



**DETERMINANTS OF THE FINANCIAL LITERACY
AMONG UiTM STUDENTS IN SARAWAK**

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ABSTRACTS

Financial literacy among graduate students is rapidly becoming a growing concern. Many students enter university with little knowledge of basic consumer finance (U.S. Department of Education, 2008). This research would explore more the financial literacy among UiTM students who are aged between 20 to 25 years old. Some of the obstacles of financial literacy are due to a lack of basic financial knowledge among them. One way to overcome the problem of financial literacy is to offer financial education classes and financial programmes with young adults and students. For this research, a thirty - six questions survey was administered to 150 among UiTM students specifically a degree level of students. One hundred and fifthly responded to the survey, which explored their financial knowledge, financial attitudes, financial behaviors and financial influences. There are many studies that focus on financial literacy among university students but the population of UiTM student for year 2014/2015 and 2015/2016 has never been explored. Determinants the financial literacy among UiTM students is one step towards finding a more effective way to educate them on this subject.

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CHAPTER 1

INTRODUCTION

1.1 RESEARCH BACKGROUND

Much has been made to address the lack of financial education among consumers in intensifying the importance of financial literacy among young adults. However, financial programs for young adults in the university should not be stepped over. Those, still in university and not distracted by money problems most likely to succeed with flying colors. Moreover, if they financially understand while in university, they will be able to pay off their study loans. On the other hand, most have seen them going through financial crises once they graduated from universities. Once students got a job after graduation, some of them not only have are problems of not able to manage their income smartly but also a problems of unemployment that causing them to be on financial tightrope early in their career endeavor. This scenario has seen its worst turn in most developed countries as shown by many kinds of research on financial literacy.

Hogarth (2002) defines financial literacy can be known as a basic money management such as budgeting, saving, insuring and investing. It is further understood as freedom to some level of knowledge for all consumers or it is relative to various levels ranging from personal skills, needs, and experience. Financial literacy is also perceived as the utilization of informed judgments to make decisions on the use and money management. As such, it is agreed that financial literacy is about informing people and making confident decisions in all aspects of budgeting, spending and saving while taking into account the relativity on individual unique situations (Cude et al., 2006, p.103).