FACTORS AFFECTING FINANCIAL LITERACY OF ACCOUNTING STUDENTS

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ABSTRACT

Over the last few decades, tertiary education students have been adversely affected by the high cost of living. Most students need help keeping up with their living standards due to their limited financial literacy knowledge. This situation has resulted in them being burdened with debt and being on the brink of bankruptcy. This study aimed to examine the impact of age, financial socialisation, and specific motivation on the financial literacy of accounting students. The research scope focused on factors influencing financial literacy, including knowledge, attitude, and behaviour. This study involved accounting students from all levels at UiTM Faculty of Accountancy in the Shah Alam and Puncak Alam campuses. The findings revealed that financial knowledge and behaviour were positively and significantly associated with financial literacy. Moreover, financial motivation had a positive and significant impact on financial literacy among UiTM accounting students. This study contributes to the existing literature on financial literacy and will aid society, academics, and policymakers in focusing on key elements necessary to improve students' financial literacy.

Keywords: financial literacy, financial motivation, financial socialisation

1.0 INTRODUCTION

Financial knowledge is crucial these days. Issues related to financial problems have never been out of date since immemorial and it got worse when the pandemic hit. Financial knowledge or financial literacy refers to the understanding and knowledge of various financial concepts and principles necessary to make people informed and effective decisions about personal finances. This might involve managing money effectively, including spending, saving, investing and planning. Those with financial literacy can make informed decisions about their money, leading to improved financial well-being and stability and thus avoiding common financial pitfalls, reducing debt and building wealth over time. For example, a financially literate person will acquire basic knowledge of critical financial concepts. According to Yap (2017), financially literate people can define basic financial concepts and help make decisions aligned with financial management. Dewi et al. (2020) found in their study that financial literacy, shaped by skills, experience, and awareness, influences positive financial behaviour for goal achievement. Awareness and experience significantly impact decisions, with higher financial literacy correlating to more rational choices. Those influenced by financial literacy regularly save in institutions and engage in routine saving and charitable donations. The study underscores the importance of financial awareness and experience in fostering positive behaviour for financial goal attainment. Banthia and Dey (2022) mentioned in their study that financial attitudes and knowledge positively impact financial literacy levels. The degree of financial literacy is negatively impacted by financial behaviour. The two main determinants of financial literacy are financial attitude and knowledge.

Knowledge about financial literacy is needed not only by adults but also by young people, especially students. Unfortunately, most young adults in Malaysia have low levels of financial literacy (Carvalho, 2019). Financial literacy is a life skill that can significantly impact their present and future well-being. It helps students develop good financial habits early, which have a lasting positive impact on their financial well-being throughout their lives. Phillips and Kiracofe (2022) mentioned in their study that financial literacy positively impacts young people's saving habits. Furthermore, understanding budgeting, saving, and responsible spending helps them to avoid financial difficulties or unnecessary debt.

The number of student bankruptcies has generally worsened over the past few years. Huzaini (2019) estimated that 60 percent of all bankrupt individuals in Malaysia are young adults due to spending bigger than the income received. This statement has been supported by the World Bank Group (2019), asserting that young adults from low-income groups remain particularly vulnerable to economic shocks related to the increased cost of living. Furthermore, Liew (2021) added that it is due to the habit of spending more than income and accumulated with the impact of COVID-19. According to Insolvency (2021 and 2022), increasing bankruptcy percentages is becoming critical because it involves students. According to Carvalho (2019), the low financial literacy among Malaysian youth contributes to the high bankruptcy rates, as he mentioned that Malaysian young adult EPF savings are far from enough for retirement, exposing the young to the risk of bankruptcy. According to the newspaper report by Credit Counseling and Management Agency (AKPK), customers earning below RM5,000 who are involved in an instalment scheme spend only a total of 32 per cent of personal loans on necessities, whereas up to twice as much is spent on consumptive things (Huzaini, 2019). In 2022, Debt Management Programme' (DMP) household cases stood at 34,670 compared to 2021 (23,837). As at end-December 2022, the top three (3) reasons for unmanageable debts among AKPK's DMP for household cases were high cost of living (38.5%), poor financial planning (36%), and failure/slowdown in business (11.1%) AKPK (2023).

Consequently, they are left with more debt. This is even more challenging for individual to afford buying a house as properties are being overpriced (Sulaiman et al., 2021). Graduates should develop a financial plan that encompasses managing costs and savings, recognising money management behaviours that contribute to wealth accumulation, and understanding how changes in personal financial circumstances can impact their budget (Helen, 2019). Individuals with stronger financial skills are better equipped to make informed financial decisions (Cunha, 2019). This study aimed to examine the impact of age, financial socialisation, and specific motivation on the financial literacy of accounting students. Specifically, it focused on understanding how these factors influence the financial literacy of UiTM accountancy students in the Shah Alam and Puncak Alam campuses. The research explored the role of financial knowledge in shaping financial literacy and evaluated how financial socialisation and motivation contribute to this understanding. By investigating these key factors, the study adds to the existing literature on financial literacy and offers insights for educators and policymakers seeking to enhance the financial literacy of students.

2.0 LITERATURE REVIEW

2.1 Financial Literacy

Financial literacy is the ability to define and effectively use various financial skills, including personal financial management, budgeting, and investing (Yap, 2017). Financial literacy is the foundation of an individual's relationship with education on financial management in their schools or universities and education on risk tolerance and cognitive skills in general (Ben, 2020). Individuals with financial literacy should be able to prepare a budget, manage debt, save, and make investments. Budgeting helps plan expenses, which is essential for financial security and independence (Fernandes et al., 2014). A study by Abdul Jabar et al. (2023) found that financial literacy is statistically significant with positive direction to saving behaviour. Furthermore, financial literacy may avoid mentioning that budgeting helps plan short-, medium-, and long-term expenses. Most students start to get experience in financial responsibilities during their university or college period, as that period exposes them to a crucial time in their lives as they transition from financially dependent to financially independent (Mat Nawi et al., 2020). Students with financial-related courses in their program tend to be equipped to navigate a complex array of financial matters in colleges or universities where basic financial knowledge is covered in their educational program (Nano, 2013). This situation aligns with Kharisma (2014), who believed that financial education is the process where people might acquire and improve their knowledge and understanding of the importance of money management to improve their financial condition. Flore-Anne Messy (2012) affirmed that the core questions about financial literacy were across behavioural factors. People with a lack of financial education might end up with insufficient retirement savings (Today online, 2016). 78% of Malaysians do not have enough funds for retirement., due to spending without thinking about the implications, which is the main indication of a lack of financial literacy (Sarpong-Danquah et al., 2018).

Furthermore, according to Formadi (2018) the attitude towards financial products has also been shown to influence students' financial literacy levels. The findings suggested that age and work experience were positively related to the level of financial literacy. Financial attitudes are established through economic and non-economic beliefs held by a decision-maker on the outcome of a financial decision. In relation to attitude, Herliani et al. (2018) revealed that the difference between values and behaviour since the early stage is that an indication of men and women have non-identical literacy. Flore-Anne Messy (2012) mentioned that young people (aged 18-29) appear to have lower and less cautious financial behaviour. Dewi et al. (2020) found a relationship between financial literacy characteristics and age maturity. The age of the respondents affects the capacity for financial goal setting and decision-making. The findings demonstrated how various factors related to sex, age, specialisation, and consumption spending impact how financial literacy variables relate to one another. Furthermore, Stanley Yap (2017) mentioned that individuals in the 18-29 age range are associated with higher levels of financial literacy at both primary and advanced levels. Many studies have displayed the positive effect on factors affecting financial literacy among UiTM accounting students following the elements of strong collaboration between financial literacy and age as such this study is focusing on age factor (Ben Douissa, 2020). This has been confirmed by Formadi (2018) and Mat Nawi et al. (2020), which explained in detail the elements that showed the factors affecting financial literacy among UiTM accounting students. It allows the conceptualization of the second hypothesis:

H1: There is significant difference in respondent's perceived financial literacy when they are classified to their age.

2.2 Financial Socialisation and Financial Literacy

Financial socialization agents, including family, peers, and media, each contribute independently and differently to financial literacy throughout an individual's life (Mat Nawi et al., 2020). People are often influenced by their parents' money management methods, as they are raised within the same cultural framework that emphasizes similar financial principles. Formadi (2018) highlighted that self-actualizing personal values, financial education at home, and formal financial education at school are crucial for anticipatory socialization, influencing how young adults gain financial knowledge and develop attitudes and behavioral intentions. Establishing sound financial behavior necessitates a solid foundation of financial understanding. Young adults who report being prudent with money and tracking their expenses are more likely to exhibit positive financial behavior. Jusoh (2024) found out in his study that financial literacy and subjective financial well-being are directly and significantly impacted by parental financial socialisation.

Panday (2003) found that financial behavior is positively correlated with one's attitude toward money and both subjective and objective financial literacy. Hierarchical regression analyses from Formadi (2018) study indicated that young adults' financial behaviours were most influenced by financial socialization from romantic partners, followed by financial socialization from parents. However, despite numerous studies showing positive relationships, a person who practices better saving and financial literacy typically faces fewer financial issues, such as debt. Owusu et al. (2023) demonstrated a negative relationship between students' inclination toward debt and their saving behaviours, with financial knowledge mitigating this inverse relationship. Khurshid et al. (2023) assessed various contextual factors affecting financial literacy and found that financial socialization facilitators positively impact students' financial decision-making. Similarly, Fazli Sabri et al. (2012) noted that financial socialization agents improve college students' financial well-being, with significant differences observed between Malay and Chinese students in Malaysia, indicating diverse financial socialization processes.

H2: There is a significant positive relationship between financial socialisation and financial literacy of accounting students.

2.3 Financial Motivation and Financial Literacy

Financial motivation is defined as the drive or incentive derived from the potential for financial gain or reward. It inspires individuals to exert more effort, undertake challenges, and achieve their goals. Financial incentives often influence various aspects of life, particularly work and career, such as earning a salary, receiving bonuses, or accumulating wealth. These incentives motivate people to seek financial success, which in turn can enhance their quality of life, provide security, and help them achieve personal and professional goals. Lone & Bhat (2024) discovered in their study that financial literacy had a highly favourable effect on financial well-being and financial self-efficacy.

Nguyen et al. (2023) explored the relationships between public sector motivation, financial incentives, team support, and employee motivation within agencies under the Binh Dinh People's Committee in Vietnam. Their study revealed the positive effects of financial incentives, team support, and public service motivation on employee motivation in the public sector. Similarly, Benabou and Tirole (2003) highlighted that intrinsic motivation reinforced by managerial support leads to high-level performance and personal satisfaction over the long term. In contrast, extrinsic motivators have been shown to provide benefits both in the short and long term (Filipović & Popović, 2019). Elrayah and Semlali (2023) also noted that satisfaction among talented employees is closely linked with financial rewards.

H3: There is a significant relationship between financial motivation and financial literacy.

2.4 CONCEPTUAL FRAMEWORK

This study adopted and adapted several previous studies such as Mat Nawi et al., (2020) and referred to Formadi (2018), Ben Douissa (2020) for the demographic-only for age analysis, and others related to the previous article. Thus, this study might identify the factors that might affect financial literacy where the dependent variable is based on Flore-Anne Messy (2012) financial literacy based on knowledge, behaviour, and attitude, while the independent variable consists of demographic information specifically on age as a factor, financial socialisation, and motivation as proxy. This study tested two theories adopted and adapted from Mat Nawi (2015) i.e., life-cycle theory and the theory of planned behaviour (TPB). By integrating TPB into the research, the study aims to provide a comprehensive understanding of the factors that drive financial literacy and how students' perceptions and social environments contribute to their financial knowledge and behaviours.

The life-cycle theory was proposed by Mat Nawi (2015) that focuses on the development of an individual's consumption and savings behaviours. The theory was further discussed in Mat Nawi (2015) who introduced the life-cycle model of asset allocation and accumulation. The model identifies the difference between the propensity to consume and save at various stages of an individual's life. The theory also predicts that consumption and saving behaviours change significantly with objective factors (e.g., income, rates of returns, wealth) and subjective factors (e.g., age, marital status, socioeconomic and demographic conditions) along with various stages of the individual's life.

Similarly, the TPB, as developed by Fishbein and Ajzen (1975) and referenced by Mat Nawi et al. (2020), shows that an individual's behavior is influenced by their intentions. According to TPB, individuals act based on their beliefs about what is most appropriate, which are shaped by three key factors: behavioral beliefs, normative beliefs, and control beliefs. This theory supports the development of both the independent and dependent variables in this study by explaining how these beliefs can impact financial literacy.

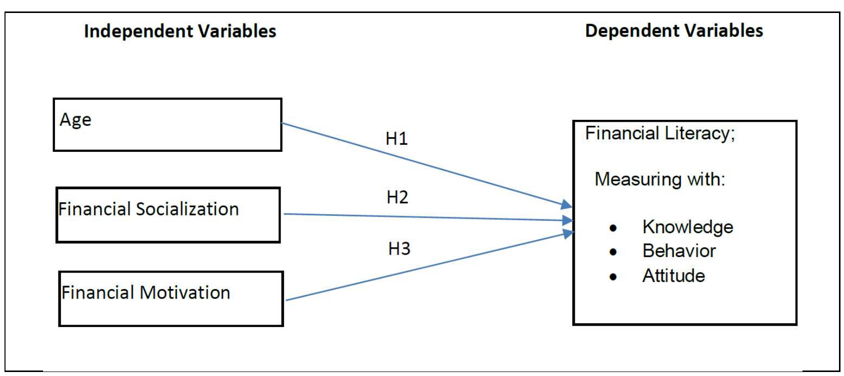

Fig. 1 *Conceptual Framework*

3.0 RESEARCH METHODOLOGY

3.1 Measurement and Constructs

The research instrument in this survey denoted a questionnaire utilising a close-ended question for Section 1, only for question 1 to fill in the blank and for the rest question in Section 1 including Section A (i,ii, and iii), a 5-point Likert scale (i.e., 1=Highly disagree, 2=Disagree, 3=Neutral, 4=Agree, and 5=Highly Agree) adapted from Ben Douissa (2020), Mandell and Klein (2007), Flore-Anne Messy (2012), Mat Nawi et al. (2020), Stella (2020), and Kharisma (2014) . The adapted material included certain modifications to adapt to the study context.

Table 1. Summary of questionnaire items

Section	Number of Questions
Section 1: Demographic	9
Financial literacy:	
Section A(i): Test on Financial Knowledge	6
Section A(ii): Test on Financial Behaviour	11
Section A(iii): Test on Financial Attitude	4
Section 2 (Part A): Financial Motivation	7
Section 2 (Part B): Financial Socialisation	5

This research focused on identifying factors that could affect financial literacy in the UiTM accountancy students in Shah Alam and Puncak Alam campuses. Independent variables included age variables, financial socialisation, and motivation. These dependent variables of financial literacy in this research were measured using the knowledge, behavior and attitude of the participants.

Table 2. Summary of variable and measurement

	Measurement	Author
Dependent Variable Financial Literacy (Knowledge, Behavior, and Attitude)	5-point Likert Scale with twenty-one (21) questions to measure the factors affecting financial literacy among UiTM account students. The measurement is measured using scales from Ben Douissa (2020), Stella (2020), and new construct.	Ben Douissa (2020), Stella (2020)
Independent Variable Age	5-point Likert Scale and one (1) fill in the blank with additional eight (8) questions to examine in respondent's demographic (age) perceived financial literacy among UiTM account students. The measurement is measured using scales from Ben Douissa (2020) and new modified construct.	Ben Douissa (2020)
Independent Variable Financial Socialisation	5-point Likert Scale with five (5) questions to measure Questions suited with respondent perceptions. The measurement used an established measurement by Mat Nawi et al. (2020), and new modified questions.	Mat Nawi et al. (2020)
Independent Variable Financial Motivation	5-point Likert Scale with seven (7) questions to measure the independence and objectivity held by respondents. Thus, the measurement was adapted from Yemima Kharisma (2014), Mat Nawi et al. (2020), and new modified questions.	Kharisma (2014), Mat Nawi et al. (2020)

3.2 Data Collection and Sampling

This study utilised random sampling method, whereby the sample selection required the process of identifying the right representatives as the population and further filtration of the sample chosen in ascertaining whether the individuals fit the profile needed. A survey was conducted among undergraduate, professional programs and postgraduate accountancy students of UiTM in Shah Alam and Puncak Alam campuses. This study included accountancy students from all educational levels—diploma, degree, master's, PhD, and professional programs—across UiTM's Shah Alam and Puncak Alam campuses. This comprehensive approach ensures a diverse representation of the student population, capturing a wide range of perspectives on financial literacy. The inclusion of students from various levels allows for a more robust analysis of how financial literacy varies across different stages of academic and professional development. This is crucial for understanding how financial knowledge, attitudes, and behaviours evolve as students advance through their academic and professional careers.

The decision to include all levels was based on the need to capture a representative sample of the entire accountancy student population. According to Krejcie (1970), the total sample size required for a population of 4,000 was 351, which was deemed sufficient for ensuring statistical validity. By encompassing all levels, the study enhances the generalizability of the findings and provides a comprehensive overview of financial literacy across different stages of accountancy education. Additionally, the choice of Shah Alam and Puncak Alam campuses was strategic, as these campuses host the full spectrum of accountancy programs, thereby increasing research efficiency and reducing costs. The researchers administered the survey personally to minimize non-response issues and ensure accurate data collection.

Therefore, these two campuses have been the main faculty for accountancy students. There was a total of 3,599 students of Accountancy program as per October 2021, with the following distribution: (i) Diploma (FT): 41, (ii) Degree: 2274, (iii) Master: 313, (iv) PhD.: 76, and (v) Professional: 895. Furthermore, the researchers personally administered the survey questionnaire to avoid non-response issues. All accessible students were chosen as subjects.

4.0 FINDINGS AND DISCUSSION

4.1 Demographic Analysis

The survey revealed that 33.6% of the respondents were of male gender, the 12.9% comprised the female counterparts, while the remaining 53.5% preferred not to answer. It suggested that while both genders were involved in this study, respondents preferring not to answer hit the highest percentage of the population compared to both genders. Under the category of hometown group, approximately 33.1% of the respondents were from East region, followed by the group of North regions at 30.0%. A smaller group of West regions scored at 20.7%, while those from other regions made up to 16.2% of the total respondents. Therefore, most respondents were from the East region.

Meanwhile in the Program and Education group, approximately 26.9% of the respondents were from second semester, followed by the group of other semesters at 24.1%. The next group belonged to the third semester at 20.2%, while smaller group of first semester was at the total of 16.2%, and those preferring not to reveal information made up to 12.6%. Therefore, most respondents were from second semester.

For the marital status group, approximately 38.4% of respondents were not married, followed by the group who preferred not to answer at 34.2%. The smaller group of married respondents were 27.5%. Therefore, unmarried students became the biggest group in this study. Approximately there were 65.5% working respondents, followed by the group who preferred not to answer at 28.3. %. The unemployed students were the smallest part with only 6.2% total respondents.

As for the years of study group, approximately 59.7% of the respondents were from Master level, followed by the group of PhD level at 24.9%. The next group was the Degree level at 7.8%, whereas smaller group of Diploma level consisted of 4.5% respondents, and those who preferred not to reveal their degrees made up to 3.1%. There were 77.0% respondents whose parents earned less than RM50,000, followed by the group with parents earning around RM10,000 at 13.4. %. The smaller group with parents' earnings were less than these two groups were 9.5% in total.

According to the student's financial status, 79.6% of respondents admitted using money they have earned, followed by 11.5% respondents who used money consisted of their and their parents' money. Then, 9.0% respondents belonged to the students who received full financial supports from their parents.

4.2 Reliability Analysis

This study utilised various statements to gauge the perceptions of respondents on six dimensions: financial knowledge (6 statements); financial behavior (11 statements); attitude (4 statements); financial literacy (21 statements) financial socialisation (5 statements) and motivation (7 statements).

Table 3 Reliability Analysis

Dimension		No of Statements	Cronbach's Alpha
Financial literacy	Financial knowledge	6	0.921
	Financial behaviour	11	0.877
	Attitude	4	0.815
	Total	21	0.757
Financial socialisation		5	0.899
Motivation		7	0.980

Statements employed to measure respondents' perceptions required that these statements to be reliable or consistent. Consistency in the statements within each dimension depends on the correlation between these statements. If the correlation is high, the statements are consistent (reliable), and vice versa. In the reliability testing technique, this consistency was manifested in Cronbach's Alpha value, which corresponds to a correlation coefficient. Reliability tests were then applied on the statements of each dimension, and the results are summarised in Table The Cronbach's alpha values were high, ranging from 0.757 (financial literacy) to 0.980 (motivation), implying that the various statements reliably measured the perceptions of the respondents on the six dimensions related to financial literacy and factors affecting it. This study analysed the reliability of each variable by using reliability analysis for the main study. The item supported by previous study by Mat Nawi et al. (2020) where items which were above 0.70 indicated as high reliability.

4.3 Normality Test

It was observed that the skewness and kurtosis values were in the range -2 to 2. This means that the mean scores of financial literacies, financial socialisation, motivation, and age were normally distributed.

Table 4. Normality test

Variable	Skewness Value	Kurtosis Value
Financial literacy	0.056	0.373

Financial socialisation	0.449	-1.727
Motivation	-1.248	1.908
Age	0.769	0.187

Following this result, the study uses the parametric statistical tool in the following analysis. The normality test result on all variables was normal. Normality test was conducted on the data set to determine whether sample data has been drawn from a normally distributed population. The result indicated that data obtained from the survey were normally distributed. According to Sekaran and Bougie (2016) through Mat Nawi et al. (2020), normally distributed data generally yield skewness and kurtosis values close to zero.

4.4 Correlation Analysis

Summary Statistics of Correlation Analysis between Financial Literacy. Financial Socialisation, Motivation and Age.

Table 5. Correlation Analysis

Variable	Financial literacy	
	Pearson Coefficient of Correlation (r)	p-value
Financial socialisation	0.258	0.000**
Motivation	0.551	0.000**
Age	-0.541	0.000**

**Significant at 0.01

Table shows that financial socialisation (r = 0.258; p<0.01) were positively but lowly correlated with financial literacy. To a low extent, the increases in financial socialisation were associated with the increases in financial literacy, and vice versa. It also shows that motivation (r = 0.551; p<0.01) was positively and moderately correlated with financial literacy. To a moderate extent, the increases in motivation were associated with the increases in financial literacy, and vice versa. However, ages (r = -0.541; p<0.01) were negatively and moderately correlated with financial literacy. To a moderate extent, the increases on ages were associated with the decreases in financial literacy, and vice versa. Therefore, it could be concluded that when students are more knowledgeable and portray a more positive attitude towards money, their ability to make enhanced decisions enables them to use the resources and improve their situations wisely.

4.5 Multiple Regression Analysis

The regression equation was statistically significant at 0.01 (p<0.01), implying that there was an association between financial literacy with any or all the independent variables. The r-square value being 0.538 means that the three independent variables accounted for 54% of the variation in the dependent variable (financial literacy).

Table 6. Multiple regression analysis

Variable	Coefficient	t-value	p-value
Financial socialisation	0.053	9.704	0.000**
Motivation	0.261	11.055	0.000**
Age	-0.026	-9.118	0.000**
F	137.091		0.000**
R^2	0.538		

**Significant at 0.05

Hence, the effect of financial socialisation, motivation, and age on financial literacy is moderate. Looking at the individual regression coefficient, it was found that the coefficient of financial socialisation, motivation, and age were statistically significant at 0.01(p<0.01). The coefficient of financial socialisation (0.053) and motivation (0.261) means that an increase in financial socialisation and motivation increases the financial literacy, whilst coefficient of age (-0.026) showed an increase in age decreases financial literacy.

4.6 Discussion

This study provided a detailed information regarding the factors influencing financial literacy among accounting students in UiTM. Accordingly, its primary objective was to examine whether age, financial socialisation and motivation affects the financial literacy of accounting students in UiTM specifically Shah Alam and Puncak Alam campuses. The questionnaire designed for the current study was distributed to the UiTM account students in Shah Alam and Puncak Alam campuses.

The first hypothesis predicted the presence of a significant correlation between financial literacy and age factor, significant correlation between financial socialization and financial literacy factor, and significant correlation between financial literacy and financial motivation. Therefore, the effect of financial socialisation, motivation, and age on financial literacy was moderate. Further elaboration as below.

i. H1: Financial Literacy and Age Factor.

The first aspect of the hypothesis suggests a significant correlation between financial literacy and age. Age is a commonly used demographic variable in financial literacy studies, often refers as a life experience, exposure to financial products, and accumulated knowledge over time. As people age, they tend to have more opportunities to learn about financial matters, either through formal education or personal experience.

In support of this, Douissa (2020) analysed demographic factors and found that age was a significant determinant of financial literacy among college students in the Middle East. This study aligns with the view that as individuals age, their financial knowledge increases, contributing to better financial literacy. Similarly, research by Formadi (2018) also highlights the correlation between age and financial literacy, noting that older students in Ghana demonstrated higher levels of financial understanding compared to their younger counterparts.

ii. H2: Financial Socialization and Financial Literacy; and

The second views of the hypothesis address the relationship between financial socialisation and financial literacy. Financial socialization involves the process by which individuals acquire knowledge, attitudes, and behaviours related to financial matters, often through interactions with family, peers, education, and media.

Previous research by Mat Nawi et al. (2020) identified financial socialisation as a crucial factor in developing financial literacy among Malaysian university students. The study suggested that students who received financial guidance and education from parents and educators displayed a higher understanding of financial concepts. This aligns with the findings of Banthia and Dey (2022), who demonstrated that financial knowledge, shaped by socialization agents, significantly impacts financial literacy.

iii. H3: Financial Motivation and Financial Literacy

The third element of the hypothesis proposes a significant correlation between financial literacy and financial motivation. Financial motivation encompasses the intrinsic and extrinsic factors that drive an individual to engage with financial education, make informed financial decisions, and improve their financial situation.

Benabou and Tirole (2003) explored the role of motivation in financial behaviours, distinguishing between intrinsic motivation (personal satisfaction or interest in financial management) and extrinsic motivation (external rewards or recognition). Their findings suggest that both forms of motivation can positively influence financial literacy, as motivated individuals are more likely to seek out and engage with financial information, thereby enhancing their financial knowledge and capabilities.

Therefore, considering the three factors together (Age, Financial Socialisation, and Motivation on Financial Literacy), the combined effect on financial literacy is found to be moderate. This suggests that while each factor individually contributes to financial literacy, their combined influence is significant but not overwhelmingly strong. The moderate impact might be due to the collaborate between these factors and other variables such as educational background, socioeconomic status, and access to financial resources, as highlighted by Dewi et al. (2020) and Fazli Sabri et al. (2012).

The hypothesis that financial literacy is significantly influenced by age, financial socialization, and financial motivation is supported by previous research. Each factor plays an important role in shaping financial literacy, with socialisation and motivation being particularly influential during formative years. However, the moderate combined effect indicates that additional factors, such as education and economic conditions, also play essential roles in determining an individual's financial literacy level.

Table 7. Hypotheses Result

	Hypotheses	Result
H1	There is significant difference in respondent’s perceived financial literacy when they are classified to their age.	Supported
H2	There is a significant relationship between financial socialization and financial literacy of accountancy students	Supported
H3	There is a significant relationship between financial motivation and financial literacy.	Supported

Based on the Pearson correlation coefficient used to analyse the relationships between the independent and dependent variables, the findings are shown in the table above and summarized as follows; Firstly, the results reveal that increased age is positively correlated with higher financial literacy, thereby supporting the hypothesis that age influences financial literacy; Secondly, the data show a positive association between higher levels of financial socialization and improved financial literacy, affirming the hypothesis that financial socialization affects financial literacy; and lastly, the analysis indicates that greater motivation is associated with higher financial literacy among accountancy students, validating the hypothesis that motivation impacts financial literacy.

5.0 CONCLUSION

The study highlights several important implications for financial education. It suggests that educational programs should be tailored to different age groups and designed to enhance financial socialization and motivation, as these factors significantly impact financial literacy. The low perceived effectiveness of school-based financial education underscores the need for more practical and engaging financial education initiatives. Additionally, the study points to the necessity of further research to explore other factors influencing financial literacy and to refine educational strategies accordingly. These findings emphasize the need for targeted, effective financial education to better equip students with essential financial skills.

6.0 SUGGESTION FOR FUTURE RESEARCH

The scope of this research is limited to the UiTM accounting students in Shah Alam and Puncak Alam campuses, limiting the size and variety of the sample. Furthermore, the number of participants was substantially limited, causing a limited result as well. Apparently, a bigger number of participants would inevitably contribute to a more specific study outcome.

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