



**JOURNAL OF BUSINESS
MANAGEMENT AND ACCOUNTING**

<https://e-journal.uum.edu.my/index.php/jbma>

How to cite this article:

Wan Nawang, W. R. (2025). Understanding financial literacy and financial well-being among young Malaysians. *Journal of Business Management and Accounting*, 15(2), 145-165. <https://doi.org/10.32890/jbma2025.15.2.4>

**UNDERSTANDING FINANCIAL LITERACY AND FINANCIAL WELL-BEING
AMONG YOUNG MALAYSIANS**

Wan Rasyidah Wan Nawang
Faculty of Economics and Muamalat,
Universiti Sains Islam Malaysia, Malaysia

Corresponding author: wasyidah@usim.edu.my

Received: 19/12/2024

Revised: 22/05/2025

Accepted: 25/05/2025

Published: 31/07/2025

ABSTRACT

While financial well-being among Malaysians is improving due to coordinated efforts by the government and various stakeholders, notable gaps remain, such as poor money management habits and high debt levels, especially among the younger generation. These challenges are largely attributed to limited financial literacy, especially concerning financial awareness. This study seeks to shed light on the financial insights of young Malaysians by exploring the relationships between financial awareness, knowledge, attitudes, behaviors, and financial well-being. An online survey was carried out to gather data. The study utilized partial least squares structural equation modeling (PLS-SEM) to test its hypotheses, engaging 197 respondents. The findings revealed that individuals with strong financial knowledge, shaped by their financial awareness, possess significantly positive financial attitudes and behaviors, ultimately leading to enhanced financial well-being. The study provides meaningful perspectives that can enrich theoretical frameworks surrounding financial literacy, emphasizing the need for a multifaceted approach to promoting financial well-being. The study also offers invaluable information for the government, government agencies, educational institutions, and other stakeholders, to further advance efforts in raising financial awareness. Empowering young adults with financial literacy, encompassing financial awareness, knowledge, attitude, and behavior, is essential for improving the overall financial well-being of Malaysians and addressing the persistent knowledge gap in the country. However, the primary focus should be on continuously reinforcing awareness within this demographic to bridge the knowledge gap.

Keywords: Financial awareness, financial knowledge, financial attitude, financial behavior, financial well-being, young adults.

INTRODUCTION

In today's fast-paced environment, where financial considerations permeate nearly every aspect of life, attaining financial security through effective financial planning has become essential. Many individuals are juggling multiple financial goals, such as saving for vacations, funding education, preparing for retirement, and building wealth. The successful achievement of these goals necessitates at least a foundational level of financial literacy. Every country recognizes the importance of financial literacy for its populace. Consequently, various programs and initiatives have been introduced to heighten the financial literacy of all segments of society. However, these efforts have yielded only limited results globally, with most countries reporting average to low levels of financial literacy among their populations (Lusardi & Streeter, 2023; Marini et al., 2024; Muñoz-Céspedes et al., 2024; Prempeh et al., 2024; Sconti, 2024).

A similar situation is evident in Malaysia, with the government expressing concern about the persistently low levels of financial literacy among its citizens (Varatharaja, 2024). This deficiency continues to impede progress toward achieving financial well-being for the Malaysian population. Various research agencies in Malaysia had uncovered this concerning deficiency in financial literacy among Malaysians. The 2021 survey by the Federation of Investment Managers Malaysia (FIMM) reveals that 80% of non-investors lack knowledge about unit trust schemes, and over 90% are unfamiliar with private retirement schemes, highlighting significant financial literacy survey challenges in the country. Similarly, the 2022 Youth Capital Market Survey by Securities Commission Malaysia (SC), indicates that many young individuals express uncertainty regarding investment decisions and demonstrate a lack of awareness about fundamental financial concepts. A substantial portion of their income, ranging from 60% to 75%, is allocated to daily expenses, leaving only 5% to 10% for savings and investments, which reflects low financial stability. Additionally, the Ringgit Plus Malaysian Financial Literacy Survey 2023 (RinggitPlus, 2023) reports that 51% of Malaysian adults have yet to engage in investing, with 51% of Gen Z spending all or more than their monthly earnings. The 2023 report by the Financial Industry Collective Outreach (FICO) highlights substantial financial literacy challenges among Malaysian youths. Specifically, it reveals that 71.7% of individuals aged 16 to 19 display inadequate saving and spending behaviors. Alarming, 4.2% of this demographic group demonstrates a complete absence of positive financial habits. This indicates that the transition to financial preparedness in adulthood would be particularly difficult for this segment. Additional evidence from a more recent survey data by the Financial Education Network (FEN) points out that 84% of Malaysians do not maintain fixed monthly savings, and 69% prefer spending over saving, ultimately leaving them unprepared for financial emergencies (Baderol Sham, 2024). These findings collectively point to a critical need for heightened financial literacy initiatives in Malaysia, despite the concerted efforts that have already been made.

Individuals with strong financial well-being typically exhibit disciplined spending, effective debt repayment, availability of emergency savings, higher income, and a solid understanding of financial markets and products (Prakash & Hawaldar, 2024). This positive mindset increases overall well-being, emphasizing the interconnectedness between financial and overall well-being (Ghazali et al., 2023), leading to greater life fulfillment and satisfaction. In a world marked by economic and financial uncertainties, young adults are particularly affected. Those aged 20 to 30 are especially vulnerable to a range of financial threats that can significantly impact their financial well-being (Brüggen et al., 2017). This demographic group faces unique challenges as they transition towards greater financial independence, including managing budgets, securing stable employment, and making long-term

financial decisions. As a result, the financial well-being of young adults has emerged as a critical area of research (She et al., 2023). Understanding the specific factors influencing this age group is essential for developing strategies that foster financial resilience and overall well-being, ultimately empowering young adults to achieve greater financial stability as they navigate the complexities of adulthood.

In today's modern world, where the allure of materialism - amplified by social media - frequently exerts more detrimental influence than a beneficial one, the importance of financial literacy becomes increasingly apparent. This environment encourages individuals, especially the younger generation, to overspend in their pursuit of relevance and connection. As a result, many find themselves collecting debt while trying to keep up with rapidly changing trends and societal expectations. This reliance on debt not only adds to their financial burdens but can also lead to a cycle of overspending and repayment challenges. Such debt accumulation can seriously jeopardize their financial security, making it impossible for them to invest in opportunities that could improve their financial well-being or to save for the future. According to the Malaysian Department of Insolvency (2024), from January to September 2024, the total number of bankruptcies among young adults aged 44 and below reached 2,531 out of 4,611 cases, accounting for approximately 54.9% of the total. Personal loans emerged as the primary contributing factor to these bankruptcies. This statistic is particularly alarming, as it highlights a rising trend of financial distress within this demographic group.

Apart from luxurious lifestyles, education loans also contribute significantly to the substantial financial burden faced by young adults. As a matter of fact, education loans are among the primary contributors to this strain which continue to rise globally (Blake, 2024; Osborne, 2024). Education undeniably serves as a key factor in transforming lives, especially for those from underprivileged backgrounds. With the annual increase in educational costs, this situation imposes an even greater burden on young people. Consequently, some choose not to pursue their education, while others who wish to continue have no alternative but to rely on loans to finance their studies until graduation. This dependence on loans leads to their mounting debts even before entering the workforce. The recent statistics regarding young adults' debt in Malaysia point out a critical issue within the financial landscape, whereby those under 30 have accumulated a total debt burden of approximately RM1.9 billion as reported by Agensi Kaunseling dan Pengurusan Kredit (AKPK, 2024). Notably, education loans represent a significant concern, constituting the second-largest category of debt among this demographic in the country (Khazanah Research Institute, 2024). Additionally, the alarming figure of 430,000 borrowers defaulting on education loans, with a total outstanding debt of RM6 billion according to Perbadanan Tabung Pendidikan Tinggi Nasional (PTPTN), reflects the pressing need for effective financial education and support systems (Khairi, 2024). These figures not only illustrate the current state of financial well-being among Malaysian emerging adults but also emphasize the urgency of addressing the systemic factors contributing to their debt accumulation. Without timely intervention, this situation threatens to undermine the financial stability and future prospects of a generation already grappling with substantial economic pressures.

The purpose of this study is to examine the state of financial literacy among young Malaysians. As previously mentioned, although the topic of financial literacy has been discussed for several decades, as the world move towards the end of 2024, the overall level of financial literacy - despite showing some improvement - has increased only marginally, if at all. This situation is particularly concerning for young people, as financial literacy empowers them to lead lives characterized by security and confidence, equips them to navigate challenges effectively, and build a solid foundation for their futures, ultimately facilitating their achievement of financial well-being. Conversely, in the absence of financial literacy, individuals are at a heightened risk of falling into debt, missing investment opportunities, and struggling to save for the future.

Financial literacy goes beyond simply knowing how to save or invest; it encompasses the understanding of the complexities of financial management for long-term stability, a concept that many average individuals find challenging to grasp. According to the Organization for Economic Co-operation and Development (OECD, 2013), financial literacy entails a combination of awareness, knowledge, skills, attitudes, and behaviors that enable individuals to make informed financial decisions. However, much of the existing research predominantly focused on knowledge, skills, attitudes, and behaviors (Astuti et al., 2022; Dube & Asthana, 2023; Haupt, 2021; Loza et al., 2024; Yong et al., 2018), often overlooking the critical role of awareness (Tang, 2024). Low financial awareness, especially among young people, can hamper the acquisition of essential financial knowledge and skills, resulting in passive participation in educational programs and thus reducing their effectiveness. To address this gap, this study incorporates financial awareness, an underexplored aspect, into the existing framework that includes financial knowledge, attitudes, and behaviors. By doing so, this study aims to assess the aspects of financial literacy and financial well-being of young adults in Malaysia more comprehensively.

LITERATURE REVIEW

Financial Well-Being

Financial well-being has been the focus of research for several decades, attracting considerable attention across various disciplines, including consumer behavior. It is a complex concept that researchers are attempting to understand, but consensus on its definition, measurement, and influencing factors remains elusive (Brüggen et al., 2017), often confined to specific study contexts. The Consumer Financial Protection Bureau (2015) characterizes financial well-being as a sense of security and freedom regarding one's current and future financial circumstances, enabling individuals to enjoy life by aligning their financial situation with their values. This state is marked by contentment with one's financial situation and the belief that it effectively supports the fulfillment of current needs and future aspirations (Aubrey et al., 2022). Additionally, financial well-being is described as the perception of maintaining both current and desired living standards, complemented by a sense of financial freedom (Brüggen et al., 2017). It also includes the ability to sustain one's current lifestyle while achieving desired future living standards, ensuring the capacity to cover necessary expenses and obligations, and facilitating the pursuit of future aspirations and desires (Riitsalu et al., 2024). Overall, financial well-being reflects a sense of security and assurance derived from a stable financial situation, both at present and in the future.

Numerous studies in the past have explored financial well-being, focusing on various predictors, with financial literacy being a prominent factor. However, the relationship between financial literacy and financial well-being has produced inconsistent results. While several studies indicate that financial literacy positively influences financial well-being (Abdullah et al., 2019; Bai, 2023; Philippas & Avdoulas, 2021), other research, such as that by Faturohman et al. (2024) and Utkarsh et al. (2020), suggests that financial literacy is not a significant predictor. These discrepancies highlight that understanding of financial literacy and financial well-being remains a topic of ongoing discussion and investigation.

Financial Literacy

Money is a significant source of stress for many individuals, affecting their overall well-being and quality of life. While it may be tempting to rely on others or the government to navigate financial challenges, true empowerment stems from the ability to manage one's own finances. Developing effective financial management skills, such as budgeting, saving, and investing, is crucial for handling money appropriately. By taking responsibility for their financial decisions, individuals can reduce stress and enhance their financial stability. Ultimately, fostering financial literacy is essential for promoting independence and resilience in an increasingly complex economic landscape.

A consumer's ability to maintain access to loans, particularly in stringent credit markets, depends on the financial literacy in promoting financial management such as timely bill payments and avoidance of excessive debts (Kefela, 2011). It is fundamental for individuals to make informed and responsible financial choices, thereby improving their financial stability and reducing anxiety (Taft et al., 2013). By having the necessary information, skills, attitudes, and behaviors, financial literacy enables individuals to manage their finances effectively (Jayanthi & Rau, 2019). Furthermore, it educates individuals on important financial concepts, potential risks, and decision-making processes (Susanto et al., 2022), while encouraging practices such as budgeting, saving, and investing. Collectively, these components lead to improved financial health and better navigation of complex financial situations (Bai, 2023). In this study, the OECD's definition of financial literacy is adopted, encompassing a comprehensive understanding of financial awareness, knowledge, attitudes, and behaviors. These components work together to create a coherent framework that enables people to overcome financial obstacles, make wise choices, and eventually attain financial well-being.

Financial Awareness

Financial awareness is a critical component of financial literacy, offering individuals early exposure to financial matters and laying the groundwork for the development of more advanced financial knowledge. Being financially aware involves understanding various financial products and their offerings (Atkinson & Messy 2013). Carpena and Zia (2020) emphasize that financial awareness entails the understanding of essential financial planning tools and the specifics of basic financial products and services. Rather than focusing on calculations, this involves people's understanding of fundamental financial aspects, such as the types of savings accounts and insurance or takaful available, the requirements for opening a bank account, relevant deposit insurance in their local context, the availability of mandatory retirement fund allocations, and the use of loans for productive purposes. According to Tang (2024), people who are more financially aware tend to have larger savings account balances, lower credit card delinquency rates, and larger individual retirement account savings. Therefore, enhancing financial awareness can effectively address financial ignorance by strengthening the foundation of financial literacy.

Financial Knowledge

Aside from financial awareness, financial knowledge is another key aspect of financial literacy. It comprises a fundamental understanding of financial concepts and terms (Huston, 2010). According to Bowen (2002) and Huang et al. (2013), financial knowledge refers to an individual's ability to understand key financial terms and concepts necessary for daily functioning. It includes an understanding of personal financial principles, which is crucial for informed decision-making and

effective financial management (Adiputra et al., 2021). In brief, financial knowledge is an important part of financial literacy and entails the understanding of fundamental ideas like budgeting, investing, saving, and debt management, as well as important terms like interest, financial charges, and return on investment. Conversely, low financial knowledge may lead to difficulties in utilizing existing financial services and products (Bhushan, 2014).

Financial Attitude

Financial attitude is defined as a state of mind, perspective, and evaluation regarding financial matters (Pankow, 2003). These attitudes can take on either a favorable or unfavorable stance towards financial issues, significantly influencing how individuals approach budgeting, saving, investing, and managing debt. Financial attitudes can be classified as either positive or negative (Pham et al., 2012), with positive attitudes fostering desirable outcomes and negative attitudes resulting in adverse effects. Ying and Jamal (2023) indicate that a positive financial mindset motivates individuals to save, invest, and plan for a more secure financial future. Additionally, Atmadja et al. (2021) note that a positive financial attitude embodies a proactive approach to finance, leading to well-structured financial management that aligns with personal objectives. This attitude significantly influences individual thinking, valuation, and decision-making, with a stronger attitude yielding more effective financial management strategies. By recognizing and addressing their financial attitudes, individuals can cultivate healthier financial habits and enhance their overall financial literacy.

Financial Behavior

Xiao (2018) defines financial behavior as any human action related to money management, with the literature emphasizing common behaviors that focus on the use of money, credit, and savings (Xiao et al., 2006). In other words, financial behavior embraces actions tied to financial decision-making and management, including the creation and adherence to an appropriate budget, timely bill payments, and consistent saving practices (Bhushan & Medury, 2014). Similar to financial attitudes, financial behavior can be categorized as either positive or negative. Atkinson and Messy (2012) highlight that those positive financial behaviors, such as effective expenditure planning and a focus on financial stability, can enhance an individual's financial literacy. Conversely, negative financial behaviors, such as excessive reliance on credit and loans, can detract from overall financial well-being. Therefore, promoting sound financial practices ultimately contributes to a more secure financial future.

HYPOTHESIS DEVELOPMENT

Financial Awareness to Financial Knowledge

Financial literacy programs and advocacy campaigns seek to impart financial knowledge and enhance personal finance awareness. Financial awareness entails recognizing one's financial situation and being motivated to seek relevant knowledge. A lack of financial awareness can impede the development of essential financial knowledge, leading to passive engagement in financial education programs and thus reducing their effectiveness. Garai-Fodor (2023) and Mashiza and Sibanda (2017) identified a relationship between financial awareness and financial knowledge, suggesting that individuals with strong financial knowledge tend to have greater awareness of products and services in the financial markets. According to Ying and Jamal (2023), financial awareness provides individuals with the

knowledge, skills, and confidence to manage their wealth effectively, while inadequate financial awareness can lead to misunderstandings, reflecting a low level of financial knowledge. In light of this, Murugiah et al. (2023) and Nga et al. (2010) emphasize the need for continuous reinforcement by educational institutions to foster general financial awareness among young individuals, asserting that financial awareness should be prioritized. According to Ghimire and Dahal (2024) and the World Bank (2013), assessing individuals' awareness of financial services and products is essential for understanding their comprehension of the roles of financial service providers. Therefore, this study incorporates statements regarding awareness of various savings accounts, bank loans, and insurance/takaful to measure financial awareness. Consequently, this study's first hypothesis is:

H1: Financial awareness has a positive influence on financial knowledge.

Financial Knowledge to Financial Attitudes and Financial Behaviors

Financial knowledge significantly influences attitude and financial behavior (Rai et al., 2019). Individuals with financial knowledge are better equipped to evaluate the information they receive and leverage it to their advantage. Loza et al. (2024) and Yahya et al. (2019) found that financial knowledge significantly influences financial attitudes, while Sharmita and Mittal (2023) demonstrated its impact on financial behavior. Additionally, Yong et al. (2018) identified that financial knowledge affects both attitudes and behaviors. This understanding profoundly shapes individuals' financial behavior; those with a deeper grasp of financial concepts and terms tend to make more responsible financial decisions. Furthermore, individuals with a high level of financial knowledge are more likely to develop positive attitudes such as sound opinions and make informed choices regarding investments, savings, and debt management. Accordingly, the second and the third hypotheses of this study are:

H2: Financial knowledge has a positive influence on financial attitude.

H3: Financial knowledge has a positive influence on financial behavior.

Financial Attitudes and Financial Behaviors to Financial Well-Being

Previous studies have demonstrated that both financial attitude and financial behavior significantly impact financial well-being. Bhatia and Singh (2024) emphasize the importance of a positive financial attitude in achieving financial well-being. Similarly, Sabri et al. (2023) and Xiao et al. (2009) found that individuals who engage in positive financial behaviors, such as budgeting, saving, avoiding risky financial decisions, and managing their expenses, tend to experience higher levels of financial well-being. Other research by Lavonda et al. (2021), Rufino et al. (2024), and Setiyani and Solichatun (2019) also supports the notion that both financial attitudes and behaviors influence financial well-being. Accordingly, the fourth and fifth hypotheses of this study are:

H4: Financial attitude has a positive influence on financial well-being.

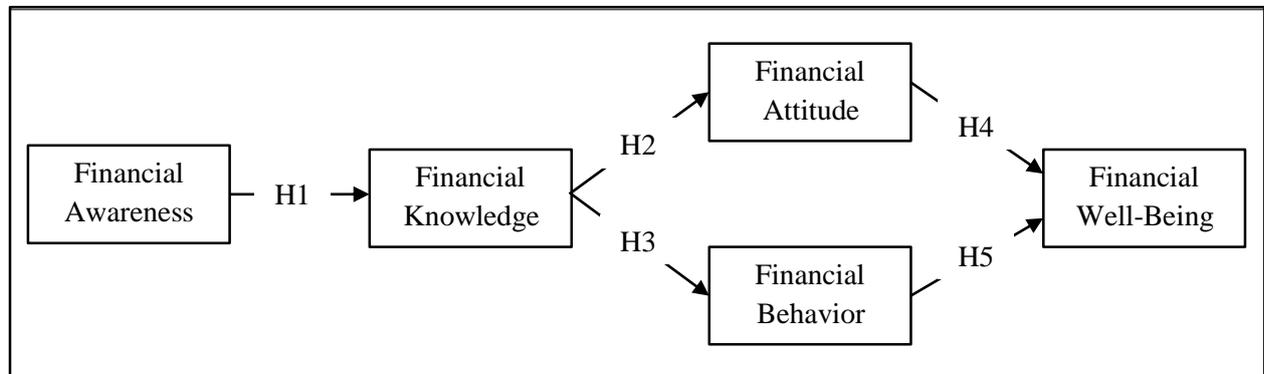
H5: Financial behavior has a positive influence on financial well-being.

Conceptual Framework

Based on the literature, a framework was developed for this study, as shown in Figure 1, consisting of four factors that are expected to influence young Malaysian adults' financial well-being.

Figure 1

Theoretical Framework



METHODOLOGY

This study utilized a quantitative approach, employing a cross-sectional survey design facilitated by a structured set of questionnaires. Quantitative methodology is especially advantageous in social science research as it enables researchers to collect data from large samples, offering a measurable approach to understanding social phenomena, including the factors that influence consumer behavior (Mohajan, 2020). The questionnaire was created using Google Forms, with all the questions marked as required to ensure that the respondents had completed each one before submission, thus reducing the likelihood of missing data. The survey link was distributed across various social media platforms, primarily Facebook and WhatsApp. Data collection occurred over a four-week period, from December 2023 to January 2024, covering all five major regions in Malaysia.

A purposive sampling method, classified as non-probability sampling, was utilized in this study to specifically target young adults aged 18 to 42 across Malaysia. This approach was selected to ensure that the sample aligned with the research objectives, focusing on a demographic group that is highly active in consumer behavior and online interactions. Purposive sampling also enabled the researchers to deliberately select participants who fit the inclusion criteria, ensuring relevance and meaningful insights (Etikan et al., 2016). A total of 197 responses were gathered, which was considered adequate for further analysis and reflective of the target population. This sample size was guided by Cohen's (1992) recommendations regarding statistical power analysis, which plays a critical role in determining the number of observations needed to reliably detect effects in behavioral research. Cohen proposed conventional thresholds for effect sizes—small ($f^2 = 0.02$), medium ($f^2 = 0.15$), and large ($f^2 = 0.35$)—and advocated for a minimum power level of 0.80 to minimize the risk of Type II errors. In the context of a multiple regression model with four independent variables, as is the case in this study, a sample size of approximately 85 is typically adequate to detect a medium effect at the 5% significance level. Therefore, the sample of 197 exceeds this benchmark and is considered appropriate for detecting medium to large effects in line with Cohen's guidance.

The measurement items for financial awareness, financial knowledge, financial attitude, and financial behavior in this study were sourced from Katini and Amalanathan (2022), while the items for financial well-being were adapted from Renaldo et al. (2020). All questions included alternative responses measured on a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). Table A1 in the Appendix presents the research statements for each construct. The collected data were analyzed using partial least squares structural equation modeling (PLS-SEM) with SmartPLS 4.0. This method allows for simultaneous estimation of interdependencies within a model, providing valuable insights into the factors influencing financial well-being among young adults in Malaysia, thereby enhancing the analysis of complex relationships. The PLS-SEM analysis was conducted in two stages: the first stage evaluated the measurement model to ensure that the constructs were valid and reliable, while the second stage concentrated on structural measurement using bootstrapping to test the hypotheses.

RESULTS

Respondents' Characteristics

A total of 197 individuals aged 18 to 42, categorized as young adults for this study, were reached through their social media accounts. Table 1 presents the profile of the respondents, detailing the frequency and percentage across various demographics, including gender, ethnicity, age, marital status, education, employment, income, and region of residence. The study categorized the respondents by region, detailing the states within five designated areas. The Central Region encompasses Wilayah Persekutuan (comprising Kuala Lumpur, Putrajaya, and Labuan) and Selangor. The Northern Region includes Kedah, Penang, Perak, and Perlis. The Southern Region comprises Johor, Melaka, and Negeri Sembilan. The East Coast consists of Kelantan, Pahang, and Terengganu, while East Malaysia is represented by Sabah and Sarawak. This clear classification facilitates the respondents in easily identifying and selecting their respective regions based on their state of residence.

Table 1

Respondents' Profile

Description		N = 197	%
Gender	Male	113	57.4
	Female	84	42.6
Ethnicity	Malay	139	70.6
	Chinese	33	16.8
	Indian	25	12.7
Age	18 – 24	122	61.9
	25 – 30	44	22.3
	31 – 36	17	8.6
	37 – 42	14	7.1
Marital Status	Single	159	80.7
	Married	38	19.3
Education Level	Diploma	49	24.9
	Bachelor's	118	59.9
	Master's/PhD	15	7.6
	Other	15	7.6

Occupation	Employed	88	44.7
	Unemployed	109	55.3
Income	RM2,000 and below	124	62.9
	RM2,001 – RM4,000	44	22.3
	RM4,001 – RM6,000	13	6.6
	RM6,001 – RM8,000	9	4.6
	RM8,001 – RM10,000	5	2.5
	RM10,001 and more	2	1.0
Region of Residence	Central Region	83	42.1
	Northern Region	27	13.7
	Southern Region	59	30.0
	East Coast	21	10.7
	East Malaysia	7	3.5

Common Method Variance

Behavioral research surveys frequently rely on self-report measures from the same sample, which may introduce common method bias (Podsakoff et al., 2003). Harman's single factor test was utilized to identify common method bias, a widely used technique for addressing this issue (Kock, 2020). The findings showed that a single factor accounted for 43.819% of the variance, which is below the 50% threshold recommended by Podsakoff et al. (2003). This indicates that common method bias is unlikely to be an issue in this study. Additionally, common method bias was assessed through the variance inflation factor (VIF) values of the inner model (Kock, 2017). The results indicated that the inner VIF values for financial awareness (2.373), financial knowledge (2.199), financial attitude (2.883), and financial behavior (2.031) were all below the threshold of 3.3, as established by Kock (2017). This confirms that the data for this study is not affected by common method bias.

Measurement Model Assessment

Reliability and Convergent Validity

According to Hair et al. (2014b) it is crucial to assess the model's reliability and convergent validity before measuring the structural model. This involves evaluating the measurement model to ensure that the factor loadings, Cronbach's alpha, composite reliability (CR), and average variance extracted (AVE) meet the recommended thresholds. Initially, the factor loadings were examined, leading to the removal of two items, FAtt1 and FAtt3, due to having outer loadings below the suggested threshold of 0.70 (Hair et al., 2014a). The values for Cronbach's alpha, CR, and AVE all exceeded the thresholds of 0.70 (Hair et al., 2017), 0.70 (Hair et al., 2022), and 0.50 (Hair et al., 2022), respectively, as shown in Table 2. Therefore, the model is deemed sufficiently reliable and valid.

Table 2

Reliability and Convergent Validity Results

Construct & Item	Outer Loading	Cronbach's Alpha	CR	AVE
Financial Awareness		0.867	0.909	0.714
FAw1	0.840			
FAw2	0.816			
FAw3	0.870			
FAw4	0.854			
Financial Knowledge		0.870	0.912	0.722
FK1	0.886			
FK2	0.902			
FK3	0.847			
FK4	0.755			
Financial Attitude		0.896	0.920	0.660
FAtt2	0.836			
FAtt4	0.706			
FAtt5	0.845			
FAtt6	0.866			
FAtt7	0.853			
FAtt8	0.756			
Financial Behavior		0.897	0.924	0.709
FB1	0.832			
FB2	0.813			
FB3	0.813			
FB4	0.873			
FB5	0.875			
Financial Well-Being		0.888	0.918	0.690
FWB1	0.823			
FWB2	0.837			
FWB3	0.841			
FWB4	0.825			
FWB5	0.827			

Discriminant Validity

Discriminant validity was assessed using the heterotrait-monotrait (HTMT) criterion, with the recommended threshold set below 0.90 (Henseler et al., 2015). As shown in Table 3, all values fall below this threshold, confirming that the constructs in this study effectively capture distinct aspects of the phenomena under investigation.

Table 3

Discriminant Validity (HTMT Criterion)

Construct	FAtt	FAw	FB	FK	FWB
FAtt					
FAw	0.728				
FB	0.747	0.593			
FK	0.667	0.800	0.602		
FWB	0.497	0.610	0.590	0.728	

Structural Model Assessment

The key criteria for evaluating the structural model in PLS-SEM include the significance of the path coefficients, the coefficient of determination (R^2) value, and the effect size (f^2). Table 4 presents the values for all these assessments. The R^2 values of 0.26, 0.13, and 0.02 are classified as substantial, moderate, and weak, respectively (Hair et al., 2017). The R^2 values presented in Table 4 indicate that all are substantial. In terms of f^2 , Cohen (1988) defines values of 0.02, 0.15, and 0.35 as representing the small, medium, and large effects of the exogenous latent variable, correspondingly. As shown in Table 4, the effect sizes in this study are medium and large.

Table 4

Results of Structural Model

Hypothesis and Path	Std. Beta	Std. Error	t-value	P-value	f^2	R^2
H1 FAw → FK	0.700	0.047	14.853	0.000	0.961	0.490
H2 FK → FAtt	0.607	0.051	11.935	0.000	0.582	0.368
H3 FK → FB	0.535	0.066	8.137	0.000	0.402	0.287
H4 FAtt → FWB	0.207	0.077	2.680	0.007	0.033	0.307
H5 FB → FWB	0.392	0.093	4.220	0.000	0.119	

Table 4 also presents the results of the hypotheses, confirming support for all five proposed hypotheses in this study. For H1 a significant relationship is demonstrated between financial awareness and financial knowledge ($\beta = 0.700$, $t = 14.853$, $p = 0.000$); thus, H1 is strongly supported. For H2, a positive association is established between financial knowledge and financial attitude ($\beta = 0.607$, $t = 11.935$, $p = 0.000$), indicating that H2 is validated. For H3, a significant link is established between financial knowledge and financial behavior ($\beta = 0.535$, $t = 8.137$, $p = 0.000$); hence, H3 is affirmed. Finally, for H4 and H5, both financial attitudes ($\beta = 0.207$, $t = 2.67$, $p = 0.007$) and financial behaviors ($\beta = 0.392$, $t = 4.22$, $p = 0.000$) are shown to be significant predictors of financial well-being, thereby confirming H4 and lending strong empirical backing to H5.

DISCUSSION AND CONCLUSION

The aim of this study is to explore the financial insights of young Malaysians by developing a model that incorporates financial awareness, financial knowledge, financial attitude, financial behavior, and financial well-being. The findings of the present study revealed that financial knowledge is significantly influenced by financial awareness. Additionally, both financial attitude and financial behavior are shaped by the individual's level of financial knowledge. To achieve financial well-being, it is essential to enhance and improve individual financial attitudes and behaviors.

These results indicate that a foundational awareness of financial concepts is crucial for achieving financial literacy. Awareness acts as the first step in fostering genuine interest in financial matters, fostering an interest in financial matters and paving the way for individuals to seek more complex financial knowledge. These findings align with that of Garai-Fodor (2023), Mashiza and Sibanda (2017), Sumaiah and Jayaprada (2019), and Ying and Jamal (2023) which highlight that robust awareness, along with familiarity and recognition of financial products and services, is crucial for effectively navigating the complexities of the financial landscape. By establishing this foundational awareness, individuals are better positioned to engage with intricate financial concepts and terms, ultimately enhancing their financial literacy and overall financial well-being.

Secondly, enhancing financial knowledge is crucial for fostering a positive financial attitude and promoting responsible financial behavior. The findings of this study support previous research (Loza et al., 2024; Sharmita & Mittal, 2023; Yahya et al., 2019; Yong et al., 2018), which demonstrate that financial knowledge significantly influences individuals' financial attitudes and behaviors. Individuals with a deeper understanding of financial concepts and terminology are more likely to cultivate positive attitudes toward managing their finances. Furthermore, those with comprehensive financial knowledge tend to exhibit more responsible financial behaviors, such as prudent spending, effective saving, and informed investment decisions. This comprehensive financial knowledge empowers individuals to make informed choices, allowing them to navigate complex financial situations with greater confidence and competence. As a result, the interplay between financial knowledge, attitude, and behavior underscores the necessity of targeted educational initiatives aimed at enhancing financial literacy. Such efforts are vital not only for enhancing individual financial well-being but also for fostering healthier financial practices within communities, ultimately leading to improved economic outcomes on a broader scale.

Thirdly, a positive financial attitude and prudent financial behavior are crucial for achieving financial well-being. The findings of this study correspond with that of previous research (Bhatia & Singh, 2024; Lavonda et al., 2021; Rufino et al., 2024; Sabri et al., 2023; Setiyani & Solichatun, 2019; Xiao et al., 2009), reinforcing the notion that favorable attitudes and sensible behaviors significantly contribute to an individual's overall financial health. Individuals who foster a positive financial attitude can boost their motivation and commitment to financial goals, allowing them to navigate challenges more effectively. Additionally, those who engage in responsible behaviors, such as budgeting, saving, and making informed investment decisions, tend to achieve greater financial stability and resilience in the face of economic uncertainties. As such, promoting a healthy financial mindset alongside responsible financial practices is crucial for enhancing individuals' financial well-being and ensuring sustainable economic growth within communities. This highlights the importance of educational programs that not only impart knowledge but also encourage positive attitudes and behaviors toward financial management.

In summary, individuals with a solid understanding of fundamental finance and financial principles, as well as the ability to distinguish between various financial products and services, are more inclined to seek and deepen their knowledge of more complex concepts and terminology. This, in turn, fosters positive attitudes toward managing their finances and promotes responsible financial behavior, ultimately contributing to financial wellness.

Implications

Theoretically, this current study significantly contributes to the understanding of financial well-being by emphasizing the foundational role of financial awareness, within the financial literacy components. While previous research had examined related factors, this study posits that financial awareness serves as the bedrock upon which these other factors are built. Without a basic understanding of financial products and services, individuals may find it challenging to acquire more advanced knowledge and skills needed for effective financial decision-making. By positioning financial awareness as the cornerstone of financial literacy, the findings advocate for targeted interventions to enhance awareness, particularly among young Malaysians with low financial literacy levels. This approach aligns with educational theories that stress the importance of foundational knowledge for advanced learning. Ultimately, the study calls for a strategic focus on financial awareness to empower individuals and improve overall financial outcomes, thereby informing future research and policy initiatives in this critical area.

This study identifies key factors influencing the financial well-being of young adults in Malaysia, offering valuable insights for policymakers, government agencies, academics, and other stakeholders. The findings underscore the urgent need to enhance financial education initiatives and policies, particularly given the low levels of financial awareness among Malaysians. To improve this awareness, it is essential to revisit foundational educational practices, as the current curriculum - despite including financial education - is often too advanced for school children to grasp, and many teachers struggle to teach the subject due to their own limited knowledge. A thorough revision of the curriculum is therefore critical for fostering financial awareness. This comprehensive approach, particularly through continuous reinforcement of financial awareness, is crucial for promoting long-term financial literacy and well-being among young Malaysians.

Limitations and Recommendations

This study is not without its limitations. Firstly, this study relies on cross-sectional data, which constrains its exploratory nature and inhibits the confirmation of causal relationships among the variables. Moreover, there may be unobservable factors not captured in the current model which could explain some of the observed connections; reversed directional associations might also be present. Since this study is exploratory in nature, tests to assess the significance of mediation effects were not conducted. The importance of mediation should be evaluated in future research using more sophisticated analyses such as Covariance Based-SEM (CB-SEM) or Bayesian SEM or utilizing Artificial Intelligence (AI) software such as Machine Learning models, which may help uncover deeper and more complex, non-linear relationships among the variables that influence financial well-being.

The integration of these advanced tools can potentially yield more robust insights and reveal latent patterns that may not be detectable through PLS-SEM alone. Even with these drawbacks, the study offers a useful starting point for further research using longitudinal designs to examine causal relationships. Secondly, Malaysia is a diverse nation, characterized by individuals from various ethnic and cultural backgrounds. While this study does not differentiate respondents based on ethnicity, future research could greatly benefit from examining these distinctions. A study of this kind might show that some groups are more financially aware than others, which would improve their financial literacy and general well-being. Gaining insight into the ways in which cultural factors impact financial awareness, knowledge, attitudes, and behaviors can help us better understand the intricacies of financial literacy in a multicultural setting. This information could help create customized financial education programs that cater to the particular requirements of every community, which would ultimately lead to more successful methods for enhancing financial well-being among Malaysia's heterogeneous population.

ACKNOWLEDGEMENT

This research received no specific grant from any funding agency.

REFERENCES

- Abdullah, N., Fazli, S. M., & Muhammad Arif, A. M. (2019). The relationship between attitude towards money, financial literacy and debt management with young worker's financial well-being. *Pertanika Journal of Social Sciences & Humanities*, 27(1), 361-378.
- Adiputra, I. G., Suprastha, N., & Tania, L. (2021). The influence of financial knowledge, financial attitude dan locus of control on financial behavior of e-wallet users in Jakarta. *The Journal of Contemporary Issues in Business and Government*, 27(1), 3318-3332.
- Agensi Kaunseling Dan Pengurusan Kredit. (2024, April 24). *AKPK: Over 50,000 youths in debt due to credit cards, loans worth close to RM2b in total*. https://www.akpk.org.my/akpk-over-50000-youths-debt-due-credit-cards-loans-worth-close-rm2b-total?fbclid=IwZXh0bgNhZW0CMTEAAR0kw5zHIhQZJMET11TVkharzd6bnrkpBg778-GStCNNTou-Erj8ftp2LYM_aem_C6xCCJKkKBD42Tz5eqdRfQ&sfnsn=wa
- Astuti, P., Rini, P. L., & Fikri, M. A. (2022). Relationship between financial knowledge, financial attitude and financial skills and millennial investment decisions. *Journal of Management and Business Environment (JMBE)*, 4(1), 55-70. <https://doi.org/10.24167/jmbe.v4i1.4762>
- Atkinson, A., & Messy, F. A. (2012). Measuring financial literacy: Results of the OECD/International Network on Financial Education (INFE) pilot study. *OECD Working Papers on Finance, Insurance and Private Pensions*, No. 15, OECD Publishing, Paris, <https://doi.org/10.1787/20797117>
- Atkinson, A., & Messy, F. A. (2013). Promoting financial inclusion through financial education: OECD/INFE evidence, policies and practice. <https://www.oecd-ilibrary.org/docserver/5k3xz6m88smp-en.pdf?expires=1730265723&id=id&accname=guest&checksum=2510E6B5962F23BC5BA560E7E15D44BB>
- Atmadja, A. T., Saputra, K. A. K., Tama, G. M., & Paranoan, S. (2021). Influence of human resources, financial attitudes, and coordination on cooperative financial management. *The Journal of Asian Finance, Economics and Business*, 8(2), 563-570. <https://doi.org/10.13106/jafeb.2021.vol8.no2.0563>
- Aubrey, M., Morin, A. J., Fernet, C., & Carbonneau, N. (2022). Financial well-being: Capturing an elusive construct with an optimized measure. *Frontiers in Psychology*, 13, 935284. <https://doi.org/10.3389/fpsyg.2022.935284>
- Baderol Sham, A. S. (2024, 1 September). Literasi kewangan masyarakat Malaysia membimbangkan. <https://dewanekonomi.jendeladb.my/2024/09/01/8718/>
- Bai, R. (2023). Impact of financial literacy, mental budgeting and self control on financial wellbeing: Mediating impact of investment decision making. *Plos one*, 18(11), e0294466. <https://doi.org/10.1371/journal.pone.0294466>
- Bhatia, S., & Singh, S. (2024). Exploring financial well-being of working professionals in the Indian context. *Journal of Financial Services Marketing*, 29, 474-487. <https://doi.org/10.1057/s41264-023-00215-x>
- Bhushan, P. (2014). Insights into awareness level and investment behaviour of salaried individuals towards financial products. *International Journal of Engineering, Business and Enterprise Applications*, 8(1), 53-57.
- Bhushan, P., & Medury, Y. (2014). An empirical analysis of inter linkages between financial attitudes, financial behaviour and financial knowledge of salaried individuals. *Indian Journal of Commerce and Management Studies*, 5(3), 58-64.

- Blake, S. (2024, 9 February). Gen Z has a serious debt problem. *Newsweek*.
<https://www.newsweek.com/gen-z-struggling-pay-debt-student-loans-1868611>
- Bowen, C. F. (2002). Financial knowledge of teens and their parents. *Financial Counseling and Planning, 13*(2), 93-102.
- Brüggen, E. C., Hogreve, J., Holmlund, M., Kabadayi, S., & Löfgren, M. (2017). Financial well-being: A conceptualization and research agenda. *Journal of business research, 79*, 228-237.
<https://doi.org/10.1016/j.jbusres.2017.03.013>
- Carpena, F., & Zia, B. (2020). The causal mechanism of financial education: Evidence from mediation analysis. *Journal of Economic Behavior & Organization, 177*, 143-184.
<https://doi.org/10.1016/j.jebo.2020.05.001>
- Cohen, J. (1992). Quantitative methods in psychology: A power primer. *Psychological Bulletin, 112*(1), 155-159.
- Cohen, J. (2013). *Statistical power analysis for the behavioral sciences*. Routledge.
- Consumer Financial Protection Bureau (CFPB). (2015). Financial well-being: The goal of financial education. <https://www.consumerfinance.gov/data-research/research-reports/financial-well-being/>
- Dube, V. S., & Asthana, P. K. (2023). Financial knowledge, attitude and behaviour components of financial literacy: A study of Indian higher education students. *International Journal of Indian Culture and Business Management, 28*(1), 124-143.
<https://doi.org/10.1504/IJICBM.2023.128488>
- Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics, 5*(1), 1-4.
<https://doi.org/10.11648/j.ajtas.20160501.11>
- Faturohman, T., Megananda, T. B., & Ginting, H. (2024). Improving financial wellbeing in Indonesia: The role of social media as a mediating factor in financial behavior. *Cogent Social Sciences, 10*(1), 2319374. <https://doi.org/10.1080/23311886.2024.2319374>
- Federation of Investment Managers Malaysia. (2021). FIMM 2021 investors' financial literacy survey on UTS, PRS and retirement planning. <https://www.fimm.com.my/wp-content/uploads/2023/10/FIMM-Investors-Financial-Literacy-Survey-2021-v2.pdf>
- Financial Industry Collective Outreach. (2023). <https://www.finco.my/finco-survey-highlights-students-lack-of-financial-preparedness-for-transition-to-adulthood/>
- George-Jackson, C., & Gast, M. J. (2015). Addressing information gaps: Disparities in financial awareness and preparedness on the road to college. *Journal of Student Financial Aid, 44*(3), 3.
<https://doi.org/10.55504/0884-9153.1540>
- Garai-Fodor, M. (2023). Analysis of financially aware consumer segments from the perspective of conscious consumer behaviour. *Acta Polytechnica Hungarica, 20*(3), 83-100.
- Ghazali, M. S., Alwi, S. F. S., Idris, N. H., Sabri, M. F., & Abd Aziz, N. N. (2023). Financial well-being for sustainable development goals (SDGS): Family as the foundation. *Journal of Sustainability Science and Management, 18*(10), 81-97.
<http://doi.org/10.46754/jssm.2023.10.006>
- Ghimire, B., & Dahal, R. (2024). Examining the role of financial awareness, attitude, and knowledge in personal financial planning: A study in the Kathmandu Valley. *The International Research Journal of Management Science, 9*(1), 85-102. <https://doi.org/10.3126/irjms.v9i1.72717>
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2014a). *A primer on partial least squares structural equation modelling (PLS-SEM)*. Los Angeles: SAGE Publications.

- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). *A primer on partial least squares structural equation modeling (PLS-SEM)*. 3rd ed. CA, USA: SAGE Publications.
- Hair, J. F., Matthews, L. M., Matthews, R. L., & Sarstedt, M. (2017). PLS-SEM or CB-SEM: Updated guidelines on which method to use. *International Journal of Multivariate Data Analysis, 1*(2), 107-123. <https://doi.org/10.1504/IJMDA.2017.087624>
- Haupt, M. (2021). Measuring financial literacy: The role of knowledge, skills, and attitudes. In *The Routledge handbook of financial literacy* (pp. 79-95). Routledge.
- Henseler, J. F., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science, 43*, 115-135. <https://doi.org/10.1007/s11747-014-0403-8>
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review, 31*(1), 2-24. <https://doi.org/10.1108/EBR-11-2018-0203>
- Hair Jr, J. F., Sarstedt, M., Hopkins, L., & Kuppelwieser, V. G. (2014b). Partial least squares structural equation modeling (PLS-SEM): An emerging tool in business research. *European Business Review, 26*(2), 106-121.
- Huang, J., Nam, Y., & Sherraden, M. S. (2013). Financial knowledge and child development account policy: A test of financial capability. *Journal of Consumer Affairs, 47*(1), 1-26. <https://doi.org/10.1111/joca.12000>
- Huston, S. J. (2010). Measuring financial literacy. *Journal of Consumer Affairs, 44*(2), 296-316. <https://doi.org/10.1111/j.1745-6606.2010.01170.x>
- Jayanthi, M., & Rau, S. S. (2019). Determinants of rural household financial literacy: Evidence from South India. *Statistical Journal of the IAOS, 35*(2), 299-304. <https://doi.org/10.3233/SJI-180438>
- Katini, K., & Amalanathan, S. (2022). Exploring relationships between financial literacy and environmental sustainability among the tribals through structural equation modelling. *Journal of Positive School Psychology, 6*(8), 5940-5959.
- Kefela, G. (2011). Implications of financial literacy in developing countries. *African Journal of Business Management, 5*(9), 3699.
- Khairi, M. L. (2024, September 21). PTPTN to take action against 430,000 defaulters [WATCH]. *New Straits Times*. <https://www.nst.com.my/news/nation/2024/09/1108779/ptptn-take-action-against-430000-defaulters-watch>
- Khazanah Research Institute. (March 2024). The financialization of our lives: Values and trade-offs. https://www.krinstitute.org/assets/contentMS/img/template/editor/KRI%20Report_The%20Financialization%20of%20our%20Lives.pdf
- Kock, N. (2017). Common method bias: a full collinearity assessment method for PLS-SEM. *Partial least squares path modeling: Basic concepts, methodological issues and applications, 245-257*. https://doi.org/10.1007/978-3-319-64069-3_11
- Kock, N. (2020). Harman's single factor test in PLS-SEM: Checking for common method bias. *Data Analysis Perspectives Journal, 2*(2), 1-6.
- Lavonda, P., Setyawan, I. R., & Ekadjadja, M. (2021). Determinants of financial well-being among young workers in Jakarta during the Covid-19 pandemic. *Jurnal Ekonomi, 26*(2), 305-320. <https://doi.org/10.24912/je.v26i2.752>
- Loza, R., Romaní, G., Castañeda, W., & Arias, G. (2024). Influence of skills and knowledge on the financial attitude of university students. *Tec Empresarial, 18*(1), 65-83. <http://dx.doi.org/10.18845/te.v18i1.7002>

- Lusardi, A., & Streecher, J. L. (2023). Financial literacy and financial well-being: Evidence from the US. *Journal of Financial Literacy and Wellbeing*, 1(2), 169-198. <https://doi.org/10.1017/flw.2023.13>
- Malaysian Department of Insolvency. (2024). Bankruptcy statistic 2024. <https://www.mdi.gov.my/index.php/legislation/statistics/75-bankruptcy/2401-bankruptcy-statistic-2024>
- Marini, M., Yusmaniarti, Y., Faradilla, I., & Setiorini, H. (2024). Measuring the financial performance of MSMEs from the perspective of financial literacy, financial inclusion and financial technology. *EKOMBIS REVIEW: Jurnal Ilmiah Ekonomi dan Bisnis*, 12(1), 285-296. <https://doi.org/10.37676/ekombis.v12i1.5323>
- Mashizha, M., & Sibanda, M. (2017). The link between financial knowledge, financial product awareness and utilization: A study among small and medium enterprises in Zimbabwe. *International Journal of Economics and Financial Issues*, 7(6), 97-103.
- Mohajan, H. K. (2020). Quantitative research: A successful investigation in natural and social sciences. *Journal of Economic Development, Environment and People*, 9(4), 50-79.
- Muñoz-Céspedes, E., Ibar-Alonso, R., & Cuerdo-Mir, M. (2024). Individual entrepreneurial behavior and financial literacy. *International Entrepreneurship and Management Journal*, 20(3), 2263-2285. <https://doi.org/10.1007/s11365-023-00936-4>
- Murugiah, L., Ismail, R., Taib, H. M., Applanaidu, S. D., & Long, M. N. H. B. H. (2023). Children's understanding of financial literacy and parents' choice of financial knowledge learning methods in Malaysia. *MethodsX*, 11, 102383. <https://doi.org/10.1016/j.mex.2023.102383>
- Nga, J. K., Yong, L. H., & Sellappan, R. D. (2010). A study of financial awareness among youths. *Young Consumers*, 11(4), 277-290. <https://doi.org/10.1108/17473611011093916>
- OECD. (2013). *Financial literacy and inclusion: Results of OECD/INFE survey across countries and by gender*. Paris: OECD Centre.
- Osborne, H. (2024, 18 March). Record 6.7m people in Britain are in financial difficulty, warns debt charity. *The Guardian*. <https://www.theguardian.com/money/2024/mar/18/record-numbers-of-uk-people-in-debt-warns-charity>
- Pankow, D. (2012). Financial values, attitudes, and goals. *Family Economic Specialist*. NDSU.
- Pham, T. H., Yap, K., & Dowling, N. A. (2012). The impact of financial management practices and financial attitudes on the relationship between materialism and compulsive buying. *Journal of Economic Psychology*, 33(3), 461-470. <https://doi.org/10.1016/j.joep.2011.12.007>
- Philippas, N. D., & Avdoulas, C. (2021). Financial literacy and financial well-being among generation-Z university students: Evidence from Greece. In *Financial Literacy and Responsible Finance in the FinTech Era* (pp. 64-85). Routledge.
- Podsakoff, P. M., MacKenzie, S. B., Lee, J. Y., & Podsakoff, N. P. (2003). Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*, 88(5), 879-903. <https://psycnet.apa.org/doi/10.1037/0021-9010.88.5.879>
- Prakash, N., & Hawaldar, A. (2024). Investigating the determinants of financial well-being: A SEM approach. *Business Perspectives and Research*, 12(1), 11-25. <https://doi.org/10.1177/22785337221148253>
- Prempeh, A., Osei, B., & Osei, F. (2024). Financial Literacy and Saving behaviour among tertiary students. *Journal of Business Management and Accounting*, 14(1), 115-142. <https://doi.org/10.32890/jbma2024.14.1.5>
- Rai, K., Dua, S., & Yadav, M. (2019). Association of financial attitude, financial behaviour and financial knowledge towards financial literacy: A structural equation modeling approach. *FIIIB Business Review*, 8(1), 51-60. <https://doi.org/10.1177/2319714519826651>

- Renaldo, N., Sudarno, S., & Marice, H. B. (2020). The improvement of generation Z financial well-being in Pekanbaru. *Jurnal Manajemen Dan Kewirausahaan*, 22(2), 142-151. <https://doi.org/10.9744/jmk.22.2.142-151>
- RinggitPlus. (2023). Ringgit Plus Malaysian financial literacy survey 2023. <https://ringgitplus.com/en/blog/wp-content/uploads/2023/10/RMFLS-2023-Survey-Report-FINAL.pdf>
- Riitsalu, L., Sulg, R., Lindal, H., Remmik, M., & Vain, K. (2024). From security to Freedom—The meaning of financial well-being changes with age. *Journal of Family and Economic Issues*, 45(1), 56-69. <https://doi.org/10.1007/s10834-023-09886-z>
- Rufino, H., Wage, M. F., Saludez, K., Anunciacion, J. A., Imperial Jr, A., & Castillo, L. (2024). Financial behavior and financial well-being of working students in a State University: Financial literacy as moderating factor. *This paper is published at Review of Integrative Business and Economics Research*. <https://ssrn.com/abstract=4906363>
- Sabri, M. F., Anthony, M., Law, S. H., Rahim, H. A., Burhan, N. A. S., & Ithnin, M. (2024). Impact of financial behaviour on financial well-being: evidence among young adults in Malaysia. *Journal of Financial Services Marketing*, 29(3), 788-807. <https://doi.org/10.1057/s41264-023-00234-8>
- Sconti, A. (2024). Having trouble making ends meet? Financial literacy makes the difference. *Italian Economic Journal*, 10(1), 377-408. <https://doi.org/10.1007/s40797-022-00212-4>
- Securities Commission Malaysia. (2022). Youth capital market survey a Malaysian perspective. <https://www.sc.com.my/api/documentms/download.ashx?id=9f1ac661-f250-4b0d-8706-c45cbac9906e>
- Setiyani, R., & Solichatun, I. (2019). Financial well-being of college students: An empirical study on mediation effect of financial behavior. *KnE Social Sciences*, 451-474. <https://doi.org/10.18502/kss.v3i11.4026>
- Shah, B., & Tiwari, U. K. (2021). Consumers' attitude towards online shopping in Janakpurdham. *Journal of Management*, 4(1), 31-50. <https://doi.org/10.3126/jom.v4i1.38660>
- Sharmila, & Mittal, I. (2023). Examine the influence of financial knowledge, attitude, and capability on financial behaviour. *International Journal of Research in Finance and Management*, 6(1), 426-434. <https://doi.org/10.33545/26175754.2023.v6.i1d.256>
- She, L., Waheed, H., Lim, W. M., & E-Vahdati, S. (2023). Young adults' financial well-being: Current insights and future directions. *International Journal of Bank Marketing*, 41(2), 333-368. <https://doi.org/10.1108/IJBM-04-2022-0147>
- Sumaiah, M. S., & Jayaprada, N. (2019). Impact of financial awareness and knowledge on financial behaviour and empowerment in women. *International Journal of Management, Technology and Engineering*, 9(1), 470-480. <https://doi.org/10.10089/IJMTE.2019.V9I01.18.27457>
- Susanto, Y. B., Setiawan, J., & Ariyanto, S. (2022). Financial planning for millennials and gen-z (study of millennials and gen-z financial behavior). *Ultima Management: Jurnal Ilmu Manajemen*, 14(1), 156-168. <https://doi.org/10.31937/manajemen.v14i1.2533>
- Tang, N. (2024). Financial awareness and its role in financial behavior. <https://gflec.org/wp-content/uploads/2024/05/Tang-paper.pdf>
- Taft, M. K., Hosein, Z. Z., Mehri, S. M. T., & Roshan, A. (2013). The relation between financial literacy, financial wellbeing and financial concerns. *International Journal of Business and Management*, 8(11), 63-75. <https://doi.org/10.5539/IJBM.V8N11P63>
- The World Bank (2013). Financial capability surveys around the world - Why financial capability is important and how surveys can help. <https://documents1.worldbank.org/curated/fr/693871468340173654/pdf/807670WP0P14400Box0379820B00PUBLIC0.pdf>

- Utkarsh, Pandey, A., Ashta, A., Spiegelman, E., & Sutan, A. (2020). Catch them young: Impact of financial socialization, financial literacy and attitude towards money on financial well-being of young adults. *International Journal of Consumer Studies*, 44(6), 531-541. <https://doi.org/10.1111/ijcs.12583>
- Xiao, J. J. (2008). Applying behavior theories to financial behavior. In *Handbook of consumer finance research* (pp. 69-81). New York, NY: Springer New York. https://doi.org/10.1007/978-0-387-75734-6_5
- Xiao, J. J., Sorhaindo, B., & Garman, E. T. (2006). Financial behaviours of consumers in credit counselling. *International Journal of Consumer Studies*, 30(2), 108-121. <https://doi.org/10.1111/j.1470-6431.2005.00455.x>
- Xiao, J. J., Tang, C., & Shim, S. (2009). Acting for happiness: Financial behavior and life satisfaction of college students. *Social Indicators Research*, 92, 53-68. <https://doi.org/10.1007/s11205-008-9288-6>
- Yahaya, R., Zainol, Z., Osman, J. H., Abidin, Z., & Ismail, R. (2019). The effect of financial knowledge and financial attitudes on financial behavior among university students. *International Journal of Academic Research in Business and Social Sciences*, 9(8), 22-32. <http://dx.doi.org/10.6007/IJARBSS/v9-i8/6205>
- Ying, L. S., & Jamal, A. A. A. (2023). A Study on financial product knowledge, attitudes and behaviours among Malaysian young working adults. *Malaysian Journal of Social Sciences and Humanities (MJSSH)*, 8(1), e002079-e002079. <https://doi.org/10.47405/mjssh.v8i1.2079>
- Yong, C. C., Yew, S. Y., & Wee, C. K. (2018). Financial knowledge, attitude and behaviour of young working adults in Malaysia. *Institutions and Economies*, 10(4).
- Varatharaja, M. (2024, 1 October). BNPL prevalence among young adults, low level of financial literacy worrying - Amir Hamzah. <https://theedgemalaysia.com/node/728605>

Appendix

Table A1

Instruments Statements and Sources

Construct/ Item	Statement
Financial Awareness	
FAw1	I am aware that there are different systems in the bank to deposit and save money.
FAw2	I am aware of provisions like home loans, car loans, and education loans provided by banks.
FAw3	I am aware of various insurance/ takaful such as health, life, motor vehicle, etc.
FAw4	I am aware of provisions such as the employee provident fund (EPF).
Financial Knowledge	
FK1	I have knowledge about financial risks.
FK2	I know about the benefits (e.g., profit return) associated with financial products or services
FK3	I know the costs (e.g., interest, charge) associated with financial products or services (e.g., investment).
FK4	I know to handle financial matters.
Financial Attitude	
FAtt1	I have a good attitude towards saving money.*
FAtt2	It is important to spend money responsibly.
FAtt3	I am always interested in financial news.*
FAtt4	I have a good attitude towards financial matters.
FAtt5	It is important to control monthly expenses.
FAtt6	It is important to establish financial targets for the future.
FAtt7	It is important to save money monthly.
FAtt8	It is important to invest regularly to achieve financial targets in the long term.
Financial Behaviour	
FB1	I try to save some of the money I get each month for future use.
FB2	I analyse my financial condition before a major purchase.
FB3	I always try to spend by sticking to my budget.
FB4	I try to save regularly to achieve financial goals in the long term.
FB5	I try saving more when I have more money.
Financial Well-Being	
FWB1	I have a healthy financial condition.
FWB2	I am comfortable dealing with the financial situation.
FWB3	I am confident in controlling personal finances.
FWB4	I am satisfied with my overall financial situation.
FWB5	I have enough money in my emergency fund.

*Items deleted due to low outer loading