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Predicting university students' intention to enhance Islamic financial planning skills

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ABSTRACT

Purpose – This study examines students' study behavior towards financial planning skills focusing on Islamic Financial Literacy (IFL). The study aims to identify the factors influencing Islamic financial literacy among students and determine how these factors contribute to improving financial decision-making and future financial planning.
Design/Methodology/Approach – This study employed a quantitative research approach using a simple random sampling technique. Data were collected through questionnaire distribution involving a total of 200 respondents. The predictor variables examined were attitude (ATT), subjective norm (SN), perceived behavioral control (PBC), and Islamic financial literacy (IFL).
Findings – The findings revealed a significant relationship between Islamic financial literacy (IFL) and all predictor variables examined in the study. The results indicate that improving Islamic financial education can positively influence students' financial decision-making abilities and strengthen their financial planning behaviour for future financial stability.
Practical Implications – The study provides useful insights for policymakers, educators, and educational institutions in designing more effective financial literacy programmes aimed at strengthening Islamic financial literacy among Malaysian university students.
Keywords - Islamic Financial Literacy, Financial Planning Skills, Attitude, Subjective Norm, Perceived Behavioural Control, Malaysian Universities.
Article Classifications – Research paper

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INTRODUCTION

Islamic financial literacy (IFL) acts as an important element in improving individuals' financial planning skills, exceptionally Muslims. IFL can be defined as having the capability to understand and implement knowledge about Islamic financial products, financial management concepts, and moral aspects of financial activities (Osman et al., 2023). Enhancing Islamic financial literacy (IFL) elements, may increase individuals' capabilities to manage their finances efficiently and practice wisely according to Islamic teachings (Habriyanto et al., 2022). Previous studies proved association between Islamic financial literacy (IFL) make a huge contribution toward individuals' financing decision making, individuals with excellent

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knowledge will accomplish their financing objective as in financially health complied with shariah context (Amilahaq et al., 2022; Abdullah et al., 2022). Additionally, Islamic finance concept enhancing individuals' determinant to have successful financing objective, this is in line with concept "*falah*" in Islam, noted from the past studies indicated Islamic finance had fast growing recently, following in the sense of concept well competent and well suited for all religion, lead people have strong faith to adopt Islamic finance in their daily life (Osman et al., 2023; Muslichah et al., 2023).

Furthermore, along these issues the government provided awareness through education program by focusing on Islamic finance to literate people at very young age, this effort enhances theoretical knowledge and improve financial planning skill equally (Dewi & Ferdian, 2021; Rohmania et al., 2023). These strategies help to fulfill the gap between knowledge and planning skills, by empowering their understanding the basic concept of Islami c financial literacy (IFL). The significance of Islamic financial literacy (IFL) is seen in its impact on financial inclusion. Better Islamic financial literacy can promote greater usage of formal financial systems as people would be able to approach Islamic bank products and services with greater confidence, as demonstrated through educational interventions based on the unique features of Islamic finance (Abdullah & Anderson, 2015; Ahmed & Salleh, 2016). With this argument, Islami financial literacy (IFL) will influence individuals' financial planning skills, to achive financial well-being in future.

However, there are some researchers noted Islamic financial literacy (IFL) influence by socio-demographic, in advance, there different approaches need to implement, this is unique technique in promoting Islamic financial literacy (IFL) among people (Widityani et al., 2020). This finding supported by other researchers, variety technique in promoting Islamic financial literacy (IFL) will easily attract people to adopt and have proper financial skills planning (Alharbi et al., 2021).

The objective of this study is to examine the correlation of intention to enhance financial skills among students. Regarding this, financial planning is playing important role in shaping individuals' financial management capabilities. Incorporating Islamic finance, which focuses on ethical and interest-free financial activities, into financial planning is relevant in the Malaysian scenario given that Islam is the dominant religion. Despite the growing prominence of Islamic finance in global financial markets, limited research has been conducted on its specific impact on financial planning skills. The bridge the gap this study aim to investigate the level of financial planning skill in order to enhance Islamic financial literacy. In pursuit of this objective, the study employs a quantitative method, undertaking surveys to gather data from Malaysian university students. The results of this study will be extremely significant with regard to the central theme of integrating Islamic financial education into curricula, with the view of endowing the students with the requisite competence for making effective financial choices.

LITERATURE REVIEW

Important of Islamic Financial Skills

Nowadays, financial planning being the main factor for individuals' in achieving healthy life, the needs powerful skill in managing money is necessary, as seen there are huge demanding in Islamic finance adoption, this factors urge certain country to strengthen their Islamic finance concept among university students, This study objective is to examine the extent of Islamic financial literacy among Malaysian university students and its relationship with their capability of financial planning. Financial literacy incorporated knowledge and individuals' skills to make decision about financial resources (Azemi et al., 2024; Ilias & A'zmi, 2022). Another prior study highlighted students who had financial knowledge lead them to have such great financial decision with maximum financial resources (Ying, 2020; Muliana & Hashim, 2022).

To strengthen this statement, Arofah et al, (2028) stated financial literacy was positively significant with financial behavior, leading them to have a higher quality in financial management. The incorporation of financial education within university syllabuses may acquire students to manage their finances, by allowing them to have reasonable action toward financial decision (Nawi et al., 2020). Furthermore, Islamic finance, shape people’s financial behavior towards more religiously, such as, moderate expenses, unlawful and lawful transaction or resources, this behavior emphasize important of ethical investment, by promoting Islamic finance basic concept, risk sharing, no excessive payment, avoid uncertainty, and Islamic social finance as well (Rahim et al., 2022; Patrisia et al., 2023).

As seen from that, Islamic financial literacy (IFL) significantly influences students’ financial decision in order to have successful financial planning without involved in any unlawful or lawful terms in finance, and putting their faith toward successful concept, enhancing faith belief that obliged for Muslim (Rahim et al., 2022). This impact needs Islamic financial literacy educational program, by promoting the holistic of Islami cofinance concept. Countless studies indicate individuals’ who studied in Islamic finance may increasing their financial knowledge and lead toward positive financial behavior (Patrisia et al., 2023; Durak et al., 2020). Additionally, literature emphasizes individuals’ surrounding influence by people close to them such as family and friends (Saputra & Rahmatia, 2021). In Malaysia, where social and cultural aspects of life play a major role in financial behavior (Muliana & Hashim, 2022; Alekam et al., 2018). Showing the effort by introduce Islamic financial literacy (IFL) through educational programs, may enhance students financial planning skills and financial decision (Tanggamani et al., 2021; Abdullah & Chong, 2014).

The important of promoting Islamic financial literacy (IFL) among Malaysian university students is important to develop individuals’ financial planning skill at the very young age in order to encourage them to have financial well-being, financial health, and at the sometime, as Muslim, we are obliged to adopt Islamic finance product and services.

Attitude

Islamic financial literacy (IFL) is the elements of understanding Islamic financial products and services offered in terms of Islamic context, however the understanding act as significant role in determining attitudes and financial planning sills. The Theory of Planned Behavior (TPB) with the variables namely, that attitudes, subjective norms, and perceived behavioral control would affect individuals’ behavior, for examining how Islamic financial literacy correlated s with these factors influencing financial planning skills of Muslim behavior.

Empirical studies validate Islamic financial literacy (IFL) has a positive relationship on individuals’ attitude toward planning financial skills. As per Boubker et al. (2021) noted positive relationship between the religious obligation, potential of Islamic finance, and demand for Islamic finance, determines the intention to enhance financial planning skills. Similarly, Alfarizi, (2021) study highlighted that Islamic financial literacy (IFL) is immersed in planning behavior, during covid-19 people would choose to adopt Islamic finance due their clear concept no excessive payment accepted, and this effect the daily life, which after these covid-19 passes they have planned to continuously to adapt Islamic finance concept in their lives. Additionally, Suseno et al. (2021) stated in his research that individuals’ awareness of Islamic financial literacy (IFL) increase by educational programs. This finding supported Supriadi et al., (2023) education program, definitely the most relevance technique may enhance individuals' skills on investment planning and justification.

Based on the Theory of Planned Behavior (TPB), attitudes and perceived behavioral control are found to be the most significant predictors of individuals' planning skills. Another study conducted by Ahmed et al. (2019) stated attitudes and perceived behavioral control have a significant influence on individuals' financial planning skills in adopting Islamic hire purchase financing. This is shore up by Pitchay et al., (2019) who found that attitudes influenced by literacy levels and social norms significantly predicted elements for individuals' financial planning skills. Additionally, individuals' who have strong financial literacy will strengthen their financial planning skills to achieve financial goals. This statement supported by Ali et al., (2017) noted indviduals' with great islamic financial literacy (IFL) will have great financing goal, by apply their maximum financial planning skills. According to Sayuti et al., (2020 financial planning skill impacted by attitude and behavior. This evidence develops the hypothesis below.

H^1: There is a positive relationship between attitude (TATT) and Financial Planning Skills (TIT).

Subjective Norm

Subjective norms now as social pressure that impacted individuals intention and behavior, including financial planning skills. Another research conducted indicates subjective norm tends to be the most powerful predictor in influencing individuals' planning (Sulistiowati et al., 2023; Ali, 2021). As such, individuals' with great financial literacy will have great financial planning skills by inherently, they are exposed to the financial planning skills culture (Suseno et al., 2021; Utomo et al., 2020). The correlation between financial planning skills and subjective norms enhances individuals' financial literacy. Aside from that, another empirical study noted subjective norms strongly impacted on the individuals' financial planning skills. Subjective norm significantly influences individuals' financial planning skills in order to be obliged with religion faith not to be wastefulness or flagellation (Muharromah et al., 2023; Boubker et al., 2021). This means that the social environment is an important element in shaping individual financial planning skills in Sharia-compliant instruments.

There are some studies highlighted subjective norm is not the main factor may influence intention, sometimes individuals' knowledge is more impacted to influence behavior (Wuryaningsih & Safitri, 2024; Sulistiowati et al., 2023). This implies financial planning skills may be affected by individuals' attitude or rationality. Moreover, another study revealed there are huge differences between millennials and Generation Z in assuming financial planning skill, because there are differences surrounding and different growing time (Santoso & Nurzaman, 2023; Alfarizi & Sari, 2022). Millennial generations are more likely to adopt Islamic banking because they believe islamic finance is suitable for all religions and generations (Wuryaningsih & Safitri, 2024; Anisa & Kholid, 2022). Enhancing financial literacy while at the same time encouraging positive subjective norms can be a significant factor in the adoption of Islamic banking, showing the twin significance of education and social dynamics in encouraging Islamic financial practice. This evidence develops the hypothesis below.

H^2: Subjective Norm (TSN) positively influences Financial Planning Skills (TIT)

Perceived Behavior Control

These studies emphasized how perceived behavioral control enhances financial planning skills, thereby significantly affecting the intention to adopt Islamic financial products. Financial planning skills associates with enhancing Islamic financial principles, product and services, prior research emphasize increasing Islamic financial literacy enhancing of Muslim financial planning skill (Gunawan, 2023). This founding leads perceived behavior control showed reasonable financial decision. This supported by other studies perceived behavior control shows significant relationship toward financial planning skills, by empowering the evaluation of financial decision or financial behavior (Gunawan, 2023; Antara et al., 2016). Furthermore, perceived behavior control might enhance individuals’ financial planning skills, by putting some financial goal or financial objective to achieve (Dou & Ji, 2023). In Islamic financial literacy perceived behavior control evaluate the right or wrong (match or unmatch) financial planning skills toward individual’s financial abilities (Ibrahim et al., 2017; Isnaini et al., 2023). The mediating role of religiosity explored by other studies to see the strength of perceived behavior control toward financial planning skills. (Isnaini et al., 2023; Haninda & Elfita, 2022).

However, Adeel et al, (2019) indicated perceive behavior control is not correlated the relationship between financial planning skills, because financial planning skills are just very general, could not evaluate the benefits of each product and services offered by Islamic banking. This is contra with other studies revealed that perceived behavior control correlated financial planning skills in order to have financial well-being or financial health as financial goal (Hamzah et al., 2024; Ali & Shang, 2022). This support evident from other consumer behavior studies stated perceived behavior control might enhance people planning skills to have a better final decision in Islamic finance (Ashari et al., 2023).

The empirical of the literature indicates a trend toward the integration of financial literacy initiatives with behavioral models. This theoretical framework showed the importance of financial planning skills specifically in enhancing Islamic financial literacy in order to have a better financial decision and strong stances towards behavioral economics. As financial literacy enhances perceived behavioral control, it affects financial planning skills towards Islamic finance, thereby necessitating inclusive educational interventions for various groups. This evidence develops hypotheses below.

H^3: Perceived Behavior Control (TPBC) is a significant predictor of Financial Planning Skills (TIT).

RESEARCH METHODOLOGY

Sampling, Data Collection, Measures, Reliability, and Validity in Research

This study employed a quantitative research approach to examine the factors influencing students’ intention toward financial planning skills. A cross-sectional survey design was used, as the data were collected from respondents at a single point in time. The quantitative approach was considered appropriate because it allows the researcher to examine relationships between variables statistically and test the proposed hypotheses systematically.

The population of this study consisted of university students in Malaysia. More specifically, the unit of analysis focused on undergraduate students, as they represent a group that is highly exposed to financial decision-making and financial management challenges during their academic life. The sample size for this study was determined using the Krejcie and

Morgan Sample Size Determination table and supported by G*Power analysis to ensure that the minimum required sample size was sufficient for statistical testing. A total of respondents were selected to participate in this study.

This study applied a simple random sampling technique, where every student in the population had an equal chance of being selected as a respondent. This sampling technique was chosen to reduce sampling bias and increase the representativeness of the sample. The research instrument used in this study was a structured questionnaire. The questionnaire consisted of several sections measuring variables such as Attitude (ATT), Subjective Norm (SN), Perceived Behavioral Control (PBC), and intention toward financial planning skills. All measurement items were adapted from previous established studies to ensure validity and reliability. Minor modifications were made to suit the context of this study.

In terms of measurement, all constructs were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The use of adapted measurement items from prior literature helped ensure content validity and consistency with previous empirical studies. The data collection process was conducted through questionnaire distribution using both face-to-face and online approaches. Respondents were approached directly, and online survey forms were also distributed through digital platforms to increase response rates and accessibility. For data analysis, this study employed statistical analysis techniques to achieve the research objectives and test the proposed hypotheses. Descriptive analysis was used to summarize respondents' demographic information, while inferential analysis was conducted to examine the relationships between variables. In addition, regression analysis and Partial Least Squares Structural Equation Modeling were utilized to assess the significance of the relationships between constructs and determine the predictive power of the proposed model.

The survey questionnaires consisted of related questions influences, attitude, subjective norm, perceived behavior control and financial planning skills. According to Zhou et al., (2023) noted questionnaire is the best method to measure behavior efficiently.

1. Attitude: Measure assessed students' general attitude and personal views towards financial planning skills, and how Islamic finance principles influenced their attitudes towards financial planning skills.
2. Subjective norm: Measure social pressures among students' experience from family, friends, or society towards financial planning skills.
3. Perceived behavioral control: Measure to what extent students perceived that they had control over their financial behavior and choices, an important predictor of financial planning skills.
4. Financial Planning Skills: Measure tested students' intention to enhance Islamic financial literacy in term of skills in planning their personal finances, including saving, budgeting, and long-term planning.

Items for the scales were adapted from previous research on financial literacy and made compatible with the Malaysian environment. This is a common financial literacy research practice so that the questions presented cultural significance and relevance to the participants (Taufiq et al., 2022).

FINDINGS AND DISCUSSION

Reporting Research Result

Table 1 : Demographic profile

Variables	Items	Frequency	Percent
Gender	Female	100	50
	Male	100	50
Age	19-20 years	50	25
	21-23 years	50	25
	24-26 years	50	25
	27 years and above	50	25
Religion	Islam	200	100
Monthly Expenses	< RM 200	50	25
	RM 201- RM 300	50	25
	RM 301-RM 400	50	25
	RM 401-RM 500	50	25
	Universiti Malaya (UM)	40	20
University	Universiti Kebangsaan Malaysia (UKM)	40	20
	Universiti Putra Malaysia (UPM)	40	20
	Universiti Sains Malaysia (USM) - KL	40	20
	Universiti Teknologi Malaysia (UTM)	40	20
	Total	200	100.0

Table 1 explained demographic breakdown of the 200 participants in this study reveals a balanced representation across various categories. Gender-wise, the sample consists of 50% female and 50% male participants. Age distribution is equally divided, with 25% from each of the following age groups: 19-20 years, 21-23 years, 24-26 years, and 27 years and above. All participants are Muslim, reflecting the religious focus of the study. Monthly expenses allocate equally, 25% for each category < RM 200, RM 201-300, RM 301-400, and RM 401-500. University chosen samples also distributed fairly 20% for each university. This distribution equally, supported by prior studies, in order to have significant result, all respondents should allocate fairly and equally (Hidayat et al., 2022; Wahab et al., 2024).

Table 2: Normality

	TIT	TATT	TSN	TPBC
N	200	200	200	200
Missing	0	0	0	0
Skewness	0.666	0.599	0.428	-0.00903
Std. error skewness	0.172	0.172	0.172	0.172
Kurtosis	-0.663	-0.546	-0.745	-0.403
Std. error kurtosis	0.342	0.342	0.342	0.342
Cronbach Alpha	0.905	0.907	0.853	0.764

Table 2 showed normality of the data such as skewness and kurtosis, corresponding to symmetry and spread within data respectively. The asymmetry is measured by the skewness and the kurtosis is the measure of the "tailedness" of a distribution. The results provided for the variables TIT, TATT, TSN, and TPBC indicate that the data is acceptable as normal based on the needed measures of skewness and kurtosis. The skewness values are well within the acceptable limit of -1 to +1, and they reflect that the distributions are highly symmetric with very slight deviations. The kurtosis values, being slightly negative, are well within the acceptable limit of -2 to +2, and they reflect that the distributions are slightly flatter than normal and are not extreme outliers. Therefore, the data can be deemed normal as it meets the minimum requirements for normality in general. This makes the data adequate for further analyses using parametric tests that require the assumption of normal distribution.

Cronbach's Alpha is an important internal consistency statistic that declares to what extent a set of items can be claimed to be measuring the same construct. Based on the given results, Cronbach's Alpha of TIT (0.905), TATT (0.907), TSN (0.853), and TPBC (0.764) are measures of varying reliability. Specifically, TIT and TATT are very consistent internally with values above 0.9, which means the items in these measures are extremely correlated and consistently measuring the same construct. TSN is highly consistent internally (0.853), which is a consistent measure, whereas TPBC is acceptable (0.764), which shows very minor scope for improvement in item consistency. Overall, these Cronbach's Alpha measures indicate that the scales used in this study are mostly reliable to ensure the measurement tools produce accurate and uniform results for further computation.

Table 3: Correlation matrix

	TIT	**TATT**	**TSN**	**TPBC**
TIT	—			
TATT	0.818	—		
TSN	0.885	0.806	—	
TPBC	0.789	0.813	0.753	—

Table 3 presented the correlation analysis among the study variables. The findings indicate positive correlations among all constructs, with correlation coefficients ranging from 0.753 to 0.885. The strongest correlation was observed between subjective norm (TSN) and financial planning skills (DV) (r = 0.885), suggesting that stronger social influence is associated with better financial planning skills. Attitude (TATT) also demonstrated a strong positive relationship with financial planning skills (r = 0.818), followed by perceived behavioral control (TPBC) (r = 0.789). These findings suggest that students with stronger attitudes, social influence, and perceived control tend to exhibit better financial planning skills.

Table 4: Regression

Predictor	**Estimate**	**SE**	**t**	**p**
Intercept	-0.400	0.1907	-2.10	0.037
TATT	0.570	0.0710	8.03	<.001
TSN	0.338	0.0736	4.59	<.001
TPBC	0.164	0.0673	2.44	0.015

Table 4 showed regression result that Attitude (ATT) and Subjective Norm (SN) had a highly significant influence on financial planning skills, with both variables recording p-values of less than .001. This indicates that students with positive attitudes toward financial planning and those who receive encouragement or social support from important individuals such as family, friends, and peers are more likely to develop stronger intentions to improve their financial planning skills. The findings support the Theory of Planned Behavior, which suggests that attitude and subjective norm are important predictors of behavioral intention.

Furthermore, Perceived Behavioral Control (PBC) was also found to significantly influence financial planning skills, with a p-value of 0.015. This suggests that students who perceive themselves as capable, confident, and able to manage financial matters effectively are more likely to possess stronger intentions to practice and improve financial planning skills. Although the significance level of PBC was lower compared to ATT and SN, it still contributed meaningfully to the model.

Overall, the regression model demonstrates that ATT, SN, and PBC significantly contribute to explaining students' intention toward financial planning skills. Among these predictors, ATT and SN emerged as the strongest factors influencing intention due to their highly significant results.

Table 5: Hypothesis result

Hypothesis	Result	Description
H1	There is a positive relationship between Attitude (TATT) and Financial Planning Skills (TIT).	Students with a contrsuctive attitude toward islamic financial literacy, more likely to have excellent financial planning skills. This hypothesis is supported by the positive correlation and significant coefficient between TATT and TIT ($r = 0.918$, $p < 0.001$).
H2	Subjective Norm (TSN) positively influences Financial Planning Skills (TIT).	Students with better surroundings are more likely to have great financial planning skills. This hypothesis is supported by the positive correlation ($r = 0.885$) and coefficient (0.338) between TSN and TIT support this hypothesis.
H3	Perceived Behavioral Control (TPBC) has a positive effect on Financial Planning Skills (TIT).	Students who perceive themselves as capable of managing their finances are more likely to engage in effective financial planning. This hypothesis is supported by the positive correlation ($r = 0.789$) and significant coefficient (0.164) between TPBC and TIT.

Table 6: Model fit

Type	SRMR	RMSEA	Lower	Upper	RMSEA p
Classical	0.059	0.014	0.000	0.030	1.000
Robust	0.055				
Scaled	0.055	0.046	0.036	0.055	0.775

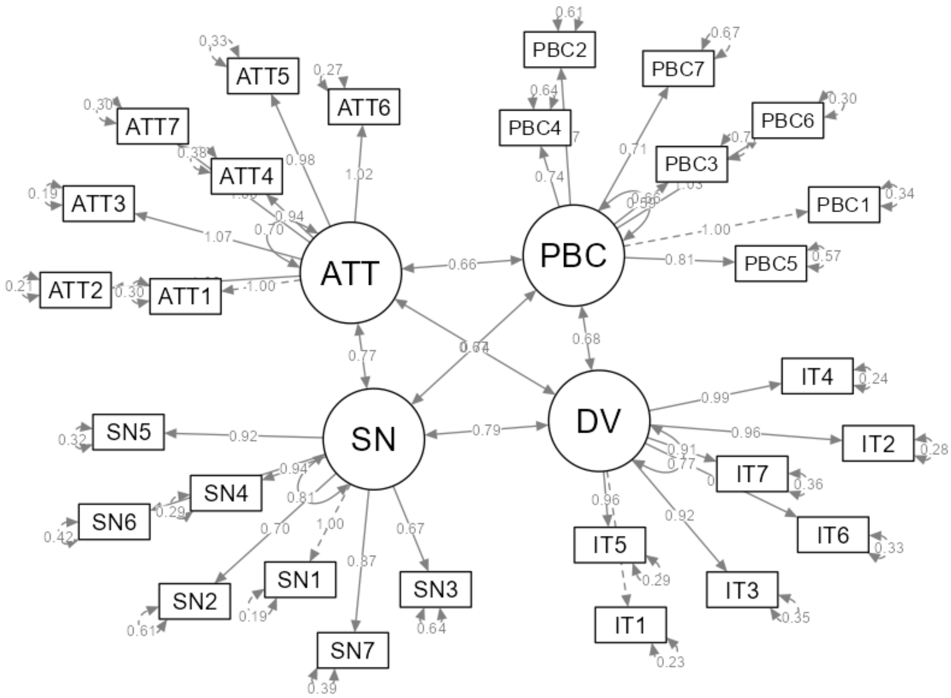

Figure 1: Final Model
Source: Authors' own

The model fit indices (Table 6) suggested a strong fit between the hypothesized model and the data. The SRMR (Standardized Root Mean Square Residual) values for both the Classical model (0.059) and Robust model (0.055) are below the threshold of 0.08, indicated a good model fit. The RMSEA (Root Mean Square Error of Approximation) for the Classical model is 0.014, well below the acceptable cutoff of 0.08, with a 95% confidence interval ranging from 0.000 to 0.030 and a RMSEA p-value of 1.000, suggesting perfect model fit. The Scaled model (Figure 1) also shows a good fit with an RMSEA of 0.046, a 95% confidence interval of 0.036 to 0.055, and a RMSEA p-value of 0.775, further reinforcing the robustness of the model. The good fit of the model suggested that future research should examine the gaps by measures the religious, cultural, and socio-economic factors interact with Islamic financial literacy (IFL) in determining financial planning skills.

Discussion

The main objective of this study was to explore the factors influence predictors namely, Attitude (TATT), Subjective Norm (TSN), and Perceived Behavioral Control (TPBC) towards Financial Planning Skills (TIT) among university students in Malaysia. By examining the basic understanding concept of Islamic financial literacy (IFL) toward the main driver on financial planning skills in higher education students. By investigating how these psychological factors shape students' financial decision-making, the study aimed to enhance our understanding of the key drivers behind effective financial planning in the context of higher education. Financial planning skills needs to be nurtured since at the young age, these skills are important to have in order to have financial well-being for future generations.

Finding of this study make a huge contribution to literature review on Islamic financial literacy, and planning skills, the results highlighted the predictors namely, attitudes (ATT), social norms (SN), and perceived behavior control (PBC), are significantly influence financial planning skills among university students. Even though university lack of information about product and services offered in Islamic finance, however, there are conscious enough to have financial well-being in the future, at the same time, as Muslim, they are concern about responsibilities toward to commit in this religion, they know clearly, the concept "*falah*" and living within our means, not fall into excessive spending. Particularly, this study emphasizes the strongest role attitude (ATT) as one of the predictors in financial planning skills (TIT), this study provides evidence for the incorporation of attitude-shaping methods into the educational curriculum of financial literacy programs, especially in a cultural-religious context like that in Malaysia.

For hypothesis (Table 5), relation this study finds all the hypothesis supported rejected all null hypotheses. Attitude (TATT) was the most significant predictor of financial planning skills (TIT), with a positive and significant coefficient ($\beta = 0.570$). This supports Hypothesis 1, which posited that a positive attitude toward financial decision-making would enhance financial planning abilities. Subjective norm (TSN) also positively influenced financial planning skills ($\beta = 0.338$), confirming Hypothesis 2, suggesting that social pressure and cultural expectations around money management contribute significantly to financial behaviors. Finally, Perceived Behavioral Control (TPBC) was a significant predictor ($\beta = 0.164$), though it had a smaller effect size, supporting Hypothesis 3. These results are consistent with Ajzen's Theory of Planned Behavior (1991), which indicates that attitudes, subjective norms, and perceived control influence behavioral intentions and actions.

Generally, as we can see all the results aligned with the previous studies conducted towards Islamic finance and behavior. According to Taufiq e al. (2022) indicated subjective norm and attitude is the main predictors influence finance behavior. Further, this study consistent with the finding of conducted by Lusardi and Mitchell (2014) stated attitude has significant relationship with planning skills. As well, this study integrated in the context of Islamic perspective. The result showed significant relationship for all predictors. These findings contributed to the managerial perspective in terms of attitude intervention with financial education initiatives. Yet subjective norm also contributed to integrated involving families, peers, close members influence the financial decision towards behavior. Lastly perceived behavior portrayed as one the willingly effort of individual in terms of financial behavior.

Finally, several interesting directions for future research emerge from this study. First, the integration of Islamic financial principles in financial education is an area that remains unexplored. Given the significant role played by Islamic finance in Malaysia, future research can examine the impact of Islamic financial literacy specifically on financial decision-making and planning. Second, extraneous variables such as socio-economic status, access to financial resources, or family background, can interact with the variables considered in this study and influence financial planning outcomes. Considering these additional variables would provide a better understanding of financial behavior and planning.

CONCLUSION

This research investigated the interrelations of Attitude (TATT), Subjective Norm (TSN), Perceived Behavioral Control (TPBC), towards Financial Planning Skills (TIT) in a sample of Malaysian university students. The findings suggest that the most significant predictor of financial planning skills is attitude, followed by subjective norms and perceived behavioral control. These results are consistent with the Theory of Planned Behavior (Ajzen, 1991) and enhance the knowledge on how psychological elements influence financial decision-making and planning. The research identifies the necessity to incorporate both Islamic financial literacy and financial literacy in general in educational curricula to equip students better with the necessary tools for prudent financial planning.

In spite of these significant contributions, the research has limitations, which must be considered. The use of self-reported data has the tendency to be biased because students might not always give accurate and truthful accounts of their financial behavior. Second, the sample consisted of Malaysian university students, thereby influencing the external validity of the results. The applicability of the research findings to other groups or nations that have different cultural and socio-economic characteristics is not evident. Moreover, though the research examined crucial psychological variables, it did not consider other variables that might be equally significant, for instance, socio-economic status, availability of financial resources, or family financial conduct, all of which might also influence financial planning capability.

These limitations point to the necessity of additional research to examine how external influences, including socio-economic status and family, interact with financial planning ability determinants. Additional research should strive to utilize more heterogeneous samples to increase generalizability and incorporate other objective financial behavior measures to supplement self-report data. Moreover, incorporating Islamic finance principles in the financial literacy curriculum needs more research, particularly in culturally diverse environments such as Malaysia, where Islamic finance principles are likely to play a more significant role in finance.

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DECLARATION

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Declaration of Competing Interest

The authors declare that they have no known competing financial interest or personal relationships that could have influenced the research work.

Ethical Statement

The authors declare that they understand the Publication Ethics and Malpractice Statement and have adhered to all the statements. They also confirm that this paper is original and has not been published in any other journal nor is under consideration by another publication.

Data Availability

Not Applicable

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