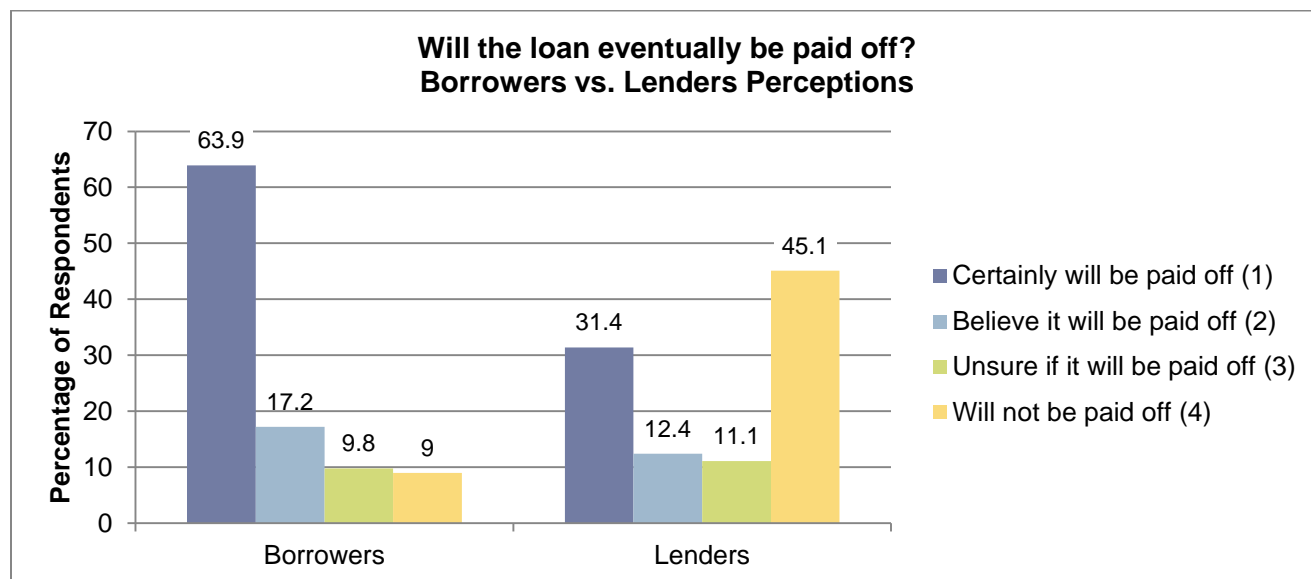


Exercise 2: Tables and Figures

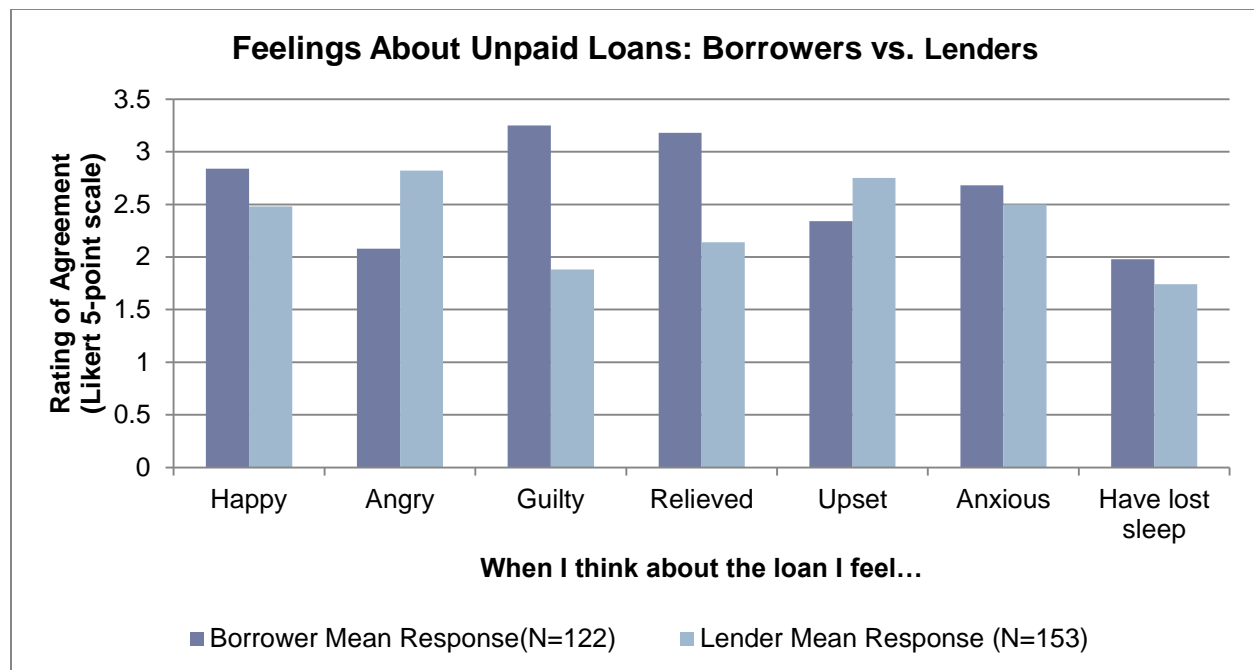
Lenders vs. Borrowers Perceptions and Feelings toward Unpaid Loans



Borrowers were more likely to believe that they would eventually pay off their loan than lenders. The majority of borrowers (63.9%) believed that their loans would eventually be paid off. Borrowers had a right skewed distribution of perceptions about the loan being paid off; as the responses became more negative/doubtful, the proportion of borrowers who chose the response declined. On the other hand, lenders tended to have more extreme view of whether or not a loan would be paid off. Their distribution was bi-modal, with most lenders responding that the loan would certainly be paid off (31.4%) or not be paid off (45.1%).

	Will be paid off?	SD
Borrowers	1.64	0.988
Lenders	2.70	1.323

On average, borrowers were more likely than lenders to think that the loan would be paid off. Borrowers' mean belief that the loan would be paid off was 1.64, compared to 2.70. The difference between borrowers' and lenders' means was significant ($p = 0.000$).



Borrowers seem to have conflicting emotions about their loans. They were more likely to feel happy and relieved about their loan than lenders, but also to feel guilty, anxious, and to have lost sleep. On the other hand, Lenders' emotions seemed unidimensional: they were more likely than borrowers to feel angry and upset about the unpaid loans.

	Borrower Mean (N=122)	Lender Mean (n=153)	Borrower SD	Lender SD	p value
Happy	2.84	2.48	1.128	1.193	0.011
Angry	2.08	2.82	1.103	1.433	0.000
Guilty	3.25	1.88	1.451	1.221	0.000
Relieved	3.18	2.14	1.213	1.194	0.000
Upset	2.34	2.75	1.140	1.392	0.008
Anxious	2.68	2.50	1.300	1.382	0.262
Have lost sleep	1.98	1.74	1.195	1.105	0.090

For all emotions except anxiety, there was a significant difference ($p < 0.05$) between lenders and borrowers emotions regarding the unpaid loans. That is, there was a statistically significant trend for borrowers to feel more happy, relieved, guilty, and "sleepless" and for lenders to feel more angry and upset.