

# Effect Of Financial Literacy, Love Of Money Attitude, And Financial Technology Development On Student Interest In Entrepreneurship (Case Study On Students Of The Bachelor Of Accounting Study Program, Faculty Of Economics And Business, Muhammadiyah Metro University

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**Abstract.** This study looks at how students in Muhammadiyah University of Metro's accounting study program are interested in entrepreneurship in relation to financial literacy, money attitudes, and the development of financial technology. A quantitative approach with a descriptive focus was used in the study. The study population was made up of current students enrolled in Muhammadiyah Metro University's Faculty of Economics and Business' S1 accounting study program. Using specific criteria and the Slovin formula, a purposive sampling approach was used to select a sample of 160 respondents. The research data was processed using SPSS. The study discovered no link between an interest in entrepreneurship and financial literacy. Entrepreneurial tendencies were influenced by attitudes regarding the pursuit of riches. Financial technology has had a big influence on entrepreneurship. Financial technology has had a big influence on entrepreneurship. the impact of financial technology advancements, money-related attitudes, and financial literacy on student entrepreneurial motivation in Muhammadiyah Metro University's accounting study program.

**Keywords:** financial literacy, money attitudes, development of financial technology, and interest in entrepreneurship

## 1. Introduction

Digital technology is currently developing at a very fast pace, particularly in the business sector. Still, many Indonesian students believe that finding a job or working for someone else is a better option for their future careers than starting their own business. Because of the mismatch between the skills required for the demands of the workforce and graduation requirements, employers are currently unable to find qualified candidates for desired positions. Furthermore, the number of educated unemployed people has been rising annually due to the extremely limited number of jobs offered by both public and private organizations. The establishment of new enterprises

to satisfy wants and fulfill desires can help lower the unemployment rate. First and foremost, keep in mind that students are the future generations who will progress the state of Indonesia. This is shown in the increased interest in entrepreneurship among students in particular [11]. It is thought that introducing pupils to Grow Interest Entrepreneurship is a different approach to lessen the expectation that they would grow up to be educated young entrepreneurs capable of launching their own companies [2].

It is stated that entrepreneurship is crucial since it can boost a nation's overall economic growth. The rate of economic growth in the nation is a crucial determinant of its level of economic development success or failure. Deeper work is needed to strengthen entrepreneurship. A national medium-term development plan aimed at bolstering the economy's growth and quality. When at least 2% of a country's population is an entrepreneur, the country is deemed prosperous [7]. According to a 2020 census conducted by the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, just 3.47% of young people launch their own firms. This number is much lower than that of industrialized nations, where the percentage of the population that is entrepreneurial approaches 12%. endorsing the government of the Indonesian nation.

Pre-survey results from Muhammadiyah Metro University's Faculty of Economics and Business for each batch of the Bachelor of Accounting Study Program indicate that 98.8% of students have financial development technology, 77.5% have a love of money attitude, and 95.6% of students are financially literate. Only 36 students (13.5%) out of the 268 total pupils were business owners. Because so few students actively participate in the campus-organized entrepreneurial practice events, there is a low level of student interest in entrepreneurship. Low student interest can also stem from students' continued uncertainty about their ability to overcome obstacles in the future. Many students fear failing or having trouble in.

Contrary to earlier research by [10], which found that financial literacy had an impact on students' interest in entrepreneurship, some of the findings of previous research by [3] indicate that financial literacy has no influence on entrepreneurial desire. In the meantime, the desire for wealth significantly influenced people's interest in starting their own business [5]; [1]. Students' enthusiasm in entrepreneurship was significantly influenced, to some extent, by financial technology ([4], 2020). The objective of this study is to investigate the effects of financial literacy, a preference for frugal spending, and developments in financial technology on the entrepreneurial tendencies of students enrolled in the accounting program at the Faculty of Economics and Business, Muhammadiyah University of Metro.

## **2. Methods**

In an attempt to evaluate previously held theories, this study used an explanatory research approach. After the hypothesis is assessed, the research findings will be able to clarify the causal link between the variables [9]. This study was quantitative in character and employed a descriptive methodology. The research involved undergraduate students from University Muhammadiyah Metro who were enrolled in the Bachelor of Accounting Study Program offered by the Faculty of Economics and Business.

The sample was created using the purposeful sampling technique. The study's sample was composed of current Muhammadiyah Metro University Faculty of Economics and Business Bachelor of Accounting Study Program students who had finished courses in entrepreneurship, according to the predetermined criteria. A total sample of 160 respondents was obtained using the Slovin algorithm with a 5% standard error. The instrument for this study is a Likert scale. The data analysis techniques used in this study included descriptive statistical analysis, testing research instruments (validity and reliability tests), classic assumption tests (heteroscedasticity,

multicollinearity, and linearity tests), and hypothesis testing (multiple linear regression analysis, partial T-test, test simultaneous F, and statistical hypothesis testing).

### 3. Results and Discussion

#### Descriptive statistics

**Table 1.** Descriptive Statistics of Research Variables

	N	Minimum	Maximum	Mean	Std. Deviation
Financial Literacy	160	33	50	45.04	4.035
Love Of Money Attitude	160	28	50	40.24	5.154
Development of Financial Technology	160	15	50	39.58	5.740
Entrepreneurial Interest	160	31	50	41.89	4.800
Valid N (listwise)	160				

#### Financial Literacy

The financial literacy variable displayed a mean value of 45.04, with a minimum value of 33 and a maximum value of 50. On the other hand, the standard deviation was 4,035. Because the standard deviation number was lower than the average value, it is easy to deduce from the prior explanation that the data deviation was quite small.

#### Love Of Money Attitude

The attitude variable related to the desire of money had a minimum value of 28 and a maximum value of 50, with an average value (mean) of 40.24. The love of money attitude variable, on the other hand, had a standard deviation of 5,154. Based on the foregoing reasoning, the standard deviation value was less than the mean value, indicating a relatively little data variance.

#### Development of Financial Technology

With a minimum value of 15 and a maximum value of 50, the financial technology development variable has a mean value of 39.58. The variable measuring the advancement of financial technology has a standard deviation of 5,740. The standard deviation value was less than the average value, indicating that the data variance was quite minor, according to the reasoning given above.

#### Entrepreneurial Interest

The variable representing interest in entrepreneurship displayed a mean value of 41.89, a minimum value of 31, and a maximum value of 50. Conversely, the interest in entrepreneurship variable's standard value deviation was 4,800. It is possible to conclude from the previous explanation that the data deviation is relatively minor and the standard deviation value was less than the mean value.

## Classical Assumption Test Results

### Normality test

**Table 2.** Normality Test Results

<b>One-Sample Kolmogorov-Smirnov Test</b>		Unstandardized Residual
N		160
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	3.95893773
Most Extreme Differences	Absolute	.062
	Positive	.026
	Negative	-.062
Test Statistic		.062
Asymp. Sig. (2-tailed)		.200 <sup>c,d</sup>

a. It is a Normal test distribution.

b. Determined by data.

c. Correction of Lilliefors Significance.

d. This is a lower bound of the true significance.

Based on the normality test in the table above, it could be seen that the significance value was 0.200 ( $p\text{-value} > 0,05$ ), and it could be concluded that the residual value in this study was normally distributed.

### Linearity Test

**Table 3.** Linearity Test Results of Financial Literacy (X1)

	<b>Measures of Association</b>			
	R	R Squared	Eta	Eta Squared
Interest in Entrepreneurship * Financial Literacy	.142	.020	.340	.115

Table 3 above indicates the results of the linearity test between literacy and interest in entrepreneurship. The Eta value in finance was 0.340, which was higher than the R Squared value of 0.020. The association between financial literacy and interest in entrepreneurship was shown to be positive and linear.

**Table 4.** Linearity Test Results for *Love of Money Attitudes (X<sub>2</sub>)*

<b>Measures of Association</b>				
	R	R Squared	Eta	Eta Squared
Interest in Entrepreneurship * Love of Money Attitude	.523	.273	.619	.383

Based on Table 4. above, the linearity test between interest in entrepreneurship and love of money attitude showed that the Eta value was 0.619 and the R Squared value was 0.273. Then the value of the Eta variable was greater than R squared, so it could be concluded that there was a positive linear relationship between a love of money attitude and an interest in entrepreneurship.

**Table 5.** Linearity Test Results for the Development of Financial Technology (X<sub>3</sub>)

<b>Measures of Association</b>				
	R	R Squared	Eta	Eta Squared
Interest in Entrepreneurship * Financial Development Technology	.198	.039	.405	.164

Based on Table 5. above, the linearity test between Interest in Entrepreneurship and Development of Financial Technology showed that the Eta value was 0.405 and the R Squared value is 0.039. Given that the value of the variable Eta was more than R squared, it was possible to conclude that there was a linear relationship between the advancement of financial technology and entrepreneurial activities.

### **Multicollinearity Test**

**Table 6.** Multicollinearity Test Results

<b>Coefficients<sup>a</sup></b>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	Financial Literacy	.968	1.033
	Love of Money Attitude	.970	1.031
	Development of Financial Technology	.998	1.002

a. Dependent Variable: Minat Berwirausaha

Based on the results of the multicollinearity test in Table 6. above, the tolerance values for the financial literacy variable (X<sub>1</sub>) was 0.968 > 0.1. The tolerance value of the love of money attitude variable (X<sub>2</sub>) was 0.970 > 0.1. The tolerance value for the variable development of

financial technology (X3) was  $0.998 > 0.1$ . While the VIF value for the financial literacy variable (X1) was 1.033, the love of money attitude variable (X2) was 1.031, and the development of financial technology (X3) was  $1.002 < 10$ . Then it refers to the basis of decision-making in the test multicollinearity it could be concluded that there was no symptoms of multicollinearity in the model

### Heteroscedasticity Test

**Table 7.** Heteroscedasticity Test Results

Model	Coefficients <sup>a</sup>				
	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-1.422	2.681		-.530	.597
Financial Literacy	.067	.046	.117	1.450	.149
Love Of Money Attitude	.019	.036	.042	.526	.600
Development of Financial Technology	.022	.032	.056	.699	.485

a. Dependent Variable: Abs\_RES

According to Table 7's heteroscedasticity test findings, the presence of heteroscedasticity is indicated by its symptoms. Conversely, if the independent variable's significance value was less than 0.05, heteroscedasticity symptoms would not exist. The value of sig. (2-tailed) financial literacy variable (X1) was  $0.149 > 0.05$ . The love of money attitude (X2) was  $0.600 > 0.05$ . The financial technology development variable (X3) was  $0.485 > 0.05$ . The conclusion that there are no signs of heteroscedasticity in this study may thus be drawn from the basic decision-making in the heteroscedasticity test.

### Hypothesis Testing Results

#### Multiple Linear Regression Analysis

**Table 8.** Multiple Linear Regression Results

Model		Coefficients <sup>a</sup>			T	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	12.324	4.665		2.642	.009
	Financial Literacy	.073	.080	.062	.918	.360
	Love Of Money Attitude	.480	.062	.515	7.687	.000
	Financial Development Technology	.175	.055	.210	3.173	.002

a. Dependent Variable: Minat Berwirausaha

Based on the table above, the regression equation model could be obtained as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + e \quad (1)$$

$$Y = 12,324 + 0,073 X_1 + 0,480 X_2 + 0,175 X_3 + e$$

### T Test (Partial Test)

**Table 9.** T test results

Model		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	12.324	4.665		2.642	.009
	Financial Literacy	.073	.080	.062	.918	.360
	Love Of Money Attitude	.480	.062	.515	7.687	.000
	Financial Development Technology	.175	.055	.210	3.173	.002

Dependent Variable: : Interest in Entrepreneurship

Based on the results in table 9. it can be seen that:

#### Financial Literacy

The t-count value of the financial literacy variable was 0.918, whereas the t-table value was 1.975. That is, the significance threshold was  $0.360 > 0.05$  and the t-count value was  $0.918 < t$ -table 1.975. This demonstrated that students' enthusiasm in entrepreneurship was unaffected by financial literacy, leading to the acceptance of  $H_01$  and the rejection of  $H_{a1}$ .

#### Money-loving attitude

The t-count value for the love of money attitude variable is 7.687, but the t-table value was 1.975. With a significance level of  $0.000 < 0.05$ , the t-count value was  $7.687 > t$  table, resulting in a 1.975 value. It proved that students' interest in entrepreneurship was impacted by their love of money. After that,  $H_{a2}$  was approved while  $H_{o2}$  was denied.

#### Development of Financial Technology

The financial technology development variable had a t-value of 3.173 while the t-table value was 1.975. Thus the t-count value was  $3.173 > t$  table 1.975 with a significant level of  $0.002 < 0.05$ . Financial development technology affected students' interest in entrepreneurship. Then  $H_{o3}$  was rejected and  $H_{a3}$  was accepted.

### F-Test (Simultaneous)

**Table 10.** Simultaneous Test Results

Model	ANOVA <sup>a</sup>				
	Sum of Squares	Df	Mean Square	F	Sig.

1	Regression	1171.938	3	390.646	24.454	.000 <sup>b</sup>
	Residual	2492.037	156	15.975		
	Total	3663.975	159			

a. Dependent Variable: Interest in Entrepreneurship

b. Predictors: (Constant), Financial Technology Development, Love of Money Attitude, Financial Literacy

Based on Table 21's F-test. As can be seen above, the F-count was 24.454 > and the significance value was 0.000 < 0.05. F-table 2.66 indicates that students' interest in entrepreneurship was influenced by a combination of financial technological innovation, financial literacy, and a love of money mindset.

## 4. Discussion

### The Impact of Financial Literacy on Entrepreneurial Interest

According to research findings, there is no relationship between Financial Literacy (X1) and Entrepreneurial Interest (Y), according to the research undertaken. The Financial Literacy measure demonstrated a t-count of 0.918 and a significance value of 0.360 > 0.05, as demonstrated by computations performed with SPSS version 26. Consequently, the first hypothesis is rejected since the research's findings do not support the idea that financial literacy and entrepreneurial motivation are related among students enrolled in Muhammadiyah Metro University's Undergraduate Accounting Study Program in the Faculty of Economics and Business. This study is not like others [10], whose results show that financial literacy affects students' enthusiasm in entrepreneurship. Conversely, this aligns with research by [3] that suggests.

According to previous research, there was no correlation between financial literacy (X1) and interest in entrepreneurship (Y). The results of the calculations conducted with SPSS version 26 showed that the financial literacy variable had a significant value of 0.360 > 0.05 and a t-count of 0.918. The first hypothesis was disproved by the study's findings, which showed no correlation between students' entrepreneurial interests and financial literacy in the Bachelor of Accounting Study Program at Muhammadiyah Metro University's Faculty of Economics and Business. While this study differed from that of [10], which found a relationship between financial literacy and students' inclination toward entrepreneurship, it was consistent with that of [3].

### The Influence of Love Of Money Attitude on Entrepreneurial Interest

The findings of this study indicated that interest in entrepreneurship (Y) was influenced by the attitude of love of money (X2), which was supported by previous research. Based on calculations made using SPSS version 26, it was demonstrated that the attitude of love of money variable had a t-count of 7.687 and a significant value of 0.000 < 0.05. The second hypothesis was therefore accepted since there was a correlation between the students' entrepreneurial inclinations and their attitude of love of money in the Muhammadiyah Metro University Bachelor of Economics Study Program in Accounting and Business. This outcome was



consistent with studies by [1], which found that an attitude of love of money (LOM) could support an entrepreneurial purpose.

### **The Effect of Financial Technology Development on Entrepreneurial Interests**

Based on previous research, this study demonstrated that interest in entrepreneurship (Y) was impacted by the advancement of financial technology (X3). The financial technology development had a t-count of 3.173 and a significance value of 0.002, as demonstrated by calculations made with SPSS version 26, which supported the acceptance of the third hypothesis. The study's findings were consistent with those of [4] (2020), who found that financial technology significantly influenced entrepreneurial interest to a partially meaningful extent.

### **Impact of Financial Technology Development, Love of Money Attitude, and Financial Literacy on Entrepreneurial Interest**

The study's findings suggested that the development of financial technology, a love of money mindset, and financial literacy all influenced people's interest in entrepreneurship. The test findings showed a F statistic with a F value of 24.454 and a F table with a ( $\alpha = 0.05$ ) value of 2.66. Based on the results computed using SPSS Version 26, the F count > F table and a significance value of 0.000 was accepted. Students' interest in entrepreneurship would increase if financial development technologies, a love of money mindset, and financial literacy were strong enough.

## **5. Conclusions and Recommendations**

The following conclusions could be made in light of the data analysis and discussion that was presented: a) Muhammadiyah Metro University's Bachelor of Accounting Study Program students in the Faculty of Economics and Business showed no difference in interest in entrepreneurship based on financial literacy. b) Muhammadiyah Metro University's Bachelor of Accounting Study Program students' interest in entrepreneurship was driven by their love of money. c) The Faculty of Economics and Business of Muhammadiyah Metro University's Bachelor of Accounting Study Program discovered that students' interest in entrepreneurship is significantly impacted by the development of financial technology. d) The development of financial technology, a love of money mentality, and financial literacy all had an impact on students' interest in entrepreneurship in the Muhammadiyah Metro University Faculty of Economics and Business Bachelor of Accounting Study Program. Developing this research by expanding the number of research samples and adding certain characteristics that affect interest in entrepreneurship were suggestions and feedback as enhancements in subsequent research.

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