



ADVANCED INTERNATIONAL JOURNAL OF
BUSINESS, ENTREPRENEURSHIP AND SMES
(AIJBES)
www.aijbbs.com



BEHAVIORAL FACTORS IN DETERMINING INTENTION TOWARDS INDEBTEDNESS AMONG GOVERNMENT SERVANTS

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Article Info:

Article history:

Received date: 31.10.2023

Revised date: 15.11.2023

Accepted date: 24.12.2023

Published date: 31.12.2023

To cite this document:

Asmaa, A., Norfaiezah, N., & Al Jaffri, R. (2023). Behavioral Factors In Determining Intention Towards Indebtedness Among Government Servants. *Advanced International Journal of Business, Entrepreneurship and SMEs*, 5 (18), 353-368.

DOI: 10.35631/AIJBS.518028.

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Abstract:

Malaysian households' indebtedness has nearly RM1.38 trillion worth which is a symptom as opposed to a cause. Undoubtedly, Malaysia's household debt-to-GDP ratio of 89% is among the highest. Indeed, worsen debt trend among the government servants are significantly pop up this issue of borrowing. The purpose of this research is to look into the influence of behavioral factors on intention towards indebtedness by using Theory of Planned Behavior. Using the partial least square (SmartPLS) technique, a survey of 377 government employees in Northern Malaysia was conducted using the exploratory method. Respondents completed a self-administered questionnaire regarding behavioural factors. The findings validated two out of the three proposed hypotheses. Among those variables, intention towards indebtedness had an extremely significant relationship with both attitude towards indebtedness and subjective norm. The results may assist the government agencies in formulating saving strategy that will lessen Malaysian government servants' risk of financial ruin. Previous studies on indebtedness have been conducted using survey approach among individuals by using self-constructed model. Meanwhile, this study focuses on the government servant by applying the theory of Planned Behaviour.

Keywords:

Indebtedness; Behavioral Factors; Malaysia; Government Servants; Saving

Introduction

In the twenty-first century, both developed and developing countries were grappling with sky-high household debt growth (Samad et al., 2020; World Bank, 2014), bringing about high indebtedness. Since World War II, this incessant problem has continued with the financial crisis that hit the U.S. in 2008, which showed that U.S. households had been taking on massive debt during that Great Recession (Garriga et al., 2017). Two decades before the crisis, household did not extensively use credit, and the debt-to-income ratio was low before it began growing significantly by 50% between 1990 and 2008, from 31% to 81% (Naisbitt, 2018; Garriga et al., 2017). Anyhow, the crisis had made sluggish on the rising level of household debt and credit, or as has often been specified as household deleveraging, for an extended period as a result of the Great Recession and economic recovery that followed before rebounding (Garriga et al., 2017). Because of this, the household debt-to-GDP ratio at the median level in the larger economies went from 52% in 2008 to 63% in 2016 (International Monetary Fund, 2017). This is a threat to economic and financial stability (Zoli et al., 2018). During the last 30 years, China has a significant boost in consumer credit that has led to the elevation of consumers' high indebtedness; where Bank of China's People 2015 had data on consumer loans made up of mortgages, auto loans, credit card instalments, and other general consumer loans. Those loans reached about CNY 19 trillion, and the debt-to-income ratio of China for 2013 was 79.00% it rose to 93.79% in 2015 (Yin, 2018). Chinese household debt has skyrocketed as a result of rapid urbanisation and a growth in mortgage lending. The household debt quadrupled from its level in March 2006 to 46.8% of the GDP in June 2017 (Funke et al. 2018).

Malaysian households' indebtedness has nearly RM1.38 trillion worth which is a symptom as opposed to a cause (The Times, 2022). Undoubtedly, Malaysia's household debt-to-GDP ratio of 89% is among the highest, compared with 69.7% in Singapore and 89.3% in Thailand (Azman et al., 2017). Leading this way, trend of social relations turns households to mimic the behaviour within classes of income (Herispon et al., 2019). In fact, unrestrained expenditure has been observed as a consequence of consumerism, which entices individuals to engage in greater spending (Sabri et al, 2022), whereby the utilisation of credit cards as a means of monthly income results in a rapid completion of financial transactions (Credit Counseling and Debt Management Agency, 2018). Lack of financial literacy in making sensible financial decision together with rising cost of living dominantly pop up these issues. This issue is compounded by the reality that a majority of households in Malaysia possess a limited savings cushion (Daud, 2016).

In particular, Malaysian government servants have been appeared as outstanding group involved in indebtedness cases. Ongoing debt among the government servants are significantly exceeding the national average (Bank Negara Malaysia, 2018). In fact, 52% from the salary was conveyed for debt reason (Loanstreet, 2022). In-depth attention (Abd. Rahim & Ismail, 2023; Rahman et al. 2020; Sabri et al, 2019) of government servants' borrowings showed that the borrowings made are used to buy things, like personal loans, credit cards and others. Most of their monthly income goes toward paying back debts, leaving them with only a small amount for emergencies. Seriously, this taboo vitals for Malaysian government which had announced targeted assistance and prudent lending standard never change the fact that these government servants remain vulnerable. After that, the Insolvency Department said that an increasing number of government workers, not including retirees, were found to be bankrupt (MDI, 2023). Moreover, northern states such as Pulau Pinang and Kedah are among states with the five and six highest records of bankruptcy respectively (MDI, 2023; Rahim, 2017).

This study aims to give a full picture of all the reasons why of intention towards indebtedness by employing Theory of Planned Behaviour (TPB), which may address the indebtedness issues in the long run and help ease worries about the rising debt of government servants in Malaysia. In case of the necessity to understand the behavioural factors, few empirical research studies (Herispon et al., 2022; Onofrei et al., 2022; Boonroungrut & Huang 2020) have highlighted how behavioural factors from TPB related to household indebtedness. However, none of these studies focus on the government servants. This study is essential as it tries to fill the gap in the existing literature on the topic.

As behavioral factors affect the intention towards indebtedness, depth understanding on the behavioural factors could help to enhance the current situation by examining these causes for intention towards indebtedness. According to Opesade & Alade (2021), the TPB has been proven to predict a wide variety of behaviors and is one of the most influential theories for doing so. Briefly, the model predicts that the stronger the intention to engage in behaviour, the more likely the behaviour will be performed (Canova & Manganelli, 2020). In turn, this study may prompt measures to aid defaulters and stop further debt accumulation. Indeed, debts should ideally help the government servants better economic situation by helping them acquire assets, pay off necessary obligations, and stabilize their finances for the long-term. Debt supply, however, appears to frequently lead to increased debt levels. Numerous public workers have spoken about struggling to make ends meet and being ashamed by their mounting debt (Azma et al. 2019). As a result, the government is worried about the effects of credit card debt due to the rising levels of indebtedness among government servants as these workers play a crucial role in deciding an organisation's success and failure (Abd Rahim & Ismail 2023; Mihat et al. 2020).

In light of this situation, it is crucial to grasp the determinants which include the behavioural factors of intention towards indebtedness. This study adapted three of the literature's most prominent influencing variables for intention towards indebtedness: attitude towards indebtedness, subjective norm and perceived behavioural control. Evidence indicates that the major reasons of rising indebtedness among the government servants are low financial literacy and poor financial habits including failing to create a budget and amassing large amounts of debt can elevate the stress feeling (Sabri et al., 2019; Malaysia Financial Planning Council, 2016). When broken down, roughly half of all government employees' borrowing goes toward consumption items like personal loans and car purchases. In order to cover their essential costs, they may have to take out a loan. Another group of government servants with high income tend to spend more money than they bring in because they are comfortable covering their basic needs. This demographic is heavily in debt due to its members' propensity for lavish spending. Meanwhile, there is a high likelihood of government servants indebted to go elsewhere for financial aid when conventional lenders were out of the question (Lee et al., 2021; Chotewattanakil et al., 2019). Having loved ones to turn to for financial support is incomparable (Loke, 2016) but triggered the indebtedness. The preceding reasoning serves as the impetus for this investigation the influence of behavioural factors (Herispon et al., 2022; Oliveira 2020; Rahman et al., 2020; Flores & Bidarte, 2019). Thus, the main objective of the study is to investigate the impact of behavioural factors that influence the intention towards indebtedness among government servants in northern Malaysia due to escalation in bankruptcy statistics be it the states and the government servants (MDI, 2023).

Here is how the rest of the paper is put together. In Section 2, the theoretical basis of the study and a review of the literature are talked about. In Section 3, the method is explained, and in

Section 4, the findings and discussion are given. Section 5 presents the conclusion, implications, and limitations.

Literature Review

Theory of Reasoned Action and Theory of Planned Behaviour

Depending on the Theory of Reasoned Action (TRA) model, people's behaviours can be deduced from their intents to engage in such behaviours, which in turn are based on the individuals' attitudes and their own subjective norms. The TRA which came out with attitude toward behaviour and subjective norms found to be an excellent theory for predicting a wide range of human behaviour, then upgraded to justify action in situations where control of humankind is essential (Ajzen, et al., 1991). It's called the Theory of Planned Behavior (TPB). How people act could be studied using a number of different theoretical frameworks, with each one shedding light on how specific variables affect people's propensity to engage in specific actions (such as taking on debt). This study's overarching goal was to demonstrate the Theory of Planned Behavior to investigate the intention of Malaysian government servants towards indebtedness and classified the factors that predict the strength of these predictors (TPB).

Ajzen (1991) developed the TPB by elaborating on TRA. As a result, individual motives are founded on the subjective norms and attitude of the individuals concerned. There have been many studies that have used the TPB to predict human behaviour, including those by Amin et al. (2013), Meskaran et al. (2013), Ringim (2014), and Zauro (2017). Ajzen's (1991) theory of planned behaviour (TPB) introduces the concept of perceived behavioural control, which describes how easy or severe it is for individuals to engage in an activity that is their want (Ajzen et al., 1991; Tlou, 2009). Numerous studies, including those by Zauro (2017), Amin et al. (2011), Amin et al. (2014), Ringim (2014), and others inspired current study of intention towards indebtedness for Malaysian government servants. According to Ajzen's (1991) suggestion and supported by Vallerand et al. (1992) that TPB is to be publicly utilised to incorporate any characteristic that can characterise human behaviour. Human behaviour is thought to be complex, subtle, and difficult to explain (Caza et al., 2010). This reflected the aspiration of many academics, particularly in the social and behavioural sciences, to increase their focus on deciphering and explaining human behaviour (Knabe 2012). The results of past successful research highlighted TPB's contributions to the field of monetary management and other related fields (Boonrourgrut & Huang, 2020). For example, the study conducted by Chudry, Foxall, and Pallister (2011) found that TPB can significantly predict debt-consumption intention among debtors and that the increased variances can be explained by their extended variables, including past behaviors, the involvement of money and individual decision-making styles. Importantly, studies have indicated that intention predicted by its three constructs could lead to the target financial behavior. These include a study on debt management plan (Xiao & Wu, 2008) and a study on risky credit behaviors and credit debts (Xiao, Tang, Serido, & Shim, 2011), among others.

The TPB uses a multivariate model to examine the intention of human behaviour, and another one independent variable included is people's perception of their own ability to influence their own behaviour or perceived behavioural control. As long as a behaviour is intentional, the TPB has gained popularity and acceptance as a technique for anticipating its occurrence. According to TPB, one's behaviour is affected by their mental outlook (attitude), their belief in their own ability to regulate their actions (perceived behavioural control), and their commitment to meeting societal expectations (subjective norm). These behavioural determinants, attitude

towards indebtedness, subjective norms, and perceived behaviour control whether someone would really engage in the behaviour. This theory investigates the motivations behind people's behaviour (Maizaitulaidawati and Asmak, 2013). They act in this way because they decide to execute the deed. Attitude, subjective norms or perceived social pressure to engage in the behavior in issue and perceived behavioral control all play a role in shaping future behavior (Amin et al., 2014). Intention is thought to have an instantaneous effect on behavior. It is crucial to look at perceived behavioural control in addition to intention because many behaviours have execution issues that may limit voluntary control. That's the improvement the TPB made feasible, and it limits what the TRA can do as (Maizaitulaidawati & Asmak, 2013).

Behavioural Determinants

Behavioural determinants from the TPB (e.g., attitude towards indebtedness, subjective norm, and perceived behavioural control) may influenced the intention towards indebtedness among government servants (Raut 2020; Norman et al., 2019). The first crucial determinant is the attitude towards indebtedness, which regarded the person's opinion of how good or bad the behavior was (Denan et al. 2015). Attitude has a positive impact on intention to undertake the behaviour. It's a major factor in determining whether or not someone might have favorable intention for being indebted. As Bano et al. (2020) reported, personal qualities and mental qualities of an individual have a considerable influence on the way that individual acts. For example, as in personal financing indebtedness, authors (Soro et al., 2021; Almenberg et al., 2020) have brought attention to the significance of one's own general outlook and personal finance indebtedness, with the conclusion that there is a relationship between the attitude and the intention through this behaviour. Unfavorable attitude towards indebtedness could affect the intention towards indebtedness such as used debt imprudently and in excess, the result can be disaster (Jestl, 2022). Individual might trap in over indebtedness and lead to bankruptcy and financial rain (Hidajat, 2021; Fraise, 2019; Meyll & Pauls, 2019; Azma et al., 2018). Following this view, (Raut 2020; Norman et al., 2019) identified that intention towards indebted may reflect their behavioural attitude.

The second determinant is subjective norm, which is indicated the influence of one's peers to act in a certain way. The determinant has been the subject of substantial research within individual behaviour, particularly in understanding the influence of social factors on individual intention. In the area of indebtedness, research has shown that subjective norm plays a crucial role in shaping individuals' intention to take on debt. In a study of Khan et al. (2022), subjective norm was discovered to have a very beneficial effect on individuals' intention to incur Islamic credit card debt. Another area of research that has examined the role of subjective norm in shaping intention towards indebtedness is within the context of friends and relatives. For instance, a study by Bano et al. (2020) found that individuals' perception of their friends and family approval of credit card use positively influenced their intention to use credit cards. Moreover, the study found that this effect was stronger for individuals who were high in susceptibility to friends and families. This suggest that the impact of subjective norm on intention towards indebtedness may vary based on individual factors.

Another determinant is perceived behavioural control, referred as an individual's perception of their ability perform a particular behaviour (Anuar et al., 2019). Specifically, perceived behavioural control has been found to influence individuals' intention towards indebtedness, as individuals who perceive themselves as having greater control over their borrowing behaviour are more likely to have a higher intention to borrow. Perceived behavioural control is also seen as an vital factor in predicting consumers' use of credit services, such as buy now,

pay later (BNPL) services. In a study conducted by Anastasia & Santoso (2020), it was discovered that there was a correlation between higher levels of perceived behavioural control and the intention to borrow, especially for individual who had advanced understanding of money matters. However, a study by Achtziger (2022) suggested that individual with lower levels of perceived behavioural control had a greater chance of experiencing good attitudes towards credit use and had a greater intention to borrow. These findings highlight the importance of perceived behavioural control in understanding the factors that influence individuals' intention towards indebtedness. Despite the importance of perceived behavioural control in understanding individuals' intention towards indebtedness, there are still gaps in the literature that need to be addressed. For instance, most studies have focused on the role of perceived behavioural control in the context of consumer credit, with less attention given to other forms of indebtedness, such as mortgages.

Methodology

The study employs an exploratory approach by means of the SmartPLS technique for conducting hypothesis testing. The TPB framework is adapted to examine the factors that affect debt burdens. In addition, as stated in Table 1, three hypotheses are taken into account to test the behavioural variables. The TPB framework, to which these three theories allude, lays bare the interdependencies between the various elements. Hypothesis testing is used to examine the three associations that include behavioural variables.

This research employs three independent variables (e.g., attitude towards indebtedness, subjective norm, and perceived behavioral control) and one dependent variable (intention towards indebtedness). 14 items of attitude towards indebtedness, 12 items of subjective norm and 7 items of perceived behavioral control were all adapted from Mainal et al. (2015).

Table 1. Hypotheses And Research Relations with References.

	Hypotheses/Relations	References
H1	Attitude towards indebtedness is positively related to the intention towards indebtedness	Mainal et al. (2015)
H2	Subjective norm is positively related to the intention towards indebtedness	
H3	Perceived behavioral control is positively related to the intention towards indebtedness	

The theoretical framework offers the idea that the first hypothesis built a connection between attitude towards indebtedness and intention towards indebtedness. Based on Mainal et al. 2015 determined whether or not attitude towards indebtedness positively influences intention towards indebtedness. In terms of the structure of subjective norm, one hypothesis can be set forth, related to intention towards indebtedness. Again, Mainal et al. (2015) indicated that subjective norm is positively related to the intention towards indebtedness.

Then, the theory's last hypothesis makes an effort to pin down the cause of perceived behavioral control on intention towards indebtedness related to Mainal et al. (2015). Figure 1 presents a proposed theoretical framework based on the aforementioned principles.

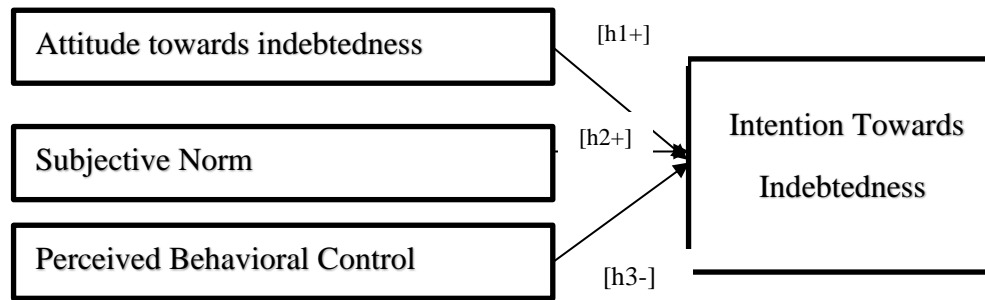


Figure 1. Theoretical Framework

This study's survey was carried out in the Northern Malaysia in Pulau Pinang, Kedah and Perlis. The sampling frame consists of government servants who work within Northern Malaysia enclaves representing the household population. Northern states had been declared as among the highest in bankruptcy cases. This population ideal for studying the way of life in these enclaves and their behavior towards indebtedness. Veritably as they have stable monthly incomes with the required financial knowledge made them chosen. The Prime Minister of Malaysia (2019) estimates that there are currently 1.7 million government servants worldwide. Similar to this, if the population is greater than 1,000,000, Krejcie and Morgan (1970) advised selecting 384 as the largest sample. The potential respondents were selected through the combination of stratified and simple random sampling. A structured questionnaire, comprised of four sections, was used. The five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree) was used for the all variables (attitude towards indebtedness, subjective norm, perceived behavioral control and intention towards indebtedness based on Mainal et al. (2015).

The researcher used questionnaires to administer the data collection to the intended respondents. The study used the hand distribution approach to gather data due to the study's timeless response and high returns rate. Internally eight government department names were chosen randomly, comprising of Health Department, Immigration Department, National Registration Department, Accountant's General Department, Department of Labour, Royal Malaysian Customs Department, Department of Statistic, and Islamic Religious Department from each state of Pulau Pinang, Kedah, and Perlis. The questionnaires were administered given to the eight government departments using a stratified sampling technique. The specific number of samples, 404 was obtained at by estimating the percentage of each government agency using census statistics provided by the Public Service Department Malaysia (2019). A total of 404 questionnaires were handed out, of which 399 were sent back. The collection process took huge effort to gather all the responses as complicated process involved when it comes to dealing with humankind specifically through government workplace that have many errands. The final 377 valid responses presented an actual response rate of 93%. The measurement model was evaluated, and hypotheses were tested, using Smart Partial Least Square (PLS) software. PLS is a useful method for testing hypotheses about a model's ability to estimate a covariance for a given data set. According to Hair et al. (2013), PLS functions similarly to a multiple regression analysis and is useful for exploratory research.

Result

Measurement Model Assessment

From a methodological standpoint, we have taken into account all dimensions when testing the measurement model before the structural model. After determining the various measures, a confirmatory factor analysis (CFA) was performed. This research employed both a measurement and structural model. Therefore, the outcomes of the study's convergent validity are presented in Table 2. Validation of the constructs and CFA were conducted. Using a PLS statistical instrument, the relationships between the constructs were assessed. The findings revealed that factor loading ranged from 0.626 to 0.859, the value of average variance extracted (AVE) from 0.514 to 0.610 and composite reliability (CR) value between 0.790 and 0.868, which indicates convergent validity of this study. Several modifications were made to the estimation of the measurement model due to an adjustment issue.

Table 2. Convergent Validity.

Code	Characteristics	Factor loadings	AVE	CR
AT4	Attitude towards indebtedness	0.793	0.525	0.790
	It is important to live within one's means	0.736		
AT6	I have a regular little saving	0.692		
AT7	even my income is low	0.727		
	Debt should be paid as soon as possible	0.780		
AT8	I keep track on my household indebted	0.793		
AT9	I gather information to make comparisons before applying for a loan			
AT10	Knowledge about indebtedness is important for me to make the right choice			
SN6	Subjective Norms		0.514	0.868
	My friends believe that paying debt in full amount	0.674		
SN13	monthly is important	0.755		
	My social network groups (Facebook, Twitter, etc.)			
SN14	think that today's lifestyle causes people to incur debt	0.798		
	My social network groups (Facebook, Twitter, etc.)			
SN15	consider that it is important to spend within the budget	0.626		
	My social network groups (Facebook, Twitter, etc.) think that taking up loans			

	(e.g., housing, car, personal, education and credit cards) is a necessary			
PBC1	Perceived Behavioural Control	0.681	0.610	0.861
PBC2	It is possible for me to stay out from indebtedness	0.817		
PBC3	If I wanted to, I could stay out of indebtedness	0.859		
PBC4	I have control over staying out of indebtedness	0.756		
	It is up to me to whether stay or not out of indebtedness			
IT2	Intention towards Indebtedness	0.798	0.557	0.790
IT4	I will get information on how much I owe	0.707		
IT7	I hope that I can control my household expenses			
	I like to save money first before spending it	0.732		

Table 3 portrays the discriminant validity results for all four variables in this study. This paper's discriminant validity is attained (see Table 3) because the square root of each latent construct demonstrates the highest correlation. For example, Hair et al. (2013) suggested that the square root of AVE for each latent variable should be greater than the correlation between any latent variables. The measurement model with regression weights is depicted in Figure 2.

Table 3. Discriminant Validity (hetero-trait mono-trait (HTMT) ratio).

	Intention	Attitude	Subjective
IT	0.876		
PBC	0.552	0.468	
SN	0.493	0.502	0.409

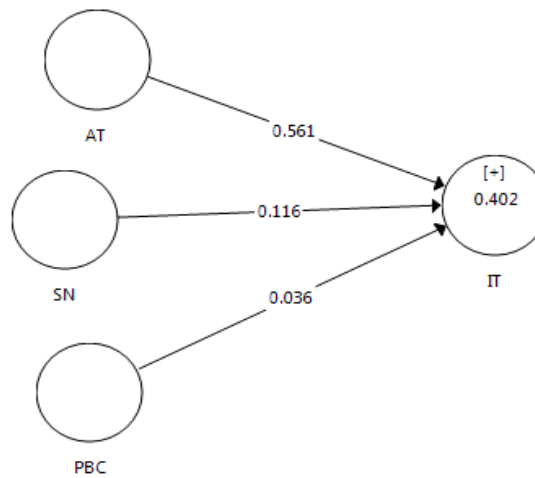


Figure 2. Measurement Model.

Structural Model Assessment

Table 4 displays the results of the structural model study. The outcomes are analysed in the structural model by beta coefficient (β), and t-statistic for latent constructs. Two hypotheses are accepted at significant levels of 0.01 and 0.05, respectively, while one is rejected. According to Hair et al. (2013), t-statistics with a value of 1.64 or greater are considered significant. The value of the beta coefficient measures the magnitude of the relationship between the independent and dependent variables. The beta coefficient ranges from 0 to 1, indicating significant positive or negative relationships. The findings indicate that the relationship between attitude towards indebtedness and intention towards indebtedness ($\beta=0.561$) is significantly stronger than the relationship between subjective norm and intention towards indebtedness ($\beta=0.116$). Consequently, H1 and H2 are accepted while H3 is not. The structural model with the hypothesis test is depicted in Figure 3. The results also indicate that the value of the coefficient of determination (R^2) represents the proportion of variance. The dependent variables, which range from zero to one, can thus be explained by the independent variables. Cohen (1988) believed that the closer the value is to one, the greater the explanatory power of the independent variable over the dependent variables. Thus, 40.2% of the total variance in intention towards debt is explained by attitude towards debt and subjective norm.

Table 4. Hypothesis Testing.

Hypothesis	Hypothesized Relationship	Beta Coefficient (β)	Standard Error	t-Statistics
H1	Attitude towards Indebtedness \rightarrow Intention towards Indebtedness	0.561	0.041	13.578**
H2	Subjective norm \rightarrow Intention towards Indebtedness	0.116	0.050	2.300*
H3	Perceived Behavioral Control \rightarrow Intention towards Indebtedness	0.036	0.043	0.828

Note: ** $p < 0.01$, * $p < 0.05$

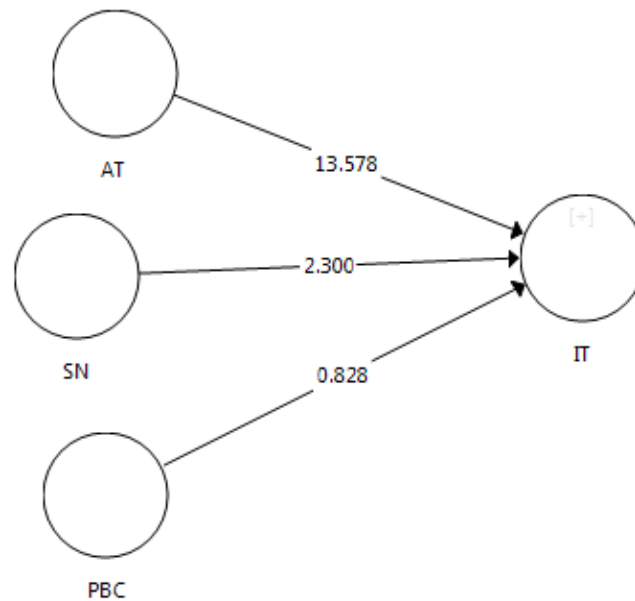


Figure 3. Structural Model.

Note: t -value ≥ 1.64 significant at $p < 0.05$, t -value ≥ 2.32 significant at $p < 0.01$

Depending on the results of hypothesis testing, attitude towards indebtedness and subjective norm have a significant relationship with intention towards indebtedness. These results are consistent with the investigation of Bano et al. (2020) in studying the intention of indebtedness among professional individuals. The results showed that perceived behavioural control is not statistically significant with the intention towards indebtedness in the context of intention towards indebtedness in Malaysia. This outcome is also aligned with Bano et al. (2020) as their finding also not supported. Taking into consideration the sign of the coefficient of the perceived behavioral control, there is no evidence to support the hypotheses surrounding this matter. Intriguingly, this study discovered that perceived behavioural control was neither practically nor statistically related to intention towards indebtedness. Regarding Malaysia, this study indicates that government servants will copy their family and peers in term of intention towards indebtedness because they will make the circle as references in managing their debt. They probably take them into account as their leader and inspiration. In contrast, government servants may not be influenced by the circle because they are self-confident and aware of their own financial situation.

Managerial Implication

This study suggests that government through the financial agency to popularize again the saving habit among the people. As subjective norm is a significant factor of the explanation the intention towards indebtedness, the financial agency together with the financial institutions should plug in the information from time to time spread it far and wide via television and newspapers. Be it youth or senior citizen, financial institutions should come back with the piggy bank to the customers as it was directly related to indebtedness. For example, Agro Bank also known as Bank Pertanian offered coconut piggy bank to the customers in the 90th era. This effort can be reconsidered as to promote the saving habit among people together with the benefit of saving.

Furthermore, financial institutions should work together closely with the government salary's department to put the figure into the pay slip, to lessen the likelihood of moral hazards following the acquisition of a personal loan. A normal pay slip only included the salary and some items without taking all the obtained loan into it. When the inclusion is made, the pay slip will be more accurate and mirror the financial position. While many employees take on debt to raise their standard of living and increase their purchasing power, a small percentage of them may eventually become over-indebted. So, in order to improve people's financial situation, the government should pay attention to and think about this factor. This research has several limitations. The scope of this study, for instance, is limited to the Northern states. Government servants from other states may differ regarding past actions and present personality. These variables may influence an individual's intention towards indebtedness. Consequently, it is necessary to generalise this aspect to all government servants in Malaysia. Future research may include comparative analyses of private and public sector employees in different Malaysian states. Based on the experiences of both financial advisors and bankrupted individuals, this strategy could aid in uncovering the underlying causes and the truth behind why people are in debt.

Conclusion

Intention towards indebtedness is one of Malaysia's most pressing problems. Despite the fact that many government servants wished for a taboo situation, this is a major issue for policymakers, researchers, and the public at large. As a result, there is a pressing need to take seriously an infinite number of programmes aimed at reducing financial devastation. The current research makes an empirical effort to fill a void in our understanding of the behavioural characteristics that predict the intention towards indebtedness. The results indicate that behavioural variables are among the causes of indebtedness. Fixing one's attitude towards debt is crucial in order to stay out of debt, as attitude is a statistically significant component in describing one's intention towards debt within this theoretical framework. This support was provided so that those in positions of power can mould a more careful populace into better planners by means of media and programmes. There is empirical evidence to show that there are numerous potential explanations for the world's rising debt. This study's findings can add to the growing body of literature on behavioural finance. Multiple behavioural elements that could affect Malaysians' intention towards indebtedness are pinpointed in the study. This research has real-world implications since it increases our knowledge of behavioural determinants, which could inspire new measures to reduce debt and aid defaulters. The findings of this study show that perceived behavioural control is not an important factor influencing the government servants' intention towards indebtedness. This may be because their level of ability and control in dealing with debt being subjective and depending on their current situation. Since this is an unexpected discovery, it contradicts prior research and explains why the results of this study may differ from an objective assessment of the current economic climate (Sabri et al., 2019). The most important point is that employees may exaggerate or understate their desire to incur debt, depending on how well they are able to exercise self-control, which may be more of an approximation based on memory recollection and emotional state. The purpose of this research is to look into the influence of behavioral factors on intention towards indebtedness by using Theory of Planned Behavior whereby two factors which are, attitude towards indebtedness and subjective norm were given significant influence on intention towards indebtedness. The findings of this study can be used as a springboard for major contributions, particularly to the government of Malaysia and other relevant parties. This can be useful in a variety of contexts, including the fields of accounting, finance, and the social and behavioural sciences. The government of Malaysia, for instance, is urged to conduct a wide-ranging

information campaign using both traditional and social media in an effort to alter the mindsets of its workforce in regards to the necessity of reducing their level of debt in order to achieve financial independence. This should be done through relevant organisations like the Central Bank of Malaysia and the National Savings Bank. The campaign might have changed attitudes at all levels to view indebtedness as a serious issue without bias because doing so will continue to foster the development of a positive attitude towards indebtedness and lead to financial freedom.

Acknowledgement

This article was partially taken from PhD research that was turned in to Universiti Utara Malaysia, Sintok Kedah.

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