

**PSYCHOSOCIAL FACTORS AND GENDER INFLUENCING THE LEVEL OF
ISLAMIC FINANCIAL LITERACY**

By

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**Research Paper Submitted to
Othman Yeop Abdullah Graduate School of Business
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Master in Islamic Finance and Banking**

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ABSTRACT

The purpose of this study is to assess the level of Islamic financial literacy among the undergraduate students of Islamic finance and banking in Universiti Utara Malaysia. It aims to examine the influence of psychosocial factors which are hopelessness, religiosity and financial satisfaction as well as gender towards Islamic financial literacy. Hypothesized relationships are tested using survey response from a sample of 200 respondents. The result of this study shows that the level of Islamic financial literacy of the respondents is high. A significant difference in Islamic financial literacy is found between the respondents according to the gender and the respondents' year of study. Specifically, male have a higher level of Islamic financial literacy compared to female. Meanwhile, the third year's students have a higher level of Islamic financial literacy compared to first year and second year students. Additionally, the result indicates that there is a significant relationship between psychosocial factors and Islamic financial literacy. Moreover, it is found that the religiosity, hopelessness and gender have a significant influence towards Islamic financial literacy. Thus, this study suggests that it is important for the community, university administrators, government and financial advisor to increase the level of Islamic financial literacy by implementing various Islamic financial education programmes. Lastly, this study is considered as one of the studies that have contributed to the literature by developing understanding of Islamic financial literacy. More research related to Islamic financial literacy is suggested to be conducted for future research.

Keywords: Islamic financial literacy, psychosocial, religiosity

ABSTRAK

Tujuan kajian ini adalah untuk menilai tahap kecelikan kewangan Islam dalam kalangan pelajar kewangan dan perbankan Islam di Universiti Utara Malaysia. Ia bertujuan untuk mengkaji kesan faktor-faktor psikososial seperti kekecewaan, keagamaan dan kepuasan kewangan serta jantina terhadap kecelikan kewangan Islam. Perhubungan yang dihipotesiskan diuji menggunakan maklumbalas kaji selidik daripada 200 responden. Dapatan kajian menunjukkan tahap kecelikan kewangan Islam oleh responden adalah tinggi. Didapati terdapat perbezaan yang signifikan antara tahap kecelikan kewangan Islam dengan responden mengikut jantina dan juga tahun pengajian responden. Khususnya, lelaki mempunyai tahap kecelikan kewangan Islam yang lebih tinggi berbanding perempuan. Manakala, pelajar tahun tiga mempunyai tahap kecelikan kewangan Islam yang lebih tinggi berbanding pelajar tahun pertama dan kedua. Selain itu, dapatan kajian juga menunjukkan bahawa terdapat hubungan yang signifikan antara faktor-faktor psikososial dan tahap kecelikan kewangan Islam. Tambahan lagi, didapati bahawa faktor keagamaan, kekecewaan dan jantina mempunyai kesan yang signifikan terhadap tahap kecelikan kewangan Islam. Oleh itu, kajian ini mencadangkan bahawa adalah penting bagi komuniti, pentadbiran universiti, kerajaan dan perunding kewangan untuk meningkatkan tahap kecelikan kewangan Islam dengan melaksanakan pelbagai program pendidikan kewangan Islam. Akhir sekali, kajian ini merupakan salah satu kajian yang menyumbang terhadap karya penulisan dalam meningkatkan pemahaman tentang kecelikan kewangan Islam. Oleh itu, kajian ini menyarankan supaya lebih banyak kajian berkaitan dengan tahap kecelikan kewangan Islam dikendalikan bagi kajian akan datang.

Kata kunci: Kecelikan kewangan Islam, psikososial, keagamaan

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LIST OF ABBREVIATIONS

ANOVA	Analysis Variance
KMO	Kaiser-Meyer-Olkin
MSA	Measurement Sampling Adequacy Value
SPSS	Statistical Package for Social Science
UUM	Universiti Utara Malaysia
VIF	Variance Inflation Factors

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Younger generation nowadays are more likely to bear financial risks in adulthood than their parents. Due to the changes in the marketplace and social welfare systems, this generations are unlikely to be able to learn from past generations and they would prefer to rely on their own knowledge (PISA, 2012). Effort to increase the financial literacy level can be severely limited by a lack of early exposure to financial education. It is therefore significant to give some insight about the necessary to enhance the financial literacy.

One of the most significant current discussions in financial literacy is due to the rising of bankruptcies' cases involving young people (Hamzah, 2013). According to Uenos (2014), the statistic revealed by Malaysian Insolvency Department (MID), indicates that nearly forty-five thousands individuals that below than thirty five-years old in this country have been declared bankrupt within the period of 2011 until 2013. On average, a total of forty-one individual declared to be bankrupt everyday due to the failure to bear the burden of debt. As stated in The Star (2010, July 19), many young adults being declared bankrupt because of failing to observe the basic rule in sound financial management.

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APPENDIX A

Questionnaire



**“PSYCHOSOCIAL FACTORS AND GENDER INFLUENCING THE LEVEL OF
ISLAMIC FINANCIAL LITERACY”**

Dear Respondents,

This questionnaire is intended to determine the influence of psychosocial factors and gender towards the level of Islamic financial literacy. The information obtained from this questionnaire is very important for researcher to meet the research objectives in fulfilling the requirements of study for Master in Islamic Finance and Banking at Universiti Utara Malaysia. This questionnaire is addressed specifically to the Islamic finance and banking students only.

All of the information and respondents identity will be kept **STRICTLY CONFIDENTIAL** and will be used for **ACADEMIC RESEARCH PURPOSES** only. Thank you for your kind participation and cooperation towards this study.

Your Sincerely,

Siti Hafizah Binti Abdul Rahim
Master in Islamic Finance and Banking (MIFB)
Universiti Utara Malaysia.
Email: siti hafizah90@gmail.com

PART A/Bahagian A

Please tick (✓) your answer in appropriate box.

Sila tandakan (✓) jawapan anda di kotak yang sesuai.

2. Gender/Jantina

Male/Lelaki

☐

Female/Perempuan

☐

3. Age/Umur

Please specify/Sila nyatakan _____

4. Race/Bangsa

Malay/Melayu

☐

Indian/India

☐

Chinese/Cina

☐

Others, please specify/
Lain-lain, sila nyatakan

☐

5. Year of Study/Tahun Pengajian

First Year/Tahun Pertama

☐

Third Year/Tahun Ketiga

☐

Second Year/Tahun Kedua

☐

Others, please specify/
Lain-lain, sila nyatakan

☐

6. Educational Financing /Pembiayaan Pendidikan

Loan/Pinjaman

☐

Scholarship/Biasiswa

☐

Parent or Family/
Ibu bapa atau keluarga

☐

Others, please specify/
Lain-lain, sila nyatakan

☐

Please circle (O) your answer according to the scale outline below
Sila bulatkan (O) jawapan anda berdasarkan skala di bawah.

Strongly disagree <i>Sangat tidak bersetuju</i>	Disagree <i>Tidak setuju</i>	Neither Agree Nor Disagree <i>Antara setuju atau tidak setuju</i>	Agree <i>Setuju</i>	Strongly Agree <i>Sangat setuju</i>
1	2	3	4	5

PART B/Bahagian B

7	I know that I might or might not receive any return when the contract is concluded <i>Saya tahu bahawa saya mungkin atau tidak mungkin beroleh pulangan apabila kontrak dimeterai</i>	1	2	3	4	5
8	I acknowledge uncertainty on sanctity of financial contract is strictly prohibited in Islam <i>Saya mengakui ketidakpastian terhadap kesucian kontrak kewangan adalah dilarang dalam Islam</i>	1	2	3	4	5
9	I always make sure that there is no element of interest in all financial transactions that I made <i>Saya sentiasa memastikan bahawa tidak ada unsur faedah dalam semua transaksi kewangan yang telah saya lakukan</i>	1	2	3	4	5
10	I understand that all Islamic financing must be backed by asset <i>Saya faham bahawa semua kewangan Islam perlu disandarkan kepada asset</i>	1	2	3	4	5
11	I can only invest in permissible activities or services <i>Saya hanya boleh melabur dalam aktiviti atau perkhidmatan yang dibenarkan</i>	1	2	3	4	5
12	I am aware on the availability of Islamic instrument in the market <i>Saya sedar akan ketersediaan instrumen Islam dalam pasaran</i>	1	2	3	4	5
13	In Islam, I only transact with people that I trust <i>Dalam Islam, saya hanya berurusan dengan orang yang saya percaya</i>	1	2	3	4	5

PART C/Bahagian C

14	I feel it is impossible for me to reach the goals that I would like to strive for <i>Saya rasa ia adalah agak mustahil bagi saya untuk mencapai matlamat yang saya ingin usahakan</i>	1	2	3	4	5
15	The future seems hopeless to me and I can't believe that things are changing for the better <i>Masa depan saya seolah-olah tiada harapan dan saya tidak percaya bahawa ia akan berubah menjadi lebih baik</i>	1	2	3	4	5
16	I don't expect to get what I really want <i>Saya tidak berharap untuk mendapatkan apa yang saya mahukan</i>	1	2	3	4	5
17	There's no use in really trying to get something I want because I probably won't get it. <i>Tidak ada gunanya dalam mencuba untuk mendapatkan sesuatu yang saya mahu kerana saya mungkin tidak akan mendapatnya.</i>	1	2	3	4	5
18	All I see ahead of me are bad things, and not good things <i>Semua yang saya lihat di hadapan saya adalah perkara yang buruk, dan bukan perkara yang baik.</i>	1	2	3	4	5
19	I might as well give up because I can't make things better for myself <i>Saya mungkin akan berputus asa kerana saya tidak mampu membuat perkara yang lebih baik untuk diri saya</i>	1	2	3	4	5
20	I never get what I want, so it's dumb to want anything <i>Saya tidak pernah mendapat apa yang saya mahu, jadi ia adalah teruk untuk mahu mendapatkan sesuatu</i>	1	2	3	4	5
21	I believe in a Allah/God who determines pre-destination <i>Saya percaya kepada Allah/Tuhan yang menentukan Qada and Qadar</i>	1	2	3	4	5
22	Doing something contrary to Islam is forbidden by Allah/God. <i>Melakukan sesuatu yang bertentangan dengan Islam adalah dilarang oleh Allah.</i>	1	2	3	4	5
23	I pray mainly to gain relief and protection <i>Saya selalu berdoa untuk mendapatkan ketenangan dan perlindungan</i>	1	2	3	4	5
24	I find strength and comfort in my religion <i>Saya mendapat kekuatan dan keselesaan dalam agama saya</i>	1	2	3	4	5

25	I try to follow my religious beliefs in all matters of my life <i>Saya cuba untuk mengikuti kepercayaan agama saya dalam semua aspek kehidupan saya</i>	1	2	3	4	5
26	I always keep myself away from earning through haram (prohibited) means <i>Saya sentiasa menjaga diri saya daripada beroleh pendapatan melalui cara haram (dilarang).</i>	1	2	3	4	5
27	I always perform my duties as a servant of Allah/God <i>Saya sentiasa melaksanakan tugas saya sebagai seorang hamba kepada Allah/Tuhan</i>	1	2	3	4	5
28	I rarely run short of money <i>Saya jarang menghadapi masalah kewangan</i>	1	2	3	4	5
29	I am satisfied with my current financial situation <i>Saya berpuas hati dengan keadaan kewangan saya sekarang</i>	1	2	3	4	5
30	If I'm having financial difficulties I could manage it for a period of time <i>Jika saya menghadapi masalah kewangan, saya boleh menguruskannya dalam tempoh masa tersebut</i>	1	2	3	4	5
31	Based on my current financial status, I could easily obtain loans if I need one <i>Berdasarkan kepada status kewangan saya sekarang, saya mudah untuk mendapatkan pinjaman jika saya memerlukannya</i>	1	2	3	4	5
32	I am satisfied with my ability to meet my financial obligations <i>Saya berpuas hati dengan keupayaan saya untuk memenuhi tanggungan kewangan saya</i>	1	2	3	4	5
33	I have an effort to improve my current financial situation <i>Saya mempunyai usaha dalam memperbaiki keadaan kewangan saya sekarang</i>	1	2	3	4	5
34	Sometimes I feel the amount of loans received are sufficient to cover my living costs <i>Kadang-kadang saya rasa jumlah pinjaman yang diterima adalah mencukupi untuk menampung kos sara hidup saya</i>	1	2	3	4	5

Any suggestion about how to upgrade the level of Islamic financial literacy among students
Sebarang pandangan mengenai cara untuk meningkatkan tahap kecelikan kewangan Islam dalam kalangan pelajar.

I suggest/*Saya cadangkan,*

THANK YOU FOR YOUR COOPERATION

TERIMA KASIH DI ATAS KERJASAMA ANDA

APPENDIX B

Factor Analysis of Dependent Variables & Independent Variables

1) Factor Analysis of Dependent Variables

Correlation Matrix ^a								
		L1	L2	L3	L4	L5	L6	L7
Correlation	L1	1.000	.313	.275	.307	.325	.194	.294
	L2	.313	1.000	.382	.352	.417	.361	.247
	L3	.275	.382	1.000	.273	.470	.362	.282
	L4	.307	.352	.273	1.000	.352	.348	.248
	L5	.325	.417	.470	.352	1.000	.484	.296
	L6	.194	.361	.362	.348	.484	1.000	.401
	L7	.294	.247	.282	.248	.296	.401	1.000
Sig. (1-tailed)	L1		.000	.000	.000	.000	.003	.000
	L2	.000		.000	.000	.000	.000	.000
	L3	.000	.000		.000	.000	.000	.000
	L4	.000	.000	.000		.000	.000	.000
	L5	.000	.000	.000	.000		.000	.000
	L6	.003	.000	.000	.000	.000		.000
	L7	.000	.000	.000	.000	.000	.000	

a. Determinant = .224

Inverse of Correlation Matrix							
	L1	L2	L3	L4	L5	L6	L7
L1	1.260	-.185	-.103	-.208	-.201	.123	-.234
L2	-.185	1.396	-.239	-.217	-.239	-.179	-.026
L3	-.103	-.239	1.409	-.046	-.408	-.143	-.119
L4	-.208	-.217	-.046	1.298	-.153	-.218	-.061
L5	-.201	-.239	-.408	-.153	1.640	-.456	-.031
L6	.123	-.179	-.143	-.218	-.456	1.542	-.381
L7	-.234	-.026	-.119	-.061	-.031	-.381	1.286

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.832
Approx. Chi-Square		293.289
Bartlett's Test of Sphericity		df
		21
Sig.		.000

Anti-image Matrices								
		L1	L2	L3	L4	L5	L6	L7
Anti-image Covariance	L1	.794	-.105	-.058	-.127	-.097	.063	-.144
	L2	-.105	.716	-.121	-.120	-.104	-.083	-.015
	L3	-.058	-.121	.710	-.025	-.177	-.066	-.066
	L4	-.127	-.120	-.025	.770	-.072	-.109	-.037
	L5	-.097	-.104	-.177	-.072	.610	-.180	-.015
	L6	.063	-.083	-.066	-.109	-.180	.648	-.192
	L7	-.144	-.015	-.066	-.037	-.015	-.192	.778
Anti-image Correlation	L1	.815 ^a	-.139	-.077	-.163	-.140	.088	-.184
	L2	-.139	.865 ^a	-.170	-.161	-.158	-.122	-.020
	L3	-.077	-.170	.853 ^a	-.034	-.269	-.097	-.089
	L4	-.163	-.161	-.034	.869 ^a	-.105	-.154	-.047
	L5	-.140	-.158	-.269	-.105	.818 ^a	-.287	-.021
	L6	.088	-.122	-.097	-.154	-.287	.794 ^a	-.271
	L7	-.184	-.020	-.089	-.047	-.021	-.271	.820 ^a

a. Measures of Sampling Adequacy(MSA)

Communalities		
	Initial	Extraction
L1	1.000	.320
L2	1.000	.458
L3	1.000	.453
L4	1.000	.385
L5	1.000	.564
L6	1.000	.492
L7	1.000	.343

Extraction Method: Principal Component Analysis.

Component Matrix^a

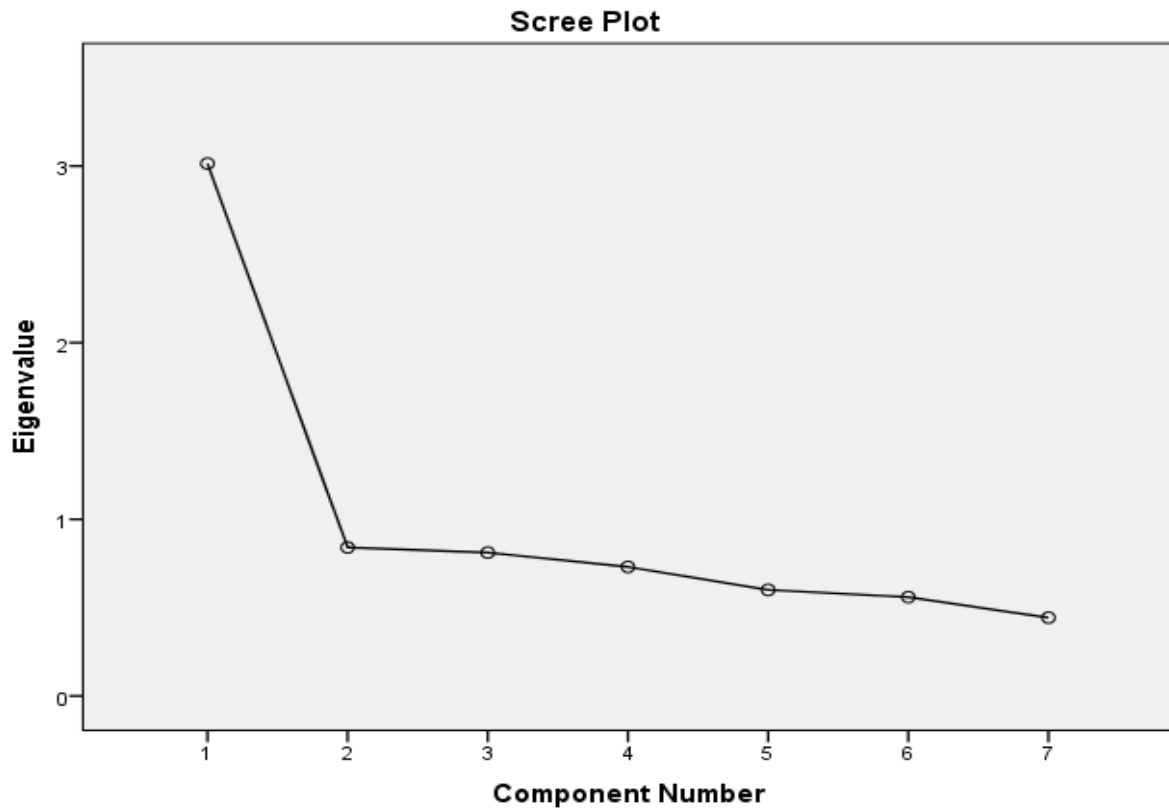
	Component
	1
L5	.751
L6	.701
L2	.677
L3	.673
L4	.620
L7	.586
L1	.566

Extraction Method:
Principal Component
Analysis.
a. 1 components
extracted.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.014	43.057	43.057	3.014	43.057	43.057
2	.841	12.009	55.066			
3	.812	11.596	66.662			
4	.731	10.437	77.099			
5	.601	8.580	85.679			
6	.559	7.993	93.672			
7	.443	6.328	100.000			

Extraction Method: Principal Component Analysis.



Reproduced Correlations								
		L1	L2	L3	L4	L5	L6	L7
Reproduced Correlation	L1	.320 ^a	.383	.381	.351	.425	.397	.331
	L2	.383	.458 ^a	.455	.420	.508	.475	.396
	L3	.381	.455	.453 ^a	.417	.505	.472	.394
	L4	.351	.420	.417	.385 ^a	.466	.435	.363
	L5	.425	.508	.505	.466	.564 ^a	.527	.440
	L6	.397	.475	.472	.435	.527	.492 ^a	.411
	L7	.331	.396	.394	.363	.440	.411	.343 ^a
Residual ^b	L1		-.070	-.106	-.044	-.100	-.203	-.037
	L2	-.070		-.073	-.067	-.091	-.114	-.150
	L3	-.106	-.073		-.144	-.036	-.109	-.112
	L4	-.044	-.067	-.144		-.114	-.087	-.116
	L5	-.100	-.091	-.036	-.114		-.042	-.144
	L6	-.203	-.114	-.109	-.087	-.042		-.010
	L7	-.037	-.150	-.112	-.116	-.144	-.010	

Extraction Method: Principal Component Analysis.

a. Reproduced communalities

b. Residuals are computed between observed and reproduced correlations. There are 16 (76.0%) nonredundant residuals with absolute values greater than 0.05.

2) Factor Analysis of Independent Variables

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.896
Approx. Chi-Square		2528.976
Bartlett's Test of Sphericity	df	210
	Sig.	.000

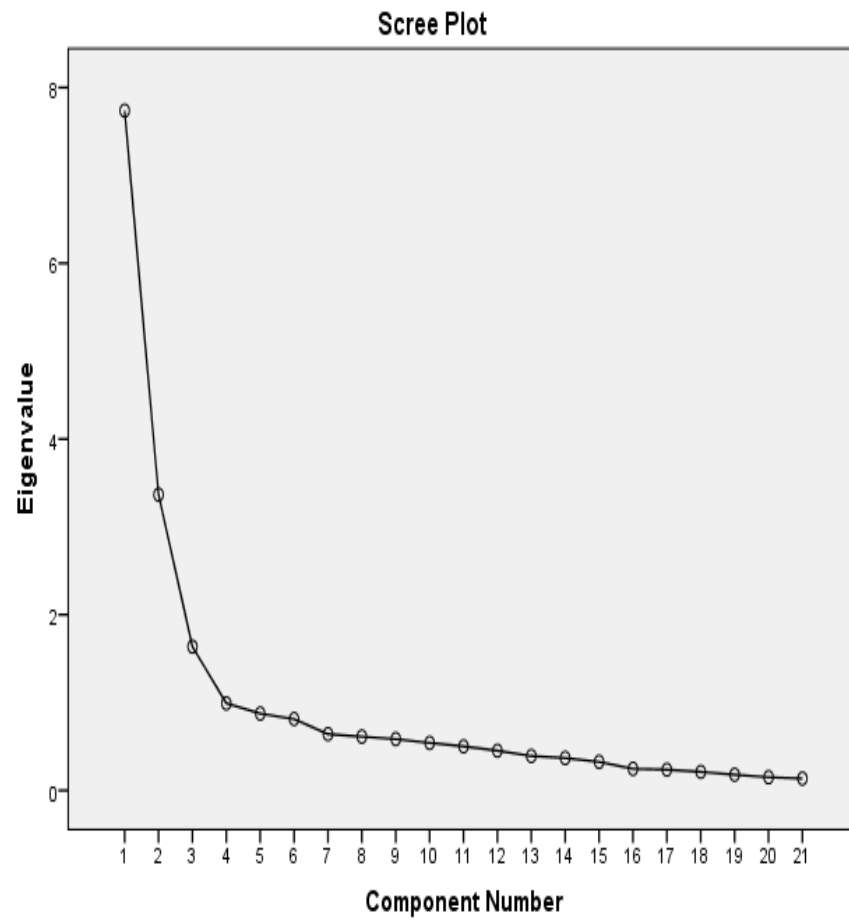
Communalities

	Initial	Extraction
H1	1.000	.317
H2	1.000	.682
H3	1.000	.570
H4	1.000	.732
H5	1.000	.756
H6	1.000	.689
H7	1.000	.652
R1	1.000	.632
R2	1.000	.788
R3	1.000	.739
R4	1.000	.797
R5	1.000	.783
R6	1.000	.650
R7	1.000	.424
FS1	1.000	.572
FS2	1.000	.568
FS3	1.000	.399
FS4	1.000	.504
FS5	1.000	.511
FS6	1.000	.444
FS7	1.000	.533

Extraction Method: Principal
Component Analysis.

Total Variance Explained						
Component	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.737	36.845	36.845	4.927	23.460	23.460
2	3.366	16.031	52.876	4.396	20.933	44.393
3	1.637	7.794	60.670	3.418	16.277	60.670
4	.992	4.724	65.394			
5	.875	4.167	69.562			
6	.813	3.870	73.431			
7	.640	3.050	76.481			
8	.613	2.918	79.399			
9	.585	2.784	82.184			
10	.541	2.577	84.761			
11	.502	2.392	87.153			
12	.453	2.156	89.309			
13	.392	1.865	91.173			
14	.369	1.756	92.930			
15	.325	1.548	94.477			
16	.246	1.172	95.650			
17	.237	1.128	96.778			
18	.211	1.006	97.784			
19	.180	.855	98.639			
20	.150	.716	99.355			
21	.136	.645	100.000			

Extraction Method: Principal Component Analysis.



Component Matrix ^a			
	Component		
	1	2	3
R5	.821		
R4	.819		
H5	-.810		
R2	.786		.403
R3	.780		
H6	-.756		
R6	.752		
H7	-.750		
H4	-.745		
R1	.726		
H2	-.725		
H3	-.631		
R7	.603		
H1	-.467		
FS1		.750	
FS2		.738	
FS4		.705	
FS7		.700	
FS5		.665	
FS3		.632	
FS6		.583	

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Rotated Component Matrix^a

	Component		
	1	2	3
R2	.854		
R4	.839		
R5	.825		
R3	.818		
R1	.748		
R6	.745		
R7	.608		
H4		.802	
H2		.778	
H5		.776	
H6		.760	
H3		.728	
H7		.721	
H1		.541	
FS2			.750
FS1			.746
FS7			.721
FS5			.693
FS4			.690
FS3			.627
FS6			.619

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Component Transformation Matrix

Component	1	2	3
1	.734	-.669	.115
2	-.045	.120	.992
3	.678	.733	-.058

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

APPENDIX C

Reliability Test

1) Reliability Test for Islamic Financial Literacy

Case Processing Summary

		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.773	.777	7

Inter-Item Correlation Matrix

	L1	L2	L3	L4	L5	L6	L7
L1	1.000	.313	.275	.307	.325	.194	.294
L2	.313	1.000	.382	.352	.417	.361	.247
L3	.275	.382	1.000	.273	.470	.362	.282
L4	.307	.352	.273	1.000	.352	.348	.248
L5	.325	.417	.470	.352	1.000	.484	.296
L6	.194	.361	.362	.348	.484	1.000	.401
L7	.294	.247	.282	.248	.296	.401	1.000

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
L1	24.46	12.250	.422	.206	.759
L2	23.93	10.799	.521	.284	.741
L3	23.75	11.709	.512	.290	.741
L4	24.04	12.169	.468	.230	.749
L5	23.61	11.897	.599	.390	.726
L6	23.75	12.008	.537	.352	.737
L7	23.81	12.469	.431	.222	.756

2) Reliability Test for Hopelessness

Case Processing Summary

		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.893	.896	7

Inter-Item Correlation Matrix

	H1	H2	H3	H4	H5	H6	H7
H1	1.000	.493	.249	.345	.412	.374	.329
H2	.493	1.000	.527	.664	.693	.631	.518
H3	.249	.527	1.000	.700	.514	.472	.607
H4	.345	.664	.700	1.000	.656	.600	.621
H5	.412	.693	.514	.656	1.000	.800	.679
H6	.374	.631	.472	.600	.800	1.000	.706
H7	.329	.518	.607	.621	.679	.706	1.000

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
H1	11.14	23.816	.442	.258	.908
H2	11.62	21.433	.752	.611	.870
H3	11.54	22.230	.638	.549	.884
H4	11.56	21.253	.765	.648	.868
H5	11.73	21.746	.802	.724	.865
H6	11.65	21.838	.757	.699	.870
H7	11.63	22.455	.730	.617	.873

3) Reliability Test for Religiosity

Case Processing Summary

		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.920	.922	7

Inter-Item Correlation Matrix

	R1	R2	R3	R4	R5	R6	R7
R1	1.000	.769	.599	.659	.578	.556	.398
R2	.769	1.000	.680	.796	.712	.653	.443
R3	.599	.680	1.000	.716	.756	.590	.608
R4	.659	.796	.716	1.000	.784	.653	.501
R5	.578	.712	.756	.784	1.000	.747	.495
R6	.556	.653	.590	.653	.747	1.000	.466
R7	.398	.443	.608	.501	.495	.466	1.000

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
R1	27.72	9.899	.706	.608	.913
R2	27.73	9.314	.819	.756	.901
R3	27.76	9.382	.799	.682	.903
R4	27.78	9.057	.835	.741	.899
R5	27.79	8.893	.832	.758	.899
R6	27.86	8.949	.735	.601	.911
R7	27.86	9.940	.566	.393	.926

4) Reliability Test for Financial Satisfaction

Case Processing Summary

		N	%
Cases	Valid	200	100.0
	Excluded ^a	0	.0
	Total	200	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.820	.821	7

Inter-Item Correlation Matrix

	FS1	FS2	FS3	FS4	FS5	FS6	FS7
FS1	1.000	.573	.403	.413	.425	.301	.429
FS2	.573	1.000	.309	.384	.520	.387	.455
FS3	.403	.309	1.000	.390	.278	.317	.369
FS4	.413	.384	.390	1.000	.375	.338	.408
FS5	.425	.520	.278	.375	1.000	.401	.421
FS6	.301	.387	.317	.338	.401	1.000	.424
FS7	.429	.455	.369	.408	.421	.424	1.000

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
FS1	20.57	14.055	.617	.422	.787
FS2	20.29	14.106	.634	.455	.784
FS3	20.32	15.638	.481	.259	.810
FS4	20.68	15.252	.544	.302	.799
FS5	20.36	15.288	.573	.359	.795
FS6	19.85	16.691	.504	.279	.807
FS7	20.29	14.782	.593	.359	.791

APPENDIX D

Normality Test

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Mean_L	200	100.0%	0	0.0%	200	100.0%
Mean_H	200	100.0%	0	0.0%	200	100.0%
Mean_R	200	100.0%	0	0.0%	200	100.0%
Mean_FS	200	100.0%	0	0.0%	200	100.0%

Descriptives

		Statistic	Std. Error
Mean_L	Mean	3.9843	.03991
	95% Confidence Interval for Lower Bound	3.9056	
	Mean Upper Bound	4.0630	
	5% Trimmed Mean	3.9992	
	Median	4.0000	
	Variance	.318	
	Std. Deviation	.56435	
	Minimum	2.57	
	Maximum	5.00	
	Range	2.43	
	Interquartile Range	.86	
	Skewness	-.300	.172
	Kurtosis	-.552	.342

		Statistic	Std. Error
Mean_H	Mean	1.9250	.05493
	95% Confidence Interval for Lower Bound	1.8167	
	Mean Upper Bound	2.0333	
	5% Trimmed Mean	1.8786	
	Median	1.8571	
	Variance	.603	
	Std. Deviation	.77680	
	Minimum	1.00	
	Maximum	4.29	
	Range	3.29	
	Interquartile Range	1.29	
	Skewness	.672	.172
	Kurtosis	-.303	.342

			Statistic	Std. Error
Mean_R	Mean		4.6307	.03579
	95% Confidence Interval for	Lower Bound	4.5601	
	Mean	Upper Bound	4.7013	
	5% Trimmed Mean		4.6841	
	Median		4.8571	
	Variance		.256	
	Std. Deviation		.50620	
	Minimum		3.14	
	Maximum		5.00	
	Range		1.86	
	Interquartile Range		.57	
	Skewness		-1.351	.172
	Kurtosis		.707	.342

			Statistic	Std. Error
Mean_FS	Mean		3.3900	.04515
	95% Confidence Interval for	Lower Bound	3.3010	
	Mean	Upper Bound	3.4790	
	5% Trimmed Mean		3.3921	
	Median		3.3571	
	Variance		.408	
	Std. Deviation		.63851	
	Minimum		1.57	
	Maximum		5.00	
	Range		3.43	
	Interquartile Range		.71	
	Skewness		.002	.172
	Kurtosis		.248	.342

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Mean_L	.093	200	.000	.975	200	.001
Mean_H	.117	200	.000	.925	200	.000
Mean_R	.263	200	.000	.749	200	.000
Mean_FS	.084	200	.001	.985	200	.029

a. Lilliefors Significance Correction

Extreme Values			
		Case Number	Value
Mean_L	Highest	1	5.00
		2	5.00
		3	5.00
		4	5.00
		5	5.00
	Lowest	1	2.57
		2	2.57
		3	2.71
		4	2.71
		5	2.71
Mean_H	Highest	1	4.29
		2	4.00
		3	4.00
		4	3.86
		5	3.57 ^a
	Lowest	1	1.00
		2	1.00
		3	1.00
		4	1.00
		5	1.00 ^b
Mean_R	Highest	1	5.00
		2	5.00
		3	5.00
		4	5.00
		5	5.00 ^c
	Lowest	1	3.14
		2	3.14
		3	3.29
		4	3.29
		5	3.29 ^d
Mean_FS	Highest	1	5.00
		2	5.00
		3	5.00
		4	4.86
		5	4.71
	Lowest	1	1.57
		2	1.86
		3	2.00
		4	2.00
		5	2.00

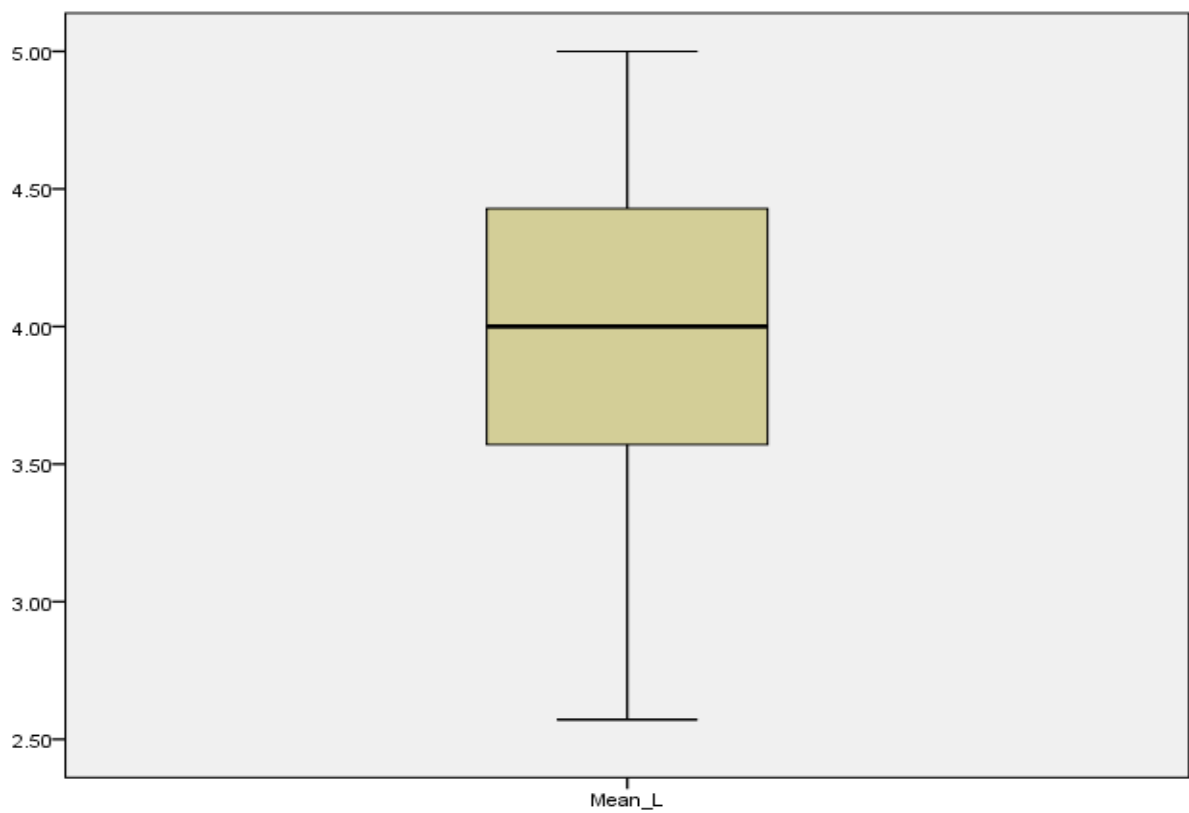
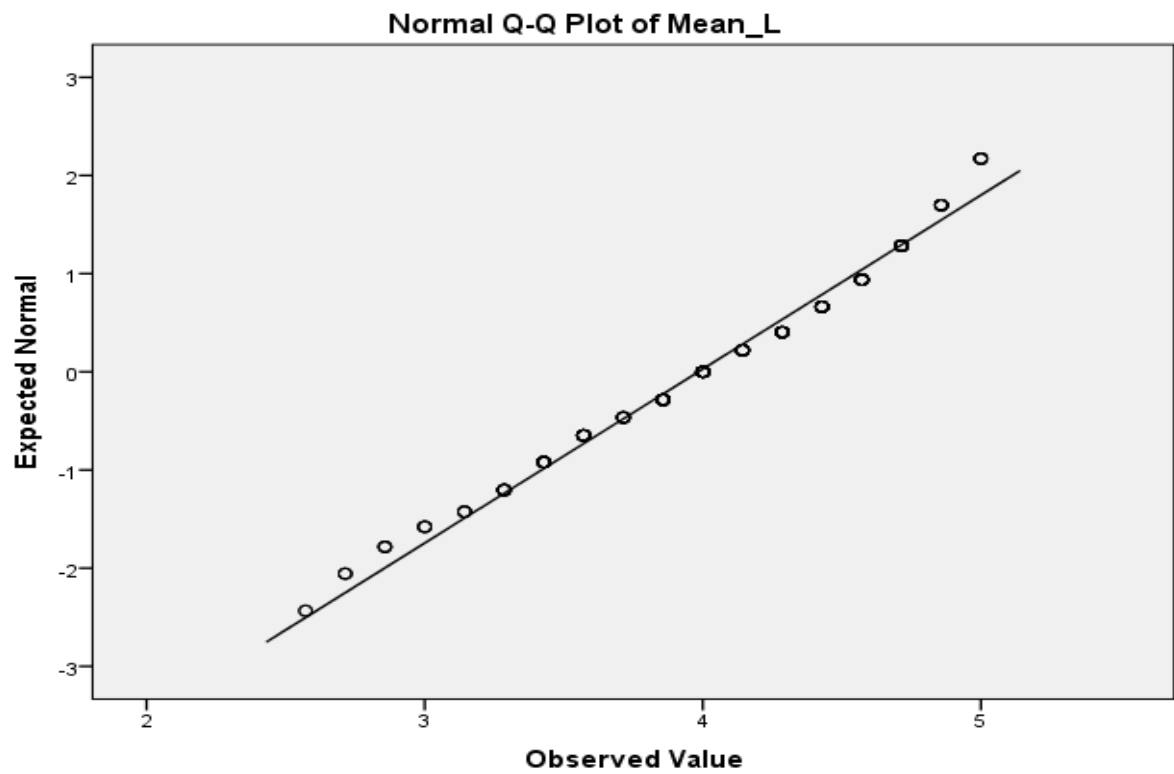
a. Only a partial list of cases with the value 3.57 are shown in the table of upper extremes.

b. Only a partial list of cases with the value 1.00 are shown in the table of lower extremes.

c. Only a partial list of cases with the value 5.00 are shown in the table of upper extremes.

d. Only a partial list of cases with the value 3.29 are shown in the table of lower extremes.

1) Normality Test for Islamic Financial Literacy



```

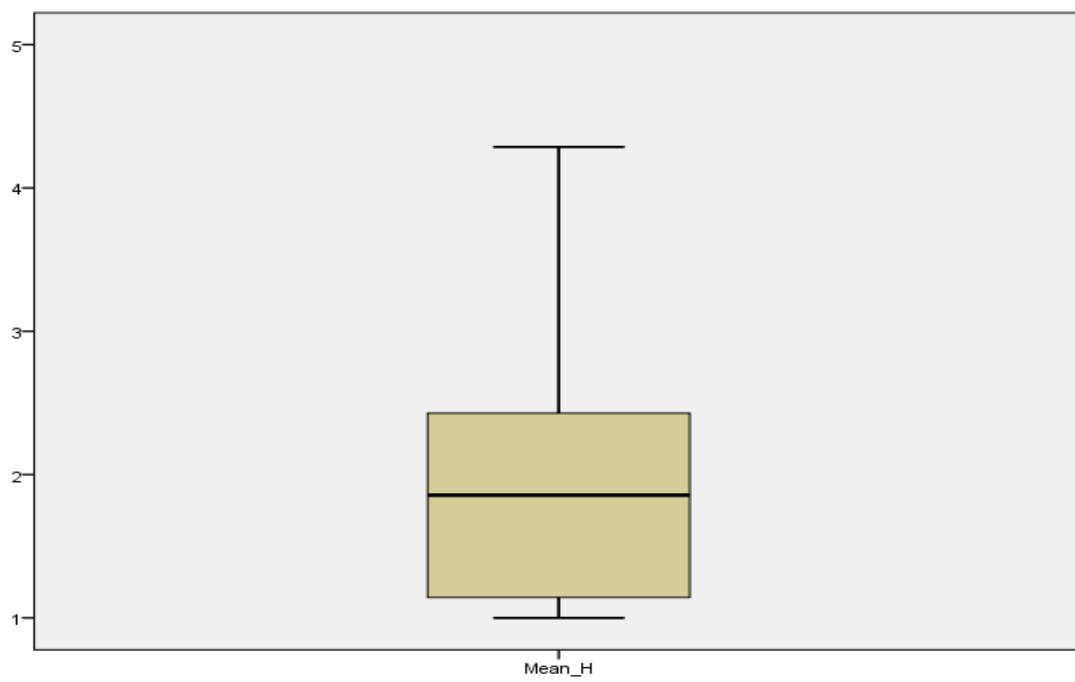
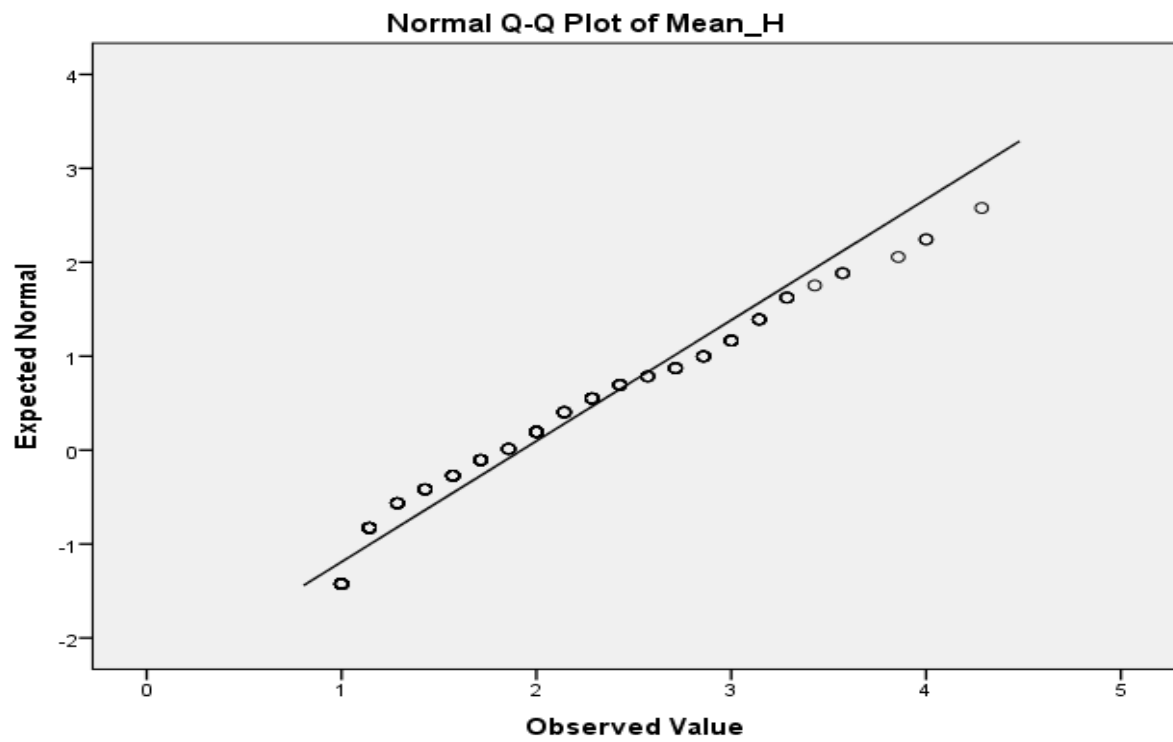
Frequency      Stem &   Leaf
2.00          2 .    55
3.00          2 .    777
4.00          2 .    8888
8.00          3 .    00001111
11.00         3 .    2222222222
32.00         3 .    44444444444444445555555555555555
8.00          3 .    77777777
19.00         3 .    88888888888888888888
35.00         4 .    0000000000000000000000000111111111
19.00         4 .    22222222222222222222
32.00         4 .    4444444444444444444455555555555555
15.00         4 .    7777777777777777
7.00          4 .    8888888
5.00          5 .    00000

Stem width:      1.00
Each leaf:      1 case(s)

```

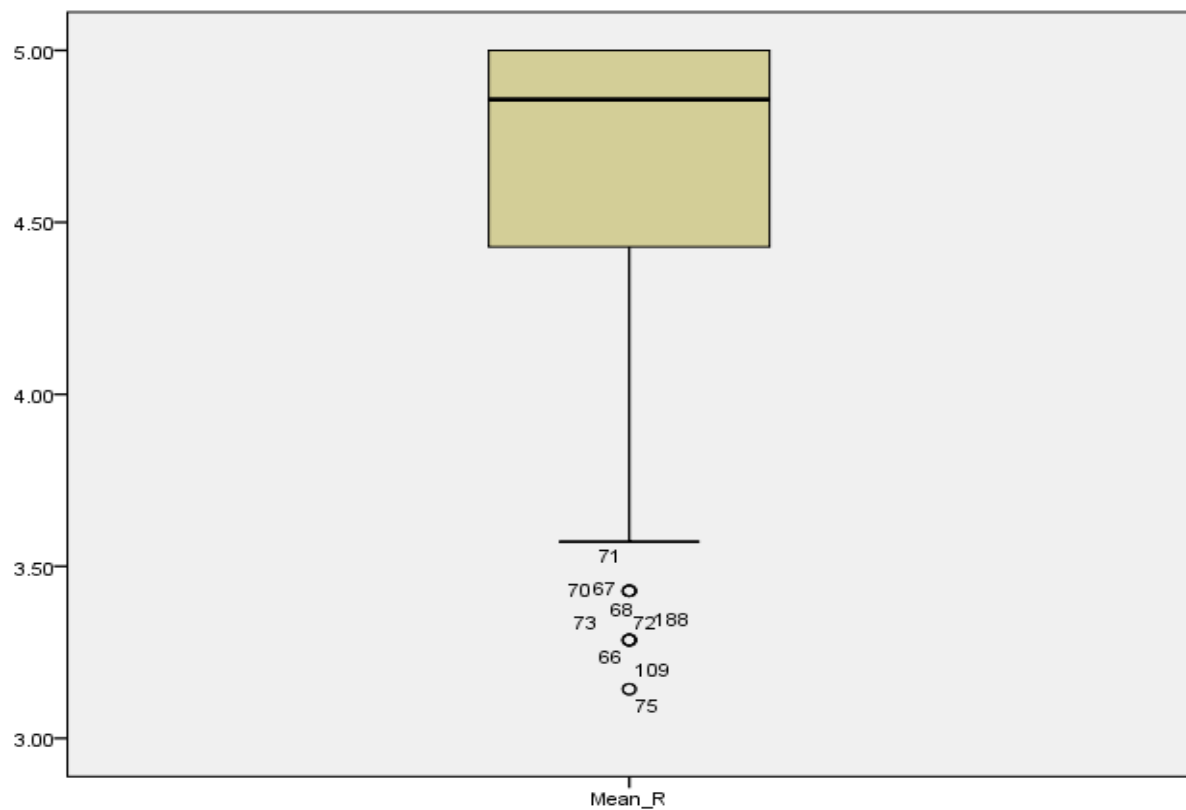
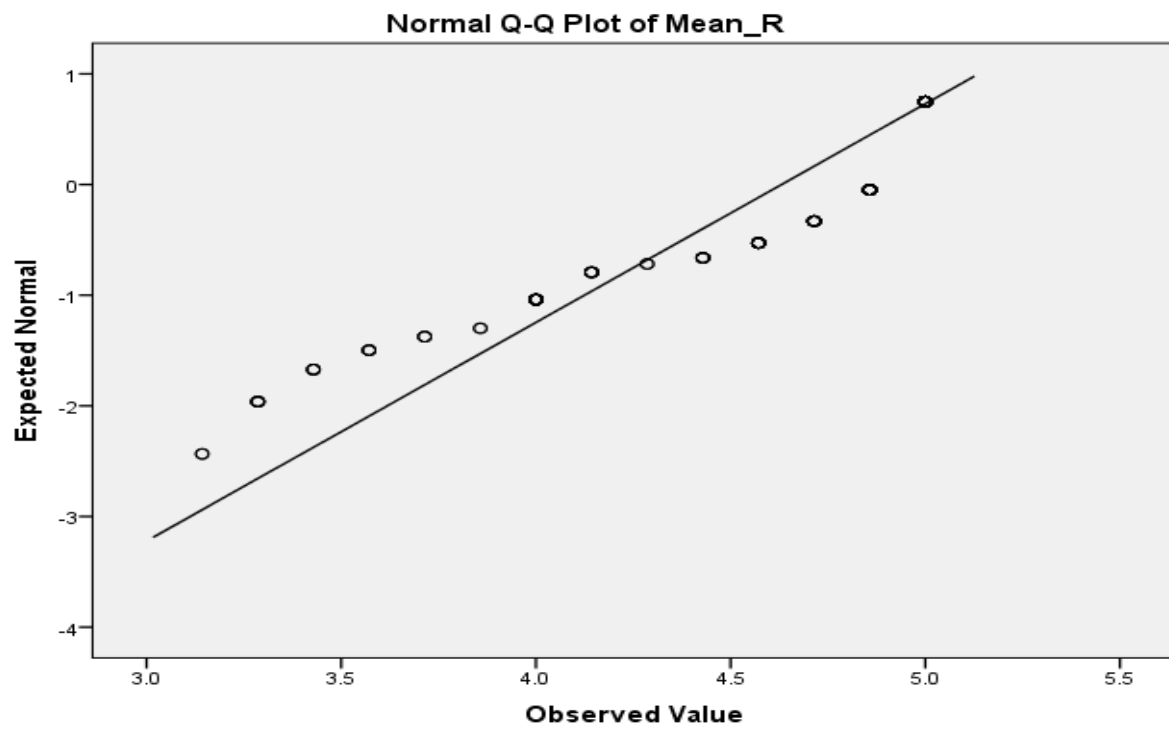


2) Normality Test for Hopelessness



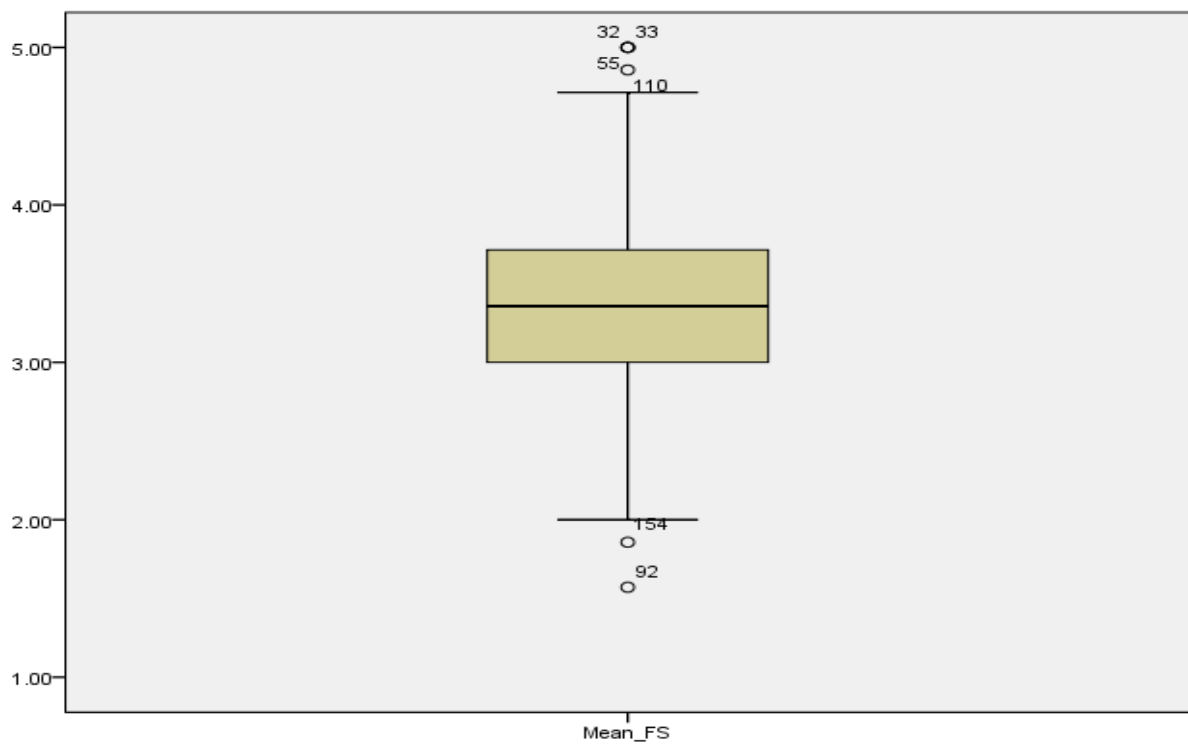
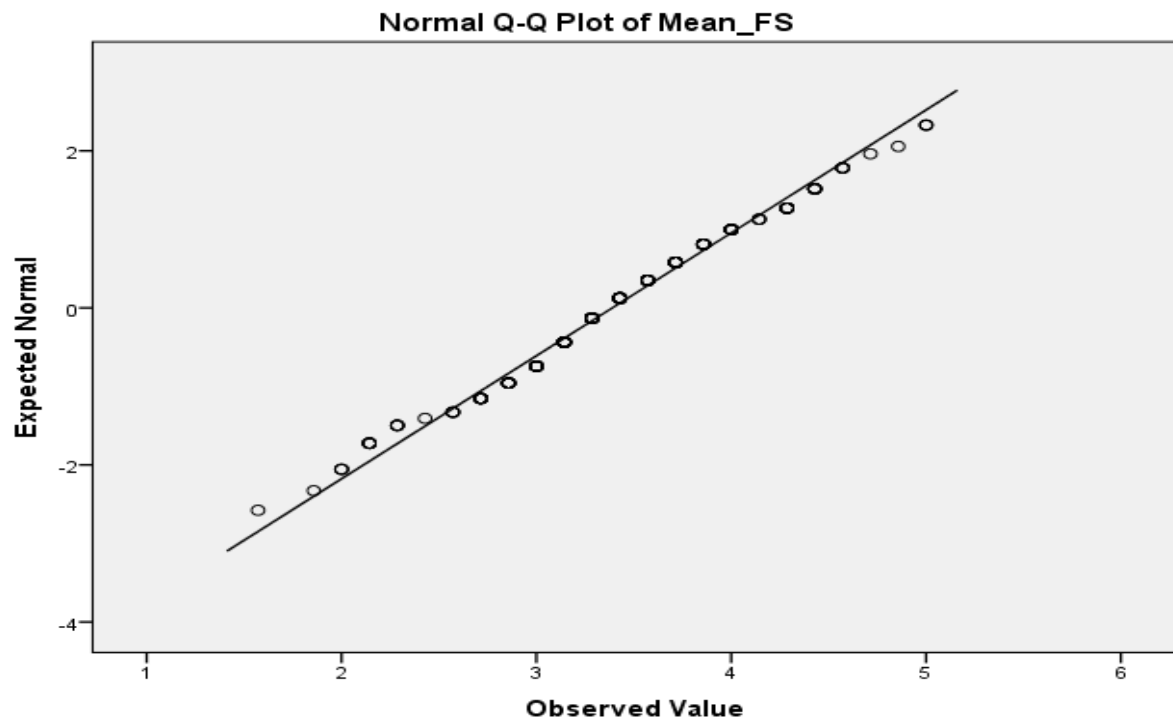
[illegible]

3) Normality Test for Religiosity



[illegible]

4) Normality Test for Financial Satisfaction



```

Frequency      Stem & Leaf

    2.00 Extremes      (= < 1.9)
    9.00           2 .   000111111
    4.00           2 .   2222
    5.00           2 .   45555
    9.00           2 .   777777777
    9.00           2 .   888888888
   41.00           3 .   000000000000000111111111111111111111111
   21.00           3 .   222222222222222222222
   35.00           3 .   44444444444444444444555555555555555
   18.00           3 .   7777777777777777777
   11.00           3 .   8888888888888
   12.00           4 .   000000000111
    8.00           4 .   22222222
   11.00           4 .   444444445555
    1.00           4 .   7
    4.00 Extremes      (>= 4.9)

Stem width:       1.00
Each leaf:        1 case(s)

```



APPENDIX E

Descriptive Statistic

A) Frequency Table for Gender

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	83	41.5	41.5	41.5
	Female	117	58.5	58.5	100.0
	Total	200	100.0	100.0	

B) Frequency Table for Age

		AgeGroup			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 and below	57	28.5	28.5	28.5
	21-22	104	52.0	52.0	80.5
	22 above	39	19.5	19.5	100.0
	Total	200	100.0	100.0	

C) Frequency Table for Race

		Race			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Malay	186	93.0	93.0	93.0
	Others	14	7.0	7.0	100.0
	Total	200	100.0	100.0	

D) Frequency for Respondent's Year of Study

Ystudy				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	First Year	56	28.0	28.0
	Second Year	67	33.5	61.5
	Third Year	77	38.5	100.0
	Total	200	100.0	100.0

E) Frequency for Educational Financing

EduFinancing				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Loan	126	63.0	63.0
	Parent or Family	29	14.5	77.5
	Scholarship	45	22.5	100.0
	Total	200	100.0	100.0

F) Level of Islamic Financial Literacy and Each Psychosocial Factors of Respondents

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Mean_L	200	2.57	5.00	3.9843	.56435
Mean_H	200	1.00	4.29	1.9250	.77680
Mean_R	200	3.14	5.00	4.6307	.50620
Mean_FS	200	1.57	5.00	3.3900	.63851
Valid N (listwise)	200				

APPENDIX F

T-test (Gender)

One-way ANOVA (Year of Study)

A) Independent T-test (Gender)

Group Statistics

	Gender	N	Mean	Std. Deviation	Std. Error Mean
Mean_L	Male	83	4.1153	.48546	.05329
	Female	117	3.8913	.59898	.05538

Independent Samples Test

	Levene's Test for Equality of Variances		t-test for Equality of Means						
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								Lower	Upper
Equal variances assumed	4.111	.044	2.813	198	.005	.22399	.07962	.06698	.38100
Equal variances not assumed			2.915	194.442	.004	.22399	.07685	.07242	.37555

B) One-way ANOVA(Year of Study)

Descriptives

Mean_L								
	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
First Year	56	3.9184	.49626	.06632	3.7855	4.0513	2.86	5.00
Second Year	67	3.8273	.60330	.07370	3.6801	3.9744	2.57	4.86
Third Year	77	4.1688	.52934	.06032	4.0487	4.2890	3.00	5.00
Total	200	3.9843	.56435	.03991	3.9056	4.0630	2.57	5.00

ANOVA

Mean_L					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	4.517	2	2.259	7.559	.001
Within Groups	58.862	197	.299		
Total	63.379	199			

Test of Homogeneity of Variances

Mean_L

Levene Statistic	df1	df2	Sig.
1.767	2	197	.173

Post Hoc Tests

Multiple Comparisons

Dependent Variable: Mean_L

LSD

(I) Ystudy	(J) Ystudy	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
First Year	Second Year	.09108	.09897	.359	-.1041	.2863
	Third Year	-.25046*	.09600	.010	-.4398	-.0611
Second Year	First Year	-.09108	.09897	.359	-.2863	.1041
	Third Year	-.34154*	.09132	.000	-.5216	-.1614
Third Year	First Year	.25046*	.09600	.010	.0611	.4398
	Second Year	.34154*	.09132	.000	.1614	.5216

*. The mean difference is significant at the 0.05 level.

APPENDIX G

Relationship Between Islamic Financial Literacy and Psychosocial Factors

Correlations

		Mean L	Mean H	Mean R	Mean FS
Mean_L	Pearson Correlation	1	-.502**	.587**	.150*
	Sig. (2-tailed)		.000	.000	.036
	N	196	196	196	196
Mean_H	Pearson Correlation	-.502**	1	-.691**	-.090
	Sig. (2-tailed)	.000		.000	.208
	N	196	196	196	196
Mean_R	Pearson Correlation	.587**	-.691**	1	.110
	Sig. (2-tailed)	.000	.000		.125
	N	196	196	196	196
Mean_FS	Pearson Correlation	.150*	-.090	.110	1
	Sig. (2-tailed)	.036	.208	.125	
	N	196	196	196	196

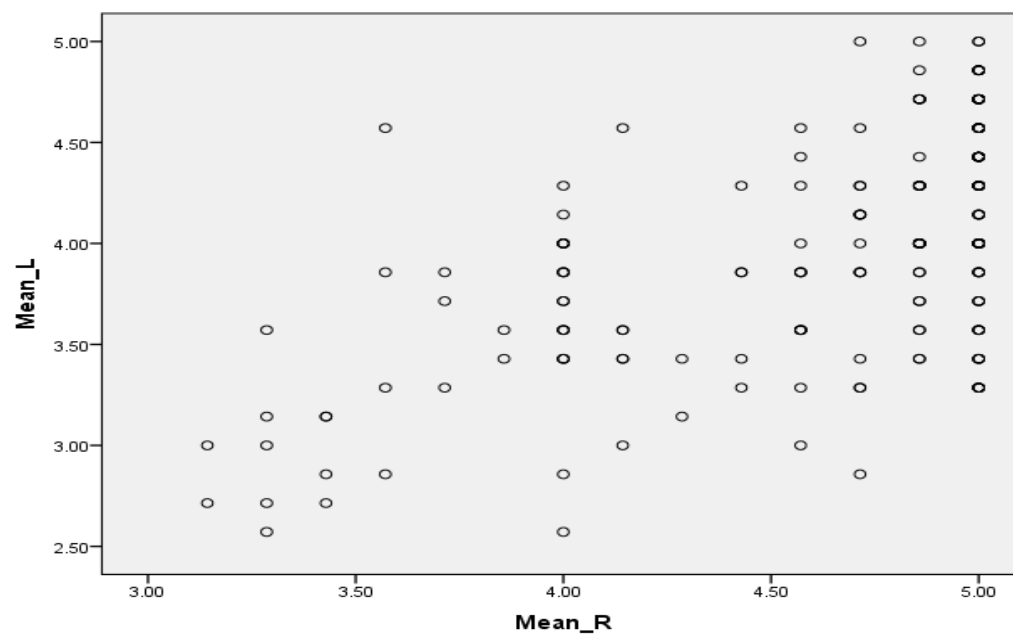
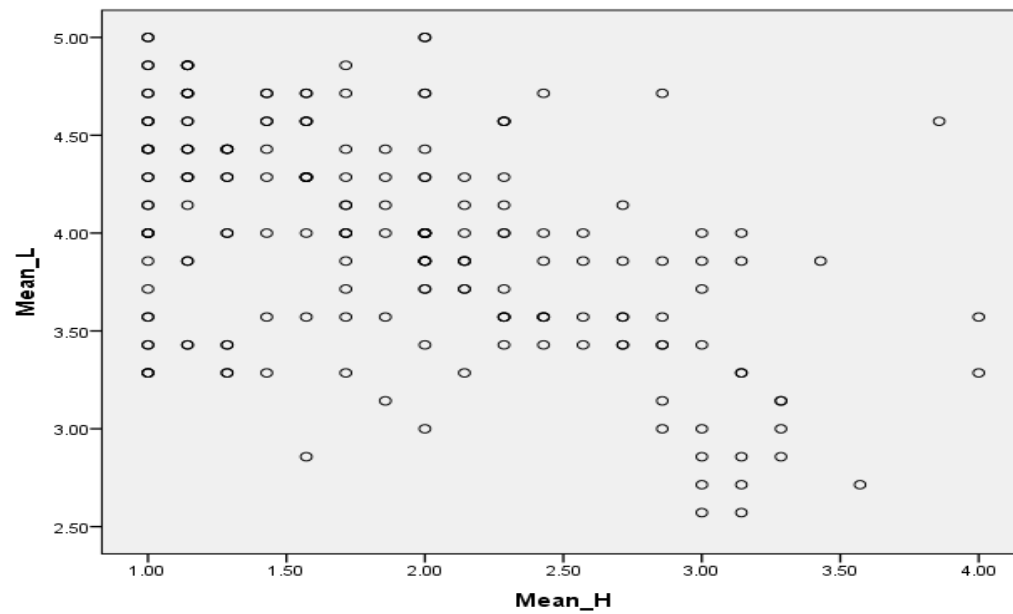
** . Correlation is significant at the 0.01 level (2-tailed).

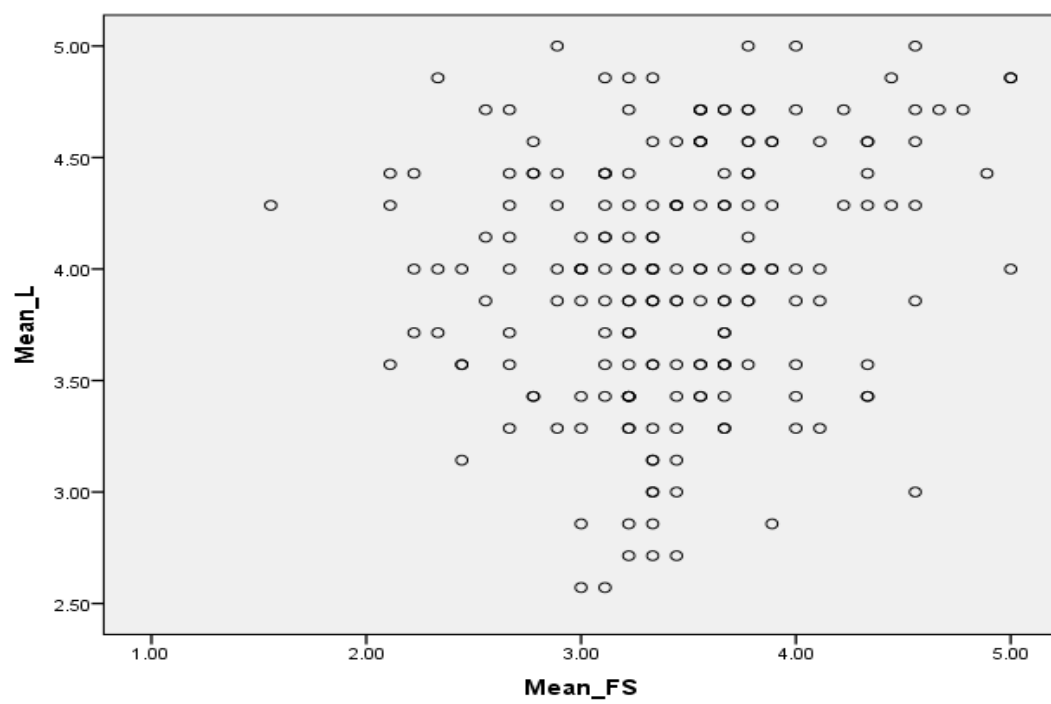
* . Correlation is significant at the 0.05 level (2-tailed).

APPENDIX H

Linearity (Single Scatter Plots), Multicollinearity
and Multiple Regressions, Normal P-P Plot, Scatter
Plot, Partial Regression Plot

1) Linearity (Single Scatter Plots)





2) Multicollinearity & Multiple Regressions

Variables Entered/Removed^a

Model	Variables Entered	Variables Removed	Method
1	Gender, Mean_FS, Mean_H, Mean_R ^b		Enter

a. Dependent Variable: Mean_L

b. All requested variables entered.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.629 ^a	.396	.383	.44128	1.742

a. Predictors: (Constant), Gender, Mean_FS, Mean_H, Mean_R

b. Dependent Variable: Mean_L

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	24.383	4	6.096	31.303	.000 ^b
Residual	37.194	191	.195		
Total	61.576	195			

a. Dependent Variable: Mean_L

b. Predictors: (Constant), Gender, Mean_FS, Mean_H, Mean_R

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.592	.505	3.151	.002		
	Mean_H	-.132	.059	-.174	.027	.521	1.918
	Mean_R	.501	.086	.453	.000	.520	1.923
	Mean_FS	.070	.050	.1385	.168	.987	1.014
	Gender	.185	.064	.2888	.004	.996	1.004

a. Dependent Variable: Mean_L

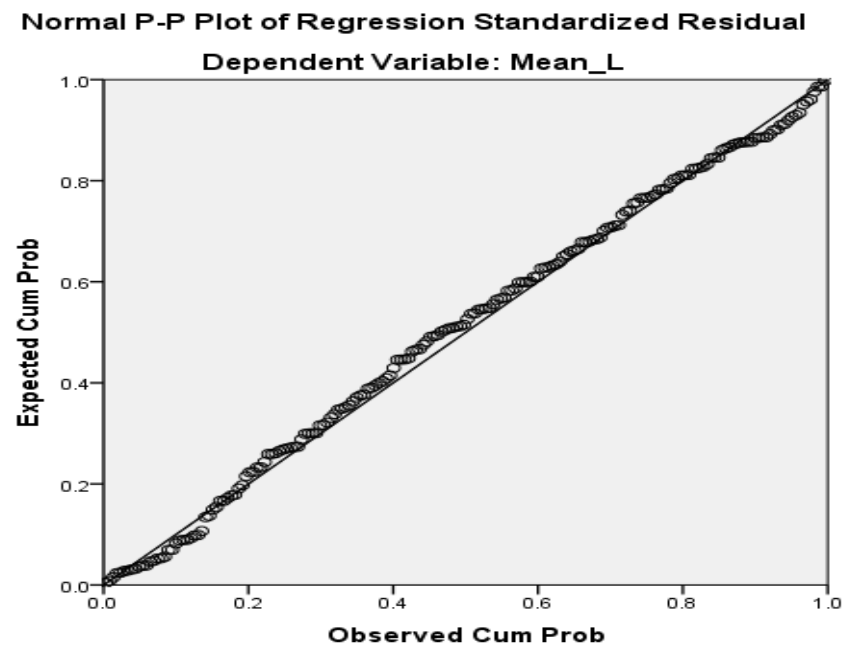
Collinearity Diagnostics ^a								
Model	Dimension	Eigenvalue	Condition Index	Variance Proportions				
				(Constant)	Mean_H	Mean_R	Mean_FS	Gender
1	1	4.324	1.000	.00	.00	.00	.00	.02
	2	.527	2.865	.00	.01	.00	.00	.96
	3	.124	5.907	.00	.40	.01	.02	.02
	4	.023	13.614	.02	.00	.06	.95	.00
	5	.002	42.218	.98	.58	.93	.03	.00

a. Dependent Variable: Mean_L

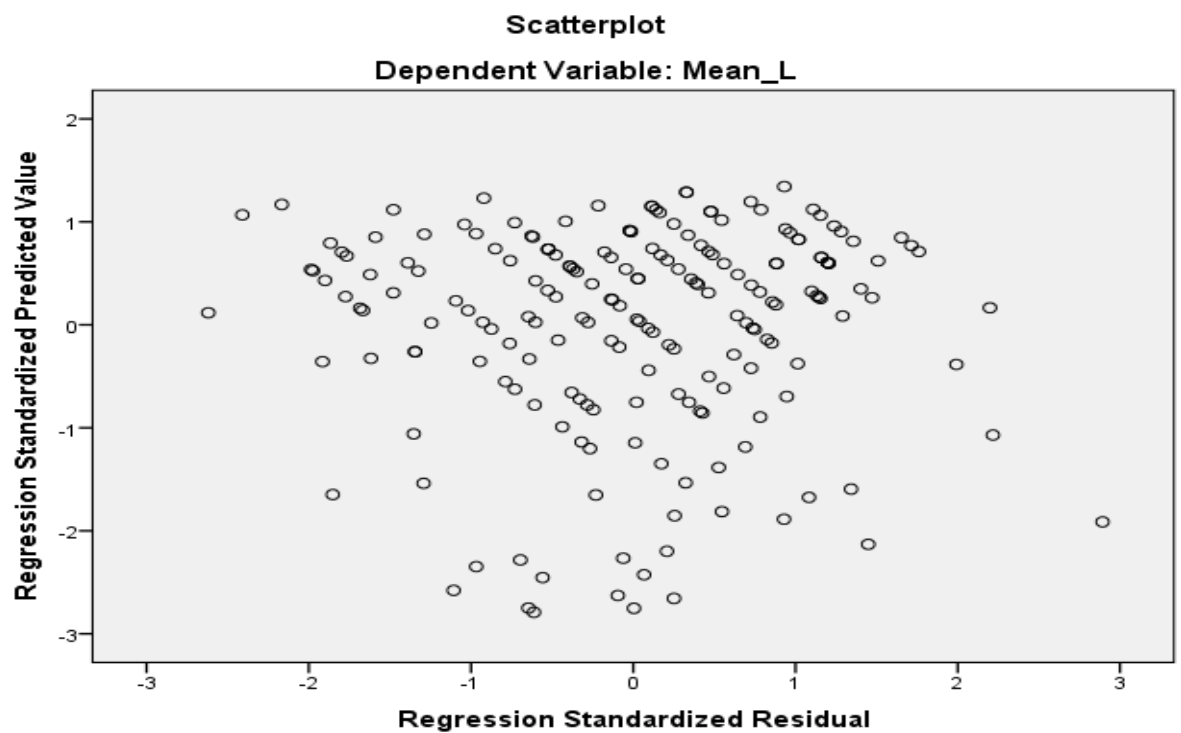
Residuals Statistics ^a					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.9846	4.4462	3.9713	.35359	196
Std. Predicted Value	-2.791	1.342	-.001	1.000	196
Standard Error of Predicted Value	.042	.111	.069	.015	196
Adjusted Predicted Value	2.9975	4.4345	3.9709	.35373	196
Residual	-1.15584	1.27647	.00032	.43673	196
Std. Residual	-2.619	2.893	.001	.990	196
Stud. Residual	-2.636	2.970	.001	1.002	196
Deleted Residual	-1.17095	1.34527	.00072	.44789	196
Stud. Deleted Residual	-2.679	3.033	.001	1.007	196
Mahal. Distance	.731	11.307	3.978	2.313	196
Cook's Distance	.000	.095	.005	.009	196
Centered Leverage Value	.004	.058	.020	.012	196

a. Dependent Variable: Mean_L

1) Normal of P-P Plot of Regression



2) Scatter Plot



3) Partial Regression Plot

