

SM3-2: Are You a Risk-Taker?

Purpose: Assess your personal risk level by completing the questionnaire.

Directions, Part I: Take the following quiz to find out if you are a conservative, average, or aggressive investor. Mark your choice in Column B.

Column A Point(s)	Column B Choice	
		1. When it comes to making the best choice, my luck has been: <ol style="list-style-type: none"> Rotten Average Better than average Terrific
		2. Most of the good things that have happened to me have been because: <ol style="list-style-type: none"> I planned them I was able to exploit opportunities that arose I was in the right place at the right time Someone looks out for me
		3. If a stock doubled in price five months after I bought it, I would: <ol style="list-style-type: none"> Sell all my stock Sell half my stock Sit tight Buy more shares
		4. Making decisions about saving and investing on my own is something that I: <ol style="list-style-type: none"> Never do Occasionally do Often do Almost always do
		5. If my boss were to tell me to do something at work that I know is a bad idea, I would: <ol style="list-style-type: none"> Say directly that it was a mistake Get co-workers to join me in opposing the idea Do nothing unless the boss brings it up again Do it anyway
		6. For me to put 10% of all of my savings and belongings into a new venture that has a 75% chance of success, the potential profit would have to be at least: <ol style="list-style-type: none"> The same as the amount I had risked in investing in the venture Three times the amount Five times the amount No amount would be worth the risk
		7. When I see people involved in sports such as hang gliding or bungee jumping, I: <ol style="list-style-type: none"> Think they are idiots Admire them but would never participate Wish I could try such sports just once to see what they are like Think seriously about participating myself

Name _____

Date _____

SM3-2: Are You a Risk-Taker? continued

Column A Point(s)	Column B Choice	
		8. If I held a finalist ticket in a lottery with a 1 in 5 chance of winning the \$50,000 prize, the smallest amount I would consider selling my ticket for before the lottery drawing would be: <ul style="list-style-type: none"> a. \$30,000 b. \$17,000 c. \$13,000 d. \$10,000
		9. In the past, I have spent \$10 on one or more of the following activities: bet on my own recreational activities such as golf or poker, or bet on professional sports. (Choose the one that best applies.) <ul style="list-style-type: none"> a. I have done two or more of these in the past year b. I have done one of these in the past year c. I have done one of these a few times d. I have never done any of these
		10. If I had to make a critical decision involving a large amount of money, I would probably do one or more of the following things: (Circle all that apply.) <ul style="list-style-type: none"> a. Delay the decision b. Have someone else make the decision for me c. Ask others to share in the decision d. Plan strategies that would minimize any loss
	Total Points	

Directions, Part II: For each question, write the points in Column A according to the following scales.

For questions 1, 3, and 4:

- a. = 1 point
- b. = 2 points
- c. = 3 points
- d. = 4 points

For questions 2, 6, 8, and 9:

- a. = 4 points
- b. = 3 points
- c. = 2 points
- d. = 1 point

For questions 5 and 7: No matter what you chose, do not give yourself any points. Moral courage and physical bravery are not associated with your tolerance for investment risk.

For question 10: Count up the number of items you circled. Subtract that number from 5, and this is the score you receive for this question.

What your score means:

- 8 to 16 points** Conservative investor; you are willing to take few risks
- 17 to 24 points** Average investor; you are willing to take average risks
- 25 to 32 points** Aggressive investor; you are willing to take greater-than-average risks

Adapted and reprinted with permission from University of Idaho Extension