

THE INFLUENCE OF FINANCIAL STATEMENT KNOWLEDGE, FINANCIAL LITERACY, AND TECHNOLOGICAL ADVANCEMENT ON GEN Z'S INVESTMENT INTEREST

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Abstract. This study aimed to examine the effect of financial statement knowledge, financial literacy, and technological advances on Generation Z Investment Interest. The population used in this study were all FEB UB undergraduate students in the class of 2020, 2021, and 2022. The sample determination was carried out using a purposive sampling technique, which means that the sample was taken based on certain criteria or considerations. In determining the number of research samples, researchers used the Slovin method so that a total sample size of 97 samples was obtained. This study used primary data, by presenting questionnaires to respondents who match the criteria of this study. The data in this study was processed using the Partial Least Square (PLS) method with Smart PLS 4 application software. The results of this study indicate that financial statement knowledge can increase Gen Z investment interest. In addition, financial literacy also increases Generation Z's investment interest. Likewise, technological advances increase Generation Z's interest in investing.

Keywords: Financial Statement Knowledge; Financial Literacy, Interest in Investing, Technological Advancement

I. INTRODUCTION

PT Kustodian Sentral Efek Indonesia (KSEI) noted that the number of investment interest has increased by 15.96% at the end of June 2022. According to a statement issued by the Financial Services Authority (OJK), the number of investment interest in the capital market increased significantly between 2020 and the end of 2022. The original 3 million investors increased to 9.45 million by August 2022. The high interest of these new investors mainly comes from Generation Z and millennials. This is demonstrated by approximately 60% of the total investors are under 30. Based on search trends for investment information in Indonesia during 2022, it is clear that searches using the keyword "investment" on Google are popular and above average.

Generation Z is the generation born between 1997 and 2012. Most of this generation are currently students. The results of a survey conducted by Deloitte on Generation Z found that as many as 46% of Generation Z often experience stress and anxiety due to concerns about financial conditions, both short and long-term finances (Santika, 2023). Generation Z, on the

other hand, tends to be close to digital technology. Digitization provides an opportunity for them to access various information instantly.

The interest of Generation Z in investing in the capital market is driven by technological advances that are easily accessible. Their characteristics in fulfilling their financial needs correspond to the dynamic investment pattern on the stock exchange. Generation Z has a low level of attachment to a steady job and prefers to rely on a monthly salary. On the other hand, they continue to emphasize lifestyles that involve significant spending. Therefore, it is unsurprising that this younger generation sees investing through exchanges, which are considered risky but can generate high returns, as an ideal and effective way to reach desired financial goals rather than relying on monthly salaries (Pradnyawati, 2022).

Generation Z, particularly students as agents of change, is a young generation that will play a significant role when Indonesia experiences a demographic bonus in 2030, with the productive age 65.11% greater than the non-productive age, which is predicted to last until 2045. Students have high courage, creativity, and a strong willingness to contribute to the direction of change actively. They are used to being expected to predict future possibilities (forecasting). One example is preparing for their financial future by choosing the proper method of saving money, which will provide numerous benefits (Qurrotu, 2022).

Investment interest arises from a person's intrinsic drive to profit, which encourages them to save some money for future investment. Investment is defined as the act of investing capital, either directly or indirectly, to gain profit at a certain time. One way to achieve future goals and needs is through investment activities. Interest in investing is influenced by various factors, including investment knowledge, income level, financial behavior, investment capital, and other factors, both from within and the external environment.

Knowledge of financial statements is one factor that drives interest in investing. The Indonesia Stock Exchange, through the IDX.co.id website, has provided financial statements of companies from various sectors as a source of financial information. Financial statements, also referred to as financial statements, are the culmination of a sequence of recording and summarizing business transactions. Essentially, financial statements are the product of accounting activities processes used to convey financial information or company activities to interested parties. In other words, financial statements act as an information instrument that connects the company with interested parties, providing an overview of the Company's financial condition and performance (Sari, 2018).

An investor must collect knowledge about the company that is the focus of their investment. Financial statements are the main key for investors in understanding and learning the financial flow of a company. Financial statements can provide an overview of the state or condition of a company using financial information and various existing financial ratios (Ihsan, 2022). Investors can conduct an in-depth analysis of the company's long-term performance using financial statements. Students' understanding of financial statements is critical while making stock investment decisions.

An investor must have good and wise analytical skills in making investment decisions. According to Farooq and Sajid (2015), this ability is the most challenging task that investors must complete before making an investment decision. According to Putra (2016), when making

investment decisions, investors can have a rational attitude (logical thinking) or be irrational (unreasonable). Students prefer to evaluate the company's prospects based on its financial statements and will consider buying shares if they find a company with good financial performance. A study noted that knowledge of financial statements positively impacts students' interest in stock investment (Dewi and Agustin, 2022).

The Indonesian Financial Services Authority (OJK) defines financial literacy as knowledge, skills, and beliefs that influence attitudes and behaviors to improve the quality of financial decision-making and management to achieve prosperity. Thus, the concept of financial literacy has various dimensions, not only covering knowledge but also involving skills, attitudes, and actual behavior (Morgan, 2020). According to the results of the 2019 OJK Survey, which included 12,773 respondents from 34 provinces and 67 cities/districts, the financial literacy index improved by 8.33% compared to 2016, while the financial inclusion index increased by 8.39% compared to the same year.

However, the level of financial literacy remains very low, at 38.03%, which means that approximately 38 out of 100 people have adequate knowledge, skills, and trust related to financial products and services. This lack of financial literacy indicates that Indonesians do not fully understand the various financial products and services offered by formal financial services institutions (OJK, 2019).

Technology is always developing, which makes it necessary to serve human demands more quickly. The high and varied needs encourage each individual to continue to change their mindset and activity patterns. This is no exception in personal financial management, where individuals are expected to constantly update their behavior, whether it is the tendency to spend excessively or saving and investing habits (Husnatarian and Ramadhan, 2021).

These days, there are plenty of online investing platforms, including IPOT, Ajaib, Bibit, Bareksa, and many more, so people don't have to worry about where to invest. It is important to note that these platforms are authorized online investment platforms that are supervised by the Financial Services Authority (OJK). Through these apps, potential investors can access a company's stock portfolio for 24 hours. In addition, technological advances also provide benefits to potential investors to obtain various information about investment through platforms such as videos on YouTube, Google, and other sources of information. This step is necessary so that potential investors can avoid irrational practices, such as fraud attempts to minimize the risk of loss.

This research is a modified replication of Dianty's research (2022) with a study entitled "The Influence of Technological Advancement and Financial Literacy on Public Interest in Investing Sharia Products Through Mutual Funds With Financial Behavior as a Moderating Variable". There are several differences from previous studies. First, in this study, one variable is added which is still very rarely researched, namely financial statement knowledge variable. Second, this research focuses on stock investment in the capital market as a whole, not only researching Sharia mutual fund products. The third is to make students of the faculty of economics and business at Brawijaya University as the object of this research. The reason for choosing students of the faculty of economics and business as the object of research is that the results of this study can be applied first within the the author's closest scope.

The researcher chose to focus on Generation Z since they are a digital generation that will become future investors and a driving force in the investment sector. This study aims to determine the influence of financial statement knowledge, financial literacy, and technological advancement on Gen Z investment interest, specifically among students of the Faculty of Economics and Business, Universitas Brawijaya. It is envisaged that later this research would be used to find out the possibility of increasing Generation Z's investment interest in Indonesia.

II. LITERATURE REVIEW

A. *Theory of Planned Behavior*

The Theory of Planned Behavior is a development of the Theory of Reasoned Action developed by Icek Ajzen. The Theory of Planned Behavior aims to predict individual behavior specifically. In psychology, the theory of planned behavior is a theoretical framework that explores the relationship between beliefs and behavior. This theory states that attitudes toward behavior, subjective norms, and perceptions of behavioral control all contribute to the development of an individual behavioral intention (Manuntung, 2018). The main factor in the Theory of Planned Behavior is an individual's intention to carry out a particular behavior, assuming that intentions reflect the motivational factors that influence behavior. As a result, the stronger the intention, the greater the resulting performance (Ajzen, 2005).

B. *Investment Interest*

Investment interest describes a strong interest in investing activities to make future profits. Furthermore, investment is recognized as one of the factors that drive regional economic growth, with a positive impact on the Indonesian economy, promoting justice, reducing poverty levels, and enhancing welfare (Sari et al., 2020). Based on these theories, it can be concluded that interest is a dimension of the affective aspect that can cause a person to have different intensity or preference tendencies between activities after paying attention, comparing, and considering needs with planned and deliberate efforts.

C. *Financial Statement Knowledge*

According to PSAK 2009, financial statements are defined as a structured representation of the financial position and financial performance of an entity, which shows management's accountability for the utilization of resources entrusted to them. Meanwhile, Suteja (2018) defines a financial statement as a document that reflects the financial position resulting from the accounting process over a specific period and serves as a means of communication for parties with interests. The Financial Accounting Standards (PSAK) issued by the Indonesian Institute of Accountants (IAI) in 2009 declare that the purpose of financial statements is to provide information about financial position, financial performance, and cash flow. The information is expected to be useful for various users of financial statements when making economic decisions. The financial statements also represent management's responsibility for managing the resources entrusted to them.

D. *Financial Literacy*

Financial literacy consists of several components used to measure a person's level of financial understanding. According to Remund (2010), financial literacy involves several important aspects that form the basis for understanding and managing personal finances effectively. One of the aspects is knowledge of financial concepts. It means Having a good

understanding of basic financial concepts such as interest, inflation, investment, debt and more. This involves understanding financial terms as well as the basic principles that govern how money moves and works. Another aspect is having the skills to make informed financial decisions based on available information. This involves the ability to analyze financial situations, assess risks, and choose options that best suit each individual's financial goals and risk tolerance.

E. Technology Advancement

Technological advances today significantly impact a country's economic growth and encourage the business sector to function more efficiently to achieve optimal results. The capital market and financial sector are important indicators of a country's economy, as thousands of companies sell their shares on the secondary market or stock exchange. Speed and accuracy are crucial factors in the trading process on the trading floor, allowing investors, brokers, traders, and other institutions to analyze and make decisions quickly (Andi, 2020). Modern technical developments significantly impact financial markets and investment, which helps the global economy grow. These days, many people handle and arrange their financial affairs online, including making purchases, saving money, taking out loans, and investing. Investment is also considered an important element in development, and it is required by the state to improve the welfare of the Indonesian people (Nila, 2019).

III. RESEARCH METHODOLOGY

A. Type of Research

The type of this research is quantitative. Based on the characteristics of the data supplied as numerical data, the researcher selected a type of quantitative research that allows the relationship between variables in the research to be disclosed. In addition, this research employs an explanatory design. Explanatory design is research that describes the position and relationship of variables (Sugiyono, 2012). This research design is utilized because this study aims to explain the significant effects produced by the research variables in this study.

B. Population and Sample

The population used in this study included all FEB UB undergraduate students in 2020, 2021, and 2022. The demographic of FEB UB students in 2020, 2021, and 2022 was chosen since students in these batches already have strong investing and financial insight abilities. The sample was determined using a purposive sampling technique, meaning that the sample was taken based on certain criteria or considerations. The criteria for respondents in the study include active Students of S1 FEB UB Class of 2020, 2021 and 2022, have taken an Investment Management course, and Generation Z are those who were born in 1997-2012. In determining the number of research samples, the researcher used the Slovin method. Slovin formula can be formulated as follows:

$$n = \frac{N}{1 + Ne^2}$$

Information:

n = Sample / Number of Respondents

N = Total Population

e = Margin of Error (10%)

In this study, the researcher took the value of e with a tolerance level of 0.1 or 10%. The population of study included 3,582 undergraduate students from the FEB UB classes of 2020, 2021, and 2022. Therefore, the following calculations were obtained:

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{3,582}{1 + (3,582)(0.05)^2}$$

$$n = \frac{3,582}{1 + 35.82}$$

$$n = \frac{3,582}{36.82}$$

$$n = 97$$

Based on the Slovin Formula, 97 respondents of undergraduate students of the Faculty of Economics and Business, Universitas Brawijaya were obtained

C. Type and Sources of Data

Primary data is used in this research, or information gathered straight from the research source, was used in this study. According to Wardiyanta (2017), primary data is information obtained from primary sources including information directly from interviewees. The approach was implemented by delivering a questionnaire including research-related questions to respondents who were the respondents of the study. This research data is derived from research respondent data, specifically, students of the Faculty of Economics and Business at Universitas Brawijaya who meet predetermined criteria.

D. Operational Definition and Variable Measurements

This study includes both dependent and independent variables. The interest of Generation Z students in capital market investment is the dependent variable in this study, whereas financial statement knowledge, financial literacy, and technology advancements serve as the independent variables.

Table 1 Operational Definition and Variable Measurements

Variable	Construct	Indicator	Code	Questionnaire Number
Exogenous Latent	Financial Statement Knowledge (FSK) (Poerwadaminta, 2005)	Understanding of the components of financial statements	FSK 1	1
			FSK 2	2

		Understanding of accounting principles	FSK 3	3
			FSK 4	4
		Understanding of the recognition of elements in financial statements	FSK 5	5
			FSK 6	6
	Financial Literacy (FL) (Remund, 2010)	Knowledge of financial concepts	FL 1	7
			FL 2	8
		Ability to communicate financial concepts	FL 3	9
			FL 4	10
		Intelligence in managing personal finance	FL 5	11
		Skills in making sound financial decisions	FL 6	12
	Confidence in effectively planning finances for future needs	FL 7	13	
	Technological Advancement (TA) (Nur Maflikhah, 2010)	Simplify the execution of work	TA 1	14
			TA 2	15
		Helpful	TA 3	16
Increase productivity		TA 4	17	
Improving effectiveness		TA 5	18	
		TA 6	19	
Improving job performance	TA 7	20		
Endogenous Latent	Investment Interest (II) (Rodiyah, 2019)	Interest	II 1	21
			II 2	22
	Interest in Investing	II 3	23	
		II 4	24	
		II 5	25	
	Desire	II 6	26	
	Confidence	II 7	27	

			118	28
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Source: Research Data (2023)

E. Data Analysis Technique

The Partial Least Squares (PLS) approach is used in this study, with Smart PLS 4 software performing the calculations. The PLS method was chosen because it can be used as a confirmation of theory and explain whether there is a relationship between variables (Jogiyanto and Abdillah, 2009).

IV. RESULT AND DISCUSSION

A. Descriptive Statistics

Descriptive statistics were the initial series of processing steps performed to illustrate or describe the data. The results of the descriptive statistics are shown in the following table:

Table 2 Descriptive Statistics

Variables	Min	Max	Mean	TCR	Std. Deviation
Financial Statement Knowledge	1.5	5.00	4.06	81%	0.73
Financial Literacy	1.71	5.00	3.97	79%	0.77
Technological Advancement	2.43	5.00	4.47	89%	0.63
Investment Interest	2.00	5.00	4.32	86%	0.70

Table 2 shows that the average answer given for Financial Statement Knowledge variable is 4.06 with a percentage of 81%, a minimum value of 1.5, and a maximum of 5. The highest mean is FSK item number 6, which is about the importance of understanding the recognition of elements in financial statements in making financial decisions. Meanwhile, Financial Literacy variable shows that the average answer given is 3.97 with a percentage of 79%, with a minimum value of 1.71, and a maximum of 5. The highest mean is FSK item number 7, which is about confidence in planning finances effectively for future needs.

Technological Advancement shows that the average answer given is 4.47 with a percentage of 89%. Furthermore, the minimum value is 2.43 and the maximum is 5. The highest mean is TA item number 5, namely about the belief that technology that is widely used today can increase effectiveness in carrying out work tasks. And Investment Interest variable have the average answer given is 4.32 with a percentage of 86%. The highest mean is item II number 8, namely regarding the belief that knowledge of financial statements, financial literacy, and technological advances can increase their success in the investment world.

B. Model Conceptualization

The model structure in this study includes four latent variables, which consist of three exogenous latent variables namely financial statement knowledge (ξ_1), financial literacy (ξ_2), and technological advancement (ξ_3), and one endogenous latent variable, namely investment interest (η). It is assumed that ξ_1 , ξ_2 , and ξ_3 depend on η . In this study, the hypothesis was

tested using the Partial Least Square (PLS) analysis method using Smart PLS 4.0 software. The following is an overview of the results of the proposed PLS modeling scheme:

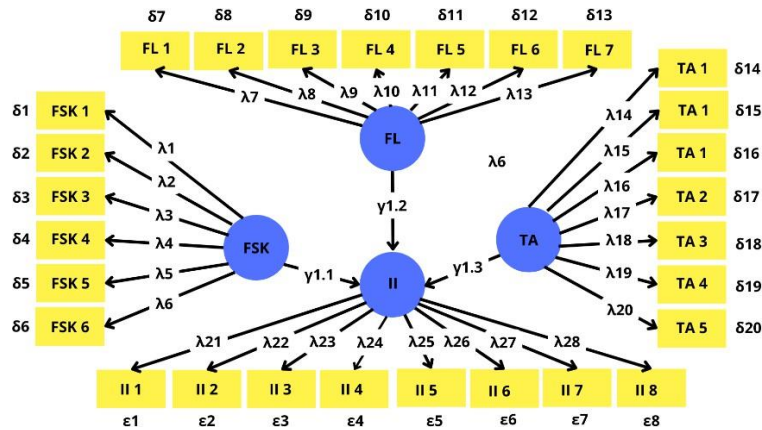


Figure 1 Model Conceptualization

C. Measurement Test (Outer Model)

1. Convergent Validity Test

Hair et al., (2020) suggest that convergent validity can be evaluated by examining the Loading Factor value and the Average Variance Extraction (AVE) value. The acceptable Loading Factor value is > 0.6 (Ghozali and Latan, 2015). Meanwhile, the Average Variance Extraction (AVE) value is considered to meet the test requirements if the value exceeds 0.5, indicating that the indicator can reflect more than 50% of the variability of the latent variable.

Table 3 Convergent Validity Test

Variables	Code	Loading Factor	Average Variance Extracted
Financial Statement Knowledge	FSK 1	0,711	0,509
	FSK 2	0,761	
	FSK 3	0,653	
	FSK 4	0,711	
	FSK 5	0,691	
	FSK 6	0,670	
Financial Literacy	FL1	0,745	0,586
	FL 2	0,757	
	FL 3	0,838	

Variables	Code	Loading Factor	Average Variance Extracted
	FL 4	0,850	
	FL 5	0,737	
	FL 6	0,767	
	FL 7	0,648	
Advancement Technology	TA1	0,742	0,634
	TA 2	0,757	
	TA 3	0,815	
	TA 4	0,814	
	TA 5	0,778	
	TA 6	0,826	
	TA 7	0,840	
Investment Interest	II 1	0,804	0,621
	II 2	0,784	
	II 5	0,642	
	II 6	0,667	
	II 7	0,769	
	II 8	0,827	

Source: Data processing results using Smart PLS 4.0, 2024

2. Discriminant Validity Test

Discriminant validity is evaluated through two approaches: the Cross Loading (CL) value and the Heterotrait-Monotrait ratio (HTMT) (Henseler et al., 2015). If an indicator's cross-loading value is greater for the construct it is meant to reflect than for other constructs, it is deemed to have discriminant validity (Henseler et al., 2015). In addition, the use of the Heterotrait-Monotrait ratio (HTMT) requires that the HTMT ratio of each indicator should not exceed a value of 0.90 to ensure discriminant validity (Henseler et al., 2015). The obtained cross-loading value is as follows:

Table 4 Cross-Loading Value

Code	FL	FSK	II	TA
FL 1	0.742	0.521	0.487	0.382
FL 2	0.756	0.504	0.461	0.286
FL 3	0.839	0.547	0.463	0.217
FL 4	0.849	0.614	0.495	0.255
FL 5	0.739	0.574	0.401	0.155
FL 6	0.772	0.538	0.417	0.277
FL 7	0.646	0.513	0.355	0.334
FSK 1	0.502	0.700	0.547	0.352
FSK 2	0.565	0.759	0.269	0.203
FSK 3	0.596	0.652	0.388	0.281
FSK 4	0.434	0.718	0.400	0.192
FSK 5	0.608	0.700	0.516	0.489
FSK 6	0.353	0.660	0.805	0.536
II 1	0.560	0.538	0.784	0.474
II 2	0.416	0.463	0.659	0.464
II 5	0.290	0.421	0.685	0.269
II 6	0.427	0.450	0.791	0.402
II 7	0.461	0.435	0.847	0.496
II 8	0.468	0.506	0.562	0.743
TA 1	0.216	0.408	0.354	0.752
TA 2	0.206	0.279	0.388	0.811
TA 3	0.221	0.284	0.466	0.819
TA 4	0.331	0.407	0.404	0.779
TA 5	0.293	0.365	0.458	0.826

Code	FL	FSK	II	TA
TA 6	0.307	0.335	0.548	0.841
TA 7	0.355	0.354	0.516	0.697

Source: Data processing results using Smart PLS 4.0, 2024

The table shows that each indicator has a higher cross-loading value than other indicators in different variables. This suggests that each indicator is more effective in explaining its variable than other variables (Henseler et al., 2015). Thus, it can be concluded that this study was successful in testing discriminant validity using the cross-loading method. Furthermore, the results of the discriminant validity test using the Heterotrait-Monotrait Method (HTMT) are presented as follows:

Table 5 Heterotrait-Monotrait Method (HTMT) Test

Variables	TA	FL	II	FSK
TA				
FL	0.381			
II	0.661	0.656		
FSK	0.543	0.843	0.790	

Source: Data processing results using Smart PLS 4.0, 2024

3. Reliability Test

The reliability assessment of variables that use reflective indicators can be done through two methods, namely by using the Composite Reliability (CR) and Cronbach's Alpha (CA) values (Hair et al., 2020). A variable is deemed to have an adequate level of reliability if its Composite reliability and Cronbach's Alpha values surpass 0.7, but a value of 0.60 is still acceptable (Ghozali and Latan, 2012).

Table 6 Reliability Test

Variables	Cronbach's alpha	Composite reliability
TA	0,904	0,913
FL	0,881	0,885
II	0,823	0,839
FSK	0,760	0,770

D. Model Structural Test (Inner Model)

1. Path Coefficient

Hypotheses were tested based on the values obtained based on the output of the path coefficient. The level of significance is assessed through the T-Statistic > 1.96 and the P-Value

< 0.05, generated through the bootstrapping process (Hair et al., 2020). The results of the path coefficient data processing are presented in the following table:

Table 7 Path Coefficient Analysis

Variables	Original sample (O)	T-statistics (O/STDEV)	P Values
FL->II	0.267	2.505	0.012
FSK->II	0.254	1.993	0.046
TA->II	0.375	4.207	0.000

2. R-Square

The R-squared value for each dependent latent variable is observed during model evaluation using the Partial Least Squares (PLS) method. Changes in the R-square value are used to evaluate the impact of certain independent latent variables on the dependent latent variable, assisting in determining whether these variables have a significant influence.

Table 8 R-Square Value

Variables	R-square	Adjusted R-square
II	0.530	0.515

3. Predictive Relevance

Predictive Relevance (Q^2) is used to validate the predictive ability of the model with the following formula: $Q^2 = 1 - (1 - R^2) = 1 - (1 - 0,530) = 1 - 0,470 = 0,530$. After analyzing the measurement model, the mathematical equation for the inner model is as follows:

$$\eta = \gamma_1\xi_1 + \gamma_2\xi_2 + \gamma_3\xi_3 + \zeta$$

Description:

η = Eta, endogenous latent variable

ξ = Ksi, exogenous latent variable

γ = The coefficient of direct influence between exogenous latent variables and endogenous latent variables

ζ = Residual vector

Then converted into the following mathematical equation:

$$\text{Investment Interest} = 0.254 \text{ FSK} + 0.267 \text{ FL} + 0.375 \text{ TA} + \zeta$$

Based on the resulting regression equation, the interpretation is as follows:

1. The coefficient of influence of Financial Statement Knowledge (FSK) of 0.254 indicates that if FSK increases by 1 unit, it will increase the value of η by 0.254 with the assumption that other variables are constant.

2. The coefficient of influence of Financial Literacy (FL) of 0.267 indicates that if FL increases by 1 unit, the value of η will increase by 0.267 with the assumption that other variables are constant.
3. The coefficient of influence of Technological Advancement (TA) of 0.375 indicates that if FL increases by 1 unit, it will increase the value of η by 0.375 with the assumption that other variables are constant.

Thus, it can be stated that Investment Interest in Generation Z is influenced by Financial Statement Knowledge, Financial Literacy, and Technological Advancement.

E. Hypothesis Test

Decision-making on hypothesis acceptance in this study was carried out with the provision of a t-table value of 1.96 for a significance of 0.05 (Hair et al., 2020). Furthermore, the t-table value will be used as a cut-off value for acceptance or rejection of the proposed hypothesis:

1. The hypothesis is rejected if the T-statistic < 0.05 .
2. The hypothesis is accepted if the T-statistic > 1.96 or p-values < 0.05 .

Table 9 Hypothesis Test

Hypothesis	T-statistic	P-values	Conclusion
(H1) Financial Statement Knowledge -> Investment Interest	1,993	0,046	There is a SIGNIFICANT POSITIVE influence (hypothesis ACCEPTED)
(H2) Financial Literacy -> Investment Interest	2,505	0,012	There is a SIGNIFICANT POSITIVE influence (hypothesis ACCEPTED)
(H3) Technological Advancement -> Investment Interest	4,207	0,000	There is a SIGNIFICANT POSITIVE influence (hypothesis ACCEPTED)

The following conclusion can be drawn about the relationship between the variables that affect the hypothesis based on Table 7:

1. The relationship between the financial statement knowledge variable and investment interest has a path coefficient value of 0.254, a T-statistic value of 1.993 (more than the T-table 1.96), and a p-value of 0.046 (less than 0.05). These results lead one to the conclusion that understanding financial statements regarding investment interest has a positive and significant impact. Thus, it is possible to accept hypothesis 1 (H1).
2. The relationship between financial literacy variables and investment interest has a path coefficient value of 0.267, a T-statistic value of 2.505 (more than T-table 1.96), and a p-value of 0.012 (less than 0.05). Thus, it can be concluded that financial literacy on investment interest has a positive and significant impact. This means that hypothesis 2 (H2) can be accepted.
3. The relationship between technological advancement variables and investment interest has a path coefficient value of 0.375, a T-statistic value of 4.207 (more than T-table 1.96), and a p-value of 0.000 (less than 0.05). As a result, it is feasible to conclude that technological advancement has a positive and significant impact on investment interest. This indicates that hypothesis 3 (H3) can be accepted.

F. Discussion of the Research Results

1. The Effect of Financial Statement Knowledge on Gen Z Investment Interest

This result is consistent with the theory of Dharmawati (2016), which states that knowledge that is widely developed by a person will increase as their knowledge expands. This result is also consistent with the Theory of Planned Behavior, especially in the dimension of attitude towards behavior, where knowledge of financial statements increases positive attitudes toward investment by reducing uncertainty, increasing confidence, and changing perceptions about the benefits and risks of investment. This increase in positive attitudes in turn affects the investment interests and decisions of students at the Faculty of Economics and Business, Universitas Brawijaya.

2. The Effect of Financial Literacy on Gen Z Investment Interest

The results of this study are consistent with the Theory of Planned Behavior. In this theory, it is explained that behavior is a reflection of the presence of information and dominant beliefs. Financial literacy is interrelated in shaping Gen Z's investment interest. Social pressure and influence from the surrounding environment can improve individual financial literacy, which in turn strengthens subjective norms that having good financial knowledge is important.

3. The Effect of Technological Advancement on Gen Z Investment Interest

The findings are consistent with the Theory of Planned Behaviour, especially in the third factor, perceived behavioral control. Perceived behavioral control and technological advancement are interrelated in shaping Gen Z's investment interest. Technological advancement increases perceived behavioral control by making the investment process more accessible, increasing knowledge and skills, improving decision-making, and reducing perceived risk. This increase in perceived behavioral control in turn affects the investment interests and decisions of students at the Faculty of Economics and Business, Universitas Brawijaya.

V. CONCLUSION

This study aims to determine the effect of financial statement knowledge, financial literacy, and technological advances on the interest of Generation Z students at the Faculty of Economics and Business, Universitas Brawijaya in the classes of 2020, 2021, and 2022. This study included 97 samples that met the research sample criteria. The respondents' background as students of the Faculty of Economics and Business, where they take courses such as Investment Management, Introduction to Accounting, and Financial Accounting, which cover the fundamentals of financial statements and financial statement analysis, lends credence to their understanding of financial statements. Besides, students can also get involved in research projects related to financial topics. Through these experiences, students have the opportunity to increase their knowledge about finance.

It can be concluded that financial statement knowledge, financial literacy, dan technological advancement have positive effect on investment interest of Generation Z. The ease of access to online investment applications such as Bibit, Ipot, Stockbit, and Ajaib has increased the



number of investors, particularly among Generation Z. Gen Z may access various investment instruments, including stocks, mutual funds, and bonds all through one integrated application. Real-time market analysis, price alerts, and decision aids are all features that help students make better, more informed financial decisions. They can use the app to effortlessly check their investment success in real-time, track portfolio advancement, and make modifications based on their needs.

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