Start-up and Financial Technology

e-ISSN: 3090-661X
Vol 02 (2) 2026 p. 86-95

Corresponding author:
Lina Nur Hidayati
Email: lina_nurhidayati@uny.ac.id

Received 5 August 2026;
Accepted 21 September 2026;
Published 24 September 2026.

Conflict of interest statement:
Author(s) reported no conflict of interest

DOI: http://doi.org/10.70764/gdpu-sft.2026.2(2)-02

FINANCIAL LITERACY, FINANCIAL EFFICACY, LOCUS OF CONTROL, AND FINANCIAL BEHAVIOR AS DETERMINANTS OF STUDENTS INVESTMENT DECISIONS IN YOGYAKARTA

Ramadhan Edyastriputra[1], Lina Nur Hidayati[2]

[1,2] Universitas Negeri Yogyakarta, Indonesia

ABSTRACT

Objective: This study examines the influence of financial literacy, financial self-efficacy, locus of control, and financial behavior on investment decisions among university students in Yogyakarta.

Research Design & Methods: A quantitative research design was employed, involving 100 university students in Yogyakarta. Data were collected using a structured questionnaire that had undergone validity and reliability testing. Multiple linear regression was used to examine the partial effects of the independent variables on investment decisions.

Findings: Empirical findings indicate that financial literacy, financial efficacy, locus of control, and financial behavior all have a positive and significant influence on investment decisions among university students. Among these factors, financial behavior exerts the strongest influence, highlighting the crucial role of responsible financial practices in shaping students' investment decisions.

Implications: These findings indicate that universities, policymakers, and financial institutions must develop integrated financial education programs that strengthen not only financial knowledge but also financial confidence, personal control, and responsible financial behavior. Students need to enhance their investment knowledge and develop disciplined financial practices to support sound investment decisions.

Contribution & Value Added: This study contributes to the investment decision-making literature by integrating cognitive, psychological, and behavioral determinants into a single framework. The findings specifically highlight the crucial role of financial behavior in shaping students' investment decisions and offer practical insights for designing more comprehensive financial education programs for young investors.

Keywords: Financial Literacy, Financial Efficacy, Locus of Control, Financial Behavior.

JEL codes: G53, G11
Article type: research paper

INTRODUCTION

As the younger generation, university students will not only face the increasing complexity of financial products, services, and markets, but they are also more likely to have to bear financial risks in the future (Fitriarianti, 2018). Students must be able to manage their finances well independently and take responsibility for the decisions they have made.

Many students still rely on allowances from their parents to indulge in wasteful spending, squandering their money on things of little or no importance (Margaretha and Pambudhi, 2015). Millennials from the productive middle class are constantly faced with a consumerist lifestyle, which makes a solid understanding of personal finance essential. He also recognizes that public awareness of financial literacy from an early age is very low, especially among millennials, who tend to lack good financial management skills.

The results of a survey conducted by the World Bank show that Indonesia's financial literacy rate is only 20%. This is lower than that of other ASEAN countries, such as the Philippines (27%), Malaysia (66%), Thailand (73%), and Singapore (98%) (Anggraeni, 2016). When an individual purchases securities such as stocks or bonds, it can be said that they are making an investment, because they are not spending all their money on consumer goods. The purpose of this deferral of consumption is the expectation of obtaining a return greater than the value of that deferral. Investment is a sacrifice made in the present with the aim of obtaining greater benefits in the future (Aithal et al., 2022).

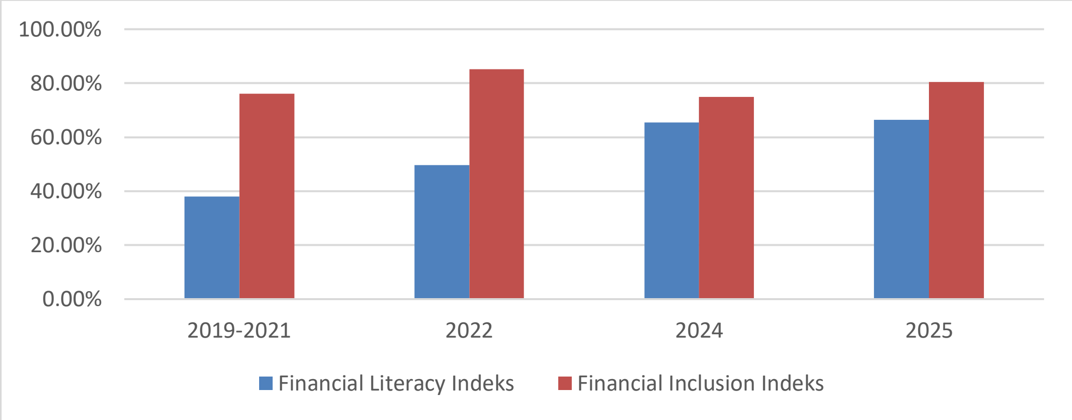

Figure 1. Development of Financial Literacy and Financial Inclusion Indices in Indonesia (2019–2025) (Financial Services Authority, 2025)

According to the Figure 1, the level of financial literacy among Indonesians has shown an upward trend year over year. In 2022, the financial literacy index reached 49.68%, up from 38.03% in 2019, 29.7% in 2016, and 21.8% in 2013. This means that in 2022, for every 100 residents, approximately 49 were considered financially literate, while the remaining 51 did not yet possess adequate knowledge, beliefs, skills, attitudes, and behaviors regarding financial institutions and formal financial products and services. This trend continued, with the financial literacy index rising to 65.43% in 2024 and 66.46% in 2025. Meanwhile, the financial inclusion index reached 85.10% in 2022, then declined to 75.02% in 2024, and rose again to 80.51% in 2025, compared to 76.19% in 2019. This situation indicates that, although the public's understanding of finance is improving, there remains a gap between financial literacy and financial inclusion that needs to be addressed in efforts to improve the quality of the public's financial decision-making (Financial Services Authority, 2025).

Research conducted by Kawamura et al., (2021), Li et al. (2020), Safryani et al. (2020), Suprasta and Nuryasman (2020) found that financial literacy has a significant positive effect on investment decision-making. According to Putri and Simanjuntak (2020), their study found that financial literacy is one of the factors that has a positive and significant influence on the investment decisions made by housewives in Surabaya. Several studies have shown differing results. According to the studies by Astiti et al. (2019) and Fitriarianti (2018), financial literacy has no effect on investment decision-making, financial behavior has no effect on investment decision-making, and financial attitudes have a positive effect on an individual's investment decision-making.

Financial self-efficacy is a positive belief in one's ability to successfully manage money. Financial self-efficacy can improve financial management practices, thereby fostering a sense of financial satisfaction. Financial self-efficacy influences the decisions adolescents make regarding their financial management. The concept of financial efficacy is actually based on the concept of self-efficacy; it simply focuses on a person's belief in their ability to successfully manage and organize their personal finances, since a person's belief in their ability to succeed influences their attitude.

Based on the findings of studies by Asebedo et al. (2019), Hoffmann and Plotkina (2021), Singh et al. (2025), financial efficacy has a positive and significant effect on investment decisions. This contrasts with the study by Bhaskara (2017), which found that, when considered in isolation, the financial efficacy variable had no significant effect on family investment decisions in Surabaya. Locus of control refers to an individual's belief regarding the source of events that occur in their life. A person may believe that they are capable of controlling their own life, or that others control their life; they may also believe that factors such as fate, luck, or chance have a significant influence on their life.

Rotter (1966) states that, in terms of orientation, the locus of control is divided into two categories: internal locus of control and external locus of control. A person with an internal locus of control has greater self-confidence and believes that everything that happens depends on themselves. Conversely, a person with an external locus of control will believe that all events depend on fate and their environment. Rasyid et al. (2018), in their study on the influence of locus of control, financial literacy, and income on investment decision-making, found that locus of control has a positive influence on investment decisions. Putri and Simanjuntak (2020), who conducted a study on the effects of motivation, locus of control, and financial literacy on investment decisions, found that locus of control has a significant positive influence on investment decisions. The results of this study are consistent with research conducted by Suprasta and Nuryasman (2020), Salamanca et al. (2020), who also found that locus of control has a significant positive effect on investment decisions. It's not just financial literacy; another factor that can add value is financial behavior. Financial behavior refers to the way a person manages their finances. Anyone who wants to study financial behavior must have an understanding of psychology, sociology, and finance.

The findings of Fitriarianti (2018) study demonstrate that financial behavior has a positive effect on investment decisions. This study is also consistent with the theory of the financial behavior perspective in financial decision-making. The better a person's financial attitude or mindset, the better their financial behavior in making investment decisions. Meanwhile, Astiti et al. (2019) state that financial behavior has no effect on investment decision-making.

For college students, their time in college is the first time they manage their own finances without parental supervision. Without parental support, they face new challenges and a new environment; moreover, they must manage their own finances and take responsibility for the decisions they make. A common financial problem among college students is that they do not have their own income, so they remain dependent on their parents and tend to be spendthrift.

It is this fact that supports the growth and development of financial behavior theory, which incorporates both psychology and the discipline of finance. Financial behavior plays a significant role in every decision to invest capital. The decision-making process for investing capital does not always align with the assumption that planning must be based on a thorough understanding of the information obtained.

LITERATURE REVIEW

An investment decision is defined as an individual's decision to allocate a certain amount of funds to a specific type of investment (Hidayat and Hartono, 2022). Mutawally and Haryono (2019) state that an investment decision is a policy chosen from among two or more investment alternatives with the expectation of generating future profits. Therefore, before an investment decision is made, an intensive assessment and evaluation are conducted first. Meanwhile, Panjaitan and Listiadi (2021) state that an individual's investment decisions can be understood from two perspectives: the extent to which the decision can optimize an individual's assets (economic) and investment decisions based on the investor's psychological aspects (behavioral motivation). The indicators of investment decisions are: a. Return; b. Risk; c. The Time Factor.

Investment decision-making is the process of reaching a conclusion or making a decision regarding certain issues or problems, choosing among two or more investment alternatives, or transforming inputs into outputs. Therefore, sound financial knowledge or financial literacy is required before making an investment. According to the Financial Services Authority (2021), literacy is defined as the ability to understand; therefore, financial literacy is the ability to manage one's funds so that they grow, leading to greater future prosperity.

Financial literacy is the quantitative ability and cognitive awareness regarding personal finance that enables individuals to make sound financial decisions based on both short-term and long-term considerations (Gustika and Yaspita, 2021). Furthermore, asserts that financial literacy is grounded in a collective understanding of people's knowledge, skills, behaviors, and attitudes, leading to sound financial decisions and a better quality of life (Martino and Ventre, 2026; Vieira et al., 2018). The indicators that can serve as benchmarks for financial literacy are as follows: a. One must be able to generate a financial surplus; b. Clearly understand and know the amount that needs to be saved and invested each month; c. Be familiar with financial products that align with one's profile and background.

Financial efficacy is a factor that can influence financial decisions; self-efficacy is an inherent personal attribute, and naturally, it varies from person to person. Financial efficacy can improve financial management practices, thereby enabling the experience of financial satisfaction. Financial self-efficacy, specifically, is an individual's belief in their ability to manage their own finances. Students possessing financial knowledge and financial self-efficacy should be more inclined to invest, as they understand the investment decisions to be made and possess the confidence to successfully manage those investments. Financial efficacy can be distinguished into three dimensions: (1) level/magnitude, (2) generality, and (3) strength.

Locus of control refers to an individual's perspective regarding whether or not they can control the events that occur (Rasyid et al., 2018). Locus of control is a personality characteristic that describes individuals who perceive control over their lives as originating from within themselves as "internalizers." The indicators of the locus of control variable are: a. Behavior potential; b. Expectancy; c. Reinforcement value; and d. psychological situation. Financial behavior refers to an individual's ability to handle daily financial matters, including planning, budgeting, monitoring, managing, controlling, sourcing, and saving funds. Key indicators of financial behavior include saving habits and purchasing behavior.

METHODS

This study is an ex post facto study. Ex post facto research is a systematic empirical investigation in which the researcher does not directly control the independent variables, either because the variables have already occurred or because they are inherently not subject to manipulation (Ibrahim et al., 2018). This study was conducted in Yogyakarta, with respondents consisting of university students based in the city who have made investments. The research was carried out starting in November 2022 and continued until completion. The study population comprised students in Yogyakarta who have invested in the capital market or in other forms of investment (such as gold, land/buildings, etc.). The sample size for this study was determined based on the guidelines provided by Hair et al. (2010). This approach was selected because the total population size was unknown; the method recommends a sample size of 5 to 10 times the number of indicator variables. As the study involved 20 indicators, the resulting sample size was 100.

Data collection technique

The data collection method used in this study was a questionnaire. The questionnaire was administered to respondents who met the study criteria to obtain data related to the variables under investigation. The research instrument was designed in the form of statements, which were then measured using a Likert scale with a score range of 1 to 4. The Likert scale was used to measure the respondents' level of agreement with each statement presented in the questionnaire.

Data Analysis Techniques

The data analysis techniques used in this study were carried out in several stages, namely descriptive analysis, classical assumption testing, and hypothesis testing. The entire data processing and analysis process was conducted using the Statistical Package for the Social Sciences (SPSS) version 25.0. Descriptive analysis is used to provide an overview of the characteristics of the research data. In this study, descriptive analysis was also used to group the data into three categories: high, moderate, and low. The high category is determined when the variable value is at $X \geq (M + SD)$, the moderate category when it falls within the range $(M - SD) \leq X < (M + SD)$, and the low category when $X < (M - SD)$.

The next step is to conduct classical assumption tests to ensure that the regression model used meets the statistical requirements so that the analysis results can be interpreted accurately. The classical assumption tests in this study include the normality test, the multicollinearity test, and the heteroscedasticity test. Once all classical assumption tests have been satisfied, the next step is hypothesis testing. Hypothesis testing was conducted using multiple linear regression analysis to determine the relationship and the magnitude of the effect of several independent variables on the dependent variable. According to Ghozali (2018), multiple linear regression analysis is used to explain the relationship between independent and dependent variables and to determine the magnitude and direction of the effects of the independent variables on the dependent variable

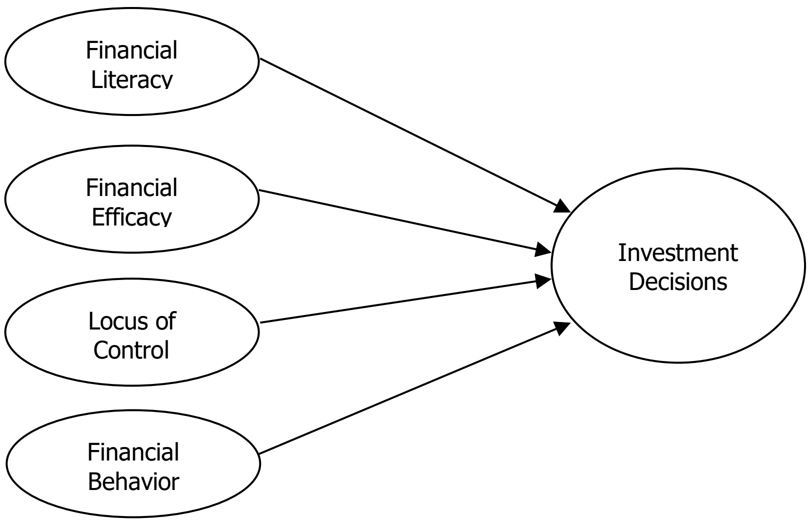

Figure 2. Conceptual Framework

RESULT

Descriptive Analysis

According to Ghozali (2018), descriptive statistics provide an overview or description of data based on the mean, standard deviation, variance, maximum, minimum, sum, range, kurtosis, and skewness (distribution asymmetry).

Table 1. Characteristics of respondents by university

University of Origin	Frequency	Percentage
UGM	2	2%
UNY	53	53%
UII	14	14%
UMY	7	7%
UPN	9	9%
UAD	3	3%
UAJY	12	12%
Total	100	100%

The respondents included 2 students from UGM, 53 students from UNY, 14 students from UII, 7 students from UMY, 9 students from UPN, 3 students from UAD, and 12 students from UAJY.

Table 2. Characteristics of Respondents by Class Year

Class Year	Frequency	Percentage
2018	11	11%
2019	76	76%
2020	13	13%
2021	0	0%
2022	0	0%
Total	100	100%

The number of respondents from the class of 2018 was 11 students, from the class of 2019 was 76 students, from the class of 2020 was 13 students, and from the classes of 2021 and 2022 was 0 students.

Table 3. Respondent Characteristics by Age

Age	Frequency	Percentage
< 20 years	2	2%
20 – 22 years	91	91%
>23 years	7	7%
Total	100	100%

It should be noted that 2 respondents were under 20 years old, 91 respondents were between 20 and 22 years old, and 7 respondents were over 23 years old

Table 4. Results of Descriptive Statistical Analysis

Descriptive Statistics					
Variable	**N**	**Min**	**Max**	**Mean**	**Std.Dev**
Investment Decisions	100	7,00	24,00	20,6100	3,56723
Financial Literacy	100	14,00	48,00	40,7900	6,00891
Financial Efficacy	100	13,00	36,00	30,2900	4,68459
Locus of Control	100	9,00	36,00	29,9900	5.47260
Financial Behavior	100	16,00	48,00	41,7200	5,99677

Based on the data, 2 respondents fell into the high category, 89 respondents fell into the moderate category, and 9 respondents fell into the low category. Therefore, it can be concluded that the majority of respondents' assessments of investment decisions fall into the moderate category.

Testing Classical Assumptions
Normality Test

The basis for decision-making in a normality test is that the data can be considered normal if the significance level is greater than 0.05. In this study, the Kolmogorov-Smirnov test was conducted, with the results presented in Table 5.

Table 5. Normality Test Results

Variable	Sig.	Level of sig	Description
Residual	0,132	0,05	Normally Distributed

The results of the normality test indicate that the data used in this study are normally distributed. This is evidenced by the Z-value from the Kolmogorov-Smirnov test, which is greater than 0.05 specifically, 0.132.

Multicollinearity Test

Table 6. Multicollinearity Test Results

Variabel	Tolerance	VIF	Description
Financial Literacy	0,538	1,858	Non-Multikolinieritas
Financial Efficacy	0,692	1,446	Non-Multikolinieritas
Locus of Control	0,724	1,381	Non-Multikolinieritas
Financial Behavior	0,674	1,483	Non-Multikolinieritas

All independent variables in this study have tolerance values above 0.1 and VIF values below 10; therefore, it can be concluded that there is no multicollinearity in the regression model used in this study.

Heteroscedasticity Test

Table 7. Normality Test Results

Variable	Sig	Description
Literasi Keuangan	0,169	Non-Heteroskedastisitas
Efikasi Keuangan	0,418	Non-Heteroskedastisitas
Locus of Control	0,316	Non-Heteroskedastisitas
Perilaku Keuangan	0,484	Non-Heteroskedastisitas

All variables in this study had p-values significantly greater than 0.05; therefore, it can be concluded that the regression model in this study does not exhibit heteroscedasticity.

Multiple Linear Regression Analysis

Table 8. Multiple Linear Regression Results

Variable	Coefficient	T	Sig.
Constanta	-1,196	-0,593	0,555
Literasi Keuangan	0,163	3,040	0,003
Efikasi Keuangan	0,007	2,114	0,009
Locus of Control	0,074	1,954	0,049
Perilaku Keuangan	0,305	6,335	0,000
R Square		0,581	
Adjusted R Square		0,563	
F Hitung		32,946	
Sig		0,000	

Based on the results of the analysis, the multiple linear regression equation is as follows:

$KI = \alpha + \beta 1LK + \beta 2EK + \beta 3LoC + \beta 4PK + e$

$KI = -1,196 + 0,163LK + 0,007EK + 0,074LoC + 0,305PK + e$

Based on the regression equation above, it can be concluded that financial literacy, financial efficacy, locus of control, and financial behavior have a positive and significant effect on investment decisions. Investment decisions increase when financial literacy, financial efficacy, locus of control, and financial behavior improve; conversely, a decrease in financial literacy, financial efficacy, locus of control, and financial behavior will reduce investment decisions.

Hypothesis Testing
T-test

The hypothesis testing was conducted to examine the partial and simultaneous effects of financial literacy, financial efficacy, locus of control, and financial behavior on investment decisions. The results of the t-test indicate that all four independent variables have a positive and statistically significant effect on investment decisions.

First, financial literacy demonstrates a positive and significant effect on investment decisions, as indicated by a t-value of 3.040 and a significance level of 0.003 ($p < 0.05$). This finding supports the proposed hypothesis that higher levels of financial literacy are associated with stronger investment decision-making. Individuals with greater financial literacy are more likely to understand financial concepts, evaluate investment alternatives, assess potential risks and returns, and make investment decisions based on relevant financial information. Therefore, the hypothesis concerning the positive effect of financial literacy on investment decisions is supported.

Second, financial efficacy also has a positive and significant effect on investment decisions, with a t-value of 2.114 and a significance level of 0.009 ($p < 0.05$). The positive direction of the relationship indicates that individuals who have greater confidence in their ability to manage financial matters tend to demonstrate stronger investment decision-making. Financial efficacy may strengthen individuals' confidence in evaluating investment opportunities, managing potential risks, and making financial decisions independently. Thus, the hypothesis proposing a positive effect of financial efficacy on investment decisions is supported.

Third, locus of control exhibits a positive and statistically significant effect on investment decisions. The analysis produces a t-value of 1.954 with a significance level of 0.049 ($p < 0.05$). Although the statistical effect is relatively close to the conventional 5% significance threshold, the result indicates that locus of control contributes significantly to investment decision-making. Individuals with a stronger internal locus of control tend to perceive financial outcomes as being influenced by their own decisions and actions. This perception may encourage greater responsibility and deliberation when making investment decisions. Accordingly, the hypothesis regarding the positive effect of locus of control on investment decisions is supported.

Fourth, financial behavior has the strongest partial statistical evidence among the variables examined, with a t-value of 6.335 and a significance level of 0.000 ($p < 0.001$). The positive and highly significant result indicates that financial behavior plays an important role in shaping investment decisions. Individuals who demonstrate more responsible financial behavior, such as disciplined saving, budgeting, financial planning, and prudent management of financial resources, are more likely to make informed and systematic investment decisions. Hence, the hypothesis proposing a positive effect of financial behavior on investment decisions is supported.

Overall, the partial hypothesis testing demonstrates that financial literacy, financial efficacy, locus of control, and financial behavior each contribute positively and significantly to investment decisions. Among the four predictors, financial behavior exhibits the strongest statistical evidence based on its t-value, suggesting that behavioral aspects of financial management may play a particularly important role in explaining investment decision-making in the research context.

Simultaneous Effect

The simultaneous effect of the independent variables was examined using the F-test. The results show an F-value of 32.946 with a significance level of 0.000 ($p < 0.001$). Since the significance level is below the 0.05 threshold, the regression model is statistically significant. This finding indicates that financial literacy, financial efficacy, locus of control, and financial behavior collectively have a significant effect on investment decisions. Therefore, the set of proposed independent variables provides statistically meaningful explanatory power for investment decision-making.

The significant F-test result further suggests that investment decisions cannot be understood solely from a single financial or psychological factor. Rather, investment decision-making is influenced by the interaction of individuals' financial knowledge, confidence in managing financial matters, perceived control over financial outcomes, and actual financial behavior. This finding highlights the importance of adopting an integrated perspective when examining the determinants of individual investment decisions.

Coefficient of Determination

The Adjusted R-Square value in this study was 0.563, which means that 56.3% of investment decisions can be explained by the variables of financial literacy, financial efficacy, locus of control, and financial behavior, while the remaining 43.7% can be explained by other variables not included in this study.

DISCUSSION

The Impact of Financial Literacy on Investment Decisions

The results of this study indicate that the financial literacy variable has a positive and significant effect on students' investment decisions in Yogyakarta. This is evidenced by a regression coefficient of 0.163 and a significance value of 0.003 (< 0.05). Therefore, the hypothesis stating that financial literacy has a positive and significant effect on investment decisions is accepted.

Financial literacy is a person's ability to make effective decisions regarding their finances. Financial literacy helps individuals avoid financial problems, especially those resulting from poor financial management. Financial literacy for individuals is not merely a matter of knowledge or theory; rather, it is expected to make individuals wiser and more skilled in managing their assets, thereby providing beneficial returns that support their financial well-being in both the short and long term. This study is consistent with the research by K. A. S. Putri and Andayani (2022), Ernitawati et al. (2020), Romdioni and Ulita (2021), which found that financial literacy influences investment decisions.

The Effect of Financial Efficacy on Investment Decisions

The results of this study indicate that the financial efficacy variable has a positive and significant effect on students' investment decisions in Yogyakarta. This is evidenced by a regression coefficient of 0.007 and a significance value of 0.009 (< 0.05). Therefore, the hypothesis stating that financial efficacy has a positive and significant effect on investment decisions is accepted.

Self-efficacy is one of the factors that determine a person's behavior when performing a task or solving a problem they are facing. Financial efficacy is a positive belief in one's ability to successfully manage money. Individuals with high levels of financial efficacy tend to choose to invest in financial assets, and vice versa; thus, financial efficacy influences investment decisions. This study is consistent with the research by Baihaqqy et al. (2020), Fridana and Asandimitra (2020), which found that financial efficacy influences investment decisions.

The Effect of Locus of Control on Investment Decisions

The results of this study indicate that the locus of control variable has a positive and significant effect on students' investment decisions in Yogyakarta. This is evidenced by a regression coefficient of 0.074 and a significance value of 0.049 (< 0.05). Therefore, the hypothesis stating that locus of control has a positive and significant effect on investment decisions is accepted.

Locus of control refers to an individual's perspective regarding whether or not they can control the events that occur. This concept is related to prospect theory, which assumes that psychology reflects individual behavior when making financial decisions among multiple options. Investors who take on high risk certainly have a high locus of control. Investment decisions are related to each investor's belief in their ability to control events as they unfold. Everyone's beliefs differ, including those of investors, especially when it comes to investment decisions. The results of this study are consistent with the findings of Fadila et al. (2022) and Syaliha et al. (2022), who found that locus of control influences investment decisions.

The Effect of Financial Behavior on Investment Decisions

The results of this study indicate that financial behavior variables have a positive and significant effect on students' investment decisions in Yogyakarta. This is evidenced by a regression coefficient of 0.305 and a significance level of 0.000 (< 0.05). Therefore, the hypothesis stating that financial behavior has a positive and significant effect on investment decisions is accepted.

Financial planning is the ability of an individual or a family to manage their financial affairs in order to achieve meaningful, efficient, and effective goals that foster their well-being. Generally, this activity involves managing finances to determine the appropriate allocation for various needs. Adopting the right financial mindset makes it easier for an individual to manage their money, set financial goals, and decide how their funds should be utilized. Individuals who understand how to manage their finances will naturally make the best possible investments for their future. This study aligns with research conducted by Ernitawati et al. (2020), P. T. Putri and Simanjuntak (2020), Fridana and Asandimitra (2020), which indicates that financial behavior influences investment decisions.

CONCLUSION

This study concludes that financial literacy, financial efficacy, locus of control, and financial behavior all play significant positive roles in shaping investment decisions among university students in Yogyakarta. Financial literacy has a positive and significant effect on investment decisions, as indicated by a regression coefficient of 0.163 ($p = 0.003$), suggesting that students with stronger financial knowledge are more capable of evaluating investment alternatives and making informed decisions. Financial efficacy also demonstrates a positive and significant effect, with a regression coefficient of 0.007 ($p = 0.009$), indicating that confidence in one's ability to manage financial matters contributes to students' willingness and ability to make investment decisions. Similarly, locus of control has a positive and significant effect on investment decisions, with a regression coefficient of 0.074 ($p = 0.049$), implying that students who perceive greater control over their financial outcomes are more likely to engage in deliberate investment decision-making. Among the examined predictors, financial behavior demonstrates the largest regression coefficient (0.305; $p < 0.001$), highlighting the particularly important role of responsible financial practices in translating financial knowledge and psychological capacity into actual investment decisions.

These findings provide several practical implications. For policymakers, higher education institutions, financial regulators, and financial service providers, the results highlight the need to develop integrated financial education programs that move beyond theoretical financial knowledge toward practical investment skills, financial self-confidence, responsible money-management practices, and greater awareness of personal financial control. Such programs could be incorporated into university curricula, financial literacy workshops, investment simulations, and digital financial education initiatives to strengthen students' capacity to make informed and responsible investment decisions. For students, the findings emphasize the importance of continuously developing investment knowledge, strengthening confidence in managing financial resources, maintaining disciplined financial behavior, and taking personal responsibility for financial outcomes before engaging in investment activities. From a theoretical perspective, the findings reinforce the view that investment decision-making is not determined solely by cognitive knowledge but is also shaped by psychological and behavioral factors.

Future research should extend the model by incorporating a larger and more diverse sample across different regions and demographic groups, while also examining additional determinants such as risk perception, digital financial literacy, financial attitude, investment experience, social influence, and behavioral biases. Longitudinal or comparative research could further provide deeper insights into how these factors influence investment decisions over time and across different investment environments.

REFERENCES

Aithal, P. K., Acharya, U. D., Geetha, M., Sagar, R., & Abraham, R. (2022). A Comparative Study of Deep Neural Network and Statistical Models for Stock Price Prediction. *2022 3rd International Conference for Emerging Technology (INCET)*, 1–5. https://doi.org/10.1109/INCET54531.2022.9824487

Anggraeni, B. D. (2016). Pengaruh Tingkat Literasi Keuangan Pemilik Usaha Terhadap Pengelolaan Keuangan, Studi Kasus pada UMKM Depok. *Jurnal Vokasi Indonesia, 3*(1). https://doi.org/10.7454/jvi.v3i1.23

Asebedo, S. D., Seay, M. C., Archuleta, K., & Brase, G. (2019). The Psychological Predictors of Older Preretirees' Financial Self-Efficacy. *Journal of Behavioral Finance, 20*(2), 127–138. https://doi.org/10.1080/15427560.2018.1492580

Astiti, N. P. Y., Warmana, G. O., & Hidayah, M. (2019). Financial Literation and Investment Decision Behavior of Entrepreneurs in Bali. *International Journal of Applied Business and International Management, 4*(3), 64–68. https://doi.org/10.32535/ijabim.v4i3.683

Baihaqqy, M. R. I., Disman, Nugraha, Sari, M., & Ikhsan, S. (2020). The Effect of Financial Literacy on the Investment Decision. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal), 3*(4), 3073–3083.

Bhaskara, W. P. (2017). Pengaruh Literasi Keuangan, Efikasi Keuangan dan Faktor Demografi pada Keputusan Investasi Pasar Keuangan Keluarga di Surabaya. *Stie Perbanas Surabaya*.

Ernitawati, Y., Izzati, N., & Yulianto, A. (2020). Pengaruh Literasi Keuangan dan Pelatihan Pasar Modal terhadap Pengambilan Keputusan Investasi. *Jurnal Proaksi, 7*(2), 66–81. https://doi.org/10.32534/jpk.v7i2.1273

Fadila, N., Goso, G., Hamid, R. S., & Ukkas, I. (2022). Pengaruh Literasi Keuangan, Financial Technology, Persepsi Risiko, dan Locus of Control Terhadap Keputusan Investasi Pengusaha Muda. *Owner, 6*(2), 1633–1643. https://doi.org/10.33395/owner.v6i2.789

Financial Services Authority. (2021). Siaran Pers: Tingkatkan Edukasi Keuangan Masyarakat, OJK Luncurkan Strategi Nasional Literasi Keuangan Indonesia 2021-2025. https://ojk.go.id/id/berita-dan-kegiatan/siaran-pers/Pages/Tingkatkan-Edukasi-Keuangan-Masyarakat,-OJK-Luncurkan-Strategi-Nasional-Literasi-Keuangan-Indonesia-2021-2025.aspx

Financial Services Authority. (2025). Siaran Pers Bersama: Indeks Literasi dan Inklusi Keuangan Masyarakat Meningkat, OJK dan BPS Umumkan Hasil Survei Nasional Literasi Dan Inklusi Keuangan (SNLIK) Tahun 2025. https://ojk.go.id/id/berita-dan-kegiatan/siaran-pers/Pages/OJK-dan-BPS-Umumkan-Hasil-Survei-Nasional-Literasi-Dan-Inklusi-Keuangan-SNLIK-Tahun-2025.aspx?

Fitriarianti, B. (2018). Pengaruh literasi keuangan, perilaku keuangan dan pendapatan terhadap keputusan berinvestasi. *Proseding Seminar Nasional Akuntansi, 1*(1), 1–15.

Fridana, I. O., & Asandimitra, N. (2020). Analisis Faktor yang Memengaruhi Keputusan Investasi (Studi pada Mahasiswi di Surabaya). *Jurnal Muara Ilmu Ekonomi Dan Bisnis, 4*(2), 396. https://doi.org/10.24912/jmieb.v4i2.8729

Ghozali. (2018). Aplikasi Analisis Multivariate Dengan Program Ibm SPSS 25 (9th Ed). *Badan Penerbit-Undip*.

Gustika, G. S., & Yaspita, H. (2021). Pengaruh Literasi Keuangan Terhadap Keputusan Investasi Mahasiswa STIE Indragiri Rengat. *J-MAS (Jurnal Manajemen Dan Sains), 6*(1), 261. https://doi.org/10.33087/jmas.v6i1.252

Hair, J. F., Black, W. C., & Babin, B. J. (2010). Multivariate Data Analysis: A Global Perspective (7th, berilus ed.). *Pearson Education*.

Hidayat, F. S., & Hartono, U. (2022). Factors affecting financial investment decisions: undergraduate student context. *BISMA (Bisnis Dan Manajemen), 15*(1), 40–59. https://doi.org/10.26740/bisma.v15n1.p40-59

Hoffmann, A. O. I., & Plotkina, D. (2021). Let your past define your future? How recalling successful financial experiences can increase beliefs of self-efficacy in financial planning. *Journal of Consumer Affairs, 55*(3), 847–871. https://doi.org/10.1111/joca.12378

Ibrahim, A., Alang, A. H., Madi, Baharuddin, Ahmad, M. A., & Darmawati. (2018). Metodologi Penelitian (I. Ismail (ed.); Cetakan 1). *Gunadarma Ilmu*.

Kawamura, T., Mori, T., Motonishi, T., & Ogawa, K. (2021). Is Financial Literacy Dangerous? Financial Literacy, Behavioral Factors, and Financial Choices of Households. *Journal of the Japanese and International Economies, 60*, 101131. https://doi.org/10.1016/j.jjie.2021.101131

Li, J., Li, Q., & Wei, X. (2020). Financial literacy, household portfolio choice and investment return. *Pacific-Basin Finance Journal, 62*, 101370. https://doi.org/10.1016/j.pacfin.2020.101370

Margaretha, F., & Pambudhi, R. A. (2015). Tingkat literasi keuangan pada mahasiswa S-1 Fakultas Ekonomi. *Jurnal Manajemen Dan Kewirausahaan, 17*(1), 76–85. https://doi.org/https://doi.org/10.9744/jmk.17.1.76-85

Martino, R., & Ventre, V. (2026). Analysis of aggregation between the components of financial literacy through inconsistency in intertemporal choices. *Soft Computing, 30*(3), 1829–1838. https://doi.org/10.1007/s00500-023-09445-6

Mutawally, F. W., & Haryono, N. A. (2019). Pengaruh financial literacy, risk perception, behavioral finance dan pengalaman investasi terhadap keputusan investasi mahasiswa Surabaya. *Jurnal Ilmu Manajemen (JIM), 7*(4). https://ejournal.unesa.ac.id/index.php/jim/article/view/29489

Panjaitan, N. F. H., & Listiadi, A. (2021). Literasi Keuangan dan Pendapatan pada Keputusan Investasi dengan Perilaku Keuangan sebagai Variabel Moderasi. *Jurnal Ilmiah Akuntansi Dan Humanika, 11*(1), 142–155. https://doi.org/10.23887/jiah.v11i1.32793

Putri, K. A. S., & Andayani, S. (2022). Literasi Keuangan dan Pendapatan terhadap Keputusan Investasi Mahasiswa dengan Perilaku Keuangan sebagai Variabel Intervening. *Journal of Management and Bussines (JOMB), 4*(2), 1075–1089. https://doi.org/10.31539/jomb.v4i2.4715

Putri, P. T., & Simanjuntak, M. (2020). The Role of Motivation, Locus of Control and Financial Literacy on Women Investment Decisions Across Generations. *Journal of Consumer Sciences, 5*(2), 102–123. https://doi.org/10.29244/jcs.5.2.102-123

Rasyid, R., Linda, M. R., Patrisia, D., Fitra, H., & Susanti, Y. (2018). The Effect of the Locus of Control, Financial Knowledge and Income on Investment Decisions. *Proceedings of the First Padang International Conference On Economics Education, Economics, Business and Management, Accounting and Entrepreneurship (PICEEBA 2018)*, 258–265. https://doi.org/10.2991/piceeba-18.2018.55

Romdioni, A. N., & Ulita, A. S. (2021). Literasi Keuangan dan Persepsi Return Terhadap Keputusan Investasi. *Musamus Accounting Journal, 3*(2), 10–19. https://doi.org/10.35724/maj.v3i2.4078

Rotter, J. B. (1966). Generalized expectancies for internal versus external control of reinforcement. *Psychological Monographs: General and Applied, 80*(1), 1–28. https://doi.org/10.1037/h0092976

Safryani, U., Aziz, A., & Triwahyuningtyas, N. (2020). Analisis Literasi Keuangan, Perilaku Keuangan, Dan Pendapatan Terhadap Keputusan Investasi. *Jurnal Ilmiah Akuntansi Kesatuan, 8*(3), 319–332. https://doi.org/10.37641/jiakes.v8i3.384

Salamanca, N., de Grip, A., Fouarge, D., & Montizaan, R. (2020). Locus of control and investment in risky assets. *Journal of Economic Behavior & Organization, 177*, 548–568. https://doi.org/10.1016/j.jebo.2020.06.032

Singh, A., Goel, U., Kumar, S., & Johri, A. (2025). Unveiling the attitudinal factors: an integration of TPB and SCT in understanding investor intention towards equity investments. *Humanities and Social Sciences Communications, 12*(1), 1516. https://doi.org/10.1057/s41599-025-05478-4

Suprasta, N., & Nuryasman. (2020). Faktor-Faktor Yang Mempengaruhi Pengambilan Keputusan Investasi Saham. *Jurnal Ekonomi, 25*(2), 251. https://doi.org/10.24912/je.v25i2.669

Syaliha, A., Sutieman, E., Pasolo, M. R., & Pattiasina, V. (2022). The Effect of Financial Literacy, Life Style, Financial Attitude and Locus of Control to Financial Management Behavior. *PUBLIC POLICY (Jurnal Aplikasi Kebijakan Publik & Bisnis), 3*(1), 52–71. https://doi.org/10.51135/PublicPolicy.v3.i1.p52-71

Vieira, K. M., Potrich, A. C. G., & Mendes-Da-Silva, W. (2018). A Financial Literacy Model for University Students. In Individual Behaviors and Technologies for Financial Innovations (pp. 69–95). *Springer International Publishing*. https://doi.org/10.1007/978-3-319-91911-9_4