citizens there is a surveillance camera with an automatic face recognition software. If the camera sees a known criminal, it will trigger the alarm with 99% probability; if the camera sees an innocent citizen, it will trigger the alarm with a probability of 1%. What is the probability that indeed a criminal was filmed when the alarm is triggered? \_\_\_\_\_%.
13. Imagine there are two urns: urn A and urn B. Urn A contains 3 blue balls and 7 red balls. Urn B contains 7 blue balls and 3 red balls. Balls are now randomly drawn from one of these urns where the drawn ball is always placed back into the same urn. 12 such random draws yielded 8 red balls and 4 blue balls. What do you estimate the probability that the balls were drawn from urn A? (Please enter a number between 0 and 100, where 100 means "it was certainly urn A" and 0 means "it was certainly urn B"). \_\_\_\_\_



**Thank You for Your Participation and Co-operation!**