

ABSTRACT

The report of Bank Indonesia (2015) stated that at macro level, Micro Small Medium Enterprises needs to be developed because economic growth requires investment support. In conditions of limited investment, investment needs to be directed at efforts to develop new entrepreneurs, which have emerged at Micro, Small, Medium Enterprises level. Indonesia's MSMEs contribute greatly to gross domestic product (GDP) which reaches 61.1%, employment which reaches 97.1%, export which reaches 14.4%, and presents 64 million or 99.9% of business units from the total business units in Indonesia. This shows great growth potential in the MSME sector.

But, based on data released by Bank Indonesia (BI) in 2020 there are still 12,831 MSMEs that are eligible to be financed. It is also support by statement from the Financial Services Authority (OJK) in 2017 which stated that the funding capacity that can be provided by financial services only reached 40.02% of the total funding needs for the MSME sector, so MSMEs still need other funding sources to develop their businesses. One source of funding that can help MSMEs is through investors. In making investment decisions, one will consider several factors such as Economic Factors, and also consider the risk of the chosen investment.

This research aims to determine the effect of neutral information, accounting information, and risk tolerance on individual investors' decision making behavior at productive age in Bandung. The phenomenon in this research were explored using quantitative methods. Researchers distributed questionnaires to people of productive age in the city of Bandung with a total of 400 respondents. Data analysis using descriptive analysis techniques, classical assumption test, and multiple regression analysis to answer the proposed hypothesis.

The results showed that partially Neutral Information (X1), Accounting Information (X2), and Risk Tolerance (X3) variables had a significant effect on the investment decision making (Y) of individual investors at productive age in Bandung. The three variables Neutral Information (X1), Accounting Information (X2), and Risk Tolerance (X3) also simultaneously have a significant effect on investment decision making (Y) of individual investors at productive age in Bandung.

Keyword : Individual investors' behavior, investment decision, neutral information, accounting information, risk tolerance