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FACTORS AFFECTING FINANCIAL WELLBEING OF THE UNIVERSITY STUDENTS: AN EMPIRICAL PAPER

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Abstract: *This is an empirical paper showing the linkages on the relationship between factors affecting the financial well-being of university students. The focus on the financial well-being of university students is very important to ensure that university students do not encounter financial difficulties during their years at universities. To be more specific,this paper examines the four factors which determine the financial well-being of university students which are Budget & Financial Education, Structured Funding, Unstructured Funding, and Financial Behaviour. The objectives of this research are to establish the extent of the conceptual relationship between four determining factors and the students' financial well-being. The aims and objectives of this research are accomplished when the conceptualizations of each of the independent variable dimensions and students' financial well-being are established and the linkages are clearly explained and empirically tested.*

Keywords: *Budget & Financial Education, Parents' Influence, Structured Funding, Students' Financial Well-Being, Unstructured Funding*

Introduction

The problem of university students' financial well-being is such an important area that deserves further attention from the scholars and practitioners alike to come up with ways of how to help university students cope with their studies.

The financial burden that students have to face on their way to graduation will result in them relying onfamily support, student loans, or other alternative sources. Many people who would have been unable to attend university now have been able to do so because of access to loans from the government. As students strive to obtain a degree, their need for financing and loans is growing and their numbers are increasing all the time. Lapon (2015) has reported that in the United States (US), student loan debt has surpassed credit card debt to become the second-largest category of consumer debt behind home mortgages. Students frequently endure financial stress due to various factors, including tuition fees, which significantly impact their academic performance and mental health and this stress is exacerbated by their living arrangements (Nasr et al, 2024)

Therefore, exposing students to manage their spending and proper budgeting is essential to keep spending under control, and it is the single most important money management skill. Budgeting will give students an accurate picture of their money situation and makes it possible to make limited resources go a long way. It can also help identify areas where they are spending too much. It shows them and their parents that they are handling their money wisely.

Financial well-being has become an important area that receives attention from scholars and practitioners, especially in the context of university students. The majority of university students are young adults at the age of 18–25 who have a distinct life-cycle stage (Peterson and Leffert,1995), and their emerging adulthood period is characterized by major life-changing experiences, including university (Gutter, M. & Copur, Z., 2011). Leila & Laily (2011) add that students are at an age in whichthey begin to develop their skills and build personal well-being in the present and the future. For the first time, during that age, the majority of them are managing money independently, without the supervision of parents. They either depend on parents for funding or receive a loan from the National Higher Education Fund (PTPTN). The financial well-being of university students is of particular concern because they are more susceptible to making poor financial decisions due to a lack of financial knowledge and experience. Inadequate financial management can lead to financial difficulties and heightened stress levels among university students (Rahim et al, 2024).

Based on a study done by the National survey (Gutter & Copur, 2011) on United States college studentsin 2008, the financial well-being average score of students is 6.18 at the midpoint of 5.50. That indicates that college students' financial well-being level is still relatively moderate. Studies conducted by Leila& Laily (2011) on university students in Malaysia show that the average level of the financial well- being of male students (32.2) is higher than female students (26.48) with a maximum score of 60. The level of financial well-being is still relatively low because the average score is still below the midpoint. In recent research, Bolognesi et al. (2020) using a survey with more than 27,000 observations of those aged 18–37 in the US, find that more than half of the respondents felt anxious about their financial situation, lacked an

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emergency fund to cover 3 months' expenses, carried student loan debt, or used informal financial services such as payday loans and pawn shops.

Financial well-being is a state of being financially healthy, happy, and worry-free (Sabri & Falahati, 2012). However, in reality, the financial well-being of students is not easy to achieve. Based on a studydone by Setiyani and Solichatun (2019), the majority of students sometimes feel worried about their finances. The reasons are because of no savings for immediate needs and lack of financial planning. Studies found that individuals who lack the money to buy daily necessities and cannot regulate financialmatters will have lower financial well-being (Sabri & Falahati, 2012) and they tend to have wasteful spending behaviors (Setiyani & Solichatun, 2019). Findings also showed that young adults who do not effectively manage the psychological costs will end up with high obligatory debt (Borden et al. 2008; Rao and Barber 2005). This is the risk that students need to address through financial risk assessments.

Many studies had revealed the association of financial literacy (Gunardi, Ridwan, & Sudarjah, 2017; Fazli and Falahati, 2012), financial education (Lyons 2008; Rao & Barber 2005)) and financial behavior(Shim et al. 2009; Xiao et al. 2006; Xiao et al. 2009) with financial well-being including students' context. However, other factors such as budgeting, structured funding e.g. Majlis Amanah Rakyat (MARA), unstructured funding e.g. infaq, food coupon, and book voucher also influenced students' financial well-being. Budgeting is a strategy of how individuals manage their - finances to avoid negative outcomes of debt accumulation. Without proper financial planning as well as budgeting, students may have a hard time keeping their money in good order. Undoubtedly, financial education has a positive association with financial well-being. A financially educated society tends to make better financial decisions. The transition from financial dependence to independence poses unique challenges, and poor financial management can lead to stress and financial difficulties Rahim et al, 2024).

Basic knowledge about personal finance is very important among young people, particularly universitystudents. This is due to the reports of the financial situation of this age group, which shows a serious management problem. A survey conducted by Federation of Malaysian Consumers Associations (FOMCA) in 2013 found that 37 percent of young Malaysians spent beyond their income means, while47 percent used more than one-third of their monthly income to settle debts.

Therefore, the objectives of this research are to establish the extent of the conceptual relationship between four determining factors and the students' financial well-being. The financial well-being of students is important because the financial well-being of students has a significant influence on their financial well-being after graduation and overall life satisfaction (Shim et al., 2009). The main reason for this problem is that students often commit overspending behavior due to the lack of knowledge and experience in personal financial management skills (Sang, 2021)

The study on the importance of the family roles, especially parents, on the financial socialization has already been confirmed in several studies (Jorgensen and Savla, 2010; Shim et al., 2010; Solheim et al.,2011). Calamato (2010) stated that 87% of students learn how to manage money from their parents andadded that nearly all teenagers learn about personal money management from their parents. Therefore, it is expected that individuals who do not have any financial freedom make their financial decisions according to suggestions from their families. In this study, parents' influence is an indicator to moderatebetween the determining factors of financial

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well-being with the financial well-being of university students.

Literature Review

Budget and Financial Education

For a majority of university or college students, the first-year situation is viewed as an important transitional stage. Some of them are confronted with financial responsibilities such as paying bills, creating a budget and using credit for the first time without parental supervision. According to studies in the United States and other countries, college students usually manage their finance poorly, and theyare inadequately prepared for these new burdens (Markovich & DeVaney, 1997; Chen & Volpe, 1998;Murphy, 2005). The ability to cope with these challenges depends on how deep the financial knowledge and behaviors they have before arriving at college. Indebted students feel distressed, live under the pressure to repay debts, live a constrained life, feel alienated from others, are uncertain about the meaning of higher education, are unable to "live one's life", and face a fragile future after university (Feige and Yen, 2021).

The study of Malaysian students shows that students of Chinese ethnicity, students in private colleges,freshmen, and students who never discussed finances with parents in their childhood have less financialknowledge (Mohamad Fazli Sabri (2012). Kamaruddin and Mokhlis (2003) found that Chinese adolescents were less likely to interact with their parents and peers than Malay youngsters. Therefore, Chinese college students tend to have less financial knowledge. This finding was obtained from Chinesestudents, students who live on campus, and students in private colleges. The result from a study by Peng, Bartholomae, Fox, and Cravener (2007) revealed that investment knowledge improves the financial information if the students have a bank account before the age of 18.

Maintaining the financial budget is a critical component of financial knowledge. Budgeting refers to allotting all or part of total financial resources into distinct categories to track expenses against a tangible monetary forecast (Heath & Soll, 1996). Thus, budgeting can be considered as a strategy of how a person manages his finances to avoid the negative outcomes of debt accumulation. Without a budget, students may have a hard time keeping their money in good order. If the money is from a studentloan, it will eventually need to be repaid. Financial literacy is one of the main aspects of personal financial management (Klapper and Lusardi, 2020; Hamid and Loke, 2021).

Financial education should be introduced at the college level or earlier to prepare students to manage their finances effectively. Many approaches and learning channels can be utilized to achieve this objective at the college level or earlier. University, faculty, and administrators should create financial education resources and experiences for students that are accessible, collaborative, practical, and timely.A good starting point could be offering financial seminars on campus during times that are convenient for students. To provide more access for these students, financial seminars could be recorded and postedto an online platform or presented separately as online webinars. Financial education programs shouldbe taken into consideration in which financial topics are the most pertinent to graduate students given the time of year and progression through their program. Some areas of budgeting and credit cards suchas filing taxes, or securing funding or loan repayment plans, and also various employee benefits packages are example of education program that can be taken into consideration (Goetz & Palmer, 2012).

Colleges and universities have a unique opportunity to encourage the development of sound financial practices among students through coursework, workshops, and other educational experiences(Shim et al, 2009).

From the above discussion, it can be hypothesized that;

H1: Increases in financial education will have a positive relationship with the students' financial well- being.

H2: Managing a good financial budget will have a positive relationship with the students' financial well-being.

Structured Funding

MARA (the Council of Trust for the People), an agency under the purview of the Ministry of Rural Development, was established on 1 March 1966 as a statutory body by an Act of Parliament as aresult of the first Bumiputera Economic Congress resolution in 1965. MARA is responsible for developing, encouraging, facilitating, and fostering the economic and social development in the federation, particularly in rural areas. MARA's biggest role is as the change agent in terms of developing quality human capital focusing on the lower-income group, whether rural or urban poor.

The Ministry of Entrepreneur Development and Cooperative through the agency of the Mara Education Foundation (YPM) allocated RM343,200 to help the Malays and 550 poor Bumiputera students in Terengganu. In Penang, MARA has allocated RM700,000 as early relief to Bumiputera students who wanted to further their studies at institutions of higher learning (IPTS). The startup assistance of RM2,500 per student was offered to 350 students to enable them to continue their studies at IPTS. Thegovernment helped poor families to ease the financial burden of the higher cost of fees in IPTS.

In 1996, NFAS (National Student Financial Aid Scheme) was introduced in South Africa. It was government-funded, aiming to help students who are well-achievers but are financially destitute that they cannot proceed to tertiary education. It became a tool to develop the country's human capital and eradicate poverty, crime, skill shortages, and a high rate of unemployment. On a more recent note, MARA offers funding and scholarship at the preparatory level, diploma and degree level, postgraduate and professional programs levels (MARA, 2024).

Thus, based on the above discussion, the following hypothesis is posited;

H3: Increases in Structured Funding will lead to increases in the students' financial well-being

Unstructured Funding

Infaq in Arabic means spending. In Islam, it is a type of charity that is given without any expectation of reward or return; it is pious spending in the way of Allah. In Islamic economic principles, infaq significantly contributes to wealth distribution and elimination of poverty. Infaq can be utilized as an optimal means of increasing wealth to fulfill the contemporary needs of Islamic society (Abdul Hamid& Suhaili, 2014). Infaq is extended to cover the need for proper education, from preschool to tertiary level, let alone to meet the necessities of life. Proper education produces high quality of human capital to ensure the development and progress of a country. The economic gap in the Muslim community, by helping the less fortunate can be potentially closed by educational funding through infaq and previous literature indicated that the practice of *infaq* helps to ease the burden of rising fees and the cost of living for university students (Nordin et al, 2018). From the above discussion, the practice of infaq can support the financial well- being of students, especially at the tertiary level. Hence, it can be hypothesized that;

H4: The practice of infaq is positively associated with the financial well-being of students in higher learning institutions.

One of the most important resources to colleges and universities are alumni. As defined by the Cambridge English Dictionary, alumni are men and women who have completed their studies, especially at a college or university. There are several ways alumni can contribute to students' welfare; students can get placements at the respective alumni's organization, voluntary programs like mentoring students in their areas of expertise and contributing scholarships to deserving students. Turan(2016) proposed the evaluation of alumni funding as a possible solution to the issues related to higher education financing in Turkey. This proposition is supported by their findings of alumni websites analysis which shows that there is more potential to tap into an underutilized resource; the alumni, especially in a culture of giving to the needy is valued (Turan, 2016). In the time of higher education expenses becoming costly, the private voluntary contributions are resources sought by many competitors, and alumni groups can be a source for financial support. Good quality education requires additional support to produce a good quality of faculty and students and to maintain state-of-the-art facilities (Gaier, 2001). According to a report by the Council for Aid to Education, strong competition for voluntary resources is a future trend in higher education institutions (Morgan, 1995). Financially successful alumni can significantly boost fundraising efforts, as they are more likely to contribute back to the university that played a crucial role in their achievements (The Bridge, 2024). This funds obtained from the alumnis can be used by the universities to help students who are in dire financial needs. Based on the above discussion, the role of alumni can support students' financial well-being, especially at the tertiary level. Hence, it can be hypothesized that;

H5: The role of alumni is positively associated with the financial well-being of students in higher learning institutions.

Financial Behaviour

Financial behaviour generally refers to an individual's behaviour in managing their personal finances (Arofah, 2019). However, it has been defined by many researchers (Rahman et. al, 2021; Xiao, 2008; Perry & Morris, 2005, etc) as the management of an individual or person's savings, expenditure, budget, cash and credit as well as investment behaviour for short-term and long-term (Garman, 2014). There have also been several previous studies that explained financial behaviour from different perspectives. For instance, individual's aspect of financial concepts such as financial behaviour associates with financial management techniques (Walczak, 2018) and their financial satisfaction (Bashir et.al, 2013). Financial behaviour and financial knowledge related to individuals' financial satisfaction (Potocki et. al, 2019).

There has been some exploration of college students' attitudes about, and behavior with, money in general (Chuah et al. 2020, Arofah, 2019, Gutter and Copur 2011, Xiao et al., 2009). Once at college, many students are dealing with financial challenges such as paying bills, creating a

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budget, and using credit for the first time in their lives. The ability of students to cope with these challenges depends critically on the financial knowledge and behaviors they acquired prior to being on their own (Lyons et al. 2006b). A lack of personal finance knowledge may lead to financial crises. Financial crises can lead to poor credit ratings, bankruptcy, and unanticipated money shortages.

Developing a better understanding on how to develop positive, desirable and undesirable financial behaviors during the college years and how these behaviors affect their financial well-being, will increases an individual's chances of attaining a better quality of life later in life (Worthy et al. 2010; Xiao et al. 2009) or become successful in their life (Falahati et al, 2012).

Brüggen et al. (2017) report that financial behaviour has a direct effect on financial well-being. Similarly, Joo and Grable (2004) postulate that financial well-being is, directly and indirectly, related to financial behaviour, such as paying credit card bills in full each month, maintaining a weekly or monthly budget, and setting money aside for saving. Shim et al. (2009) found that financial behaviors, such as budgeting and saving management, were related to financial well-being of young adults.

Xiao et al. (2007) examined financial behavior and potential effects of financial behaviors on the well-being of college students. They found that positive cash management, credit management, and saving behaviors were positively related to overall wellbeing. Additionally, Xiao et al. (2009) found that college students who adopted positive financial behaviors increased their financial satisfaction. Financial well-being can be said to be ''high'' when students have positive financial attitudes, and exhibit healthy financial behavior. Meanwhile, Kim et al. (2003) found that poor financial management was negatively related to well-being. Worthy et al. (2010) indicated that problematic financial behaviors by college students may affect their future financial well-being.

Therefore, findings from research indicates that student who had positive financial behaviors (budgeting, saving, not performing any risky credit card behaviors and less prone to compulsive buying), significantly increased their financial well-being. That is to say financial behaviors are important components because these measure the potential of change in financial well-being (Joo, 2008).

Financial Well-being

Students will experience financial independence when they start entering universities. College students begin intensive personal financial management without parental supervision while in college (Gutter & Copur, 2011). However, since not all parents can afford to pay fully for the students' expenditure at universities, many students borrow money to obtain an education and carry considerabledebt into jobs where they earn entry-level salaries (Leach et al., 1999). Besides the education loan, someof the university students also divulge in other forms of debt, such as car loans, credit cards, and other financial commitments such as postpaid handphone lines, which are offered to students. The study on financial well-being tells us about financial situations which provide one with security and freedom of choice (Rahim et al, 2024).

So what is a financial wellbeing? Financial wellbeing is learning how to manage your money and resources responsibly with an eye toward long-term financial security (Financial Wellbeing, 2024).

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Based on a study conducted in 2018 by Blackbullion in collaboration with Sheffield Hallam University,95% of students admitted they felt stressed by their financial situation, with 45% stating they felt stressed either often or every day. 67% felt that their financial situation negatively impact their degree.50% of students worried over not having enough money for necessities, such as food, toiletries, etc. (Blackbullion, 2018).

Sabri & Falahati (2012) define financial well-being as a state of being financially healthy, happy, and free from worry. Financial well-being is regarded as a person's feelings about the financial situation atthe moment (Prawitz et al., 2006). Three factors affect the financial well-being of students, namely financial problems, financial knowledge, and financial socialization (Leila & Laily, 2011). Other than that, personal and family background, academic ability, consumer childhood experience, financial socialization, and financial literacy also can affect the financial well-being (Fazli Sabri, Cook, & Gudmunson; 2012).

Research Framework

The research framework for the above discussions is shown in Figure 1 below.

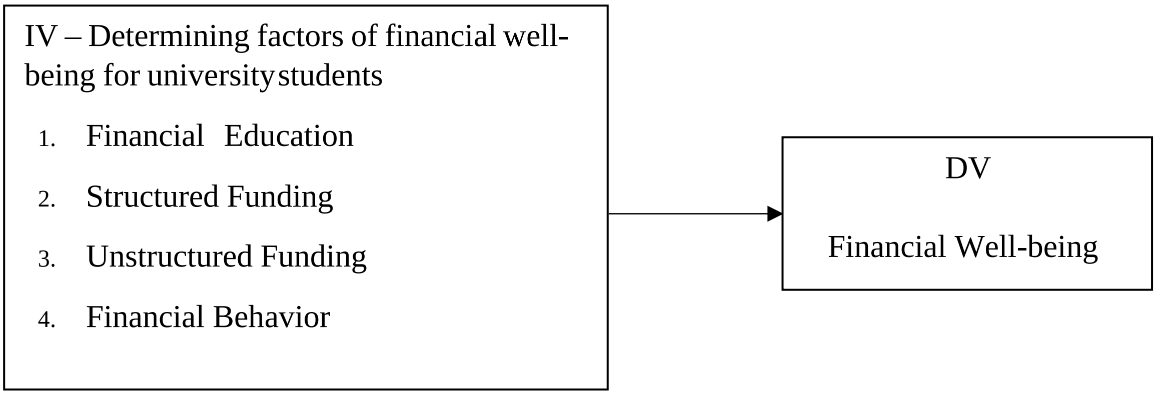

Figure 1: Research Framework

Methodology

Sample

The data used in this study is drawn from a questionnaire-based survey of UiTM students. UiTM Cawangan Kelantan (UiTMCK) students will become the population frame for this study. This study seeks to explain the effect on an individual basis. Thus, the unit of analysis in this study is the university students at UiTMCK. The respondents in this study are the degree and diploma students at UiTMCK.

The main instrument for data collection is a structured, self-administered questionnaire survey adapted from previous studies. The questionnaire includes questions about general information such as the background of the university students, the sources of study findings, parents' financial background, etc. to find out the level of financial dependability of the financial aid provided to the students. The questionnaires were adapted from the previous studies (Nzuzo, 2012; Marhayati, N. 2019; Ahmad et al, 2015; Goetz & Palmer, 2012; Rahman et al, 2021) in this area.

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As for the estimation of the sample size, a few references were made. According to Roscoe (1975), sample size between 30 to 500 was appropriate for most research. To be more exact, the general rule of thumb was to have a ratio of 5:1; that was to have an adequate sample size, each independent variable would need 5 samples. However, the recommended sampling was to have 15 to 20 samples for each independent variable (Hair, Black, Anderson, & Tatham, 1998). Thus, in this study, the required minimum sample size would be 60 (15 samples for four independent variables). In all, the response received was 1016 from the students. The instruments for these studies were adapted from previous studies in this area.

Data Analysis and Results

Goodness of Measures: Factor Analysis and Reliabilities

Validity Test

According to Hair et al. (2006), factor analysis is a technique done to define the underlying structure among the variables in the analysis. It reduces the number of variables to a meaningful, interpretable and manageable factors (Sekaran, 2003).

The factor analysis was carried out by using principal component extraction with oblique (varimax) rotation as to identify the most parsimonious set of variables (Hair et al., 1998). Varimax rotation is used because it summarizes variance in a minimum number of factors for prediction purposes (Hair et al., 2006).

There are several assumptions which need to be observed in order for the data to be appropriate for factor analysis such as the Bartlett's Test of Sphericity (is at least significant at 0.05), Kaiser-Meyer-Olkin Measure of Sampling Adequacy and anti-image correlation matrix (values must exceed 0.5), factors with eigenvalues greater than or equal to 1.0 are selected and finally the item is chosen if factor loading is equal to or greater than 0.7 (n sample size = 60) with 0.05 level of significant level (Hair et al., 2006).

Reliability analysis is a test to ensure that the measuring instrument is consistently measuring the concept that it is intended to measure across time and across the various items in the instrument (Sekaran, 2003). Cronbach's alpha is normally the most widely used measure which assesses the consistency of the entire scale (Hair et al., 2006). The higher and closer the Cronbach's alpha to 1 that indicates the higher the internal consistency reliability. Robinson, Shaver and Wrightman (1991) suggested a minimum acceptable coefficient of 0.70 for internal consistency.

Factor Analysis and Reliability Test: Financial Well Being

Principal Component Factor Analysis (PCA) with varimax rotation was carried out for the items of financial well-being measures. The results showed that Bartlett's Test of Sphericity (Bartlett, 1954) was significant (p-value < 0.01). Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was 0.92, which exceeded the recommended value of 0.5 (Kaiser, 1974). The result is summarized in Table 1.

Table 1: KMO And Bartlett's Test For Financial Well Being

Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy		0.92
Bartlett's Test of Sphericity	Significance	.00

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Both of these results proposed that the data was appropriate for a further factor analysis process. This was further subjected to varimax rotation and loading equal or greater than 0.7 for sample size = 60 (Hair et al., 2006). Six distinct dimensions were extracted from the PCA with eigenvalues exceeding 1.0. After several runs of factor analysis, two items were deleted from further factor analysis procedures, namely payment of course fees on time and purchase of important things. These items were deleted from further analysis because their factor loading is less than 0.7, which is required for sample size equals to 60 (Hair et al, 2006). Total variance noted for the six dimensions were 66.96 % in which contributions from component 1, 2, 3, 4, 5 and 6 were 30.78%, 11.05%, 9.09%, 5.93%, 5.1% and 5.0% respectively. The result of factor analysis for rotated component matrix is as shown in Table 2.

Table 2: Factor Analysis And Rotated Component Matrix For Financial Well Being (Rotated Component Matrix)

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.541	30.778	30.778	9.541	30.778	30.778	3.913	12.622	12.622
2	3.425	11.048	41.827	3.425	11.048	41.827	3.688	11.896	24.518
3	2.818	9.091	50.918	2.818	9.091	50.918	3.571	11.519	36.037
4	1.839	5.932	56.849	1.839	5.932	56.849	3.519	11.353	47.391
5	1.581	5.1	61.949	1.581	5.1	61.949	3.346	10.795	58.185
6	1.552	5.008	66.957	1.552	5.008	66.957	2.719	8.772	66.957

(Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Rotation converged in 6 iterations.

A reliability check was later performed on the items in the new dimensions so as to determine the internal consistency of the measuring items. According to Hair et al (2006), the labeling is intuitively developed by researcher based on the name that represents each of the derived factors as accurately as possible.

The values of Cronbach Alpha for component 1, 2, 3, 4, 5 and 6 were 0.86, 0.86, 0.92, 0.89, 0.86 and 0.87 respectively, which had exceeded the minimum value of 0.7 as recommended by Nunnally (1978). Table 5.6 showed the renamed dimensions for organizational performance construct together with its Cronbach's alpha which all exceeded the lower limits of normal acceptability (Nunnally, 1978). According to Hair et al. (2006), the reliability estimate that is 0.7 or higher suggests good reliability.

Table 3: Reliability Test (Cronbach's Alpha) And New Dimensions For Financial Well Being

Principal Component	Cronbach's Alpha	Items	Variable
1	0.86	SF1 – SF 5	Structured Funding
2	0.86	FE1 – FE 6	Financial Education
3	0.92	UF1 – UF5	Unstructured Funding
4	0.89	FW1 – FW5	Financial Well-being
5	0.86	PI1 – PI5	Parental Influence
6	0.87	FB1 – FB5	Financial Behaviour

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The reasons for the high value of Cronbach Alpha is not surprising given that previous study (Hoque et al, 2001) when used this type of instrument had recorded a Cronbach alpha greater than 0.7. Secondly it could be because of the number of items on the scale because according to Hair et al. (2006), increasing the number of items will increase the reliability value.

Factor Analysis and Reliability Test of Independent Variables; Structured Funding, Financial Education, Unstructured Funding, Parental Influence and Financial Behaviour

The PCA extracted six distinct dimensions with Eigen values exceeding 1.0. The variances which are contribution from items 1, 2, 3, 5 and 6 were 30.78%, 11.05%, 9.09%, 5.1% and 5.0% respectively. This was further subjected to varimax rotation and all loadings equal or above 0.7 (Hair et al., 2006). The result of factor analysis for rotated component matrix is shown in Table 4.

Table 4: Factor Analysis And Rotated Component Matrix For Independent Variables

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.541	30.778	30.778	9.541	30.778	30.778	3.913	12.622	12.622
2	3.425	11.048	41.827	3.425	11.048	41.827	3.688	11.896	24.518
3	2.818	9.091	50.918	2.818	9.091	50.918	3.571	11.519	36.037
4	1.839	5.932	56.849	1.839	5.932	56.849	3.519	11.353	47.391
5	1.581	5.1	61.949	1.581	5.1	61.949	3.346	10.795	58.185
6	1.552	5.008	66.957	1.552	5.008	66.957	2.719	8.772	66.957

Table 5: Principal Rotated Component Analysis

Rotated Component Matrix						
	Component					
	1	**2**	**3**	**4**	**5**	**6**
FE1		0.702				
FE2		0.734				
FE3		0.63				
FE4		0.779				
FE5		0.696				
FE6		0.746				
FB1						0.824
FB2						0.816
FB3						0.813
FB4						
FB5						0.406
SF1	0.789					
SF2	0.823					
SF3	0.787					
SF4	0.715					
SF5	0.812					
UF1			0.708			

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UF2			0.849			
UF3			0.88			
UF4			0.819			
UF5			0.766			
FW1				0.746		
FW2				0.781		
FW3				0.658		
FW4				0.795		
FW5				0.824		
PI1					0.796	
PI2					0.818	
PI3					0.809	
PI4					0.746	
PI5					0.631	
Extraction Method: Principal Component Analysis.						
Rotation Method: Varimax with Kaiser Normalization.						
a Rotation converged in 6 iterations.						

A reliability check was later performed on the items in the new dimensions so as to determine the internal consistency of the measuring items. Previous names were maintained for each dimension based on the subject matter of the majority of questions in the dimensions. As can be seen from Table 5 above, five dimensions were extracted for the independent variables measure. These dimensions were renamed as Structured Funding, Financial Education, Unstructured Funding, Parental Influence and Financial Behaviour measure based on the majority of items loading in each dimension.

Hierarchical Regression Analysis

In the analysis, hierarchical regression analysis was conducted where it tested the effects of relationship between independent variables, dependent variable, control variable and moderator.

Hierarchical regression

Table 6: Hypotheses Testing: Financial Education With Financial Well Being

Model	R Square	R Square Change	F Change	Sig. F Change
1	.285	.285	100.524	.000

Model	IV	Beta	Sig
1	Financial Education	.098	.003
	Financial Behaviour	.360	.000
	Structured Funding	.177	.000
	Unstructured Funding	.050	.080

As shown in Table 6 above, financial well-being is significantly explained by 28.5% of independent variables (F = 100.524), p<0.001).

The results indicate that all variables significantly affect financial well-being of university's students (p<0.1). The financial support from the government, the knowledge and application of

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managing finance and preparing a budget are very important to create a healthy, happy and stressless university's students financially. The contribution the contribution from infaq, zakat, sadaqah and financial support from alumni also can influence the good state of financial well-being of the students.

Thus, all hypotheses H1, H2, H3, H4, H5 and H6 are supported. The result is summarized in the Table 7 below;

Table 7: Hypotheses

No	Hypotheses	Result
1	H1: Increases in financial education will have a positive relationship with the students' financial well- being	Supported
2	H2: Managing a good financial budget will have a positive relationship with the students' financial well-being.	Supported
3	H3: Increases in Structured Funding will lead to increases in the students' financial well-being	Supported
4	H4: The practice of unstructured funding (infaq) is positively associated with the financial well-being of students in higher learning institutions.	Supported
5	H5: The role of unstructured funding (alumni) is positively associated with the financial well-being of students in higher learning institutions.	Supported
6	H6: The role of financial behaviour is positively associated with the financial well-being of students in higher learning institutions.	Supported

Discussion

The findings underscore the significance of financial education, budget management, and funding structures in shaping the financial well-being of university students. The positive relationship between increases in financial education and students' financial well-being is consistent with prior studies highlighting the pivotal role of financial literacy in empowering individuals to make educated and responsible financial decisions. This reinforces the importance of incorporating financial education programs within university curricula in order to provide students with the necessary skills to navigate their financial journey successfully.

Furthermore, the observed positive relationship between effective budget management and students' financial well-being highlights the critical role of disciplined financial practices in mitigating financial stress and encouraging a healthy financial state among university students. As students face various financial challenges during their academic journey, developing budgeting skills becomes a fundamental aspect of their overall financial well-being. The findings suggest that educational institutions and policymakers should prioritize initiatives that foster financial responsibility and budgetary discipline among students to enhance their financial resilience.

In addition, the study's affirmation of the positive impact of structured funding, unstructured funding (infaq), and alumni support on students' financial well-being highlights the varied nature of financial support mechanisms. Recognizing the importance of both institutional and community-based financial assistance, universities can strategize to improve the accessibility and effectiveness of these funding sources. As financial behavior emerges as another influential factor, interventions aimed at promoting smart financial habits and responsible spending can contribute to improve the financial well-being of university students. Overall, these findings provide valuable insights for academia, policymakers, and educational institutions to develop holistic approaches in fostering university students' financial well-being.

Conclusion

The findings from the data gathered showed positive results for the hypotheses where all of the linear relationships between independent variables and dependent variables were supported, and only one of the moderating effects was found to be significant. The supported hypotheses have answered the research questions posed at the beginning of this study.

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