ANALYSIS OF GEN Z'S GREEN INVESTMENT INTENTION: THE APPLICATION OF THEORY OF PLANNED BEHAVIOR

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ABSTRACT

Green investment intentions have emerged in response to the challenges of climate change and the urgent need to adopt sustainable economic practices. The purpose of this study was to determine the factors that influence green investment intentions in Generation Z in Jakarta, with an age range between 17-26 years. This study used a purposive sampling technique with survey data collection methods. Data was collected using Google Forms with a total of 384 respondents. Data were analyzed using Structural Equation Model (SEM) through AMOS 24.0 software. The results showed that attitudes toward green investment had a significant effect on green investment intentions and perceived behavioral control had a significant effect on green investment intentions. In contrast, subjective norms had no significant effect on green investment intentions.

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INTRODUCTION

Total greenhouse gas emissions during 2010-2019 continued to increase compared to the previous decade. In 2019, global greenhouse gas emissions were 11% higher than in 2010. This means greenhouse gas emissions were 53% higher than in 1990 (Ritchie et al., 2020). In Indonesia, according to data from Ritchie et al. (2020), the total increase in greenhouse gas emissions during the 2010-2019 period was above the global increase. In 2019, total emissions in Indonesia increased by 73% compared to 2010.

According to research by the Swiss Re Institute, climate change will cause the world to lose around 10% of its total economic value (Swiss Re Institute, 2021). The profitability and diversification of companies' investment portfolios worldwide will be affected by rising external costs, which will inevitably be reflected in rising prices, insurance premiums, and taxes in the long run. In turn, these increases will affect the future cash flows and dividends of the investment portfolio (Staub-Bisang, 2012). Given this, continuing to invest in environmentally unsustainable companies will increase the risks associated with climate change and hinder the transformation of society and industry toward low-emission development (Intergovernmental Panel on Climate Change, 2022).

According to Staub-Bisang (2012), Companies that do not make changes to address climate challenges are bound to incur losses in the short or medium term, but in the long term, they will incur losses. On the other hand, investors can see new challenges as opportunities. Companies that dare to integrate environmental challenges into their operational strategies and focus on sustainability impacts will make profits.

Based on Thanki et al. (2022), investments that focus on environmental issues fall into the category of socially responsible investments (SRI) or what is known as "environmental, social, governance (ESG) investing", "sustainable investing", and "green investing". According to Shipochka (2013), green investments are investments in businesses or projects that focus on the conservation of natural resources; discovery and production of alternative energy sources; implementation of green water and air projects; and environmentally friendly business practices.

Investors opt for environmentally-focused investments for many reasons. Primarily, they are motivated by financial concerns, but private investors also want to invest in environmental and social causes (Staub-Bisang, 2012). According to a survey of major investment institutions in Sweden, conventional and sustainable investors are driven to sustainable investments because they will generate better long-term performance than conventional investments. Investors have financial beliefs about risk and increasing market share that drive them to increase sustainable investments (Jansson & Biel, 2014).

Global Sustainable Investment Alliance (GSIA) reported, in 2020, the global green investment market amounted to approximately $35.3 trillion. This represents 36%, or more than a third, of the value of financial

assets in the world's five largest market regions. In 2020, the sustainable investment market was dominated by the United States, with an investment value of $17.08 trillion. The European market accounted for $12.01 trillion, Japan for $2.8 trillion, and Canada for $2.4 trillion. Together, the sustainable investment markets in Australia and Asia generated $906 billion. This represents a 15% increase over two years (2018-2020) and a 55% increase over four years (Global Sustainable Investment Alliance, 2020). Investors are increasingly driven by sustainability factors such as environmental, social, and governance which are not yet reflected in a company's balance sheet but can affect future profits.

In Indonesia, there is an increasing trend of public awareness to invest in sustainable investments. Based on the Global Investor Study 2022 conducted by Schroders (2022), 83% of Indonesians responded that it is "very important" to invest in funds built on personal needs and principles based on a level of knowledge of sustainable investing.

Given the importance of climate change and the need to increase green investment, many studies are needed. However, compared to conventional investments, research on green investment still needs to be improved. Studies regarding investor intentions for green investment have been carried out several times, such as the study by Chai et al. (2019), Low et al. (2022), Thanki et al. (2022), Jensen et al. (2016), and Lans & Söderqvist (2021). However, research on Generation Z (the generation born in 1997-2012) is still very limited, even though according

to Osman et al. (2019) green investment may not be noticed by Generation Z, so it is necessary to identify factors that can contribute to encouraging this age group to adopt green investment.

Research on Generation Z is necessary because Puiu (2016) observes that Generation Z exhibits different preferences, ideas, consumer behavior, and ways of making decisions about social issues that differ from previous generations. Therefore, identifying Generation Z's thinking characteristics, preferences, and decisions is very important.

Based on the characteristics of Generation Z and the limited research on green investment intentions in Generation Z, this study aims to examine green investment intentions in Generation Z, who may have different preferences. Through a deeper understanding of the factors that influence green investment intentions made by potential future generations, such as Generation Z, sustainable investment practices can be leveraged in driving change. This research will provide a relatively new perspective on research in Indonesia and the world about Generation Z's green investment intentions. Thus, this article analyzes the factors influencing Generation Z's green investment intentions to create a greener and more sustainable future.

LITERATURE REVIEW

Theory of Planned Behavior

The theory of Planned Behavior (TPB), an extension of the Theory of Reasoned Action (TRA), explains human behavior. According to TPB,

three factors influence human behavior: beliefs about the possible consequences and experiences associated with behavior (behavioral beliefs), beliefs about normative expectations and the behavior of significant others (normative beliefs), and beliefs about the existence of factors that can facilitate or hinder the performance of behavior (control beliefs). Behavioral beliefs generate pleasant or unpleasant attitudes toward a behavior, normative beliefs generate perceived social pressure or subjective norms, and control beliefs give rise to perceived behavioral control (Ajzen, 2006). In TPB, attitude towards the behavior and subjective norms drive the behavior. However, only when the perceived control over the behavior is strong enough will the intention to perform the behavior arise. Thus, the higher the attitude, subjective norm, and perceived behavioral control, the stronger one's intention to perform a behavior (Ajzen, 2020).

Green Investment Intention

According to Ajzen (1991), behavioral intention indicates how hard a person will try and how much effort will be made to perform a behavior. In addition, according to Yadav & Pathak (2017), intention indicates an individual's willingness to perform certain behaviors. Intention is used to predict motivation that will influence behavior that grows due to information that provokes a person's motivation to make decisions (Masrurun & Yanto, 2015). The stronger the intention to engage in a behavior, the more likely the behavior will be carried out. In the context of stock investment, stock investment intention can be interpreted as the desire or

seriousness of a person to invest in stocks (Seni & Ratnadi, 2017).

Referring to stock investment, a person's desire to invest can be measured through his or her diligence in learning and practicing every aspect of investment, even though this takes time and effort. People who are very interested in investing tend to learn a lot about investing, such as the types of investments, the returns, and the risks involved (Nugraha & Rahadi, 2021).

This research defines green investment intention as an individual's internal desire or tendency that will be a driving factor or inhibitor of behavior to make green investments in the future.

Ajzen (2002) argues that individual behavioral intention is formed by a combination of three constructs: attitudes toward certain behaviors, subjective norms that influence individuals, and self-perceived behavioral control.

Attitude towards Green Investment

Ajzen (1991) argues that attitude is a personal factor related to a person's evaluation of behavior and refers to the extent to which a person has a pleasant or unpleasant assessment of behavior. According to Graham-Rowe et al. (2015), attitude reflects the extent to which a person has a view of a behavioral performance positively or negatively.

Investors' perceptions of future benefits can influence investment intentions. The greater the perceived benefits achieved, the higher the desire to invest. In addition, if individuals think that investing in the capital market is a good and right

decision and can bring positive benefits to individuals, their interest in investing will be greater (Ningtyas & Istiqomah, 2021).

According to Ajzen & Driver (1992), there are two dimensions to the attitude variable towards behavior, namely:

Affective attitude is related to a person's tendency to like or dislike a behavior (pleasant/unpleasant).

Instrumental attitude is related to a person's belief about whether a behavior is beneficial or not for them.

This research defines an attitude towards green investment as the degree of positivity or negativity a person shows based on personal beliefs about green investment.

Subjective Norm

Subjective norms refer to the perceived social pressure to perform or not perform a behavior (Ajzen, 1991). According to Ham et al. (2015), subjective norms are the belief that an individual or group of people who become a reference will approve and provide support for a person's certain behavior patterns. Social pressures that encourage a person to behave in a certain way encourage them to adopt the beliefs of a person or group of people who serve as a reference, which in turn results in subjective norms.

According to Fishbein & Ajzen (2011), there are two dimensions to the subjective norm variable, namely:

Injunctive norm reflects a person's perception of behaviors approved or disapproved by people considered important, motivating action because of the social rewards or punishments that arise from engaging or not engaging.

Descriptive norm reflects a person's perception of whether other people considered important are involved in a behavior so that it motivates action.

This research defines subjective norms as a person's belief to carry out the advice and input from the people around him who are his references (significant others), both supportive and unsupportive, to influence a person's behavior in making green investments.

Perceived Behavioral Control

Perceived behavioral control refers to the perceived ease or difficulty of performing a behavior and is assumed to reflect past experiences and anticipated obstacles and obstacles (Ajzen, 1991). In addition, Andriana (2019) revealed that perceived behavioral control is a person's level of understanding of the complexity of an action based on perceptions that arise from previous experiences and obstacles that can be resolved in carrying out an action.

According to Ajzen (2002), there are two dimensions to the perceived behavioral control variable, namely:

Perceived controllability refers to the extent to which a person feels they have access to the resources needed and their freedom in performing a behavior.

Self-efficacy refers to an individual's confidence to engage in a behavior or their perception of the ease or difficulty of performing the behavior.

This study defines perceived behavioral control as a person's beliefs about personal ability and control over obstacles in displaying behaviors that support or hinder green investment decision-making.

Relationship between attitude towards green investment and green investment intention

Osman et al. (2019) found that attitude towards behavior has a direct significant positive relationship with the intention of Malaysian Muslims to make green investments. This research is supported by Thanki et al. (2022), which shows that investors with a good attitude toward the concept of sustainability will strongly desire sustainable investment.

Research by Mahardhika & Zakiyah (2020) found that one of the reasons for investors to invest is their morality; therefore, their attitude towards stock investment has a positive impact on their intention to invest in companies that prioritize sustainability (Chai et al., 2019; Jansson & Biel, 2014).

However, the results of research by Paramita et al. (2018), which examines the younger generation's behavior in investing, found that attitudes do not have a significant influence on investment intentions. This is because young investors are still hesitant to make decisions to invest in stocks even though they have securities accounts. Securities account ownership is due to imitating friends or to fulfill certain subject assignments. The absence of a relationship between attitude and investment intention is in accordance with research by Jensen et al. (2016) and Low et al. (2022). This may occur because investors believe that sustainable investment has a lower rate of return, which affects their attitude.

The following hypotheses were developed based on the results of this study:

H1: Attitude towards green investment has a significant positive effect on green investment intention among Generation Z in Jakarta.

Relationship between Subjective Norms and Green Investment Intention

According to research by Thanki et al. (2022), subjective norms have a significant positive influence on socially responsible investment intentions. In terms of socially responsible investment, subjective norm is the most significant predictor. This result confirms that investors lack confidence in their investment decisions, so investors are strongly influenced by the expectations and behavior of peers in their investment decision-making. This indirectly emphasizes that investors lack literacy, so investors try to imitate the behavior of their friends and peers.

Thanki's research results support research conducted by Adam & Shauki (2014) and Jensen et al. (2016) which found that subjective norms significantly positively influence socially responsible investment intentions. The relationship illustrates that individual intentions are influenced by the beliefs of someone important to him about the actions that the individual should take.

After examining the subjective norms of young Indonesian investors to invest, Paramita et al. (2018) suggested that young investors do not have role models who can be used as role models for investing because they do not have colleagues who are investors or are willing to

become investors who can influence their perceptions about investing in stocks. As a result, subjective norms do not have a significant impact on investment intentions. Paramita's research is in accordance with research by Kumari et al. (2022), Nugraha & Rahadi (2021), and Osman et al. (2019), who also found that subjective norms do not have a significant influence on investors' investment intentions. This implicitly states that the younger generation will only be influenced to start stock investment if they have role models who encourage them.

The following hypotheses were developed based on the results of this study:

H2: Subjective Norms have a significant positive effect on green investment intentions in generation Z in Jakarta.

Relationship between Perceived Behavioral Control and Green Investment Intention

Osman et al. (2019) found a significant positive effect between perceived behavioral control and green investment intention among Malaysian Muslims. The strong influence of perceived behavioral control on green investment intention indicates individual confidence in the importance of green investment.

According to research by Thanki et al. (2022), perceived behavioral control has a significant positive effect on socially responsible investment intentions; this suggests that an individual's belief in their capacity will drive investment intentions.

Mahardhika & Zakiyah's (2020) research on perceived behavioral control shows that millennial investors will determine their intention to invest in stocks based on their perception of their ability. If they feel they can afford to invest in stocks, they are more likely to engage in more intense stock transactions.

However, the results of the research by Paramita et al. (2018) on perceived behavioral control shows that since the younger generation of investors is still novice investors who are just starting out to become professional investors, perceived behavioral control does not have a significant influence on their investment intentions. The younger generation perceives stock transactions as risky because they do not have the psychomotor ability to analyze stocks and make transactions. The low level of overtrust of the younger generation as respondents makes the younger generation's perception of risk even higher. This result is in line with research conducted by Nugraha & Rahadi (2021), which found that perceived behavioral control has no significant effect on investment intention. Greater perceived behavioral control does not make the younger generation have a higher intention to invest.

The following hypotheses were developed based on the results of this study:

H3: Perceived behavioral control has a significant positive effect on green investment intention among generation Z in Jakarta.
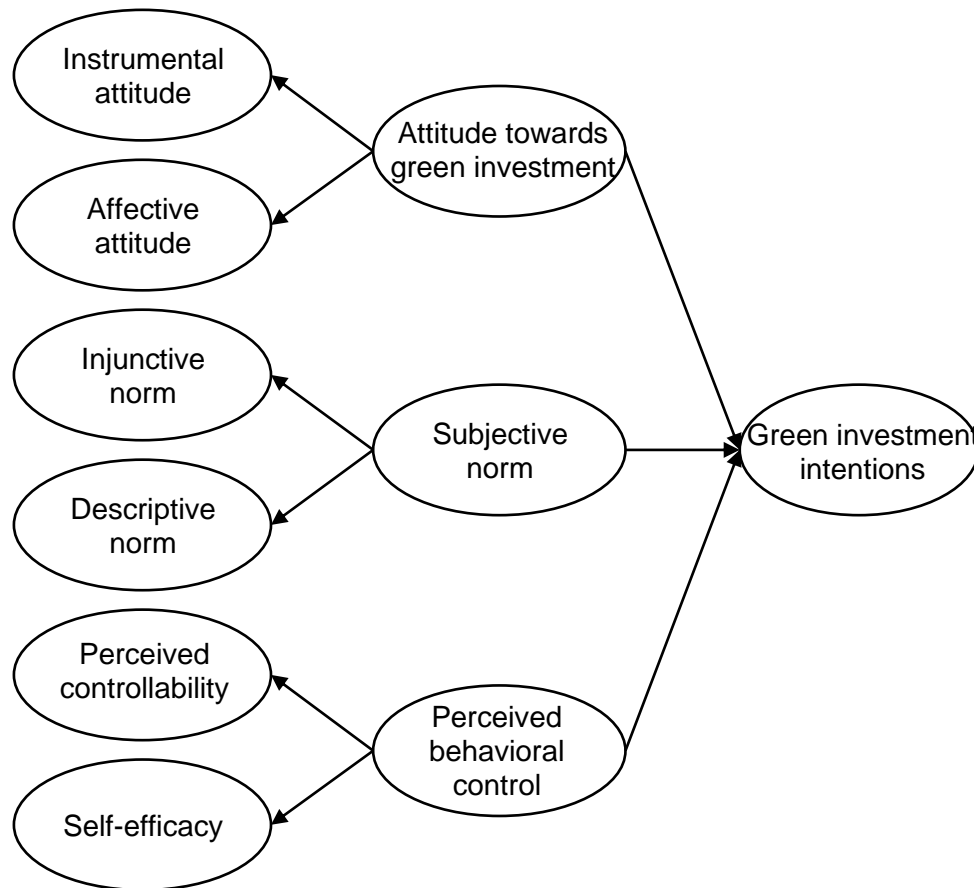
Figure 1. Hypothesized Framework

Source: Data Processed by Author (2023)

RESEARCH METHODS

Time and Place of Research

The data in this study was collected in March 2023. The research was conducted using a questionnaire distributed online through Google Forms. The questionnaire was circulated through social media to reach Generation Z in Jakarta.

Population and Sample

According to Swarjana & SKM (2022), the population is the whole person, case, or object on which the research results will be generalized. Based on the background that has been compiled, generation Z, who lives in Jakarta, was chosen as the research population. The population in this study is always increasing, so the number cannot be known precisely, so the technique used to draw samples is a non-probability sampling technique. Non-probability sampling is a procedure that involves sampling a population by providing different probabilities or opportunities for each member of the population who is then sampled (Safryani et al., 2020). The sampling method in this study is the purposive sampling method, which is a sample obtained from researchers who consciously select samples with the most appropriate characteristics for research studies so that the samples taken meet the criteria in accordance

with the research (Andrade, 2021). The criteria needed are respondents who live in DKI Jakarta and are aged 17-26 years.

This study calculates the required sample size based on Lwanga's formula, which can be applied to infinite populations (Lwanga et al., 1991). The formula is shown as follows:

$$n = \frac{z^2 P(1-P)}{d^2}$$

$$n = \frac{1,96^2 \times 0,5(1-0,5)}{0,05^2}$$

$$n = 384,16$$

From the formula above, the number of samples required is 384 samples.

Data Collection Techniques

This study uses primary data obtained through an online questionnaire distributed to respondents via Google Forms. The scale for filling out the questionnaire is a 6-point Likert scale (1 = strongly disagree, 2 = disagree, 3 = slightly disagree, 4 = slightly agree, 5 = agree, 6 = strongly agree). Questions within this research's questionnaire were modified from prior studies and were shown in the following table:

Table 1. Assessment of Measurement Properties

	Description
Green investment intentions Chai et al. (2019),Yee et al. (2022)	I expect to invest in green investment (IIH1)
	I want to invest in green investment (IIH2)
	I intend to invest in green investment (IIH3)
	I have intention to switch from conventional investment to green investment (IIH4)
	I have intention to invest in green investment because it has a positive contribution to the environment (IIH5)
	When I have a choice between two investments, I choose the one that is less harmful to people and the environment (IIH6)
	I am willing to include green investments in my investment portfolio (IIH7)
	I will invest in green investment in the near future (IIH8)
Attitude towards green investment Yong et al. (2017), Nugraha & Rahadi (2021)	I prefer green investment (SA1)
	I have a favourable attitude towards green investment (SA2)
	Green investment is important for me when I intent to make investment (SA3)
	I think it is wise for me to get involved in green investment (SA4)
	I think green investment is a great idea (SA5)
	I think that green investment can improve individual financial knowledge (SI1)
	I feel that the performance of green investments is generally reliable (SI2)
	Generally, I am confident that investing in green will generate high financial returns and have a positive impact (SI3)
	I am convinced that green investment promote sustainable development in an effective way (SI4)

	Description
Subjective Norm Nugraha & Rahadi (2021)	I will participate in green investment if my spouse thinks it is useful (NI1)
	I will participate in green investment if my family approves it (NI2)
	I will participate in green investment if the government encourages it (NI3)
	I will participate in green investment if a famous public figure encourages it (NI4)
	I will participate in green investment if my colleagues do (ND1)
	I will participate in green investment if my friend proves to be successful in it (ND2)
Perceived Behavioral Control Jensen et al. (2016), Nugraha & Rahadi (2021)	I would be able to participate in green investment (KK1)
	I believe that I have control in choosing the type of green investment I want to invest (KK2)
	It is mostly up to me to participate in green investment (KK3)
	If I want to invest in green investment, I can easily do so (KK4)
	I have the knowledge to invest in green investment (ED1)
	There are plenty of opportunities for me to invest in green investment (ED2)
	I have enough money for green investment (ED3)
	I have enough energy for green investment (ED4)
	I have enough time for green investment (ED5)

Source: Data Processed by Author (2023)

Data Analysis Techniques

This study will analyze primary data obtained through online questionnaires in two stages. In the first stage, researchers will conduct exploratory factor analysis (EFA) using SPSS software. The second stage is confirmatory factor analysis (CFA) and hypothesis testing using AMOS software. Second-order SEM is estimated to hypothesize the structural path to predict behavioral intention from the second-order latent factors of attitude towards green investment, social norms, and perceived behavioral control.

RESULTS AND DISCUSSION

Respondents of this study are generation Z who have an age range of 17 to 26 years with birth years 1997-2012. Based on age, the majority of respondents are 17-20 years old with a total of 158 respondents or 41.1% of the total respondents. The rest, there are 125 respondents or 32.6% aged 21-23 years and 101 respondents or 26.3% aged 24-26 years.

Women dominated the questionnaire with 247 respondents (64.3%), while 137 respondents (35.7%) were men. The majority of respondents have a high school education level with 204 respondents (53.1%) followed by respondents with an undergraduate education level of 144 respondents (37.5%). Respondents with diploma education level amounted to 30 respondents (7.8%), while the postgraduate education level was owned by 6 respondents (1.6%).

The majority of respondents are students with a total of 252 respondents (65.6%), private employees with 86 respondents (22.4%), government employees with 17 respondents (4.4%), entrepreneurs with 17 respondents (4.4%), professionals (doctors, lawyers, etc.) with 4 respondents (1.0%), and investors with 8 respondents (2.1%).

The majority of respondents have investment experience of less than 1 year with a total of 272 respondents (70.8%). For investment experience of 1-3 years owned by 89 respondents (23.2%), 3-5 years by as many as 19 respondents (4.9%), and more than 5 years by as many as 4 respondents (1.0%).

The research data collected through an online questionnaire will be tested for validity through EFA using SPSS 25, which is also used to find dimensions. Retained indicators have factor loading values of 0.4 or greater (Bahri & Zamzam, 2021).

The calculated results of the validity test will be continued for the reliability test. Only constructs with a Cronbach's Alpha Coefficient score of 0.7 or greater were included in further analysis (Collier, 2020; Hair et al., 2019).

From Table 2, all factor loadings values are above 0.4, so all statements were valid. In addition, all Cronbach's alpha values are more than 0.7, so all variables are reliable.

Tabel 2. Validity and Reliability Test Result

Variables	Indicators	Factor Loadings	Cronbach's Alpha
Green Investment Intention (Y1)	IIH1	.850	0.897
	IIH2	.763	
	IIH3	.811	
	IIH4	.763	
	IIH5	.743	
	IIH6	.698	
	IIH7	.805	
	IIH8	.740	
Attitude towards Green Investment (X1)	SA1	.744	0.911
	SA2	.807	
	SA3	.747	
	SA4	.766	
	SA5	.726	
	SI1	.796	
	SI2	.788	
	SI3	.774	
	SI4	.738	
Subjective Norm (X2)	NI1	.782	0.896
	NI2	.779	
	NI3	.796	
	NI4	.853	
	ND1	.851	
	ND2	.807	
Perceived Behavioral Control (X3)	KP1	.741	0.914
	KP2	.767	
	KP3	.592	
	KP4	.805	
	ED1	.790	

Variables	Indicators	Factor Loadings	Cronbach's Alpha
	ED2	.810	
	ED3	.800	
	ED4	.820	
	ED5	.829	

Source: Data Processed by Author (2023)

Table 3 shows the estimation results of the indicators on the green investment intention variable. It is known that the probability value is less than 0.05 and some Goodness of Fit Indices values state that the model does not meet the fit criteria and requires modification. To achieve the fit, it is necessary to remove two indicators, namely IIH4 and IIH5.

Tabel 3. Goodness of Fit of Green Investment Intention Variable

Goodness of Fit Indices	Cut of Value	Value before Modification	Explanation	Value after Modification	Explanation
Chi-square	Close to 0	142,837	Not Fit	10,474	Fit
Probability	≥ 0,05	0,000	Not Fit	0,163	Fit
CMIN/DF	≤ 2,00	7,142	Not Fit	1,496	Fit
GFI	≥ 0,90	0,915	Fit	0,991	Fit
AGFI	≥ 0,90	0,847	Not Fit	0,972	Fit
TLI	≥ 0,90	0,895	Not Fit	0,993	Fit
CFI	≥ 0,90	0,925	Fit	0,997	Fit
RMSEA	≤ 0,08	0,127	Not Fit	0,036	Fit

Source: Data Processed by Author (2023)

Table 4 shows the estimation results of the indicators on the attitude towards green investment variable. It is known that the probability value is less than 0.05 and some Goodness of Fit Indices values state that the model does not meet the fit criteria and requires modification. To achieve fit, it is necessary to remove three indicators, namely SA1, SA5, and SI4.

Tabel 4. Goodness of Fit of Attitude towards Green Investment Variable

Goodness of Fit Indices	Cut of Value	Value before Modification	Explanation	Value after Modification	Explanation
Chi-square	Close to 0	167.980	Not Fit	12.118	Fit
Probability	≥ 0.05	0.000	Not Fit	0.097	Fit
CMIN/DF	≤ 2.00	6.461	Not Fit	1.731	Fit
GFI	≥ 0.90	0.911	Fit	0.990	Fit
AGFI	≥ 0.90	0.845	Not Fit	0.969	Fit
TLI	≥ 0.90	0.896	Not Fit	0.990	Fit
CFI	≥ 0.90	0.925	Fit	0.995	Fit
RMSEA	≤ 0.08	0.119	Not Fit	0.044	Fit

Source: Data Processed by Author (2023)

Furthermore, the path coefficient test of the attitude model towards green investment is carried out to determine what variables affect the model. Based on the results of path testing in Table 5, it is found that all variables have a significant effect on attitudes towards green investment with a significance level (α) = 0.05.

In the measurement model formed, every one-unit increase in attitude towards green investment will increase the value of affective attitude by 0.910 and every one-unit increase in attitude towards green investment will increase the value of instrumental attitude by 0.906.

Tabel 5. Path Coefficient of Structural Model of Attitude Toward Green Investment

Variable	Coefficient	*p-value*	Explanation
Attitude Toward Green Investment → Affective Attitude	0.910	0.000	Significant
Attitude Toward Green Investment → Instrumental Attitude	0.906	0.000	Significant

Source: Data Processed by Author (2023)

Table 6 shows the estimation results of the indicators on the subjective norm variable. It is known that the probability value is less than 0.05 and some Goodness of Fit Indices values state that the model does not meet the fit criteria, so it requires modification. To achieve suitability, one indicator, namely NI3, must be removed.

Tabel 6. Goodness of Fit Subjective Norm Variable

Goodness of Fit Indices	Cut of Value	Value before Modification	Explanation	Value after Modification	Explanation
Chi-square	Close to 0	87.898	Not Fit	0.577	Fit
Probability	≥ 0.05	0.000	Not Fit	0.750	Fit
CMIN/DF	≤ 2.00	10.987	Not Fit	0.288	Fit
GFI	≥ 0.90	0.930	Fit	0.999	Fit
AGFI	≥ 0.90	0.815	Not Fit	0.995	Fit
TLI	≥ 0.90	0.888	Not Fit	1.007	Fit
CFI	≥ 0.90	0.940	Fit	1.000	Fit
RMSEA	≤ 0.08	0.161	Not Fit	0.000	Fit

Source: Data Processed by Author (2023)

Furthermore, the path coefficient of the subjective norm model is tested to find out what variables affect the model. Based on the results of path testing in Table 7, it is found that all variables have a significant effect on subjective norms with a significance level (α) = 0.05.

In the measurement model formed, every one-unit increase in subjective norms will increase the value of injunctive norms by 0.906 and every one-unit increase in subjective norms will increase the value of descriptive norms by 1.007.

Tabel 7. Path Coefficient of Subjective Norm Structural Model

Variable	Coefficient	p-value	Explanation
Subjective Norms → Injunctive Norms	0.906	0.000	Significant
Subjective Norm → Descriptive Norm	1.007	0.000	Significant

Source: Data Processed by Author (2023)

Table 8 shows the estimation results of the indicators on the perceived behavior control variable. It is known that the probability value is less than 0.05 and several Goodness of Fit Indices values state that the model does not meet the fit criteria, so it requires modification. To achieve suitability, it is necessary to remove four indicators, namely KP1, KP3, ED1, and ED4.

Tabel 8. Goodness of Fit of Perceived Behavioral Control Variables

Goodness of Fit Indices	Cut of Value	Value before Modification	Explanation	Value after Modification	Explanation
Chi-square	Close to 0	187.366	Not Fit	4.237	Fit
Probability	≥ 0.05	0.000	Not Fit	0.237	Fit
CMIN/DF	≤ 2.00	7.206	Not Fit	1.412	Fit
GFI	≥ 0.90	0.897	Not Fit	0.996	Fit
AGFI	≥ 0.90	0.822	Not Fit	0.978	Fit
TLI	≥ 0.90	0.895	Not Fit	0.996	Fit
CFI	≥ 0.90	0.924	Fit	0.999	Fit
RMSEA	≤ 0.08	0.127	Not Fit	0.033	Fit

Source: Data Processed by Author (2023)

Furthermore, the path coefficient test of the perceived behavior control model is carried out to find out what variables affect the model. Based on the results of path testing in Table 9, it is found that all variables have a significant effect on perceived behavior control with a significance level (α) = 0.05.

In the measurement model formed, every one-unit increase in perceived behavioral control will increase the value of perceived control ability by 0.846 and every one-unit increase in perceived behavioral control will increase self-efficacy by 1.037.

Tabel 9. Path Coefficient of Structural Model of Perceived Behavioral Control

Variable	Coefficient	p-value	Explanation
Perceived Behavioral Control → Perceived Controllability	0.846	0.000	Significant
Perceived Behavioral Control → Self-efficacy	1.037	0.000	Significant

Source: Data Processed by Author (2023)

The test results in Table 10 show that the full model is unsuitable. It is known that the probability value is less than 0.05 and several Goodness

of Fit Indices values state that the model does not meet the fit criteria and requires modification. For model fit testing, several indicators need to be eliminated. Three indicators on the green investment intention variable need to be removed, namely IIH6, IIH7, and IIH8, so there are three indicators left. Then there is one indicator of instrumental attitudes and one indicator of affective attitudes, namely SI1 and

SA4, which need to be deleted so that two indicators remain on each variable. In addition, the injunctive norm needs to delete one variable, namely NI2, so that the injunctive norm and descriptive norm variables each have two indicators. Finally, the self-efficacy variable needs to delete one variable, ED5, so that there are two variables in the perceived controllability variable and self-efficacy.

Tabel 10. Goodness of Fit Full Model SEM

Goodness of Fit Indices	Cut of Value	Value before Modification	Explanation	Value after Modification	Explanation
Chi-square	Close to 0	569.662	Not Fit	91.537	Fit
Probability	≥ 0.05	0.000	Not Fit	0.140	Fit
CMIN/DF	≤ 2.00	2.983	Not Fit	1.174	Fit
GFI	≥ 0.90	0.881	Not Fit	0.956	Fit
AGFI	≥ 0.90	0.842	Not Fit	0.933	Fit
TLI	≥ 0.90	0.912	Fit	0.991	Fit
CFI	≥ 0.90	0.927	Fit	0.993	Fit
RMSEA	≤ 0.08	0.072	Not Fit	0.026	Fit

Source: Data Processed by Author (2023)

In the measurement model formed, it can be said that every one-unit increase in green investment intention will increase the value of attitudes towards green investment by 0.622, every one-unit increase in

green investment intention will reduce subjective norms by 0.110, and every one-unit increase in green investment intention will increase perceived behavioral control by 0.240.

Tabel 11. Structural Fit Model Path Coefficient

Variable	Coefficient
Attitude Toward Green Investment → Green Investment Intention	0.622
Subjective Norm → Green Investment Intention	-0.110
Perceived Behavioral Control → Green Investment Intention	0.240

Source: Data Processed by Author (2023)

The results of the coefficient of determination test on the green investment intention of Generation Z in Jakarta displayed in Table 12 show a squared multiple correlations value of 0.556. This shows that 56%

of endogenous variables, namely green investment intention, can be explained by exogenous variables, namely attitudes towards green investment, subjective norms, and perceived behavioral control. While

the remaining 44% is explained by other factors.

Tabel 12. Coefficient of Determination

	Estimation
Green Investment Intention	0.556

Source: Data Processed by Author (2023)

Based on table 13, it can be concluded that the results of testing the research hypothesis are as follows:

First, in the variable attitude towards green investment towards green investment intention, it is found that this model has a critical ratio (C.R.) value of more than 1.96 or 5.301 and is positive so it is concluded that there is a significant positive influence between the variable attitude towards green investment towards green investment intention. This means that the first hypothesis in this study, namely attitude towards green investment has a significant positive effect on green investment intention in Generation Z in Jakarta, is accepted. The results of this study are in accordance with research conducted by Osman et al. (2019) and Thanki et al. (2022), who found that attitudes are significantly influenced by collectivism, environmental concern, financial performance, and awareness of socially responsible investment. This positive influence causes investment intentions to increase. According to this study, investors with a positive attitude toward sustainability show a strong desire to make sustainable investments. Therefore, investors' attitude toward the social purpose of investment will influence their intention to invest in companies that prioritize SRI (Chai et al., 2019 dan Jansson & Biel, 2014). This research empirically proves that Generation Z in Jakarta thinks that green investing can improve their financial knowledge and is a wise, interesting choice and a good idea.

Second, on the subjective norm variable on green investment intention, it is found that this model has a critical ratio (C.R.) value of less than 1.96 or 1.444 and has a negative value, so it is concluded that there is no significant positive influence between the subjective norm variable on green investment intention. This means that the second hypothesis in this study, namely subjective norms have a significant positive effect on green investment intentions in Generation Z in Jakarta, is rejected. This implicitly states that Generation Z is not influenced to start green investment despite having role models who encourage them or have role models who have proven successful in green investment. People who become references do not necessarily have green investment experience so it is necessary to consider including encouragement from financial advisors in Generation Z's green investment decisions. The results of this study are in accordance with Paramita et al. (2018) study, which found that young investors do not have role models who can be used

as role models for investing, so they do not have colleagues who are investors or are willing to become investors who can influence their perceptions about investing in stocks, so subjective norms do not affect investment intentions. Paramita's research is in accordance with research by Kumari et al. (2022), Nugraha & Rahadi (2021), and Osman et al. (2019), who also found that subjective norms do not have a significant influence on investors' investment intentions.

Finally, on the perceived behavioral control variable on green investment intention, it is found that this model has a critical ratio (C.R.) value of more than 1.96 or 2.390 and is positive, so it is concluded that there is a significant positive influence between the perceived behavioral control variable on green investment intention. This means that the third hypothesis in this study, namely perceived behavioral control has a significant positive effect on green investment intention in Generation Z in Jakarta, is accepted. This shows that Generation Z in Jakarta has access to the resources needed to make green investments, such as the freedom to choose investment instruments, ownership of money, and information to make green investments. How Gen Z sees their ability to invest in green will affect their intention to invest. Investors who feel capable of green investing tend to go harder on stock transactions. The results of this study are in accordance with research by Osman et al. (2019), which found that strong perceived behavioral control over green investment intentions shows individual confidence in the importance of green investment and ownership of access to resources in the form of information related to investment via the internet. According to research by Thanki et al. (2022), perceived behavioral control has a significant positive effect on investment intentions which indicates that individual beliefs in their capacity will encourage intentions to invest. In addition, Jensen et al. (2016) argue that perceived behavioral control indicates the ease of performing socially responsible investment actions has a correlation with their intentions.

Tabel 13. Hypothesis Test Results

H	Path			C.R.	P	Results
H_1	Attitude towards Green Investment	→	Green Investment Intention	5.301	***	Accepted
H_2	Subjective Norm	→	Green Investment Intention	-1.444	0.149	Rejected
H_3	Perceived Behavioral Control	→	Green Investment Intention	2.390	0.017	Accepted

***$p < 0.01$. **$p < 0.05$. *$p < 0.1$
Source: Data Processed by Author (2023)

CONCLUSION

The attitude toward green investment has a significant positive effect on green investment intention in Generation Z in Jakarta. These results can prove that Generation Z's belief in green investment and a good attitude can increase green investment intention.

Subjective norms have an insignificant influence on green investment intentions in Generation Z in Jakarta. These results prove that the opinions of people who become references are not a reason for Generation Z in Jakarta to have green investment intentions.

The perceived behavioral control has a significant positive effect on green investment intention in Generation Z in Jakarta. These results can prove that Generation Z's perception of their ability to invest green will determine their intention to invest.

The limitation of this study is that this study only focuses on Generation Z aged 17-26 years who have varying levels of financial literacy knowledge, allowing for different conclusions. This study found that subjective norms have an insignificant influence on green investment intention. In addition, researchers only used data collection methods in the form of online questionnaires, which could result in respondents filling out questionnaires less seriously or dishonestly. Lastly, this study has not asked about Generation Z's income level on the questionnaire.

This study contributes to the novelty of the research by offering a relatively new perspective on green investment intention, which still needs to be improved nationally and internationally. This study concludes that the Theory of Planned Behavior model as a whole can be applied to predict green investment intention. This is reflected in the structural model and the coefficient of determination of 56%. Factors that influence green investment intention are attitude towards green investment, subjective norms, and perceived behavioral control.

Generation Z in Jakarta has a good attitude toward green investment. They have a positive view of green investment and believe in the performance of green investment in generating profits. In addition, Generation Z in Jakarta believes they have control over participating in green investments and the resources needed to make green investments. Therefore, generation Z in Jakarta has a good attitude toward green investment and perceived behavioral control that can influence green investment intention.

This research can be used as a consideration for the government regarding policy making regarding green investment. It is hoped that this research can be taken into consideration by business people who do not yet have a good ESG score by providing an overview of the increasing green investment intentions of Generation Z so that companies can plan an environmentally friendly company operating strategy. In addition, because this study found that easy access to information about green investment and the freedom to choose investment instruments can increase green investment intentions, this research can be an input for securities companies to improve service quality and provide easily accessible information through various platforms so that investors and potential investors can have easy access to investment. Finally, this research can be used as a consideration for the Indonesia Stock Exchange and the Kehati Foundation in developing an ESG-based index to develop sustainable investments while increasing ESG practices in the Indonesian capital market.

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