

LJMS LABUAN E-JOURNAL OF MUAMALAT AND SOCIETY

FACTORS INFLUENCING SUSTAINABILITY INVESTMENT INTENTIONS: AN EMPIRICAL INVESTIGATION

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Received 14 July 2024: Revised 9 October 2024: Accepted 11 October 2024

ABSTRACT

This study delves into the determinants of intention for sustainability investment in Malaysia, examining the factors that drive such intentions among 278 Malaysians through a quantitative survey. The research reveals that attitude, subjective norms, perceived behavioural control and financial knowledge have a positive influence on sustainability investment. The findings underscore the pivotal role of attitudes in shaping investment decisions, indicating that a positive attitude toward sustainability correlates with a greater willingness to allocate resources toward sustainable initiatives. Moreover, subjective norms, encompassing social influences and perceived norms, emerged as key drivers, suggesting that when individuals perceive support for sustainability investment from peers and industry leaders, they are more inclined to engage in such activities themselves. Perceived behavioural control, reflecting confidence in one's ability to invest sustainably, is also highlighted as a significant determinant. Individuals and organizations are more likely to invest in sustainability when they feel equipped with the necessary resources, knowledge, skills, and access to opportunities. Furthermore, the study emphasizes the importance of financial knowledge, indicating that individuals and organizations with greater financial literacy are more inclined to engage in sustainable investment practices. Understanding financial concepts enables investors to make informed decisions that align with sustainability goals, contributing to both financial returns and environmental/social objectives. Overall, the study suggests that by fostering positive attitudes, addressing subjective norms, enhancing perceived behavioural control, and promoting financial literacy, Malaysia can create a conducive environment for sustainable investment, nurturing progress toward a more environmentally and socially responsible economy.

KEYWORDS: SUSTAINABILITY INVESTMENT, MALAYSIA, ATTITUDE, SUBJECTIVE NORMS, PERCEIVED BEHAVIOURAL CONTROL AND FINANCIAL KNOWLEDGE

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ABSTRAK

Kajian ini menyelidik penentu hasrat untuk pelaburan kemampunan di Malaysia, mengkaji faktor-faktor yang mendorong hasrat tersebut dalam kalangan 278 rakyat Malaysia melalui tinjauan kuantitatif. Penyelidikan mendedahkan bahawa sikap, norma subjektif, kawalan tingkah laku dan pengetahuan kewangan mempunyai pengaruh positif terhadap pelaburan kemampunan. Penemuan ini menekankan peranan penting sikap dalam membentuk keputusan pelaburan, menunjukkan bahawa sikap positif terhadap kemampunan berkorelasi dengan kesediaan yang lebih besar untuk memperuntukkan sumber ke arah inisiatif yang mampan. Selain itu, norma subjektif, merangkumi pengaruh sosial dan norma yang dilihat, muncul sebagai pemacu utama, menunjukkan bahawa apabila individu melihat sokongan untuk pelaburan kemampunan daripada rakan sebaya dan pemimpin industri, mereka lebih cenderung untuk terlibat dalam aktiviti sedemikian sendiri. Kawalan tingkah laku yang dirasakan, mencerminkan keyakinan terhadap keupayaan seseorang untuk melabur secara mampan, juga diserlahkan sebagai penentu penting. Individu dan organisasi lebih cenderung untuk melabur dalam kemampunan apabila mereka berasa dilengkapi dengan sumber, pengetahuan, kemahiran dan akses kepada peluang yang diperlukan. Tambahan pula, kajian itu menekankan kepentingan pengetahuan kewangan, menunjukkan bahawa individu dan organisasi yang lebih celik kewangan lebih cenderung untuk melibatkan diri dalam amalan pelaburan yang mampan. Memahami konsep kewangan membolehkan pelabur membuat keputusan termaklum yang selaras dengan matlamat kemampunan, menyumbang kepada kedua-dua pulangan kewangan dan objektif alam sekitar/sosial. Secara keseluruhannya, kajian itu mencadangkan bahawa dengan memupuk sikap positif, menangani norma subjektif, meningkatkan kawalan tingkah laku yang dirasakan, dan menggalakkan celik kewangan, Malaysia boleh mewujudkan persekitaran yang kondusif untuk pelaburan yang mampan, memupuk kemajuan ke arah ekonomi yang lebih bertanggungjawab terhadap alam sekitar dan sosial.

KATA KUNCI: PELABURAN KEMAMPUNAN, MALAYSIA, SIKAP, NORMA SUBJEKTIF, KAWALAN TINGKAH LAKU YANG DIPERCEIFKAN DAN PENGETAHUAN KEWANGAN

1. INTRODUCTION

The emergence of investing in sustainable business has provided an alternative to the sole profit-based investment that has caused harm, particularly to the environment and society (Epstein & Yuthas, 2017). This is because sustainable development has a wider scope as it takes into consideration climate, ecological and social issues by offering the financial market a more diverse investment and accountability (Richardson, 2013). Previously, the sustainable investment only attracted wealthy investors who would channel a mix of their philanthropic and investment budgets (MIDA, 2022). Currently, sustainable investments have attracted a broad spectrum of investors with their reason and motivation to place their funds' investments (Maiti, 2021; MIDA, 2022). Various types of sustainable investments link to the environment, society and governance. With the increase in information, greater concern has been placed on the catastrophic effects of the climate such as carbon dioxide, green gases, pollution, waste and water poisoning among others. Some investors may invest in sustainable investments because of political reasons and reputations and others might invest because they presume the investment would yield a higher return (Maiti, 2021). The sustainable investment refers to the integration of environment, social and governance (ESG) as one of the factors that influence investors' decision-making (Busch *et al.*, 2016; Ortas *et al.*, 2013; Talan & Sharma, 2019; Tseng *et al.*, 2019). It is also known as socially responsible investment (SRI), which is an ethical investment, as well as a green investment (Busch *et al.*, 2016).

ESG is a set of indicators that allows evaluating companies to decide whether these companies are sustainable enough to operate in the long run and to create value for both shareholders and society (Varvara & Victoria, 2022). The integration of ESG factors into investment has been the most popular and fastest-growing approach to sustainable investment (Galbreath, 2013; Talan & Sharma, 2019). Meanwhile, socially responsible investment (SRI) also has been introduced in Malaysia by the sixth prime minister in 2014. It was due to maintain Malaysia's position as a leader in the

Islamic capital market as well as to improve competitiveness in the global ranking (Wahab & Mohamed Naim, 2019).

However, there are barriers among the investors to channel their funds into the SRI, for instance, they are still cautious about the short-term volatility of sustainable investment assets in terms of financial and performance risks. Apart from that, the investors presumed that it is difficult to access sustainable investment because they are available through technological platforms, and the inability to compare sustainable investment opportunities within the same asset class (MIDA, 2022). However, if these barriers could be resolved, Malaysia could have a retail sustainable investment potential of US\$355 billion by 2030 (MIDA, 2022).

Nonetheless, investors would today opt to select the company or sectors because of their impact on the environment and stakeholders (Junkus & Berry, 2015; Qoyum *et al.*, 2022). Besides, the Malaysian government has put effort into encouraging the SRI some of which include tax deductions, tax initiatives, and the Green Technology Financing Scheme (Wahab & Mohamed Naim, 2019). In another research, it was reported that firms with Islamic labels exhibit better environmental and social performance (Qoyum *et al.*, 2022). Therefore, this study investigates the factors that influence the investors' intentions to channel their funds into sustainable investment. The organization of the paper begin with the introduction in section one. This is followed by a literature review in section two. Section three discusses the research methodology. This is followed by section four on findings. Section five is on discussion and section six conclusion and recommendations.

2. LITERATURE REVIEW

SRI is an investment approach that considers financial goals and nonfinancial goals such as social, ethical, and environmental factors (Camilleri & Camilleri, 2017). SRI represents an investment philosophy that seeks to align financial objectives with broader environmental and societal concerns. It emphasizes a dual focus on achieving competitive financial returns while taking into account the social, ethical, and environmental impact of investments. Sustainable investment, also known as socially responsible investing (SRI) or ethical investing, has gained significant attention in recent years as investors increasingly recognize the importance of aligning financial goals with environmental, social, and governance (ESG) considerations. This literature review aims to explore the factors that influence the intention for sustainability investment of millennials with a specific focus on attitude, subjective norm, perceived behavioural control and financial knowledge as independent variables, and sustainable investment as the dependent variable.

Several studies have reported that the millennial investors group plays an important role in contributing to the huge demand for sustainable investment (Morgan Stanley, 2019; Uzsoki, 2020). Millennials are also known as Generation Y who were born within the year 1980 and 1996 (Uzsoki, 2020). It was said that this group prioritise their values and chooses to channel their wealth into investments that are in line with their values, which is social responsibility (Formánková *et al.*, 2019; Uzsoki, 2020). Several factors influence millennials to invest in sustainable investment but, the most significant influence is their attitude (Kolek *et al.*, 2022). It was explained that the attitude might lead to the behaviour that encourages an individual to deepen his knowledge of sustainable investment (Kolek *et al.*, 2022).

Millennials and adults in Generation Z stand out in a new Pew Research Centre survey, particularly for their high levels of engagement with the issue of climate change. Compared with older adults, Gen Z and millennials are talking more about the need for action on climate change; among social media users, they are seeing more climates change content online (Tyson *et al.*, 2021). In another study, Xu *et al.* (2022) used Extended Theory Planned Behaviour (ETPB) on the effects of subjective norms and environmental mechanisms on green purchase behaviour, and it was found that there was a positive significant relationship between them. Similarly, there is also a positive significant relationship between perceived behavioural control with green purchase behaviour. Another factor which affects sustainable investment is financial knowledge for instance,

(Formánková *et al.*, 2019) explained in their study that bachelor's degree students have a higher awareness of social investment compared to master's degree students. It was because the bachelor's degree students were exposed to the corporate social responsibility courses, which have been incorporated into the course program (Formánková *et al.*, 2019). Nevertheless, the millennials are willing to sacrifice their return in the case of an investment in social responsibility instruments (Formánková *et al.*, 2019; Schmid *et al.*, 2021).

Theory Planned Behaviour (TPB)

The Theory of Planned Behavior (TPB) is a widely used psychological theory that aims to predict and understand human behaviour in various contexts. Various theoretical developments and approaches describe different human behaviours. Fishbein and Ajzen (1975) proposed a framework for overcoming the issue of attitude-behavioral relationships, known as the Theory of Reasoned Action (TRA), which was further developed into TPB by Ajzen (1985) (Ajzen, 1985). The Theory of Reasoned Action initially focused on the relationship between attitudes and behaviour, and the subsequent Theory of Planned Behavior expanded this framework to include perceived behavioural control. This progression allowed for a more comprehensive understanding of the factors influencing behavioural intentions.

Attitude and Sustainability Investment

Attitude, a key psychological construct, is defined as an individual's positive or negative response to an object, significantly shaping their behaviour toward that object (Hogg & Smith, 2007; Wahono & Pertiwi, 2020). This subjective evaluation stems from the anticipated impact that a behaviour associated with the object will have, subsequently influencing the intention to engage in that behaviour (Fishbein & Ajzen, 1975). In the realm of sustainable investment, positive attitudes may arise from the belief that such investments contribute to environmental protection, social justice, and ethical business practices. Literature supports the notion that a favourable attitude toward sustainable investment positively influences individuals' intentions to incorporate sustainability criteria into their investment decisions. Geraldine and Ottemoesoe (2022) examined the factors that influence the SRI intentions of 113 investors in Surabaya using the theory of reasoned action (TRA). The results show that attitude and subjective norms had a significant positive effect on SRI intentions. This empirical evidence contributes to the growing body of research supporting the influence of attitude and subjective norms on investors' intentions to engage in sustainable investment practices.

According to Adam and Shauki (2014), attitude and subjective norms are influencing factors in the decision to invest in SRI. By research conducted by Nilsson (2007), William (2007), and Wins and Zwergel (2016), a positive relationship has been identified between individuals' attitudes and Socially Responsible Investing (SRI). Their findings collectively illuminate a connection where a favourable attitude towards SRI significantly influences investors' intentions to actively participate in socially responsible investment practices. This body of research underscores the pivotal role of attitude in shaping investors' decisions, highlighting the compelling impact it holds on their inclination to engage in SRI.

A study done by Gopi and Ramayah (2007) demonstrated that attitude, subjective norm, and perceived behavioural control exerted positive influences on investors, collectively shaping their inclination and intention to actively participate in online stock trading. Following Malzara *et al.* (2023), attitudes toward green investment had a significant effect on green investment intentions. Hence:

H₁: There is a significant relationship between attitude and sustainability investment intentions

Subjective Norm and Sustainability Investment

Subjective norms are perceptions of other individuals that can influence a person's behaviour (Ham *et al.*, 2015). Within the framework of the Theory of Planned Behavior, subjective norm specifically

denotes the perceived social pressure urging or discouraging the performance of a particular behaviour. When applied to the context of sustainable investment, the attitudes and behaviours exhibited by one's social network, encompassing family, friends, and colleagues, play a pivotal role in shaping an individual's decisions. Research suggests that a positive subjective norm toward sustainable investment increases the likelihood that individuals will consider and engage in such investments. According to Gopi and Ramayah (2007), attitude, subjective norms and perceived behavioural control has a positive influence on investors in their intention to trade stocks online (Gopi & Ramayah, 2007). Similarly, Geraldine and Ottemoesoe (2022) examined the factors that influence SRI intentions on 113 investors in Surabaya using the theory of reasoned action (TRA) (Geraldine & Ottemoesoe, 2022). The results show that attitude and subjective norms had a significant positive effect on SRI intentions. This empirical evidence contributes to the growing body of research supporting the influence of attitude and subjective norms on investors' intentions to engage in sustainable investment practices. Hence:

H₂: There is a significant relationship between subjective norms and sustainability investment intentions

Perceived Behavioural Control (PBC) and Sustainability Investment

Perceived behavioural control reflects an individual's perception of the ease or difficulty in performing a particular behaviour. In the context of sustainable investment, factors such as financial literacy, access to information, and the perceived complexity of sustainable investment options can influence perceived behavioural control. Studies indicate that individuals with higher perceived control over sustainable investment decisions are more likely to express intention and follow through with sustainable investment choices.

According to Malzara *et al.* (2023), perceived behavioural control emerged as a significant factor influencing green investment intentions (Malzara *et al.*, 2023). The study suggests that individuals' perceived ability to control and execute specific behaviours related to green investment plays a pivotal role in shaping their intentions to engage in environmentally conscious investment practices. Similarly, Warsame and Ileri's (2016) study further contributes to the understanding of the Theory of Planned Behavior (TPB) by revealing a positive and significant influence on behavioural intention specifically within the context of *sukuk* investment. Their findings underscore the applicability and efficacy of TPB in predicting behavioural intentions related to *sukuk* investment, emphasizing the theory's versatility in diverse financial domains. This research enhances the growing body of evidence supporting TPB as a valuable framework for comprehending and predicting individuals' intentions and behaviours in the realm of investment decisions, particularly within the unique context of *sukuk* investments. Therefore:

H₃: There is a significant relationship between perceived behavioural control and sustainability investment intentions

Financial Knowledge and Sustainability Investment

Financial literacy encompasses a diverse range of financial knowledge, spanning a fundamental understanding of personal finance, savings, loans, insurance, and investment (Wahono & Pertiwi, 2020). Wahono & Pertiwi (2020) emphasize the comprehensive nature of financial literacy, which is crucial for individuals to navigate and make informed decisions in various aspects of their financial lives. This broad spectrum of knowledge equips individuals to manage their finances effectively and make sound choices in areas such as savings, borrowing, insurance coverage, and investment strategies. The literature suggests a positive correlation between financial knowledge and the intention to engage in sustainable investment, emphasizing the importance of educational initiatives to enhance investors' awareness of sustainable finance. The research conducted by Lusardi *et al.* (2008) underscores the critical impact of low financial knowledge on future financial planning (Lusardi, 2008). It highlights that a lack of awareness of basic financial concepts can be linked to suboptimal investment planning. Aligning with this perspective, Hilgert *et al.* (2003) posit that proficiency in utilizing credit, savings, and investments is indicative of possessing financial

knowledge and experience (Hilgert *et al.*, 2003). Reinforcing these findings, Amhalmad and Irianto (2019) emphasize the pivotal role of knowledge in cultivating investment interest. Their findings suggest that a well-informed understanding of financial matters plays a significant part in fostering an individual's interest and engagement in investment activities. This collective body of research accentuates the importance of financial literacy in shaping individuals' financial behaviours, particularly in the realms of investment planning and decision-making (Amhalmad & Irianto, 2019). In a study done by Thapa (2015), while many students possess a foundational level of financial knowledge, there is a notable lag in their comprehension of advanced financial concepts. The study suggests that concepts such as credit, tax, stock markets, financial statements, and insurance pose challenges for students, indicating a potential gap in their understanding of more complex aspects of financial literacy (Thapa & Nepal, 2015). Hence:

H₄: There is a significant relationship between financial knowledge and sustainability investment intentions

Figure 1 provides a graphic of this study's conceptual framework drawn from the hypotheses development, captured via synthesis of past studies related.

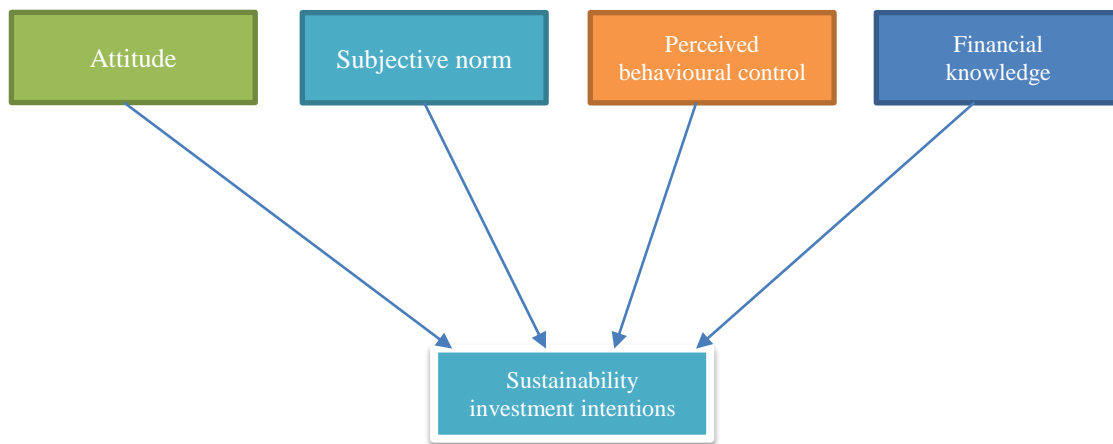


FIGURE 1: RESEARCH MODEL

Source: Figure by Authors

3. RESEARCH METHODOLOGY

Materials and Methods

This research utilized a quantitative research approach employing a descriptive research design. Here, the quantitative approach was chosen as it allows for the statistical and numerical analysis of the impact of independent variables (Attitude, Subjective Norm, Perceived Behavioural Control (PBC) and financial knowledge) on the dependent variable (sustainability investment). The study focused on individuals in Malaysia. Our focus on demographic segments involved participants from various backgrounds, including different age groups, genders, educational levels, and socioeconomic statuses. This approach was adopted to obtain a comprehensive understanding of the factors influencing the intention to use mobile banking across different contexts within the Malaysian population. In this study, data collection was carried out using both face-to-face and online self-administered questionnaires, allowing respondents from diverse backgrounds to participate. The sampling design employed was purposive sampling - a non-probability sampling method where participants are deliberately selected based on their relevance to the research objectives. This means respondents were chosen based on their likelihood of understanding the specific goals of the research, ensuring that their insights would be most relevant and valuable for the study. The criteria for selecting respondents included individuals with knowledge or experience related to sustainability investment. This could involve investors, business professionals, or individuals involved in environmental and social responsibility efforts, as well as those with

varying levels of financial literacy. By focusing on this group, the researchers aimed to capture a targeted and insightful perspective on the factors influencing sustainability investment intentions.

For the data analysis aspect, as many as 278 respondents answered the questionnaire. The quantitative results have been processed by SPSS, followed by pieces of analysis to interpret those findings. We used descriptive statistics to summarize and describe the main features of the data. To explore the relationships between variables, we also conducted correlation analyses. Exploratory Factor Analysis (EFA) was employed to classify the data based on their corresponding variables. These kinds of analyses helped us learn more about the connection between the variables under investigation.

Model Specification

This study utilizes cross-sectional data collected at a single point in time. Regression analysis was employed to assess the impact of independent variables on the dependent variable. Regression analysis is a powerful statistical tool used to understand the relationship between a dependent variable and one or more independent variables. Multiple regression models were constructed, allowing us to understand the unique contribution of each variable while controlling for others. The linear regression method, specifically Ordinary Least Squares (OLS), is employed to define the model in this study. OLS is considered one of the most robust methods in regression analysis, and it depends on certain assumptions. The regression model employed in this research is as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + e$$

Where,

Y= sustainability investment.

α = constant term

X1- Attitude

X2- Subjective Norm

X3- Perceived Behavioural Control (PBC)

X4- Financial knowledge

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5$ = Beta coefficients that indicate the weight of every factor

4. EMPIRICAL RESULTS

A total of 278 respondents were obtained for analysis.

TABLE 1: DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS

Factors	Frequency	Percentage
<i>Gender</i>		
Male	133	47.8
Female	145	52.2
Total	278	100.0
<i>Age</i>		
Single	135	48.6
Married	138	49.6
Divorced	5	1.8
Total	278	100.0
<i>Marital status</i>		
19 - 25 years old	94	33.8
26 - 33 years old	43	15.5
34 - 41 years old	36	12.9
42 - 49 years old	51	18.3
50 years and above	54	19.4
Total	278	100.0

<i>Race</i>		
Malay	246	88.5
Chinese	5	1.8
Indian	7	2.5
Others	20	7.2
Total	278	100.0
<i>Education</i>		
Secondary	109	39.2
Diploma	15	5.4
Degree	146	52.5
Master	6	2.2
PHD	2	0.7
Total	278	100.0
<i>Monthly income</i>		
Less than RM5000	181	65.1
Rm5,001 - RM15,000	78	28.1
RM15,001 - RM30,000	15	5.4
RM30,000 and above	4	1.4
Total	278	100.0
<i>Employment status</i>		
Student	109	39.2
Self-employed	15	5.4
Employed	146	52.5
Retired	6	2.2
Not employed	2	0.7
Total	278	100.0
<i>Investment experience</i>		
No investment experiences	152	54.7
Less than 5 years	57	20.5
More than 5 years	69	24.8
Total	278	100.0

Source: Table by Authors

The demographic profile of respondents as depicted in Table 1, reveals several key insights into the composition of the sample population. Examining gender distribution, males constitute 47.8% of the respondents, while females represent 52.2%, indicating a slight majority of female participants in the sample. Regarding marital status, the majority of respondents are either single (48.6%) or married (49.6%), with only a small percentage being divorced (1.8%). When considering age groups, the largest proportion of respondents falls within the 50 years and above category, comprising 19.4% of the total sample. This is followed by the 19 - 25 years old category (33.8%), indicating a diverse age distribution. The racial composition of the respondents is predominantly Malay, accounting for 88.5% of the sample. Chinese, Indian, and other ethnicities make up smaller proportions at 1.8%, 2.5%, and 7.2% respectively. Regarding education levels, the majority of respondents hold degrees (52.5%), followed by secondary qualifications (39.2%). Diplomas, masters, and PhDs are held by smaller percentages of the sample. Concerning monthly income, the majority of respondents earn less than RM5000 (65.1%), while smaller percentages fall into higher income brackets. In terms of employment status, the majority of respondents are employed (52.5%), followed by students (39.2%), and a smaller proportion are self-employed, retired, or not employed. Lastly, in terms of investment experience, a significant portion of respondents have no investment experience (54.7%), while others have either less than 5 years (20.5%) or more than 5 years (24.8%) of investment experience.

Reliability Test

In this study, we used Cronbach’s alpha which is the reliability of any given measurement. Based on Table 2, the variable subjective norm perceived behavioural control, financial knowledge and sustainable investment was 0.832, 0.855, 0.911 and 0.896 respectively. These results mean that the reliability measurements have high internal consistency as they exceeded 0.7 (Nunnally, 1978).

TABLE 2: RELIABILITY

Variable	Result
Attitude	0.921
Subjective norm	0.832
Perceived behavioural control	0.855
Financial knowledge	0.911
Sustainable investment (SI)	0.896

Source: Table by Authors

Correlation Test

Correlation between variables shows that when the value of one variable changes, the value of the other variable tends to change in a specific direction. As we can see from Table 3, Pearson's correlation coefficients of the four constructs vary from 0.519 to 0.795 with all variables showing positive correlation. Financial knowledge had the highest correlation coefficient towards Sustainable investment which is 0.795, while Subjective norm had the lowest correlation coefficient towards financial knowledge which was 0.519.

TABLE 3: CORRELATION

	Attitude	Subjective norm	Perceived behavioural control	Financial knowledge	Sustainable investment
Attitude	1	.521**	.740**	.671**	.763**
Subjective norm	.521**	1	.617**	.519**	.597**
Perceived behavioural control	.740**	.617**	1	.722**	.769**
Financial knowledge	.671**	.519**	.722**	1	.795**
Sustainable investment	.763**	.597**	.769**	.795**	1

Source: Table by Authors

Estimation of Model Parameters

This study used ordinary least squares (OLS) to show the relationship between our variables. The model is specified in the methodology section and the result of the model parameters is presented in Table 4 below.

TABLE 4: UNSTANDARDIZED COEFFICIENTS

Variable	Beta	Std. robust Error	t-Statistic	Prob.
(Constant)	0.673	0.712	0.945	0.346
Attitude	0.280	0.045	6.232	0.000
SN	0.113	0.036	3.145	0.002
PBC	0.192	0.053	3.648	0.000
Financial knowledge	0.400	0.045	8.841	0.000

Source: Table by Authors

Table 4 presents the outcomes of a regression analysis investigating the determinants of intention for sustainability investment in Malaysia. In this study, a total of four hypotheses were formulated to investigate the relationships among the variables under scrutiny. Of the predictors examined, attitude emerges as a significant driver of intention for sustainability investment ($\beta = 0.280$, $SE = 0.045$, $t = 6.232$, $p < 0.001$). This suggests that a one-unit increase in attitude corresponds to a 0.280-unit increase in the intention for sustainability investment. Additionally, subjective norms ($\beta = 0.113$, $SE = 0.036$, $t = 3.145$, $p = 0.002$) and perceived behavioral control ($\beta = 0.192$, $SE = 0.053$, $t = 3.648$, $p < 0.001$) were found to positively influence intention.

One of notable significance was the influence of financial knowledge, with a substantial positive coefficient ($\beta = 0.400$, $SE = 0.045$, $t = 8.841$, $p < 0.001$), indicating that an increase in financial knowledge by one unit corresponded to a 0.400 unit increase in the dependent variable. These findings underscore the importance of attitude, subjective norms, perceived behavioural control, and financial knowledge in shaping the dependent variable, offering valuable insights into the dynamics of the examined relationship. This analysis sheds light on the factors driving the intention for sustainability investment in Malaysia, offering valuable insights for policymakers, businesses, and investors aiming to foster sustainable investment practices in the region.

5. DISCUSSION

This study investigates the determinants of intention for sustainability investment in Malaysia. The research found that Attitude significantly and positively influences sustainability investment. This finding indicates that the attitudes of individuals and organizations in Malaysia have a notable impact on their decisions to invest in sustainability. A positive attitude toward sustainability appears to correlate with a greater willingness to allocate resources toward sustainable initiatives. This suggests that efforts to promote positive attitudes toward sustainability could be effective in encouraging more significant investment in sustainable practices and projects within Malaysia. By implementing these recommendations, Malaysia can create a conducive environment for sustainable investment and accelerate progress towards a more environmentally and socially responsible economy.

Furthermore, Subjective norms significantly and positively influence sustainability investment. The finding that subjective norms significantly and positively influence sustainability investment implies that social influences and perceived norms play a crucial role in shaping investment decisions related to sustainability. When individuals or organizations perceive that important others (such as peers, colleagues, or industry leaders) expect or support sustainability investment, they are more likely to engage in such activities themselves. By addressing subjective norms and leveraging social influences, policymakers, businesses, and other stakeholders can create an environment where sustainability investment is not only supported but also widely embraced within Malaysia.

Perceived behavioural control significantly and positively influences sustainability investment. The finding that perceived behavioural control significantly and positively influences sustainability investment indicates that individuals and organizations in Malaysia are more likely to invest in sustainability when they feel confident in their ability to do so. Perceived behavioural control encompasses factors such as resources, knowledge, skills, and access to opportunities, all of which can influence one's confidence in engaging in sustainable investment practices. Sustainability investment is not only supported but also widely embraced within Malaysia.

Financial knowledge significantly and positively influences sustainability investment. The finding that financial knowledge significantly and positively influences sustainability investment suggests that individuals and organizations in Malaysia who possess greater financial knowledge are more likely to engage in sustainable investment practices. This indicates that understanding financial concepts, such as risk assessment, return on investment, and financial analysis, can empower investors to make informed decisions that align with sustainability goals. By promoting financial knowledge and literacy within the context of sustainable investment, stakeholders in Malaysia can empower investors

to make informed decisions that not only generate financial returns but also contribute to environmental and social objectives.

6. CONCLUSION AND RECOMMENDATIONS

This study investigates the determinants of intention for sustainability investment in Malaysia. The research found that Attitude significantly and positively influences sustainability investment. This finding indicates that the attitudes of individuals and organizations in Malaysia have a notable impact on their decisions to invest in sustainability. A positive attitude toward sustainability appears to correlate with a greater willingness to allocate resources toward sustainable initiatives. This suggests that efforts to promote positive attitudes toward sustainability could be effective in encouraging more significant investment in sustainable practices and projects within Malaysia. By implementing these recommendations, Malaysia can create a conducive environment for sustainable investment and accelerate progress towards a more environmentally and socially responsible economy.

Furthermore, subjective norms significantly and positively influence sustainability investment. The finding that subjective norms significantly and positively influence sustainability investment implies that social influences and perceived norms play a crucial role in shaping investment decisions related to sustainability. When individuals or organizations perceive that important others (such as peers, colleagues, or industry leaders) expect or support sustainability investment, they are more likely to engage in such activities themselves. By addressing subjective norms and leveraging social influences, policymakers, businesses, and other stakeholders can create an environment where sustainability investment is not only supported but also widely embraced within Malaysia.

Perceived behavioural control significantly and positively influences sustainability investment. The finding that perceived behavioural control significantly and positively influences sustainability investment indicates that individuals and organizations in Malaysia are more likely to invest in sustainability when they feel confident in their ability to do so. Perceived behavioural control encompasses factors such as resources, knowledge, skills, and access to opportunities, all of which can influence one's confidence in engaging in sustainable investment practices. Here sustainability investment is not only supported but also widely embraced within Malaysia.

Financial knowledge significantly and positively influences sustainability investment. The finding that financial knowledge significantly and positively influences sustainability investment suggests that individuals and organizations in Malaysia who possess greater financial knowledge are more likely to engage in sustainable investment practices. This indicates that understanding financial concepts, such as risk assessment, return on investment, and financial analysis, can empower investors to make informed decisions that align with sustainability goals. By promoting financial knowledge and literacy within the context of sustainable investment, stakeholders in Malaysia can empower investors to make informed decisions that not only generate financial returns but also contribute to environmental and social objectives.

Based on the research findings, it is recommended to prioritize the implementation of educational campaigns that underscore the advantages of sustainability investment while showcasing successful instances within Malaysia. These campaigns have the potential to significantly influence societal norms by illustrating that sustainability investment not only yields benefits but is also widely embraced within our community.

Furthermore, there is a pressing need to provide comprehensive training, education, and resources to augment the knowledge and skills requisite for sustainable investment. This can be achieved through a variety of mediums such as workshops, seminars, online courses, and easy access to pertinent information and research materials. Additionally, the study suggests the implementation of specialized educational programs and workshops centred on sustainable finance and investment to bolster financial literacy among individuals and organizations. Equipping stakeholders with the requisite

expertise empowers them to assess and pursue sustainable investment opportunities with confidence and efficacy.

Moreover, it is imperative to launch educational and awareness initiatives aimed at underscoring the significance of sustainability and its positive ramifications on society and the environment. These campaigns should be tailored to engage diverse stakeholders including investors, businesses, policymakers, and the general public, fostering a collective appreciation and enthusiasm for sustainable practices.

While this study provides valuable insights into the determinants of sustainability investment intention in Malaysia, it has notable limitations. Specifically, it focuses on only four variables: attitude, subjective norms, perceived behavioural control, and financial knowledge. Other potentially significant factors, such as ethical considerations, government policies, market conditions, and psychological factors (e.g., risk tolerance), were not explored. Future studies could expand the scope to include these additional variables to offer a more comprehensive understanding of sustainability investment intention.

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