

DETERMINANTS OF INVESTMENT DECISIONS IN STUDENTS

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Abstract

This study aims to provide an overview of financial literacy, financial behaviour, and investment decisions, as well as the influence of financial literacy and financial behaviour on investment decisions among students. The study method used is descriptive and quantifiable, using a quantitative approach. The independent variable of financial literacy is measured using the indicators of general knowledge, savings and borrowing, insurance and investment. The financial behaviour variable is measured using the indicators of consumption, cash flow, saving and investment, and credit management. The dependent variable of investment decisions is measured using the indicators of return, risk and the time factor. This study uses a data collection technique in the form of a questionnaire distributed to students registered as investors at the UPI Sharia Investment Gallery. The results showed that financial literacy is in the high category, financial behaviour is in the medium category and investment decisions are in the medium category. Financial literacy has a positive effect on investment decisions, and financial behaviour has a positive effect on investment decisions among UPI Sharia Investment Gallery students. This study provides empirical information for various parties, such as educational institutions, investment gallery managers, and capital market regulators, to improve financial literacy and inclusion among the younger generation.

Keywords: *Finance Literacy, Behaviour Finance, Investment Decisions*

INTRODUCTION

The capital market plays a crucial role in the dynamics of a country's economy, given its dual functions, namely economic and financial. In its financial function, the capital market provides opportunities for fund owners to obtain returns on the characteristics of the chosen investment. The definition of the capital market is based on Law Number 8 of 1995 concerning the capital market, which refers to activities related to public offerings and securities trading, public companies related to the securities they issue, and institutions and professions related to securities. The rapid development of the capital market indicates that investment activities in Indonesia are growing and attracting more interest. The increase in the number of investors in Indonesia shows a positive growth trend, indicating an increase in Indonesians' interest in investing.

In response to this condition, the Indonesia Stock Exchange (IDX) is working to increase the participation of young investors through collaboration with universities and securities

companies in establishing Investment Galleries on various campuses. Investment Galleries provide a theoretical understanding of the capital market and facilitate simulations and transactions directly and in real time. In the Investment Gallery, various information related to the capital market is available, including the applicable provisions.

Universitas Pendidikan Indonesia (UPI) is one of the universities with an investment gallery under the name UPI Sharia Investment Gallery. Investment planning plays an important role because the right investment choice can provide a sustainable source of income for companies or individuals. Individuals can make more targeted investment decisions with planning, thus avoiding potential losses. However, the results of pre-study observations of 30 students participating in the UPI Sharia Investment Gallery show that the investment decisions made by students are still clouded by doubt. Observation data shows that only 30% of students are confident and understand investment decision-making, while 60% are still hesitant, and 10% are unsure and do not understand. That observation indicates the need to improve investment understanding among UPI Sharia Investment Gallery students. Decisions made with hesitation can have adverse effects, such as investment failure and losses. Robbins (2014) states that a lack of knowledge and accurate information regarding investments can cause investors to fail to make a profit.

Financial literacy is one of the factors that influence consideration in investment decisions. Calcagno & Monticone (2015) and Choerudin, Widyaswati, Warpindyastuti, Khasanah, Harto, Oktaviani & Paramita (2023) emphasise that financial literacy is important in decision-making and financial management, including investment. Good financial literacy can protect individuals from fraudulent investments and improve their ability to make the right investment decisions (Adiandari, 2023). Therefore, financial literacy indirectly becomes an essential understanding in life, especially in making investment decisions, where a lack of understanding can be detrimental to investors. A study conducted by Syibawaih (2020) and Asyhar (2020) states that financial literacy positively affects investment decision-making. However, this is not in line with a study conducted by Syibawaih (2020), Fardaraytha (2022), Arianti (2020), and Bastari (2020), which states that financial literacy hurts investment decisions. Therefore, several previous studies have proven that there is still a study gap, so this is interested in researching the effect of financial literacy on investment decisions.

Apart from financial literacy, financial behaviour also influences investment decisions. Kandpal and Mehrotra (2018) argue that financial behaviour also plays a role and positively affects investor decisions. Sound financial management, which is reflected in the ability to budget, save, and manage expenses (Perry & Morris, 2005), can help individuals achieve long-

term financial goals, such as investing. An individual's financial behaviour is reflected in their ability to manage cash, debt, savings, and investments (Hilgert, Hogarth, and Beverly, 2003). Individuals with good financial behaviour tend to be more prudent in making investment decisions (Julita & Prabowo, 2021), and Ratnasari (2021) states that financial behaviour influences investment decisions, where a good financial attitude or mentality will result in good financial behaviour in investment decision making. Previous study by Pratami (2022), Baihaqqy (2021), Ratnasari (2021), Murbarani (2019), and Ratnadewi (2014) supports the positive influence of financial behaviour on investment decisions. However, a study by Hendwiyani (2020) shows different results, namely, the negative influence of financial behaviour on investment decisions. The inconsistency of the results of previous studies indicates a study gap that encourages further study on the influence of financial literacy and financial behaviour on students' investment decisions, especially in students at the UPI Sharia Investment Gallery.

This study aims to determine the overview of financial literacy, financial behaviour, and investment decisions of students at the UPI Sharia Investment Gallery, to determine the effect of financial literacy on student investment decisions, and to determine the effect of financial behaviour on student investment decisions. So, the title of this study is Determinants of Investment Decisions in Students.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Investment

According to Tandelilin (2010), investment is a commitment to a certain amount of funds or other resources to obtain a sure profit in the future. Haming and Basalamah (2010) state that investment is generally defined as the decision to spend funds at present to buy tangible assets (land, houses, cars, and so on) or financial assets (bonds, mutual funds, bills of exchange, and so on) to earn higher income in the future. In general, the purpose of individuals investing is to improve their financial well-being by maximising the return that can be obtained and minimising the risks that will be experienced. In detail, Tandelilin (2010) suggests the reasons why individuals invest are as follows:

- 1) To obtain a better life in the future, especially in financial life, because every individual wants to improve their standard of living from time to time.
- 2) Reducing the pressure from the expected increase in inflation because investing in the form of ownership of a company or other objects can prevent assets from experiencing a decline in value during inflation.

- 3) Some countries do this to support investment programmes in specific fields through tax facilities to save taxes.

Investment Decision

Investment decisions can be operationalised to relate to the purchase, sale, and choice of stocks and when the stock is held. According to Tandelilin (2010), the fundamental aspect of the investment decision process is understanding the relationship between the return and risk of an investment. According to Tandelilin (2010), the indicators of investment decisions consist of three bases. The three fundamental investment decision indicators are as follows:

- 1) **Return.** The main reason people invest is to make a profit. In the context of investment management, the rate of return on investment is referred to as the return. In investment management, a distinction must be made between expected and actual or realised returns. The expected return is the rate of return that investors anticipate in the future. Meanwhile, the return that occurs or the actual return, is the rate of return that investors have obtained in the past.
- 2) **Risk.** It is only natural for investors to expect the highest possible return from their investments. However, an important thing must always be considered: how much risk must be borne from the investment—generally, the greater the risk, the greater the expected rate of return.
- 3) **The Time Factor.** The period is an important part of the definition of investment. Investors can invest their capital in the short, medium or long term. The choice of investment period is an important thing that shows investors' expectations. Investors always select a period and return that can meet expectations based on considerations of return and risk.

The indicators stated by Tandelilin (2010) become the instruments used to measure investment decisions in this study.

Financial Literacy

Financial literacy is the ability to manage finances to make life more prosperous. According to Lusardi & Mitchell (2014), financial literacy is a person's knowledge and abilities in a financial context. To know the level of financial literacy, a person must collect and process financial information that includes the context of interest rates, risk management, inflation, and asset management (Lusardi & Mitchell, 2014). In line with other experts, Huston (2010) defines financial literacy as how individuals can understand and use their financial information.

The level of financial literacy in Indonesia is divided into four parts by the Otoritas Jasa Keuangan (2013), namely:

- 1) **Well literate** means having knowledge and confidence about financial services institutions and products, including features, benefits and risks, rights and obligations related to financial products and services, and skills in using financial products and services.
- 2) **Sufficient** literature means having knowledge and confidence about financial services institutions and financial products and services, including features, benefits and risks, rights and obligations related to financial products and services.
- 3) **Less Literate** only knows financial service institutions, financial products and services.
- 4) **Not Literate**, has no knowledge of and confidence in financial services institutions and financial products and services, and has no skills in using financial products and services.

According to Chen & Volpe (1998), the financial literacy indicator is divided into four aspects, namely:

- 1) **General knowledge**: This section provides a general understanding of several things related to basic knowledge about personal finance.
- 2) **Savings and borrowing**: This section includes knowledge related to savings and loans, such as using credit cards.
- 3) **Insurance**: This section includes basic knowledge of insurance and insurance products such as life insurance and motor vehicle insurance.
- 4) **Investment**: This section includes knowledge about market interest rates, mutual funds, and investment risks.

The indicators stated by Chen & Volpe (1998) become the instruments used to measure financial literacy in this study.

Financial Behaviour

Financial behaviour is a science that studies how humans respond and react to information to make decisions that can optimise the rate of return by considering the inherent risks (the element of human attitude and action is a determining factor in investing). In line with Gitman's (2002) explanation, financial behaviour is how individuals manage money to be used as a decision on the use of funds, the determination of sources of funds, and decisions for retirement planning.

According to Grohmann, Kouwenberg & Menkhoff (2015), there are several factors in financial management:

- 1) **Financial literacy**. The abilities, knowledge, skills, and beliefs can influence attitudes and behaviour in improving the quality of financial decision-making to meet life's needs and achieve future prosperity.

- 2) **Numeracy.** A person's ability to add, subtract, multiply and divide in the form of mathematical numbers.
- 3) **Quality of education.** The quality of education is a programme or the result of education management that aims to meet expectations by the level of needs and development of society or the world of work. A person with a higher quality of education will be more financially literate and demonstrate better numeracy skills.

According to Dew & Xiao (2011), the four indicators of a person's financial behaviour are:

- 1) **Consumption.** Consumption is spending on various goods and services for everyday needs.
- 2) **Cash Flow Management.** Cash flow management can be measured by looking at how punctual the person is in paying bills, in financial budgeting, and future financial planning.
- 3) **Saving and Investment.** Saving and investment: Savings are part of the income saved in unexpected events that may occur in the future. Then, investment is investing part of the income to get a higher return in the future.
- 4) **Credit Management.** Credit Management is how someone makes debt valuable so as not to experience bankruptcy or use debt to improve their financial well-being.

The indicators stated by Dew & Xiao (2011) become the instruments used to measure financial behaviour in this study.

Framework and Hypothesis Development

One factor that influences the consideration of investment decisions is financial literacy. Calcagno & Monticone (2015) believe financial literacy is important in investment decision-making. It is also reinforced by the opinion of Choerudin et al. (2023) that financial literacy plays an important role in financial management and making decisions about one's investments. Financial literacy is managing finances to make life more prosperous (Chen & Volpe, 1998). Knowledge of good financial literacy will prevent individuals from rampant fraudulent investments. People with good financial literacy will make the right investment decisions rather than those with low financial literacy (Adiandari, 2023).

Previous studies have consistently shown that financial literacy positively affects the quality of individual investment decisions. Empirical studies indicate that adequate financial understanding provides investors with comprehensive knowledge of various investment instruments, including the characteristics and risks inherent in each product (Upadana & Herawati, 2020). This understanding allows investors to make more accurate evaluations of

potential gains and losses, thus minimising the possibility of getting caught up in high-risk investments that are not in line with their risk profiles (Santri, 2024). In addition, high financial literacy is positively correlated with an individual's ability to manage personal finances effectively, which includes budgeting, regular saving practices, and responsible debt management (Putri & Hamidi, 2019). This sound financial management ability directly contributes to creating a surplus of funds for investment activities (Putri & Hamidi, 2019). It helps investors maintain investment discipline and resistance to the influence of short-term market fluctuations.

Furthermore, adequate financial literacy significantly increases the individual's capacity to analyse relevant financial information, compare the various investment alternatives, and make informed investment decisions (Viana, Febrianti & Dewi, 2022). Investors with a good understanding of finance can consider fundamental factors such as specific financial goals, investment time horizons, and risk tolerance levels before making asset allocation decisions (Santri, 2024). Furthermore, adequate mastery of financial knowledge has increased individual confidence to participate actively in the investment market (ojk.go.id). Competence in choosing and managing investments encourages motivation to invest continuously to achieve predetermined long-term financial goals (Upadana & Herawati, 2020).

Conversely, deficiencies in financial literacy can result in suboptimal and potentially detrimental investment decisions. Individuals with a low level of financial literacy are more vulnerable to the influence of unreliable investment advice, investing in products they do not fully understand, or taking risks not in line with their financial capacity (Al-Aziz & Rinofan, 2021). Thus, financial literacy plays a crucial role in protecting investors from investment decisions based on inaccurate information or limited understanding, thus contributing to better investment outcomes and more effective risk management.

A study conducted by Syibawaih (2020) and Asyhar (2020) also states that financial literacy positively affects investment decision-making. So, the first hypothesis in this study is as follows:

H₁: Financial literacy has a positive effect on investment decisions.

In addition to the financial literacy factor, the financial behaviour factor influences investment decisions, which aligns with the opinion of Kandpal & Mehrotra (2018), who state that financial behaviour positively affects investment decisions. According to Nofsinger (2001), financial behaviour studies how humans behave in making financial decisions. Gitman (2002) explains that financial behaviour is how individuals manage money to be used as a decision on how to use funds, determine sources of funds, and make decisions for retirement planning.

A person's financial behaviour will be apparent from how well they manage cash, debt, savings and investments (Hilgert, Holgart & Baverly, 2003). A study by Nababan & Sadalia (2012) states that people with good financial behaviour tend to be more responsible and more effective in managing their finances. According to Upadana & Herawati (2020), each individual has differences when deciding or choosing something, which also applies to investment decisions.

Previous studies consistently indicate a positive influence between financial behaviour and investment decisions. Empirical studies show that individuals who exhibit good financial behaviour tend to make more rational and effective investment decisions. Some aspects of financial behaviour that underlie this influence include the habit of saving and planned budgeting (Lusardi & Mitchell, 2014; Xiao & Joo, 2015), which directly create the availability of financial resources to be allocated to investment instruments. In addition, the ability to control impulsive spending and discipline in achieving long-term financial goals (Gathergood & Weber, 2014) plays an important role in maintaining an investment portfolio from emotional decisions due to the pressure of momentary consumption or market volatility (Mugerman, Benzion & Yagil, 2012).

Furthermore, an individual's orientation towards long-term financial goals correlates with more responsible and active investment behaviour (Van Rooij, Lusardi & Alessie., 2011). Investors with a long-term perspective tend to be more patient in awaiting investment returns. They are not reactive to temporary market fluctuations, which has the potential to generate more optimal investment returns. Prudence in debt management, especially the avoidance of excessive consumer debt (Gross & Souleles, 2008), is also a characteristic of financial behaviour that supports better investment decisions because it provides the financial flexibility to invest without being burdened by significant debt obligations (Hilgert et al., 2003).

Finally, positive financial behaviour is reflected in individual initiatives to proactively seek financial information and increase understanding of investment (Robb & Woodyard, 2011). Active involvement in this financial learning process indirectly increases the individual's capacity to analyse investment opportunities and manage risk. In addition, the maturity of financial behaviour allows individuals to make more realistic risk tolerance assessments, enabling the selection of investment instruments that align with their risk profile and investment objectives (Grable & Lytton, 2003), avoiding excessive risk-taking or suboptimal conservative attitudes.

Other studies conducted by Pratami (2022), Baihaqqy (2021), Ratnasari (2021), Murbarani (2019), and Ratnadewi (2014) also state that financial behaviour has a positive effect on investment decision-making. Thus, the second hypothesis in this study is:

H₂: Financial behaviour has a positive effect on investment decisions

RESEARCH METHOD

The method used in this study is descriptive and verifiable, using a quantitative approach. The independent variables in this study are financial literacy and financial behaviour, while the dependent variable is investment decisions. The operationalisation of variables in this study is as follows:

Table 1. Variable Operationalisation

Variable	Indicator	Scale
Financial Literacy	General Knowledge	Interval
	Savings and borrowing	
	Insurance	
	Investment	
Financial Behavior	Consumption	Interval
	Cash Flow Management	
	Saving and Investment	
	Credit Management	
Financial Decision	Return	Interval
	Risk	
	The Time Factor	

Population and Sample

The data population in this study was 137 students registered as investors in the UPI Sharia Investment Gallery. UPI Sharia Investment Gallery was chosen because it is expected to allow students to dive directly into capital market investment and practice the theory obtained in lectures. In addition, UPI Sharia Investment Gallery also has work programs such as the Capital Market School, which encourages students to carry out investment activities. Thus, UPI Sharia Investment Gallery was chosen because of its role as a forum that facilitates students' learning and being directly involved in capital market investment. It is relevant to study focusing on financial literacy, financial behaviour, and student investment decisions. The sample was taken from a census, resulting in a study sample of 137 students.

Data Collection Technique

This study uses a questionnaire data collection technique. This study's questionnaire consists of several questions used to collect data related to financial literacy, financial behaviour, and investment decisions. The study questionnaire uses a numeric measurement scale as the study instrument.

Data Analysis and Hypothesis Testing Techniques

Before conducting data analysis and hypothesis testing, a study instrument test was carried out on each variable used in the study using validity and reliability tests. The instrument test results stated that the instrument in this study was valid and reliable.

Descriptive statistics provided an overview of financial literacy, financial behaviour, and investment decisions. The stages carried out were:

- 1) Create a tabulation for each questionnaire that the respondents filled out.
- 2) Create an assessment category for each variable
- 3) Create an average table to get an overview of each variable and indicators
- 4) Interpret the results of the frequency distribution to get an overview of each variable or indicator
- 5) Conclude using the assessment category.

The study analysis tools used in this study are basic assumption tests and hypothesis testing. The statistics used are multiple regression analysis. The following steps are taken:

- 1) Classical Assumption Test
- 2) Multiple Linear Regression
- 3) Hypothesis Test consists of an F-test and a t-test.

RESULTS

Description of Research Results

The picture of financial literacy is based on data collected from the distribution of questionnaires. The questionnaire distributed for the financial literacy variable consists of 4 indicators with 13 statements. The picture of financial literacy at UPI Sharia Investment Gallery is as follows:

Table 2. Description of Financial Literacy Variables

No	Indicator	Average	Category
1	General Knowledge	4.07	High
2	Savings and borrowing	4.22	High
3	Insurance	3.62	Medium
4	Investment	3.66	Medium
Average financial literacy variable		3.89	High

Table 2 shows that, generally, the financial literacy variable with four indicators obtained from the questionnaire filled out by students registered as investors in UPI Sharia Investment Gallery has an average score of 3.89 and falls into the high category. Based on these category, it is clear that students have excellent financial literacy. The highest indicator is the savings and borrowing indicator, which is at a high criterion with an average of 4.22, meaning that students are outstanding in knowledge about savings and loans. Next is the general knowledge indicator, which is at a high criterion with an average of 4.07, meaning that students are outstanding in general knowledge about finance. Then, investment is in a medium category with an average of 3.66, meaning that students are knowledgeable about investment. Finally, the lowest indicator is insurance, which is in a medium category with an average of 3.62, meaning that students know about insurance.

Then, the description of financial behaviour is based on data collected from the distribution of questionnaires. The questionnaire distributed for the financial behaviour variable consisted of 4 indicators with 10 statements. The picture of financial behaviour at UPI Sharia Investment Gallery is as follows:

Table 3. Description of Financial Behaviour Variables

No	Indicator	Average	Category
1	Consumption	4.26	High
2	Cash flow management	3.50	Medium
3	Saving and Investment	3.66	Medium
4	Credit management	3.75	Medium
Average financial behaviour variable		3.79	Medium

Table 3 shows that the financial behaviour variable with four indicators obtained from the questionnaire filled in by students registered as investors at UPI Sharia Investment Gallery generally has an average score of 3.79 and falls into the medium category. Based on these category, it is clear that students have good financial behaviour when managing or planning their finances. The highest indicator is consumption, at a high category of 4.26, meaning that students are very good at managing their consumption. Next is the credit management indicator, which is at a medium category of 3.75, meaning that students are good at managing credit. Then, the saving and investment indicator is at a medium category of 3.66, meaning that students are pretty good at managing savings and investments, and the lowest indicator is in the cash flow management indicator, which is at a medium category of 3.50, meaning that students are pretty good at managing cash flow.

Moreover, the description of investment decisions is based on data collected from the distribution of questionnaires. The questionnaire distributed for the investment decision

variable consists of 3 indicators with seven statements. The description of investment decisions at UPI Sharia Investment Gallery is as follows:

Table 4. Description of Investment Decision Variables

No	Indicator	Average	Category
1	Return	3.77	Medium
2	Risk	3.68	Medium
3	The time factor	3.85	Medium
Average investment decisions variable		3.79	Medium

Table 4 shows that the financial behaviour variable with three indicators obtained from the questionnaire filled out by students registered as investors in UPI Sharia Investment Gallery has an average score of 3.77 and falls into the medium category. These category illustrate that students make fairly good investment decisions. The highest indicator is the time factor indicator, which is at a high criterion of 3.85, meaning that students are pretty good at understanding time frames in investment decisions. Next, there is the return indicator, which is at a medium category of 3.77, meaning that students are pretty good at understanding returns in investment decisions, and the lowest indicator is the risk indicator, which is at a medium category of 3.68, meaning that students are pretty good at understanding risk in investment decisions.

Data Analysis and Hypothesis Testing

Classical Assumption Test

The classical assumption test validates the basic assumptions related to specific statistical techniques that will be used to see if they are genuinely accurate so that these statistical techniques can be applied in a study. Therefore, several classical assumptions must be met, including the normality, linearity, multicollinearity, and heteroscedasticity tests. The results of the classical assumption test in this study show that all classical assumption tests are met so that statistical testing continues to the next stage.

Multiple Linear Regression

Multiple regression analysis serves to determine the value of the influence of two or more independent variables on the dependent variable to see whether there is a functional or causal relationship between two or more independent variables and one dependent variable:

Table 5. Results of Multiple Linear Regression

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95,0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	7,440	1,369		5,434	,001	4,732	10,148
	Literasi Keuangan	,292	,027	,656	10,730	,001	,238	,346
	Perilaku Keuangan	,115	,033	,214	3,498	,001	,050	,180
a. Dependent Variable: Y								

Based on the results of the multiple regression analysis, it can be seen that a constant number is obtained for a dependent variable if the independent variable has a zero value (constant value) of 7.440 and the coefficient values for financial literacy and financial behaviour variables are 0.292 and 0.115, respectively. Based on the Multiple Linear Regression analysis, the regression line model is obtained:

$$ID = 7.440 + 0.292FL + 0.115FB$$

Note:

ID = Investment Decision

FL = Financial Literacy

FB = Financial Behaviour

Based on the regression model equation, it can be interpreted as follows:

- The value of the regression coefficient of the financial literacy variable is positive, meaning that if financial literacy increases, investment decisions will increase.
- The value of the regression coefficient of the financial behaviour variable is positive, meaning that if financial behaviour increases, investment decisions will increase.

Hypothesis Test

A hypothesis is a provisional answer to a study question; testing is needed to prove its truth. The hypothesis tests carried out in this study are:

1) F-test

The F-test aims to test whether the regression equation in the study is meaningful when used to conclude. If $F_{\text{statistic}} \geq F_{\text{table}}$, then H_0 is rejected, which means that the regression is significant and can be used to conclude the study results. However, if $F_{\text{statistic}} < F_{\text{table}}$, then H_0 is accepted, which means that the regression is meaningless and cannot be used to conclude the study results. The following is a table of regression significance tests:

Table 6. Result of F-test

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	545,307	2	272,654	102,201	,001 ^b
	Residual	357,487	134	2,668		
	Total	902,794	136			
a. Dependent Variable: Y						
b. Predictors: (Constant), X2, X1						

Based on Table 6, the result obtained is a value of $F_{\text{statistic}}$ of 102.201, while the value of H_0 is 102.201. Based on Table 6, the result obtained is a value of $F_{\text{statistic}}$ of 102.201, while the value of F_{table} at a significance level of 0.05 with $N1=2$, $N2 = n - k - 1 = 137 - 2 - 1 = 134$ shows a value of F_{table} of 3.06371. Thus, the calculation results show that the value of $F_{\text{statistic}} > F_{\text{table}}$, so H_0 is rejected, which means that the regression is significant.

2) t-test

The t-test aims to determine the effect of independent variables on dependent variables. The following are the t-test results (Test of Significance of Regression Coefficients).

Table 7. Result of t-test

Coefficients ^a					
Model		Unstandardized Coefficients		Standardized Coefficients	Sig.
		B	Std. Error	Beta	
1	(Constant)	7,440	1,369		5,434 ,001
	Literasi keuangan	,292	,027	,656	10,730 ,001
	Perilaku Keuangan	,115	,033	,214	3,498 ,001
a. Dependent Variable: Y					

It is known that the Sig. for the effect of financial literacy on investment decisions is $0.01 < 0.05$, and the value of $t_{\text{statistic}}$ $10.730 > t_{\text{table}}$ 1.97783, so it can be concluded that H_0 is rejected, which means that there is a positive influence of financial literacy on investment decisions.

The results of this study align with the financial literacy theory according to Chen & Volpe (1998), which explains that financial literacy is the ability to manage finances so that life can be more prosperous. Meanwhile, Atkinson & Messy (2012) argue that financial literacy is

a combination of awareness, behaviour, attitude, knowledge, and skills used to make sound decisions so that, in the end, individuals can achieve financial well-being. In addition, according to Lusardi & Mitchell (2014), financial literacy is a person's knowledge and abilities in a financial context. The things included in the financial context here are knowledge about personal finance the ability to manage money, credit, savings, investments, and risks. Adequate financial knowledge will make a person plan, including planning for retirement with investments from a productive age (Lusardi & Mitchell, 2007).

The results of this study are supported by the opinion of Calcagno & Monticone (2015) that financial literacy is an important factor in investment decision-making. It is also reinforced by the opinion of Choerudin et al. (2023) that financial literacy plays an important role in financial management and making decisions about one's investments. In addition, it is also in line with the opinion expressed by the Chairman of the Financial Services Authority, Mahendra Siregar, who argued that good financial literacy will result in financial decisions, one of which is investing for future financial well-being so that one will not fall into making the wrong decisions, because if investors have enough information about their investments, they will be more mature in choosing which investments will suit their abilities, thus reducing the possibility of risk mismatches (Otoritas Jasa Keuangan, 2021).

It is known that the value of Sig. for the effect of financial behaviour on investment decisions is $0.01 < 0.05$ and the value of $t_{\text{statistic}} 3.498 > t_{\text{table}} 1.97783$, so it can be concluded that H_0 is rejected, which means that there is a positive effect of financial behaviour on investment decisions.

The results of this study are supported by the opinion of Kandpal & Mehrotra (2018), who state that financial behaviour positively affects investment decisions. According to Upadana & Herawati (2020), each individual has differences when deciding or choosing something; this also applies to investment decisions. Everyone will have a different way of organising, transforming, and acting on information because of their different views and perceptions of finance. Thus, each individual will act based on the information, needs or desires of that individual in deciding the type of investment.

This study's results align with previous studies consistently showing that financial behaviour influences investment decision-making. These studies include those conducted by Pratami (2022), Baihaqqy (2021), Ratnasari (2021), Murbarani (2019), and Ratnadewi (2014), which state that financial behaviour has a positive effect on investment decision-making.

CONCLUSION

Based on the results of the study that has been presented, the picture of financial literacy among students at the UPI Sharia Investment Gallery is in the high category, which means that the students have excellent financial literacy. The student's financial behaviour is in the medium category, which means that the students registered as investors have fairly good financial behaviour in managing their finances. The investment decisions of the students are in the medium category, which means that the students who are registered as investors are familiar with the investment decisions they make. The study results show that financial literacy positively affects investment decisions, and financial behaviour affects student investment decisions at the UPI Sharia Investment Gallery.

The empirical findings of this study provide valuable information for various parties, such as educational institutions, investment gallery managers, and capital market authorities, as a basis for developing initiatives to improve financial literacy and inclusion among the younger generation. The results show the great potential of young investors with sound financial literacy. The industry can use this by developing investment products and services that suit the younger generation's characteristics and needs and supporting educational initiatives such as the Investment Gallery. This study only involved students who are members of the UPI Sharia Investment Gallery, so the generalisation of the results to the student population as a whole or other young investors may be limited. Further study can expand the sample by involving students from various study programmes and universities and young investors outside the Investment Gallery environment to improve the generalisation of results. In addition, further study can compare the category of financial literacy, financial behaviour, and investment decisions between Investment Gallery member students and non-member students or between Investment Galleries at various universities.

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