

The copyright © of this thesis belongs to its rightful author and/or other copyright owner. Copies can be accessed and downloaded for non-commercial or learning purposes without any charge and permission. The thesis cannot be reproduced or quoted as a whole without the permission from its rightful owner. No alteration or changes in format is allowed without permission from its rightful owner.



**THE RELATIONSHIP BETWEEN FINANCIAL PROBLEM AND SAVING  
BEHAVIOR AMONG URBAN POPULATION IN MALAYSIA**



**MASTER OF SCIENCE (FINANCE)**  
**UNIVERSITI UTARA MALAYSIA**  
**NOVEMBER 2017**

**THE RELATIONSHIP BETWEEN FINANCIAL PROBLEM AND SAVING  
BEHAVIOR AMONG URBAN POPULATION IN MALAYSIA**



**By**  
**NOR HELMI BIN HAMDAN**

**UUM**  
**Universiti Utara Malaysia**

**Thesis Submitted to**  
**Othman Yeop Abdullah Graduate School of Business,**  
**Universiti Utara Malaysia**  
**In Partial Fulfillment of the Requirement for the Master of Sciences (Finance)**

## CERTIFICATION OF THESIS WORK



**OTHMAN YEOP ABDULLAH  
GRADUATE SCHOOL OF BUSINESS  
Universiti Utara Malaysia**

### **PERAKUAN KERJA TESIS/DISERTASI**

Kami yang bertandatangan, memperakukan bahawa  
(We, the undersigned, certify that)

**NOR HELMI BIN HAMDAN**

---

Calon untuk Ijazah  
(Candidate for the degree of)

**MASTER OF SCIENCE (FINANCE)**

Telah mengemukakan tesis/ disertasi yang bertajuk:  
(Has presented his/him thesis/ dissertation of the following title):

**THE RELATIONSHIP BETWEEN FINANCIAL PROBLEM AND SAVING BEHAVIOR  
AMONG URBAN POPULATION IN MALAYSIA**

Seperti yang tercatat di muka surat tajuk dan kulit teisi /disertasi.  
(As it appears on the title page and front cover of the following title)

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.

(That the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the project paper).

Nama Penyelia : **DR. AHMAD RIZAL BIN MAZLAN**  
(Name of Supervisor)

Tandatangan : \_\_\_\_\_  
(Signature)

Tarikh : \_\_\_\_\_  
(Date)

## **PERMISSION TO USE**

In presenting this project paper in partial fulfilment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this university may make it freely available for inspection. I further agree that permission for copying this project paper in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor(s) or in their absence, by the Dean of Othman Yeop Abdullah Graduate School of Business where I did my project paper. It is understood that any copying or publication or use of this project paper parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the UUM in any scholarly use which may be made of any material in my project paper.

Request for permission to copy or to make other use of materials in this dissertation/project paper in whole or in part should be addressed to:

Dean of Othman Yeop Abdullah Graduate School of Business

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

## ABSTRAK

Permasalahan kewangan merupakan situasi dimana organisasi mahupun individu berhadapan dengan konflik kewangan hingga menyebabkan impak yang negatif terhadap status kewangan. Namun permasalahan tersebut semakin hebat diperkatakan sejak akhir-akhir ini ekoran daripada keadaan ekonomi yang tidak stabil. Kajian ini dibuat adalah untuk melihat kewujudan pengaruh permasalahan kewangan terhadap tingkah laku penjimatan dikalangan penduduk bandar Metropolitan Kuala Lumpur. Kajian ini melibatkan 319 orang responden dikalangan pekerja kolar putih yang sedang berkhidmat di sekitar pusat Bandaraya Kuala Lumpur. Dapatan kajian menunjukkan bahawa wujudnya pengaruh pada hubungan permasalahan kewangan dengan tingkah laku penjimatan. Kajian ini juga menunjukkan bahawa terdapat enam faktor penentu yang ketara mempengaruhi tingkah laku penjimatan. Diantaranya ialah jantina, umur, kelulusan, jumlah hutang, kesejahteraan kewangan dan permasalahan kewangan.

**Kata kunci:** kesejahteraan kewangan, permasalahan kewangan dan tingkah laku penjimatan

## ABSTRACT

Financial problem is a situation where organizations or individuals are faced with financial conflicts, thus negative impact on financial status. The issue has become great topic being discussed recently due to the unstable economic situation. This research has been conducted to examine the existence of financial impacts on saving behavior among urban populations in the metropolitan city of Kuala Lumpur. The survey involved 319 white collar respondents, who work around the city centre of Kuala Lumpur. From the study, the result shows that the relationship of the financial problem and saving behavior is significant. The findings also revealed that there are six determinants that significantly influence saving behavior. Among them are gender, age, qualification, total debt, financial well-being and financial problem.

**Keywords:** financial well-being, financial problem and saving behavior



UUM  
Universiti Utara Malaysia

## ACKNOWLEDGEMENT

In the name of Allah, the all merciful and most merciful. I am very much thankful to Allah, Subhanallah Ta'ala to confer me in health, good condition, intellectual and strength to undertake and complete this study.

I wish to express my sincere appreciation to my supervisor Dr. Ahmad Rizal Bin Mazlan for the guidance, patience, advices, motivation, enthusiasm and immense knowledge in all the time of research and writing of this dissertation. I could not have imagined having a better advisor and mentor for my master's study. His commitment and time spent for this dissertation is most appreciated for the continuous support of my master's study. Also, thanks to staff's of UUM Kuala Lumpur for their kind help and assistance.

I would like to express my special thanks with in loving memories to my mother Mai Monnah Binti Haji Samad for the encouragement, sacrifice and motivation given always engraved me as strength in every challenge. Utmost assistance and prayers, may her soul continue to rest in perfect peace, amen. Also, thanks to my wife Nooraini Binti Muhammad, my daughter and friends for kind assistance and understanding to make this study possible.

Last but not least I also would like to thanks to all respondents in the study without they cooperation it difficult to me complete this research thus this study generally. May Allah bless all these people for their kindness.



## TABLE OF CONTENTS

TITLE PAGE .....	i
CERTIFICATION OF THESIS WORK.....	ii
PERMISSION TO USE .....	iii
ABSTRAK .....	iv
ABSTRACT.....	v
ACKNOWLEDGEMENT .....	vi
TABLE OF CONTENTS.....	vii
LIST OF TABLES .....	xi
LIST OF FIGURES .....	xii
LIST OF ABBREVIATIONS .....	xiii
CHAPTER ONE .....	1
<b>INTRODUCTION.....</b>	<b>1</b>
1.1 Background of Study.....	1
1.2 Problem statement.....	3
1.3 Research Questions .....	4
1.4 Research Objectives .....	5
1.5 Significance of Study .....	5
1.6 Limitation.....	6
<b>CHAPTER TWO .....</b>	<b>8</b>
<b>LITERATURE REVIEW.....</b>	<b>8</b>
2.1 Introduction.....	8
2.2 Definition of financial problem and saving behavior .....	8
2.3 Financial problem and saving behavior .....	9

2.4 Empirical studies in saving behavior .....	10
2.4.1 Financial Well-being .....	13
2.4.2 Financial Problem .....	16
2.5 Demographic factors .....	19
2.5.1 Gender .....	19
2.5.2 Marital status .....	20
2.5.3 Age .....	20
2.5.4 Education.....	21
2.5.5 Income level .....	21
2.5.6 Total Debt.....	22
2.6 Summary of Chapter .....	23
<b>CHAPTER THREE .....</b>	<b>24</b>
<b>RESEARCH METHODOLOGY .....</b>	<b>24</b>
3.1 Introduction .....	24
3.2 Conceptual Framework .....	24
3.3 Hypotheses Development.....	25
3.4 Research Design.....	27
3.5 Sampling Design .....	28
3.5.1 Population of the Research .....	28
3.5.2 Sample Criteria.....	28
3.5.3 Sample Size.....	29
3.6 Normality Test .....	30
3.7 Research Instrument.....	30
3.8 Variables Measurements .....	31
3.8.1 Independents Variables .....	31
3.8.2 Dependant Variable.....	32

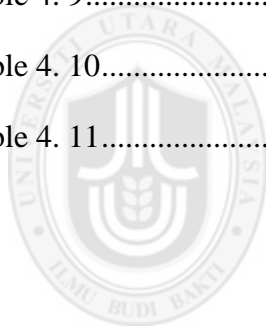
3.9 Data Collection.....	33
3.9.1 Questionnaire Design .....	33
3.10 Data Analysis .....	34
3.10.1 Descriptive Analysis .....	34
3.10.2 Scale Measurement .....	35
3.10.3 Inferential Analysis .....	35
3.11 Conclusion .....	38
<b>CHAPTER FOUR.....</b>	<b>39</b>
<b>FINDINGS AND ANALYSIS .....</b>	<b>39</b>
4.1 Introduction .....	39
4.2 Reliability Test .....	39
4.3 Normality Test .....	40
4.3.1 Normal Probability Plot of Regression Standardized Residual .....	41
4.4 Background of Respondents .....	42
4.4.1 Gender .....	42
4.4.2 Marital Status .....	43
4.4.3 Age .....	44
4.4.4 Education.....	45
4.4.5 Income Level.....	46
4.4.6 Total Debt.....	47
4.5 Central Tendencies Measurement of Constructs.....	49
4.5.1 Financial Wellbeing .....	49
4.5.2 Financial Problem .....	50
4.5.3 Saving Behavior .....	52
4.6 Relationship between Financial Problem and Saving Behavior .....	54
4.6.1 Correlation Analysis .....	54

4.6.2 Coefficient of Determination .....	55
4.6.3 ANOVA (Analysis of Variance).....	56
4.6.4 Multiple Regression .....	57
4.7 Conclusion .....	59
<b>CHAPTER FIVE.....</b>	<b>61</b>
<b>CONCLUSION AND RECOMMENDATION .....</b>	<b>61</b>
5.1 Introduction .....	61
5.2 Summary of major findings .....	61
5.3 Recommendation for future studies .....	64
5.4 Concluding Remarks .....	65
REFERENCES.....	66
APPENDICES .....	77



## LIST OF TABLES

Table 3. 1.....	34
Table 4. 1.....	39
Table 4. 2.....	40
Table 4. 3.....	49
Table 4. 4.....	50
Table 4. 5.....	51
Table 4. 6.....	52
Table 4. 7.....	53
Table 4. 8.....	54
Table 4. 9.....	55
Table 4. 10.....	56
Table 4. 11.....	57



## LIST OF FIGURES

<i>Figure 3. 1 : Conceptual framework of the study</i> .....	24
<i>Figure 4. 1 : Normal Probability Plot of Regression</i> .....	41
<i>Figure 4. 2 : Percentage of Respondents based on Gender</i> .....	42
<i>Figure 4. 3 : Percentage of Respondents based on marital status</i> .....	43
<i>Figure 4. 4 : Percentage of Respondents based on Age</i> .....	44
<i>Figure 4. 5: Percentage of Respondents based on Education</i> .....	45
<i>Figure 4. 6 : Percentage of Respondents based on Income level</i> .....	46
<i>Figure 4. 7: Percentage of Respondents based on Total debt</i> .....	47



**UUM**  
Universiti Utara Malaysia

## LIST OF ABBREVIATIONS

GDP	Gross Domestic Product
GST	Good and Service Tax
GLC	Government Linked Companies
SSM	Suruhanjaya Syarikat Malaysia
SPSS	Statistical Package for the Social Sciences
PhD	Doctor of Philosophy



**UUM**  
Universiti Utara Malaysia

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of Study

The problem of unstable global economy causes financial instability, thus causing financial impact to organizations and individuals. The affected organizations and individuals have cash flow problem due to high financial leverage. The financial problem today does not only refer to poverty, it also involves instability of income, low job opportunities, high prices of daily necessities, high health care expenses, reduced purchasing power, increasing petrol price, onerous educational fees and other related challenges (Delafrooz and Paim, 2011).

Millions of people from other countries have to struggle with tough economic life and Malaysia is no exception. In tough economic condition, people from all walks of life are adversely affected, including those living in the urban areas. In order to fulfil their individual responsibilities and contribute towards the country development, they also have to survive with the high daily living cost, hence causing them to face financial problem. Low savings for emergency have caused an increased anxiety among moderate and low income individuals.

This scenario gets more complicated with unstable Malaysian political and economic situations, including the depreciation of Ringgit Malaysia, the decrease of the Gross Domestic Product rate, or GDP (National Bank of Malaysia, 2016) and the



reduction of index percentage because of the problem of low confidence among traders to invest in the Malaysian market (Malaysian Institute of Economic Research, 2017). The implementation of Goods and Services Tax (GST) on 1st April 2015 has led to increased price of goods and services, consequently eroding the purchasing power of the households (Kim-Hwa and Qi, 2013).

One of the implications of tough economic condition is that it can affect the saving behavior among individuals. Saving is regarded as an important component that can promote long-run economic growth of a country (Aghion et al., 2007). With adequate level of savings, there will be more financial freedom and investment opportunities and this augurs well for future financial planning among individuals. According to Nayaksu (2013), long-term saving behavior is the key to maintain a stable lifestyle. In a tough economic condition, saving behavior is regarded as an efficient instrument that could help solve the financial problems faced by individuals.

There are many factors that can affect saving behavior, such as demographic factor, financial wellbeing, financial problem, financial management and others, but financial problem is seen as the main factor that can affect saving behavior. According to Amponsah (2015) saving behavior and financial problem are inter-related but not much attention has been given by previous researchers to examine the factors influencing the saving behavior among individuals. Therefore understanding on how the financial problem may influence saving behavior will be useful in that it can help individuals and also related government agencies to make more effective financial planning.

## 1.2 Problem statement

Financial problem is becoming more prevalent as the cost of living is increasing. Most of the individuals facing financial issues are those living in urban areas as compared to those living in the rural areas. Such things happen due to low salary, credit card over usage, high debt commitment, inadequate shopping and spending skills, lack of financial literacy, no savings and also overspending problem. Consequently, the increasing number of personal bankruptcy cases are recorded every year (Delafrooz and Paim, 2011).

These problems are exacerbated by the unstable Malaysian economy, due to the influence of the global economy, which is affected by the global petrol price increase. This economic scenario has dragged many individuals into serious financial problem which has negatively affected their financial well-being and savings behavior.

Several researchers have examined the financial problem and saving behavior among Malaysians. For example, a study by Delafrooz and Paim (2011) revealed that the relationship between financial problem and saving behavior in Malaysia is rather insignificant especially among the employees. However, the study used a sample which comprises of both the rural and urban areas and focused mainly on the government employees. The scope of this study is almost similar but different in terms of the population of respondents, in which this study only focuses on urban population of metropolitan city of Kuala Lumpur.

There are other possible issues that may affect the behavior of savings. Among the major factors that may have an impact on saving behavior are demographic factors, such as age, marital status, education, debt, and many others, but the most important factor is the level of income (Frączek, 2011).

Those with low income and living in the city have a higher possibility to have a financial problem. Financial well-being is seen as one of the factors that may influence the behavior of savings in which those with high level of financial awareness are more likely to make sound financial decisions and have positive saving behavior. High debt rates, lack of budgeting, over spending, low income and lack of knowledge are the main causes of financial problem that may give great impact on saving behavior (Sabri et al., 2010).

There are many factors that affect saving behavior but this study focuses more on financial problem and the extent to which financial behavior is affected by financial problem.

### **1.3 Research Questions**

The research questions of the study are as follows.

1. What are the causes of financial problem among urban population in Malaysia?
2. What are the attitudes of urban population in Malaysia towards saving?
3. Is there any relationship between financial problem and saving behavior?
4. What are determinants of saving behavior among urban population in Malaysia?

#### **1.4 Research Objectives**

The main objective of the research is to examine the relationship between financial problem and saving behavior, and the other objectives are as follows.

1. To examine the determinants of financial problem among the urban population in Malaysia.
2. To describe saving behavior among urban populations in Malaysia.
3. To explore the relationship between financial problem and saving behavior among urban populations in Malaysia.
4. To investigate the determinants of saving behavior among urban population in Malaysia.

#### **1.5 Significance of Study**

The main purpose of this study is to identify the relationship between financial problem and saving behavior among urban population in Malaysia. Given the current economic condition, it is important to examine the relationship between financial problem and saving behavior among individuals who work in the city centre with high living cost in their daily lives to ensure their financial security and general wellbeing, and also to gain better understanding especially among employees who have little consciousness on saving, hence lack of awareness to improve their financial behavior.

Secondly, from this study there will be new findings that will help retail banks to have better understanding of saving behavior among urban populations in Malaysia. Thus, retail banks could develop financial products or services according to the needs of urban populations which exceed their expectation. Retail banks also offer attractive saving schemes to encourage saving behavior among urban populations. As a result they may easily promote their products with an effective marketing strategy with alleviated cost of advertising so it is possible to gain more potential customers.

The findings from the study are also important for policy makers. They are useful to develop effective educational programs based on the need of financial literature such as a program that focuses on improving basic financial knowledge and skills. Organizing a seminar or workshop is also one of the good alternatives to improve public financial knowledge, behavior and attitude especially for those students who are living in the urban areas.

Finally, the result of this study can also help other researchers to conduct a more comprehensive study to better understand the relationship between financial problem and saving behavior.

## **1.6 Limitation**

Kuala Lumpur city centre is the area selected for the study because it is one of the areas that have the highest cost of living. Furthermore, this area is convenient for three sectors of the organisations that have been selected for the research scope.

The questionnaire is distributed to 320 individuals surrounding the area of the city centre of Kuala Lumpur, thus the research only focuses on the white-collar category because there is a lack of blue collar workers in the city centre of Kuala Lumpur. At the same time, the blue-collar workers are mainly dominated by foreigners with different backgrounds and therefore is inappropriate to be included in the study.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter discusses the literature related to the relationship between financial problem and saving behavior among urban populations. This chapter begins by describing the definition of financial problem and saving behavior, and several relevant literatures related to the research.

#### **2.2 Definition of financial problem and saving behavior**

Financial problem occurs when an individual experiences lack of money due to mismanagement in terms of expenses, increase in debts and limited savings, which leads to financial conflict. Financial problem is defined by McCarthy (2011) as a situation in which an individual has difficulty in dealing with his or her credit commitments, due to exhausted funds for a certain period of time. Such difficulties can be further complicated by several demographic factors such as income level, total debt and high cost of living.

While saving behavior is an action of individual to deter money from current needs and to retain future expenditure, it may be defined as an action or means of an individual in reducing spending or deferring use to future needs, which is a way of controlling the desire to achieve future goals (Ming et al., 2012).

### **2.3 Financial problem and saving behavior**

Saving behavior of individuals and the financial problems they face are correlated. Individuals that fail to make sufficient savings tend to face tougher financial problems, whereas those who make the necessary savings are able to avoid plunging into financial crisis in case of emergency. There are many literatures that show the correlation between financial problems and saving behavior.

In this study, an individual's education level is included as one of the factors that affects saving behavior. In a study by Sabri and MacDonald (2010), the finding shows that savings and financial problem are strongly correlated due to the influence of previous consumer experience and financial socialization. The findings of the research also indicates that some of the bad habits and poor attitudes toward financial management are mitigated through education, particularly financial education.

According to the research conducted by Delafrooz and Paim (2011), it is stated that the importance of financial management practice in predicting both financial problem and saving behavior suggests that financial education and counselling are applied as alternative improvement or change the individual attitudes towards saving behavior and to ensure the efficiency in financial management practices.

According to the study conducted by Sabri and MacDonald (2010), individuals who have an early exposure on consumer behavior are more likely to exercise saving behavior as a habit; although they cannot completely avoid financial



problem in their daily life. The financial problem may be caused by several factors such as high debt, overspent, low of income level and poverty. Saving behavior is seen as efficient alternative to avoid the problem in the short term.

#### **2.4 Empirical studies in saving behavior**

There are various factors that can affect the behavior of savings either externally or internally. An example of internal behavior is natural individual behavior or habits that have been nurtured for a long time. While an example of external factor is financial education or knowledge that can encourage an individual to have a positive saving habit.

Saving behavior is significantly influenced by financial literacy in which the individuals with low level of financial literacy tend to have little or no saving and eventually encounter financial problem later on (Delafrooz and Paim, 2011). An important aspect of developing a saving behavior is education; higher level of education influences an individual's tendency to save a portion of their monthly income as they have a higher awareness of the importance of saving. Education levels have also been found to improve an individual's financial management. Educated individuals generally have high knowledge and skills in their day-to-day financial management which is obtained through financial management experience while still studying at universities or colleges (Gołaś, 2014).

Referring to the study by Chauke, (2011) it is concluded that financial literacy is a crucial instrument for establishing saving behaviors, especially among

households. With a better financial literacy, the household can plan and manage their finances systematically in order to have better future financial well-being.

From the studies conducted, it was also found that there is a positive correlation between saving behavior and retirement confidence. Individuals with higher savings are seen to have higher confidence for their retirement age. This is because they feel secure with their income earned, and the amount of savings that they have for their future retirement. On the other hand, those who do not have enough savings for their retirement phase tend to have greater anxiety and stress in their retirement age and are forced to rely on their nearest family members to survive (Russell, 2011).

Past studies have shown that financial literacy has an effect on the saving behavior of an individual. A research conducted by Amponsah (2015) found that the main factor that can affect an individual's saving behavior is the lack of financial literacy which in turn, cause an individual to experience financial pressures that have negative impact. Similarly, a research by Ming Thung et al. (2012) found that financial literacy is important for students to maintain an effective saving behavior as it encourages and enables the students to manage their money effectively.

A study conducted by Sabri and MacDonald (2010) discovered that newly employed workers are more exposed to financial problems. As they are just starting their careers, they seem unaware of the importance of saving behavior in their daily life. As a result, most will face financial problems such as being unable to pay their

education loans, accumulating credit card debts and overspending their monthly income on unnecessary items. Ming et al. (2012) discovered that most students agreed that they would maintain a good saving behavior if their parents had placed restrictions on their expenses or set aside their money for saving purposes as this would have prompted them to save more.

The findings show that students are not directly involved in keeping a saving and managing their finances as everything has been planned and handed over to their parents. This phenomenon is viewed as detrimental for students as they are supposed to gain experience in managing their own finances as a preparation before entering the real working environment.

According to Bashir et al. (2013), different kinds of saving behaviors can be seen among individuals of different age groups, ethnicities, countries and regions. For example, a small child is taught to save money in tube piggy bank in contrast to adults who put their savings at the bank. Furthermore, people living in different territories and cities had different patterns of savings; i.e. those living in urban areas were likely to deposit their savings in banks while those living in remote areas preferred to keep their savings at home.

It is also important to know the students' attitudes and beliefs about saving and determine how social pressures can affect their decisions to save money. In the past, students were pressured to pay for their textbooks and tuition fees apart from paying their daily expenses and other hidden expenses. In this situation, the pressure that the

students felt would be heightened if they had no source of income or in other words, they were forced to rely on their parents or hope to receive educational loans which would have a large impact on their saving behavior (Ming et al., 2012).

#### **2.4.1 Financial Well-being**

An individual's ability to manage his or her personal savings is critical in ensuring a better financial well-being in the future. Financial well-being is defined as a state wherein a person is able to fully meet the current and on-going financial obligations, can feel secure in his or her financial future, and is able to make choices that would allow the person to enjoy life. An important factor that influences an individual's financial behavior is financial literacy.

Financial well-being may also be defined as a healthy financial situation in which an individual has the ability to make wise decisions on his or her earnings, savings, credits and feels secure in his or her finances at present and in the future that enables the individual to attain personal goals while enjoying a comfortable lifestyle. According to Adela et al. (2017), positive attitude on debt instrument such as credit card usage leads to a negative relationship with financial well-being, and this can have an impact on one's personal financial status. Financial literacy has been proven to be positively related to one's financial well-being, and an individual who has been exposed to knowledge in financial management and skills tends to experience financial well-being.

Financial wellness and financial satisfaction are interchangeable terms for financial well-being. It refers to the satisfaction in income and saving, the ability to make a decision, opportunity awareness and others (Delafrooz and Paim, 2011). Individual happiness and general satisfaction make the financial situation more complex.

Financial literacy affects the financial management of an individual who has the expertise, experience and skills in financial management as these will make them become more systematic and have a better management or planning for their savings. On the other hand, those with lesser financial literacy tend to face difficulties in managing their finances and find it difficult in achieving financial well-being (Sabri, et al., 2012).

In a similar research study conducted by Sabri and Tze, (2014), a significant association between financial well-being and financial literacy was found among new employees. Those with higher financial literacy have the ability to use their financial knowledge and skills to better manage their financial resources. They tend to be smarter in controlling their expenses and constantly seeking investment opportunities to increase their monthly income.

Both financial knowledge and financial planning serve as determinants of financial literacy, and they have a positive influence on an individual's financial well-being. Financial knowledge is seen as the most important element because without it, an individual may plunge into financial difficulties. Nevertheless, this knowledge is incomplete if it is not supported by a good financial planning.

With a careful financial planning, any possibility to be identified and avoided for financial prosperity can be determined (Sabri and Tze, 2014).

Based on the study by Ali,et al.,(2013) on Financial Literacy and Satisfaction in Malaysia, an individual can achieve financial well-being through an effective financial planning with good management skills. Good financial planning can be obtained through more research on activities involving finance as it allows for all the strengths and weaknesses to be identified and used to improve the level of financial management.

Financial skills can also be gained through experience and improvements made from time to time to ensure financial well-being. The outcome of the study found that most individuals over 45 years old who had large savings and reached a certain amount of assets were categorised as having a high level of well-being. People above 45 years old are said to have less desire in shopping, and at the same time, at this age, they are identified as being in a stable welfare as most of the debts have been paid, thus leading to the reduction in their monthly commitment; they have a great deal of financial surplus and thus, have a sound financial well-being (Ramli et al., 2012).

A similar study conducted by Aziz (2010) found that a productive individual in work has a positive relationship with financial well-being. Individuals who are seen to have higher motivation to earn more income will work more to achieve a greater financial well-being. However, if it is not accompanied by sufficient financial skills and knowledge, it can affect their financial well-being.

A research conducted by Mokhtar et al. (2015) on financial well-being among public employees in Selangor and the Federal Territory of Putrajaya found that the saving culture among public employees was still at an unsatisfactory level. This is because depending on the position of an individual at work, the income level of individuals working in the government sector is lower than those working in the private sector. As a result, the incomes earned are mainly used to cover their daily expenses, and they are not likely to save because they have opted for the pension scheme for their retirement needs.

There are several factors that can affect financial well-being such as age, income, home ownership and ownership of financial products. Income is the most important element in achieving financial well-being and certainly has a large impact on an individual's financial well-being. Financial products are seen as products such as investment savings that can help an individual achieve financial well-being (Ramli, 2011).

#### **2.4.2 Financial Problem**

Financial problem is a situation in which individuals experience financial difficulties that ultimately lead to stress. It can also be defined as a reaction such as physical or mental discomforts or one's tendency to feel stressed about financial well-being. According to McCarthy (2011), economic and demographic are important variables of external factors of financial problems while an individual's behaviors such as planning, patience, self-control and other related behaviors are important variables of internal factors. Financial problems

are influenced by socioeconomic and demographic factors, and early preparations are required to control this situation (Xu, et al., 2015).

According to Niedzwiedz et al. (2015), financial problems occurred due to low financial well-being and poor socio-economic relations. Low financial well-being is often seen to be caused by individual factors which include low income level, high debt level, poor financial literacy and other factors that can affect socioeconomic ties.

Serious financial problems can lead to an increase in unemployment rate due to the lack of economic activities caused by certain factors including inflation which may result in inequalities in obtaining financial well-being (Arampatzi et al., 2014). The majority of the public servants in Malaysia do not make saving a practice when they are in debts or bankruptcy; instead they continue to spend more than they can afford. Such a behavior will cause financial stress, and it happens due to poor financial literacy and the nature or design planning of their expenses (Mokhtar et al., 2015).

Many individuals suffer from financial problems because of poor financial literacy, and they do not even have the basics and a proper budget allocation for monthly saving and daily expenses. Therefore, it is important that financial knowledge and skills are taught to individuals to help them manage their finances wisely (Kumar, 2012).



Nowadays, education is essential and to succeed in education, having a good result alone is not enough without a strong financial support. Most students make educational loans to pursue their study at a university or college. Problems arise when they are required to pay back the loan be it with or without interest. As a result, they will have financial problems when they start working (Thompson et al., 2014).

A research conducted by Giannetti et al (2014) found most households with unstable jobs faced financial problems, and the situation became worse for those with part-time jobs. These part-time employees will normally opt for a credit card to purchase goods or services. In a stable economic situation, most households or individuals involved in debts will not have to face this problem; however, when there is a financial crisis, they have to bear with the debt that will ultimately lead to financial problems and poor financial decisions among them (McCarthy, 2011).

Anderloni et al. (2012) found that those who do not have proper planning on their finances for future are at risks of facing financial problems. By making plans, individuals can make arrangements and strategies to achieve their purpose while at the same time avoid from making mistakes and wastage in spending in achieving their objectives. In this study, financial issues are considered as the main factor in determining the relationship and effects on saving behavior.

## **2.5 Demographic factors**

Researchers have reported that the most common factors applied in similar research are demographic and socioeconomic. Demographic factor variables have a stable relationship with age, gender, tenure, education and income level (Agyeman and Ponniah, 2014). Haida et al. (2010) included demographic characteristics such as gender, marital status, age, qualification, income level and total debt in the research to ensure they are aligned with the topic of the research. This study applied the same instrument to ensure the effectiveness and accuracy of the study.

### **2.5.1 Gender**

According to Bashir et al. (2013), saving is higher among the males as compared to the females because in terms of spending, men only spend on things that are necessary while women spend more on miscellaneous items. The behaviors of men and women have been proven to differ significantly, whereby most women practise short term savings while men practise long term savings (Fishim, 2010). Based on this study, men have a higher level of financial knowledge, financial skills and higher consideration on consumer practices and have better saving behavior than women. As women tend to spend more than men, men are more sensitive to financial well-being than women. Men are more financially conscious than women (Falahati and Paim, 2012).

### **2.5.2 Marital status**

Previous research conducted found that unmarried or single respondents have a positive relationship with saving as compared to married respondents (Fishim, 2010). According to Grossbard and Pereira (2010), married men normally earn more than their wives; hence, the wives can make more savings than the husbands. Married couples save an average of 40 percent more than unmarried people due to their commitment to the family.

They have monthly commitments such as home rental, housing loan, utility payment, hire purchase loan for their vehicle, childcare fee and many more. Single individuals, on the other hand, do not have as many commitments as they only look after themselves. Therefore, they do not feel the need to save their money for future needs. They also indicate that they are still not too mature about financial matters (Fehr et al., 2016).

### **2.5.3 Age**

Referring to Shimman D. (2010) it is found that the highest respondents are below 30 years old. Age is a relevant determinant in saving behavior. This is explained by how debt is predominant in the beginning of one's life cycle, affecting one's saving behavior and will decrease after the age of forty-four (Blanc et al., 2014). A research conducted by Havinga (2016) found that individuals in the middle age category (between 30 years and 39 years) are more likely to save their monthly wages. During this age frame, individuals are said to have reached financial maturity. They have begun to save with the main purpose

of getting married while those who are already married are saving due to their commitment to family life.

#### **2.5.4 Education**

Education level is an important element in identifying an individual's income level. More often than not, a person with higher qualifications will earn a higher income compared to someone with a lower education level. Nevertheless, low income people who look for alternatives to increase their revenue to achieve their saving goal can make bigger savings (Bashir et al., 2013). From the education perspective, education is positively associated with the importance of precautionary savings (Areosa, 2015).

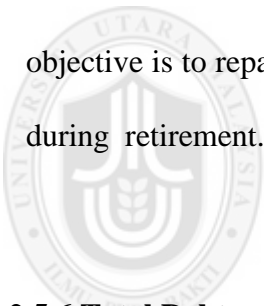
According to the study conducted by Almenberg and Säve-Söderbergh (2011) individuals who graduate from higher education institutions such as a university are more cautious financially than those with a lower education level. At the university, they are exposed to financial knowledge, especially those whose major is related to account and finance. However, provided that the students have previous experience in managing their own financial matters, they can indirectly practise financial management in their daily lives.

#### **2.5.5 Income level**

According to Bashir et al. (2013), there is a positive relationship between sex, age and income due to the impact of savings. He also found that

income level defines saving practices thus, affecting the tendency to save. It can be seen that the main factor of storage determination is the level of income earned by the individual himself or herself. If an individual has a higher income level, then the tendency to save is higher and vice versa.

However, income earners can also be influenced by their debt levels. If an individual has a higher income and at the same time also has a high debt rate, it is likely that financial well-being cannot be achieved (Gołaś, 2014). The study conducted by Amponsah (2015) shows that youths or younger individuals have an average low income and low savings while middle-aged individuals have higher productivity and the ability to save more as their objective is to repay previous obligations and to financially support themselves during retirement.



UUM  
Universiti Utara Malaysia

### **2.5.6 Total Debt**

Debt is one of the major factors affecting an individual's saving behavior. Debt is often associated with high interest rate or fee which can cause financial problems or financial struggles if they are not properly managed. Debt can also have a big impact on one's well-being. A high-income individual can have high savings and is certainly at a high level of financial well-being; however, he or she can be at a disadvantage if he or she has a lot of debts or has debts higher than his or her income. Therefore, it is quite clear that debt rate has an impact on the amount of cash that an individual has to ensure his or her well-being (Lusardi and Tufano, 2015).

There are two categories of debt, secured and unsecured debts. A secured debt refers to the debt owed for home financing or car loan, or a debt linked to a specific collateral asset in which the borrower agrees to surrender if he or she is unable to repay the debt. In contrast, unsecured debt refers to the debt due to credit card spending or payday loan and is not linked to any specific collateral assets(Grinstein-Weiss et al., 2015).

According to Sithebe (2014), poor household savings are due to increased household consumptions. Debts and financial consolidations have proven to increase the level of debts in the long run thereby, diminishing savings. There are several steps that could help households with high debt rate. One of the most effective measures is through financial literacy whereby, members of a household look for alternatives to gain better knowledge on financial management. Knowledge and skills can certainly help households manage their finances better and more wisely.

## **2.6 Summary of Chapter**

Literature reviews are important in order to develop a theoretical framework for this study. This chapter gives an overall scenario related to the literature discussing dependent and independent variables of the study. Dependent variable consists of saving behavior while independent variables are presented by demographic factors, financial well-being and financial problem.

## CHAPTER THREE

### RESEARCH METHODOLOGY

#### 3.1 Introduction

This chapter discusses the research methods applied in conducting the research. The research designed is to ensure the fluency on the field work and clarifies the type of study. The objective of this chapter is to describe the methodological approach used for this research and the items described including the theoretical framework, hypotheses development, research design, sampling design, research instrument, variables measurement, data collection, data analysis and conclusion. The research instruments described will be used to elaborate the concepts and definitions of the variables used in this study.

#### 3.2 Conceptual Framework

*Figure 3. 1 Conceptual framework of the study*

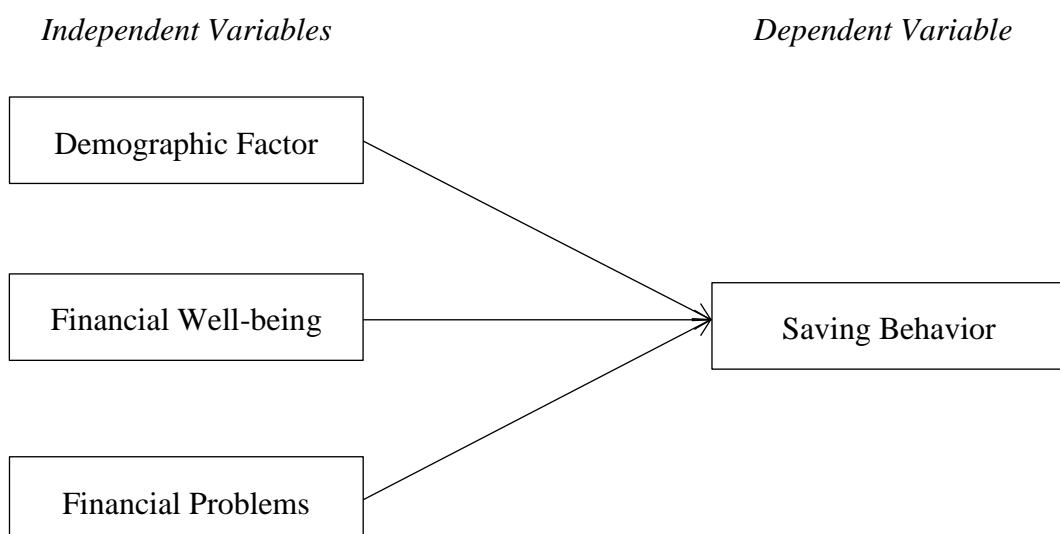


Figure 3.1 above illustrates the theoretical framework of the study to provide a clear picture on how the variables are related with others. The theoretical framework is divided into dependent variable and independent variables. The independent variables. Comprise of demographic factors, financial well-being and financial problem. Financial problem is divided into internal or individual factor and external or macro factor, while saving behavior is the dependent variable.

The selection of the independent variables and the dependent variable in this study is parallel with the research conducted by Sabri and MacDonald, (2010).

### **3.3 Hypotheses Development**

According to Sabri and MacDonald (2010), there are no significant differences in term of financial problem level between male and female students in their study. Therefore, the following hypothesis is formulated.

**H<sub>1</sub>.** There is a significant relationship between gender and saving behavior.

Mauldin (2009) found that married couples have an advantage in saving and investment compared to unmarried individuals, because the married couples have higher financial awareness than single individuals. Hence, the following hypothesis is constructed.

**H<sub>2</sub>.** There is a significant relationship between marital status and saving behavior.



Age is categorized under demographic and is suggested to be associated with saving behavior (Lee and Hanna, 2015). The third hypothesis is as follows.

**H3.** There is a significant relationship between age and saving behavior.

Several researchers stated that education level is an important factor that can influence financial knowledge, preferences and attitudes towards savings and spending behavior (Bruhn et al., 2013)

**H4.** There is a significant relationship between education level and saving behavior.

Saving is important for the low income household, in which if there is an emergency, the household may face worse situation as are no resources to even have the basic necessities (Heckman and Hanna, 2015). Hypothesis five is as follows.

**H5.** There is a significant relationship between income and saving behavior.

Referring to the study conducted by Finlay and Price (2014), it was found that people tend to rebuild their financial well-being after a financial crisis with changing attitudes towards debt, thus contributed to increase in saving.

**H6.** There is a significant relationship between total debt and saving behavior.

According to Sabri et al., (2012) saving is influenced by individual's financial well-being. There is evidence that the experience of managing personal finance at a young age contributes to financial well-being in the future.

**H7.** There is a significant relationship between financial well-being and saving behavior.

Financial literacy has a positive impact on saving behavior, while financial problem is expected to have a negative relationship with saving behavior. Individuals who have positive saving behavior will have less financial problem (Sabri and MacDonald, 2010).

**H8.** There is a significant relationship between financial problem and saving behavior.

### **3.4 Research Design**

This study employs quantitative method in which a survey was conducted by distributing self-administrated questionnaires as to collect the relevant data collection from the respondents in order to achieve the objectives of the study. This method is selected because the cost is low and it could save more time as compared to other research methods.

The questionnaire is anonymous and the staffs from the human resource department were appointed to distribute the questionnaires to the rest of the staffs in the organization.

### **3.5 Sampling Design**

#### **3.5.1 Population of the Research**

The research aims to identify the relationship between financial problem and saving behavior among urban population in the city centre of Kuala Lumpur. The respondents in the sample of this study comprise of the white collar workers in both the government and private sectors. Statutory body is considered under government sector, while Government Linked Companies (GLCs) are categorized as private sector because they are registered under the Companies Commission of Malaysia (SSM). As much as possible, employees from all sections in the organizations were involved in this research in order to better understand the financial problem and saving behavior.

#### **3.5.2 Sample Criteria**

Besides the financial well-being and financial problem factors, demographic factors are also important in influencing saving behavior. Therefore, this study targets on white collar workers as a sample of the research on the working population in the city centre of Kuala Lumpur.

In general, the respondents were from different demographic compositions in terms of the income level, designation, education and the amount of debt involved. In order to meet the objectives of the study, the sample was selected based on the following criteria as:

- a) Currently working in the city centre of Kuala Lumpur
- b) White-collar workers, from low to high level positions.

The employees in the city centre of Kuala Lumpur were selected because they are directly affected with high living cost and because of other factors that may contribute to the financial problem that may influence their saving behavior. The probability sampling method was applied as the sampling technique in this research and a number of 320 respondents were found suitable to answer the questionnaire in order to collect the data from respondents.

### **3.5.3 Sample Size**

The sample of the study consists of 320 employees who work in a variety of sectors and the questionnaires were distributed to all of them. Out of the total, 112 questionnaires were distributed to the public sector and GLC employees while 207 questionnaires were distributed to the employees in the private sector. A total of 319 questionnaires were successfully collected.

### **3.6 Normality Test**

Normality test is one of the of the data analysis techniques to determine the normality of the data (Hair et al., 2014). The result from the normality test will determine the normality and thus validity of the research conducted. However there are few available statistics to test the normality of the study such as skewness and kurtosis, Q-Q plot, histograms, stem and leaf plots.

### **3.7 Research Instrument**

The questionnaire used in this study is based from various past studies related to this topic and it uses a 5-point Likert scale measurement for all the questions. The questionnaire is divided into two sections; section A consists of demographic profiles of the respondents, while section B consists of the three independent variables and dependent variable (Appendix A).

The target respondents are white-collar employees working in the city centre of Kuala Lumpur. The researcher distributes the questionnaires, taking consideration on the availability of the respondents. Therefore, 320 questionnaires are distributed to the target respondents by the researcher in the selected organization. The completed questionnaires are summarized by the researchers before they are entered and analysed in the SPSS.

### **3.8 Variables Measurements**

This section discusses the measurement of the variables selected for this study.

#### **3.8.1 Independents Variables**

The interval scale measurement is implemented to measure independent variables. This is a five-point Likert scale ranging from strongly disagree (1) to strongly agree (5).

##### **3.8.1.1 Demographic Factor**

In this study, three independent variables and one dependent variable are involved. The independent variables are divided into three categories, which are socio-demographic, financial well-being and saving behavior. Therefore, both ordinal and nominal scales are used to estimate the demographic information of the respondents in section A. Nominal scale is suitable for variables that can be differentiated by a simple naming system (Malhotra and Dash, 2010).

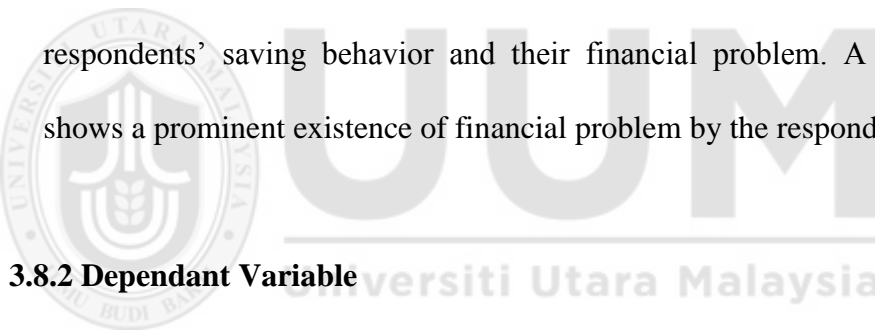
Variables representing the demographic profiles are gender, marital status, age, ethnicity, education, working sector industry, designation, income level and total debt. In contrast, the ordinal scale is applied to measure the opinion, attitude and measurement to check whether it has more or less of a characteristic in the study (Malhotra and Dash, 2010).

### **3.8.1.2 Financial Wellbeing**

Nine questions are constructed to obtain the opinion from the respondents regarding their state of financial well-being. These questions are mainly adopted from Mokhtar et al., (2015) which stated that the higher the scale, the greater the financial wellbeing that the respondents possess and vice versa.

### **3.8.1.3 Financial Problem**

In this study the researchers have developed seventeen questions adopted from Haida et al., (2010) to test the relationship between respondents' saving behavior and their financial problem. A higher scale shows a prominent existence of financial problem by the respondents.



## **3.8.2 Dependant Variable**

### **3.8.2.1 Saving Behavior**

The five-point Likert scale is employed to measure the saving behavior of the respondents, in which sixteen questions are employed, based on Delafrooz and Paim (2011), Ming et al. (2012) and Sabri and MacDonald (2010). The respondents are required to give rating on the statements that are related to their saving behavior. A higher scale demonstrates that the respondents practise effective saving behavior and vice versa.

### **3.9 Data Collection**

This study was conducted to obtain primary data from the respondents selected to be in the sample of the study. The 320 questionnaires were distributed to the employees in the selected organization at the city centre of Kuala Lumpur zone. The questionnaires were distributed to the respondents in the working days during the working hours which were from 9:00 am until 4:00 pm. The survey involved white-collar employees various public and private organizations in the city centre of Kuala Lumpur. The researcher dealt with one officer from the Human Resource department in each organization to help distribute the questionnaires at the beginning of working hours.

#### **3.9.1 Questionnaire Design**

The questionnaire circulated has two pages and used the English language. The questionnaire is divided into four parts A, B, C and D consisting of demographic profiling in section A, financial well-being in section B, financial problem in section C and saving behavior in section D. Table 3.1 shows the subdivisions of the questionnaire.



**Table 3. 1**

Subdivisions of the questionnaire

<b>Parts</b>	<b>Items</b>	<b>No of Questions</b>
A	Demographic profiling	9
B	Satisfaction on financial well being	9
C	Causes of financial problem	17
D	Saving behavior	16

### **3.10 Data Analysis**

The software Statistical Package for Science social (SPSS) version 22.0 was used to analyze the data collected. The reliability of variables and normal distributions are implied in reliability analysis to ensure the normality of the data collected in the study.

#### **3.10.1 Descriptive Analysis**

Descriptive analysis was used in the analysis of dependent and independent variables through the Statistical Package for Science social (SPSS) version 22.0. Percentage value and frequency were measured for central learning such as standard deviation and mean. This research applied the frequencies with the external and internal factors to be analysed. Furthermore, the mean value for each variable and standard deviation was applied in this research. The standard deviation describes the mean score distribution. According to Hair Jr et al.

(2003), if the respondents' sample distribution is very close to the mean, it reflects a low standard deviation.

### **3.10.2 Scale Measurement**

#### **3.10.2.1 Reliability Analysis**

Reliability analysis was tested using Cronbach's alpha to ensure the measurement is free from bias so that a consistent result of the study can be obtained (Sekaran, 2013). The value from the test of Cronbach's alpha is appropriate for multi-scaled items and is a perfectly adequate index of inter-item consistency reliability (Cavana et al., 2001). The coefficient alpha value ranges from zero (0) to one (1) whereby a value less than 0.60 indicates an unsatisfactory internal consistency reliability (Hair et al., 2014).

Cronbach's alpha shows a reliability coefficient. It shows reliability coefficient positively associated with each other. In other words, any reliability coefficient in the range of 0.7 is acceptable while 0.8 and above is considered good.

#### **3.10.3 Inferential Analysis**

Inferential analyses which include Pearson Correlation, Multicollinearity and Multiple Linear Regression were applied in this study to test the hypotheses developed in investigating the relationship between the two independent

variables (financial well-being and financial problems) and the dependent variable (saving behavior).

### 3.10.3.1 Pearson Correlation

In this study, the Pearson correlation was applied to determine the relationship between financial problems and saving behavior. The Pearson correlation  $\rho(r)$  functions to examine the relationship between the dependent and independent variables which measures the linearity that associates two metric variables. In other words, the relationships between independent variables and dependent variable were measured via Pearson correlation.

The range varies from -1.0 to 0.0 to + 1.0. The benchmark is that if  $r$  is more than 0, it indicates a positive relationship. However, if the benchmark is equal to 0, it shows that there is no relationship. In other words, a benchmark of  $r$  less than 0 indicates a negative relationship. A value of -1.0 indicates a perfect negative correlation while the value of +1.0 shows a strong relationship between the variables (Gliner et al., 2009).

In addition, there are five standard steps of Pearson correlation: firstly, the link pair of data must be collected; secondly, the data ratio should be in a natural order or in interval; thirdly, the score variable should be normally distributed; fourthly, the relationship of both variables should be linear; and lastly, the score should be on the same average.

### **3.10.3.2 Multicollinearity**

Multicollinearity was applied in the research to measure the extent to which two or more independent variables are correlated with each other (Saunders et al., 2009). According to Hair, et al., (1998), intercorrelations among the independent variables should not exceed 0.90; otherwise, multicollinearity exists and one of the highly correlated variables will have to be removed.

### **3.10.3.3 Multiple Regression Analysis**

According to Gliner et al. (2009), multiple regression is an additional bivariate correlation, and used in the research to determine the relationship between two or more independent variables by calculating the coefficient of multiple determinations and the regression equation on one dependent variable to ensure the strength of the relationship.

The strength of the relationship was determined by the coefficient of determination ( $r^2$ ) that measures the proportion of the variation in a dependent variable that can be explained by the independent variables which is parallel with the study to determine the saving behavior which represents the dependent variable while financial well-being and financial problems represent independent variables.

ANOVA was applied to measure whether there is a significant variance in mean that occurs between three or more groups. The method

evaluates all the different groups of mean in the research, and the test must involve dependent variable in the matrix. In this research, saving behavior is the dependent variable.

The following equation is used to determine independent variable and the dependent variable.

Equation:  $Y = a + b_1X_1 + b_2X_2 + b_3X_2 + e$  Where:

Y= Saving behavior

a= Fixed; equal to Y when  $b_1, b_2, b_3=0$

$b_1, b_2, b_3$  = Slope of regression line

$X_1$ =Demographic factor

$X_2$ =Financial well being

$X_2$ = Financial Problem

### 3.11 Conclusion

In this chapter, the method, instrument and research design implemented in this research, including Sample Design, Type of Study, Time Horizon, Unit of Analysis, Questionnaire Design, Data Analysis, and Descriptive Analysis are explained. The result of the study will be discussed in next chapter.

## CHAPTER FOUR

### FINDINGS AND ANALYSIS

#### 4.1 Introduction

This chapter discusses the results obtained from the data analysis of the study and is divided into six subsections, namely, reliability test, normality test, background of respondents analysis, central tendencies measurement of constructs, Correlation Analysis of all of variables based on the relationship between financial problem and saving behavior and the conclusion of the chapter.

#### 4.2 Reliability Test

Reliability analysis is applied to test the reliability of variables using the Cronbach's Alpha and the findings show that all variables have values above 0.60 and therefore are considered reliable.

**Table 4. 1**

Result of Reliability Test

<b>Variables</b>	<b>No of items</b>	<b>Cronbach's Alpha</b>
<b>Financial well being</b>	9	0.677
<b>Financial problem</b>	17	0.817
<b>Saving behavior</b>	16	0.763

### 4.3 Normality Test

Normality test is important because the assumption of normal distribution a pre-requisite in conducting regression analysis (Coakes et al., 2011). Table 4.2 shows the results of the normality test of the study using the value of kurtosis and skewness.

The results indicate that the assumption of normal distribution and results of the test are shown in Table 4.2.

**Table 4. 2**

Test for normality of data

<b>Variables</b>	<b>Skewness</b>	<b>Kurtosis</b>
<b>Financial well being</b>	.139	.450
<b>Financial problem</b>	.565	.377
<b>Saving behavior</b>	.427	1.539

The table 4.2 shows the number of 319 respondents data result for the normality test. Which is financial well-being shows the skewness .139 and kurtosis of .450; followed by financial problem shows the normality result of skewness .565 and kurtosis of .377. While the saving behavior has skewness of .427 and kurtosis of 1.539. From the result have, assumption that the study have to follow as a normal distribution were not violated in this study. The related histograms and shape of the normal distribution curves are shown in the graphs in Appendix B.

### 4.3.1 Normal Probability Plot of Regression Standardized Residual

In this research the normality test is implied to determine the suitable data set model with normal distribution. In the process of statistic test, the normal test is considered prerequisites in maintaining the normal data distribution and is assumed as a fundamental assumption in parametric testing. There are two methods that may imply, either graphically or numerically.

The researcher also used the Normal plot to see the normality of the data and according to Clarke and Cooper (2000) it is stated that the data with the normal plots will have a linear and a straight line in the graph. The linear test is implied and the result is as follows:

*Figure 4. 1 Normal Probability Plot of Regression*

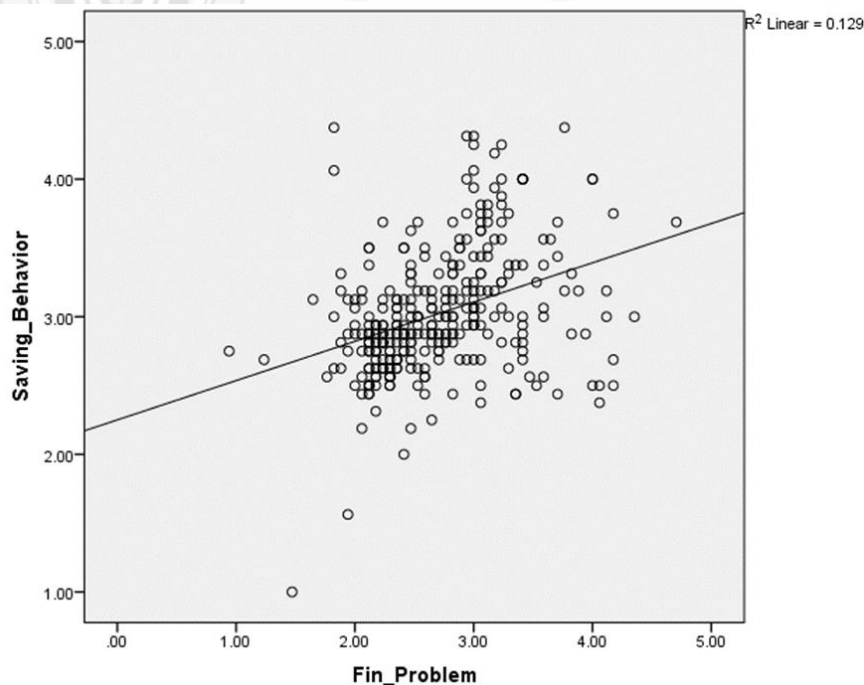




Figure 4.1 above demonstrates the Normal Probability Plot of Regression graph and the result shows that the position of the plot is in a state of diversion, in other words there are some items in the graph that deviate from the line, but that does not mean the graph is abnormal (Zakaria, 2014). The situation occurs due to the way the respondents choose the answers in the questionnaire, thus the same questions in this questionnaire may be interpreted differently by each respondent, hence this has resulted in data scheduling that is not in a stable stratum.

#### 4.4 Background of Respondents

This chapter describes the socio-demographic, including gender, marital status, age, ethnicity, educational, working Sector or industry, designation, income level and total debt. Demographic factor is divided into several categories and related categories are selected to ensure the existing relationship with dependent variable in the research. The related table are shown in the Appendix C.

##### 4.4.1 Gender

Figure 4. 2 : Percentage of Respondents based on Gender

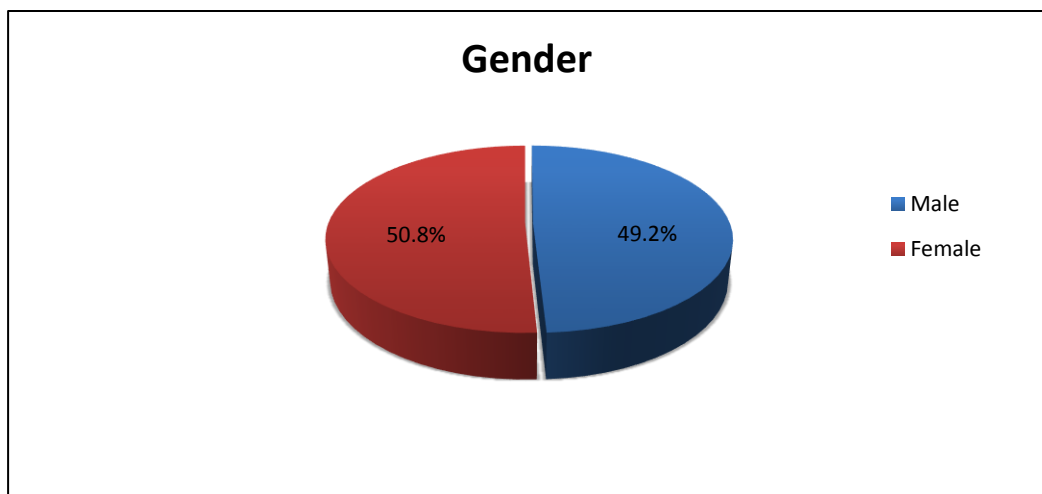
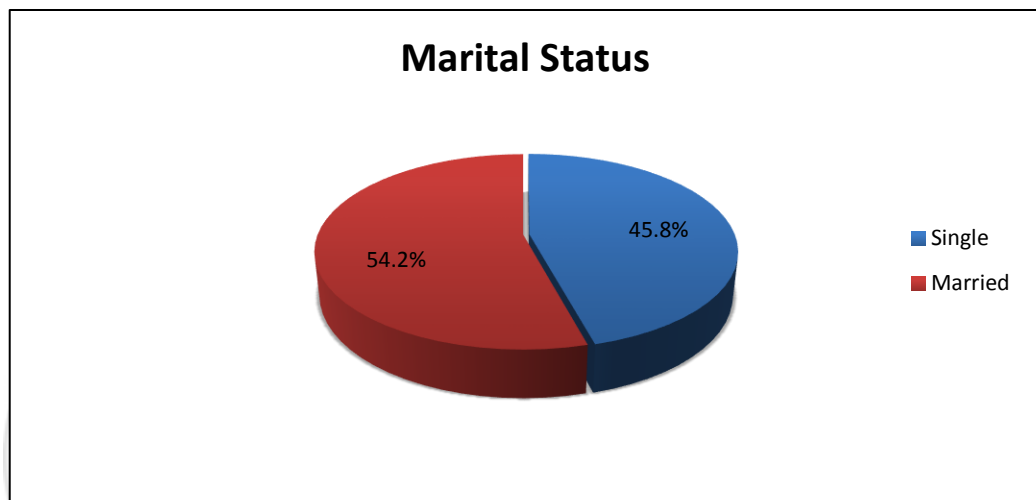


Figure 4.2 shows that 49.2% of the respondents are males and 50.8% are females. This indicates that the proportion of male and female respondents is balanced.

#### 4.4.2 Marital Status

Figure 4. 3 : Percentage of Respondents based on marital status

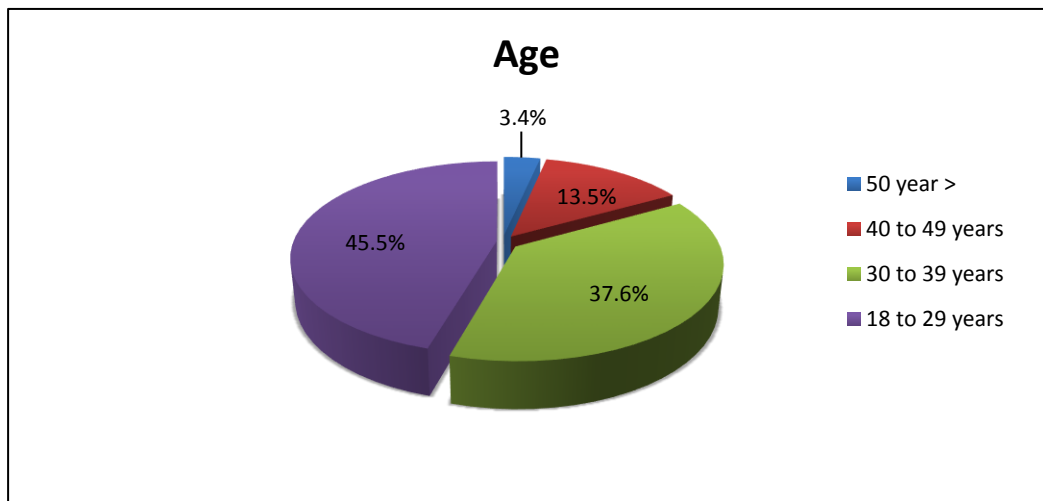


According to Figure 4.3, in the marital status category, there are 146 respondents who are single (45.8%) and 173 respondents are married (54.2%). The single category also includes individuals who are divorced as defined in Ming et al. (2012).

The study shows that most of the correspondents are married and have children, with most of them being in the age group of 30 years and below. Most of the married correspondents are government servants, while many respondents in the private sector are single.

### 4.4.3 Age

Figure 4. 4 : Percentage of Respondents based on Age



In this category, four categories of age are applied to determine the percentage of respondents according to their age. Figure 4.4 shows that the majority of the respondents fall into the age group of 18 to 29 years (45.5%), followed by the age group of 30 to 39 years (37.6 %). While for the group age of 40 to 49 years, the proportion is 13.5% and respondents who are 50 years old and above constitute the least percentage of only 3.4%.

From the study, it can be seen that most of the correspondents involved in the survey were those between 18 to 29 years old. Most of them tend to occupy middle to lower positions in their organizations. It should also be noted that those aged 50 and above participated the least in the study, as they tend to have busier working schedule preventing them from participating in the study.

#### 4.4.4 Education

Figure 4. 5: Percentage of Respondents based on Education

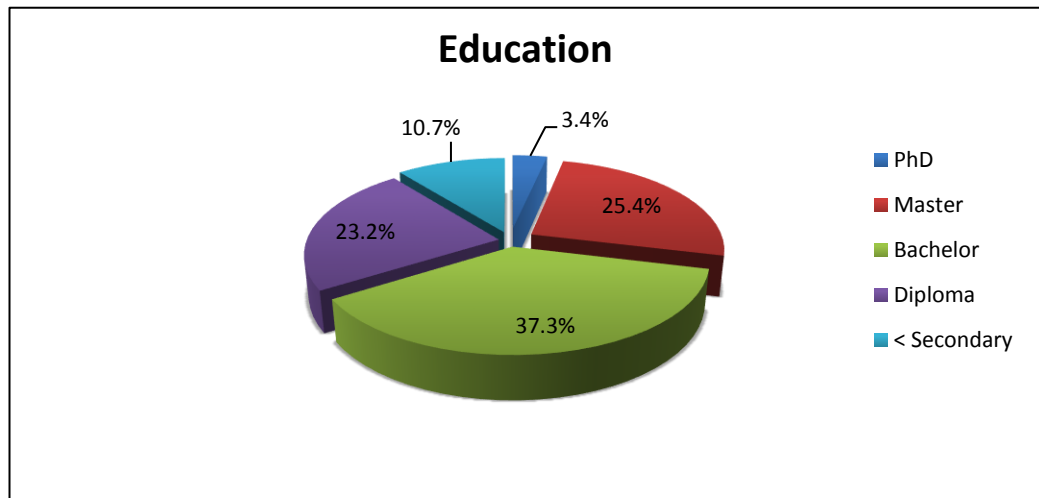
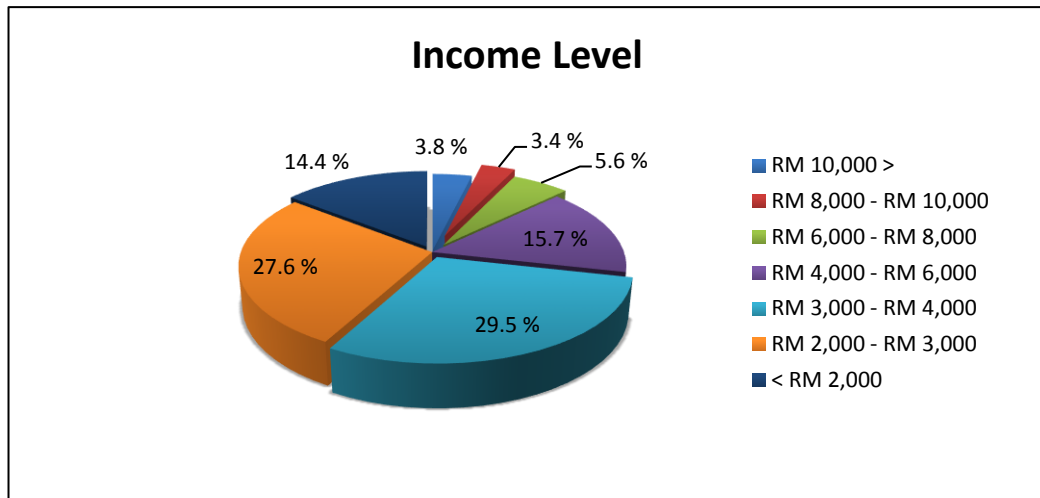


Figure 4.5 shows that almost all the respondents have received a formal education. The analysis of the result showed that most respondents have a bachelor degree (37.3%) or a diploma (23.2%). In contrast, the least number of respondents are made up of those with a PhD, followed by those who have had secondary education or lower with 3.4% and 10.7%, respectively. 25.4% of the respondents have a Master's qualification.

The pie chart shown above indicates that a vast majority of the respondents are highly educated with most of them holding a bachelor's degree. The percentage of respondents who have a master's degree and diploma are relatively similar while there are only a small percentage of respondents with primary and secondary school education.

#### 4.4.5 Income Level

Figure 4. 6 : Percentage of Respondents based on Income level



Based on the pie chart above, the majority of the respondents have a personal monthly income between RM 3,000 and RM 4,000 (29.5%), followed by an average of between RM 2,000 and RM 3,000 (27.6%), between RM 4,000 and RM 6,000 (15.7%), below RM 2,000 (14.4%) and above RM 10,000 (3.4%).

The findings show that the majority of those who responded to the survey were those being paid between RM 2,000 and RM 4,000 per month. Earning a monthly income of RM 2,000 is considered as inadequate to sustain the high cost of living in the city. The study also shows that only a few workers receiving a monthly salary of RM 6,000 and above responded to the survey.

Based on Figure 4.6 above, it can be observed that the percentage of respondents earning between RM 8,000 and RM 10,000 was less than those receiving a monthly salary of RM 10,000 and above. Respondents who receive a salary of RM 10,000 and above were mainly from the top management and those

holding a managerial position. Those in the income range of RM 4,000 and RM 8,000 were from the middle-income level group while most of those earning RM 4000 and below were the support level workers.

#### 4.4.6 Total Debt

Figure 4. 7: Percentage of Respondents based on Total debt

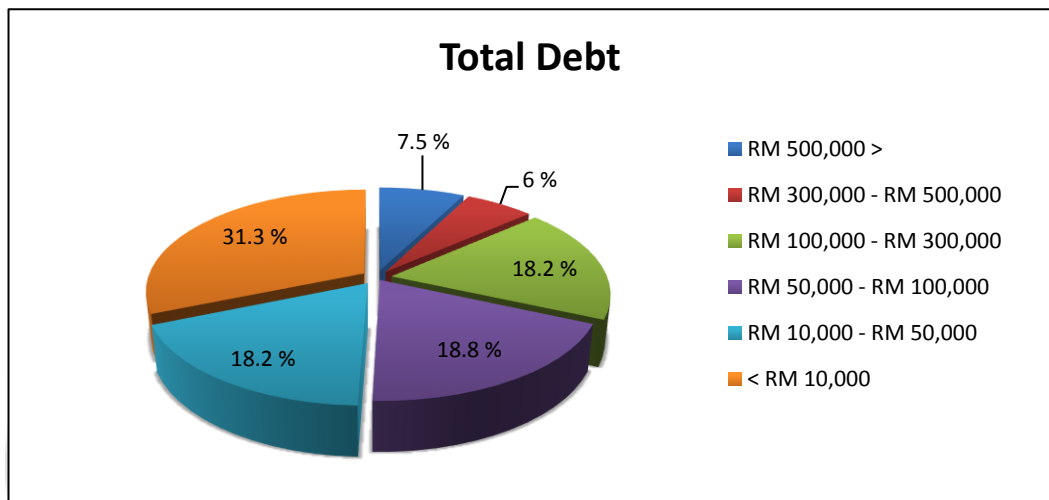


Figure 4.5 shows that most respondents (31.1%) have a total debt below RM 10,000, indicating that most of the respondents involved in this study had low debts. This was followed by a total debt between RM 50,000 and RM 100,000 (18.8%), RM 10,000 to RM 50,000 and RM 100,000 to RM 300,000 (18.2% each), RM 300,000 and RM 500,000 (7.5%) and over RM 500,000 (6%) which reflect the lowest percentage for total debt. The analysis indicates that many of the respondents have ability to manage their debts.

Based on the above pie chart, it can be concluded that most of the respondents have debt lesser than RM 10, 000. There are also a small percentage of

respondents who are debt-free, and these are single respondents who have just started working and are staying with their family members. The percentage of respondents with total debt between RM 10,000 and RM 50,000, between RM 50,000 and RM 100,000, and between RM 50,000 and RM 100,000 is observed to be relatively similar to one another.

Those in the RM 10,000 to RM 50,000 category were respondents aged 29 and below who have just started their career and have personal loans and education loan. Respondents with a total debt of between RM 50,000 and RM 100,000 have a hire purchase loan while those who have more than RM 100,000 debt were those who have recently obtained a housing loan or have recently purchased a new property. The pie chart also shows that a few respondents have a total debt between RM 300,000 and RM 500,000 with (6%). Finally, those with a total debt exceeding RM 500,000 were those who have recently purchased two or more properties.

Based on the above data, it can be concluded that the amount of debt incurred by an individual is related to their income level. As most of the respondents of this study were in the RM 2,000 to RM 4,000 income group, their debts were at an average of RM 300,000 and below.

## 4.5 Central Tendencies Measurement of Constructs

### 4.5.1 Financial Wellbeing

**Table 4. 3**

Summary of Central Tendency for Financial Wellbeing Construct

No	Items	Mean	Std. Deviation
SB_Q1	I am satisfied with my overall financial situation.	2.96	1.045
SB_Q2	I am worried about my personal finances at the moment.	3.05	1.113
SB_Q3	I am financially well off at the moment.	2.82	.932
SB_Q4	I am confident that I will have enough money to provide for a comfortable old age.	2.75	1.022
SB_Q5	My pay often runs out before the next pay day.	2.67	1.111
SB_Q6	I often have trouble paying monthly bills. (Utilities, instalment, and credit cards).	2.26	1.104
SB_Q7	I am confident that I have control over my personal finance.	3.38	.999
SB_Q8	It is easy for me to get money to pay for a financial emergency that cost RM 1000.	2.76	1.126
SB_Q9	In general, I am worried about my personal finance.	3.49	1.113

As seen in Table 4.3, the highest mean score recorded is for SB\_Q9 with a score of 3.49 which indicates that most of the respondents were worried about their personal finances. SB\_Q6 has the lowest mean score of 2.26 which means that most respondents did not have much problem in paying their monthly bills or instalments. As for the standard deviation, SB\_Q8 recorded the highest score of 1.126 in contrast to SB\_Q3 which showed the lowest value at .932.



Based on financial well-being data recorded, all the statements are normally distributed as the value for skewness and kurtosis are within the range of  $\pm 1$  (Sit et al., 2009).

#### 4.5.2 Financial Problem

**Table 4. 4**

Summary of Central Tendency for Financial Problem Construct (Internal or Individual Factor)

No	Items	Mean	Std. Deviation
SCI_Q1	Low income or salary	3.85	.969
SCI_Q2	Health problem or illness	2.70	1.288
SCI_Q3	Legal Problems	2.27	1.234
SCI_Q4	Debt or loan	3.51	1.069
SCI_Q5	Poverty	2.45	1.150
SCI_Q6	Caring of dependents or parents	2.55	1.240
SCI_Q7	Over Spending or Overuse of credit	2.70	1.297
SCI_Q8	Personal behavior	2.79	1.244
SCI_Q9	Cigarette or Alcohol	1.83	1.200
SCI_Q10	Lottery or Gambling	1.67	1.180
SCI_Q11	Lack of Financial Literacy	2.47	1.271

Table 4.4 above shows statements that reflect financial problems with a focus on internal or individual factor that influences financial problems. As seen in the table, SCI\_Q1 has the highest mean score (3.85) while SCI\_Q10 (1.67) has the lowest mean score. This indicates that the main cause of financial problem according to the respondents is low income although. In terms of

standard deviation, SCI\_Q7 recorded the highest score with 1.297 while SCI\_Q1 recorded the lowest score with 0.969.

**Table 4. 5**

Summary of Central Tendency for Financial Problem Construct (External or Macro factors)

No	Items	Mean	Std. Deviation
SCE_Q1	The unstable global economy	4.12	.848
SCE_Q2	GST introduced by the government	4.26	.882
SCE_Q3	Unstable local political condition ( i.e. Falls of Ringgit Malaysia exchange rate)	4.30	.829
SCE_Q4	Employer	3.50	1.090

Table 4.5 shows the questions with regard to financial problems which focus on external and macro factors that influence financial problems. From the table above, the highest mean recorded is 4.30 for SCE\_Q3 while the lowest mean recorded is 3.50 for SCE\_Q4. This indicates that most of the respondents believe that the unstable local politics is the main factor that influences their financial stability while the employer is not considered as the main factor that causes financial problems. As seen in Table 4.5, SCE\_Q4 has the highest standard deviation value of 1.090 while SCE\_Q3 has the lowest standard deviation value of 0.829.

### 4.5.3 Saving Behavior

**Table 4. 6**

Summary of Central Tendency for Saving Behavior Construct (Self-control)

No	Items	Mean	Std. Deviation
SDI_Q1	I don't save, because I think it's too hard.	2.29	1.187
SDI_Q2	I enjoy spending money on things that aren't practical.	2.29	1.081
SDI_Q3	When I get money, I always spend it immediately (within 1 or 2 days).	2.27	1.123
SDI_Q4	"I see it, I like it, I buy it" describes me.	2.24	1.138
SDI_Q5	"Buy now, think about it later" describes me.	2.09	1.030
SDI_Q6	I'm easily attracted by the lure.	2.24	1.065
SDI_Q7	I always failed to control myself from spending money.	2.34	1.135
SDI_Q8	I am more concerned with what happens to me in the short run than in the long run.	2.59	1.154

Table 4.6 shows the statements with regard to saving behavior with a focus on self-control. Both the SDI\_Q8 and SDI\_Q5 score values reflect the highest and the lowest mean with 2.59 and 2.09, respectively. In terms of personal saving behavior, it shows that most of the respondents prefer short term saving. The highest value for standard deviation is 1.187 for SDI\_Q1 while the lowest is 1.030 for SDI\_Q5.

**Table 4. 7**

Summary of Central Tendency for Saving Behavior Construct (Contribution)

No	Items	Mean	Std. Deviation
SDII_Q1	When I set saving goals for myself, I rarely achieve them.	3.37	1.019
SDII_Q2	I put money aside on a regular basis for the future.	3.76	.803
SDII_Q3	In order to save, I often compare prices before I make a purchase	3.90	.730
SDII_Q4	In order to save, I often consider whether the real necessity before I make a purchase.	3.90	.739
SDII_Q5	In order to save, I always follow a careful monthly budget.	3.75	.823
SDII_Q6	I always have money available in the event of emergency	3.65	.866
SDII_Q7	In order to save, I plan to reduce my expenditure.	3.79	.772
SDII_Q8	I save to achieve certain goals.	3.87	.766

Table 4.7 displays the statements for saving behavior with a focus on self-saving behavior. Out of the eight statements shown in Table 4.6, SDII\_Q3 and SDII\_Q4 reflects the highest mean score of 3.90 while SDII\_Q1 shows the lowest score of 3.37. From the result obtained, it can be said that respondents manage to save by controlling their spending. This is achieved by choosing only necessary items to purchase and comparing prices of the same products. By practising these, respondents are able to put aside some money as savings. The SDII\_Q1 score value has the highest standard deviation (1.019) whereas SDII\_Q3 has the lowest standard deviation (0.730).

## 4.6 Relationship between Financial Problem and Saving Behavior

### 4.6.1 Correlation Analysis

Table 4. 8

		Correlations								
		Gender	Marital_Status	Age	Qualification	Income_Average	Total_Debt	Fin_Wellbeing	Fin_Problem	Saving_Behavior
Gender	Pearson Correlation	1	-.186**	-.001	.064	.186**	.144*	.078	.032	.133*
	Sig. (2-tailed)		.001	.986	.252	.001	.010	.163	.568	.017
Marital_Status	Pearson Correlation		1	-.397**	.073	-.314**	-.284**	.081	.126*	-.031
	Sig. (2-tailed)			.000	.192	.000	.000	.148	.024	.576
Age	Pearson Correlation			1	.016	.475**	.254**	-.160**	-.069	.002
	Sig. (2-tailed)				.777	.000	.000	.004	.217	.971
Education	Pearson Correlation				1	.388**	.165**	.182**	.123*	-.022
	Sig. (2-tailed)					.000	.003	.001	.029	.696
Income_Average	Pearson Correlation					1	.517**	-.082	.006	.090
	Sig. (2-tailed)						.000	.146	.910	.110
Total_Debt	Pearson Correlation						1	-.083	-.120*	.133*
	Sig. (2-tailed)							.140	.033	.017
Fin_Wellbeing	Pearson Correlation							1	.279**	.242**
	Sig. (2-tailed)								.000	.000
Fin_Problem	Pearson Correlation								1	.359**
	Sig. (2-tailed)									.000
Saving_Behavior	Pearson Correlation									1
	Sig. (2-tailed)									

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

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

Correlation table above shows the correlations between dependent variable (saving behavior) and independent variables (gender, marital status, age, income average, total debt, financial well-being and financial problem). Based on table 4.8 there is a significant positive correlation between gender and individual saving behavior ( $r = 0.133, p < 0.1$ ). Followed by the relationship between total debt and individual saving behavior with positive correlation ( $r=0.133, p < 0.1$ ). For financial well-being and individual saving behavior, the correlation figure is 0.242 which is significant at 0.1 level and the relationship between financial problem and individual saving behavior have a strongest significant positive correlation ( $r = 0.359, p < 0.1$ ).

#### 4.6.2 Coefficient of Determination

**Table 4. 9**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.459 <sup>a</sup>	.211	.191	.41230

a. Predictors: (Constant), financial literacy, marital status, gender, personal monthly income, age, level of education.

Refer to table 4.9, the coefficient of determination result is 0.459, it implies a fairly positive relationship between the variables understudied. It is observed that  $R^2$  value is 0.211( $R^2=0.191$ ), while the adjusted  $R^2$  value is 0.191, which means one percentage change on the independent variables explains 19.1% variances on the dependent variable (Saving behavior). This implies that the average variation of all the 8 independent variables are able to explain, on average.

### 4.6.3 ANOVA (Analysis of Variance)

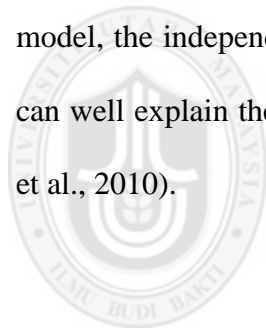
**Table 4. 10**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.090	8	1.761	10.361	.000 <sup>b</sup>
	Residual	52.697	310	.170		
	Total	66.788	318			

a. Dependent Variable: Saving\_Behavior

b. Predictors: (Constant), Fin\_Problem, Income\_Average, Gender, Fin\_Wellbeing, Marital\_Status, Education, Total\_Debt, Age

Based on the ANOVA results presented in Table 4.10, the F-value of 10.361 is significant at 5 per cent level. This indicates that in the regression model, the independent variables (Financial Well-being and Financial problem) can well explain the variation of dependent variable (Saving Behavior) (Coakes et al., 2010).



UUM  
Universiti Utara Malaysia

#### 4.6.4 Multiple Regression

**Table 4. 11**

Summary of Regression coefficients

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.351	.291		4.645	.000
	Gender	.074	.048	.081	1.529	.127
	Marital_Status	.000	.053	.000	.003	.998
	Age	-.010	.035	-.018	-.290	.772
	Education	-.071	.026	-.157	-2.705	.007
	Income_Average	.021	.023	.067	.925	.356
	Total_Debt	.051	.018	.174	2.889	.004
	Fin_Wellbeing	.256	.075	.185	3.409	.001
	Fin_Problem	.273	.043	.343	6.413	.000

a. Dependent Variable: Saving\_Behavior

From Table 4.11, the regression equation can be established as:

$$Y = 1.351 - 0.074X_1 + 0.000X_2 - 0.10X_3 - 0.071X_4 + 0.021X_5 + 0.051X_6 + 0.256X_7 + 0.273X_8 + e.$$

Where,

Y = dependent variable (individual saving behavior)

X1 = Gender

X2 = Marital status

X3 = Age

X4 = Education level

X5 = Income

X6 = Total Debt

X7 = Financial Well-being

X8 = Financial problem

e = the error term.



An equation is formed based on table 4.11 to determine the statistical significance of each independent variable on the dependent variable. The regression results show that education, total debt, financial well-being and financial problem have a significant positive relationship with saving behaviour.

Education has a significant negative influence on saving behavior (p-value of 0.007). It means that as far as the sample of the study is concerned, individuals with higher education level tend to save less compared to individuals with lower education level. Although this contradicts the hypothesis and the findings of earlier studies, it may make sense as far as the respondents in the study are concerned. Although higher education level comes with higher salaries, it also comes with higher debts, such as education loan and also personal loan. Moreover, most of the respondents are quite young and have many commitments, hence, the inability to save adequately.

It is also evident that total debt has a significant positive relationship with saving behavior (p-value of 0.004) and this implies that as the level of debt increases, individuals tend to save more. This is understandable because with huge fixed commitment to pay debt, individuals tend to be cautious and worry in the event that unfavourable circumstances such as losing a job, occurs. In this case, having an adequate amount of saving may mitigate the adverse effects that may occur should the unfortunate circumstances occur.

Financial well-being has positive significant relationship with saving behavior (p-value of 0.001), which is tally with the hypothesis and the findings of previous studies such as that by Delafrooz et al. (2010). The finding implies that individuals who are in good financial condition tend to save more, probably due to the fact that they have the means to do so.

Surprisingly, financial problem also has positive significant relationship with saving behavior (p-level of 0.000), which may be conflicting with the finding of financial wellbeing previously. However, it is also logical that, as far as the sample of this study is concerned, individuals facing financial problem also tend to save aside some money due to their circumstance. The amount of saving by these individuals may not be as large as those who are in good financial conditions, but they do actually save, probably for survival.

The other independent variables (gender, marital status, age and income average) are not significant in explaining the changes in the saving behavior of the respondents in the study.

#### **4.7 Conclusion**

In this study, eight independent variables (gender, marital status, age, education, income average, total debt, financial well-being, and financial problem) and one dependent variable (saving behavior) were considered. A synthesized review of the observed relationships between dependent variables and independent variable examined for the study suggests that gender, total debt, financial well-being and

financial problem have significant positive impact on the saving behavior. However, marital status and education are not significantly related with saving behavior. The study does not find any significant relationship between age and income average.

The next chapter provides the conclusion of the study and recommendations for future research.



## **CHAPTER FIVE**

### **CONCLUSION AND RECOMMENDATION**

#### **5.1 Introduction**

This chapter will present about the relevant findings regarding the result of the research conducted and the sub chapter that will be discussed in this chapter are the summary of major finding, recommendation for future research and conclusion remarks.

#### **5.2 Summary of major findings**

The study is conducted with the objective to determine the relationship between demographic factors, financial well-being and financial problem with saving behavior.

The first research question of the study is to determine the relationship between selected demographic factors (gender, marital status, age, education, income average and total debt) and saving behavior. The result showed that there is no significant relationship among the demographic factors except for education.

The first hypothesis (H1) forecasts that there is a significant relationship between gender and saving behavior. The result showed that there is no a significant relationship between gender and saving behavior (p-value 0.127). This result supports the previous study conducted by Sabri and MacDonald (2010),

there are no significant differences in term of financial problem level between male and female students in their study.

As for the second hypothesis (H2), the finding shows that there is no significant relationship between marital status and saving behavior (p-value 0.998). This finding is not parallel to the study conducted by Mauldin (2009) found that married couples have an advantage in saving and investment compared to unmarried individuals, because the married couples have higher financial awareness than single individuals.

For hypothesis H3, it shows there is no significant relationship between age and saving behavior (p-value 0.772). This result does not support the previous study by Shimman D (2010) who found that the highest respondents who are in the middle age (30 to 39 years) is a relevant determinant of saving behavior.

Hypothesis four (H4) relates education to be a predictor of saving behavior. The result of the study shows a negative and significant relationship between education and saving behavior (p-value 0.007).

The result supports the study by Lusardi and Tufano (2015) in which a high-income individual usually has high savings and is certainly at a high level of financial well-being. Beside, commitments on repayment of educational loan have an influence on income.

With regards to the hypothesis H5, it was found that there is no significant relationship between income average and saving behavior (p-value 0.356). The result does not support the previous study which found that individuals with high income tend to have high savings. This is in contrast to Bashir et al.,(2013) who found that income levels define savings practices, which affects the tendency to save and results in being better in financial well-being.

As for hypothesis H6, the result shows that total debt has a positive relationship and significant effect on saving behavior (p-value 0.004). This indicates that individuals with low debt have a potential to high saving. This result is consistent with a study by Referring to the study conducted by Finlay and Price (2014), it was found that people tend to rebuild their financial well-being after a financial crisis with changing attitudes towards debt, thus contributed to increase in saving.

The second research question deals with the relationship between financial well-being and saving behavior. The result shows that there is a significant relationship between financial well-being and saving behavior. Hypothesis H7 states that financial well-being has a positive relationship and significantly influences the saving behavior (p-value 0.001). This might explain that individual with financial well-being tends to have positive saving behavior.

In addition, according to Cox et al., (2009), there is a positive relationship between financial well-being and saving behavior. Those who are good in their financial well-being are also those who have good saving behavior.

The third research question deals with the relationship between financial problem and saving behavior. The result shows that there is a positive relationship between financial problem and saving behavior. The hypothesis H8 study found the financial problem shows a positive relationship and has significant influence on saving behavior (p-value 0.000). Therefore, the result of the present study is consistent with the study of Sabri and MacDonald (2010) which found that saving behavior has a positive and significant relationship with financial problem.

### **5.3 Recommendation for future studies**

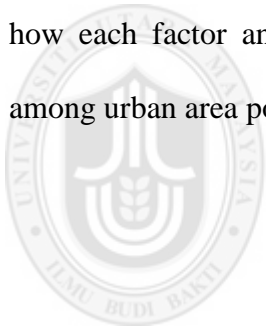
This research emphasises on the relationship between financial problems and saving behavior in urban areas in Malaysia, specifically the Kuala Lumpur city centre with a focus only on white-collar employees. Therefore, it is recommended that future studies focus on blue-collar workers which are more relevant with the current economic scenario.

Future research should also focus on other relevant economic activities in the country so that the results may provide information on whether there exists a consistency on the effects of financial problems on individual saving behaviors among respondents from various economic activities.

## 5.4 Concluding Remarks

In this chapter the main points discussed are the analyses of the findings from the research conducted which involve the summary of the study, discussion about the finding analysis between dependent variable and independent variables, the implications and recommendations for future studies. In a nutshell, this research has provided an insight on how each proposed the relationship between financial problem and saving behavior.

Overall, the finding indicates that all factors clearly show positive relationships with saving behavior. Therefore, this study has provided an understanding on how each factor and selected demographic factors influence saving behavior among urban area populations.



UUM  
Universiti Utara Malaysia



## REFERENCES

- Aghion, P., Brauay, M., and Fedderke, and J. (2007). Competition and Productivity Growth in South Africa. *Retrieved* on Feb 2017 from <https://doi.org/10.1111/j.1468-0351.2008.00336.x>
- Agyeman, C. M., and Ponniah, V. M. (2014). Employee Demographic Characteristics and Their Effects on Turnover and Retention in MSMEs. *International Journal of Recent Advances in Organizational Behavior and Decision Sciences (IJRAOB) An Online International Monthly Journal*, 1(1), 2311–3197.
- Ali, A., Rahman, M. S. A., and Bakar, A. (2013). Financial Literacy and Satisfaction in Malaysia: Pilot Financial Literacy and Satisfaction in Malaysia: Pilot Study. *International Journal of Trade, Economic and Finance*, 4(5), 320–323. *Retrieved* on Feb 2017 from <https://doi.org/10.7763/IJTEF.2013.V4.309>
- Amponsah, B. (2015). Assessing The Effect Of Financial Literacy On Saving Behavior: A Case Study Of Small Scale Miners In Manso Atwere In Amansie West District.
- Anderloni, L., Bacchiocchi, E., and Vandone, D. (2012). Household financial vulnerability: An empirical analysis. *Research in Economics*, 66(3), 284–296. *Retrieved* on Feb 2017 from <https://doi.org/10.1016/j.rie.2012.03.001>

- Arampatzi, E., Burger, M. J., and Veenhoven, R. (2014). Financial distress and happiness of employees in times of economic crisis. *Applied Economics Letters*, 22(3), 173–179. Retrieved on Feb 2017 from <https://doi.org/10.1080/13504851.2014.931916>
- Archuleta, K. L., Dale, A., and Spann, S. M. (2013). College students and financial distress : Exploring debt, financial satisfaction, and financial anxiety. *Journal of Financial Counseling and Planning*, 24(2), 50–62. Retrieved on Mac 2017 from <http://hdl.handle.net/2097/17281>
- Areosa, M. (2015). Household saving behavior and credit constraints in the euro area. *Accounting and Finance*, 20(2), 146–146. Retrieved on Apr 2017 from <https://doi.org/10.1111/j.1467-629X.1980.tb00220.x>
- Aziz, M. B. B. B. A. (2010). Stres Dalam Kalangan Guru Di Dua Buah Sekolah Menengah Kebangsaan Di Kawasan Skudai, (October), 19–21.
- Bashir, T., Hassan, A., Nasir, S., Baber, A., and Shahid, W. (2013). Gender Differences in Saving Behavior and its Determinants : Patron from Pakistan, 9(6), 74–86.
- Bhashree Nayak Su. (2013). Determinants and Pattern of Saving Behavior in Rural Households of Western Odisha. *Thesis*, (May), 90.

Blanc, J. Le, Porphiglia, A., Teppa, F., Zhu, J., and Ziegelmeyer, M. (2014). Household saving behavior and credit constraints in the Euro area. *Deutsche Bundesbank Discussion Paper*, (16), 1–34.

Bożena Frączek. (2011). The factors affecting the level of household savings and their influence on economy development. *Research Gate*, (September 2011).

Bruhn, M., Leao, L. S., Legovini, A., Marchetti, R., and Zia, B. (2013). Financial Education and Behavior Formation : Large Scale Experimental Evidence from Brazil. *Finance and PSD Impact Evaluation Note; No. 26. Washington, DC : World Bank Group.*, 1, 1–67. Retrieved on May 2017 from [http://siteresources.worldbank.org/NEWSLETTERS/Resources/442941-1360884692016/Financial\\_Education\\_IE\\_Feb\\_7\\_2013t.pdf](http://siteresources.worldbank.org/NEWSLETTERS/Resources/442941-1360884692016/Financial_Education_IE_Feb_7_2013t.pdf)

Cavana, R. Y., Delahaye, B. L., and Sekaran, U. (2001). *Applied business research: qualitative and quantitative methods. Recherche En Soins Infirmiers*. March 196. Retrieved on May 2017 from <https://doi.org/10.1109/IRET-EM.1962.5007643>

Chauke, H. M. (2011). The determinants of household saving: The South African Black middle class perspective., (November), 1–103. Retrieved on Jun 2017 from <http://repository.up.ac.za/dspace/bitstream/handle/2263/25807/dissertation.pdf?sequence=1> and [isAllowed=y](#)

Clarke, S., and Cooper, C. L. (2000). The risk management of occupational stress  
The risk management of occupational stress. *Health Risk and Society*, (July).  
Retrieved on Jun 2017 <https://doi.org/10.1080/713670158>

Coakes, S. J., Steed, L., and Price, J. (2005). SPSS 12.0 Analysis without anguish.  
*John Wiley and Sons Australia, Ltd.*

Coakes, S. J., Steed, L., and Price, J. (2008). SPSS: Analysis Without Anguish;  
version 15.0 for Windows. *SPSS for Windows*. Retrieved on Aug 2017 from  
<https://doi.org/10.1017/CBO9781107415324.004>

Cox, A., Hooker, H., Markwick, C., and Reilly, P. (2009). Financial Well-being in  
the Workplace.

Delafronz, N., and Paim, L. H. (2011). Determinants of Saving Behavior and  
Financial Problem among Employees in Malaysia. *Australian Journal of Basic  
and Applied Sciences*, 5(7), 222–228.

Falahati, L., and Paim, L. (2012). Gender Differences in Saving Behavior  
Determinants among University Students. *Journal of Basic Applied Science  
Research*, 2(6), 5848–5854.

Fazli Sabri, M., and Tze Juen, T. (2014). The influence of financial literacy, saving  
behavior, and financial management on retirement confidence among women  
working in the Malaysian public sector. *Asian Social Science*, 10(14), 40–51.  
Retrieved on Aug 2017 from <https://doi.org/10.5539/ass.v10n14p40>

- Fehr, H., Kallweit, M., and Kindermann, F. (2016). Household Formation, Female Labor Supply, and Savings. *Scandinavian Journal of Economics*, 118(4), 868–911. Retrieved on Aug 2017 from <https://doi.org/10.1111/sjoe.12154>
- Finlay, R., and Price, F. (2014). Discussion Paper Household Saving in Australia.
- Fisher, P. J. (2010). Gender differences in personal saving behaviors. *Journal of Financial Counseling and Planning*, 21(1), 14–24. Retrieved on Aug 2017 from [http://6aa7f5c4a9901a3e1a1682793cd11f5a6b732d29.griplements.com/pdf/volume\\_21\\_issue\\_1/pattiefisher.pdf](http://6aa7f5c4a9901a3e1a1682793cd11f5a6b732d29.griplements.com/pdf/volume_21_issue_1/pattiefisher.pdf)
- Giannetti, C., Madia, M., and Moretti, L. (2014). Job insecurity and financial distress. *Applied Financial Economics*, 24(4), 219–233. Retrieved on Sep 2017 from <https://doi.org/10.1080/09603107.2013.872759>
- Gliner, J., Morgan, G., and Leech, N. (2009). Research methods in applied settings: An integrated approach to design and analysis.
- Gołaś, P. A.-M. Z. (2014). The Socioeconomic Conditions Of Saving Behaviors In Polish Households 1 Paulina Anio ł a-Miko ł ajczak , Zbigniew Go ł a ś. *Oeconomia*, 13(4), 7–17.
- Grinstein-Weiss, M., Oliphant, J., Russell, B. D., and Boshara, R. (2015). Does unsecured debt decrease savings? Evidence from the Refund to Savings Initiative, (March), 1–6.

Grossbard, S. A., and Pereira, A. M. (2010). Will women save more than men? A theoretical model of savings and marriage, (95), 1–26. Retrieved on Sep 2017 from <http://www.econstor.eu/handle/10419/39849>

Hair, J., Celsi, M., Money, A., Samouel, P., and Page, M. (2014). *Essentials of business research methods. Essentials of business research methods.*

Hair, J. F., Anderson, R. E., Tatham, R. L., and Black, W. C. (1998). *Multivariate Data Analysis. International Journal of Pharmaceutics* (Vol. 1). Retrieved on Sep 2017 from <https://doi.org/10.1016/j.ijpharm.2011.02.019>

Hair Jr, J. F., Celsi, M, W., Money, A, H., Samouel, P., and Page, M, J. (2003). *Essentials of Business Research Methods.*

Havinga, T. (2016). Does the bequest motive explain savings behavior ?, (2002).

Heckman, S. J., and Hanna, S. D. (2015). Individual and institutional factors related to low-income household saving behavior. *Journal of Financial Counseling and Planning*, 26(2), 187–199.

jasmine adela mutang, walton wider, Ferlis Bullare, Lailawati, C. B. and H. K. (2017). The Effect of Financial Literacy and Attitude Toward Credit Cards on Financial Well-Being among Undergraduates in ., (July). Retrieved on Sep 2017 from <https://doi.org/10.3923/sscience.2017.1143.1150>

Johan Almenberg and Jenny Säve-Söderbergh. (2011). Financial Literacy and Retirement Planning in Sweden. *Journal of Pension Economics and Finance*, 10(4), 637–656. Retrieved on Sep 2017 from <https://doi.org/10.1017/S1474747211000527>

Katherine Russell. (2011). Financial Management Practices and Attitudes of Dental Hygienists: A Descriptive Study, (January).

Kim-Hwa, L., and Qi, O. P. (2013). Implementing Goods and Services Tax in Malaysia. Retrieved on Sep 2017 from [http://penanginstitute.org/gst/GoodsServicesTax\\_20131008.pdf](http://penanginstitute.org/gst/GoodsServicesTax_20131008.pdf), (October).

Lee, J. M., & Hanna, S. D. (2015). Savings Goals and Saving Behavior from a Perspective of Maslow's Hierarchy of Needs. *Journal of Financial Counseling and Planning*, 26(2), 129–147. Retrieved on Sep 2017 from <https://doi.org/10.2307/40471184>

Lusardi, A., and Tufano, P. (2015). Debt literacy, financial experiences, and overindebtedness. *Journal of Pension Economics and Finance*, 14(4), 332–368. <https://doi.org/10.1017/S1474747215000232>

Malaysian Institute of Economic Research. (2017). Malaysia Economic Outlook.

Malhotra, N. and Dash, S. (2010). Marketing research an applied orientation., 948.

- Mauldin, T. A. (2009). Savings Behavior among Cohabiting, Married, and Single Persons, *55*(706), 30602.
- Ming Thung, C., Ying Kai, C., Sheng Nie, F., Wan Chiun, L., and Chang Tsen, T. (2012). Determinants of saving behavior among the university students in Malaysia. *Universiti Tunku Abdul Rahman*, (May), 109. Retrieved on Oct 2017 from <http://eprints.utar.edu.my/607/1/AC-2011-0907445.pdf>
- Mokhtar, N., Husniyah, a. R., Sabri, M. F., and Abu Talib, M. (2015). Financial Well-Being among Public Employees in Malaysia: A Preliminary Study. *Asian Social Science*, *11*(18), 49–54. Retrieved on Oct 2017 from <https://doi.org/10.5539/ass.v11n18p49>
- Narges Delafrooz, Laily Hj Paim, Mohd Fazli Sabri, J. M. (2010). Effects of financial wellness on the relationship between financial problem and workplace productivity. *World Applied Sciences Journal*.
- National Bank of Malaysia. (2016). Perkembangan Ekonomi Malaysia Ekonomi Malaysia berkembang Permintaan dalam negeri terus berkembang Sektor ekonomi utama terus berkembang. *Buletin Suku Tahunan Suku Kedua 2016*, 63–73.



Niedzwiedz, C. L., Pell, J. P., and Mitchell, R. (2015). The relationship between financial distress and life-course socioeconomic inequalities in well-being: Cross-national analysis of European welfare states. *American Journal of Public Health*, 105(10), 2090–2098. Retrieved on Oct 2017 from <https://doi.org/10.2105/AJPH.2015.302722>

Nurul Haida Abd. Hamid and Azlina Abdullah. (2010). Financial Distress Among Employees : An Exploratory Study. In *Prosiding Perkem Iv, Jilid 2* (Vol. 2, Pp. 395–405).

Sabri, M. F., Cook, C. C., and Gudmunson, C. G. (2012). Financial well-being of Malaysian college students. *Asian Education and Development Studies*, 1(2), 153–170. Retrieved on Nov 2017 from <https://doi.org/10.1108/20463161211240124>

Sabri, M. F., and MacDonald, M. (2010). Savings Behavior and Financial Problems among College Students: The Role of Financial Literacy in Malaysia | Sabri | Cross-cultural Communication. *Crosscultural Communication*, 6(3), P103-110. Retrieved on Nov 2017 from <https://doi.org/10.3968/j.ccc.1923670020100603.009>

Saunders, M., Lewis, P., and Thornhill, a. (2009). *Research Methods for Business Students. Business* (Vol. 5th). <https://doi.org/10.1017/CBO9781107415324.004>

Sekaran, U. (2013). *Research Methods for Business: A skill-building Approach Sixth Edition. Research methods for business* (Vol. 65). Retrieved on Nov 2017 from <https://doi.org/10.1017/CBO9781107415324.004>

Sherman D. Hanna Yoonkyung Yuh. (2010). Which Households Think They Save? *Journal of Consumer Affairs*, 44, 70–97.

Sit, W.-Y., Ooi, K.-B., Lin, B., and Chong, A. Y.-L. (2009). TQM and customer satisfaction in Malaysia's service sector. *Industrial Management and Data Systems*, 109, 957–975. Retrieved on Nov 2017 from <https://doi.org/10.1108/02635570910982300>

Sithebe, A. (2014). South African household savings and the influence of financial liberalisation, (November).

suchet kumar. (2012). Financially stressed employees at workplace: A Malaysian Perspective. *International Journal of Research in Social Sciences*, 2(2), 323–337.

Thompson, J. P., Bricker, J., and Thompson, J. (2014). Finance and Economics Discussion Series Divisions of Research and Statistics and Monetary Affairs Federal Reserve Board , Washington , D . C . Does education loan debt influence household financial distress ? An assessment using the 2007-09 SCF Panel Does e. *SCF Panel Jeffrey*, 1–80.

Xu, Y., Beller, A. H., Roberts, B. W., and Brown, J. R. (2015). Personality and young adult financial distress. *Journal of Economic Psychology*, 51, 90–100.  
Retrieved on Nov 2017 from <https://doi.org/10.1016/j.joep.2015.08.010>

Yvonne McCarthy. (2011). Behavioral characteristics and financial distress. *ISSN 1725-2806*, 1.

Zaimah Ramli. (2011). Pengaruh Faktor Pengetahuan, Tingkah Laku Kewangan, Dan Pembuatan Keputusan Terhadap Kesejahteraan Kewangan Pekerja Sektor Awam Yang Berkahwin.

Zaimah Ramli, Md Sum, S., and Ismail, H. (2012). Financial Well-Being among Women Teachers. *Transformasi Ekonomi Dan Sosial Ke Arah Negara Maju*, 1, 202–208.

Zainal Abiddin, N. (2009). Issues in Educational Loan Repayment in Malaysia, (1).

Zakaria Umami Kalsom. (2014). Kerja Dalam Kalangan Guru Sekolah Menengah Daerah Hulu Terengganu , Universiti Utara Malaysia Januari 2014.

## APPENDICES





**SURVEY QUESTIONNAIRE ON THE FINANCIAL PROBLEM AND SAVING BEHAVIOUR  
STUDY CASE: BASE IN CITY CENTRE OF KUALA LUMPUR**

This research are conducted to eligible studies Master of Science (Corporate Finance). Respondent feedbacks and view highly important to achieving the objective of the study. All information will be strictly and only used for research only. Your feedbacks are gratefully appreciated and do contact me through my email: [helmihamdan786@gmail.com](mailto:helmihamdan786@gmail.com) for any enquiries or you are interested to know the result.

**Section A: Demographic Profiling**

1. Gender	2. Marital Status	3. Age	4. Ethnicity	5. Qualification	6. Sector Industry
<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Single <input type="checkbox"/> Married	<input type="checkbox"/> 18-29 <input type="checkbox"/> 30-39 <input type="checkbox"/> 40-49 <input type="checkbox"/> 50 >	<input type="checkbox"/> Malay <input type="checkbox"/> Chinese <input type="checkbox"/> India <input type="checkbox"/> Others	<input type="checkbox"/> < Secondary <input type="checkbox"/> Diploma <input type="checkbox"/> Bachelor <input type="checkbox"/> Master <input type="checkbox"/> PhD	<input type="checkbox"/> Government <input type="checkbox"/> Statutory Body <input type="checkbox"/> GLC <input type="checkbox"/> Private

7. Designation	8. Monthly Income Average	9. Total Debt Average
<input type="checkbox"/> Top Level/ Grade 52 > <input type="checkbox"/> Middle Level/ Grade 41-48 <input type="checkbox"/> Support Level/ Grade < 38	<input type="checkbox"/> RM 10,000 > <input type="checkbox"/> RM 8,000-RM 10,000 <input type="checkbox"/> RM 6,000-RM 8,000 <input type="checkbox"/> RM 4,000-RM 6,000 <input type="checkbox"/> RM 3,000-RM 4,000 <input type="checkbox"/> RM 2,000-RM 3,000 <input type="checkbox"/> < RM 2,000	<input type="checkbox"/> RM 500,000 > <input type="checkbox"/> RM 300,000-RM 500,000 <input type="checkbox"/> RM 100,000-RM 300,000 <input type="checkbox"/> RM 50,000-RM 100,000 <input type="checkbox"/> RM 10,000-RM 50,000 <input type="checkbox"/> < RM 50,000

## Section B: Satisfaction on Financial Situation

Instructions: Please tick (/) of alternative answers using the scale below

(1) Strongly Disagreed	(2) Disagreed	(3) Moderate	(4) Agreed	(5) Strongly Agreed
------------------------	---------------	--------------	------------	---------------------

1. Your satisfaction level towards your overall financial situations.	1	2	3	4	5
2. How worried are you about your personal finances today?	1	2	3	4	5
3. How well off are you financially?	1	2	3	4	5
4. Which of the following best describe your current financial situation?	1	2	3	4	5
5. How do you feel about your current financial situation?	1	2	3	4	5
6. How sure are you that you will have enough money to provide for a comfortable old age?	1	2	3	4	5
7. How often does your last pay run out before the next pay day?	1	2	3	4	5
8. How often do you have trouble paying monthly bills (utilities, instalment, and credit cards)?	1	2	3	4	5
9. How confident are you that you have control over your personal finances?	1	2	3	4	5
10. Your confidences are you that you know how to manage personal finances?	1	2	3	4	5
11. How easy would it be for you to get money to pay a financial emergency that cost RM 1000?	1	2	3	4	5
12. How worried are you about your personal finances in general?	1	2	3	4	5

### Section C: Causes of Financial Problems

Instructions: Please tick (/) of alternative answers using the scale below

(1) Strongly Disagreed	(2) Disagreed	(3) Moderate	(4) Agreed	(5) Strongly Agreed
------------------------	---------------	--------------	------------	---------------------

i- **Internal perspective** - The following matter have causes of financial distress to despondence:

1. Low income or salary	1	2	3	4	5
2. Health problem or illness	1	2	3	4	5
3. Legal Problems	1	2	3	4	5
4. Debt or loan	1	2	3	4	5
5. Poverty	1	2	3	4	5
6. Caring of dependents or parents	1	2	3	4	5
7. Over Spending or Overuse of credit	1	2	3	4	5
8. Personal Behaviour	1	2	3	4	5
9. Cigarette or Alcohol	1	2	3	4	5
10. Lottery or Gambling	1	2	3	4	5
11. Lack of Financial Literacy	1	2	3	4	5
12. Others. Please Indicate : _____	1	2	3	4	5

ii- **External perspective** - The following matter have causes of financial distress:

1. The instable globalization economic factors	1	2	3	4	5
2. New Policy introduce by government (i.e.; GST)	1	2	3	4	5
3. Instable politic in Malaysia have led to the financial crisis.( i.e. Falls of Ringgit Malaysia exchange rate)	1	2	3	4	5
4. Employer role and policy	1	2	3	4	5
5. Others. Please indicate : _____	1	2	3	4	5

### Section D: Saving Behaviour

Instructions: Please tick (/) of alternative answers using the scale below

(1) Strongly Disagreed	(2) Disagreed	(3) Moderate	(4) Agreed	(5) Strongly Agreed
------------------------	---------------	--------------	------------	---------------------

**i-Self-control** - The following matter have contribute to saving behaviour:

1. I don't save, because I think it's too hard.	1	2	3	4	5
2. I enjoy spending money on things that aren't practical.	1	2	3	4	5
3. When I get money, I always spend it immediately (within 1 or 2 days).	1	2	3	4	5
4. "I see it, I like it, I buy it" describes me.	1	2	3	4	5
5. "Buy now, think about it later" describes me.	1	2	3	4	5
6. I'm easily attracted by lure.	1	2	3	4	5
7. I always failed to control myself from spending money.	1	2	3	4	5
8. I am more concerned with what happens to me in short run than in the long run.	1	2	3	4	5

**ii-Saving behaviour** - The following matter have contribute to saving behaviour:

1. When I set saving goals for myself, I rarely achieve them.	1	2	3	4	5
2. I put money aside on a regular basis for the future.	1	2	3	4	5
3. In order to save, I often compare prices before I make a purchase	1	2	3	4	5
4. In order to save, I often consider whether the real necessity before I make a purchase.	1	2	3	4	5
5. In order to save, I always follow a careful monthly budget.	1	2	3	4	5
6. I always have money available in the event of emergency	1	2	3	4	5
7. In order to save, I plan to reduce my expenditure.	1	2	3	4	5
8. I save to achieve certain goals.	1	2	3	4	5



## Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Fin_Wellbeing	319	100.0%	0	0.0%	319	100.0%
Fin_Problem	319	100.0%	0	0.0%	319	100.0%
Saving_Behavior	319	100.0%	0	0.0%	319	100.0%

## Descriptives

		Statistic	Std. Error	
Fin_Wellbeing	Mean	2.9464	.01858	
	95% Confidence Interval for Mean	Lower Bound	2.9098	
		Upper Bound	2.9829	
	5% Trimmed Mean	2.9423		
	Median	2.8890		
	Variance	.110		
	Std. Deviation	.33188		
	Minimum	1.89		
	Maximum	4.11		
	Range	2.22		
	Interquartile Range	.33		
	Skewness	.139	.137	
	Kurtosis	.450	.272	
Fin_Problem	Mean	2.7000	.03224	
	95% Confidence Interval for Mean	Lower Bound	2.6366	
		Upper Bound	2.7634	
	5% Trimmed Mean	2.6767		
	Median	2.6470		
	Variance	.332		
	Std. Deviation	.57580		
	Minimum	.94		
	Maximum	4.71		
	Range	3.77		
	Interquartile Range	.82		
	Skewness	.565	.137	

	Kurtosis		.377	.272
Saving_Behavior	Mean		3.0214	.02566
	95% Confidence Interval for Mean	Lower Bound	2.9709	
		Upper Bound	3.0719	
	5% Trimmed Mean		3.0047	
	Median		2.9380	
	Variance		.210	
	Std. Deviation		.45828	
	Minimum		1.00	
	Maximum		4.38	
	Range		3.38	
	Interquartile Range		.50	
	Skewness		.427	.137
	Kurtosis		1.539	.272

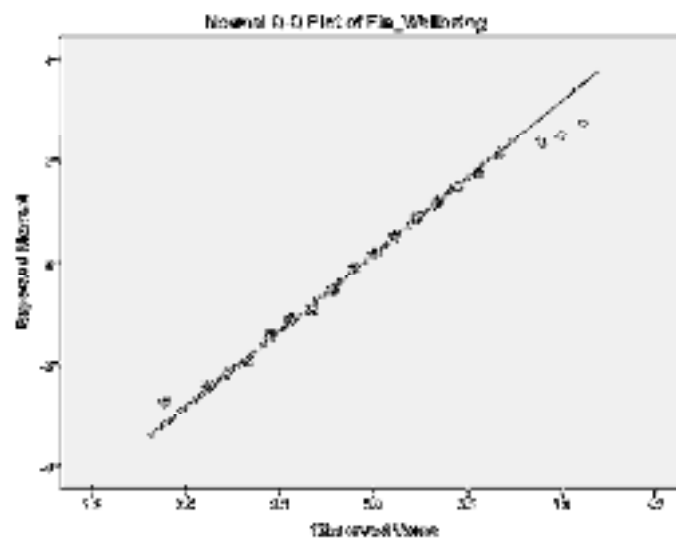
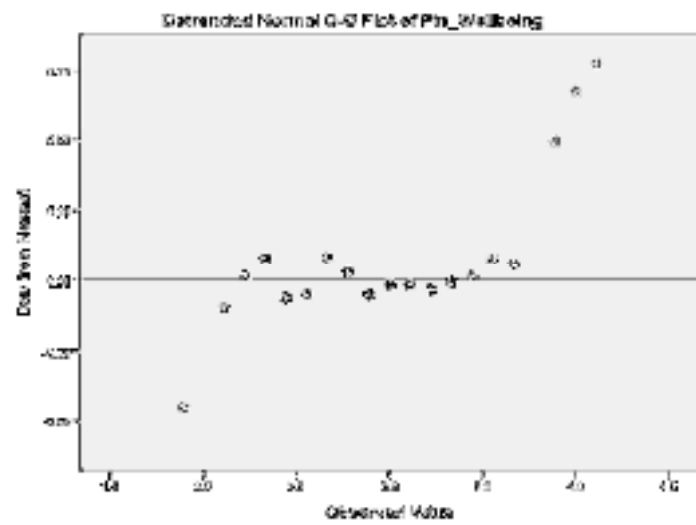
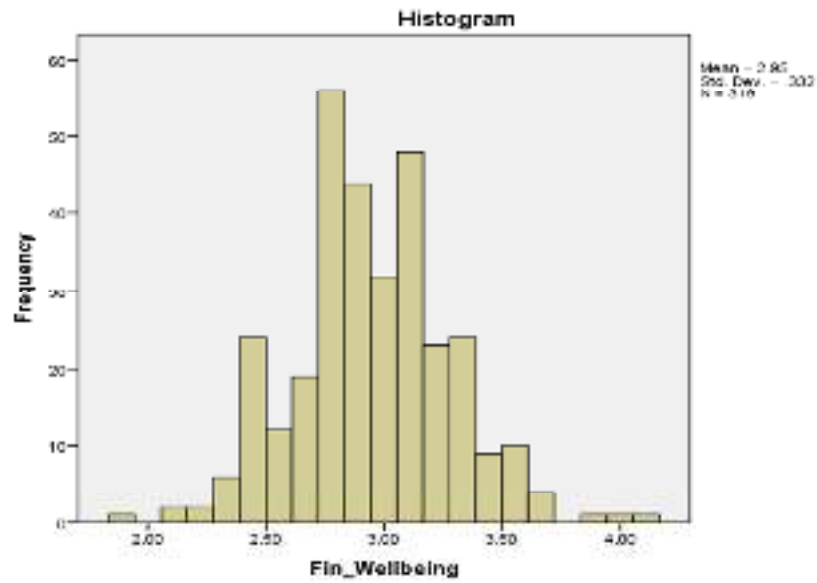


#### Tests of Normality

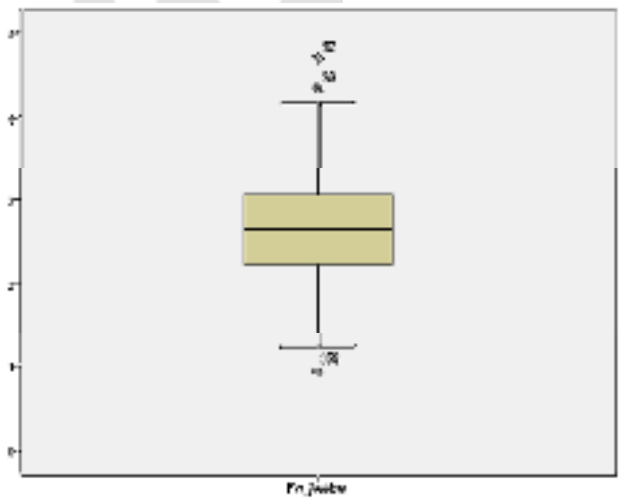
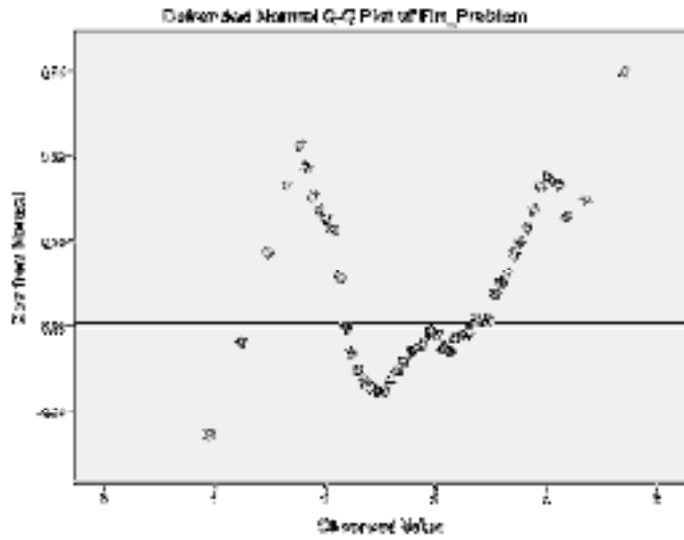
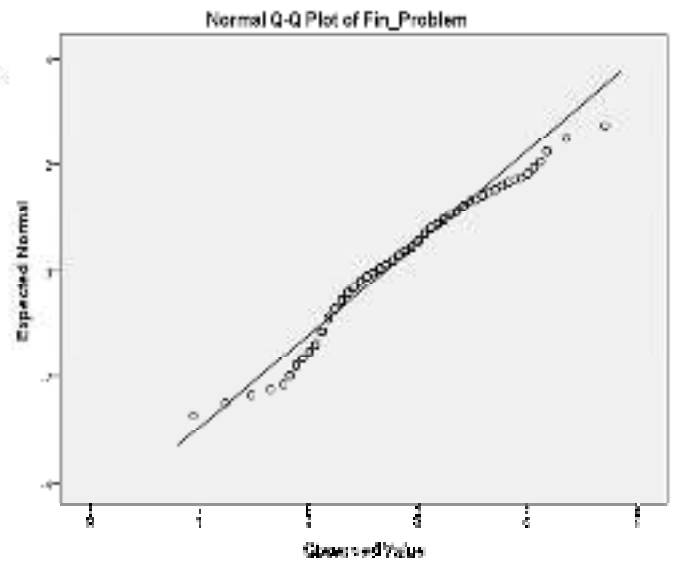
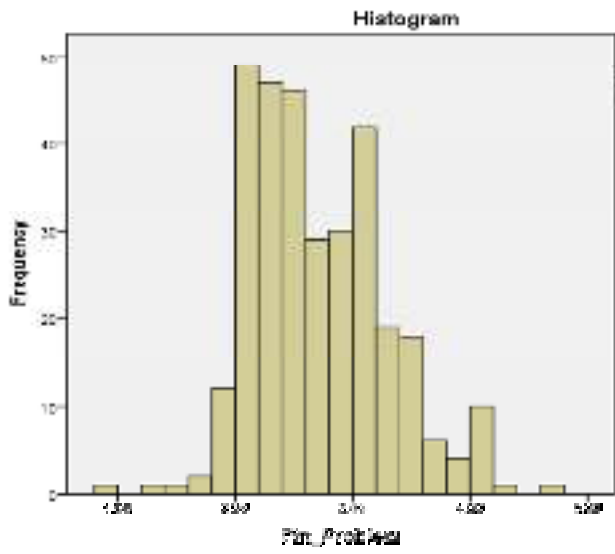
	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Fin_Wellbeing	.099	319	.000	.983	319	.001
Fin_Problem	.097	319	.000	.969	319	.000
Saving_Behavior	.121	319	.000	.949	319	.000

a. Lilliefors Significance Correction

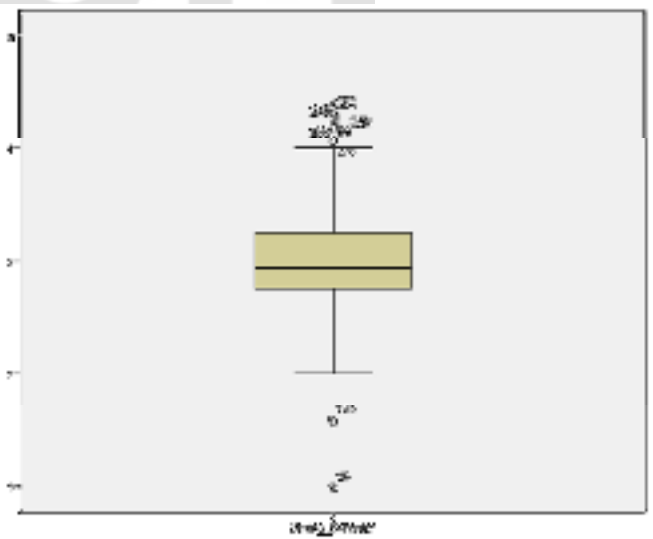
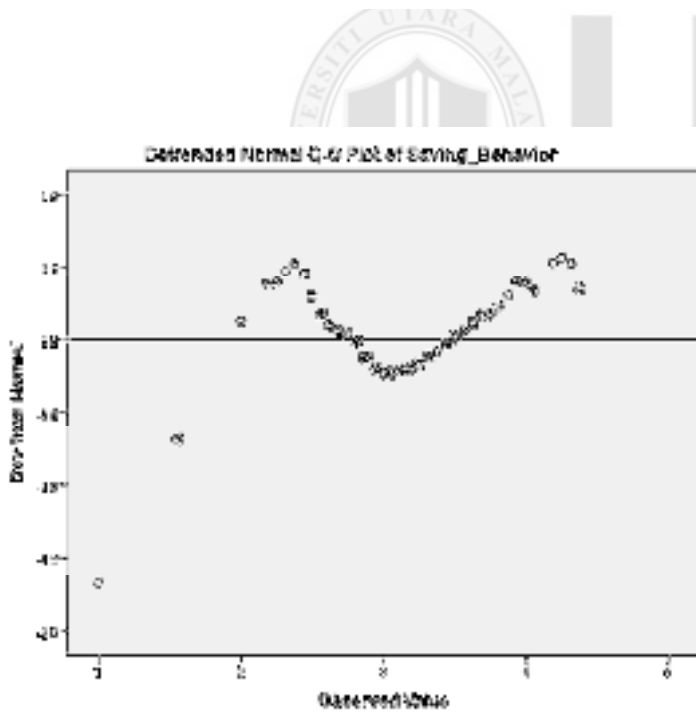
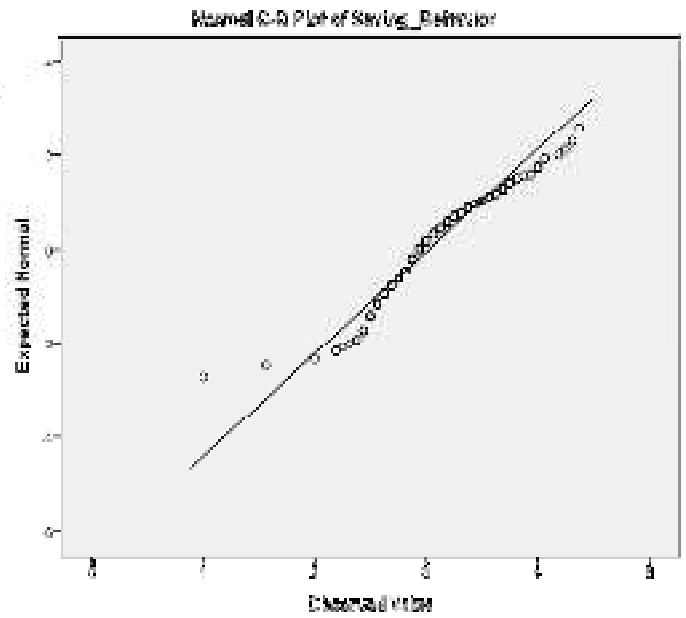
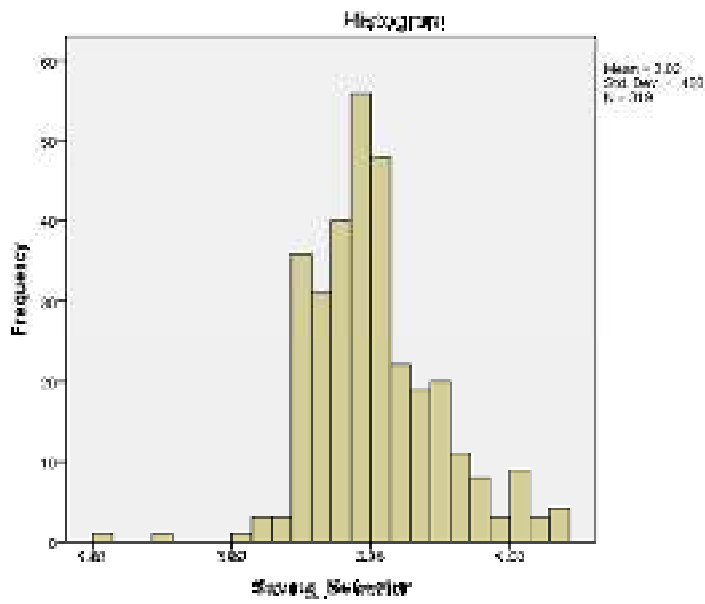
# Fin\_Wellbeing



# Fin\_Problem



# Saving\_Behavior



Demographic Profiling

Statistics

Gender

N	Valid	319
	Missing	0

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	159	49.8	49.8	49.8
	Female	160	50.2	50.2	100.0
Total		319	100.0	100.0	

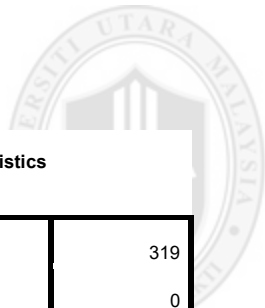
Statistics

Marital Staust

N	Valid	319
	Missing	0

Marital Staust

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	146	45.8	45.8	45.8
	Married	173	54.2	54.2	100.0
Total		319	100.0	100.0	



**Statistics**

Age

N	Valid	319
	Missing	0

**Age**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	50 >	11	3.4	3.4	3.4
	40-49	43	13.5	13.5	16.9
	30-39	120	37.6	37.6	54.5
	18-29	145	45.5	45.5	100.0
	Total	319	100.0	100.0	

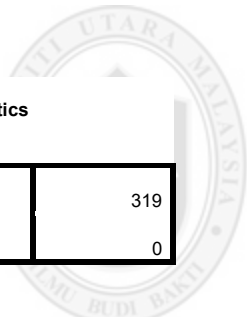
**Statistics**

Qualification

N	Valid	319
	Missing	0

**Qualification**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	PHD	11	3.4	3.4	3.4
	Master	81	25.4	25.4	28.8
	Bachelor	119	37.3	37.3	66.1
	Diploma	74	23.2	23.2	89.3
	< Secondary	34	10.7	10.7	100.0
	Total	319	100.0	100.0	



**Statistics**

Income Average

N	Valid	319
	Missing	0

**Income Average**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	RM 10,000 >	12	3.8	3.8	3.8
	RM 8,000 - RM 10,000	11	3.4	3.4	7.2
	RM 6,000 - RM 8,000	18	5.6	5.6	12.9
	RM 4,000 - RM 6,000	50	15.7	15.7	28.5
	RM 3,000 - RM 4,000	94	29.5	29.5	58.0
	RM 2,000 - RM 3,000	88	27.6	27.6	85.6
	< RM 2,000	46	14.4	14.4	100.0
Total		319	100.0	100.0	

**Statistics**

Debt Average

N	Valid	319
	Missing	0

**Debt Average**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	RM 500,000 >	24	7.5	7.5	7.5
	RM 300,000 - RM 500,000	19	6.0	6.0	13.5
	RM 100,000 - RM 300,000	58	18.2	18.2	31.7
	RM 50,000 - RM 100,000	60	18.8	18.8	50.5
	RM 10,000 - RM 50,000	58	18.2	18.2	68.7
	RM 10,000	100	31.3	31.3	100.0
Total		319	100.0	100.0	



#### 4.2.1 Financial Wellbeing

I am satisfied with my overall financial situation.

Statistics

		I am satisfied with my overall financial situation.	I am worried about my personal finances at the moment.	I am financially well off at the moment.	I am confident that I will have enough money to provide for a comfortable old age.	My pay often runs out before the next pay day.	Often have trouble paying monthly bills (utilities, instalment, and credit cards).	I am confident that I have control over my personal finance.	It is easy for me to get money to pay for a financial emergency that cost RM 1000.	In general, I am worried about my personal finance.
N	Valid	319	319	319	319	319	319	319	319	319
	Missing	0	0	0	0	0	0	0	0	0
Mean		2.96	3.05	2.82	2.75	2.67	2.26	3.38	2.76	3.49
Median		3.00	3.00	3.00	3.00	3.00	2.00	4.00	3.00	4.00
Mode		4	3	3	3	3	2	4	3	4
Std. Deviation		1.045	1.113	.932	1.022	1.111	1.104	.999	1.126	1.113
Variance		1.092	1.239	.868	1.045	1.235	1.220	.998	1.267	1.238
Skewness		-.344	-.064	.095	.028	.063	.521	-.844	.040	-.509
Std. Error of Skewness		.137	.137	.137	.137	.137	.137	.137	.137	.137
Kurtosis		-.746	-.779	-.546	-.728	-.869	-.647	.271	-.861	-.369
Std. Error of Kurtosis		.272	.272	.272	.272	.272	.272	.272	.272	.272
Range		4	4	4	4	4	4	4	4	4
Minimum		1	1	1	1	1	1	1	1	1
Maximum		5	5	5	5	5	5	5	5	5
Sum		943	974	898	876	851	722	1079	879	1112

Scale

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	35	11.0	11.0	11.0
	Disagreed	67	21.0	21.0	32.0
	Moderate	103	32.3	32.3	64.3
	Agreed	105	32.9	32.9	97.2
	Strong Agreed	9	2.8	2.8	100.0
	Total	319	100.0	100.0	

**I am worried about my personal finances at the moment.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	27	8.5	8.5	8.5
	Disagreed	78	24.5	24.5	32.9
	Moderate	95	29.8	29.8	62.7
	Agreed	89	27.9	27.9	90.6
	Strongly Agreed	30	9.4	9.4	100.0
	Total	319	100.0	100.0	

**I am financially well off at the moment.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	20	6.3	6.3	6.3
	Disagreed	105	32.9	32.9	39.2
	Moderate	116	36.4	36.4	75.5
	Agreed	70	21.9	21.9	97.5
	Strongly Agreed	8	2.5	2.5	100.0
	Total	319	100.0	100.0	

**I am confident that I will have enough money to provide for a comfortable old age.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	37	11.6	11.6	11.6
	Disagreed	97	30.4	30.4	42.0
	Moderate	104	32.6	32.6	74.6
	Agreed	72	22.6	22.6	97.2
	Strongly Agreed	9	2.8	2.8	100.0
	Total	319	100.0	100.0	

**My pay often runs out before the next pay day.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	57	17.9	17.9	17.9
	Disagreed	84	26.3	26.3	44.2
	Moderate	98	30.7	30.7	74.9
	Agreed	68	21.3	21.3	96.2
	Strongly Agreed	12	3.8	3.8	100.0
	Total	319	100.0	100.0	

**Often have trouble paying monthly bills (utilities, instalment, and credit cards).**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	96	30.1	30.1	30.1
	Disagreed	102	32.0	32.0	62.1
	Moderate	70	21.9	21.9	84.0
	Agreed	43	13.5	13.5	97.5
	Strongly Agreed	8	2.5	2.5	100.0
	Total	319	100.0	100.0	

**I am confident that I have control over my personal finance.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	23	7.2	7.2	7.2
	Disagreed	30	9.4	9.4	16.6
	Moderate	90	28.2	28.2	44.8
	Agreed	154	48.3	48.3	93.1
	Strongly Agreed	22	6.9	6.9	100.0
	Total	319	100.0	100.0	

**It is easy for me to get money to pay for a financial emergency that cost RM 1000.**

Scale

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	50	15.7	15.7	15.7
	Disagreed	84	26.3	26.3	42.0
	Moderate	95	29.8	29.8	71.8
	Agreed	74	23.2	23.2	95.0
	Strongly Agreed	16	5.0	5.0	100.0
	Total	319	100.0	100.0	

**In general, I am worried about my personal finance.**

Scale

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	20	6.3	6.3	6.3
	Disagreed	38	11.9	11.9	18.2
	Moderate	87	27.3	27.3	45.5
	Agreed	115	36.1	36.1	81.5
	Strongly Agreed	59	18.5	18.5	100.0
	Total	319	100.0	100.0	

## 4.2.2 Financial Problem

### Statistics

		Low income or salary	Health problem or illness	Legal Problems	Debt or loan	Poverty	Caring of dependents or parents	Over Spending or Overuse of credit	Personal behavior	Cigarette or Alcohol	Lottery or Gambling	Lack of Financial Literacy	Others.	The unstable global economy	GST introduced by the government	Unstable local political condition (i.e. Falls of Ringgit Malaysia a exchange rate)	Employer	Others.
N	Valid	319	319	319	319	319	319	319	318	319	319	319	319	319	319	319	319	319
	Missing	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0
Mean		3.85	2.70	2.27	3.51	2.45	2.55	2.70	2.79	1.83	1.67	2.47	.39	4.12	4.26	4.30	3.50	.55
Median		4.00	3.00	2.00	4.00	2.00	3.00	3.00	3.00	1.00	1.00	2.00	.00	4.00	4.00	4.00	4.00	.00
Mode		4	1	1	4	3	1	1	3	1	1	1	0	4	5	5	3	0
Std. Deviation		.969	1.288	1.234	1.069	1.150	1.240	1.297	1.244	1.200	1.180	1.271	1.087	.848	.882	.829	1.090	1.354
Variance		.940	1.659	1.523	1.144	1.323	1.537	1.681	1.547	1.441	1.392	1.615	1.182	.719	.778	.688	1.188	1.833
Skewness		-.862	.076	.542	-.859	.341	.068	.089	.043	1.180	1.662	.285	2.919	-1.220	-1.198	-1.203	-.254	2.248
Std. Error of Skewness		.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137
Kurtosis		.529	-1.184	-.918	.195	-.760	-1.277	-1.178	-1.010	.052	1.507	-1.116	7.594	2.098	1.320	1.540	-.687	3.493
Std. Error of Kurtosis		.272	.272	.272	.272	.272	.272	.272	.273	.272	.272	.272	.272	.272	.272	.272	.272	.272
Range		4	4	4	4	4	4	4	4	4	4	4	5	4	4	4	4	5
Minimum		1	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	0
Maximum		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Sum		1228	860	723	1119	780	815	862	888	585	532	788	124	1313	1359	1371	1118	177

### Low income or salary

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	8	2.5	2.5	2.5
	Disagreed	24	7.5	7.5	10.0
	Moderate	57	17.9	17.9	27.9
	Agreed	149	46.7	46.7	74.6
	Strongly Agreed	81	25.4	25.4	100.0
	Total	319	100.0	100.0	

### Health problem or illness

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	81	25.4	25.4	25.4
	Disagreed	60	18.8	18.8	44.2
	Moderate	77	24.1	24.1	68.3
	Agreed	77	24.1	24.1	92.5
	Strongly Agreed	24	7.5	7.5	100.0
	Total	319	100.0	100.0	

### Legal Problems

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	119	37.3	37.3	37.3
	Disagreed	75	23.5	23.5	60.8
	Moderate	59	18.5	18.5	79.3
	Agreed	53	16.6	16.6	95.9
	Strongly Agreed	13	4.1	4.1	100.0
	Total	319	100.0	100.0	

### Debt or loan

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	24	7.5	7.5	7.5
	Disagreed	29	9.1	9.1	16.6
	Moderate	68	21.3	21.3	37.9
	Agreed	157	49.2	49.2	87.1
	Strongly Agreed	41	12.9	12.9	100.0
	Total	319	100.0	100.0	

### Poverty

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	83	26.0	26.0	26.0
	Disagreed	85	26.6	26.6	52.7
	Moderate	91	28.5	28.5	81.2
	Agreed	46	14.4	14.4	95.6
	Strongly Agreed	14	4.4	4.4	100.0
	Total	319	100.0	100.0	

### Caring of dependents or parents

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	94	29.5	29.5	29.5
	Disagreed	54	16.9	16.9	46.4
	Moderate	82	25.7	25.7	72.1
	Agreed	78	24.5	24.5	96.6
	Strongly Agreed	11	3.4	3.4	100.0
	Total	319	100.0	100.0	

### Over Spending or Overuse of credit

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	81	25.4	25.4	25.4
	Disagreed	60	18.8	18.8	44.2
	Moderate	77	24.1	24.1	68.3
	Agreed	75	23.5	23.5	91.8
	Strongly Agreed	26	8.2	8.2	100.0
	Total	319	100.0	100.0	

### Personal behavior

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	64	20.1	20.1	20.1
	Disagreed	65	20.4	20.4	40.6
	Moderate	90	28.2	28.3	68.9
	Agreed	71	22.3	22.3	91.2
	Strongly Agreed	28	8.8	8.8	100.0
	Total	318	99.7	100.0	
Missing	System	1	.3		
Total		319	100.0		

### Cigarette or Alcohol

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	192	60.2	60.2	60.2
	Disagreed	46	14.4	14.4	74.6
	Moderate	33	10.3	10.3	85.0
	Agreed	38	11.9	11.9	96.9
	Strongly Agreed	10	3.1	3.1	100.0
	Total	319	100.0	100.0	



## Lottery or Gambling

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	222	69.6	69.6	69.6
	Disagreed	35	11.0	11.0	80.6
	Moderate	24	7.5	7.5	88.1
	Agreed	22	6.9	6.9	95.0
	Strongly Agreed	16	5.0	5.0	100.0
	Total	319	100.0	100.0	

## Lack of Financial Literacy

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	103	32.3	32.3	32.3
	Disagreed	59	18.5	18.5	50.8
	Moderate	79	24.8	24.8	75.5
	Agreed	60	18.8	18.8	94.4
	Strongly Agreed	18	5.6	5.6	100.0
	Total	319	100.0	100.0	

## Others

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	273	85.6	85.6	85.6
	Strongly Disagreed	15	4.7	4.7	90.3
	Disagreed	3	.9	.9	91.2
	Moderate	15	4.7	4.7	95.9
	Agreed	7	2.2	2.2	98.1
	Strongly Agreed	6	1.9	1.9	100.0
	Total	319	100.0	100.0	

### The unstable global economy

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	5	1.6	1.6	1.6
	Disagreed	12	3.8	3.8	5.3
	Moderate	32	10.0	10.0	15.4
	Agreed	162	50.8	50.8	66.1
	Strongly Agreed	108	33.9	33.9	100.0
	Total	319	100.0	100.0	

### GST introduced by the government

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	4	1.3	1.3	1.3
	Disagreed	8	2.5	2.5	3.8
	Moderate	45	14.1	14.1	17.9
	Agreed	106	33.2	33.2	51.1
	Strongly Agreed	156	48.9	48.9	100.0
	Total	319	100.0	100.0	

### Unstable local political condition ( i.e. Falls of Ringgit Malaysia exchange rate)

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	3	.9	.9	.9
	Disagreed	6	1.9	1.9	2.8
	Moderate	40	12.5	12.5	15.4
	Agreed	114	35.7	35.7	51.1
	Strongly Agreed	156	48.9	48.9	100.0
	Total	319	100.0	100.0	

## Employer

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	11	3.4	3.4	3.4
	Disagreed	47	14.7	14.7	18.2
	Moderate	100	31.3	31.3	49.5
	Agreed	92	28.8	28.8	78.4
	Strongly Agreed	69	21.6	21.6	100.0
	Total		319	100.0	100.0

## Other

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	267	83.7	83.7	83.7
	Strongly Disagreed	7	2.2	2.2	85.9
	Disagreed	3	.9	.9	86.8
	Moderate	13	4.1	4.1	90.9
	Agreed	20	6.3	6.3	97.2
	Strongly Agreed	9	2.8	2.8	100.0
	Total		319	100.0	100.0

### 4.2.3 Saving Behavior

Statistics

		I don't save, because I think it's too hard.	I enjoy spending money on things that aren't practical.	When I get money, I always spend it immediately (within 1 or 2 days).	"I see it, I like it, I buy it" describes me.	"Buy now, think about it later" describes me.	I'm easily attracted by the lure.	I always failed to control myself from spending money.	I am more concerned with what happens to me in the short run than in the long run.	When I set saving goals for myself, I rarely achieve them.	I put money aside on a regular basis for the future.	In order to save, I often compare prices before I make a purchase.	In order to save, I often consider whether the real necessity before I make a purchase.	In order to save, I always follow a careful monthly budget.	I always have money available in the event of emergency.	In order to save, I plan to reduce my expenditure.	I save to achieve certain goals.
N	Valid	319	319	319	319	319	319	319	319	319	319	319	319	319	319	319	319
	Missing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mean		2.29	2.29	2.27	2.24	2.09	2.24	2.34	2.59	3.37	3.76	3.90	3.90	3.75	3.65	3.79	3.87
Median		2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Mode		1	2	2	1	2	2	2	2	4	4	4	4	4	4	4	4
Std. Deviation		1.187	1.081	1.123	1.138	1.030	1.065	1.135	1.154	1.019	.803	.730	.739	.823	.866	.772	.766
Variance		1.410	1.168	1.260	1.295	1.060	1.135	1.289	1.331	1.039	.644	.533	.546	.677	.750	.596	.586
Skewness		.468	.474	.567	.539	.732	.473	.494	.207	-.397	-.483	-.666	-.681	-.500	-.667	-.686	-.871
Std. Error of Skewness		.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137	.137
Kurtosis		-.964	-.707	-.636	-.803	-.226	-.639	-.690	-.965	-.376	.306	1.255	1.208	.541	.832	1.038	1.775
Std. Error of Kurtosis		.272	.272	.272	.272	.272	.272	.272	.272	.272	.272	.272	.272	.272	.272	.272	.272
Range		4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Minimum		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Maximum		5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Sum		732	730	724	714	668	716	747	826	1075	1198	1243	1243	1197	1165	1208	1234

**I don't save, because I think it's too hard.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	107	33.5	33.5	33.5
	Disagreed	86	27.0	27.0	60.5
	Moderate	60	18.8	18.8	79.3
	Agreed	57	17.9	17.9	97.2
	Strongly Agreed	9	2.8	2.8	100.0
	Total	319	100.0	100.0	

**I enjoy spending money on things that aren't practical**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	88	27.6	27.6	27.6
	Disagreed	110	34.5	34.5	62.1
	Moderate	68	21.3	21.3	83.4
	Agreed	47	14.7	14.7	98.1
	Strongly Agreed	6	1.9	1.9	100.0
	Total	319	100.0	100.0	

**When I get money, I always spend it immediately (within 1 or 2 days).**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	95	29.8	29.8	29.8
	Disagreed	108	33.9	33.9	63.6
	Moderate	60	18.8	18.8	82.4
	Agreed	47	14.7	14.7	97.2
	Strongly Agreed	9	2.8	2.8	100.0
	Total	319	100.0	100.0	

**“I see it, I like it, I buy it” describes me.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	105	32.9	32.9	32.9
	Disagreed	98	30.7	30.7	63.6
	Moderate	58	18.2	18.2	81.8
	Agreed	51	16.0	16.0	97.8
	Strongly Agreed	7	2.2	2.2	100.0
	Total	319	100.0	100.0	

**“Buy now, think about it later” describes me.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	107	33.5	33.5	33.5
	Disagreed	118	37.0	37.0	70.5
	Moderate	56	17.6	17.6	88.1
	Agreed	33	10.3	10.3	98.4
	Strongly Agreed	5	1.6	1.6	100.0
	Total	319	100.0	100.0	

**I’m easily attracted by the lure.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	95	29.8	29.8	29.8
	Disagreed	101	31.7	31.7	61.4
	Moderate	79	24.8	24.8	86.2
	Agreed	38	11.9	11.9	98.1
	Strongly Agreed	6	1.9	1.9	100.0
	Total	319	100.0	100.0	

**I always failed to control myself from spending money.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	88	27.6	27.6	27.6
	Disagreed	104	32.6	32.6	60.2
	Moderate	68	21.3	21.3	81.5
	Agreed	48	15.0	15.0	96.6
	Strongly Agreed	11	3.4	3.4	100.0
Total		319	100.0	100.0	

**I am more concerned with what happens to me in the short run than in the long run.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	65	20.4	20.4	20.4
	Disagreed	96	30.1	30.1	50.5
	Moderate	76	23.8	23.8	74.3
	Agreed	69	21.6	21.6	95.9
	Strongly Agreed	13	4.1	4.1	100.0
Total		319	100.0	100.0	

**When I set saving goals for myself, I rarely achieve them.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	14	4.4	4.4	4.4
	Disagreed	50	15.7	15.7	20.1
	Moderate	95	29.8	29.8	49.8
	Agreed	124	38.9	38.9	88.7
	Strongly Agreed	36	11.3	11.3	100.0
Total		319	100.0	100.0	

**I put money aside on a regular basis for the future.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	2	.6	.6	.6
	Disagreed	18	5.6	5.6	6.3
	Moderate	85	26.6	26.6	32.9
	Agreed	165	51.7	51.7	84.6
	Strongly Agreed	49	15.4	15.4	100.0
	Total	319	100.0	100.0	

**In order to save, I often compare prices before I make a purchase**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	2	.6	.6	.6
	Disagreed	9	2.8	2.8	3.4
	Moderate	64	20.1	20.1	23.5
	Agreed	189	59.2	59.2	82.8
	Strongly Agreed	55	17.2	17.2	100.0
	Total	319	100.0	100.0	

**In order to save, I often consider whether the real necessity before I make a purchase.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	2	.6	.6	.6
	Disagreed	10	3.1	3.1	3.8
	Moderate	63	19.7	19.7	23.5
	Agreed	188	58.9	58.9	82.4
	Strongly Agreed	56	17.6	17.6	100.0
	Total	319	100.0	100.0	



**In order to save, I always follow a careful monthly budget.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	4	1.3	1.3	1.3
	Disagreed	13	4.1	4.1	5.3
	Moderate	94	29.5	29.5	34.8
	Agreed	155	48.6	48.6	83.4
	Strongly Agreed	53	16.6	16.6	100.0
Total		319	100.0	100.0	

**I always have money available in the event of emergency**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	8	2.5	2.5	2.5
	Disagreed	16	5.0	5.0	7.5
	Moderate	98	30.7	30.7	38.2
	Agreed	154	48.3	48.3	86.5
	Strongly Agreed	43	13.5	13.5	100.0
Total		319	100.0	100.0	

**In order to save, I plan to reduce my expenditure.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	3	.9	.9	.9
	Disagreed	14	4.4	4.4	5.3
	Moderate	76	23.8	23.8	29.2
	Agreed	181	56.7	56.7	85.9
	Strongly Agreed	45	14.1	14.1	100.0
Total		319	100.0	100.0	

**I save to achieve certain goals.**

		Scale			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Disagreed	4	1.3	1.3	1.3
	Disagreed	10	3.1	3.1	4.4
	Moderate	63	19.7	19.7	24.1
	Agreed	189	59.2	59.2	83.4
	Strongly Agreed	53	16.6	16.6	100.0
	Total	319	100.0	100.0	



**UUM**  
Universiti Utara Malaysia

## APPENDIX 4.3

### 4.3.1 Coefficient of Correlation

		Correlations								
		Gender	Marital_Stat atus	Age	Qualificatio n	Income_Av erage	Total Debt	Fin_Well being	Fin_Prob lem	Saving_Be havior
Gender	Pearson	1	-.186**	-.001	.064	.186**	.144*	.078	.032	.133*
	Correlation									
	Sig. (2-tailed)		.001	.986	.252	.001	.010	.163	.568	.017
Marital_Status	Pearson	-.186**	1	-.397**	.073	-.314**	-.284**	.081	.126*	-.031
	Correlation									
	Sig. (2-tailed)	.001		.000	.192	.000	.000	.148	.024	.576
Age	Pearson	-.001	-.397**	1	.016	.475**	.254**	-.160**	-.069	.002
	Correlation									
	Sig. (2-tailed)	.986	.000		.777	.000	.000	.004	.217	.971
Qualification	Pearson	.064	.073	.016	1	.388**	.165**	.182**	.123*	-.022
	Correlation									
	Sig. (2-tailed)	.252	.192	.777		.000	.003	.001	.029	.696
Income_Average	Pearson	.186**	-.314**	.475**	.388**	1	.517**	-.082	.006	.090
	Correlation									
	Sig. (2-tailed)	.001	.000	.000	.000		.000	.146	.910	.110
Total_Debt	Pearson	.144*	-.284**	.254**	.165**	.517**	1	-.083	-.120*	.133*
	Correlation									
	Sig. (2-tailed)	.010	.000	.000	.003	.000		.140	.033	.017
Fin_Wellbeing	Pearson	.078	.081	-.160**	.182**	-.082	-.083	1	.279**	.242**
	Correlation									
	Sig. (2-tailed)	.163	.148	.004	.001	.146	.140		.000	.000
Fin_Problem	Pearson	.032	.126*	-.069	.123*	.006	-.120*	.279**	1	.359**
	Correlation									
	Sig. (2-tailed)	.568	.024	.217	.029	.910	.033	.000		.000
Saving_Behavior	Pearson	.133*	-.031	.002	-.022	.090	.133*	.242**	.359**	1
	Correlation									
	Sig. (2-tailed)	.017	.576	.971	.696	.110	.017	.000	.000	

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

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

#### 4.3.2 Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.459 <sup>a</sup>	.211	.191	.41230

a. Predictors: (Constant), Fin\_Problem, Income\_Average, Gender, Fin\_Wellbeing, Marital\_Status, Qualification, Total\_Debt, Age

#### 4.3.3 Analysis of Variance (ANOVA)

ANOVA<sup>a</sup>

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	14.090	8	1.761	10.361	.000 <sup>b</sup>
	Residual	52.697	310	.170		
	Total	66.788	318			

a. Dependent Variable: Saving\_Behavior

b. Predictors: (Constant), Fin\_Problem, Income\_Average, Gender, Fin\_Wellbeing, Marital\_Status, Qualification, Total\_Debt, Age



#### 4.3.3 Regression Coefficient

Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.351	.291		4.645	.000
	Gender	.074	.048	.081	1.529	.127
	Marital_Status	.000	.053	.000	.003	.998
	Age	-.010	.035	-.018	-.290	.772
	Qualification	-.071	.026	-.157	-2.705	.007
	Income_Average	.021	.023	.067	.925	.356
	Total_Debt	.051	.018	.174	2.889	.004
	Fin_Wellbeing	.256	.075	.185	3.409	.001
	Fin_Problem	.273	.043	.343	6.413	.000

a. Dependent Variable: Saving\_Behavior

