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The Effect of Financial Literature and Financial Efficiency On Investment Decisions (Case Study on Students in Pekanbaru City)

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Abstract: This study aims to determine and analyze the effect of financial literacy and financial efficacy on investment decisions in active students in the city of Pekanbaru. The research method used is descriptive and quantitative as well as qualitative methods. Types and sources of data using primary data and secondary data. The data collection technique uses a questionnaire that has been tested for validity and reliability. The research subjects were ±130 respondents with purposive probability sampling technique and 6 interviewees. Meanwhile, the data analysis technique used was multiple linear regression equations, management using SPSS V25 and NVivo 12. Based on the results of the t test, it was obtained that financial literacy partially had a positive effect significant impact on investment decisions and financial efficacy has a significant positive effect on investment decisions in students. Furthermore, based on the F test, it is found that financial literacy and financial efficacy simultaneously have a significant effect on investment decisions.

I. Introduction

Investing in financial markets has become a popular way for investors (Wanidison & Shaddiq, 2021). Currently, there are many financial instruments, such as those in the money market, namely deposits and savings including cash whose value is determined directly by the market, then there are stocks and bonds in the capital market (Putera et al., 2022). Investments in the capital market are usually made for the long term, thus creating various risks such as stock or bond prices that rise and fall uncontrollably and changes in company conditions (Arizal et al., 2021). Every individual must have a dream/goal to be achieved in industry 4.0 (Fadilurrahman et al., 2021).

Investment decision making is a process of concluding or making decisions about several issues or problems, making choices between two or more investment alternatives or part of the transformation of inputs into outputs (Zahida, 2021). For individual investors with their own capital, setting aside some income is not an easy thing because there are so many temptations to behave consumptively (Habibah et al., 2021). Many people are in debt just because of pursuing a lifestyle (Handayani et al., 2021). When a person or individual buys a bond or entity, for example stocks or bonds, then he is said to be making an investment (Hidayat et al., 2021). Investment decisions can be influenced by several factors, namely financial literacy and financial efficacy (Irpan et al., 2021). By definition, literacy is defined as the ability to understand, so financial literacy is the ability to manage the funds owned so that they develop and live more prosperously in the future (Irpan et al., 2022). The important mission of the financial literacy program is to educate the Indonesian people in the field of finance so that they can manage finances intelligently, so that low knowledge about the financial industry can be overcome and people are not easily deceived by investment products that offer high returns in the short term without considering the risks (Sitinjak et al., 2021).

The application of these two pillar factors is expected to realize an Indonesian society that has a high level of financial literacy so that people can choose and utilize financial service products to improve welfare (Iyansyah et al., 2021). An individual needs a sense of self-confidence or confidence in their own abilities so that it can encourage them to do something which in psychology this is known as self-efficacy (Hakim, 2020; Wijaya et al., 2021). Self-efficacy, especially in the field of finance, is a person's confidence that they are able to manage their own finances (Joko et al., 2022). Lecturers who have financial knowledge and financial efficacy should be more interested in investing because they already know what investment decisions they will take and have positive beliefs to successfully manage these investments (Kurniawan et al., 2021; Surti et al., 2022).

The problem in this study is that there is still very low financial literacy in Pekanbaru City (Kurniawan et al., 2021; Shaddiq et al., 2021). Financial efficacy which is also very low because it is evidenced by evidence of spending on shopping or consumptive and many others, and the phenomenon of gaps, namely an increase in the level of savings of the Indonesian people from year to year, but a survey conducted by BPS on 10,500 households at least 15% of households have ever shopped online (Norrahmiati et al., 2022). Its most numerous product penetration is watches, bags, communication devices, clothing, recreational goods (Norrahmi et al., 2021; Shaddiq & Wanidison, 2021).

Based on thedescription above, this research was supported by previous researchers, research conducted by Hakim (2020), with the research title "Financial Literacy and Efficacy towards Final Year Student Investment Decisions Based on the Application of Information Technology". Variable X is financial literacy and financial efficacy, variable Y Investment decisions, the results of the study show that the level of financial literacy of students is very good which shows the ability to process finances in a stable state and the financial efficacy of students who are positively valued so as to affect the level of investment interest decisions, the results of research on financial literacy and financial efficacy have a positive effect on investment decisions simultaneously and partially (Ramadhani et al., 2021; Shaddiq & Handayani, 2021; Rizani et al., 2022).

Therefore, this study was conducted to analyze the factors that influence investment decision making (Rizal et al., 2020). A person's investment decision making considers various factors by taking into account financial literacy and financial efficacy. So the author is interested in researching "The Effect of Financial Literacy, and Financial Efficacy on Investment Decision Making. Case Study on Pekanbaru City students".

II. Method

Sugiyono (2019) the sample is the area of the population that has characteristics and numbers. The sample used must be representative, due to time, energy, and funding constraints that affect the population. Researchers use *non probability* sampling techniques To determine sampling there is no sampling technique that provides equal opportunities for each component or population of the selected population, and the sampling technique used is *accidental sampling*, which is the sampling technique of people or respondents that is most easily found or accessible (Sugiyono, 2019). The criteria set by this study are:

- Students are actively studying at the University in the city of Pekanbaru.
- Aged 19-40
- Have Personal Financial Investment

While this method of determining the number of samples is in accordance with the Malhotra formula, which must be at least four or five times the number of question items. In this study there were 27 question items, so the sample in this study was 4x27= 108 people to be used as a sample. Based on the calculations above, theampelous in this study was 108 respondents. Samples will be taken from the five best campuses in Pekanbaru with the following sample division:

Table 1 Questionnaire Respondent Data

Campus Name	Number of samples to be taken
Riau University.	22 Respondents
Riau Islamic University.	22 Respondents
Yellow Lancang University.	22 Respondents
University of Muhammadiyah Riau.	21 Respondents
Sultan Syarif Kasim Riau State Islamic University.	21 Respondents

Source: https://kampusimpian.com/universitas-terbaik-di-riau.

Followed by samples for interviews will be taken from the five best campuses in Pekanbaru with the following sample division:

Table 2 Interview Respondent Data

Campus Name	Number of samples to be taken
Riau University.	1 Respondents
Riau Islamic University.	2 Respondents
Lancang Kuning University.	1 Respondents
University of Muhammadiyah Riau.	1 Respondents
Sultan Syarif Kasim Riau State Islamic University.	1 Respondents

Source: https://kampusimpian.com/universitas-terbaik-di-riau.

The collection of research data was carried out using questionnaires and given *online* to respondents who met the criteria to become research samples. The *online* questionnaire was distributed to respondents in the form of a *google form* link, and respondents were asked to fill out a questionnaire on the link provided.

1. Primary Data

In Sugiyono, (2020: 137) primary data is material that is submitted without passing through other components to the data collector. Primary data was collected by the author through a questionnaire distribution through an e-form and distributed to active students in Pekanbaru. The questionnaire is a statement related to variables that are researched by the author and will be filled out by consumers.

2. Secondary Data

In Sugiyono, (2020: 137) secondary data is material that is submitted through other components to data collection, such as passing through other parties or through files. Secondary data obtained by the author by knowing data on the number of active students at Riau Islamic University and Indonesian financial literacy data on investment decisions.

1. Literature Review

The data used in this study comes from the results of research that has been carried out and published in national and international online journals. In conducting this study, researchers searched research journals published on the internet using the ProQuest, PubMed, Research Gate, SagePub and Schoolar engines.

Literature review begins with writing material that is sequely considered from the most relevant, relevant, and quite relevant. Then read the abstract, each journal first to provide an assessment of whether the problem discussed is in accordance with what is to be solved in a journal. Noting important points and their relevance to research problems, To keep them from getting caught up in the element of plagiarism, authors should also record sources of information and list bibliography. If indeed the information comes from the ideas or writings of others. Make notes, quotes, or information that is arranged systematically so that writing can easily look back if needed at any time (Darmadi, 2011 in Nursalam, 2016).

2. Documentation Studies

The technique of collecting data through dokumtasi studies is intended as an effort to obtain data and information in the form of written records / images stored related to the problem under study. Documentation is a fact and data is stored in various materials in the form of documentation. Most of the data available is in the form of letters, reports, regulations, diaries, biographies, symbols, artifacts, photographs, sketches and other stored data. Documents are infinite in space and time so as to give researchers the opportunity to know things that have happened to reinforce observation and interview data in checking the validity of the data, making interplays and drawing conclusions. Thus, from the beginning of research techniques such as observation, interviews, questionnaires (Questionaire), documentation studies, the data analysis process can be done well without data manipulation and do not have to wait for the data to be piled up.

III. Results and Discussion

Table 1 Characteristics of Respondents by Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Gender					
Valid	Man	55	50,9	50,9	50,9
	Woman	53	49,1	49,1	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the characteristic table of respondents based on gender above, it can be seen that respondents based on male sex amounted to 55 people the percentage obtained was 50.9%, and female respondents were 53 with a percentage of 49.1%. From this description, it can be stated that the most respondents are male.

Table 2 Characteristics of Respondents By Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Age					
Valid	19-26	36	33,3	33,3	33,3
	27-36	72	66,7	66,7	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the table of characteristics of respondents based on age above, it appears that the number of respondents aged 19-26 years is 36 people with a percentage of 33.3%, aged 27-36 years, namely 72 people with a percentage of 66.7%. Based on this interpretation, it was concluded that the respondents were 27-36 years old.

Table 3 Characteristics of Respondents By Job

		Frequency	Percent	Valid Percent	Cumulative Percent
Work					
Valid	Students	65	60,2	60,2	60,2
	Employee	38	35,2	35,2	95,4
	Entrepreneurial	4	3,7	3,7	99,1
	Other	1	,9	,9	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the table of respondents' characteristics based on the work above, it shows that the number of respondents as students is 65 people with a percentage rate of 60.2%, as employees as many as 38 people the percentage level reaches 35.2%, as an entrepreneur there are 4 with a percentage of 3.7%, and as another person it amounts to 1 person with a percentage of 0.9%. Based on this explanation, it can be concluded that the most respondents work as students.

Table 4 Characteristics of Respondents Based on Number of Investments

How many times a year to Invest					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 time	58	53,7	53,7	53,7
	2-5 times	49	45,4	45,4	99,1
	>5 times	1	,9	,9	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the table of respondents' characteristics based on the number of investments in a year above, it shows that the number of respondents invested 1 time as many as 58 people with a percentage rate of 53.7%, then as many as 2-5 times amounted to 49 people the percentage rate reached 45.4%, as many as >5 times amounted to 1 with a percentage of 0.9%. Based on this explanation, it can be concluded that the most respondents invest in a year as much as 1 time.

Table 5 Characteristics of Respondents Based on Investing Expenses

Investing Expenses					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<IDR 1,000,000	71	65,7	65,7	65,7
	IDR 1,000,000-IDR 3,000,000	37	34,3	34,3	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the table of respondents' characteristics based on investment expenditures in the year above, it shows that the number of respondents with expenditures < Rp.1,000,000 as many as 71 people with a percentage rate of 65.7%, then as much as Rp.1,000,000-Rp.3,000,000 amounted to 37 people, the percentage level reached 34.3%. Based on this explanation, it can be concluded that the respondents spend the most investment in a year <Rp.1,000,000.

Table 6 Characteristics of Respondents Based on Containers/Places to Invest

Container/Where to Invest					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Banks (deposits, deposits etc.)	86	79,6	79,6	79,6
	Mutual funds	8	7,4	7,4	87,0
	Individual trading apps	14	13,0	13,0	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the table of respondents' characteristics based on the container / place of investment above, it shows that the number of respondents investing in banks (deposits, deposits, etc.) is 86 people with a percentage rate of 79.6%, then in mutual funds as many as 8 people the percentage rate reaches 7.4%, then in individual trading applications as many as 14 people the percentage rate reaches 13%. Based on this explanation, it can be concluded that respondents invest in banks (deposits, deposits, etc.).

Table 7 Characteristics of Respondents By Investment Type

Types of Investments					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Money market	6	5,6	5,6	5,6
	Stock Market	13	12,0	12,0	17,6
	Forex Market	3	2,8	2,8	20,4
	Deposits	55	50,9	50,9	71,3
	Asset rill (land gold etc)	31	28,7	28,7	100,0
	Total	108	100,0	100,0	

Source: Data Processing Results of SPSS V25, 2022

Based on the table of characteristics of respondents based on the type of investment above, the money market is 6 people with a percentage rate of 5.6%, then in the stock market as many as 13 people the percentage rate reaches 12%, then in the forex market as many as 3 people the percentage rate reaches 2.8%, then in deposits as many as 55 people the percentage rate reaches 50.9% and in real assets (gold land etc.) as many as 31 people the percentage level reaches 28.7%. Based on this explanation, it can be concluded that respondents made a type of investment, namely deposits.

Table 8 Results of Descriptive Analysis

Statistics				
		Financial Literacy	Financial Efficacy	Investment Decisions
N	Valid	108	108	400
	Missing	0	0	0
Mean		41,34	33,72	25,49
Std. Deviation		6,680	4,293	4,864
Minimum		1	1	1
Maximum		5	5	5
Sum		4465	3642	2753

Source: Data Processing Results of SPSS V25, 2022

Based on the Descriptive Statistical Test table above, it can be seen that the number of observations in this study was 108 respondents. The minimum value of the financial literacy variable is 1, which means that the lowest value given by the respondent for financial literacy is 1. The maximum value is obtained by 5 meaning. The highest answer assessment of all respondents was worth 5. The average financial literacy score of 41.34 means that the level of financial literacy shows a high value because the respondent's answer on average is 41.34. Then the value of 6,680 of the standard deviation means that the measure of data dissemination of the financial literacy variable is 6,680 out of 108 respondents.

The minimum value of the financial efficacy variable is 1, which means that the lowest value given by the respondent for financial efficacy is 1. The maximum value is obtained by 5 meaning. The highest answer assessment of all respondents was worth 5. The average financial efficacy value of 33.72 means that the level of financial efficacy shows a high value because the respondent's answer on average is 33.72. Then the value of 4.293 of the standard deviation means that the size of the data dissemination of the financial efficacy variable is 4,293 out of 108 respondents.

The minimum value of the investment decision variable is 1 which means that the lowest value given by the respondent for the investment decision is 1. The maximum value is obtained by 5 meaning. The highest answer assessment of all respondents was worth 5. The average value of investment decisions is 25.49, which means that the level of investment decisions shows a high value because the respondents' answers on average are 25.49. Then the value of 4,864 of the standard deviation means that the size of the data dissemination of the investment decision variable is 4,864 out of 108 respondents.

Data Quality Test

Validity Test Results

This test aims to measure whether the questionnaire used by the researcher is valid or not. This test is carried out by comparing the calculated r value with the table r value. The r value of the table with a significance level of 0.05 (2-sided test) is 0.1891. The validity test in this study was carried out on 3 variables, namely financial literacy, financial efficacy and investment decisions.

Table 9 Consciousness Validity Test Results

Statement	r count	r table	Information
X1.1	0,567	0,1891	Valid
X1.2	0,741	0,1891	Valid
X1.3	0,653	0,1891	Valid
X1.4	0,651	0,1891	Valid
X1.5	0,704	0,1891	Valid
X1.6	0,607	0,1891	Valid
X1.7	0,653	0,1891	Valid
X1.8	0,512	0,1891	Valid
X1.9	0,716	0,1891	Valid
X1.10	0,357	0,1891	Valid
X1.11	0,465	0,1891	Valid

Source: Data Processing Results of SPSS V25, 2022

Based on the table of consciousness validity test results above, it can be seen that the correlation value r count X1.1 is worth 0.4567, X1.2 is worth 0.741, X1.3 is worth 0.653, X1.4 is worth 0.651, X1.5 is worth 0.704, X1.6 is worth 0.607, X1.7 is worth 0.653, X1.8 is worth 0.512, X1.9 is worth 0.716, X1.10 is worth 0.357 and X1.11 is worth 0.465. So it can be concluded that the entire level of financial literacy variables is declared valid because the r count is greater than the table r.

Table 10 Financial Efficacy Validity Test Results

Statement	r count	r table	Information
X2.1	0,380	0,1891	Valid
X2.2	0,514	0,1891	Valid
X2.3	0,552	0,1891	Valid
X2. 4	0,482	0,1891	Valid
X2.5	0,639	0,1891	Valid
X2.6	0,584	0,1891	Valid
X2.7	0,540	0,1891	Valid
X2.8	0,475	0,1891	Valid
X2.9	0,494	0,1891	Valid

Source: Data Processing Results of SPSS V25, 2022

Based on the table of financial efficacy test results above, it can be seen that the *Pearson Product Moment* correlation value or r calculate X2.1 is worth 0.380, X2.2 is worth 0.514, X2.3 is worth 0.552, X3.4 is worth 0.482, X2.5 is worth 0.639, X2.6 is worth 0.584, X2.7 is worth 0.540, X2.8 is worth 0.475 and X2.9 is worth 0.494. So it can be concluded that the entire level of financial efficacy variables is declared valid because the calculated r is greater than the table r.

Table 11 Investment Decision Validity Test Results

Statement	r count	r table	Information
X3.1	0,593	0,1891	Valid
X3.2	0,719	0,1891	Valid
X3.3	0,798	0,1891	Valid
X3. 4	0,768	0,1891	Valid
X3.5	0,769	0,1891	Valid
X3.6	0,565	0,1891	Valid
X3.7	0,453	0,1891	Valid

Source: Data Processing Results of SPSS V25, 2022

The results of the investment decision validity test above, it can be seen that the correlation value of *Pearson Product Moment* or r calculate X3.1 is worth 0.593, X3.2 is worth 0.719, X3.3 is worth 0.798, X3.4 is worth 0.768, X3.5 is worth 0.769, X3.6 is worth 0.565 and X3.7 is worth 0.453. So it can be concluded that the entire leveling of the investment decision variable is declared valid because the calculated r is greater than the table r.

Table 12 Reliability Test Results

No	Variable	Items	*Cronbach Alpha*	Result
1	Financial Literacy	11	0,822	Reliable
2	Keuangn Efficacy	9	0,655	Reliable
3	Investment Decisions	7	0,785	Reliable

Source: Data Processing Results of SPSS V25, 2022

The results of the reability test above, show that the *value of cronbach alpha* in each variable has exceeded 0.60. The variables of financial literacy, financial efficacy and investment expenditure are respectively worth alpha (α) respectively, namely 0.82 2, 0.655 and 0.785. With this the test is declared valid and reliable so that subsequent tests can be carried out.
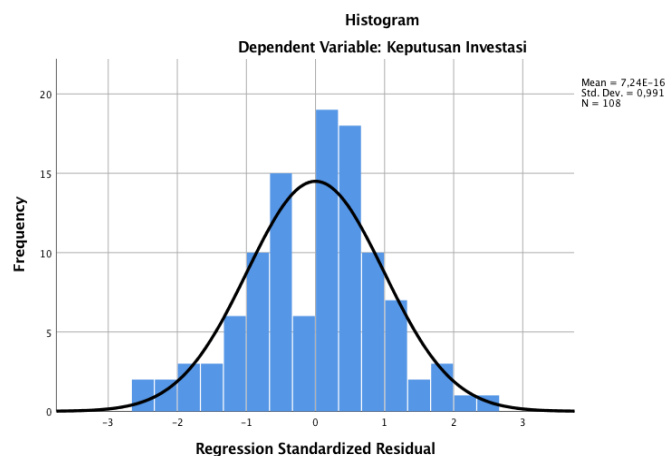

Figure 1 Residual Regression Histogram

Source: Data Processing Results of SPSS V25, 2022

Judging from the residual regression histogram image above, it can be seen that it resembles the shape of a mountain with the presence of infinite widening on the right and left sides which with this explanation is stated the data used is normally distributed.
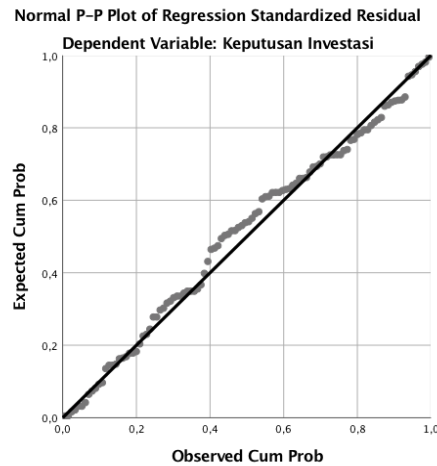
Figure 2 P-plot Regression

Source: Data Processing Results of SPSS V25, 2022

Based on the figure above, it can be seen that there are scattered data points located around the diagonal line and the same direction following the diagonal line, so it can be understood that the p-plot is normally distributed. Based on the two images described above, the *Residual Regression Histogram* and P-Plot provide a normal motive and distribution.

Table 13 Kolmogorov-Smirnov Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		108
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	3,18239337
Most Extreme Differences	Absolute	,068
	Positive	,048
	Negative	-,068
Test Statistics		,068
Asymp. Sig. (2-tailed)		,200[c,d]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: Data Processing Results of SPSS V25, 2022

In this test, it could give researchers the possibility of withdrawing two policies that are considered from their significance values. If the significance value > 0.05 means that the data used can be declared normally distributed, while if the significance value < 0.05, it means that the data used can be said to be not normally distributed. From the table above, it appears that the research data has been distributed normally because the significance value obtained is 0.200 which is above the standard significance value of 0.05.

Table 14 Multicholinearity Test Results

Coefficients[a]		
Variable	Collinearity Statistics	
	Tolerance	VIFs
Financial Literacy	,780	1,282
Financial Efficacy	,780	1,282
a. Dependent Variable: Investment Decisions		

Source: Data Processing Results of SPSS V25, 2022

Based on the results of the multicholinearity test, all variables have passed a value of 0.1 from the fair tolerance value. From the results of the VIF, it is implied that there is no multicholinearity between variables in the regression model because the VIF value of all variables is no more than the value of 10, namely financial literacy with a VIF of 1.282, financial efficacy with a VIF of 1.282.

Table 15 Glejser Test Results

Coefficients[a]						
Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5,664	1,568		3,612	,000
	Financial Literacy	-,017	,032	-,057	-,528	,599
	Financial Efficacy	-,073	,049	-,161	-1,490	,139
a. Dependent Variable: ABS_REZ						

Source: Data Processing Results of SPSS V25, 2022

Based on the results above, the sig value, financial literacy is 0.599, the financial efficacy value is 0.139, that each independent variable gets a significance value that is above the probability level of 0.05 (5%) meaning that the proposed regression does not occur heteroskedasticity.

Table 16 Multiple Linear Regression Test Results

Coefficients[a]

Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,179	2,612		1,600	,013
	Financial Literacy	,356	,053	,490	6,773	,000
	Financial Efficacy	,443	,082	,391	5,406	,000
a. Dependent Variable: Investment Decisions						

Source: Data Processing Results of SPSS V25, 2022

Table 17 Coefficient of Determination Analysis Results

ModelSummary b

Type	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,756a	,572	,564	3,213
a. Predictors: (Constant), Financial Efficacy, Financial Literacy				
b. Dependent Variables: Investment Decisions				

Source: Data Processing Results of SPSS V25, 2022

Based on the table above, it can be seen that the value of R Square (R2) is 0.564. It can be said that the variables of financial literacy and financial efficacy have an influence on investment decisions with a percentage of 56.4%. Meanwhile, the remaining 43.6% is another variable that was not tested in this study.

Table 18 t Test Results

Coefficientsa

Type		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4,179	2,612		1,600	,013
	Financial Literacy	,356	,053	,490	6,773	,000
	Financial Efficacy	,443	,082	,391	5,406	,000
a. Dependent Variable: Investment Decisions						

Source: Data Processing Results of SPSS V25, 2022

Seen in the table above, it can be seen that the financial literacy variable with a calculated t value of 6,773 is more than the table t value of 1,982 . and a significance value of 0.000 not more than 0.05. This means that Ha is accepted for the financial literacy variable and it is said that the financial literacy variable has a significant influence on the investment sector.

Then, looking at the financial efficacy variable, the calculated t value, which is 5,406, is more than the table t value of 1,982. As well as the significance value of the financial efficacy variable with a value of 0.000 and no more 0.05. This means that Ha is accepted for financial efficacy variables and it is said that financial efficacy variables have a significant influence on investment decisions.

Table 19 F Test Results

ANOVAa						
Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1447,335	2	723,667	70,119	,000b
	Residual	1083,656	105	10,321		
	Total	2530,991	107			
a. Dependent Variable: Investment Decisions						
b. Predictors: (Constant), Financial Efficacy, Financial Literacy						

Source: Data Processing Results of SPSS V25, 2022

Based on the table above, the calculated F value is 70.119 greater than the table f is 3.93. The significance value can also be seen in the table, which is 0.000 and not through the predetermined probability value of 0.05, which means that the independent variable used in the study affects the dependent variable simultaneously. That is, simultaneously the variables of financial literacy and financial efficacy have a significant influence on the variables of investment decisions.

NVivo 12 Testing

Financial Literacy

Based on the results of the analysis of interview data related to financial literacy for financial literacy in investing words that most often appear using NVivo software on the word cloud include investment, finance, to make decisions, investing and so forth. The image below shows the Word Cloud used in this research source.
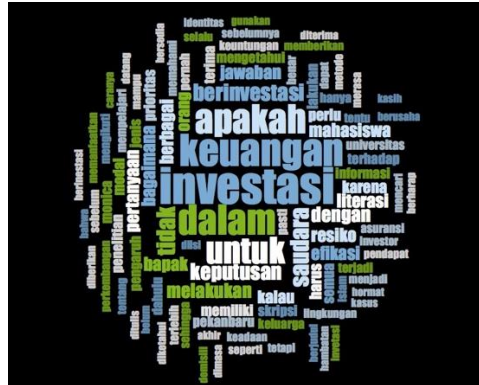

Figure 3 Financial Literacy Word Cloud

Source: NVivo 12 Data Management

There is a next stage of the feature used by the researcher is explore diagrams. Explore diagarm used by researchers to determine the correlation of relationships based on the similarity of words contained in the data source or selected node will be compared. By looking at the results of respondents' answers to questions about financial literacy.
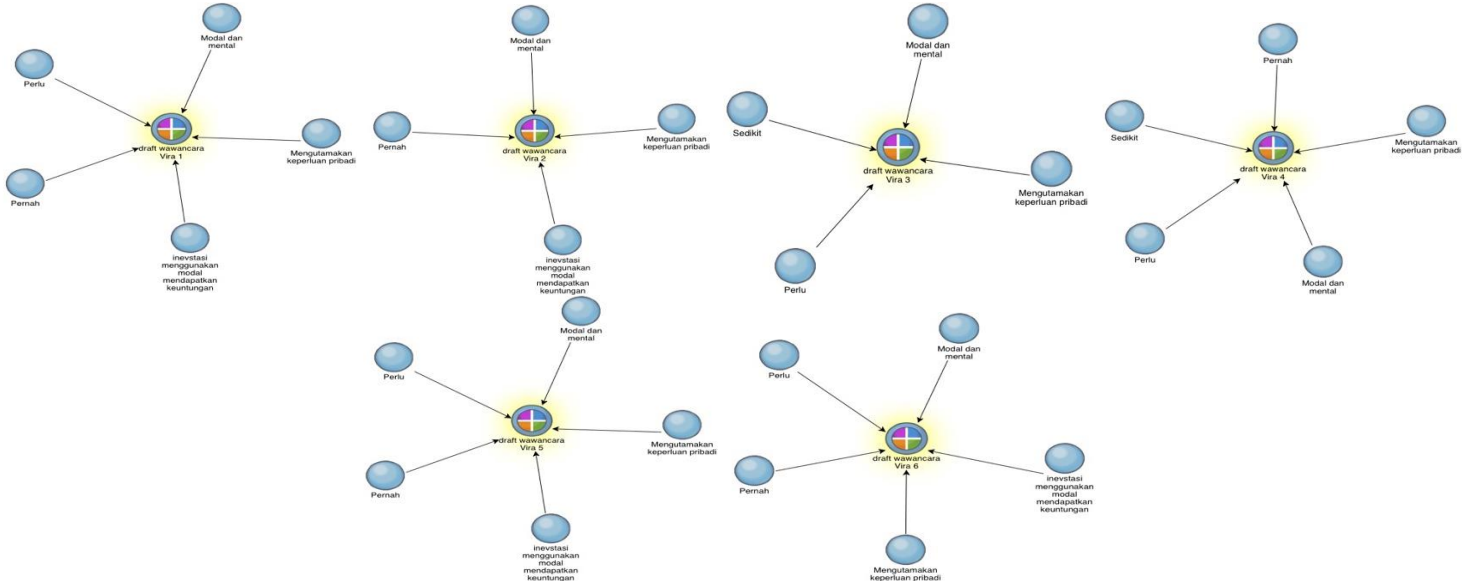

Figure 4 Diagram of Interview Questions on Financial Literacy

Source: NVivo 12 Data Management

By looking at the results of respondents' answers to questions about financial literacy. From the diagaram above, it can be seen that financial literacy has the need for financial literacy in investing, which must be prepared before investing capital and mentally in investing, investing using capital to get profits and in investing attaches importance to personal or basic needs before investing.

Financial Efficacy

Based on the results of the analysis of interview data related to financial efficacy for financial literacy in investing words that most often appear using NVivo software on the word cloud include investment, literacy, value, variables, risk, decisions, finance, to make decisions, investing and so forth. The image below shows the Word Cloud used in this research source.

Figure 5 Financial Efficacy Word Cloud

Source: NVivo 12 Data Management

There is a next stage of the feature used by the researcher is explore diagrams. Explore diagarm used by researchers to determine the correlation of relationships based on the similarity of words contained in the data source or selected node will be compared. By looking at the results of respondents' answers answer questions about financial efficacy.
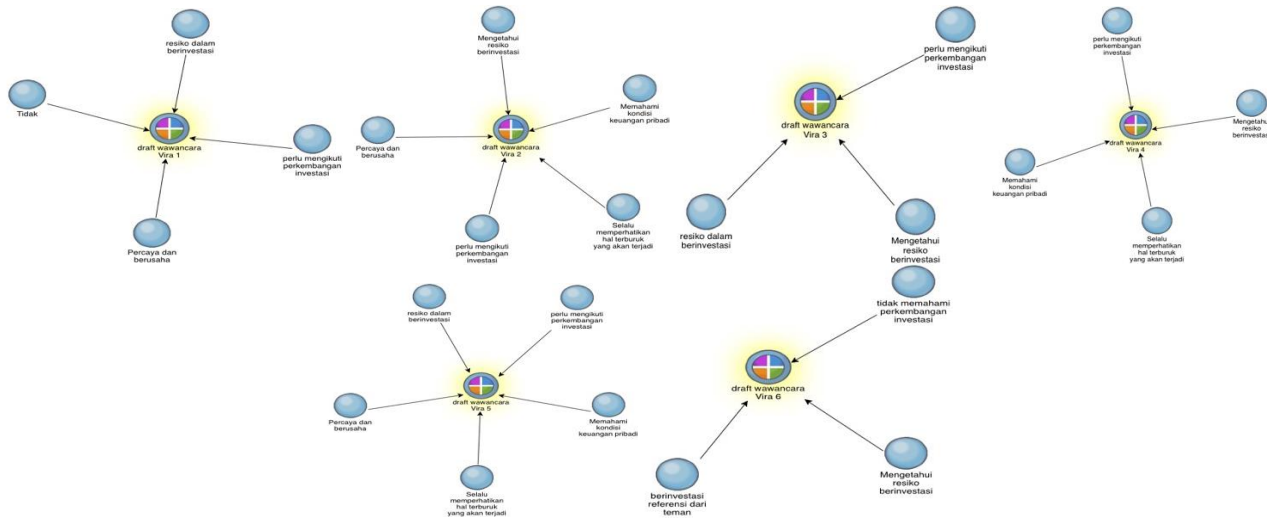

Figure 6 Diagram of Interview Questions on The Efficacy of Civility

Source: NVivo 12 Data Management

By looking at the results of respondents' answers answer questions about financial efficacy. From the diagaram above, it can be seen that financial efficacy has the need for financial efficacy in investing, which must be considered for risks in investing, need to know or observe economic developments to invest, always pay attention to the risks that will occur and invest must believe and try and bias recommended from friends.

Investment Decisions

Based on the results of the analysis of interview data related to investment decisions for financial literacy in investing words that most often appear using NVivo software on the word cloud include financial, decision, literacy, investor, making, investment and so on. The image below shows the Word Cloud used in this research source.

Figure 7 Financial Finance Efficacy Word Cloud

Source: NVivo 12 Data Management

Pthere is a next stage of the feature used by the researcher is explore diagrams. Explore diagarm used by researchers to determine the correlation of relationships based on the similarity of words contained in the data source or selected node will be compared. By looking at the results of respondents' answers answer questions about investment decisions.
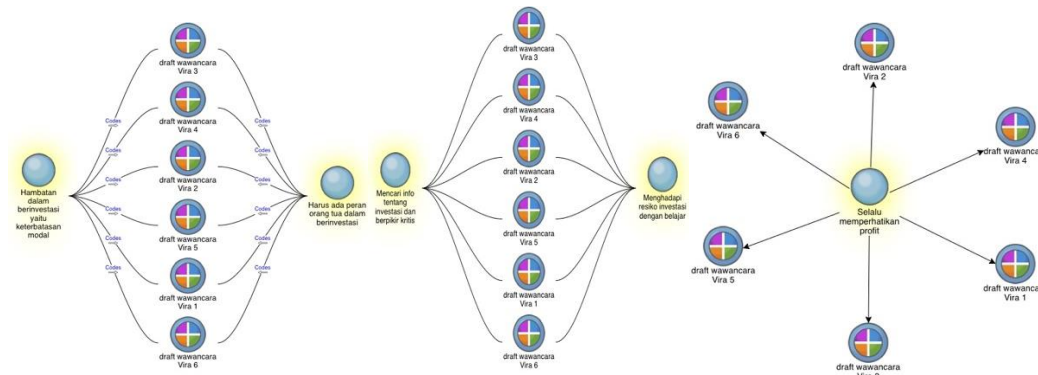

Figure 8 Diagram of Interview Questions on Investment Decisions

Source: NVivo 12 Data Management

By looking at the results of respondents' answers answer questions about investment decisions. From the diagaram above, it can be seen that investment decisions have the need for hambatam in the form of capital in investing, the need for the role of orantua in investing, knowledge about investment, continuing to learn in investing, failing in investment is used as learning and always paying attention to profit.

Discussion

The Effect of Financial Literacy on Investment Decisions

Seen in the table above, it can be seen that the financial literacy variable with a calculated t value of 6,773 is more than the table t value of 1,982 and a significance value of 0.000 not more than 0.05. This means that Ha is accepted for the financial literacy variable and it is said that the financial literacy variable has a significant influence on the investment sector.

The financial literacy coefficient obtained a value of 0.356 means that other independent variables have the same value or are not subject to changes and the financial literacy variable is to be increased by 1 point or 1% will increase, namely 0.356 or 35.6% in investment decisions.

The Effect of Financial Efficacy on Investment Decisions

Looking at the financial efficacy variable, the calculated t value of 5.406 is more than the table t value of 1,982. As well as the significance value of the financial efficacy variable with a value of 0.000 and no more 0.05. This means that Ha is accepted for financial efficacy variables and it is said that financial efficacy variables have a significant influence on investment decisions.

The financial efficacy coefficient is obtained a value of 0.443 meaning that if other independent variables have the same value or are not carried out changes and the financial efficacy variable is to be increased by 1 point or 1% has an impact of increasing 0.443 or 44.3% in investment decisions.

The Effect of Financial Literacy and Financial Efficacy on Investment Decisions

Based on the table above, the calculated F value is 70.119 greater than the table f is 3.93. The significance value can also be seen in the table, which is 0.000 and not through the predetermined probability value of 0.05, which means that the independent variable used in the study affects the dependent variable simultaneously. That is, simultaneously the variables of financial literacy and financial efficacy have a significant influence on the variables of investment decisions.

Based on the table above, it can be seen that the value of R Square (R^2) is 0.564. It can be said that the variables of financial literacy and financial efficacy have an influence on investment decisions with a percentage of 56.4%. Meanwhile, the remaining 43.6% is another variable that was not tested in this study.

IV. Conclusions, Suggestions, Future Research, & Limitation

Based on the results of research on students in Pekanbaru city regarding financial literacy and financial efficacy of investment decisions, the following conclusions can be drawn:

1. The results of this study show that financial literacy has a positive and significant effect on investment decisions, meaning that financial literacyis a factor that influences investment decisions, Any view of the financial literacy of a product with the tastes and needs of each consumer so that investment decisions occur.
2. The results of this study show that financial efficacy has a positive and significant effect on investment decisions, meaning that financial efficacy is a very important thing to pay attention to, because an understanding of investment is very necessary to support both systems or services in investing that will influence investment decisions.
3. The results of this study show that financial literacy and financial efficacy have a positive and significant effect on investment decisions in Pekanbaru city.

Suggestion, Future Research, & Limitation

The suggestions, future research, and limitation that the authors put forward in this study include:

1. Based on the results of research that financial efficacy has the lowest value in influencing investment decisions. So you should consider the suitability of financial efficacy that will arise when you want to invest so that investors feel safe and satisfied.
2. For subsequent researchers, it is recommended to be able to add other variables that can influence investment decisions and for subsequent researchers, it is better to increase the number of research samples and research objects to a larger number. This is necessary to improve the accuracy of the results obtained in the future can be more perfect from this study.
3. Future research can enlarge the sample and add new relevant variables. Future research can enlarge the sample and add new relevant variables.
4. The limitations of this research could be gone to probability sample techniques because the population size is a finite one.

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