International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The Effect Of Heuristic Factors And Capital Availability On Investment Decision-Making Among Women Entrepreneurs In Surakarta: Financial Literacy As A Mediating Variable

Sri Wulan Wijayanti[1]*, Widi Haryanti[2], Yunus Harjito[3]

[1,2] Accounting Study Program, Faculty of Business, Universitas Setia Budi Surakarta, Indonesia

Corresponding author: wulanwijayanti0212@gmail.com

Abstract

Investment refers to the allocation of resources in the present with the expectation of obtaining future benefits. Investment activities are not limited to capital market instruments but also include gold, land, production activities, and various other economic assets. In practice, investment decision-making is often influenced not only by rational considerations but also by psychological and behavioral factors that may lead to irrational decisions and suboptimal investment outcomes. This study aims to analyze the influence of heuristic factors, namely overconfidence heuristic, representativeness heuristic, availability heuristic, and capital availability on investment decisions among women entrepreneurs in Surakarta City, with financial literacy serving as a mediating variable. This research employed a quantitative approach using a survey method through questionnaires distributed to women entrepreneurs registered at the Office of Cooperatives, SMEs, and Industry of Surakarta City. The sampling technique used was purposive sampling, resulting in 360 respondents selected using the Slovin formula. Data analysis was conducted using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS). The results indicate that representativeness heuristic, availability heuristic, and capital availability significantly influence financial literacy, while availability heuristic and financial literacy significantly affect investment decisions. Furthermore, financial literacy was found to mediate the relationship between heuristic factors and capital availability on investment decisions. The findings suggest that higher levels of financial literacy enable women entrepreneurs to make more rational, effective, and well-

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

considered investment decisions, thereby supporting the sustainability and development of their businesses.

Keywords: heuristic factors, capital availability, financial literacy, investment decisions, women entrepreneurs.

INTRODUCTION

Investment is defined as the sacrifice made by individuals in the present with the expectation of obtaining future benefits (Pradipa et al., 2023). Investment activities are not limited to capital market instruments but also include gold, land, goods production, and various other economic instruments. In practice, although investment decisions are often based on available rational information, investors do not always behave rationally, which may result in suboptimal investment performance (Rizki Muhammad Andika & Hatta, 2024). Furthermore, investment decisions are understood as activities involving expenditure or capital allocation intended for the purchase of production assets with the expectation of producing goods and services optimally (Pradipa et al., 2023). Investment decisions are a crucial aspect of financial management, both at the individual and corporate levels. These decisions reflect the process of allocating funds to certain assets or projects with the expectation of obtaining future returns. According to Sartono (2016), investment decisions refer to decisions regarding the placement of funds in assets expected to generate future benefits. In other words, investment decisions always involve considerations of time, risk, and return. Joel F. Houston (2019) also explained that investment decisions involve the allocation of capital to assets expected to provide future benefits, which are essential for increasing firm value. These decisions are not only relevant in the corporate sector but also in the context of entrepreneurship.

Investment decisions are often influenced not only by rational considerations but also by psychological and behavioral factors such as overconfidence, availability heuristic, and representativeness heuristic. Sudirman, Winario, et al. (2023) stated that individuals frequently use heuristics in decision-making processes, which, although fast, do not always result in optimal decisions. In addition, investment decisions are closely related to the utilization of capital, including financial capital and other resources used to support productive activities such as purchasing production equipment, business expansion, or increasing operational capacity. Saputri and Erdi (2023) argued that appropriate investment decisions are highly important in determining the direction and sustainability of businesses in the future.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

In the context of women entrepreneurs, investment decisions involve additional dimensions related to access to financial information, risk management skills, and levels of financial literacy. Sari (2019) stated that low financial literacy among women entrepreneurs often leads to inappropriate investment decisions, which consequently affect business performance and sustainability.

LITERATURE REVIEW

Heuristic Theory

Heuristic theory explains the rules used by individuals in evaluating information during investment decision-making processes by focusing on certain aspects while ignoring other considerations, thereby simplifying the decision-making process (Paudel & Shakya, 2025). Heuristics are simple practical rules that explain how individuals make decisions, conduct assessments, and solve complex problems or problems under incomplete information conditions (Sudirman et al., 2023). Heuristics enable individuals to focus on relevant information while disregarding information considered less important (Rahmawan et al., 2024). In heuristic theory, several personality factors influence investment decision-making, including overconfidence heuristic, representativeness heuristic, and availability heuristic.

Hypothesis Development

The Influence of Overconfidence Heuristic on Financial Literacy

Overconfidence heuristic is a condition in which individuals possess excessive confidence in their abilities and knowledge in managing finances and investments. Individuals with high levels of overconfidence tend to believe that they understand market conditions and investment instruments better than they actually do. High self-confidence may encourage individuals to actively seek information related to financial management, thereby improving their financial understanding. Therefore, the following hypothesis is proposed:

H1: Overconfidence heuristic has a positive effect on financial literacy.

The Influence of Representativeness Heuristic on Financial Literacy

Representativeness heuristic occurs when individuals evaluate decisions based on previous experiences or patterns that have occurred in the past. In investment activities, individuals tend to use past successful experiences as a basis for understanding financial management. Such experiences may improve individuals' ability

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

to recognize financial management patterns, thereby potentially enhancing financial literacy.

H2: Representativeness heuristic has a positive effect on financial literacy.

The Influence of Availability Heuristic on Financial Literacy

Availability heuristic describes the tendency of individuals to use information that is easiest to obtain or remember when making financial decisions. Easily accessible information often becomes the primary basis for understanding financial management. The more frequently individuals obtain information related to finance and investment, the greater their financial understanding becomes.

H3: Availability heuristic has a positive effect on financial literacy.

The Influence of Capital Availability on Financial Literacy

Capital availability refers to the ability of individuals to provide funds for business activities and investments. Individuals with adequate capital are generally more active in financial management and investment activities. This condition encourages individuals to better understand fund management, thereby improving financial literacy.

H4: Capital availability has a positive effect on financial literacy.

The Influence of Overconfidence Heuristic on Investment Decisions

Overconfidence heuristic causes individuals to be excessively confident in their ability to make investment decisions. High confidence encourages individuals to take greater risks and engage in investment activities. Among women entrepreneurs, high self-confidence may increase the courage to expand businesses through investment activities.

H5: Overconfidence heuristic has a positive effect on investment decisions.

The Influence of Representativeness Heuristic on Investment Decisions

Representativeness heuristic causes individuals to use past experiences as the basis for evaluating investment opportunities. Investors tend to believe that previous successful patterns will recur in the future. This influences investment decisions because individuals rely more on prior experiences than on objective analysis.

H6: Representativeness heuristic has a positive effect on investment decisions.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The Influence of Availability Heuristic on Investment Decisions

Availability heuristic makes individuals more easily influenced by information that frequently appears or is easily remembered. In investment activities, popular information is often used as the basis for decision-making. The higher the availability heuristic, the greater the tendency of individuals to make investment decisions based on available information.

H7: Availability heuristic has a positive effect on investment decisions.

The Influence of Capital Availability on Investment Decisions

Capital is an important factor in supporting investment activities. The greater the capital owned by individuals, the greater the opportunity to engage in investment and business development activities. Capital availability provides security and flexibility for women entrepreneurs in making investment decisions.

H8: Capital availability has a positive effect on investment decisions.

The Influence of Financial Literacy on Investment Decisions

Financial literacy refers to the ability of individuals to understand financial management and investment concepts effectively. Individuals with high levels of financial literacy tend to evaluate investment risks and returns more rationally. Good financial understanding helps individuals make appropriate and well-planned investment decisions.

H9: Financial literacy has a positive effect on investment decisions.

Financial Literacy Mediates the Relationship Between Overconfidence Heuristic and Investment Decisions

Overconfidence heuristic may influence investment decisions directly or through individuals' financial understanding. Financial literacy helps individuals control excessive confidence so that investment decisions remain rational. With good financial understanding, individuals are able to evaluate investment risks more objectively.

H10: Financial literacy mediates the relationship between overconfidence heuristic and investment decisions.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Financial Literacy Mediates the Relationship Between Representativeness Heuristic and Investment Decisions

Representativeness heuristic causes individuals to rely excessively on past experiences in making investment decisions. Financial literacy helps individuals evaluate investment decisions based on more objective data and analysis. Therefore, financial literacy may serve as a mediating factor between representativeness heuristic and investment decisions.

H11: Financial literacy mediates the relationship between representativeness heuristic and investment decisions.

Financial Literacy Mediates the Relationship Between Availability Heuristic and Investment Decisions

Availability heuristic causes individuals to be easily influenced by information that is easiest to remember. Financial literacy helps individuals filter information and evaluate the quality of the information received. The better an individual's financial literacy, the more rational the investment decisions made.

H12: Financial literacy mediates the relationship between availability heuristic and investment decisions.

Financial Literacy Mediates the Relationship Between Capital Availability and Investment Decisions

High capital availability does not always result in appropriate investment decisions if individuals lack adequate financial understanding. Financial literacy helps individuals manage capital effectively and select investments suitable for their financial conditions. Therefore, financial literacy is expected to mediate the relationship between capital availability and investment decisions.

H13: Financial literacy mediates the relationship between capital availability and investment decisions.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

METHODOLOGY

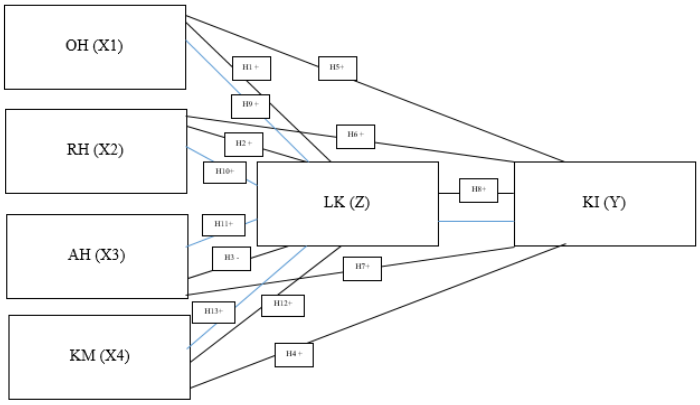


Figure 1. Research Framework
Source: Developed by the authors

According to Sugiyono (2018), research design is a plan regarding the procedures for collecting, processing, and analyzing data systematically and purposefully so that research can be conducted efficiently and effectively in accordance with the predetermined objectives. This study employed a causal research design. According to Ghozali (2006), causal research design is designed to examine the possibility of cause-and-effect relationships among variables. This study used a quantitative approach with a causal research design to identify the causal relationships among independent variables, mediating variables, and dependent variables.

The population of this study consisted of all women entrepreneurs registered at the Office of Cooperatives, SMEs, and Industry of Surakarta City, totaling 7,103 business actors. The sampling technique used was purposive sampling with the criteria that respondents were women entrepreneurs operating businesses in Surakarta City, registered with the related institution, and willing to complete the research questionnaire. The sample size was determined using the Slovin formula with a 5% margin of error, resulting in 360 respondents.

The research data were collected through questionnaires using a Likert scale ranging from 1 to 5. The independent variables in this study consisted of overconfidence heuristic, representativeness heuristic, availability heuristic, and capital availability. The

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

mediating variable was financial literacy, while the dependent variable was investment decision.

Data analysis was conducted using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS). The analysis involved testing the outer model and inner model to examine the validity, reliability, and relationships among the research variables.

DISCUSSION

Outer Model Analysis

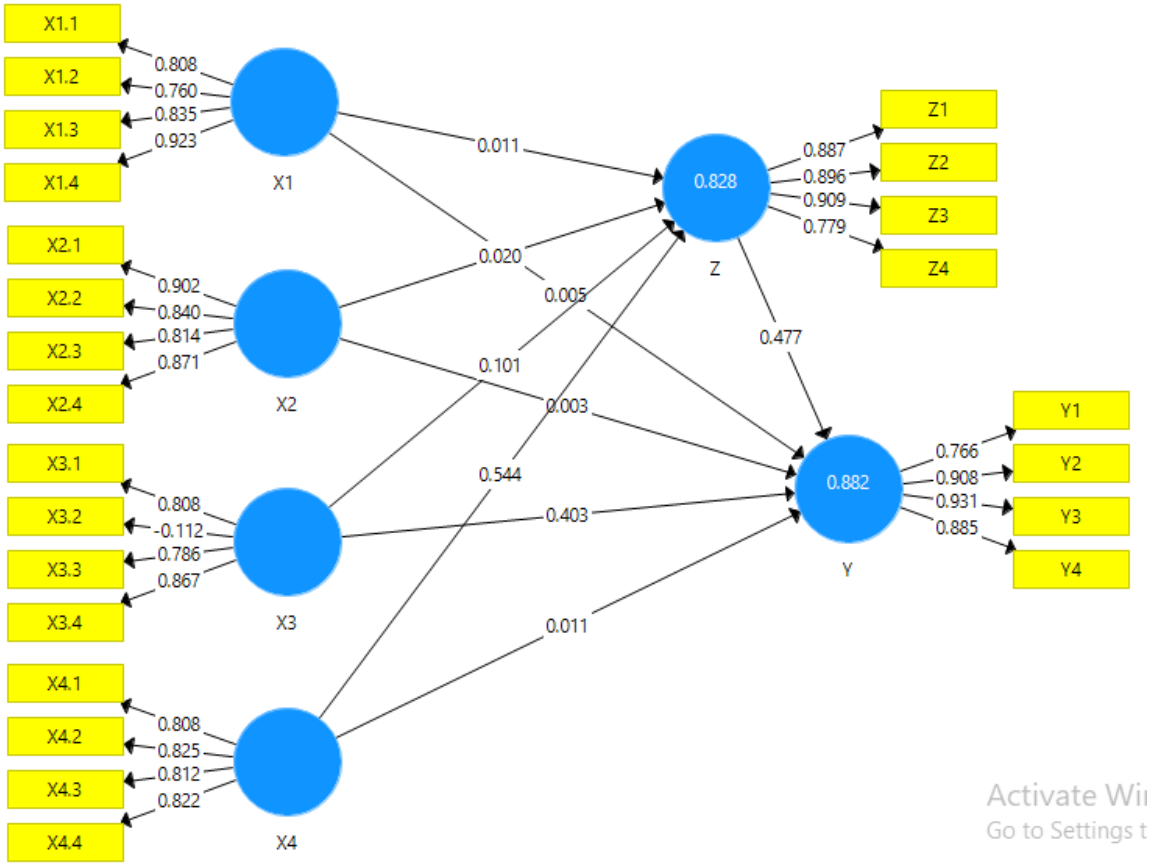


Figure 2. Outer Model Analysis

Source: Processed primary data, 2025

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Table 1. Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)
OH (X1)	0.695
RH (X2)	0.735
AH (X3)	0.509
KM (X4)	0.667
KI (Y)	0.765
LK (Z)	0.755

Source: Processed primary data, 2025

Table 2. Fornell-Larcker Criterion Discriminant Validity

	X1	X2	X3	X4	Y	Z
OH (X1)						
RH (X2)	0.282					
AH (X3)	0.261	0.302				
KM (X4)	0.204	0.221	0.142			
KI (Y)	0.140	0.153	0.084	0.148		
LK (Z)	0.178	0.152	0.271	0.216	0.208	

Source: Processed primary data, 2025

Table 3. Cronbach's Alpha and Composite Reliability

Variable	Cronbach's Alpha	Composite Reliability (rho_c)
OH (X1)	0.878	0.895
RH (X2)	0.892	0.920

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

AH (X3)	0.654	0.742
KM (X4)	0.848	0.898
KI (Y)	0.900	0.931
LK (Z)	0.895	0.927

Source: Processed primary data, 2025

Average Variance Extracted (AVE)

The Average Variance Extracted (AVE) values for Overconfidence Heuristic (X1), Representativeness Heuristic (X2), Availability Heuristic (X3), Capital Availability (X4), Investment Decision (Y), and Financial Literacy (Z) were 0.695, 0.735, 0.509, 0.667, 0.765, and 0.755, respectively. According to the commonly used criteria in Structural Equation Modeling (SEM), an AVE value greater than 0.50 indicates that a variable is capable of explaining more than 50% of the variance of its indicators compared to the variance explained by measurement error (Chishti et al., 2025). Therefore, all variables in this study met the convergent validity requirements.

Fornell-Larcker Criterion Discriminant Validity

The results in the table above indicate that the loading values of each indicator on its respective construct were higher than the cross-loading values. Therefore, it can be concluded that all constructs or latent variables demonstrated good discriminant validity, where the indicators within each construct were more strongly associated with their own construct than with other constructs. Higher values indicate that the indicators are more appropriate for explaining their associated constructs compared to other constructs (Hasan et al., 2023).

Cronbach's Alpha and Composite Reliability

According to Willyanto et al. (2019), reliability testing in SEM is conducted to measure the internal consistency of the measurement instrument. The table above shows the Cronbach's Alpha and Composite Reliability values for each variable. A variable is considered reliable if the Cronbach's Alpha and Composite Reliability values are greater than 0.70, although values between 0.60 and 0.70 are still acceptable in exploratory research. Based on Table 3, all variables passed the reliability test based on both Cronbach's Alpha and Composite Reliability values.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Inner Model Analysis

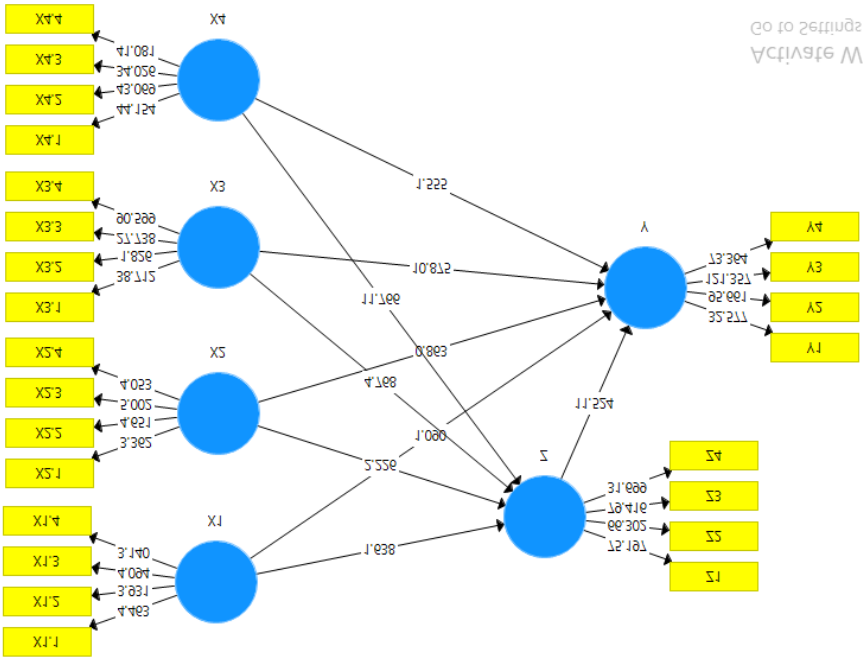


Figure 3. Inner Model Analysis

Source: Processed primary data, 2025

Table 4. R-Square

Variable	R-Square Adjusted
Investment Decision (Y)	0.881
Financial Literacy (Z)	0.837

Source: Processed primary data, 2025

The adjusted R-square value for Investment Decision was 0.881 (88.1%), indicating that the model has a very high explanatory power even after adjustment for the number of predictors and sample size. Meanwhile, the adjusted R-square value for Financial Literacy was 0.837 (83.7%), confirming that the model remained strong after correction. According to Syahmin et al. (2016), an adjusted R-square value greater than or equal to 0.75 is categorized as strong, 0.50 as moderate, and 0.25 as weak. Therefore, the model in this study can be classified as highly robust and stable.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Table 5. Goodness of Fit (GoF)

Criteria	Saturated Model	Estimated Model
SRMR	0.097	0.097
d_ULS	2.814	2.814
d_G	n/a	n/a
Chi-square	∞	∞
NFI	n/a	n/a

Source: Processed primary data, 2025

The Standardized Root Mean Square Residual (SRMR) represents the average discrepancy between the observed correlation matrix and the correlation matrix predicted by the model. Lower SRMR values indicate better model fit. Generally, an SRMR value below 0.10 is considered acceptable, while a value below 0.08 indicates a good model fit (Karadag, 2015). Therefore, the model used in this study can be considered acceptable.

Hypothesis Testing and Discussion

Table 6. Relationship Between Variables

Relationship Between Variables	Original Sample	P-Values	Description
OH → LK	-0.079	0.102	Not Significant
RH → LK	0.107	0.026	Significant
AH → LK	0.281	0.000	Significant
KM → LK	0.660	0.000	Significant
KM → KI	-0.096	0.120	Not Significant
OH → KI	-0.046	0.276	Not Significant
RH → KI	-0.032	0.389	Not Significant
AH → KI	0.487	0.000	Significant
LK → KI	0.572	0.000	Significant
OH → LK → KI	-0.045	0.218	No Mediation
RH → LK → KI	-0.061	0.031	Mediated
AH → LK → KI	0.160	0.000	Mediated
KM → LK → KI	0.378	0.000	Mediated

Source: Processed primary data, 2025

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Overconfidence Heuristic (OH) → Financial Literacy (LK)

The original sample value was -0.079 with a p-value of 0.102 (> 0.05). These results indicate that overconfidence heuristic does not significantly influence financial literacy. Excessive self-confidence does not directly improve individuals' financial understanding. This finding is consistent with the study conducted by Iram et al. (2023), which stated that excessive confidence in decision-making is not necessarily accompanied by adequate understanding of financial concepts. However, this finding contradicts Hasan et al. (2023), who found a positive relationship indicating that higher overconfidence heuristic increases investment decisions.

Representativeness Heuristic (RH) → Financial Literacy (LK)

The original sample value was 0.107 with a p-value of 0.026 (< 0.05). This finding proves that representativeness heuristic significantly influences financial literacy. Individuals who rely on patterns or previous experiences tend to possess better financial literacy. This result contradicts Iram et al. (2023), who found that representativeness heuristic had a negative and significant influence on financial literacy among women entrepreneurs. Yusuf (2021) also found a significant effect because this bias may hinder understanding of complex financial concepts. However, the insignificant findings in some cases are consistent with adaptive women entrepreneurs where such bias is less dominant.

Availability Heuristic (AH) → Financial Literacy (LK)

The original sample value was 0.281 with a p-value of 0.000 (< 0.05). This means that availability heuristic significantly influences financial literacy. Easier access to financial information improves financial understanding. This finding is consistent with studies showing that availability heuristic has a positive and significant influence on financial literacy among women entrepreneurs, particularly in emerging markets (Singh et al., 2024). However, this result contradicts Rahmawan et al. (2024), who found a negative effect of availability heuristic.

Capital Availability (KM) → Financial Literacy (LK)

The original sample value was 0.660 with a p-value of 0.000 (< 0.05). This indicates that capital availability has a positive and significant effect on financial literacy. The greater the available capital, the higher the need for individuals to understand financial management. Available capital encourages financial learning for optimal

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

financial management. This finding is supported by Hasan et al. (2023) in research on Indonesian entrepreneurs. However, it contrasts with the findings of Sartika and Humairo (2021).

Capital Availability (KM) → Investment Decision (KI)

The original sample value was -0.096 with a p-value of 0.120 (> 0.05). These results indicate that capital availability does not significantly influence investment decisions. The amount of available capital is not the primary determinant in making investment decisions. This may occur because excessive capital can also increase risk exposure. This finding is consistent with the study conducted by Khairat (2023), but contradicts Hasan et al. (2023), who stated that greater capital availability may reduce risk.

Overconfidence Heuristic (OH) → Investment Decision (KI)

The original sample value was -0.046 with a p-value of 0.276 (> 0.05). Therefore, overconfidence heuristic does not significantly influence investment decisions. This finding is consistent with Iram et al. (2023), who suggested that this bias affects performance rather than direct investment decisions among women entrepreneurs. However, this finding contradicts Remund (2010), who found a significant influence.

Representativeness Heuristic (RH) → Investment Decision (KI)

The original sample value was -0.032 with a p-value of 0.389 (> 0.05). These results indicate that representativeness heuristic does not significantly influence investment decisions. This finding contradicts Setyadi and Indriana (2025), who found a positive and significant effect. However, this study supports Hasan et al. (2023), who found that representativeness heuristic does not significantly affect investment decisions among women entrepreneurs.

Availability Heuristic (AH) → Investment Decision (KI)

The original sample value was 0.487 with a p-value of 0.000 (< 0.05). This finding indicates that availability heuristic significantly influences investment decisions. Easily accessible information encourages individuals to make investment decisions more confidently. This result is consistent with Iram et al. (2021), who found that availability heuristic has a positive and significant effect on investment decisions, especially among small entrepreneurs in developing countries where historical information is often ignored

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

in favor of recent information. However, this finding contradicts Sudirman et al. (2023), who found a negative effect because this bias may lead to overemphasis on rare events.

Financial Literacy (LK) → Investment Decision (KI)

The original sample value was 0.572 with a p-value of 0.000 (< 0.05). This proves that financial literacy has a positive and significant influence on investment decisions. The better individuals' financial understanding, the more rational their investment decisions become. The positive relationship indicates that higher financial literacy improves investment decision-making. Financial literacy helps individuals conduct better risk analysis. This finding is supported by Hatta (2024).

Overconfidence Heuristic (OH) → Financial Literacy (LK) → Investment Decision (KI)

The original sample value was -0.045 with a p-value of 0.218 (> 0.05). These results indicate that financial literacy is unable to mediate the influence of overconfidence heuristic on investment decisions. This finding contradicts the study conducted by Wiran et al. (2024), which stated that financial literacy is capable of mediating the relationship between overconfidence heuristic and investment decisions. Differences in research findings may be influenced by respondent characteristics, business experience, business environment, and financial management capabilities across different research objects.

Representativeness Heuristic (RH) → Financial Literacy (LK) → Investment Decision (KI)

The original sample value was -0.061 with a p-value of 0.031 (< 0.05). Therefore, financial literacy is able to mediate the influence of representativeness heuristic on investment decisions. This finding is consistent with the study conducted by Chishti et al. (2025), but contradicts Lusardi and Mitchell (2014).

Availability Heuristic (AH) → Financial Literacy (LK) → Investment Decision (KI)

The original sample value was 0.160 with a p-value of 0.000 (< 0.05). These results prove that financial literacy acts as a mediating variable in the relationship between availability heuristic and investment decisions. This finding is consistent with the study conducted by Chishti et al. (2025), but contradicts Lusardi and Mitchell (2014).

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Capital Availability (KM) → Financial Literacy (LK) → Investment Decision (KI)

The original sample value was 0.348 with a p-value of 0.000 (< 0.05). These results indicate that financial literacy significantly mediates the influence of capital availability on investment decisions. This finding demonstrates that financial literacy serves as a primary bridge between capital availability and investment decisions. This result is consistent with the study conducted by Ahmad M. (2022).

CONCLUSION

This study proves that overconfidence heuristic, representativeness heuristic, availability heuristic, and capital availability influence the investment decisions of women entrepreneurs in Surakarta City. Financial literacy also has a positive influence on investment decisions and is capable of mediating the relationship between heuristic factors and capital availability on investment decisions. The findings indicate that the better the level of financial literacy possessed by women entrepreneurs, the better their ability to make rational and well-measured investment decisions. Therefore, improving financial literacy should become a major concern for governments, educational institutions, and financial institutions in supporting the development of women-owned businesses. This study is expected to contribute to the development of behavioral finance and entrepreneurship studies, particularly regarding the investment behavior of women entrepreneurs. In addition, the findings may serve as a basis for developing financial literacy education and training programs for women entrepreneurs in Surakarta City.

REFERENCES

Ahmad M, S. S. (2022). Overconfidence heuristic-driven bias in investment decision-making and performance: mediating effects of risk perception and moderating effects of financial literacy. *Journal of Economic and Administrative Sciences*, *38*, 60–90.

Chishti, M. F., Ali, F., Khan, M. R., Khan, I., Luong, N. T., & Ghouri, A. M. (2025). Understanding behavioural biases in investment decisions: empirical insights from an emerging market. *Cogent Economics & Finance*, *13*.

Ghozali, I. (2006). *MODE PERSAMAAN STRUKTURAL KONSEP&APLIKASI DENGAN PROGRAM AMOS 16.0*. Badan Penerbit Universitas Diponegoro.

Hasan, H., Lase, J., & M. (2023). The characteristics of Indonesian entrepreneurs. *International Journal of Economics and Management*, *25*, 93–118.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Iram, T., Iqbal, N., Qazi, R., & Saleem, S. (2021). Nexus between financial literacy, investment decisions and heuristic biases of women entrepreneurs: A way forward for women empowerment. *Pakistan Journal of Social Sciences*, *41*, 221–234.

Iram, T., Bilal, A. R., & Ahmad, Z. (2023). Investigating The Mediating Role of Financial Literacy on The Relationship Between Women Entrepreneurs' Behavioral Biases and Investment Decision Making. *Gadjah Mada International Journal of Business*, *25*(1), 93–118. https://doi.org/10.22146/gamaijb.65457

Joel F. Houston, E. F. B. (2019). *Fundamentals of Financial Management, 15th edition*. Boston: Cengage Learning 2019.

Karadag, H. (2015). Financial Management Challenges In Small And Medium-Sized Enterprises: A Strategic Management Approach. *EMAJ: Emerging Markets Journal*, *5*(1), 26–40. https://doi.org/10.5195/emaj.2015.67

Kewirausahaan, D. A. N., Irvansyah, D., & Murhadi, W. R. (2024). *The Effect of Overconfidence , Representative , Anchoring , and Availability Biases on Investment Decisions and Market Efficiency*. 125–136.

Khairat, U. (2023). Pengaruh Pengetahuan Keuangan dan Kepribadian terhadap Keputusan Investasi melalui Perilaku Keuangan pada UMKM Kota Padang. *International Journal of Technology*, *47*(1), 68. https://doi.org/10.1016/j.tranpol.2019.01.002%0Ahttps://doi.org/10.1016/j.cstp.2023.100950%0Ahttps://doi.org/10.1016/j.geoforum.2021.04.007%0Ahttps://doi.org/10.1016/j.trd.2021.102816%0Ahttps://doi.org/10.1016/j.tra.2020.03.015%0Ahttps://doi.org/10.1016/j

Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature*, *52*(1), 5–44. https://doi.org/10.1257/jel.52.1.5

Paudel, S. R., & Shakya, P. (2025). *Heuristics Biases and Investment Decisions : The Mediating Role of Financial Literacy in the Nepalese Stock Market and Investment Decisions : for human resource management Mediating Role of Financial Literacy in the Nepalese organizational sustainability . May*. https://doi.org/10.3126/jems.v3i1.78637

Pradipa, N. A., Trisnadewi, K. S., & Dwijayanti, N. M. A. (2023). Pengaruh literasi keuangan terhadap keputusan investasi dengan financial technology sebagai pemediasi di Kota Denpasar. *JUARA: Jurnal Riset Akuntansi*, *13*(2), 217–236.

Rahmawan, F. A., Ahmadi, N., Rahmani, B., & Ramadani, P. (2024). *Pengaruh Pemahaman Muamalah dan Sikap Heuristik Terhadap Pengambilan Keputusan*

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Investasi Syariah pada Mahasiswa Universitas Islam Negeri Sumatera Utara (UINSU). *5*(10), 4407–4419.

Remund, D. L. (2010). Financial literacy explicated: The case for a clearer definition in an increasingly complex economy. *Journal of Consumer Affairs*, *44*(2), 276–295. https://doi.org/10.1111/j.1745-6606.2010.01169.x

Rizki Muhammad Andika, & Hatta, M. (2024). Pengaruh Literasi keuangan dan Bias Perilaku terhadap Keputusan Investasi. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, *5*(7), 3515–3527. https://doi.org/10.47467/elmal.v5i7.3340

Saputri, E. R., & Erdi, T. W. (2023). Perilaku keuangan, dan locus of control, memengaruhi keputusan investasi dengan literasi keuangan sebagai moderasi. *Fair Value: Jurnal Ilmiah Akuntansi Dan Keuangan*, *5*(12), 2023. https://journal.ikopin.ac.id/index.php/fairvalue

Sari, M. (2019). Analisis Tingkat Literasi Keuangan Pada Umkm Perempuan Bidang Fashion Di Unit Pasar Kencong Baru. *Prosiding Seminar Nasional \& Call For Paper*, 221–229. http://jurnal.unmuhjember.ac.id/index.php/sncp/article/view/2019

Sartika, F., & Humairo, N. (2021). Literasi Keuangan dan Faktor Sosiodemografi terhadap Keputusan Investasi melalui Bias Perilaku. *Jurnal Ilmiah Manajemen Dan Bisnis*, *22*(2), 164–177. https://doi.org/10.30596/jimb.v22i2.7766

Sartono. (2016). *Buku Digital - MANAJEMEN INVESTASI*. Media Sains Indonesia. https://www.scribd.com/document/671568640/Buku-Digital-MANAJEMEN-INVESTASI?utm_source=chatgpt.com

Setyadi, V., & Indriana, D. (2025). *Behavioral Biases , Financial Literacy , and Female Investors : the Role of Social Media*. *April 2023*, 77–93.

Singh, V., Khan, N. A., & Bhat, M. N. (2024). From propensity to action : exploring gender and cognitive influences on Informal Investment Intentions. *Future Business Journal*, *10*(1), 1–16. https://doi.org/10.1186/s43093-024-00413-6

Sudirman, W. F. R., Alif, M. I., & Pratiwi, A. (2023). Does Heuristic Bias Matter for Long and Short-Term Investment Decision-Making During the Covid-19 Pandemic? *Journal of Indonesian Economy and Business*, *38*(3), 254–269. https://doi.org/10.22146/jieb.v38i3.3666

Sudirman, W. F. R., Winario, M., Priyatno, A. M., & Assyifa, Z. (2023). Risk Tolerance: Heuristic Bias Towards Investment Decision Making. *Jurnal Manajemen Teori Dan Terapan | Journal of Theory and Applied Management*, *16*(2), 266–279. https://doi.org/10.20473/jmtt.v16i2.47471

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Sugiyono. (2018). *METODE PENELITIAN KUANTITATIF KUALITATIF DAN R&D*. ALFABETA BANDUNG.

Syahmin, Rasyid, M., & Fidelia. (2016). The Model Prevention on Double Taxation Agreement in Perspektive of International Trade. *Sriwijaya Law Conference*, *2*(2), 239–253.

Willyanto, J., Wijaya, G. V., & Petra, U. K. (2019). Pengaruh Bias Terhadap Keputusan Investasi Saham pada Investor Muda di Surabaya. *Jurnal Akuntansi Dan Pajak*, *22*(02), 732–740.

Yusuf, M. (2021). Determinan Carbon Emission Disclosure Di Indonesia. *Jurnal Akuntansi Dan Auditing*, *17*(1), 131–157. https://doi.org/10.14710/jaa.17.1.131-157

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.