

**THE FACTOR INFLUENCING PERSONAL  
FINANCIAL MANAGEMENT SKILLS AMONG  
STUDENTS IN FACULTY OF ENTREPRENEURSHIP  
AND BUSINESS AT UMK**

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DEGREE OF BUSINESS ADMINISTRATION (ISLAMIC BANKING AND  
FINANCE) WITH HONOURS

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UNIVERSITI  
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**THE FACTOR INFLUENCING PERSONAL FINANCIAL  
MANAGEMENT SKILLS AMONG STUDENTS IN  
FACULTY OF ENTREPRENEURSHIP AND BUSINESS  
AT UMK**

By

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A thesis submitted in fulfilment of the requirements for the degree of  
Business Administration (Islamic Banking and Finance) with Honours

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**Faculty of Entrepreneurship and Business  
UNIVERSITI MALAYSIA KELANTAN**

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## LIST OF ABBREVIATIONS

AKPK	The Credit Counselling and Debt Management Agency
ANOVA	Analysis of Variance
UM	University Malaya
UPM	University Putra Malaysia
UPSI	University Pendidikan Sultan Idris
UMBC	United Malayan Banking Corporation
UMK	University Malaysia Kelantan
OECD	The Organization for Economic Cooperation and Development
TPB	Theory of Planned Behavior
TRA	Temporary Reserved Area
SPSS	Statistics Package for Social Science (software)
SD	Standard Deviation
SAA	Bachelor of Accounting
SAE	Bachelor of Entrepreneurship
SAR	Bachelor of Entrepreneurship (Retailing)
SAL	Bachelor of Entrepreneurship (Logistics and Distribute Trade)
SAK	Bachelor of Entrepreneurship (Commerce)

SAB	Bachelor of Business Administration (Islamic Banking and Finance)
PTPTN	National Higher Education Fund Corporation
IPTA	Institutions Pengajian Tinggi Awam
FEB	Faculty Entrepreneurship and Business
FHTW	Faculty Hospitality Tourism and Wellness
IBM	International Business Machines Corporation

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## ABSTRACT

The purpose of this research is to examine the variables that affect UMK students' personal financial management skills, specifically those of FEB students. According to statistics on individual bankruptcy, there are more bankrupt individuals in Malaysia each year. In addition, the amount of debt that college students and undergraduates are bearing has dramatically increased, especially for recently graduated individuals. This is due to the fact that they must begin repaying their loan debt (PTPTN). New graduates might not have the necessary financial management skills, which could cause financial issues. In order to ascertain the variables influencing UMK students' personal financial management skills, this research was carried out. financial knowledge, financial attitude, and family influence are the independent variables that affect UMK students' personal financial management skills. To collect data, 351 sets of questionnaires were given to UMK undergraduate students. Results were analysed using reliability test, Pearson, and correlation analysis. The findings indicate that FEB students have a fair amount of knowledge of basic financial products and services. Families have an impact on FEB students' high levels of personal financial management abilities. The primary conclusions of this study are that UMK students' personal financial management skills are significantly correlated with their financial knowledge, financial attitude, and family influence. There are managerial implications, this study's shortcomings, and suggestions for further research presented.

## ABSTRAK

*Tujuan penyelidikan ini adalah untuk mengkaji pembolehubah yang mempengaruhi kemahiran pengurusan kewangan peribadi pelajar UMK, khususnya pelajar FEB. Mengikut statistik kebangkrutan individu, terdapat lebih ramai individu muflis di Malaysia setiap tahun. Di samping itu, jumlah hutang yang ditanggung oleh pelajar kolej dan mahasiswa telah meningkat secara mendadak, terutamanya bagi individu yang baru menamatkan pengajian. Ini berikutan mereka mesti mula membayar balik hutang pinjaman mereka (PTPTN). Graduan baharu mungkin tidak mempunyai kemahiran pengurusan kewangan yang diperlukan, yang boleh menyebabkan masalah kewangan. Bagi memastikan pembolehubah yang mempengaruhi kemahiran pengurusan kewangan peribadi pelajar UMK, kajian ini telah dijalankan. pengetahuan kewangan, sikap kewangan, dan pengaruh keluarga merupakan pembolehubah tidak bersandar yang mempengaruhi kemahiran pengurusan kewangan peribadi pelajar UMK. Bagi mengumpul data, 351 set soal selidik telah diberikan kepada pelajar prasiswazah UMK.*



*Keputusan dianalisis menggunakan ujian kebolehppercayaan, Pearson, dan analisis korelasi. Dapatan menunjukkan bahawa pelajar FEB mempunyai pengetahuan yang cukup tentang produk dan perkhidmatan kewangan asas. Keluarga mempunyai kesan ke atas tahap tinggi kebolehan pengurusan kewangan peribadi pelajar FEB. Kesimpulan utama kajian ini ialah kemahiran pengurusan kewangan peribadi pelajar UMK mempunyai korelasi yang signifikan dengan pengetahuan kewangan, sikap kewangan dan pengaruh keluarga mereka. Terdapat implikasi pengurusan, kelemahan kajian ini, dan cadangan untuk kajian lanjutan yang dikemukakan.*

## CHAPTER 1: INTRODUCTION

### 1.1 BACKGROUND OF THE STUDY

Financial management knowledge is essential in this era of globalization because financial management is involved in practically every transaction. Money is the most crucial asset to meet wants and requirements, according to Aisyah and Wajeeha (2016), especially for students in an increasing competitive labor market. In light of the ever-increasing economic developments, students should have a high personal financial management skill.

Towanda Mitchell defines financial management as "handling our financial situation responsibly in order to achieve financial independence" (UMBC Money Matters Seminar, n.d). It is focused on how money is managed in all facets of life. Elements of financial management include both personal and organizational management. Personal financial management skills include setting a budget, using credit responsibly, managing debt, banking, and making future plans. By making your money work harder for you, good money management can help you become more financially powerful. Personal financial management, in other words, is the process of controlling income and organizing expenses through a detailed financial plan. Individuals who fail to manage their personal finances owing to a lack of information are more likely to face financial difficulties and be declared bankrupt.

For most students in their first year of university, this is a significant transition period in which parental financial monitoring has switched to the students' exclusive responsibility. Students have autonomy in handling their personal finance at this stage, and they must deal with duties such as budgeting, saving, and arranging spending. This is where personal financial management skills among students come into play in terms of their ability to manage their personal financial management. This is because if students do not budget properly, they will face financial difficulties. Furthermore, there are several financial facilities available nowadays, such as loans and investment opportunities, which require students to have financial knowledge in order to ensure a right financial decision is made.

Lastly, personal financial management skills are necessary to protect students from incurring excessive debt. According to Nuraliani et al. (2015), an increasing number of young people are becoming bankrupt as a result of significant personal financial management. One of

the leading reasons for bankruptcy at a young age is a lack of financial education. So, every student should learn about money management so that they may make the most of their earnings.

## **1.2 PROBLEM STATEMENT**

In Malaysia today, bankruptcy has grown to be a significant issue. According to a New Straits Times report from February 18, 2013, the Ministry of Finance and the Insolvency Department considered how to address the issue of young bankruptcy. In 2013, one percent of the 240,000 bankruptcy filings per quarter were made by people under the age of 25. The government views youth bankruptcy as a major issue that affects both individuals and the nation as a whole. This group should be introduced to a variety of skills, particularly in financial management. Problems develop because they are unable to manage personal funds and lack a thorough understanding of financial management skills.

According to statistics given by Malaysia's Insolvency Department (2017), 134,550 people were declared bankrupt between 2007 and June 2013. In 2017, the number of bankruptcy cases grew to 300,958. Between 2007 and 2013, the leading cause of bankruptcy was automobile hire purchase debt, which accounted for 30,452 cases, followed by housing loans (20,529 cases), personal loans (18,053 cases), and business loans (14,431) Aisyah & Wajeeha, 2016). According to the Malaysian Insolvency Department's statistics, 25.4 percent of them are under the age of 34. 34.4 percent were between the ages of 35 and 44, while the remainder were 45 and up. It is apparent that the majority of those declared bankrupt are young people.

Meanwhile, there are a number of problems and issues concerning personal financial problems among university students. According to a survey conducted by Amer Azlan, Wijaya, Kamal Ramlan, Mohd Rahimie, Rosle, and Zaiton (2015) a lack of financial knowledge has caused debt problems, particularly among young adults in Malaysia. Essentially, they overspent on a whim and buy unnecessary items, a practice known as buying impulse, and maintain a luxurious lifestyle to meet their so-called tempting needs. Furthermore, technological advancements encourage them to do online shopping, where they buy desired items through websites by simply placing orders online. This is solely due to their enjoyment and pleasure of purchasing goods.

Most universities such as UPSI, UM, UMK, and UPM do not offer courses in personal financial management. They prefer to offer courses related to business such as financial management. Supposedly, all students should be taught about personal financial management at university. This is because personal financial management becomes an important thing in the life of every human being in managing income. Knowledge that is closely tied to an individual's life should not be overlooked, especially by the young, since this can cause difficulties for society, especially as the number of individuals on the Bank Negara's list of bankruptcies increases year by year.

Therefore, this research is to study factors influencing personal financial management skills among students. Universiti Malaysia Kelantan (UMK) is chosen for this study particularly the students from Faculty of Entrepreneurship and Business (FEB). It is expected that this research would be able to determine factors influencing personal financial management among students by factors of financial knowledge, financial attitude, and family influence.

### **1.3 RESEARCH QUESTION**

This research aims to answer the following research question regarding the factor influencing personal financial management skills among students of the Faculty of Entrepreneurship and Business at UMK.

1. Does financial knowledge have an influence on personal financial management skills?
2. Does the financial attitude have an influence on personal financial management skills?
3. Does family influence have an influence on personal financial management skills?

### **1.4 RESEARCH OBJECTIVES**

The aim of the study is to identify the factor influencing personal financial management skills among students of the Faculty of Entrepreneurship and Business at UMK. The objectives of this study are as the followings:

1. To identify the relationship between financial knowledge and personal financial management skills among UMK students.
2. To identify the relationship between financial attitude and personal financial management skills among UMK students.
3. To identify the relationship between family influence and personal financial management skills among UMK students.

### **1.5 SCOPE OF THE STUDY**

This research focused on the factors influencing personal financial management skills faced by student Faculty of Entrepreneurship and Business (FEB) only in University Malaysia Kelantan (UMK) City Campus, Pengkalan Chepa, Kelantan. The aim was to do research to identify the ways to overcome the problem that was declared bankrupt among youth.

Besides that, the data collection of this research involved many programmes and there are such as Bachelor of Business Administration (Islamic Banking and finance) with Honors (SAB), Bachelor of Entrepreneurship (Logistics and Distributive Trade) with Honors (SAL), Bachelor of Entrepreneurship with Honors (SAE), Bachelor of Entrepreneurship (Commerce) with Honors (SAK), Bachelor of Entrepreneurship (Retailing) with Honors (SAR) and lastly Bachelor of Accounting with Honors (SAA). The research was done in UMK through a set of questionnaires distributed to the respondents in order to investigate the factors influencing personal financial management skills among students.

### **1.6 SIGNIFICANCE OF STUDY**

This study's contribution is to identify the variables that affect UMK undergraduate students in the Faculty of Entrepreneurship and Business's ability to manage their personal finances. This study would be beneficial in the future because the researcher can get some information that might be needed in research from the findings. This research discussed the problem that happened and influenced personal financial management skills. The students of FEB spend money more than their income can cause them bankrupt. Therefore, there are a few agencies that can help students to manage their problems involving bankruptcy such as The Credit Counselling and Debt Management Agency (AKPK), the Universities, and other

agencies such as Zakat Centres and Government Aid. AKPK is an agency that can provide advisory services and assistance to student borrowers in managing their finances, especially when it comes to loans, while Higher Education Institutions also can play an important role in addressing gaps and overcoming personal financial management problems among students. Higher Education Institutions need to develop a curriculum that offers courses that can help students deal with personal financial management problems. This approach is one of the best ways for students to resolve issues with their personal financial management. The parties are capable of offering the students substantial benefits and helping the students. Financially literate students will have good money management skills. They will understand how to handle financial tools like credit cards and loans responsibly. Additionally, they will begin organizing their funds early and have access to greater storage.

## **1.7 DEFINITION OF TERM**

The title of this study is The Factors Influencing Personal Financial Management Skills among Students in the Faculty of Entrepreneurship and Business at UMK. There are several important terms to be found from this research; -

### **1.7.1 Personal Finance**

Personal finance is a term that covers managing your money as well as saving and investing. It encompasses budgeting, banking, insurance, mortgages, investments, retirement planning, and tax and estate planning. Personal finance is also about meeting personal financial goals, whether it's having enough for short-term financial needs, planning for retirement, or saving for college education. Well-informed and financially educated people can make better decisions for their families and thus lead to higher financial security and well-being by (Hilgert & Hogarth, 2003).

### **1.7.2 Finance Management Skills**

Personal financial pleasure can result from having the skills to manage financial resources. It is more difficult for people to manage the market's rising demand for their money as a result of the consumer market's expansion and marketing efforts like sales and advertising (Masud et al., 2004). Additionally, managing money is a skill that is necessary for day-to-day operations. People who are knowledgeable and financially

literate are able to make better decisions for their families, which increases their families' financial stability and well-being (Hilgert and Hogarth, 2003). It might be further supported by the idea put forth by numerous academics that students' financial difficulties are caused by a lack of financial knowledge and abilities. As instance, according to Norvilities et al. (2006) and Hilgert and Hogart (2003), financial knowledge among university students is one of the best indicators of financial behaviour.

### **1.7.3 Students**

Students are people who attend a school, one who studies an attentive and systematic observer. According to Daniel Jean (2018), students are often characterised as those who are learning in a school or in a teaching environment. Students are also person who engaged in study, one who is devoted to learning, a learner, a pupil, a scholar, especially one who attends a school, or who seeks knowledge from professional teachers or from books, as the students of an academy, a college, or a university, a medical student, and a hard student (Webster's 1913 Dictionary). Thus, the students referred to in this study are university students who have various levels of education, including degree and master.

## **1.8 ORGANIZATION OF THE REPORT**

Chapter 1 has presented the background of the study which is problem statement, research question, research objectives, scope of the study, significance of the study (problem), students are unable to manage personal funds and lack financial management skills, definition of terms, and organization of the proposal. In the background of the study, discussion returns to the importance of having high financial literacy, especially among university students. This is because, as mentioned in the problem statement about the problems faced by students as a result of there being less literature about finances. The scope of the study was focused on the factors influencing personal financial management skills among students in the faculty of entrepreneurship and business at UMK. The study (problem) is to benefit people because they can get some information and use the findings of research for their own study. This study discussed the variables that influence financial skill. In this section, we formulate what is described in chapter 1.

Meanwhile, in chapter 2, discussion returns to the underpinning theory, previous study, hypothesis statement, and conceptual framework. This chapter discusses the meanings stated by previous researchers about the financial management skills that are needed by all students. Next, there are three hypotheses that have been found in this proposal. From these hypotheses, a conceptual framework figure has been formed to see the relationship between independent variables and dependent variables.

Finally, chapter three's topics cover research design, data collection methodologies, study population, sample size, sampling strategies, research instrument creation, variable measurement, and data analysis procedures.



## **CHAPTER 2: LITERATURE REVIEW**

### **2.1 INTRODUCTION**

A literature review was a compilation of published work on a subject that includes information, concepts, specifics, and supporting data and was produced from a particular point of view with a specified objective. This allows researchers to articulate specific viewpoints on the essence of the topic, share those viewpoints, and demonstrate how it has been studied.

Based on the research framework, which was the factors influencing personal financial management skills at university, the researcher may go into greater detail about independent variables and dependent variables in this chapter. This chapter would explain the underlying theory, previous studies, hypotheses, and conceptual framework.

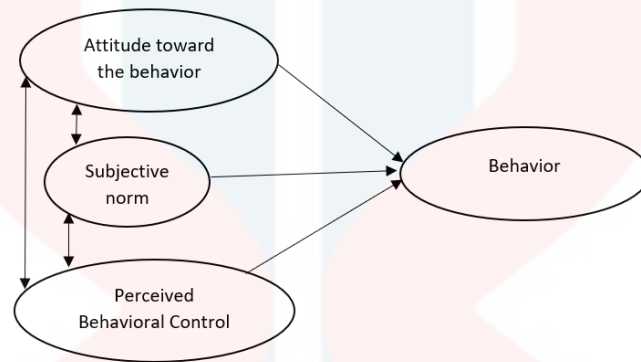
### **2.2 UNDERPINNING THEORY**

Planned behavior theory was a useful conceptual framework for dealing with human social behavior and was commonly used to explain behavioral patterns and better understand how individuals made behavioral decisions (Ajzen, 1991). Any behavior, according to Ajzen, could be traced back to an intention to perform it. TPB was a technique used to delve deeper into a person's underlying attitudes about money and how they made financial decisions (Zocchi, 2013). It was imperative that new solutions were investigated and developed in order to help people change their financial habits. As a rule, people were motivated to save money (Abrahamse and Steg (2009). A participant's ability to save was impacted by their lack of opportunity, education, willpower, and views towards saving and financial institutions (Karlsson et al. 2004).

For decades, the TPB has been used in the social psychology literature to study credit counselling, personal finance, and private money management both domestically and internationally (Ajzen et al. 1991). Higher savings rates had been linked to individuals increased financial literacy, according to research (Huston et al. 2012). According to Kidwell and Turrisi (2004), the use of TPB-based models on financial and saving behavior yielded positive findings, with 51% to 72% of the variance in intention in financial budget-keeping (Kidwell et al. 2010). For example, the model predicted that 41% of the variance in self-reported savings deposits (Loibl et al. 2011) would be explained by non-payment of bills and the use of short-term loans like payday loans (Xiao et al. 2011). This study would look into

whether attitudes, subjective norms, and perceptions of behavioral control were related to personal financial management skills. Studied by Minton and Zocchi (2015) had all found that attitudes, subjective norms, and perceived behavioral controls were directly linked.

Figure 2.1: Theory of Planned Behavior



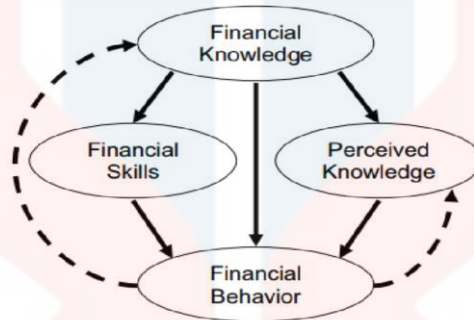
Source: Ajzen (1991). The theory of planned behavior.

The figure above demonstrates how the notion of planned behavior and financial behavior were related (TPB). Support or pressure from people a person regards as significant and respected, be it a parent, spouse, close friend, or a teacher was a subjective norm (Ajzen, 1991). Subjective norms were included in theories of reasoned action and planned behavior (Ajzen, 1991) to help anticipate behavioral intention. A lack of research had examined the impact of subjective norms on attitudes toward saving. In Indonesia, Sondari and Sudarsono (2015) studied 359 civil servants. As a result, investing intentions were heavily influenced by attitudes and subjective norms. In their research (2014), Cuong and Jian also found something similar. 472 individual investors participated in the study. These researchers showed that one's attitude toward one's own behavior and one's own subjective standards influenced one's desire to invest. According to researchers, the relationship between subjective norms and attitudes was considerable.

This study found that attitudes toward behavior and subjective norms had a favorable and significant impact on the desire to invest in the long run. Furthermore, Croy et al. (2010) conducted a study in Australia on the intention of retirement savers to do so. Subjective norms and intention was found to have a considerable impact on both attitude and intention. Since family influence was under subjective norm and financial attitude was under attitude toward

the behavior that would influence behavior. So, the theory of planned behavior (TPB) was used to support the factors influencing personal financial management skills among FEB students.

Figure 2.2: Conceptual Model of Financial Literacy



Source: Hung, Parker, Young (2009). Defining and measuring financial literacy

According to Hung, Parker, and Yoong (2009), the conceptual framework of financial literacy focuses on financial knowledge, behavior, and abilities, as well as their mutual relationships. Without proper knowledge, individuals were not able to know the importance of financial behavior (Shults, 2012). Muhammad and Gharleghi (2015) demonstrate how schooling had a significant impact on financial literacy. Financial literacy and education were positively correlated. Financial education had an impact on financial knowledge, financial behaviors, and financial attitudes, according to Grable and Joo (1999). Researchers would take this theory to support financial knowledge and financial behavior which was one of independent variables in this research.

The theory of planned behavior (TPB), which incorporates volitional control, was the TRA's successor. Similar to attitude and subjective standards like familial influence, behavioral control was governed by the interaction of two sub-concepts. The first sub-concept consists of so-called controlled beliefs, which are estimations of the possibility that each of a number of specific elements would help or impede the behavior's execution. The second factor was perceived power. It measures how much each controlled belief facilitates or hinders behavior. The attitude and subjective norm conceptions had the same formula for merging the two sub-concepts of likelihood of controlled and perceived power. In general, the models had

been found to have been helpful in analyzing behavior such as family influence, with significant contributions from perceived behavioral control.

One of the most widely used models to study behavior in various fields is the Theory of Planned Behavior (TPB) (Yusof, 2020). According to this theory, any desired behavior such as exercise is influenced or initiated by a person's intention. This intention is triggered based on attitude (AT), subjective norm (NS) and perception of controlled behavior (perceived behavioral control or PBC). In other words, the three factors are hypothesized to determine the intention to perform the desired behavior (Yusof, 2020). This proves many benefits of TPB that can be used in this report. The independent variables in this report are financial knowledge, financial attitude and family influence. All these things are factors that will affect students in their personal financial management skills. Therefore, by using TPB, we can measure the attitude and behavior of those students in managing their personal finances. In conclusion, we are confident and believe that the TBP theory is the right theory to use in this report.

## **2.3 PREVIOUS STUDIES**

### **2.3.1 Financial Knowledge**

Muhammad and Gharleghi (2015) prove that financial knowledge was strongly influenced by education. The association between education and financial literacy was beneficial. According to Grable and Joo (1999), financial education influences financial knowledge, financial behaviors, and financial attitudes. According to a study, college students were familiar with the fundamentals of money (Thapa & Nepal, 2015). Unfortunately, they had little knowledge of shared markets, bank credits, insurance, or financial statements. According to Nidar and Bestari (2012), students' personal finances were influenced by their parents' and teachers' educational attainment and salary, as well as by the university's property insurance. Students' financial literacy in personal finance needs have been improved as a result. A university or family could make the improvement. For instance, a university could offer seminars or training on personal finance to students in several faculties. In addition, parents could impart financial knowledge regarding financial services and products.

According to Jorgensen (2007), students who want to be financially secure should have personal financial knowledge. Financial knowledge is becoming increasingly evident in today's society. It applies to everyone in the economy, not just investors. Financially literate people may have the information, abilities and assurances needed to manage their resources wisely.

Additionally, when people understand the value of loan repayment and the consequences of default, it may foster a culture of loan repayment and support a healthy financial system (Shyamba & Kevin, 2015).

The study's findings demonstrate that financial knowledge is one of the essential criteria indicating that the model is valid and that it is crucial in measuring its influence on students' personal financial management skills. From this research, we can identify problems or find the best method to solve problems. Financial knowledge and effective financial decision making are now widely recognised as essential factors of both personal and social income be connected with how people handle their money.

### **2.3.2 Financial Attitude**

According to research by Sautter Brown, Littvay, Sautter, and Bearnese (2008), business-major students were more likely than non-business-major students to know "more than most." In addition, questions regarding the students' confidence in making financial decisions were asked. Compared to non-business majors, the majority of business majors were much more likely to have greater confidence levels. This was due to the fact that business majors had greater coursework in finance and accounting as well as expertise obtained from courses and student organizations. In conclusion, students who studied in business typically had greater confidence in their ability to manage finances Sautter Brown, Littvay, Sautter and Bearnese, (2008).

It was thought that financial attitudes could affect how people borrow money, save money, take risks, and do other things. The OECD created a scale to gauge financial attitude in accordance with this notion. The OECD conducted a poll in order to better understand respondents' attitudes toward two important topics, namely consumption and financial planning. These two elements: propensity to consume, propensity to save, and degree of belief in planning was reflected in the statements. Agarwalla, Barua, Jacob, and Varma (2012) noted that, compared to married people, young people were more inclined to engage in financial planning and practice more restraint when it came to consumption. Additionally, it was discovered that education level had a greater impact on financial behavior and understanding than it did on financial attitude. In contrast, there was a strong correlation between income level and financial attitude. In other words, a disproportionately large proportion of respondents reported having greater incomes, and these respondents truly had a favorable

attitude toward their financial planning and spending in order to meet their long-term financial objectives. A high level of financial education could also affect one's attitude and behavior toward money. On the other hand, a negative financial mindset could lead to less desirable behavior, Agarwalla, Barua, Jacob and Varma (2012).

According to Albeerdy and Gharleghi (2015) research, there was a favorable correlation between financial attitude and financial awareness. In other words, financial attitude played a big role in determining how financially aware pupils were. They also mentioned that a student could have a different perspective on finances. The student would not have the motivation to manage their money effectively if they had a poor perception of money.

Previous studies have shown a positive correlation between behaviour and personal financial management skills. Their research suggests that certain behaviours may have a direct effect on their financial management skills. From this research, financial attitude provides a significant role in the success or failure of financial issues. A positive attitude influences positive behaviour. Healthy and appropriate money management conduct can begin with a good and proper financial attitude can give motivation to us to do this research.

### **2.3.3 Family Influence**

Women who were young, had children, and had experienced marital discord were more likely to experience financial difficulty, according to Lusardi and Scheresberg (2017). According to Roy & Jain (2018), the causes of women's lowered involvement in financial decisions include a lack of financial education, fewer family discussions about money management with female family members, and a lack of knowledge of cutting-edge financial products and services. Next, Furnham and Milner (2017) examine parents' attitudes and actions toward their kids' economic socialization through allowances or pocket money.

According to the study, there is a positive correlation between family influence and personal financial management skills. Studies on college students have revealed that when family talks, students gain more knowledge and information. This will improve students' financial management skills, whether they are saving or spending. Thus, it can be concluded that the influence of parents on money management will affect the behaviour of the student. From this research, Family relationships provide resources that can assist an individual in coping with stress, engaging in health behaviors, and increasing self-esteem, all of which lead

to increased well-being. We study families to gain a better understanding of ourselves. We understand ourselves better when we can perceive our own family in the perspective of other families' experiences, as well as social influences and trends.

## **2.4 HYPHOTHESIS STATEMENT**

Three hypotheses of this research had been developed to study the relationship between the dependent variable, and the three independent variables which were financial knowledge, financial attitudes, and family influence.

H1: There is a significant positive relationship between financial knowledge and personal financial management skills.

H2: There is a significant positive relationship between financial attitude and personal financial management skills.

H3: There is a significant positive relationship between family influence and personal financial management skills.

## **2.5 CONCEPTUAL FRAMEWORK**

Based on the researched question of theory, the theory of TPB was used to answer the factors that influence personal financial management skills among students in FEB. Financial attitude and financial knowledge were independent variables in this study. Then, another independent variable used in this study was family influence. The factor that influences personal financial management skills among FEB students which were financial knowledge and financial attitude that was under attitude toward the behavior could be linked to theory of planned behavior (TPB) because it had impact on one another. Lastly the family influence was under subjective norm.

The following is the conceptual framework about factors influencing personal financial management skills among students of the faculty of Entrepreneurship and Business at UMK.

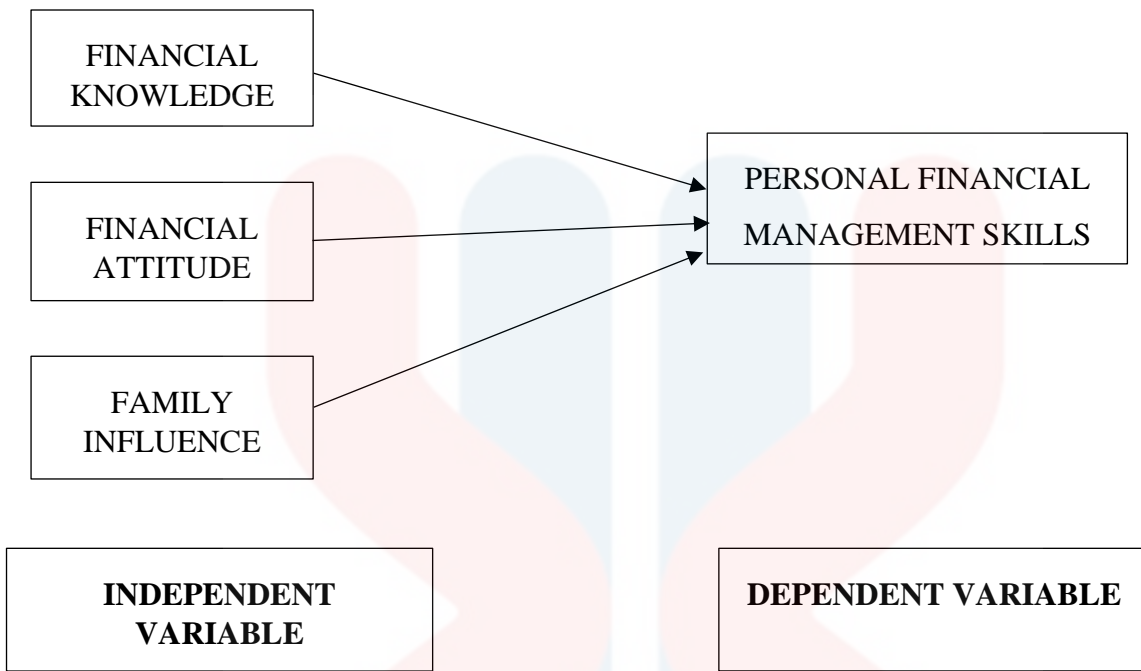


Figure 2.3: Conceptual Framework

## 2.6 CONCLUSION

In conclusion, this chapter has examined the dependent and independent variables that will be employed in this study and evaluated pertinent studies conducted by earlier researchers. This gives the reader a clearer understanding of the concepts around the research's discussed factors. The study's approach will be used in the following chapter. Last but not least, the hypotheses created in this chapter will be applied in chapter 4.



## **CHAPTER 3: RESEARCH METHODS**

### **3.1 INTRODUCTION**

This chapter covers research methodology, which basically describes the methods used to gather and analyze data in order to accomplish the goals of the study. Included were studied methodologies, researched frameworks, locations, demographics, and samples under study, as well as the tools used to collect and prepare the necessary data for analysis. The studies' researchers provided an explanation of the researched techniques they used. The data and information required to meet the researched objectives and questions was acquired, submitted, and analyzed by researchers.

### **3.2 RESEARCH DESIGN**

Data analysis, a plan for data gathering, and measurement makeup research design. By presenting important options, it helps the researchers allocate their limited resources (Hafeezrm, 2011). In essence, there are three investigations in research design. There are causal, descriptive, and correlational studies. We would like to use descriptive study to examine the factors influencing personal financial management abilities among FEB students in UMK. According to the Association for Educational Communications and Technology (2001), descriptive research can be both quantitative and qualitative, rather than just one or the other.

The research problem will make use of quantitative research. Create numerical data or transform data into statistics that can be applied to mathematical issues. Behaviors, attitudes, opinions, and any other defined factors are quantified through quantitative research in order to produce results from a broader population. Because quantitative research employs measurable data to identify patterns in the data and also to establish facts, the data it generates is better organized. Surveys are often the format utilized for quantitative data collection techniques. It includes face-to-face interviews, telephone interviews, paper surveys, online surveys, and more (Wyse, 2011).

### **3.3 DATA COLLECTION METHOD**

In order to gather information for research objectives, primary data will be employed. Primary data is brand-new information collected with the goal of achieving a specific study objective and using the best methodologies for the given research topic. One of the main

methods of gathering data is through social surveys. A survey will be carried out when the researcher is interested in gathering information regarding the behavior, attitudes, feelings, observations, views, or experiences of the target population. However, surveys can only be carried out by contacting respondents and gathering data. Through survey research, researchers can gather information about the demographics of the target community, both objectively and subjectively. To ensure the collection of accurate survey replies, each survey question must be carefully created, assessed, and tested (Hox & Boeije, 2005).

The University Malaysia Kelantan faculty of entrepreneurship and business employed this design to analyze and assess the elements that affect students' personal management and financial skills (UMK). Researchers chose the quantitative method because it considers this method the most appropriate method to obtain data from a sample in a large population. Through this method, a set of questionnaires had been used to collect the responses, which had been filled in by students of the faculty of entrepreneurship and business at University Malaysia Kelantan (UMK) which is a total of 351 students. Furthermore, to ensure that our questionnaire can be distributed smoothly and can be answered well, we have also made a pilot test to our own group members as well as some other students before distributing the actual questionnaire to the respondents. After being satisfied with the questionnaire, we distributed it to all FEB UMK students.

### **3.4 STUDY POPULATION**

The complete group from which the researcher hopes to draw conclusions from their research was known as a target population (Pritha Bhandari, 2020). Focusing on surveyed data and testing was important since it increases the population chosen from a community and frequently engages locals in enquiring interviews. All undergraduate students at the University Malaysia Kelantan (UMK) city campus in Pengkalan Chepa, Kota Bharu, Kelantan, Malaysia, had been the studied population of interest.

This study focuses on the faculty of entrepreneurship and business (FEB). There were six undergraduate student programmes offered by this faculty, which were Bachelor of Business Administration With A Honour In Islamic Banking And Finance (SAB), Bachelor Of Business Administration With A Honour In Logistics And Distributive Trade (SAL), Bachelor Of Business Administration With A Honour In Commerce (SAK), Bachelor Of Business Administration With A Honour In Retailing (SAR), and Bachelor Of Accounting With A

Honour In Accounting (SAA). The following table of total students in the Faculty of Entrepreneurship and Business.

Table 3.1: Total of students in Faculty of Entrepreneurship and Business

<b>PROGRAMS</b>	<b>NUMBER OF STUDENTS</b>
SAB	803
SAK	883
SAE	213
SAA	36
SAL	794
SAR	785
<b>TOTAL</b>	<b>3514</b>

Sources: Student Data, 2022 by Faculty of Entrepreneurship & Business. University Malaysia Kelantan, Malaysia.

### 3.5 SAMPLE SIZE

The study's sample is made up of UMK's faculty of entrepreneurship and business undergraduate students (FEB). There is figure of sample size from Krejcie & Morgan (1970).

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	36	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3500	346
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384

Note — *N* is population size. *S* is sample size.  
Source: Krejcie & Morgan, 1970

Figure 3.1 Table for Determining Sample Size for a Finite Popular

A good way to figure out sample size was in high demanded because empirical researched needed to use statistical samples that were representative of the population being studied more and more. Krejcie and Morgan (1970) made a table that made it easy to figure out the right sample size for any given population. This table filled a gaped that had been there before.

The Table is constructed using the following formula for determining sample size:

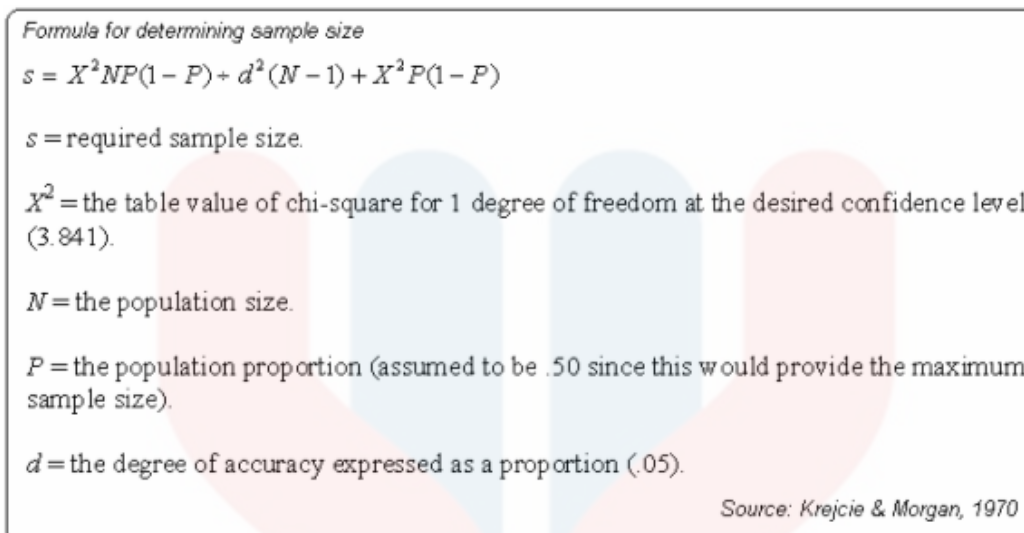


Figure 3.2

Therefore, researchers was collect the sample size of students from the faculty of entrepreneurship and business (FEB) at UMK City Campus, which was 351 students.

### 3.6 SAMPLING TECHNIQUES

Probability sampling and non-probability sampling are two different types of sampling methodologies. The researchers will use non-probability sampling in this study. Convenience sampling is the sort of non-probability sampling that was employed since it is very accessible and inexpensive and because the target sample is made up of students from the Faculty of Entrepreneurship and Business, UMK. This strategy is appropriate for this research since it requires less time and money when the sample size is large. Additionally, it is a useful strategy to utilize while doing a pilot study since respondents might not want to answer the questions honestly and because the questions are too delicate for them (Latham, 2007).

### 3.7 RESEARCH INSTRUMENT DEVELOPMENT

#### 3.7.1 Questionnaire Design

In this study, a questionnaire had been utilized to collect data in order to get all the information needed to complete the study. A questionnaire was an instrument to collect data in which respondents were asked to answer a series of questions, either in writing or orally. Aside from that, because it was standardized, this form of research was usually less expensive than other methods and easier to manage. Researchers used

this strategy because it was the most efficient way of gathering data and information in this study which involved a significant number of respondents.

There were five sections on the covered page of this questionnaire. The researched topic, an overview of the studies' goals, and a list of the participants were all included on the covered page. Respondents were required to answer all of the open-ended and closed-ended questions on the surveys. Sections A (demographic profile), B (financial knowledge), C (financial attitude), D (family influence), and E (personal financial management skills). Section A would test factors like gender, age, education level, monthly expenditure, ranking for spending, and information sources that affect the choice of financial goods. The objective of Section B was to investigate the variables impacting UMK students' personal financial management abilities. Some theories and calculation questions in Section B assess the level of financial knowledge among UMK students. Section C was to analyze the financial behavior whereas Section D to determine the influence of family influencing UMK students. Then, Section E made confirmation about what influences UMK students in personal management skills. The nominal scales had been used in Section A of this study. Variables were merely "named" or labeled on a nominal scale, with no particular order. Nominal data was used to label variables that did not have a numerical value. Male and female, hair color, nations, names of persons, and so on were all common instances. In addition, this study would use the likert scale in the BCD section which was the factors that influence financial management.

The 5-Likert Scale was utilized in this study because the reactions were concrete enough for scientific calculation and easily quantifiable. Additionally, this 5-Likert Scale doesn't include two extreme possibilities of "very strongly disagreed" and "very strongly concur," which were present in the 7-Likert Scale (Pearse, 2011). As a result, 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree were the measurements on the 5-Likert Scale. Questionnaires were used to collect data. The questionnaires were given among students at University Malaysia Kelantan.

Table 3.2: Likert Scale				
1	2	3	4	5

Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
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Source: 5-Point Likert Scale, 2010 by in: Preedy V.R., Watson R.R. (eds) Handbook of Disease Burdens and Quality of Life Measures (Springer, New York, NY).

Table 3.3 Validity Test

INDEPENDENT VARIABLE	ADOPTED FROM RESEARCH	QUESTIONNAIRE	ADOPTED FROM QUESTIONNAIRE
Demographic profile	Financial Awareness Among University Tunku Abdul Rahman Undergraduate Students in Kampar Campus by Bong Soo Chee, Khor Saw Peng, Wong Kian Li and Wong Suet Leng in April 2017.	<ol style="list-style-type: none"> <li>1. Gender</li> <li>2. Age of Respondents</li> <li>3. Faculty</li> <li>4. Monthly Spending of Respondents</li> <li>5. How do you spend your allowance?</li> <li>6. Which sources of information will influence your decision in choosing the financial products?</li> </ol>	<ol style="list-style-type: none"> <li>1) Gender <ul style="list-style-type: none"> <li>• <input type="checkbox"/> Male</li> <li>• <input type="checkbox"/> Female</li> </ul> </li> <li>2) Age <ul style="list-style-type: none"> <li>• <input type="checkbox"/> 19-20 years old</li> <li>• <input type="checkbox"/> 21-22 years old</li> <li>• <input type="checkbox"/> 23-24 years old</li> <li>• <input type="checkbox"/> 25 years old and above</li> </ul> </li> <li>3) Programmes <ul style="list-style-type: none"> <li>• <input type="checkbox"/> SAE</li> <li>• <input type="checkbox"/> SAB</li> <li>• <input type="checkbox"/> SAL</li> <li>• <input type="checkbox"/> SAK</li> <li>• <input type="checkbox"/> SAR</li> <li>• <input type="checkbox"/> SAA</li> </ul> </li> </ol>

			<p>4) Monthly spending</p> <ul style="list-style-type: none"> <li>• <input type="checkbox"/> RM1-RM200</li> <li>• <input type="checkbox"/> RM201-RM400</li> <li>• <input type="checkbox"/> RM401-RM600</li> <li>• <input type="checkbox"/> RM601 and above</li> </ul> <p>5) How do you spend your allowance?</p> <ul style="list-style-type: none"> <li>• Transportation</li> <li>• Education</li> <li>• Entertainment</li> <li>• Living (rental)</li> <li>• Others</li> </ul> <p>6) Do you prefer to save money in a bank or just by yourself?</p> <ul style="list-style-type: none"> <li>• Bank</li> <li>• Myself</li> </ul>
Financial attitude	Factors that Effect and Influence on Personal Financial Management of Young Adult by Ye Ko Ko Htet in 2020.	<p>1. I set long term financial goals and strive to achieve them.</p> <p>2. I pay my bills on time.</p> <p>3. I keep a close personal watch on my financial affairs.</p> <p>4. Before I buy something, I carefully</p>	<p>1- Strongly disagree</p> <p>2- Disagree</p> <p>3- Neutral</p> <p>4- Agree</p> <p>5- Strongly agree</p> <p>1) I set long term financial goals and strive to achieve them.</p> <p>2) I pay my bills on time.</p>



		<p>consider whether I can afford it or not.</p> <p>5. I cannot afford any possible loss of capital regardless of potential return.</p> <p>6. I find it more satisfying to spend money than to save it for the long term.</p> <p>7. Spending less than our income is very important.</p>	<p>3) I keep a close personal watch on my financial affairs.</p> <p>4) Before I buy something, I carefully consider whether I can afford it or not.</p> <p>5) I cannot afford any possible loss of capital regardless of potential return.</p> <p>6) I find it more satisfying to spend money than to save it for the long term.</p> <p>7) Spending less than our income is very important.</p>
Financial knowledge	Factors that Effect and Influence on Personal Financial Management of Young Adult by Ye Ko Ko Htet in 2020.	<p>1. My current money always worth more than my future money.</p> <p>2. Saving in the bank is better interest than buying the bonds.</p> <p>3. An investment with a high</p>	<p>1- Strongly disagree</p> <p>2- Disagree</p> <p>3- Neutral</p> <p>4- Agree</p> <p>5- Strongly agree</p> <p>1) My current money always worth more than my future money.</p>

		<p>return is likely to be high risk.</p> <p>4. High inflation means that the cost of living is increasing rapidly.</p> <p>5. I know how to conduct a break-even analysis.</p> <p>6. I agree that sources of income should be diversified.</p> <p>7. I can analyze the financial statements by means of ratios.</p> <p>8. I know how to make budgeting.</p>	<p>2) Saving in the bank is better interest than buying the bonds.</p> <p>3) An investment with a high return is likely to be high risk.</p> <p>4) High inflation means that the cost of living is increasing rapidly.</p> <p>5) I know how to conduct a break-even analysis.</p> <p>6) I agree that sources of income should be diversified.</p> <p>7) I can analyse the financial statements by means of ratios.</p> <p>8) I know how to make budgeting.</p>
Family influence	Factors that Effect and Influence on Personal Financial Management of Young Adult by Ye Ko Ko Htet in 2020.	<p>1. My parents usually discussed about the finances.</p> <p>2. Within the family we openly</p>	<p>1- Strongly disagree</p> <p>2- Disagree</p> <p>3- Neutral</p> <p>4- Agree</p> <p>5- Strongly agree</p> <p>1) My parents usually discussed about the finances.</p>

		<p>discussed our finances.</p> <p>3. My parents explicitly taught me about finances (e.g., credit cards, debt, budgeting, saving).</p> <p>4. My family didn't talk much about finances but I learned from their examples.</p> <p>5. My parents included me in various financial decisions.</p>	<p>2) Within the family we openly discussed our finances.</p> <p>3) My parents explicitly taught me about finances (e.g., credit cards, debt, budgeting, saving).</p> <p>4) My family didn't talk much about finances but I learned from their examples.</p> <p>5) My parents included me in various financial decisions.</p>
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DEPENDENT VARIABLE

<p>Personal Financial Management Skills</p>	<p>Factors that Effect and Influence on Personal Financial Management of Young Adult by Ye Ko Ko Htet in 2020.</p>	<p>1) I prefer to save my monthly income in the saving account.</p> <p>2) I prefer to invest my monthly income in the insurance.</p>	<p>1- Strongly disagree</p> <p>2- Disagree</p> <p>3- Neutral</p> <p>4- Agree</p> <p>5- Strongly agree</p> <p>1) I prefer to save my monthly income in the saving account.</p>
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		3) I prefer to borrow from family or friends to fulfil the monthly need.	2) I prefer to invest my monthly income in the insurance. 3) I prefer to borrow from family or friends to fulfil the monthly need.
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### 3.7.2 Pilot Test

The approach utilized in this study to collect data was a self-administered questionnaire. Following the distribution of the questionnaire, the first step was to carry out a pilot study as a means of putting the findings of the research through their paces Teijlingen and Hundley (2005). Pre-testing was an important stage because it helps to eliminate any potential flaws in the research while also significantly improving data quality (Grimm, 2010). The goal of a pilot study was to determine the dependability and feasibility of a large-scale research project by Leon, Davis and Kraemer (2011).

The researchers used Cronbach's alpha to assess the quality of the questionnaire data and determine their accuracy. A Cronbach's alpha coefficient test was performed on all four variables. Table 3.4 indicates the frequency of interactions in respect to Cronbach's coefficients' alpha scale.

Table 3.4: Cronbach Alpha Coefficient Sizes Range (Glen, 2014)

<b>CRONBACH'S ALPHA</b>	<b>INTERNAL CONSISTENCY</b>
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good

$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

In Table 3.4, the range of Cronbach's alpha coefficients had been explicitly mentioned. The accuracy of the Cronbach's questionnaire's alpha valued should not been less than 0.5 since it was deemed low quality. A pilot test of the questionnaire is reliability had been done to guarantee that it could be utilized for researched.

### 3.8 MEASUREMENT OF THE VARIABLES

Measurement was the practice of putting numbers on specific traits, variables, or occurrences using objective standards. Making observations and recording them was the process of conducting research. As compared to constants like n, a variable is any quality, trait, number, or amount that changes or may have a range of values depending on the situation.

An independent variable was a variable that was undisturbed by the other factors you're measured. The independent variable, often known as the independent variable, had a negative or positive connection with the dependent variable. Both variables were present at the time. Convenience, attitude, and informative influence were all independent variables in this study.

The variable being tested in a study was known as the dependent variable. The researcher was particularly interested in the dependent variable. The objective of the research had been for the author to appreciate, clarify, and predict the variability of the dependent variable. In other words, the main factor has been the one that merits additional studies as a significant component. The dependent variable in this study was a factor that influences personal financial management abilities among UMK students. The nominal scales had been used in section A which was the demographic of this study. Variables were merely "named" or labeled on a nominal scale, with no particular order. The labeling of variables that did not

have a corresponding numerical value was done with nominal data. There were many examples of common cases, such as male and female, hair color, nations, names of personalities, and so on. In addition, this study would use the likert scale in the BCDE section which was the factors that influence financial management. The scale in this study was important to researchers to do SPSS.

### **3.9 PROCEDURE FOR DATA ANALYSIS**

Researchers utilize researched analysis of data to condense data into a narrative and assess it in order to gain new perspectives. Naturally, the process of data analysis helps divide a large amount of data into more manageable chunks. Different approaches were employed to analyze and further interpret data collected for this investigation;

- i. Validity Test
- ii. Reliability Test
- iii. Descriptive Analysis
- iv. Correlation
- v. Diagram and Table
- vi. Preliminary data analysis

#### **3.9.1 Validity Test**

The validity of a research study's findings in predicting actual results among those who act similarly outside of the study was referred to as validity. All research, including those looking at prevalence, relationships, intervention, and diagnosis, are covered by the scope of this validity concept. Validity tests can convey the effect of variations in the attributes one intends to measure. The concept "validity" defines how effectively a study's findings reflect what the study was intended to measure.

#### **3.9.2 Reliability**

Reliability analysis could be used to examine the characteristics of measured instruments and the components that made up the scales. A range of frequently used scale reliability measures were computed as part of the reliability analysis process, along with data on the correlations between various scale components.

### **3.9.3 Descriptive Analysis**

Through the use of descriptive analysis, both the respondents' demographic information and their responses were analyzed. Data analysis could take on a few different forms. One of them is descriptive analysis, which helps build patterns that meet all of the data needed by describing or analyzing data points accurately.

### **3.9.4 Correlation**

To evaluate connections among numerical and categorical data, correlation was used. In other words, it was a measurement of the connections between objects. The study of correlation was known as correlation analysis. Because they revealed what connected variables were present, correlations were useful because they enable researchers to predict future behavior.

### **3.9.5 Diagram and Table**

Diagrams and tables had been used to further describe and clarify the study's findings of interest.

### **3.9.6 Preliminary Data Analysis**

Any data set should go through preliminary analyses that involve determining the validity of the measures, assessing the success of any modifications, looking at the distributions of the individual variables, and locating outliers.

## **3.10 CONCLUSION**

The goal of this study was to determine if the independent variables, such as financial knowledge, financial attitude, and family influence, influence the personal financial management skills among students in the Faculty of Entrepreneurship and Business at UMK. It aims to determine whether the dependent variable, which was the students at University Malaysia Kelantan's ability to handle their own finances, had a significant association with the other variable.

In conclusion, this chapter provides a comprehensive presentation, discussion, and justification of research methodology such as research design, data collection methods,

sampling techniques, research instruments, construct measurement, data processing, and data analysis. The following chapter will contain the findings of data analysis interpretation.

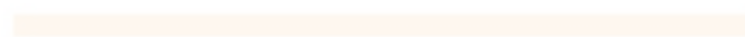
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## **CHAPTER 4: DATA ANALYSIS AND FINDINGS**

### **4.1 INTRODUCTION**

This chapter, which is separated into eight sections, discusses data analysis and provides empirical evidence in support of the study's hypotheses. The first chapter contains an introduction, while the second and third sections show a preliminary analysis containing data screening, missing data, straight lining, and the demographic profile of respondents. Descriptive analysis is discussed in the following section. Next, section five presents the findings of the measurement items used to assess the structures' reliability and validity, followed by section six, which defines data normality. The findings of the hypothesis testing are presented in section seven. An overview of this chapter is provided as section eight comes to a close.

### **4.2 PRELIMINARY DATA ANALYSIS (DATA SCREENING, MISSING DATA & STRAIGHT LINING)**

#### **4.2.1 Data Screening**

Data screening means identifying errors in the data and correcting or deleting them. Record the data screening processes that took and any data revisions that were made. After receiving all of the respondents' completed surveys via the Google form, the data processing process begins with the data screening phase. The information is then entered into an Excel Spreadsheet after it has all been gathered from the responders. The researchers will review the data for omissions, ambiguities, and typos after transferring all the data to a spreadsheet.

#### **4.2.2 Missing Data**

Missing data is frequently a concern because many research studies used the survey technique to collect data. Missing data occurs when a respondent, whether intentionally or unconsciously, chooses not to complete the survey or answer one or more items. Missing data, also commonly referred to as missing values, happens in statistics when there is no data value recorded for the variable in an observation. As a result, we used all the components in the analysis because none of the study variables had many missed

subjects. For the next screening phase, all 351 questionnaires were explained in section 4.2.3.

#### 4.2.3 Straight Lining

Straight lining occurs when survey respondents use the same answer scale to respond identically (or nearly similarly) to topics in a set of questions. This can have a negative impact on results of the findings. In this research first, the data were recorded by the demographic variable with age, gender, programs and income level. Then, all the questions under the dependent and independent variables were coded with numbers according to the Likert scale such as (1- Strongly Disagree), (2 Disagree), (3 Neutral), (4- Agree), and (5- Strongly Agree). After all the data is checked, edited and coded, the data then will be transferred into the SPSS software to be analyzed. The questionnaire was sent to the respondent in google form via email, WhatsApp and Telegram. Therefore, the total completed questionnaires received for this study were 351 and out of 351 there were no incomplete responses. So, no responses were rejected, and all the 351 responses were entered into the SPSS software. For this study, the researchers took approximately 1 month to collect the responses from the respondents and 1 week to edit, code, and enter the data into the SPSS software.

### 4.3 DEMOGRAPHIC PROFILE OF RESPONDENTS

The second piece of data that was examined was the general background of the participants in this study who responded to the questionnaire. All data is presented as actual figures and percentages to make things simpler to understand. 153 persons in total responded to the survey. As stated in Table 4.1 below, this component of the inquiry includes information on age, gender, programmes, how do you spend per month and do you prefer to save your money in the bank or cash in hand.

**Table 4.1**

<b>Background</b>	<b>Information</b>	<b>Frequency</b>	<b>Percentage (%)</b>
Age	19-20 years old	13	3.7
	21-22 years old	122	34.8

	23-24 years old	201	57.3
	25 years old and above	15	4.3
Gender	Male	122	34.8
	Female	229	65.2
Programmes	SAA	27	7.7
	SAB	132	37.6
	SAE	41	11.7
	SAK	68	19.4
	SAL	43	12.3
	SAR	40	11.4
How much do you spend per month?	RM1 – RM200	83	23.6
	RM201 – RM400	143	40.7
	RM401 – RM600	88	25.1
	RM601 and above	37	10.5
		<b>Frequency</b>	<b>Percentage (%)</b>

		ML S	LS	N	S	M S	ML S	LS	N	S	MS
How do you spend your allowance?	Transportation	48	65	103	68	67	13.7	18.5	29.3	19.4	19.1
	Education	27	63	99	77	85	7.7	17.9	28.2	21.9	24.2
	Entertainment	112	66	60	63	50	31.9	18.8	17.1	17.9	14.2
	Living (rental)	41	57	56	109	88	11.7	16.2	16	31.1	25.1
	Saving	47	108	99	51	46	13.4	30.8	28.2	14.5	13.1
	Food	9	26	37	63	216	2.6	7.4	10.5	17.9	61.5
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Do you prefer to save your money in bank or on hand?	Bank	285					81.2				
	Cash on hand	66					18.8				

Table 4.1 shows the demographics of the 351 UMK students. Age, gender, programmes, how much they spend per month, how they spend their allowance and whether they prefer to save their money in bank or on hand are among the characteristics included in the data. The bulk of those who responded are senior students, with about 57.3% being between the ages of 23 and 24. The remainder age 19 - 20 years (3.7%), 21 - 22 years (34.8%), and 25 years and above (4.3%). More than half of the respondents are females (65.2%) and the remaining (34.8%) are males.

Out of 351 respondents, the least respondents are from programmes SAA (7.7%) and programmes SAB which is (37.6%) are the most respondents. The balance programmes are SAE (11.7%), SAK (19.4%), SAL (12.3) and SAR (11.4). The respondents in this research

generally covered all the programmes in FEB. The majority of respondents spent RM201 – RM400 per month which is 143 respondents (40.7%). Meanwhile, the other respondents spend RM1 – RM200 (23.6%), RM401 – RM600 (25.1%) and RM601 and above (10.5%).

As for how they spend their allowance, the majority of the respondents are spending most on food (61.5%). This is because food is a basic need for humans and important for our life. Then, the majority of respondents spend less on entertainment (31.9%) because usually students are busy with their assessment and do not have time to entertain themselves, while the remainder are saving (30.8%), transportation (29.3%) and living (31.1%). In terms of whether they prefer to save their money in bank or cash on hand, 81.2% of the respondents prefer to save their money in bank while the remaining 18.8% prefer to save their money cash on hand.

#### 4.4 DESCRIPTIVE ANALYSIS

The mean, standard deviation, and variance for each variable were calculated in this part to fully explain the diversity and interrelation of the variables, which illustrate how respondents reacted to the questionnaire. In this study, the researcher uses a mean score to analyze factors influencing personal financial management skills among University Malaysia Kelantan students. Furthermore, the descriptive study involves a total of 351 respondents from Faculty of Entrepreneurship and Business students at University Malaysia Kelantan and the mean for each variable of every question will be compared by the researcher along with the responses using the Likert Scale. The table below illustrated the result of descriptive analysis.

**Table 4.2: Mean and Standard Deviation**

Latent variable	Items	Mean	Std. deviation
Personal financial management skills	E1	3.661	1.428940
	E2	3.4074	1.061994
	E3	2.5755	1.534135
	B1	4.2963	0.86054
	B2	4.2307	0.86900
	B3	4.2023	0.87282

Financial Attitude	B4	4.3732	0.85207
	B5	4.0684	0.92328
	B6	3.4074	1.44097
	B7	4.49	0.858096
Financial knowledge	C1	3.49	1.18045
	C2	3.9715	0.94069
	C3	4.151	0.911822
	C4	4.3105	0.840324
	C5	3.6781	1.003737
	C6	4.4473	0.732395
	C7	3.7293	1.027844
	C8	3.9972	0.936556
Family influence	D1	3.9231	0.927243
	D2	3.849	1.048805
	D3	3.9601	0.970186
	D4	4.0769	0.94252
	D5	3.8746	1.00069

The mean value for all the constructs' variables from the questionnaire form is shown in Table 4.2. A 5-point Likert-scale was used in the study, with values ranging from 1 to 5. The dependent variables (personal financial management skills) are connected to three constructs in Table 4.2, followed by independent factors (Financial Attitude, financial Knowledge and

Family influence). The independent variable B7 had the highest mean score of 4.49 (SD=0.85809). Other indicators had a mean that ranged from 3.4074 to 4.3732. Financial Attitude (Mean=4.3732 SD=0.85207) and financial knowledge (Mean=4.3105, SD=0.840324) were the two indicators with the highest values for independent variables. Family influence (Mean=4.0769, SD=0.94252) received the third highest score. Other independent variable indicators have a range of 3.849 to 3.9601 as their mean. Dependent variable indicator (Mean=3.661, SD=1.428940) had the least value.

In sum, the mean value for each construct reveals that financial Attitude (Mean=4.1526, SD=1.0272678) is the most important contributing factor influencing personal financial management skills among University Malaysia Kelantan students followed by financial knowledge (Mean=3.9368, SD=1.000317), as shown in Table 4.3. With a mean score of 3.9368 (SD=0.980999), Family influence was the lowest component.

**Table 4.3: Descriptive Statistics for Each Construct**

<b>Latent Variable</b>	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>	<b>Std. Deviation</b>
Personal financial management skills	351	1	5	3.2146	1.432742
Financial Attitude	351	1	5	4.1526	1.0272678
Financial Knowledge	351	1	5	3.9719	1.000317
Family influence	351	1	5	3.9368	0.980999

#### **4.5 VALIDITY AND RELIABILITY ANALYSIS**

In research and evaluations, these two terms are sometimes used the same way. But they have different meanings. A research study's reliability and validity are two metrics that indicate its quality. They demonstrate how effectively a methodology, method, or test can gauge a certain quality. The accuracy and consistency of a measure are discussed in terms of validity and reliability, respectively. When deciding on a study design, selecting a method, and summarising the findings, it's critical to consider reliability and validity, especially in quantitative research. The goal of a reliability test on construct assessment methods is to

confirm the consistency of the instruments used to measure the ideas. In contrast, validity testing assesses how well an instrument captures the concept it is meant to measure (Hair, Ringle, et al., 2011). A questionnaire that had already been filled out by another researcher and published in a journal was used to figure out the content validity. Also, a thorough search of the literature was done to improve the validity of the content. The observations that had been made were changed and added to. Cronbach's Alpha was used to figure out how reliable the instrument was. In other words, Cronbach's alpha is a statistic that researchers often use to show that tests and scales made or chosen for research projects are suitable for their purposes. When the Cronbach's Alpha value of each construct reaches 0.7, the internal consistency reliability of a measurement model is very good. However, values of 0.8 or 0.9 are better in later phases (Nunnally & Bernstein, 1979).

According to McDowell & Newell (1996), reliability is primarily concerned with "error in measurement," or how regularly or predictably a measurement scale measures what it is supposed to be measuring per Polit & Hungler (1995). The underlying assumption behind reliability tests is that there will always be some degree of random error when measuring scales are applied. Basically, "the stronger an instrument's dependability, the less variance it creates in repeated measurements of an attribute." As a result, according to Polit & Hungler, "reliability is a statistical measure of how repeatable the instrument's findings are" (Utwin, 1995). It is also equivalent to stability, consistency, and dependability (1995). You can evaluate reliability in a number of methods, including test-retest reliability for stability, inter-item reliability for internal consistency, and interrater reliability or parallel scale reliability for equivalent.

A measurement scale should be evaluated to determine whether it consistently measures what you want it to measure once it has been proven to be dependable over time (Utwin 1995). Validity is concerned with how a scale should be understood and used. There are numerous methods for determining an index's validity, and McDowell & Newell recommend using a variety of procedures rather than depending solely on one validation procedure (1996). This is due to the fact that legitimacy is relative.

A questionnaire that had previously been completed and published in the journal by another researcher was used to assess the content validity. To increase content authenticity, a thorough literature search was also done. On the observations that had been made, corrections and notes were made. In order to assess the reliability of the instrument, Cronbach's Alpha was used. Typically, a value of 0.70 is regarded as acceptable, 0.80 as good, and 0.90 or higher as



extremely good. However, before deciding whether a statistic is adequate, like with all generalizations, established literature should be consulted.

Table 4.4: Result of Cronbach’s Alpha

<b>Reliability Statistics</b>		
<b>Cronbach's Alpha</b>	<b>Cronbach's Alpha Based on Standardized Items</b>	<b>N of Items</b>
.886	.902	23

Based on table 4.4, all the variables are analysed for reliability is 0.886 represent Cronbach's alpha coefficient. As a result, the questionnaire is reliable and appropriate for use in the research.

Table 4.5: Results of the Reliability Analysis on Constructs

<b>Study Instruments</b>	<b>Number Of Item</b>	<b>Cronbach’s Alpha</b>
Financial Attitude	7	0.769
Financial Knowledge	8	0.811
Family Influence	5	0.872
Personal Financial Management Skills	3	0.635

All currently conducted independent variable study has a precise Cronbach Alpha estimate of greater than 0.7, as shown in table 4.5 Cronbach Alpha estimates 0.635 for the dependent variable, which is personal financial management skills. 23 items that were subjected to a reliability test are included in the above table. Personal financial management

abilities, a necessary variable across three items, as a result, has an alpha coefficient of 0.435. The significant coefficient alpha of Financial Attitude using 20 independent variables is 0.769. In addition, the alpha for the financial knowledge component is 0.811. The coefficient alpha for the next element, Family Influence, is 0.872. The reliability test was passed by each and every response to the variables.

#### 4.6. NORMALITY TEST

The graphical evaluation of normality is aided by the normality tests. The most extreme distinction between predicted cumulative-normal dispersion and actual appropriation serves as the foundation for the Kolmogorov-Smirnov test for normality (Ghasemi & Saleh Zahediasl, 2012). It has been established that this test is generally less noteworthy than other exams. It is listed because of its historical significance. The Shapiro-Wilk W test is frequently the most impressive. The test is not run if a frequency variable is supplied. (Das, 2016) The tests listed above compare experimental results to a group of results that are regularly distributed and share the same mean and standard deviation (Ghasemi & Saleh Zahediasl, 2012).

Statistics uses standardization techniques to determine whether a data set is modeled for a normal distribution. Many statistical procedures require a distribution to be predicted, or almost daily. Tests for normalcy show significant results for at least two criteria. Second, non-Gaussian distributions are frequently influenced by non-linearity and interacting physical systems. By examining the distribution of the selected variables, it is also feasible to comprehend the underlying mechanism of the processes better.

As a result, the Kolmogorov-Smirnov and Shapiro-Wilk, Q-Q The normality was tested using the plot and skewness tests. As can be seen in table 4.6, the results indicate that the data is not normal because the significance value is less than 0.05 and the skewness value is less than -1. Details of the results of the normalcy test may be found in table 4.6 below:

Table 4.6: Test of Normality

Tests of Normality		
	Kolmogorov-Smirnov <sup>a</sup>	Shapiro-Wilk

	Statistic	df	Sig.	Statistic	df	Sig.
<b>FINANCIAL ATTITUDE</b>						
I set long-term financial goals and strive to achieve them.	.289	.351	.000	.756	.351	.000
I pay my bills on time.	.276	351	.000	.790	351	.000
I keep a close eye on my financial affairs.	.273	351	.000	.799	351	.000
Before I buy something, I carefully consider whether I can afford it or not.	.316	351	.000	.714	351	.000
I cannot afford any possible loss of capital regardless of potential return.	.245	351	.000	.824	351	.000
I find it more satisfying to spend money than to save it for the long term.	.192	351	.000	.858	351	.000
Spending less than income is very important.	.371	351	.000	.627	351	.000
<b>FINANCIAL KNOWLEDGE</b>						
My current money always worth more than my future money.	.200	.351	.000	.890	.351	.000

Saving in a bank earns better interest than buying the bonds.	.213	351	.000	.848	351	.000
Investments with high returns may bear high risk.	.246	351	.000	.800	351	.000
High inflation means the cost of living is rising rapidly.	.298	351	.000	.759	351	.000
I know how to run a break-even analysis.	.196	351	.000	.885	351	.000
I agree that sources of income should be diversified.	.340	351	.000	.725	351	.000
I can analyse the financial statements using financial ratios.	.219	351	.000	.880	351	.000
I know how to make budget.	.225	351	.000	.846	351	.000
<b>FAMILY INFLUENCE</b>						
My parents often discuss about family finances.	.265	.351	.000	.846	.351	.000
Within the family, we openly discuss our finances.	.238	351	.000	.858	351	.000

EKFP

I was taught by my parents about financial management (e.g., credit cards, debt, budgeting, saving).	.257	351	.000	.841	351	.000
I learned finance from the example of my family.	.251	351	.000	.818	351	.000
My parents included me in various financial decisions.	.225	351	.000	.861	351	.000
<b>PERSONAL FINANCIAL MANAGEMENT SKILLS</b>						
I prefer to keep my monthly income in a savings account.	.272	.351	.000	.792	.351	.000
I prefer to allocate some of my monthly income for insurance.	.222	351	.000	.902	351	.000
I prefer to borrow from family or friends to fulfil my monthly needs.	.235	351	.000	.820	351	.000

<b>Descriptives</b>		
	Statistic	Std. Error

I set long-term financial goals and strive to achieve them.	Mean		4.30	.046
	95% Confidence Interval for Mean	Lower Bound	4.21	
		Upper Bound	4.39	
	5% Trimmed Mean		4.39	
	Median		4.00	
	Variance		.741	
	Std. Deviation		.861	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-1.369	.130
	Kurtosis		2.097	.260
	I pay my bills on time.	Mean		4.23
95% Confidence Interval for Mean		Lower Bound	4.14	
		Upper Bound	4.32	
5% Trimmed Mean		4.31		
Median		4.00		
Variance		.755		
Std. Deviation		.869		
Minimum		1		
Maximum		5		

	Range		4	
	Interquartile Range		1	
	Skewness		-1.043	.130
	Kurtosis		.815	.260
I keep a close eye on my financial affairs.	Mean		4.20	.047
	95% Confidence Interval for Mean	Lower Bound	4.11	
		Upper Bound	4.29	
	5% Trimmed Mean		4.27	
	Median		4.00	
	Variance		.762	
	Std. Deviation		.873	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.924	.130
	Kurtosis		.479	.260
Before I buy something, I carefully consider whether I can afford it or not.	Mean		4.37	.045
	95% Confidence Interval for Mean	Lower Bound	4.28	
		Upper Bound	4.46	
	5% Trimmed Mean		4.47	
	Median		5.00	

	Variance		.726	
	Std. Deviation		.852	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-1.662	.130
	Kurtosis		3.227	.260
I cannot afford any possible loss of capital regardless of potential return.	Mean		4.07	.049
	95% Confidence Interval for Mean	Lower Bound	3.97	
		Upper Bound	4.17	
	5% Trimmed Mean		4.13	
	Median		4.00	
	Variance		.852	
	Std. Deviation		.923	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.684	.130
	Kurtosis		-.071	.260
I find it more satisfying to spend money than to	Mean		3.41	.077
	95% Confidence Interval for Mean	Lower Bound	3.26	



save it for the long term.		Upper Bound	3.56	
	5% Trimmed Mean		3.45	
	Median		4.00	
	Variance		2.076	
	Std. Deviation		1.441	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		3	
	Skewness		-.381	.130
	Kurtosis		-1.228	.260
Spending less than income is very important.	Mean		4.49	.046
	95% Confidence Interval for Mean	Lower Bound	4.40	
		Upper Bound	4.58	
	5% Trimmed Mean		4.61	
	Median		5.00	
	Variance		.736	
	Std. Deviation		.858	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
Skewness		-2.193	.130	

	Kurtosis		5.442	.260
My current money always worth more than my future money.	Mean		3.49	.063
	95% Confidence Interval for Mean	Lower Bound	3.37	
		Upper Bound	3.61	
	5% Trimmed Mean		3.54	
	Median		4.00	
	Variance		1.393	
	Std. Deviation		1.180	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.511	.130
	Kurtosis		-.472	.260
Saving in a bank earns better interest than buying the bonds.	Mean		3.97	.050
	95% Confidence Interval for Mean	Lower Bound	3.87	
		Upper Bound	4.07	
	5% Trimmed Mean		4.04	
	Median		4.00	
	Variance		.885	
	Std. Deviation		.941	
	Minimum		1	

	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.585	.130
	Kurtosis		-.215	.260
Investments with high returns may bear high risk.	Mean		4.15	.049
	95% Confidence Interval for Mean	Lower Bound	4.06	
		Upper Bound	4.25	
	5% Trimmed Mean		4.23	
	Median		4.00	
	Variance		.831	
	Std. Deviation		.912	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-1.099	.130
	Kurtosis		1.272	.260
High inflation means the cost of living is rising rapidly.	Mean		4.31	.045
	95% Confidence Interval for Mean	Lower Bound	4.22	
		Upper Bound	4.40	
	5% Trimmed Mean		4.39	

	Median		5.00	
	Variance		.706	
	Std. Deviation		.840	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-1.277	.130
	Kurtosis		1.768	.260
I know how to run a break-even analysis.	Mean		3.68	.054
	95% Confidence Interval for Mean	Lower Bound	3.57	
		Upper Bound	3.78	
	5% Trimmed Mean		3.72	
	Median		4.00	
	Variance		1.007	
	Std. Deviation		1.004	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-.377	.130
	Kurtosis		-.360	.260
	Mean		4.45	.038

I agree that sources of income should be diversified.	95% Confidence Interval for Mean		Lower Bound	4.37	
			Upper Bound	4.52	
	5% Trimmed Mean			4.52	
	Median			5.00	
	Variance			.516	
	Std. Deviation			.719	
	Minimum			1	
	Maximum			5	
	Range			4	
	Interquartile Range			1	
	Skewness			-1.277	.130
	Kurtosis			1.715	.260
	I can analyse the financial statements using financial ratios.	Mean			3.73
95% Confidence Interval for Mean		Lower Bound	3.62		
		Upper Bound	3.84		
5% Trimmed Mean			3.79		
Median			4.00		
Variance			1.055		
Std. Deviation			1.027		
Minimum			1		
Maximum			5		
Range			4		

	Interquartile Range		2	
	Skewness		-.552	.130
	Kurtosis		-.192	.260
I know how to make budget.	Mean		4.00	.050
	95% Confidence Interval for Mean	Lower Bound	3.90	
		Upper Bound	4.10	
	5% Trimmed Mean		4.06	
	Median		4.00	
	Variance		.877	
	Std. Deviation		.937	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.687	.130
	Kurtosis		-.107	.260
	My parents often discuss about family finances.	Mean		3.92
95% Confidence Interval for Mean		Lower Bound	3.83	
		Upper Bound	4.02	
5% Trimmed Mean		3.99		
Median		4.00		
Variance		.860		

	Std. Deviation		.927	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.841	.130
	Kurtosis		.672	.260
Within the family, we openly discuss our finances.	Mean		3.85	.056
	95% Confidence Interval for Mean	Lower Bound	3.74	
		Upper Bound	3.96	
	5% Trimmed Mean		3.92	
	Median		4.00	
	Variance		1.100	
	Std. Deviation		1.049	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.771	.130
	Kurtosis		.052	.260
I was taught by my parents about financial management (e.g.,	Mean		3.96	.052
	95% Confidence Interval for Mean	Lower Bound	3.86	

credit cards, debt, budgeting, saving).		Upper Bound	4.06	
	5% Trimmed Mean		4.03	
	Median		4.00	
	Variance		.941	
	Std. Deviation		.970	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.883	.130
	Kurtosis		.458	.260
I learned finance from the example of my family.	Mean		4.08	.050
	95% Confidence Interval for Mean	Lower Bound	3.98	
		Upper Bound	4.18	
	5% Trimmed Mean		4.16	
	Median		4.00	
	Variance		.888	
	Std. Deviation		.943	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
Skewness		-.998	.130	



	Kurtosis		.670	.260
My parents included me in various financial decisions.	Mean		3.87	.053
	95% Confidence Interval for Mean	Lower Bound	3.77	
		Upper Bound	3.98	
	5% Trimmed Mean		3.94	
	Median		4.00	
	Variance		1.001	
	Std. Deviation		1.001	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-.693	.130
	Kurtosis		.028	.260
I prefer to keep my monthly income in a savings account.	Mean		3.66	.076
	95% Confidence Interval for Mean	Lower Bound	3.51	
		Upper Bound	3.81	
	5% Trimmed Mean		3.73	
	Median		4.00	
	Variance		2.042	
	Std. Deviation		1.429	
	Minimum		1	

	Maximum		5	
	Range		4	
	Interquartile Range		2	
	Skewness		-0.877	.130
	Kurtosis		-0.576	.260
I prefer to allocate some of my monthly income for insurance.	Mean		3.41	.057
	95% Confidence Interval for Mean	Lower Bound	3.30	
		Upper Bound	3.52	
	5% Trimmed Mean		3.45	
	Median		4.00	
	Variance		1.128	
	Std. Deviation		1.062	
	Minimum		1	
	Maximum		5	
	Range		4	
	Interquartile Range		1	
	Skewness		-0.382	.130
	Kurtosis		-0.454	.260
I prefer to borrow from family or friends to fulfil my monthly needs.	Mean		2.58	.082
	95% Confidence Interval for Mean	Lower Bound	2.41	
		Upper Bound	2.74	
	5% Trimmed Mean		2.53	

Median	2.00	
Variance	2.354	
Std. Deviation	1.534	
Minimum	1	
Maximum	5	
Range	4	
Interquartile Range	3	
Skewness	.341	.130
Kurtosis	-1.462	.260

The table above shows that the findings for the dependant variable and the independent variable are not typical. This is because data is considered normal if the Sig. Shapiro-Wilk Test value is surmounting 0.05. If the value is less than 0.05, the data deviates significantly from a normal distribution. The results demonstrate that all of the dependent and independent variables are less than 0.05. One of the reasons why the data for this questioner is out of the ordinary is that all FEB students have personal financial management skills.

#### 4.6.1 Correlation Analysis

The degree of association between variables is what the correlation analysis refers to. However, it does not specify which variable is the cause and which is the result. Simple correlation analysis involves two variables, while partial or multiple correlation analysis involves more than two variables.

There are two ways to study correlation which is diagrammatically and mathematically. It is analyzed diagrammatically with the aid of a scatter diagram, which cannot always yield an accurate correlation value. Karl Pearson's Method is one of many mathematical formulas and approaches that is commonly utilized (Magnello, 2009). Based on the results of the normality test, the Spearman correlation was calculated to determine the relationship between the variables affecting students' personal financial management skills.

## 4.7 HYPOTHESIS TESTING

### 4.7.1 Pearson Correlation

The product moment correlation coefficient, also referred to as the Pearson correlation coefficient, is denoted by the symbol  $r$  in a sample while the population from which the sample was derived is denoted by the symbol  $\rho$ . The coefficient can range in value from -1 through 0 to +1 on a scale with no units.

Table 4.7: Spearman Correlation Coefficient Analysis

		FINANCI AL ATTITUD E	FINANCIA L KNOWLED GE	FAMILY INFLUENC E	PERSONAL FINANCIAL MANAGEME NT SKILLS
FINANCIAL ATTITUDE	Pearson Correlation	1	.683**	.578**	.124*
	Sig. (2-tailed)		.000	.000	.020
	N	351	351	351	351
FINANCIAL KNOWLEDGE	Pearson Correlation	.683**	1	.597**	.266**
	Sig. (2-tailed)	.000		.000	.000
	N	351	351	351	351
FAMILY INFLUENCE	Pearson Correlation	.578**	.597**	1	.284**
	Sig. (2-tailed)	.000	.000		.000
	N	351	351	351	351
PERSONAL FINANCIAL MANAGEMENT SKILLS	Pearson Correlation	.124*	.266**	.284**	1
	Sig. (2-tailed)	.020	.000	.000	
	N	351	351	351	351

Table 4.7 represents Pearson Correlation analysis. This assessment is to validate the relationship of personal financial management skills and independent variables. The result shows there is a positive relationship between personal financial management skills and family influence  $r = 0.284$ ,  $n = 351$ ,  $\text{sig} = 0.000$ . Therefore, hypothesis one is accepted. There is a positive and high relationship between personal financial management skills and family influence. Next is the second relationship of personal financial management skills and financial knowledge. The result shows there is a positive relationship between personal financial management skills and financial knowledge,  $r = 0.266$   $n = 351$ ,  $\text{sig} = 0.000$ . The analysis concludes that there is a positive relationship between personal financial management skills and financial knowledge. Meanwhile, third is the relationship of personal financial management skills and financial attitude. The result shows there is a positive relationship between personal financial management skills and financial attitude,  $r = 0.124$ ,  $n = 351$ ,  $p = 0.000$ . The analysis concludes that there is a positive relationship between personal financial management skills and financial attitude.

#### 4.7.2 Summary of Hypothesis

Table 4.8: Summary of Hypothesis

Hypothesis	Relationship	Correlation	Result
H1	There is a positive relationship between personal financial management skills and family influence.	Moderate	Support
H2	There is a positive relationship between personal financial management skills and financial knowledge	Moderate	Support
H3	There is a positive relationship between personal financial management skills and financial attitude	Moderate	Support

#### **4.8 SUMMARY**

This chapter included the data analysis for the research, including the backgrounds of the respondents, the results of the assessment measurement model, and the structural model built with SPSS IBM version 26. In this chapter, we also used several tests to find out the relationship and differences between independent variables and variables of gender, age and type of program among UMK students. Descriptive analysis, reliability testing, Peorson's correlation analysis, one-way t-test and ANOVA tests are the main indicators for conducting data from the questionnaires collected. The findings of the results will be explained and discussed in Chapter 5.

## **CHAPTER 5: DISCUSSION AND CONCLUSION**

### **5.1 INTRODUCTION**

This chapter presents the summary of findings, discussions and conclusion of the study. This chapter starts with a recapitulation of the study followed by a section on the summary of the results of this research. The following section presents a discussion on the findings of this study. The fourth section presents the implications of the study which is divided into theoretical, methodological and practical contributions. Then, section five covers the limitations of the study followed by section six, which presents recommendations or suggestions for future research. Lastly, section seven presents the conclusion of this study and summarizes the whole chapter.

### **5.2 KEY FINDINGS**

The goal of this research is to identify the relationships between factors that influence personal financial management skills among University Malaysia Kelantan students. This understanding of the concept of “personal financial management skills” may have resulted in a significant result. This study is quantitative research, which aims to identify the factor influencing personal financial management skills among University Malaysia Kelantan students.

This study also found that this factor has a strong relationship with influencing personal financial management skills among students of the University Malaysia Kelantan (UMK). Besides that, reliability analysis was used in this research to test the questionnaire's acceptability and validity. As a result, the surveyed questionnaire was distributed to selected respondents from University Malaysia Kelantan students who use financial management skills. Cronbach's Alpha was used to determine the study's reliability. Cronbach Alpha is one of the reliability tests performed by SPSS. In the reliability analysis, there are two types of alpha versions: normal and standard. The acceptable level of reliability is 5. Having a good questionnaire is considered "reliable" if the reliability result is greater than 5. In addition, the question was on a 5 -point Likert Scale with answers ranging from "Strongly agree" to "Strongly disagree".

This finding of this study confirms previous studies that convenience is a key factor that can affect personal financial management skills in financial attitude. Financial attitude is

defined as a state of mind, opinion, and judgment of a person about finances. Financial attitude performs a significant role in the success or failure of financial aspects. Positive attitude factors influence positive personal financial management skills. A good and acceptable financial management attitude can begin with a good and proper financial attitude. Students will struggle to save money long term unless they adopt a positive attitude toward money management.

Based on the findings in Chapter 4, researchers agree that there is a relationship between factor's influence University Malaysia Kelantan students. The research instrument used in this study is the questionnaire. A total of 351 questionnaires were distributed to all students banking by Google Form. The data were generated and analyzed using the statistical package for social science (SPSS). Pearson's Correlations were used in SPSS to test the questionnaire's validity. The data analysis will be divided into two steps.

Before using descriptive statistics to evaluate the data, the first phase of the analysis performed a descriptive statistical analysis to explore the data. For each response, mean values, average scores, and comparative scores with each of the scales had been determined. Based on these facts, the following research was conducted. Overall means, standard deviations, and variance among data (person involved scores) had been computed for each factor, as well as accurate system operations. The data will then be converted. Cronbach alphas will be used to determine the validity of the content. Analyses were carried out based on the research framework, which was represented by the dependent variable (personal financial management skills) and the independent variable (financial Attitude, financial knowledge, and family influence).

The questionnaire developed just as the unwavering reliability and validity of the instruments used in this investigation and measurement of independent variables the section B, C, and D individually. Section A is showing the demographic information on a plan of data analysis. Section E shows the dependent variable and the last questionnaire for respondents. The study also included a summary of the whole chapter. A questionnaire is led to assembling the essential information for this quantitative research.

After determining the measurement model's validity and reliability, the structural model was compared to assess the relationships hypothesized in this study. As mentioned in Chapter 2, the study has four (3) hypotheses. Hypotheses 1: Relationship between personal financial management skills and Financial Attitude. Hypotheses 2: Relationship between personal



financial management skills and financial knowledge. Meanwhile, Hypotheses 3: Relationship of personal financial management skills and family influence.

### **5.3 DISCUSSION**

This study observed the factor influencing personal financial management skills among students in faculty of entrepreneurship and business at UMK. In detail, the discussion will focus on the research questions, and research objectives and hypotheses postulated in this study.

#### **5.3.1 The relationship between financial knowledge and personal financial management skills among UMK students.**

The initial research question examines whether financial knowledge relates to financial management skills among UMK's students, the discussion of the hypothesis that answers the first question based on hypothesis testing (H1).

#### **Hypotheses 1: There was a significant positive relationship between financial knowledge and personal financial management skills.**

The findings of this study show a significant relationship between financial knowledge and personal financial management skills among UMK students. Compared to previous studies conducted by Ibrahim Yasar Gok and Abdullah Ozkale (2019), namely "Testing the Influence of College Education on the Financial Literacy Level of University Students in Turkey", the decision also showed a significant relationship between financial knowledge and personal financial management skills. Studies have also proven that financial knowledge is strongly influenced by education. the association between these two things was beneficial.

Since the results show that financial knowledge has a significant association with personal financial skills among UMK students, the recommendations of this study confirm that financial knowledge is one of the factors for personal financial management skills among students. This is evidenced by the statement given by Grable and Joo (1999), namely, financial education influences financial knowledge, financial behaviors, and financial attitudes. Not only that, according to a study, college students were familiar with the fundamentals of money (Thapa & Nepal, 2015). Nevertheless, they had little knowledge of shared markets, bank credits, insurance, or financial statements. This is in line with the output of the questionnaire that we have done to find out the level of knowledge of students in finance. One of the questions we asked students in the questionnaire to find out the level of students' knowledge of finance was I know how to run a break-even analysis and the second highest answer rate on this

question was neutral; equals 32.2% (113 responses out of 351). This may be due to the fact that the student does not even know what it means to break-even analyses and subsequently choose a neutral answer. This suggests that what the previous study studied; students had little knowledge of shared markets, bank credits, insurance, or financial statements is true. To make wise financial decisions, students must possess fundamental abilities and knowledge. As financial knowledge grows, so did scores on financial attitude and behavior.

### **5.3.2 The relationship between financial attitude and personal financial management skills among UMK students.**

The second research question concerns the relationship between the financial attitude and personal financial management skills among UMK students. In detail, the discussion on hypotheses H2 will try to react to the second research question. The discussion below touches on the findings of this study based on the research hypotheses.

#### **Hypotheses 2: There was a significant positive relationship between financial attitude and personal financial management skills.**

Finding of this study makes known a significant relationship between financial attitude and personal financial management skills among UMK students. In comparison to a prior study that has been conducted on students of Faculty of Economic, State University of Semarang, "The Influence of Financial Attitude, Financial Socialization, and Financial experience to Financial Management Behavior with Financial Literacy as the Mediation Variable", (Meli Ameliawati and Rediana Setiyani, 2015), the result also shows a significant relationship between financial attitude and personal financial management skills.

Since the result indicates that financial attitude is significantly related to personal financial management skills, the recommendations of this study confirm that financial attitude is also one of the factors to personal financial management skills among students. According to Albeerdy and Gharleghi (2015) research, there was a favorable correlation between financial attitude and financial awareness. In other words, financial attitude played a big role in determining how financially aware pupils were. They also mentioned that a student could have a different perspective on finances. The student would not have the motivation to manage their money effectively if they had a poor perception of money. This is in line with the output from the questionnaire that was done to find out the level of financial attitude of the students. All the questions given in part B of the questionnaire received a positive response from their answers. This means that all our 351 respondents have a good financial attitude and are aware of it. Open

that alone, they have a good perception of money which then causes them to be motivated to manage their money effectively. From this result, it is likely that it received a positive output because all our respondents are students from the Faculty of Business and Entrepreneurship (FEB). This is because there are studies that state that business-major students were more likely than non-business-major students to know "more than most (Sautter Brown, Littvay, Sautter, and Bearnese., 2008), which means students who studied in business typically had greater confidence in their ability to managed finances (Sautter Brown, Littvay, Sautter and Bearnese., 2008). It may be due to the fact that business majors had greater coursework in finance and accounting as well as expertise obtained from courses and student organizations.

### **5.3.3 The relationship between family influence and personal financial management skills among UMK students.**

The third research question concerns the relationship between the financial management towards personal financial skills among UMK students. In detail, the discussion on hypotheses H3 will try to react to the third research question. The discussion below touches on the findings of this study based on the research hypotheses.

#### **Hypotheses 3: There was a significant positive relationship between family influence and personal financial management skills.**

In response to the third question, finding of this study makes known a significant relationship between family influence and personal financial management skills among UMK students. In comparison to a prior study, "Influence of Family Financial Socialization on Academic Success in College", (Mohamad Fazli Sabri, Clinton Gudmunson, and Tim S. Griesdorn., 2020), the results also show a significant relationship between family influence and personal financial management skills.

Financial attitude and personal financial management skills have shown significant results between each other. Therefore, the recommendations of this study confirm that family influence is one of the factors to personal financial management skills among students. In comparison to a prior study by Furnham and Milner (2017), he stated that examine parents' attitudes and actions toward their kids' economic socialization through allowances or pocket money. This clearly shows the influence of families in shaping financial management skills for their children. This is because teaching or training by parents to their children is strongly associated with the influence of parents on finances. Students who receive more parental influence will experience more positive effects in controlling their finances. Based on the

output from the survey done to students to find out how much influence parents have on financial management skills have shown that most students are influenced by families about their finances. Over 50% of total responses have shown positive responses about the influence of families on students' financial management skills. Thus, it is clear that families, especially parents, have a huge influence on students' skills to manage their finances well.

#### **5.4 IMPLICATIONS OF STUDY**

Youth sometimes enter college without having much financial information or abilities linked to money matters (Cunningham, 2001; Nellie, 2002), yet this lack of knowledge and the appropriate skills for successful money management might cause them to run into financial difficulties. Since the majority of students still need to take out loans to cover their educational costs, money matters, particularly financial planning, are crucial. However, because students are financially smart and a large number merely have a reasonable degree of knowledge and skills in financial matters, education loans have been offered to lessen the financial load on students.

Students have access to financial resources, including loans and debt, which allows them to spend money on necessities and luxuries. However, the number of Asian students experiencing financial difficulties has greatly increased due to the rise in the buying of products and services for social show value (Fan and Burton, 2002; Roberts and Jones, 2001; Ying, 2003). The Nellie Mae Annual Report (2002) claims that parties' lack of financial management expertise could harm students' financial futures. Family influence indicates a factor that affects the management of personal financial skills more than financial knowledge and financial attitude, despite the fact that there is no statistically significant difference between the three factors of financial knowledge, financial attitude, and family influence.

The IPTA curriculum may be the primary cause of this discrepancy. Public universities typically offer students more general courses and programmes than private ones. Evidence demonstrates that those who are financially literate and comprehend how to spend money can successfully boost their financial security and contentment (Fitzsimmons, 1993). To effectively manage one's finances and progress one's goals, one needs skills and expertise in credit, risk, and investment management (Masud, 2004). There are many sites available to get this information from; according to (Borden, 2008), financial education programmes are crucial for increasing financial abilities and fostering personal financial responsibility for those without

prior financial experience (Elliot, 2000). The results of this study show that the majority of students are motivated by the influence from home that is the influence from their own family in developing their personal financial management skills.

The majority of students emphasized that, after social contact and time management, career preparation is the most crucial educational requirement. Basic financial abilities like saving, making decisions, and problem-solving also receive attention. The findings demonstrate that students should be concerned about what will happen to them when they graduate. It goes without saying that students' financial decisions now will have a big impact on their lives afterwards. Financial knowledge is the best technique to increase students' awareness of and proficiency with money, as the majority of studies highlights. It's crucial for policymakers and implementers to take differences into account when providing information and instruction to target groups.

Like everyone else, students learn about money at a young age, and academics generally concur that family influence, in particular, frequently serves as the foundation for students' financial knowledge and conduct (Hira, 2008). Financial communication, observation, and learning via error are the key methods used to socialize young people (Lachance, 2004). The process of financial socialization should therefore be taken into account by financial educators and policymakers as the primary process of developing students' financial abilities and sources of knowledge in early life.

Planning for the future and achieving financial stability are two aspects of financial abilities. Personal financial management skills can be raised through educational programmes that take a practical approach. A successful programme needs to be created based on the needs of the students and should be delivered in an integrated manner to reach a larger audience with a range of life stages and features. Additionally, it is important to keep an eye on the program's results in order to more thoroughly evaluate the funding requirements. In fact, the government must become more involved in educational planning by elevating the significance of financial literacy in high schools and adult education. Students, especially those at the Malaysian University of Kelantan, can benefit greatly from this study on the variables that affect personal financial management skills. This is true since there is good evidence on the variables that affect personal money management abilities.

Makela and Peters' study of students in 2004 found that while financial education in high school was helpful but tiresome, some students did not recall receiving it. As a result, financial educators must use effective techniques while teaching financial concepts.

Young adults' basic knowledge and abilities about financial products and financial services should be improved as a primary goal of educational initiatives. Additionally, it might be advantageous to impart fundamental knowledge and abilities in financial management to graduates before they enter the labor market, so they have the tools needed to efficiently manage their money.

Finally, more research is required to create a model of "financial skill" that takes into account the social, cultural, and psychological contexts that influence students' financial decision-making.

## **5.5 LIMITATIONS OF THE STUDY**

This study has run across a number of limitations. The purpose of this study is to identify the variables that affect students' personal financial management skills. Due to geographical limitations, only students attending Universiti Malaysia Kelantan's (UMK) City Campus are the targeted respondents. The research was only done at the UMK Kota Campus; thus, the findings cannot accurately reflect the degree of financial literacy among students in Malaysia. Due to the location's narrow focus on the City Campus, this research's dependability and accuracy are constrained.

Additionally, 351 questionnaire sets were assigned at random to undergraduate students. Since there are six programmes in one entrepreneurship faculty at UMK—the Bachelor of Business Administration with Honor in Islamic Banking and Finance (SAB), the Bachelor of Business Administration with Honor in Logistics and Distributive Trade (SAL), the Bachelor of Business Administration with Honor in Commerce (SAK), the Bachelor of Business Administration with Honor in Retailing (SAR), the Bachelor of Entrepreneurship with Honors (SAE), and the Bachelor of Accounting with Honors (SAA)—it is important to note that each of these programmes has its own requirements. When compared to respondents who are not from the SAB programme, respondents from the SAB programme will have higher financial experience. This study did not, however, compare the outcomes of SAB with non-SAB.

Next, while employing primary data methodologies, questionnaires are the instruments that make research the easiest for researchers to conduct. However, if survey questions are unclearly worded, researchers risk getting unreliable data. As a result, like other research that employs a survey instrument, it's possible that the results will be skewed.

## **5.6 RECOMMENDATION AND SUGGESTIONS**

### **5.6.1 Recommendations to improve financial management skills among students**

Based on our current findings, we recommend that people should have a knowledge about their personal financial management skills. First, we advise students to comprehend their needs and wants because students did not plan their finances in accordance with their needs. This can help make more important decisions. Needs are things that people need to survive, such as food, clothing, healthcare, and transportation. On the other hand, wants are things that a person would want to have but may not actually need in order to thrive.

Next, students should manage wisely and have a good budget if they want to develop their financial management skills. Their funds make sure they are well planned. They might use both through offline and internet solutions to manage their funds. Future research in the context of mobile banking always used for transactions online or any other cash hand should include some more relevant elements.

Lastly, personal financial management skills courses should be introduced to educate university students on financial planning, budgeting, saving, and investing. University is a great time to learn how to manage finances and build habits that will help set the stage for financial success for the rest of life. It can improve financial management skills among University Malaysia Kelantan students in this study by including subjects such as financial management skills among students, allowing them to compare financial knowledge and financial attitude. University students should start learning the basics of financial management as soon as possible to assist students control their funds in university and beyond.

### **5.6.2 Recommendations suggestions for future researchers**

Each study has its own fascinating point to be studied and provides new specialty results that serve as the foundation for future research. As a result, this section looks at the field of research that might be identified in the future. This study has provided the factor influencing personal financial management skills among University Malaysia Kelantan students: The case of University Malaysia Kelantan. Our research can be taken as a great guideline and references

for future research. There are a few recommendations for individuals who might want to learn about this topic. For the other researchers who want to do research about this topic, they ought to have more independent variables beside the point given. Other researchers have found that independent variables have a strong relationship between personal financial management skills (dependent variable) that are important to easily find the data.

First, the current study contains a number of limitations that should be considered in future investigations in this topic. The key is the sample studies, which consists of 351 respondents collected from the Faculty of Entrepreneurship and Business at the University Malaysia Kelantan only and that also explains why this discovery can't be applied to other places without background financial management skills. Future study should be conducted by another respondent not from Faculty of Entrepreneurship and Business-like Faculty Hospitality Tourism and Wellness (FHTW) of University Malaysia Kelantan.

Second, there are only three factors in this study, and all three are significant. However, further studies are needed to look into additional factors that might explain the financial management skills such as data connectedness, knowledge, and experience. Future research should focus on financial attitude in relation directly to personal financial management skills among University Malaysia Kelantan students.

Third, while this study included important variables, future studies could include personal financial skills such as financial knowledge and financial attitude useful in influencing a strong relationship between personal financial management skills. Subsequently, studies should include more independent variables to assess people's perceptions of financial management skills. Furthermore, the study is based on which was recommended and validated using the Cronbach Alpha approach in SPSS. The study implications of University Malaysia Kelantan students' personal financial management skills were explored in this study. Future study should look at what motivates people to be alert about financial management skills and can manage. Aside from that, further study should look at the different forms of personal financial management skills and why people are not performing in financial management from the viewpoint of the student.

Finally, researchers can increase the number of participants and collect data over a longer period of time. Most importantly, the small sample size (346 respondents) may have led to errors in the results. A larger sample that is comparable to the sample sizes and includes all

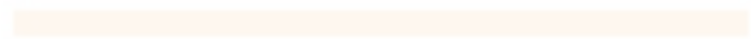


of the specific set of data should minimize sampling process inaccuracy and represent more reliable results.

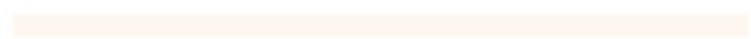
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## APPENDIX A – Questionnaire



### **THE STUDY OF THE FACTORS INFLUENCING PERSONAL FINANCIAL MANAGEMENT SKILLS AMONG FEB STUDENT IN UNIVERSITY MALAYSIA KELANTAN (UMK) CITY CAMPUS**

Dear Respondents,

We are the final year students of the programme Bachelor of Business Administration (Islamic Banking and Finance) with Honour (SAB), Faculty of Business and Entrepreneurship (FEB), University Malaysia Kelantan (UMK). This questionnaire was distributed as part of our final year project in order to conduct research on the factor influencing personal financial management among FEB students in University Malaysia Kelantan (UMK) City Campus. All the information in this questionnaire will be kept confidential and used for academic purposes only. We would like to thank you for spending your time by giving kind cooperation and fair responses.

This survey was prepared by:

NORMASHITAH HAJA BINTI ABD HAMID

NORSYAFIQA SYARMIMIE BINTI MOHAMAD SOFI

NUR AFIQAH ATHIRAH BINTI NAZIR

NUR AIN NADILA BINTI MAT SALIMIN

#### **SECTION A: DEMOGRAPHIC PROFILE**

Please tick (/) on the appropriate answer.

1. Gender:

Male

Female

## 2. Age:

- 19-20 years old
- 21-22 years old
- 23-24 years old
- 25 years old and above

## 3. Programmes:

- SAE
- SAB
- SAL
- SAK
- SAR
- SAA

## 4. How much do you spend per month?

- RM1-RM200
- RM201-RM400
- RM401-RM600
- RM601 and above

## 5. How do you spend your allowance?

- Transportation
- Education
- Entertainment
- living (rental)
- Others

## 6. Do you prefer save money in bank or just by yourself?

- Bank
- Myself

## SECTION B: FINANCIAL ATTITUDE

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>

1	I set long term financial goals and strive to achieve them.	1	2	3	4	5
2	I pay my bills on time.	1	2	3	4	5
3	I keep a close personal watch on my financial affairs.	1	2	3	4	5
4	Before I buy something, I carefully consider whether I can afford it or not.	1	2	3	4	5
5	I cannot afford any possible loss of capital regardless of potential return.	1	2	3	4	5
6	I find it more satisfying to spend money than to save it for the long term.	1	2	3	4	5
7	Spending less than our income is very important.	1	2	3	4	5

## SECTION C: FINANCIAL KNOWLEDGE

1	My current money always worth more than my future money.	1	2	3	4	5
2	Saving in the bank is better interest than buying the bonds	1	2	3	4	5



3	An investment with a high return is likely to be high risk.	1	2	3	4	5
4	High inflation means that the cost of living is increasing rapidly.	1	2	3	4	5
5	I know how to conduct a break-even analysis.	1	2	3	4	5
6	I agree that sources of income should be diversified.	1	2	3	4	5
7	I can analyse the financial statements by means of ratios.	1	2	3	4	5
8	I know how to make budgeting.	1	2	3	4	5

#### SECTION D: FAMILY INFLUENCE

1	My parents usually discussed about the finances.	1	2	3	4	5
2	Within the family we openly discussed our finances.	1	2	3	4	5
3	My parents explicitly taught me about finances (e.g., credit cards, debt, budgeting, saving).	1	2	3	4	5
4	My family didn't talk much about finances but I learned from their examples.	1	2	3	4	5
5	My parents included me in various financial decisions.	1	2	3	4	5

## SECTION E: PERSONAL FINANCIAL MANAGEMENT SKILLS

1	I prefer to save my monthly income in the saving account.	1	2	3	4	5
2	I prefer to invest my monthly income in the insurance.	1	2	3	4	5
3	I prefer to borrow from family or friends to fulfil the monthly need.	1	2	3	4	5