

# How education level improves the effect of financial attitude on financial satisfaction: evidence from Malaysian Single Mothers

*by* Joni Joni, Tan Ming Kuang, Henky Lisan Suwarno, Maya Malinda,  
Ramila Devi Ram Sing

---

**Submission date:** 07-Apr-2025 07:44AM (UTC+0700)

**Submission ID:** 2637242202

**File name:** Full\_paper.pdf (258.22K)

**Word count:** 2939

**Character count:** 17411

#### How education level improves the effect of financial attitude on financial satisfaction: evidence from Malaysian Single Mothers

Joni Joni<sup>1</sup>, Tan Ming Kuang<sup>1</sup>, Henky Lisan Suwarno<sup>1</sup>, Maya Malinda<sup>1</sup>, Ramila Devi Ram Sing<sup>2\*</sup>

<sup>1</sup>*Department of Accounting*, Maranatha Christian University, Jl. Surya Sumantri No.65, Sukawarna, Kec. Sukajadi, Kota Bandung, Jawa Barat 40164, Indonesia

<sup>2</sup>*Faculty of Business*, UNITAR International University, Tierra Crest, Jalan SS6/3, Kelana Jaya, 47301 Petaling Jaya, Selangor

#### Email addresses:

[joni@eco.maranatha.edu](mailto:joni@eco.maranatha.edu) (Joni Joni)

[tm.kuang@eco.maranatha.edu](mailto:tm.kuang@eco.maranatha.edu) (Tan Ming Kuang)

[henky.ls@eco.maranatha.edu](mailto:henky.ls@eco.maranatha.edu) (Henky Lisan Suwarno)

[maya.malinda@eco.maranatha.edu](mailto:maya.malinda@eco.maranatha.edu) (Maya Malinda)

[ramila@unitar.my](mailto:ramila@unitar.my) (Ramila Devi Ram Sing)

\*Corresponding author

#### Abstract

While financial attitudes play critical role in driving financial satisfaction, how education level moderate these relationships are remained unexplored, particularly in the context of single mothers in Malaysia. Comprehending the factors shaping single mothers' financial satisfaction are significant because their role in managing home finances and the significant rise in the number of single mothers in Malaysia. This study investigates how education level affects the association between financial attitudes and satisfaction among single mothers in Selangor, Malaysia. Based on 34 participants from the PITKM [Pertubuhan Ibu Tunggal Kebangsaan Malaysia] Kuala Selangor community, the proposed hypotheses are analysed using regression approach. The results show that a positive financial attitude can increase their level of financial satisfaction. This study also shows that education level is negatively related to financial satisfaction. This could be due to psychological factors, such as optimism and resilience, which may have developed in individuals with lower education so that there is a tendency to focus on the positive aspects of life. In addition to its academic implications, this study also has implications for local governments, particularly in designing financial literacy development programs for their communities.

Keywords: education level, financial attitudes, financial satisfaction, single mothers, Malaysia

#### 1. Introduction

This study examined how education level affects the relationship between financial attitude (FA) and financial satisfaction (FS) in the context of single mothers in Selangor, Malaysia. Financial attitude is a good attitude towards managing personal finances. It is an important part of everyday decision-making. FA is defined as an individual's way of thinking, opinions, and justifications of financial decision making (Adiputra, 2021). The FA is important due to several reasons. First, prior studies stated that individuals who mismanage finances is negatively associated with individual's well-being (e.g., Castro-González et al., 2020). Second, by implementing conservative financial management techniques, individuals can have greater

personal wealth (e.g., Fenton-O'Creevy and Furnham, 2022). Third, it is clear that when individuals maintain a healthy financial management, it can enhance their personal financial satisfaction. From a *societal perspective*, a positive financial attitude contributes to financial stability, which affect personal financial satisfaction (Dare et al., 2020).

Previous literature has investigated the effect of financial attitude on financial satisfaction. Adiputra (2021) demonstrates that social communities in Jakarta who possess positive financial attitudes can improve their financial satisfaction. Utkarsh et al. (2020) conducted a study in the context of young people and showed that individual attitudes towards money can be a predictor of individual financial satisfaction. Sabri et al. (2020) show similar results in the context of Malaysian corporate employees. This study is different from other studies (e.g., Adiputra, 2021; Sabri et al., 2020) in several ways. First, we examine the relationship between FA and FS using a unique context, namely the PITKM community of KualaSelangor, Malaysia. This context is unique in exploring the association between financial attitudes and financial satisfaction due to the current circumstances and the significant increase in the number of single mothers in Malaysia. Talib et al. (2020) reported that the number of mothers who were required to manage their finances independently in Malaysia increased from 620,389 in 2000 to 831,860 in 2010, according to the population census report. This skill is important to the development of financial attitudes in this community (Ramli et al., 2024). This study is expected to provide implications for academics, personal financial management practitioners, and local governments regarding the development of financial attitudes in the single mothers' community in Malaysia. Second, this study investigates how education level affects the association between FA and FS. The role of education level as moderating variable contributes to the literature. This finding shows that a person's educational background can affect financial satisfaction.

The remainder of this paper is organized as follows. A literature review and hypothesis development is presented in Section 2. Section 3 provides the research design and methods, followed by a discussion of the research results in Section 4. Finally, conclusions, implications, limitations, and research suggestions are presented in Section 5.

## 2. Literature Review and Hypothesis Development

The relation between FA and FS is explained by several related theories, including Planned Behavior Theory (PBT) and Symbolic Self-Completion Theory (SSCT). PBT assumes that behavior is determined by personal norms and locus of control (Ajzen, 1991). Consequently, financial attitudes can determine individual financial satisfaction (Adiputra, 2021). Next, SSCT also explains the relationship between FA and FS. SSCT argues that individuals define themselves using symbols which represent their ideal achievements (Wicklund and Gollwitzer, 2013). Financial satisfaction (also called as financial well-being) of an individual, can be seen as a symbol of his/her idealized financial attitude (Nga and Yeoh, 2021).

Prior empirical research has indicated that financial attitude is positively related to individual financial satisfaction. Adiputra (2021) uses 146 stock investors in Indonesia to examine the relationship between financial literacy, financial attitude, and locus of control on individual financial satisfaction. The results show that financial literacy, financial attitude, and individual locus of control have positive effects on individual financial satisfaction. Castro-González et al. (2020) use a sample of 8,554 Spaniards and show convincing results that financial attitude can affect individual financial behavior, including financial satisfaction. Sabri et al. (2020) investigate the relationship between financial attitudes and individual financial well-being. Based on 590 employees from government agencies, they find that financial attitude makes a major contribution in determining a person's financial well-being.

5  
Based on the theories and previous research, the following hypothesis is proposed.

**H1: Individuals' financial attitudes are positively associated with their financial satisfaction, ceteris paribus**

The relation between FA and FS is influenced by individual demographics, including the level of education (Cera et al., 2020). The level of education reflects a person's financial capability, which can affect the relationship between financial attitudes and financial satisfaction (Nam et al., 2019). Previous studies show mixed results and inconclusive on how level of education affect the relation between financial attitudes and financial satisfaction. On the one hand, research shows that education level affects the association between financial attitude and financial satisfaction. For example, Joo and Grable (2004) examined the relationship between education level and financial satisfaction in professional workers in 2020. They find that educational level had a positive indirect effect on financial satisfaction, indicating that individuals with higher education level are more satisfied with their financial condition. However, Stella et al. (2020) indicate that education level does not affect financial satisfaction using 269 respondents in the Italian context and data obtained using the computer-assisted web interview (CAWI) survey methodology.

6  
Based on the theories and prior studies, the following hypothesis is proposed.

**H2: Education level can affect the association between an individual's financial Attitude and his/her financial satisfaction, ceteris paribus**

### 22 3. Method

#### 3.1 Research Design

The research design was quantitative, and data were collected using a questionnaire. To collect data, this study applied convenience and purposive sampling methods. The sample is the 34 participants from a personal financial planning workshop who are the members of the PITKM [Pertubuhan Ibu Tunggal Kebangsaan Malaysia] Kuala Selangor community. The sample size is small due to the population studied is quite unique and difficult to access. However, we believe that the richness of the data gathered from this specialized group outweighs the limitations of a smaller sample size.

As the study focused on single Malaysian mothers, three male respondents were excluded from the analysis. However, only female participants who take the role of head of household or single parent without a spouse or partner present were included in the current study. We use all question items for each construct based on previous research (Stella et al., 2020). Also, we applied a seven-point Likert-type scale, with responses ranging from strongly disagree (1) to strongly agree (7). It offers the advantage of yielding a more refined data distribution, deeper insights into the data, and higher data reliability (Joshi et al., 2015). Education level uses a categorical scale, namely 0 = elementary school, 1 = junior high school, 2 = senior high school, and 3 = undergraduate degree.

To understand the general characteristics of the research sample, demographic data and question items on the research constructs were analysed using descriptive statistics. PLS-SEM was used to evaluate the validity and reliability of the instrument. The validity of the measurement model was evaluated using standardized loadings, and its reliability was assessed using the composite reliability index (CR), average variance extracted (AVE), AVE square root, and HTMT ratio. The proposed research hypotheses were tested using regression analysis.

## 4. Results and Discussion

### 4.1 Descriptive statistics

Table 1 presents the mean, standard deviation, and minimum and maximum scores for each variable.<sup>1</sup> In general, single mothers tended to somewhat agree on their level of financial satisfaction (mean = 5.90). However, the spread of the data was relatively high (SD = 1.19), implying that individual financial satisfaction levels varied significantly. Furthermore, the mean financial attitude was higher than the mean financial satisfaction, indicating that respondents generally had a more positive attitude towards their finances (mean = 6.60) and tended to be more uniform (SD = 0.74). The respondents' level of education fell between junior and senior high school (mean = 1.97) and varied significantly (SD = 0.84).

### 4.2 Reliability and Validity

The results showed that the financial attitude research instrument met the reliability and validity criteria. Confirmatory factor analysis was used to determine individual item reliability, construct reliability, convergent validity, and discriminant validity. Table 2 shows factor loading values above 0.70 for all items, with the exception of FA1 and FA7, indicating individual item reliability (Hair et al, 2022). However, items FA2 and FA6 were excluded from the analysis because they both had factor loading values below 0.60. Composite reliability and Cronbach's alpha scores exceeded the generally accepted value of 0.70, indicating that the construct reliability was met. AVE values were also above the threshold of 0.50, confirming the fulfilment of convergent validity (Fornell & Larcker, 1981). Further analysis found that the HTMT ratio was below .85 (Kline, 2005), and the AVE square root for each latent variable was higher than the corresponding correlation coefficients between other variables (Fornell et al., 1982). This finding indicates that the research instrument had discriminant validity.

Table 2. Reliability and convergent validity.

Factor	Item	Loading	CA	CR	AVE
Attitude	FA1	.639	.874	.961	.604
Finance (FA)	FA3	.740			
	FA4	.862			
	FA5	.846			
	FA7	.650			
	FA8	.886			

Notes: CA = Cronbach's alpha; CR = Composite Reliability; AVE: Average Variance Extracted.

### 4.3 Hypotheses Tests

This study supports hypotheses H<sub>1</sub> and H<sub>2</sub>. To test H<sub>1</sub>, we conducted a simple linear analysis with financial attitude as a predictor of financial satisfaction (Table 3). A positive and statistically significant relationship was found between financial attitudes and financial satisfaction in the analysis ( $\beta = 0.467$ ;  $p < 0.05$ ), suggesting that Malaysian single mothers' financial attitudes have a significant impact on their financial satisfaction. This suggests that financial attitudes and financial satisfaction are closely related, and that other factors, such as financial literacy, should also be considered in order to better understand financial satisfaction (Castro-González et al., 2020; Sabri et al., 2020).

<sup>1</sup> Table is available upon request.

H<sub>2</sub> was tested using multiple linear analysis by adding the education level variable and the interaction between financial attitude and education level. The results of the analysis show that the interaction coefficient has a negative and significant direction ( $\beta = -2.953$ ;  $p < 0.05$ ), indicating that Malaysian single mothers' financial attitudes towards financial satisfaction are influenced by their educational background. Specifically, this study found that individuals with lower education levels tend to be more satisfied with their financial situation. Although counter-intuitive, several psychological, sociological, and methodological factors can be used to explain this phenomenon. Psychological factors such as optimism and resilience may develop in individuals with lower education. They tend to focus on the positive aspects of life and, thus, are more resilient to financial hardship. The social environment could also contribute to higher levels of financial satisfaction among individuals with lower educational levels. More frequent interactions with individuals of the same social strata make them tend to compare themselves with a more limited group, making it easier for them to be satisfied with their financial condition.

Table 3. Regression Results.

Model	Variable	Coefficient	t	p-value	Results
Model 1	Constant	5.853	28.714	0.000	Supported
	Financial Attitude (FA)	0.467	2.142	0.041	
Model 2	Constant	5.985	30.210	0.000	Supported
	Financial Attitude (FA)	0.389	1.882	0.071	
	Education Level (LoE)	1.705	2.451	0.021	
	FA x LoE	-2.953	-2.447	0.021	

## 5. Conclusion

This study shows a positive relationship between financial attitudes and financial satisfaction among single Malaysian mothers. Interestingly, our study also finds that an individual's level of education might influence how their expectation for money benefits their happiness. In particular, individuals with lower education levels tend to be more satisfied with their financial situation. This finding is interesting and warrants further research. Factors that may explain this phenomenon include resilience, expectation adjustment, and a limited sample size.

This study highlights the important of financial attitudes in promoting financial satisfaction among single mothers in Malaysia. Our study has implications on how financial practitioners and local governments develop public policies in developing financial knowledge of single mothers in Malaysia. However, this study had several limitations. The relatively small sample size involving only single mothers in the PITKM community in Kuala Selangor, Malaysia and the uneven distribution of education levels may limit the generalizability of the findings. In future studies, it is possible to expand the sample of respondents and distribute them more evenly in each educational category, as well as to include other controls.

## Reference

- Adiputra, I. G. (2021). The influence of financial literacy, financial attitude and locus of control on financial satisfaction: Evidence from the community in Jakarta. *KnE Social Sciences*, 636-654.
- Ajzen, I. (1991). The Theory of planned behavior. *Organizational Behavior and Human Decision Processes*.
- Castro-González, S., Fernández-López, S., Rey-Ares, L., & Rodeiro-Pazos, D. (2020). The influence of attitude to money on individuals' financial well-being. *Social Indicators Research*, 148(3), 747-764.
- Çera, G., Khan, K. A., Belas, J., & Ribeiro, H. N. R. (2020). The role of financial capability and culture in financial satisfaction. *Economic Papers: A journal of applied economics and policy*, 39(4), 389-406.
- Dare, S. E., van Dijk, W. W., van Dijk, E., van Dillen, L. F., Gallucci, M., & Simonse, O. (2020). The road to financial satisfaction: Testing the paths of knowledge, attitudes, sense of control, and positive financial behaviors. *Journal of Financial Therapy*, 11(2), 2.
- Fenton-O'Creevy, M., & Furnham, A. (2022). Money attitudes, financial capabilities, and impulsiveness as predictors of wealth accumulation. *Plos one*, 17(11), e0278047.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equations models with unobservable variables and measurement error. *Journal of Marketing Research*, 18, 39-50. <https://doi.org/doi:10.2307/3151312>
- Fornell, C., Tellis, G. J., & Zinkhan, G. M. (1982). *Validity Assessment: A Structural Equations Approach Using Partial Least Squares*. In B. J. Walker (Ed.), *An assessment of marketing thought and practice* (pp. 405-409). Chicago: American Marketing Association.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)* (3rd ed). Sage.
- Joo, S. H., & Grable, J. E. (2004). An exploratory framework of the determinants of financial satisfaction. *Journal of family and economic Issues*, 25, 25-50.
- Joshi, A., Kale, S., Chandel, S., & Pal, D. (2015). Likert Scale: Explored and Explained. *British Journal of Applied Science & Technology*, 7(4), 396-403. <https://doi.org/10.9734/BJAST/2015/14975>
- Kline, R. B. (2005). *Principles and practice of structural equation modeling*. Nueva York: Guilford Press.
- Nam, Y., Sherraden, M.S., Huang, J., Lee, E.J. and Keovisai, M. (2019), 'Financial Capability and Economic Security among Low-Income Older Asian Immigrants: Lessons from Qualitative Interviews', *Social Work*, 64 (3), 224-232.
- Nga, J. K. H., & Yeoh, K. K. (2021). Factors influencing financial planning for marriage amongst young Malaysian couples. *International Journal of Business and Society*, 22(1), 33-54.
- Ramli, N., Ghapar, F. A., & Seman, S. A. (2024). Developing Items for Measuring Financial Well-being Among Single Mothers in Malaysia: An Exploratory Factor Analysis Procedure. *International Journal of Socio-Economy Planning*, 1(1).

- Sabri, M., Wijekoon, R., & Rahim, H. (2020). The influence of money attitude, financial practices, self-efficacy and emotion coping on employees' financial well-being. *Management Science Letters*, 10(4), 889-900.
- Stella, G. P., Filotto, U., & Cervellati, E. M. (2020). A proposal for a new financial literacy questionnaire. *International Journal of Business and Management*, 15(2), 34-48.
- Talib, M. A., Mutalib, N. K. A., Shahabudin, S. M., & Mahmud, A. (2020). Household income and life satisfaction of single mothers in Malaysia. *International Journal for Studies on Children, Women, Elderly and Disabled*, 9.
- Utkarsh, Pandey, A., Ashta, A., Spiegelman, E., & Sutan, A. (2020). Catch them young: Impact of financial socialization, financial literacy and attitude towards money on financial well-being of young adults. *International Journal of Consumer Studies*, 44(6), 531-541.
- Wicklund, R. A., & Gollwitzer, P. M. (2013). *Symbolic self completion*. Routledge.



# How education level improves the effect of financial attitude on financial satisfaction: evidence from Malaysian Single Mothers

## ORIGINALITY REPORT

17%	14%	16%	4%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

## PRIMARY SOURCES

1	<a href="https://repository.maranatha.edu">repository.maranatha.edu</a> Internet Source	1%
2	Submitted to Higher Education Commission Pakistan Student Paper	1%
3	Tuyen Dai Quang, Tan Vo-Thanh. "Routledge Handbook of Tourism and Hospitality Development in Vietnam", Routledge, 2025 Publication	1%
4	<a href="https://journal.unj.ac.id">journal.unj.ac.id</a> Internet Source	1%
5	<a href="https://scholarsjournal.net">scholarsjournal.net</a> Internet Source	1%
6	<a href="https://psasir.upm.edu.my">psasir.upm.edu.my</a> Internet Source	1%
7	<a href="https://www.mdpi.com">www.mdpi.com</a> Internet Source	1%
8	International Journal of Social Economics, Volume 40, Issue 2 (2013-01-12) Publication	1%
9	<a href="https://sbaer.uca.edu">sbaer.uca.edu</a> Internet Source	1%
10	<a href="http://www-emerald-com-443.webvpn.sxu.edu.cn">www-emerald-com-443.webvpn.sxu.edu.cn</a> Internet Source	1%

- |    |   |     |
|----|---|-----|
| 11 | Michael Adusei, Abukari S. Atchulo, Beatrice Sarpong-Danquah, Susuana Odorkor Anang. "Personal Financial Planning and Financial Satisfaction: Self-Control as a Mediator", Journal of Financial Counseling and Planning, 2023<br>Publication                      | 1 % |
| 12 | <a href="https://foresight-journal.hse.ru">foresight-journal.hse.ru</a><br>Internet Source  | 1 % |
| 13 | Michelle Kruger, Lance Palmer, Joseph Goetz. "Financial Satisfaction: The Role of Shared Financial Responsibilities and Shared Financial Values Among Couples", Financial Services Review, 2023<br>Publication  | 1 % |
| 14 | <a href="https://publikace.k.utb.cz">publikace.k.utb.cz</a><br>Internet Source  | 1 % |
| 15 | Muhammad Kamran, Iqra Ameer, Warda Saleh, Sarfraz Aslam, Ahmed Benyo. "Psychometric properties of classroom creativity climate scale (CCCS): Evidence from confirmatory factor analysis in the Pakistani context", Psychology in the Schools, 2023<br>Publication | 1 % |
| 16 | Rabindra Kumar Pradhan, Updesh Kumar. "Emotion, Well-Being, and Resilience - Theoretical Perspectives and Practical Applications", Apple Academic Press, 2021<br>Publication  | 1 % |
| 17 | Dian Puteri Ramadhani, Indira Rachmawati, Cahyaningsih, Nidya Dudija et al. "Acceleration of Digital Innovation & Technology towards Society 5.0", Routledge, 2022  | 1 % |

18	<a href="http://ejournal.upi.edu">ejournal.upi.edu</a> Internet Source	1 %
19	<a href="http://www.tandfonline.com">www.tandfonline.com</a> Internet Source	1 %
20	<a href="http://brieflands.com">brieflands.com</a> Internet Source	1 %
21	<a href="http://journals.plos.org">journals.plos.org</a> Internet Source	1 %
22	<a href="http://link.springer.com">link.springer.com</a> Internet Source	1 %
23	<a href="http://read.dukeupress.edu">read.dukeupress.edu</a> Internet Source	1 %

Exclude quotes Off

Exclude matches &lt; 1%

Exclude bibliography On

# How education level improves the effect of financial attitude on financial satisfaction: evidence from Malaysian Single Mothers

GRADEMARK REPORT

FINAL GRADE

GENERAL COMMENTS

/0

PAGE 1

PAGE 2

PAGE 3

PAGE 4

PAGE 5

PAGE 6

PAGE 7