

## **THE EFFECT OF MOTIVATION, INVESTMENT KNOWLEDGE, AND SELF EFFICACY ON INVESTMENT INVESTMENT IN THE YOUNG GENERATION OF BALI IN THE PANDEMIC COVID 19**

**I Dewa Agung Nanditiya Putra<sup>1</sup>, Gerianta Wirawan Yasa<sup>2</sup>, Ni Made Dwi Ratnadi<sup>3</sup>, Gayatri<sup>4</sup>  
<sup>1,2,3,4</sup>Master of Accounting Study Program, Faculty of Economics and Business, Udayana  
University.**

**I Dewa Agung Nanditiya Putra , Gerianta Wirawan Yasa , Ni Made Dwi Ratnadi ,  
Gayatri , The Effect Of Motivation, Investment Knowledge, And Self Efficacy On  
Investment Investment In The Young Generation Of Bali In The Pandemic Covid 19 ,  
Palarch's Journal Of Archaeology Of Egypt/Egyptology 18(7). ISSN 1567-214x.**

**Keywords: Motivation, Knowledge, Self Efficacy, Interest.**

### **ABSTRACT:**

The Covid 19 pandemic has also had an impact on the financial sector. In March, the JCI fell 37.49 percent. It takes a swift effort from the Government to increase investment interest. This study aims to obtain empirical evidence that investment interest is influenced by motivation, investment knowledge, and self-efficacy. The data used in this study are primary data obtained through a survey conducted by distributing questionnaires to the younger generation in Bali Province, who have taken courses, attended seminars, and participated in stock capital market classes. The sample was determined by convenience sampling technique. The data analysis technique used the Structural Equation Model (SEM) with Partial Least Square (PLS) software. The results showed that motivation has a positive effect on investment interest. The social environment that has activities that can provide hope for future returns through stock investing can be a motivation for someone to invest in stocks. Investment knowledge has a positive effect on investment interest. Sufficient knowledge to select stocks to be purchased in order to minimize risk in investing. Self-efficacy has a positive effect on investment interest. With the generality factor which is related to an individual's ability to carry out activities within the limits of his understanding. The implications of the research results theoretically confirm the Theory of Planned Behavior. Sufficient knowledge to select stocks to be purchased in order to minimize risk in investing. Self-efficacy has a positive effect on investment interest. With the generality factor which is related to an individual's ability to carry out activities within the limits of his understanding. The implications of the research results theoretically confirm the Theory of Planned Behavior. Sufficient knowledge to select stocks to be purchased in order to minimize risk in investing. Self-

efficacy has a positive effect on investment interest. With the generality factor which is related to an individual's ability to carry out activities within the limits of his understanding. The implications of the research results theoretically confirm the Theory of Planned Behavior.

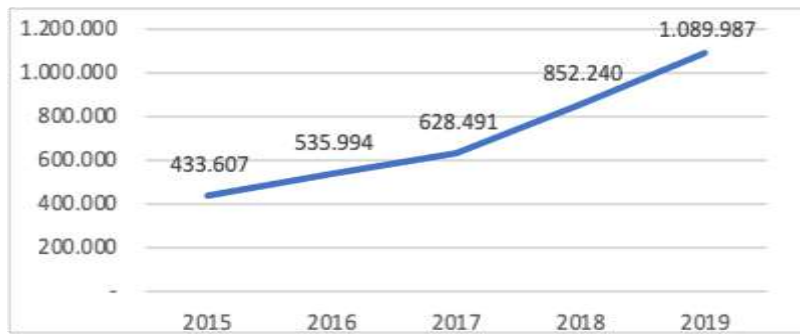
## **INTRODUCTION:**

Investment in 2019 becomes a lifestyle among the younger generation because it is one of the alternatives to get benefits that are quite effective. Investment is an activity of investing, either directly or indirectly in the hope of getting a profit from the investment (Putra, et al. 2016). Investment is a postponement of present consumption to be included in productive assets for a certain period of time (Jogiyanto, 2014: 5). With the existence of productive assets, delay current consumption to be invested in more productive assets it will increase usability. Investments are divided into two types, namely real assets and financial assets (Dachi, 2019). Real assets, namely by buying tangible objects such as buying houses, land, buildings, gold bars and vehicles. Meanwhile, financial assets are buying securities such as buying securities and bonds. Investors have many choices in choosing to invest, but investing is not like the assumption that people are always profitable but can also experience losses.

Among the younger generation, investments that are of interest are financial assets in the capital market in the form of shares (Pangestika, 2019). Based on Law number 8 of 1995 concerning the capital market, it is an activity concerned with public offerings and trading of securities of public companies related to the securities they issue, as well as institutions and professions with securities. Share ownership is starting to become a part of people's lifestyle. Stock is a sign of ownership a person or entity in a company or limited liability company. Shares are in the form of a sheet of paper which explains that the owner of the paper is part of the owner of the company that issued the securities. The portion of ownership is determined by how much investment is invested in the company (Darmaji and Hendy, 2006: 178). Long-term investments such as stocks will help them in the future, especially in fulfilling their needs (Miano, 2020). Besides being able to provide benefits in Upgrade interest in fulfilling the needs of investors, investment is also one of the development instruments needed by a country in order to improve the welfare of its people, including Indonesia (Abdillah, 2018).

Interest can be interpreted as a form of one's attitude in the form of preference and a sense of attachment to something or activity without being asked. Interest is basically the acceptance of a relationship between oneself and something outside oneself (Djaali, 2017: 121). In relation to research on student interest in capital market investment in the form of stocks, the interest in something cannot be known directly. The factors that can be used to reveal one's interest in something must be used. In this factor, questions will be formulated which are useful to reveal a person's interest in an activity. Theory of Planned Behavior explains that learning activities will cause a change in behavior as a result of individual experiences in interactions in their environment concerning cognitive, affective, and psychomotoric (Ajzen, 1985). Therefore an interest is not carried from birth, but is obtained later as a result of an interesting thing.

Director of Development of PT. The Indonesia Stock Exchange (IDX) states that the number of young investors opening stock accounts has increased significantly. Stock market performance is influenced by investment interest (Olesk and Pedersen, 2019). When viewed from the data, investor growth in Indonesia has consistently increased every year, which can be seen in Figure 1.1 as follows.



**Figure 1.1: Number of Stock Investors in Indonesia 2015-2019**

The IDX noted that the number of young investors who opened stock accounts had a significant increase of up to 116.16%. The Indonesian Central Securities Depository (KSEI) noted that the total investors in the capital market were actually dominated by the younger generation or under 30 years of age. The young generation as agents of change is expected to have a strategic position as a pioneer in the advancement of science, including in informing about investment in the capital market. Artayasa (2019) states that in general, based on data from the Financial Services Authority (OJK), the number of stock investors that has increased significantly is in the province of Bali. As of September 2019, the number of stock investors in Bali was 20,944, when compared to the total population in the province of Bali in 2019, which was 4,336,900, the total population of Bali investing in the stock sector is approximately 0.48% of the total population. The development of the number of investors in Bali cannot be separated from the role of the Investment Gallery. There are twelve Investment Galleries spread out in various Universities in Bali, including Bali State Polytechnic, Bali College of Information Management and Computer Engineering (STIKOM), Mahasaraswati University, Ganesha University of Education, National Education University, Warmadewa University, Udayana University, Dhyana Pura University, STIE Triatma Mulya, Ngurah Rai University, Hindu University of Indonesia. The purpose of establishing investment galleries is to increase knowledge investment, motivation, and self-confidence of the young generation regarding investment. Financial knowledge or literacy is a significant factor influence interest in investing (Putri and Hamidi, 2019).

However, at the beginning of 2020 the world was shocked by the outbreak of a new virus, namely a new type of coronavirus (SARS-CoV-2) and the disease was called Coronavirus disease 2019 (Covid-19). In Indonesia, the Covid-19 case originated from an event in Jakarta where the sufferer came into contact with a foreign national (WNA) from Japan living in Malaysia (Yuliana, 2020). The entry of Covid-19 created new problems in Indonesia. The spread of the Covid-19 virus that has spread to various regions has made things worse. The response of the government and the community who take preventive measures, such as: closing schools / campuses, companies implementing the Work From Home (WFH) system, especially formal sector workers, even termination of employment (PHK) in a few companies, the postponement and cancellation of various government and private events, the termination of several modes of public transportation, and the imposition of Large-Scale Social Restrictions (PSBB) in various regions (Haryanto, 2020).

The pandemic does not only cover problems in the real sector, but also has an impact on the financial sector (Anisaurrohmah, et al. 2020). The Covid-19 virus also has an impact on investment because people will be more careful when buying goods or investing. Covid-19 virus too influence market projections. Investors can delay investment due to unclear supply chain or due to changing market assumptions. Prior to the confirmation of the first Covid-19 in Indonesia, the Composite Stock Price Index (JCI) was at the level of 6,325 (24 Jan). On March 24, as the World Health Organization (WHO) declared a pandemic, the JCI fell 37.49 percent to 3,937 when

Thursday's session opened, a level that had not occurred in nearly four years. Stock trading was also stopped for the first time since 2008 due to the Covid-19 pandemic (Haryanto, 2020). This is influenced internally due to the conditions of the Covid-19 pandemic in the country (Junaedi and Salistia, 2020).

See the impact of The Covid-19 pandemic, which will indeed slow down the wheels of the Indonesian economy and particularly investing in stocks in the Indonesian capital market, certainly requires swift efforts on the part of the government and related parties. As an effort to increase the country's economic growth, the last few years PT. The Indonesia Stock Exchange (IDX) and the Financial Services Authority (OJK) carry out educational programs (Trenggana and Kuswardhana, 2017). One of the main targets of the IDX is to create investment galleries in several universities. This investment gallery is a learning tool (Mulyana, et al. 2019). However, with the arrival of the Covid-19 Pandemic, the patterns in education must change and adapt to health conditions and protocols. The government's efforts during the Covid-19 Pandemic through the IDX and related parties such as stock securities in various regions to educate online. "We still do education, but the platform is changing. Currently, like others, we are focused on optimizing online education," said Irwan to *Bisnis.com*, Tuesday (5/5/2020). This effort was made to support interest in stock investment, in order to get investors to play their part through the capital market (Malik, 2017). When investment interest increases, it will also help increase the frequency of large trade (Taslim and Wijayanto, 2016).

New policies from the government were made in an effort to maintain investor interest. The policy is to motivate, provide investment knowledge, and foster investor confidence in order to make well-planned decisions. According to Amhalmad and Irianto (2019), motivation is an impulse that arises by stimulation from within and from outside so that someone wishes to make certain behavior changes better than the previous situation. In investing, the motivation needed from an investor is motivation from within himself, where when someone wants to change and know new things it will provide a strong impetus from within him. The change that is obtained is to want to provide a good life later in the future with changes made now. In line with research from Pajar (2017), Saputra (2018), and Cahya and Kusuma (2019) which states that investment motivation has a positive effect on investment interest. With high internal motivation to maintain stability and advance the capital market in Indonesia as well as external motivation Where We are involved in a capital market community, it is hoped that the younger generation will be able to contribute to reviving the capital market in Indonesia, and with high motivation it will encourage the younger generation to want to know more about what investment is. Apart from motivation, basic knowledge about investment is very important for the younger generation to know (Marlin, 2020).

Knowledge aims to avoid the younger generation from irrational investment practices, a culture of joining, fraud, and the risk of loss (Pajar, 2017). Adequate knowledge of the capital market for the younger generation is very much needed especially during the Covid-19 Pandemic, because it is useful for finalizing plans and increasing the number of enthusiasts to invest in the capital market (Tandio and Widanaputra, 2016). Research on knowledge influence almost all aspects related to planning and spending (Tang et al., 2019). Aren and Dinç (2015), Trang and Tho (2017), Washington, et al. (2015), (Shinzato 2019), Ngadi (2019) state that knowledge of the introduction of investment risk has a positive influence on investment interest. Without knowledge, the younger generation cannot see every opportunity from an event. Investment knowledge can increase our interest in investing and buying shares of the company in question (Ali, 2015).

Psychological factors also become very important because psychological phenomena affect a person's behavior (Yuesti et.al, 2020). Confidence is the initial stage in taking action. Self-efficacy refers to beliefs about a person's ability to organize and carry out actions for the achievement of results. In other words, self-efficacy is a self-assessment belief with respect to a

person's competence to succeed in his tasks. Self-efficacy is a key factor in the source of human action (human agency). Self-efficacy certainly has an important role in the initial stages of taking action. The young generation as agents of change who have strategic positions are expected to be able to contribute to increasing interest in investing in stocks during the Covid-19 Pandemic to help the recovery of the economic sector, especially in the capital market sector in Indonesia. Based on the background of this problem, the authors hereby conduct a study entitled "The Influence of Motivation, Investment Knowledge, and Self Efficacy on the Investment Interests of the Balinese Young Generation during the Covid 19 Pandemic".

## **LITERATURE REVIEW:**

### Theoretical basis

This research was conducted to examine the importance of motivational factors, investment knowledge, and self-efficacy in the investment interests of the Balinese young generation during the Covid 19 pandemic. Seeing the impact of the Covid-19 Pandemic which will slow down stock investment in the Indonesian capital market. As an effort that can be done to overcome these impacts is to support investment interest through policies undertaken by the government.

Interest can be interpreted as a form of one's attitude in the form of preference and a sense of attachment to a thing or activity without being asked. In line with the Theory of Planned Behavior (Ajzen, 1985), these learning activities will cause a change in behavior as a result of individual experiences in interactions in their cognitive, affective, and psychomotor environments. There are three components in the Theory of Planned Behavior approach, namely attitudes, subjective norms, and behavior control.

This study chooses motivation, investment knowledge, and self-efficacy as variables influence interest in investment. Motivation based on subjective norms, where subjective norms are a person's perception of the thoughts of the parties who are considered to have a role and have expectations for him to do something to meet these expectations. This will motivate someone to upgrade the skill to be like that party expected. In line with research from Pajar (2017), Saputra (2018), and Cahya and Kusuma (2019) which states that investment motivation has an effect on investment interest. With high motivation, it is hoped that the younger generation will be able to actively contribute to the progress of the capital market in Indonesia.

Knowledge which is part from attitude in Theory of Planned Behavior is the result of finding out about something or all human actions to understand an object it faces, in another sense interest is the result of human efforts to understand a certain object (Tandio and Widanaputra 2016). Knowledge is part of cognitive attitudes. Knowledge of the capital market for the younger generation is important so that young people avoid irrational investment practices, a culture of following, fraud, and the risk of loss (Pajar, 2017).

Self efficacy which is part of behavioral control is self-assessment beliefs regarding a person's competence to succeed in his tasks which will later become a reference for the difficulties or ease that a person finds in certain behaviors. Jess & Gregory (2011: 212) define self-efficacy as self-confidence to know its abilities so that it can exercise some form of control over the benefits of the person itself and events in the surrounding environment.

## **RESEARCH HYPOTHESIS:**

### **The influence of motivation on the investment interest of the Balinese young generation during the Covid pandemic 19**

Theory of Planned Behavior explaining the subjective norm component is a person's perception of the thoughts of the parties who are considered to have a role and have expectations for him to do something and the extent to which the desire to fulfill these expectations (Ajzen,

1985). According to Amhalmad (2019), motivation is an impulse that arises by stimulation from within and from outside so that someone wishes to make changes in certain behavior / activities better than the previous situation. In investing, motivation greatly influences the interest of an investor. The role of motivation in an investor is as a stimulant or impulse from outside by looking at those who are considered to have an important role in increasing the enthusiasm for investing so that they are willing to take actions to achieve investment goals.

Pajar (2017) found that the influence of motivation and investment knowledge has a significant positive effect on investment interest in FE UNY students. These findings indicate that motivation is needed to increase investment interest. By having high motivation, both within and from the environment around us, we are motivated to improve our skills and want to find out news that is currently circulating. This is in line with the research conducted with Marlin (2020), Amrul and Wardah (2020), Bakhrie (2020), Darmawan and Japar (2019), Saputra (2018) who stated that motivation has a positive effect on investment interest. So that the first hypothesis in this study is as follows:

H1: Motivation has a positive effect on the investment interest of the Balinese young generation during the Covid 19 pandemic

### **The influence of investment knowledge on the investment interests of the Balinese young generation during the Covid 19 pandemic**

Theory of Planned Behavior states that humans tend to act in accordance with the intention and perception of control through certain behaviors, where the intention is influenced by attitudes. (Ajzen, 1985). Theory of Planned Behavior is suitable to describe any behavior that requires planning (Seni and Ratnadi, 2017). In investing in the capital market, sufficient knowledge is needed to analyze which stocks to buy. Adequate knowledge of the capital market for the younger generation is needed, because it is useful for finalizing plans and increasing the amount of interest in investing in the capital market.

Wibowo and Purwohandoko (2019) state that investment knowledge has a positive effect on investment interest. These findings indicate that knowledge is information obtained by a person from a learning that has been received and has been organized in human memory. Knowledge is to increase interest (Coskuner, 2016). Knowledge aims to avoid the younger generation from irrational investment practices, a culture of joining, fraud, and the risk of loss (Pajar, 2017). In line with research conducted by Bakhrie (2020) and Darmawan (2019), which state that investment knowledge has a significant positive effect on investment interest, so the second hypothesis in this study is as follows:

H2: Knowledge investment positive effect on investment interest Bali's young generation during the COVID-19 pandemic

### **The effect of self-efficacy on investment interest Bali's young generation during the COVID-19 pandemic**

Self-efficacy belief is a key factor in the source of human action (human agency). In accordance with Theory of Planned Behavior (TPB) where one of the components is cognitive attitudes. Cognitive attitude consists of knowledge, opinion and belief in an object. The more positive the individual's belief in a result/object attitudes, the more positive individual attitudes towards object attitude, and vice versa. Self-efficacy is a person's judgment on his ability to plan and carry out actions that lead to the achievement of certain goals. Bandura uses the term self efficacy to refer to beliefs about a person's ability to organize and carry out actions for the achievement of results. So that self-efficacy has a positive effect on decision readiness (Tang et al., 2019). So that above can be drawn a hypothesis as follows:

H3: Self-efficacy has a positive effect on the investment interest of the Balinese young generation during the Covid 19 pandemic

## **RESEARCH METHODS:**

### **Research sites:**

The research was conducted in Bali Province, with the consideration that Bali Province is one of the areas that has a high increase in investors. Artayasa (2019) states that in general, based on data from the Financial Services Authority (OJK), the number of stock investors that has increased significantly is in the province of Bali.

### **Research Object:**

The object of this research is the interest in investment by the younger generation in Bali Province which is explained by the variables of motivation, investment knowledge, and self-efficacy.

### **Research variable:**

The variables used in this study are the dependent variable and the independent variable. The dependent variable (dependent variable) The dependent variable is a variable that is influenced or becomes the result of the existence of the independent variables. The dependent variable in this study is interest in investment (Y).

#### 1) Independent variable (independent variable)

Independent variables are variables that influence or cause changes or the emergence of the dependent variable. For the independent variables studied were motivation (X1), investment knowledge (X2), and self-efficacy (X3).

### **Population, Sample, and Sample Determination Method:**

The population used in this study is the young generation of Bali Province. The definition of youth in law number 40 of 2009 concerning youth is a population aged 16 to 30 years where the population of the younger generation in Bali Province is approximately 1,334,323 people (bali.bps.go.id, 2021).

The method of determining the sample in this study using nonprobability sampling method. The criteria used to select samples are:

- a) The young generation group with an age range of 16-30 years
- b) Have taken capital market theory courses, attended seminars or special education related to capital markets.

Because the total number of indicators in the study was 26, the number of sample parameters used was estimated between 260-520 respondents. The questionnaire was distributed to several groups of Capital Market Study Groups (KSPM) in Bali and lecture classes that had taken capital market courses so that the sample obtained was 450 people.

### **Method of collecting data:**

Method collection The sample used in this study is a non-probability method with purposive sampling technique. The data in this study were collected using a survey method. The survey method is carried out by giving a questionnaire containing a set of questions or written statements to the respondent to be answered. The questionnaire was made in digital form using google form.

### **Data analysis technique:**

The data analysis technique was carried out with a structural equation model (SEM) approach using Partial Least Square (PLS) software. PLS is an equation model structural (SEM) based on components or variance (variance).

**RESULT:**

**Overview of Respondents:**

Research respondents are the younger generation in Bali Province who have taken courses, seminars, and / or capital market classes. Data were collected by distributing questionnaires online. The number of respondents was determined with nonprobability sampling method with purposive sampling technique. The questionnaire was distributed to youth in Bali Province and to members of share investor groups at several universities. The questionnaire distributed as many as 450 copies. The number of respondents who filled out the questionnaire was 380 people. There were 18 questionnaires that did not meet the criteria because the respondents were more than 30 years old and there were respondents who did not plan to invest in stocks. So that the overall questionnaire that deserves to be analyzed is 362 questionnaires. Table 4.1 provides information about the questionnaire distribution process.

**Table 4.1: Questionnaire Distribution Process**

Information	amount
Distributed questionnaires	450
Respondents who filled out the questionnaire	380
Questionnaires that do not meet the criteria	(18)
The questionnaire is worth analyzing	362
Rate of Return (Response rate)	
$380/450 \times 100\% = 84.44\%$	
Usable response rate	
$362/380 \times 100\% = 95.26\%$	

Source: Primary data processed, 2021

**Research Instrument Test**

**Table 4.2: Reliability Test Results**

No.	Variable	Cronbach Alpha coefficient	Information
1.	Investment Motivation	0.957	Reliable
2.	Investment Knowledge	0.836	Reliable
3.	Self Efficacy	0.863	Reliable
4.	Investment Interests	0.898	Reliable

Source: Processed data, 2021

Based on Table 5.2 above, it can be seen that investment motivation, investment knowledge, self-efficacy, and investment interest have a Cronbach Alpha coefficient value greater than 0.70 so that the statements on the questionnaire are reliable. Based on the results of the validity and reliability test, the 30 people fulfilled the research instrument test so that 26 statement items could be submitted to the real respondent.

**Evaluation Model:**

The PLS evaluation model is carried out by assessing the outer model and inner model. PLS does not require certain distribution assumptions for parameter estimation, so parametric



techniques to test or evaluate significance are not required (Chin, 1998; Chin and Newsted, 1999 in Ghozali and Latan, 2015: 73).

1) Measurement Model or Outer Model

Evaluation of the measurement model or outer model is carried out to assess the validity and reliability of the model. The indicator in this study is reflective because the latent variable indicator affects the variable, which can be evaluated through convergent and discriminant validity of the latent construct-forming indicators and composite reliability and Cronbach alpha for the indicator block (Ghozali and Latan, 2015: 73).

(1) Convergent Validity

Convergent validity relates to the principle that the gauges (manifest variable) of a construct should be highly correlated. The convergent validity test of reflexive indicators with the SmartPLS 3.0 program can be seen from the loading factor value and can be seen from the average variance extracted (AVE) value.

a) Loading Factor

Rule of thumb which is usually used for the loading factor value must be more than 0.7 for confirmatory research. The loading factor value between 0.6 - 0.7 for explanatory research is still acceptable (Ghozali and Latan, 2015: 74). The SmartPLS output results for loading factors are presented in Appendix 6. There is 1 indicator that has a loading factor less than 0.6, namely the level of difficulty, then the indicator is eliminated and tested again.

SmartPLS output for loading factor stage 2, shows that the other 11 indicators have a loading factor value greater than 0.6. This matter means that indicators of experiential motivation, economic motivation, social motivation, basic knowledge, level of return, level of risk, strength of belief, generality, interest in finding out, interest in spending time, and trying to invest are valid or have met convergent validity

b) Average Variance Extracted(AVE)

AVE value of each variable must be greater than 0.5. The output of AVE is presented in Table 4.3.

**Table 4.3: Average Variance Extracted Output Results**

Construct	Average Variance Extracted (AVE) Value
Motivation	0.648
Investment Knowledge	0.797
Self Efficacy	0.837
Investment Interests	0.701

Source: Processed data, 2021

Based on Table 4.3 the AVE value of the variables of motivation, investment knowledge, self-efficacy, and investment interest is above 0.5, meaning that the indicators used in this study are valid or have met convergent validity.

(2) Discriminant validity

Discriminant validity relates to the principle that the gauges (manifest variable) of different constructs should not be highly correlated. Discriminant validity is measured by the cross loading value. The cross loading value of each indicator is higher for every other indicator than the latent variable being measured (Appendix 7). This shows that The indicators used in this study are valid or have met the discriminant validity.

(3) Reliability

In addition to the validity test, model measurement is also carried out through the reliability test of a construct. Reliability test is conducted to prove the accuracy, consistency and accuracy of the instrument in measuring constructs. Measuring the reliability of a construct with reflective indicators is done by looking at the value of Cronbach's Alpha and Composite Reliability (Ghozali and Latan, 2015: 75).

**Table 4.4: Output Composite Reliability and Cronbach's Alpha**

Construct	Composite Reliability value	Cronbach Alpha value
Motivation	0.845	0.730
Investment Knowledge	0.921	0.869
Self Efficacy	0.912	0.806
Investment Interests	0.875	0.786

Source: Processed data, 2021

Table 4.4 shows that the value of Composite Reliability, motivation variables, investment knowledge, self-efficacy, and investment interest is greater than 0.7, so it can be said that the reliability for these variables is high and reliable. Score cronbach alpha for each variable is greater than 0.7 so that it can be said to be consistency each answer is tested is good.

2) Structural Model or Inner Model

The structural model is evaluated using the R-square ( $R^2$ ) for each endogenous latent variable as the predictive strength of the structural model (Ghozali and Latan, 2015: 78). Adjusted  $R^2$  results of 0.67, 0.33 and 0.19 for endogenous latent variables in the structural model, indicate that the model is "good", "moderate", and "weak" (Chin, 1998 in Ghozali, 2014: 42). Adjust value of  $R^2$  influencemotivation, investment knowledge, self efficacy in investment interest amounting to 0.570. It can be interpreted that 57 percent of investment interest is influenced by variables motivation, investment knowledge, self efficacy, while 43% is explained by other variables outside the variables studied. The adjust R-square value of 0.57 also indicates that the model is moderate.

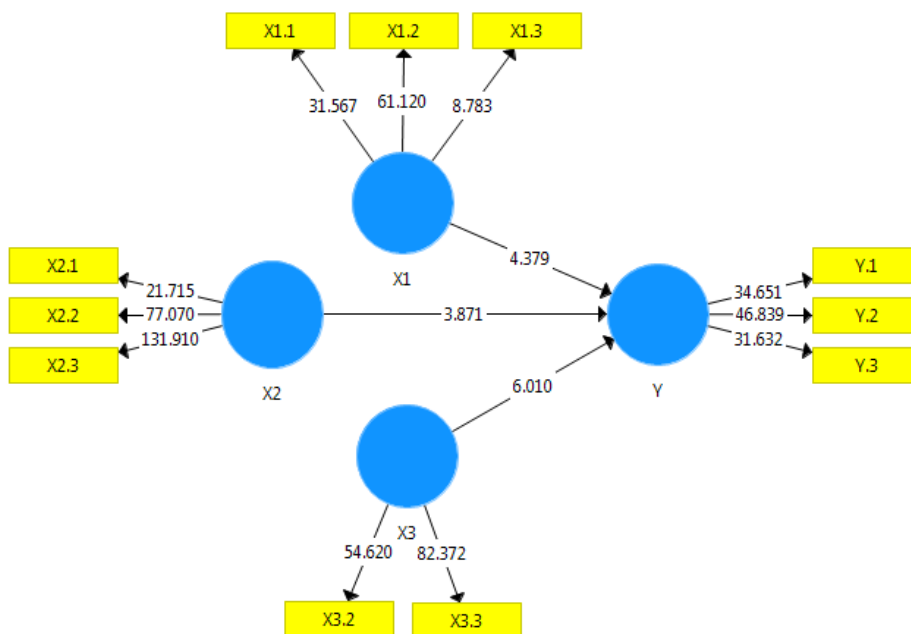
**Hypothesis test:**

Hypothesis testing is done by looking at the value of the parameter coefficient and the T statistical significance value. The analysis results are presented in Table 4.5 and Figure 4.1.

**Table 4.5: Hypothesis Test Results**

Construct	Original Sample (O)	T Statistics	Significance
Motivation	0.213	4,379	0,000
Experience Motivation		31,567	
Social Motivation		61,120	
Economic Motivation		8,783	
Investment Knowledge	0.261	3,871	0,000
Basic knowledge		21,715	
Profit Rate		77,070	
Level of Risk		131,910	
Self Efficacy	0.376	6,010	0,000
The Power of Faith		54,620	
Generalities		82,372	

Source: Processed data, 2021



**Figure 4.1: PLS Analysis Results**

Based on Table 4.5, a regression equation can be made as follows:  

$$Y = 0,213.X1 + 0,261.X2 + 0,376.X3 + e \quad (3)$$

Information:

- Y = Investment Interest
- X1 = Motivation
- X2 = Investment Knowledge
- X3 = Self Efficacy
- e = error

Table 4.5 shows that motivation influences investment interest Bali's young generation during the COVID-19 pandemic is significant with the p-value equal to 0.0000 ( $\leq 0.05$ ). Thus, the hypothesis  $H_1$  be accepted. The highest statistical T value on the indicator of the motivation variable, namely social motivation, is 61.120. The effect of investment knowledge on investment interest Bali's young generation during the COVID-19 pandemic is significant with the p-value equal to 0.0000 ( $\leq 0.05$ ). Thus, the hypothesis  $H_2$  be accepted. The highest statistical T value on the indicator of the investment knowledge variable is the level of risk of 131.910. The effect of self-efficacy on investment interest Bali's young generation during the COVID-19 pandemic is significant with the p-value equal to 0.0000 ( $\leq 0.05$ ). Thus, the hypothesis  $H_3$  be accepted. The highest statistical T value on the variable indicator self efficacy namely the generalities of 82,372.

## DISCUSSION:

### The influence of motivation on the investment interest of the Balinese young generation during the Covid pandemic 19

Hypothesis 1 states that motivation has a positive effect on investment interest Bali's young generation during the COVID-19 pandemic. The results of the analysis show that motivation has a positive effect on investment interest. The results of this study support the research conducted by Marlin (2020), Amrul and Wardah (2020), Bakhrie (2020), Darmawan and Japar (2019),

Saputra (2018). By having high motivation, both within and from the environment around us, we are motivated to improve our skills and want to find out what news is currently circulating.

These results also confirm the motivation theory. According to Amhalmad (2019) states that motivation theory is an impulse that arises by stimulation from within or from outside so that someone wishes to change certain behavior / activities better than the previous situation. In investing, motivation greatly influences the interest of an investor. The role of motivation in investors are as a stimulant or impetus to increase the enthusiasm and excitement of investing so that they are willing to take actions to achieve their investment goals. The most influential indicator in motivation is social motivation.

The social environment is an important factor in motivating someone (Bakhrie, 2020). So it can be seen that someone will be moved to make a change in himself if he has the drive in the form of motivation from the social environment in accordance with the needs that exist within him. This explains that if a person has the drive and desire to invest, then he will tend to make it a reality. The social environment that has activities that can provide hope for future returns through stock investing can be a motivation for someone to invest in stocks. The stronger the energy needs that shape social motivation, the higher the interest of the young generation to invest.

### **The influence of investment knowledge on the investment interests of the Balinese young generation during the Covid 19 pandemic**

Hypothesis 2 states that investment knowledge influence on investment interest Bali's young generation during the COVID-19 pandemic. The results of the analysis show that investment knowledge has a significant positive effect on investment interest. The results of this study support the research conducted by Bakhrie (2020), Suyanti (2019), and Darmawan (2019). Wibowo and Purwohandoko (2019) states that investment knowledge has an effect on investment interest. These findings indicate that knowledge is information obtained by a person from a learning that has been received and has been organized in human memory. Knowledge is to increase interest.

These results also confirm the Theory of Planned Behavior, which states that humans tend to act according to their intention and perception of control through certain behaviors, where intentions are influenced by behavior, subjective norms and behavioral control (Ajzen, 1985). Theory of Planned Behavior is suitable to describe any behavior that requires planning (Seni and Ratnadi, 2017). The most influential indicator in investment knowledge is the level of risk.

In investing in the capital market, sufficient knowledge is needed to analyze which stocks to buy in order to minimize the risk of investing in stocks. Adequate knowledge of the capital market for the younger generation is needed, because it is useful for finalizing plans and increasing the amount of interest in investing in the capital market. Knowledge aims to avoid the younger generation from irrational investment practices, a culture of following, fraud, and the risk of loss (Pajar, 2017).

### **The effect of self-efficacy on the investment interests of the Balinese young generation during the Covid pandemic 19**

The third hypothesis states that self-efficacy has a positive effect on the investment interest of the Balinese young generation during the Covid 19 pandemic. The results of the analysis show that self-efficacy has a significant positive effect on investment interest. This means that the self-efficacy of the younger generation of investors in Bali Province affects investment interest. Self efficacy is someone's judgment on his ability to plan and carry out actions that lead to the achievement of certain goals. Bandura uses the term self efficacy to refer to beliefs about a person's ability to organize and carry out actions for the achievement of results. So that self-efficacy has a positive effect on decision readiness (Tang et al., 2019).

In accordance with the Theory Planned Behavior (TPB) on opinion and belief in an object. The more positive the individual's belief in a result/object attitudes, the more positive individual attitudes towards object attitude, and vice versa. Indicator the most influential thing in self-efficacy is generality. Generalization (generalization), namely matters relating to the broad scope of behavior in which individuals feel confident in their abilities. Individuals can feel confident in their abilities, depending on the limits of their understanding of their abilities in a particular activity and situation or on a wider and more varied range of activities and situations.

### **Implications of Research Results**

The implication of the research results theoretically confirm the Theory of Planned Behavior which states that humans tend to act according to the intention and perception of control through certain behaviors, where the intention is influenced by attitudes, subjective norms and behavioral control (Ajzen, 1985). This research also confirms the stated motivation theory an impulse that arises from within or from outside so that someone wants to make changes in behavior / certain activities better than the previous situation. In this study, which studied psychological phenomena in the form of motivation, investment knowledge, and self-efficacy in influencing the investment interest of the Balinese young generation during the Covid 19 pandemic.

### **CONCLUSIONS:**

Based on the results of the analysis and discussion in the previous chapter, it can be concluded:

- 1) Motivation has a positive effect on the investment interest of the Balinese young generation during the Covid 19 pandemic. This shows that the younger generation in increasing interest in stock investment is influenced by encouragement arising from internal and external stimuli so that someone wants to change towards the better in terms of investing in stocks.
- 2) Investment knowledge has a positive effect on the investment interest of the Balinese young generation during the Covid 19 pandemic. This shows that the younger generation in increasing interest in stock investment is influenced by information obtained by someone from learning that has been received and has been organized in human memory.
- 3) Self efficacy This has a positive effect on the investment interest of the Balinese young generation during the Covid 19 pandemic. This shows that the younger generation in increasing interest in investing in stocks is influenced by beliefs about one's ability to organize and carry out actions to achieve results.

### **REFERENCES:**

- Abdillah, S. (2018). The Effect Of Investment Knowledge And Risk Preference On Investment Intention. *Journal of Profita1* (3), 17–35.
- Ajzen, I. (1985). From intentions to actions: A theory of planned behavior. In J. Kuhl & J. Beckman (Eds.) Available from: URL: [http://www.utwente.nl/cw/theorieenoverzicht/TheoryClusters/Health Communication / theory\\_planned\\_behavior /](http://www.utwente.nl/cw/theorieenoverzicht/TheoryClusters/Health%20Communication/theory_planned_behavior/)
- Ali, A. (2015). Predicting Individual Investors' Intention to Invest: An Experimental Analysis of Attitude as a Mediator, 50 (February 2011).
- Amhalmad, I., & Irianto, A. (2019). The Influence of Investment Knowledge and Investment Motivation on Investment Interest in Economics Education Students, Faculty of Economics, State University of Padang. *Journal of EcoGen*, 2, 734–746.
- Amrul, R., & Wardah, S. (2020). The Influence of Minimal Capital, Investment Knowledge, and Motivation on Students' Investment Interest in the Capital Market, VII (1), 55–68.

- Anisaurrohmah, Rizali, H., & Rahmini, N. (2020). Investment, Man Power and Government Expenditure on Economic Growth in Development of Three Areas in South Kalimantan. *International Journal of Business, Economics & Management*, 3 (1), 140–147.
- Aren, S., & Dinç, S. (2015). The Factors Influencing Given Investment Choices of Individuals. *Procedia - Social and Behavioral Sciences*, 210, 126–135. <https://doi.org/10.1016/j.sbspro.2015.11.351>
- Artayasa. (2019). Only 0.5 Percent of Investors Invest in Shares in Bali. Downloaded from Balipuspanews, Balipuspanews Website: [https:// www. Balipuspanews.com/Only-0-5-Persen-Investor-Invest-Investment-DiBali.Html](https://www.Balipuspanews.com/Only-0-5-Persen-Investor-Invest-Investment-DiBali.Html)
- Bakhrie, S., Aziz, A., & Sarinah, R. (2020). Knowledge and Motivation to Foster Interest in Investing in Students. *Journal of Management and Accounting*, 15 (2), 60–73.
- Cahya, BT, & Kusuma NA. (2019). The Influence of Motivation and Technological Progress on Stock Investment Interest. *Journal of Economic and Islamic Sciences*, 7 (2), 192–207.
- Dachi, AP 2019. "Protection of Investors in Investment Company Bankruptcy" (thesis). Surabaya: Airlangga University.
- Darmadji, Tjiptono and Hendi M. Fakhruhin, 2006. *Capital Markets in Indonesia: A Question and Answer Approach*. Jakarta: Four Salemba.
- Darmawan, A., & Japar, J. (2019). The Influence of Investment Knowledge, Minimum Capital, Capital Market Training and Motivation on Investment Interest in the Capital Market. *Balance Sheet Journal*, 1–13.
- Darmawan, A., Kurnia, K., & Rejeki, S. (2019). Investment Knowledge, Investment Motivation, Financial Literacy, And Family Environment [The effect Against Investment Interest in the Capital Market. *Scientific Journal of Accounting and Finance*, 08 (02), 44–56.
- Djaali. 2017. *Educational Psychology*. Jakarta: Earth Literacy
- Haryanto. (2020). The Impact of Covid-19 on the Movement of the Rupiah Exchange Rate and the Jakarta Composite Index (IHSG). *The Indonesian Journal of Development Planning*, IV (2), 151–165.
- Jogiyanto, HM 2014. *Portfolio Theory and Investment Analysis Ninth Edition*. Yogyakarta: BPFE.
- Junaedi, D., & Salistia, F. (2020). The Impact of the Covid-19 Pandemic on Indonesia's Capital Market: A Case Study of Composite Stock Indices. *Journal of Economics, Finance & Business Sharia*, 2(2), 109–131. <https://doi.org/10.47467/alkharaj.v2i2.112>
- Malik, Ahmad Dahlan. 2017. Analysis of Factors Affecting Public Interest in Investing in the Islamic Capital Market through the UIZI Investment Gallery Exchange, *Journal of Islamic Economics and Business*, Vol. 3 No. 1, 61-84
- Marlin, K. (2020). The Influence of Investment Knowledge, Perceptions of Return, and Investment Motivation on Investment Interest in the Sharia Investment Gallery of the Indonesia Stock Exchange IAIN Batusangkar. *Indonesian Scientific Journal*, 5 (6), 120– 128.
- Miano, Loemar. 2020. Entrepreneur's Awareness and Risk Perception to Equity Market on Stock Investing. *International Journal of Finance and Banking Research*, 6 (2): 17-27.
- Mulyana, M., Hidayat, L., & Puspitasari, R. (2019). Measuring Students' Investment Knowledge for the Development of Higher Education Investment Galleries. *Journal of Higher Education System Analysis*, 3, 31–52.
- Ngadi, PR 2019. The Influence of Investment Knowledge, Perceived Risk and Perceived Behavioral Control towards tock Investment Intention. [Www.Ijbm.Com](http://www.Ijbm.Com) *International Journal of Business Marketing and Management*, 4 (1), 84–95.
- Pajar, RC (2017). Influence Of Investment Motivation And Investment Knowledge On Investment Interest In Capital Marketing FE UNY students. *Journal of Profita*, 1 (2), 1–16.
- Pangestika, T., & Rusliati, E. 2019. Financial Literacy and Efficacy Against Student Interest in Investing in the Capital Market. *Journal of Business and Management Research*, 12 (1), 37.

<https://doi.org/10.23969/jrbm.v12i1.1524>

- Putra, IPS, Ananingsiyas, H., Sari, DR, Dewi, AS, & Silvy, M. (2016). The influence of the level of financial literacy, experienced regret, and risk tolerance on the choice of investment type. *Journal of Business and Banking*, 5 Number (2), 271–282. <https://doi.org/10.14414/jbb.v5i2.548>
- Putri, WW, & Hamidi, M. (2019). The Influence of Financial Literacy, Financial Efficacy, and Demographic Factors on Investment Decision Making (Case Study of a Master of Management Student, Faculty of Economics, Andalas University, Padang). *Management Economics Student Scientific Journal*, 4 (1), 398–412.
- Saputra, D. (2018). Effect of Benefits, Capital, Motivation and Education on Interest in Investing in the Capital Market. *Future Journal of Management and Accounting*, 5 (2), 178–190.
- Seni, NNA, & Ratnadi, NMD (2017). Theory Of Planned Behavior To Predict Investment Intention. *Udayana University Accounting E-Journal*, 12 (6), 4043–4068.
- Shinzato, Takashi. 2019. Minimal Invest Risk with Cost and Return Constraints: A Replica Analysis. *Journal of Physical of Japan*, 88 064804
- Tang, S., Huang, S., Zhu, J., Huang, R., Tang, Z., & Hu, J. (2019). Financial self-efficacy and disposition effect in investors: The mediating role of versatile cognitive style. *Frontiers in Psychology*, 9 (JAN), 1–6. <https://doi.org/10.3389/fpsyg.2018.02705>
- Tandio, T., & Widanaputra, AAGP (2016). The Influence of Capital Market Training, Return, Risk Perception, Gender, and Technological Progress on Student Investment Interests. *Udayana University Accounting E-Journal*, 16 (3), 2316– 2341.
- Taslim, A., & Wijayanto, A. (2016). The Effect of Stock Trading Frequency, Stock Trading Volume, Market Capitalization and Number of Trading Days on Stock Returns. *Management Analysis Journal*, 5 (1), 1–6.
- Trang, PTM, & Tho, NH (2017). Perceived Risk, Investment Performance and Intentions in Emerging Stock Markets. *International Journal of Economics and Financial Issues*, 7 (1), 269–278.
- Trenggana, AFM, & Kuswardhana, R. (2017). The Influence of Product Information, Investment Risk, Investor Satisfaction and Student Interest in Investing. *Journal of Secretary & Business Administration*, I (1), 8–17.
- Washington, M., Shirley, E., Lisset, G., & Regina, R. (2015). Student's Perceived Risk and Investment Intention: The Effect of Brand Equity. *Management & Marketing Challenges for the Knowledge Society*, 10 (3), 208–225. <https://doi.org/10.1515/mmcks-2015-0015>. Correspondence
- Wibowo, A., & Purwohandoko. (2019). The Influence of Investment Knowledge, Minimum Investment Capital Policy, and Capital Market Training on Investment Interest. *Journal of Management Science*, 7 (1), 192–201.
- Yuesti, A., Ni, W. R., & Suryandari, N. N. A. (2020). Financial literacy in the COVID-19 pandemic: pressure conditions in Indonesia. *Entrepreneurship and Sustainability Issues*, 8(1), 884.
- Yuliana. (2020). Corona Virus Disease (Covid-19); A Literature Review. *Wellness and Healty Journal*, 2 (February), 187–192.