Comparative Analysis of Consumer Legal Literacy on Hire Purchase Law: Investigating Knowledge Differences between Academic and Non-Academic Staff at a Higher Education Institution

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ABSTRACT

Legal literacy is a critical factor in enabling individuals to understand, interpret and exercise their rights within consumer transactions. In Malaysia, the Hire Purchase Act 1967 (Act 212) provides statutory protection for consumers engaged in hire purchase agreements. However, prior research suggests that awareness and comprehension of both substantive and procedural provisions remain uneven, particularly among staff in institutions of higher learning. This study examined the level of legal literacy regarding the Hire Purchase Act 1967 among academic and non-academic staff at Universiti Teknologi MARA (UiTM) Cawangan Terengganu, with particular attention to differences across staff categories and educational backgrounds. A total of 264 respondents participated in the study, selected through stratified random sampling to ensure balanced representation of both staff categories. Data was collected using a structured questionnaire comprising demographic items and 13 Likert-scale statements assessing respondents' understanding of hire purchase rights, contractual obligations and procedural safeguards. Descriptive statistics were employed to measure overall levels of legal literacy, while independent sample t-tests were used to examine differences between staff categories. The results indicated that staff demonstrated a moderate level of legal literacy overall. Respondents recorded higher awareness of practical consumer rights such as early termination, rebates and the right to request the return of goods, while knowledge of technical provisions, including the assignment of rights, maintenance obligations and the requirement for separate agreements for each item, was comparatively lower. Comparative analysis further revealed that academic staff consistently scored higher than their non-academic counterparts, with educational background identified as a key factor influencing comprehension of legal provisions. The findings highlight the importance of targeted legal literacy interventions within institutions of higher learning, including workshops, information campaigns and structured training programmes. Enhancing staff legal literacy promotes informed consumer behaviour, reduces vulnerability to contractual disputes and supports broader consumer protection objectives in Malaysia. These insights also provide a basis for future research exploring legal literacy across other educational and occupational contexts.

Keywords*:* Hire Purchase, Legal literacy, Consumer rights, Academic staff, Non-academic staff

INTRODUCTION

Legal literacy, broadly defined as the capacity to understand, interpret and apply legal information in everyday life, is widely regarded as essential for protecting individual rights and ensuring compliance with statutory obligations (Zariski, 2014). In the Malaysian context, where credit-based transactions such as hire

purchase agreements are prevalent, legal literacy empowers consumers to make informed decisions, recognise their rights and take appropriate action when disputes arise (Abdul Hamid & Nik Mohammad, 2018; Dol, Abu Bakar & Mat Said, 2015). Consumer legal literacy is particularly significant in this regard, as it determines not only whether consumers are aware of their rights but also whether they possess the knowledge and skills necessary to act upon them effectively (Norhafah et al., 2018).

The Hire Purchase Act 1967 (Act 212) is the cornerstone legislation regulating hire purchase transactions in Malaysia. It specifies the rights of hirers, including the requirement for written agreements, procedural safeguards during repossession and entitlements such as early settlement rebates. Despite this legislative framework, studies suggest that while consumers may be generally aware of their rights, their understanding of procedural and technical provisions remains limited (Zakuan et al., 2025). Such limitations in legal literacy carry significant implications not only for individual consumer protection, but also for institutional compliance and the promotion of fair business practices in credit-based transactions.

Against this backdrop, examining how hire purchase legal literacy manifests among individuals in institutional settings becomes particularly relevant. Within higher education institutions, staff members occupy diverse roles from academic and administrative positions to support functions which influence their exposure to legal materials and their practical understanding of consumer laws. As active consumers engaging in credit transactions, university staff represent a pertinent group for examining legal literacy in this domain.

Research on consumer legal literacy in Malaysia has consistently highlighted the role of education and social environment in shaping individuals' legal knowledge, with those possessing higher educational qualifications and greater institutional exposure tending to demonstrate stronger legal awareness (Dol et al., 2015; Norhafah et al., 2018). Previous studies further confirm that educational background, role responsibilities and institutional support are key factors shaping legal literacy, with those in administrative or leadership positions often demonstrating greater awareness of legal obligations than those without such duties (Tie, 2014; Abdul Hamid & Nik Mohammad, 2018; Abd Razak et al., 2022).

Given this context, assessing the level of legal literacy regarding the Hire Purchase Act 1967 among staff at Universiti Teknologi MARA (UiTM) Cawangan Terengganu is both timely and significant. Understanding these literacy patterns can inform targeted educational interventions, strengthen staff capacity in legal matters and ultimately promote responsible consumer behaviour within and beyond the university community.

This study aims to examine the descriptive level of legal literacy regarding the Hire Purchase Act 1967 among UiTM Cawangan Terengganu staff, compare literacy levels across staff categories and educational backgrounds, and identify specific provisions of the Act where awareness is particularly strong or critically lacking. The findings are expected to contribute to the broader discourse on legal literacy in Malaysia, offering practical recommendations for enhancing both institutional and consumer legal education. The subsequent section of this paper is structured as follows. Section 2 reviews the existing literature on the Hire Purchase Act 1967 and the determinants of legal literacy. Section 3 outlines the quantitative research methodology employed. Section 4 presents the descriptive and inferential findings of the study, and Section 5 concludes with actionable recommendations for institutional policy.

LITERATURE REVIEW

Hire Purchase Act 1967

The Hire Purchase Act 1967 (Act 212) serves as the primary legislation governing hire purchase transactions

in Malaysia, providing a legal framework to protect both hirers and owners. The Act specifies rights and obligations of parties in hire purchase agreements, including requirements for written contracts, payment terms, repossession procedures and disclosure of goods details (Laws of Malaysia – Hire Purchase Act 1967 (Act 212), 2019). Key provisions include:

i. Requirement for Written Agreements: All hire purchase agreements must be in writing and clearly outline terms, payments and the rights of the hirer (Mohd Sirat, Manshor & Hussin, 2024).

ii. Rights of the Hirer: Hirers have the right to request documentation, terminate agreements early, receive rebates for early settlement and ensure proper repossession notices before goods are reclaimed by the owner (Zakuan, Hassan, & Ismail, 2025).

iii. Obligations of the Owner: Owners must comply with procedural requirements when repossessing goods, provide clear information regarding contract terms and ensure goods are maintained according to the agreement (Norhafah et al., 2018).

iv. Consumer Protection Mechanisms: The Act limits unfair terms, ensures transparency and empowers consumers to seek redress in case of disputes (Laws of Malaysia – Hire Purchase Act 1967 (Act 212), 2019).

Understanding the Act is a critical component of legal literacy, as it allows consumers to navigate agreements confidently and assert their rights effectively. Studies have shown that gaps in awareness and comprehension of the Act's provisions can lead to disputes and consumer vulnerability (Abdul Hamid & Nik Mohammad, 2018; Mohd Sirat et al., 2024).

Legal Literacy and Consumer Rights

Legal literacy is widely recognized as the ability of individuals to understand, access and effectively utilize legal information in daily life, particularly in financial and contractual contexts (Febrianty et al, 2025). In the context of hire purchase agreements, legal literacy empowers consumers to comprehend their rights and obligations under the Hire Purchase Act 1967 (Act 212), reducing vulnerability to unfair contract terms (Laws of Malaysia – Hire Purchase Act 1967 (Act 212), 2019). It encompasses both procedural knowledge such as understanding the steps needed to exercise legal rights and substantive knowledge, including familiarity with the specific provisions and protections in relevant legislation (Abd Razak et al., 2022).

Legal literacy is crucial in promoting consumer empowerment, as informed individuals are better equipped to challenge unfair practices, negotiate terms and make reasoned financial decisions (Muda et al., 2024; Zakuan et al., 2025). Moreover, it reduces the likelihood of disputes and increases compliance with legal requirements, which benefits both consumers and service providers (Bashri & Abu Bakar, 2022). In higher education contexts, staff with higher legal literacy can influence students and peers by disseminating knowledge and modelling responsible consumer behavior, thus fostering a culture of informed decision making (Kandasamy, Arumugam & Hashim, 2024).

In Malaysia, legal literacy regarding hire purchase agreements remains uneven, with general awareness of consumer rights relatively high but detailed comprehension of legal nuances often limited (Mohd Sirat et al., 2024; Norhafah et al., 2018). This highlights the importance of accessible legal education, targeted awareness campaigns and user-friendly resources to bridge gaps and ensure equitable understanding of consumer protection mechanisms. By developing both awareness and understanding, legal literacy strengthens individual autonomy, reduces exploitation and supports the broader objectives of national consumer protection policies.

Legal Literacy Among Staff

Legal literacy among staff in higher education institutions and organisational settings is shaped by multiple interrelated factors including professional role, educational level and exposure to legal materials. For example, a large scale empirical study of Malaysian educators found that over 90% of respondents rated themselves as lacking basic knowledge of laws relevant to their professional context, indicating only moderate awareness of constitutional and statutory rights (Abdul Hamid & Nik Mohammad, 2018). Consequently, although these staff understood the importance of legal literacy, their substantive and procedural legal knowledge remained weak.

In another context, a study of human resource officers in Malaysia concluded that limited legal literacy particularly regarding the Employment Act 1955, negatively impacted the protection of workers' rights and contributed to legal claims against employers. The study emphasized that those HR officers lacking legal literacy often disregarded employee protections, highlighting how role and function influence legal awareness (Abd Razak et al., 2022).

These findings underscore that staff category matters significantly. Those with roles that engage more directly with policy, administration or legal frameworks (such as academics, legal advisors or administrative senior staff) tend to exhibit higher legal literacy. In contrast, non-academic or support staff who may engage less frequently with legal texts or contracts often lag in both understanding and application of legal knowledge. Furthermore, educational attainment, the availability of training and institutional support all play pivotal roles in determining literacy levels. For instance, staff with tertiary education and exposure to legal or administrative tasks tend to demonstrate stronger legal literacy (Abdul Hamid & Nik Mohammad, 2018; Kandasamy et al., 2024).

Importantly, the gap is not only about general awareness but also the type of legal knowledge. Staff may be aware of visible rights such as termination rights or rebates yet struggle with technical or procedural components such as assignment of rights, location clauses or formal written requirements. This pattern is consistent with broader consumer legal literacy research showing that visible rights receive higher awareness than obscure procedural obligations (Zakuan et al., 2025; Muda et al., 2024).

Given this, it becomes clear that institutional interventions such as targeted training workshops, accessible legal information resources, role specific briefings and peer learning initiatives are essential to elevate legal literacy across all staff categories. Doing so not only empowers employees in their own consumer and contractual dealings but also strengthens the institution's culture of legal awareness and compliance.

Legal Literacy and Educational Background

Educational attainment is widely recognized as a key determinant of legal literacy. Individuals who have achieved higher levels of formal education typically display a stronger comprehension of legal provisions and the ability to interpret complex clauses and procedural requirements (Febrianty et al., 2025). For example, a Malaysian empirical study found that educators with tertiary qualifications demonstrated noticeably higher recognition of statutory rights and obligations compared to their less educated counterparts (Abdul Hamid & Nik Mohammad, 2018).

Additionally, research focusing on pre-service teachers revealed that those who had undergone professional teacher training exhibited enhanced legal literacy outcomes, suggesting that structured education and exposure to legal content significantly bolster literacy levels (Kandasamy et al., 2024). A broader study further confirms this pattern, where individuals with more years of education or who had participated in dedicated legal education programmes reported significantly higher legal awareness (Febrianty et al., 2025).

In the Malaysian consumer protection context, membership in tertiary level consumer association programmes correlated with higher levels of legal literacy values and practices, compared to groups with lower education levels (Dol et al., 2015). Similarly, a study of UPM students found that educational level was among the significant determinants of consumer literacy (Bashri & Abu Bakar, 2022). These findings underscore that higher educational background combined with legal education exposure enhances not only legal awareness, but also the ability to act on that awareness.

This pattern has practical implications in organizational settings such as universities, where staff with higher education levels are more likely to engage with legal information resources, interpret contractual rights and guide peers or students. Conversely, staff with lower educational credentials may struggle to navigate legal terms or procedural requirements, thereby underscoring the need for institutionally targeted training initiatives.

RESEARCH METHODOLOGY

Respondents and Sampling Procedure

The population for this study comprised a total of 827 staff members at Universiti Teknologi MARA (UiTM) Cawangan Terengganu, consisting of 384 academic staff and 442 non-academic staff. The academic cohort is composed of lecturers possessing Master's and PhD qualifications, whereas the non-academic cohort encompasses administrative, technical, and operational support personnel with educational attainments ranging from Sijil Pelajaran Malaysia (SPM) and Diplomas to Bachelor's degrees.

A stratified random sampling technique was systematically employed to ensure adequate and proportionate representation from both staff categories. According to Sekaran and Bougie (2016), stratified random sampling is highly effective in heterogeneous organizational settings because it reduces sampling error and ensures that critical subgroups (strata) are accurately represented. In the context of legal literacy research, where educational background is a known determinant of knowledge, this approach is crucial. It allowed the researcher to meaningfully compare literacy levels across distinct professional groups while maintaining statistical balance and demographic diversity within the sample (Taherdoost, 2016). From the total population of 827, a well-balanced sample of 264 respondents was selected, comprising 124 academic staff (47.0%) and 140 non-academic staff (53.0%). The selection of respondents was carried out based on the official staff name list, which was pre-stratified into academic and non-academic categories.

Instrument and Measurement

A structured questionnaire was utilized as the primary research instrument. Questionnaires are highly effective in survey research for standardizing data collection and objectively capturing self-reported literacy levels (Creswell & Creswell, 2018). The questionnaire was distributed to the 264 selected respondents to be completed and returned directly to the researchers. The instrument is divided into three distinct sections: Section A gathers demographic information; Section B focuses on general hire-purchase experience; and Section C assesses specific legal literacy items related to the Hire Purchase Act 1967. Items in Section C were evaluated using a five-point Likert scale, defined in the following table.

Table 1: Likert Scale Values and Indicators

Scale	1	2	3	4	5
Indicator	Fully Not Aware	Not Aware	Not Sure	Aware	Fully Aware

The implementation of a five-point Likert scale is optimal for cognitive measurement, as it provides sufficient variance for robust statistical analysis while minimizing respondent fatigue (DeVellis, 2016). This scale enabled the precise quantification of respondents' understanding, transforming abstract legal knowledge into a measurable continuum ranging from "very low" to "high."

To enhance the clarity and interpretability of the statistical results, the mean scores derived from the Likert-scale responses were categorized into specific interpretive ranges. This interval calculation is based on the standard formula of (Highest Score - Lowest Score) / Number of Categories, yielding an interval of 0.80 (Pimentel, 2010). This methodology transforms numerical data into meaningful descriptive levels, allowing the study to clearly articulate patterns of understanding regarding statutory rights.

In accordance with established statistical conventions for interval scaling (Lindner & Lindner, 2024; Watson Todd, 2018), this study adopted the mean score interpretation ranges as shown in the following table.

Table 2: Interpretation of Mean Score Ranges for Legal Literacy Levels

Mean Score Range	**Interpretation**
1.00 – 1.80	Very low legal literacy
1.81 – 2.60	Low legal literacy

2.61 – 3.40	Low–moderate legal literacy
3.41 – 4.20	Moderate–high legal literacy
4.21 – 5.00	High legal literacy

This framework provides a structured and objective mechanism to analyze the respondents' comprehension of key legal provisions. Furthermore, the instrument's reliability was rigorously tested using Cronbach's Alpha. The analysis yielded a coefficient of 0.87, which significantly exceeds the minimum acceptable threshold of 0.70 recommended by Hair et al. (2019) and Nunnally and Bernstein (1994), thereby indicating strong internal consistency. Content validity was strictly ensured through expert reviews conducted by senior law lecturers and legal practitioners. Minor linguistic adjustments were subsequently made to ensure that technical statutory terms were comprehensible to respondents from non-legal backgrounds without altering their legal definitions.

Data Processing and Analysis

All collected responses were meticulously coded and analyzed using IBM SPSS Statistics (Version 29). Initially, a descriptive analysis was conducted to determine the baseline level of legal literacy among the staff concerning the Hire Purchase Act 1967 (Act 212). This phase of analysis aimed to identify central tendencies and specific patterns of understanding regarding rights and obligations, as well as to examine how literacy distribution varies across demographic factors such as gender, age, staff category, education level, and monthly income.

Subsequently, an independent samples t-test was employed to determine whether there were statistically significant differences in the level of legal literacy between academic and non-academic staff. This inferential analysis specifically aimed to test the hypothesis that educational background and occupational role significantly influence the comprehension of the Hire Purchase Act 1967. The t-test is the most appropriate parametric technique for this study because it compares the means of two independent, mutually exclusive groups (academic vs. non-academic staff) measured on a continuous dependent variable (the composite mean scores of legal literacy) (Pallant, 2020). Prior to conducting the t-test, assumptions of normality and homogeneity of variances (via Levene's Test) were assessed to ensure the statistical validity of the findings (Field, 2018). The test ultimately compared the group means to identify whether the observed literacy gaps were statistically significant or merely occurred by chance.

FINDINGS

Descriptive Analysis of Legal Literacy Levels

Table 3: Descriptive Statistics of Respondents' Legal Literacy Levels

Item	Statement (abbreviated)	Mean	Std. Deviation	Legal Literacy Level
1	Existence of Hire Purchase Act 1967	3.43	0.886	Moderate–high
2	Agreement must comply with the Act	3.38	0.917	Low–moderate
3	Agreement must be in writing	3.61	0.914	Moderate–high
4	Right to request documents/information	3.68	0.911	Moderate–high
5	Separate agreement for each item	3.28	0.977	Low–moderate
6	Must keep goods at agreed place	3.2	0.951	Low–moderate
7	Right to assign to another person	3.13	0.901	Low–moderate
8	Right to appropriate payment	3.12	0.904	Low–moderate
9	Owner's right to repossess goods	3.57	0.858	Moderate–high
10	Right to notice before repossession	3.75	0.872	Moderate–high
11	Right to request return of goods	3.96	0.819	Moderate–high

12	Right to terminate agreement early	3.77	0.894	Moderate–high
13	Right to rebate for early settlement	3.88	0.893	Moderate–high
	Overall legal literacy	**3.52**	**0.679**	**Moderate–high**

Table 3 presents the descriptive statistics outlining the respondents' level of legal literacy regarding the Hire Purchase Act 1967 among staff at UiTM Cawangan Terengganu. The overall mean score recorded was 3.52 (SD = 0.68), indicating a moderate-high level of collective legal literacy. This suggests that, in general, the respondents possess a reasonable, working understanding of their statutory rights and obligations under hire-purchase agreements.

A deeper analysis of the itemized scores reveals a distinct dichotomy between prominent consumer rights and lesser-known procedural obligations. Respondents demonstrated significantly higher awareness in aspects related to direct, actionable consumer rights that have immediate financial implications. These include the right to request the return of goods (M = 3.96, SD = 0.82), the right to receive a statutory rebate upon early settlement (M = 3.88, SD = 0.89), and the right to terminate an agreement early (M = 3.77, SD = 0.89). These findings align with the concept of "bounded rationality" in contract comprehension as Hillman and Rachlinski (2002) argue, consumers naturally focus their cognitive resources on the most visible, economically impactful terms of a contract while ignoring complex standard clauses.

Conversely, noticeably lower mean scores were observed in areas involving technical, procedural or restrictive legal knowledge. Items such as the requirement for separate agreements for each purchased item (M = 3.28, SD = 0.98), the restrictive obligation to keep goods at the agreed location (M = 3.20, SD = 0.95) and the legal nuances of assigning ownership rights (M = 3.13, SD = 0.90) fell into the low-moderate literacy category. This indicates that respondents are far less aware of the strict legal caveats that protect the financier. As Howells (2005) notes, the mere provision of written legal documents does not empower consumers to understand obscure procedural jargon. Such gaps perfectly reflect the observations of Mohd Sirat et al. (2024), who concluded that while general awareness of consumer rights exists among Malaysians, true comprehension of detailed statutory procedures remains critically limited.

This moderate-high yet structurally imbalanced, level of awareness underscores the necessity for targeted legal literacy programs within educational institutions. Consistent with Zakuan et al. (2025), low awareness of technical provisions frequently leaves consumers vulnerable to unfair repossession tactics and contractual penalties. Strengthening this specific procedural literacy enables individuals to critically evaluate contractual terms and seek proper redress mechanisms, fulfilling the broader objectives of national consumer-protection policies (Abu Bakar et al., 2018; Norhafah et al., 2018).

Comparative Analysis Across Staff Categories

Before interpreting the results of the Independent Samples t-Test, preliminary analyses were conducted to ensure no violations of the core statistical assumptions (Field, 2018). The independence of observations was inherently met due to the mutually exclusive nature of the staff categories (academic and non-academic). Normality was assessed by examining the skewness and kurtosis values of the composite legal literacy scores, which fell within the acceptable threshold of -2.0 to +2.0, indicating an approximately normal distribution (Hair et al., 2019). Furthermore, given the robust sample size (N = 264), the Central Limit Theorem dictates that the t-test is highly resilient to minor deviations from normality. Finally, Levene's Test for Equality of Variances was utilized to assess the homogeneity of variances. For items where the assumption was violated ($p < 0.05$), the adjusted Welch's t-test values (equal variances not assumed) were strictly reported to prevent Type I errors (Pallant, 2020). With all statistical assumptions adequately satisfied or adjusted for, the inferential analysis proceeded.

Table 4: Independent Samples t-Test Analysis Between Academic and Non-Academic Staff

Item	**Mean**			**p (two-tailed)**	**Significance**
	Academic	**Non-**	**Difference**		

	Staff	**Academic Staff**			
Existence of the Hire Purchase Act 1967	3.58	3.29	0.29	0.008	Significant
Agreement must be in accordance with the Act	3.53	3.24	0.29	0.012	Significant
Agreement must be made in writing	3.74	3.49	0.25	0.034	Significant
Right to ask documents and information	3.83	3.55	0.28	0.014	Significant
Separate agreement for each item	3.25	3.3	−0.05	0.72	Not significant
Must keep goods as per agreement	3.21	3.18	0.03	0.78	Not significant
May assign rights with consent	3.12	3.13	−0.01	0.902	Not significant
Right to appropriate payment	3.16	3.09	0.07	0.516	Not significant
Owner's right to repossess	3.59	3.54	0.05	0.622	Not significant
Right to notice before repossession	4.03	3.49	0.54	< 0.001	Significant
Right to request return of goods	4.19	3.73	0.46	< 0.001	Significant
Right to terminate agreement early	4.05	3.51	0.54	< 0.001	Significant
Right to rebate upon early settlement	4.11	3.67	0.44	< 0.001	Significant
Overall Legal Literacy	**3.65**	**3.4**	**0.25**	**0.004**	**Significant**

The inferential analysis in table 4 revealed highly significant differences in the level of legal literacy between academic and non-academic staff at UiTM Cawangan Terengganu concerning the Hire Purchase Act 1967. The overall mean difference (0.25, $p = 0.004$) confirms a statistically significant disparity between the two staff categories, with academic staff demonstrating a superior grasp of the legislation.

Specifically, academic staff consistently exhibited higher mean scores in recognizing fundamental and actionable rights, including awareness of the Act's existence ($p = 0.008$), the mandatory requirement for written agreements ($p = 0.034$), and highly visible rights concerning repossession notices, early termination, and settlement rebates (all $p < 0.001$). These findings strongly suggest that higher educational attainment directly translates into superior cognitive processing of statutory frameworks. This aligns closely with Dol et al. (2015) and Bashri & Abu Bakar (2022), who identified formal educational exposure as a primary predictor of consumer legal literacy in Malaysia.

The significant literacy gap between academic and non-academic staff stems from underlying socio economic and structural differences within the institution. Academic personnel hold postgraduate degrees and routinely handle institutional policies and contracts, which train them to interpret statutory terminology and consumer rights more effectively. Non-academic staff, on the other hand, perform administrative and support duties that rarely involve analyzing legal texts. Furthermore, higher income levels afford academic staff greater access to legal advisory resources, whereas lower-income support staff experience tighter financial constraints that push them to prioritize immediate loan approval over scrutinizing complex contractual clauses (Dol et al., 2015; Bashri & Abu Bakar, 2022). Ultimately, this disparity is driven by structural inequalities in education, income, and professional exposure rather than simple individual interest.

However, a highly compelling finding emerged within the non-significant results ($p > 0.05$). For complex, obscure contractual obligations such as the requirement for separate agreements, keeping goods at specific locations, assigning rights and the appropriation of payments, no statistical difference was found between the two groups. This indicates that both academic and non-academic staff share a similar lack of understanding when it comes to highly technical legal boilerplate. As noted by Norhafah et al. (2018), the

complex legal jargon in Malaysian hire purchase contracts creates a barrier that even higher education cannot overcome, preventing all consumers from fully understanding their liabilities.

In the context of UiTM Cawangan Terengganu, these findings provide clear directives for institutional action. While academic staff possess strong baseline awareness, non-academic staff require immediate, structured support to bridge the fundamental literacy gap. Furthermore, because both cohorts struggle with obscure procedural clauses, the university's intervention strategies such as legal awareness campaigns and consumer workshops must move beyond basic rights. They must explicitly decode the technical jargon of the Hire Purchase Act 1967 to foster a truly equitable, legally empowered workforce capable of making informed consumer decisions.

CONCLUSION AND RECOMMENDATIONS

The findings derived from the descriptive analyses indicate that staff members at UiTM Cawangan Terengganu demonstrate an overall moderate level of legal literacy with respect to the Hire Purchase Act 1967 (Act 212). Respondents generally understood the core principles governing hire purchase contracts such as the requirement for written agreements, compliance with the Act and rights related to repossession and early termination, but exhibited notably weaker comprehension of technical provisions, including the assignment of rights, itemized agreements and maintenance obligations.

The comparative analysis conducted through independent samples t-tests further revealed statistically significant differences between academic and non-academic staff, with academic staff recording higher scores across several key dimensions, particularly in their understanding of repossession procedures, documentation requirements and termination rights.

This outcome suggests that educational attainment exerts a significant influence on an individual's capacity to interpret legal information and that greater exposure to consumer education enhances levels of legal literacy. Nevertheless, persistent gaps in specific areas of contractual knowledge indicate that general legal awareness does not necessarily translate into a procedural understanding of the law. The moderate scores recorded in these areas reflect a need for more accessible dissemination of legal information, particularly among non-academic personnel who may have limited engagement with formal consumer education resources.

In summary, while this study confirms that UiTM staff possess a functional understanding of the Hire Purchase Act 1967, it also underscores the need to strengthen literacy with respect to detailed legal procedures and contractual obligations. Bridging this gap is essential to ensure that all consumers, regardless of occupational background, are empowered to make informed financial decisions and to uphold their statutory rights.

The findings of this study emphasize the importance of integrating legal and consumer literacy into workplace training and staff development programs. Institutions of higher learning, such as UiTM, can play a pivotal role in fostering this awareness through regular seminars, legal literacy campaigns and collaboration with consumer associations. By promoting simplified access to legal knowledge, universities can ensure that both academic and non-academic staff are equipped to make informed financial and contractual decisions.

Future research could expand the scope of this study by examining similar patterns across other Malaysian universities by exploring the influence of variables such as age, income and length of service on levels of legal literacy. Additionally, qualitative investigations could provide deeper insights into how individuals interpret and apply hire purchase law in everyday contexts, offering valuable perspectives for policymakers and educators seeking to improve consumer protection strategies in Malaysia.

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