

Personal financial management behaviour for youths: A reviews and conceptual framework



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Abstract The increasing trend of bankruptcy cases among the youth in Malaysia has to be addressed immediately by the relevant policymakers. The importance of financial literacy (FL) and financial socialization (FS) in determining personal financial management behaviour (PFMB) has been acknowledged in prior studies. However, the studies that investigated the effect of different types of FS on PFMB are relatively scarce as most of the studies focused on the parents' or family-related FS. This lead to the questionable research gaps that required further investigation. Therefore, this paper aims to develop a conceptual framework by considering the financial socialization theory (FST) in the stimulus–organism–response (S-O-R) framework. By employing the conventional literature reviews on the journal articles from reputable publishers and indexed by Scopus mainly from the year 2019 to 2024, this study identified four types of FS that might affect the youth's PFMB. In addition, due to the inconclusive findings on the influence of financial attitudes (FA) on PFMB, the study further included FL as a moderator on the attitudes-behaviour association. Therefore, a novel conceptual framework that consists of four types of FS (peer influence, social media influence, government agency support, and parental influence) as the external stimuli has been proposed in the S-O-R framework. FA are also included in the conceptual framework as internal organisms while FL reacts as a moderator and predictor of the youth's PFMB. This proposed conceptual framework contributes to the extant body of knowledge in the behavioural finance realm by integrating different types of FS into the S-O-R framework.

Keywords: financial management behaviour, financial socialization, peer influence, social media influence, government agency support, parental influence

1. Introduction

Recently, the continuing rise in bankruptcy cases among Malaysian youth has aroused great attention from different parties. As recorded by the Department of Insolvency, Malaysia, the total number of bankruptcy cases was 4,810 in 2023, and approximately 56.28% of them were aged younger than 44 years. This figure has increased from 52.80% in the year 2022 out of the total number of bankruptcy cases of 5,695. This finding parallels that of Bapat (2020), who mentioned that the financial condition of young adults generally has a high level of debt. Likewise, this further indicates that the younger generation faces certain financial challenges immediately after graduation (Osman et al., 2024). Similarly, even if they have just joined the workforce, these young adults have to make certain complex financial decisions under such demanding circumstances (Bapat, 2020). The complicated financial situation is due mainly to young adults transitioning to financial independence (Pandey & Utkarsh, 2024). Morris et al. (2022) also remarked on the importance of financial behaviour, as it is an important element in our daily lives, and proper financial management behaviour is required to address our financial needs. Moreover, Osman et al. (2024) further remarked that the millennial generation is more exposed to high financial risk; thus, they need immediate behavioural changes in their money management. Therefore, personal financial management behaviour (PFMB) could play an essential role in ensuring the financial well-being of youths.

As mentioned above, better financial management behavior is needed to ensure the financial well-being of the younger generation. Stakeholders are required to nurture positive and good financial management behaviour among youth. As noted by Bapat (2020), measures that can improve and enhance financial decision-making and behavior must be introduced by policymakers and financial marketers. For example, positive financial management behaviour tends to encourage the younger generation to pursue more financial education and establish a better attitude towards financial-related activities such as investment and savings (Pandey & Utkarsh, 2024). Likewise, some basic financial knowledge about investment, inflation, risk return and diversification is also required to establish positive financial behaviour (Pandey & Utkarsh, 2024). This finding highlights the crucial role of financial literacy (FL) in cultivating better financial management behaviour (Khalisharani et al., 2022; Kumar et al., 2024; Song et al., 2023). In addition, the financial behaviour of youth is largely influenced by their surroundings, as they are in the transition to financial independence after graduating. With that, it is normal for them to seek advice and opinions from their surroundings, such as peers, parents and others. This further highlights the importance of



financial socialization (FS) in establishing financial management behavior, as the substantial effect of FS has been acknowledged in previous studies (Goyal et al., 2023; Khawar & Sarwar, 2021; Kumar et al., 2024; Pandey & Utkarsh, 2024). Therefore, this study considered the effects of both FS and FL on the PFMB of youth.

Empirically, numerous studies have examined individuals' financial management behaviour; these studies have investigated the subject matter from different perspectives. For example, Bapat (2020) examined young adults' responsible financial management behaviour by considering the mediating role of financial attitudes (FAs) and the moderating role of financial risk tolerance. Pal et al. (2021) also studied the factors that influence financial behaviour and included gamifying features as moderators. In addition, Morris et al. (2022) investigated the influence of financial knowledge, financial confidence and learning capacity on Canadian university students' financial behaviour. Meneau and Moorthy (2022) also investigated consumers' financial behaviour by considering self-control as a mediator. The direct effect and moderating role of FL on financial behaviour have again been studied in Turkey by Mutlu and Ozer (2022), together with the locus of control. On the basis of the theory of reasoned action, Sam et al. (2022) studied the financial behaviour of workers in Ghana. Moreover, Malaysian youth's personal financial management practices have been investigated by Ansar et al. (2023) by using the theory of planned behaviour (TPB) and including future orientation as a moderator. Similarly, Osman et al. (2024) further extended the TPB model with Islamic FL and perceived moral obligation to study the financial management behavioural intentions of Millennial Muslims in Malaysia from an Islamic perspective. These previous studies provided a good understanding of the subject matter in different countries and from different perspectives.

Although the antecedents of PFMB have been well studied in the literature, very few studies have focused on the different types of FS. As remarked by the financial socialization theory (FST), individual behavior might be influenced by different stakeholders. For instance, family FS has also been included as a mediator in studies of the financial behaviour of financial institution employees in Pakistan (Khawar & Sarwar, 2021). Khalisharani et al. (2022) also studied the effects of parental FS and FL on university students' financial behaviour in Indonesia and Malaysia. Similarly, Pandey and Utkarsh (2024) also evaluated the role of FS (focusing on parents) and the mediating effect of attitudes toward money and FL on the financial behavior of young adults in India. Goyal et al. (2023) further investigated the effects of two types of FS (parental direct teaching and peers and media), together with other psychological characteristics and a mediator of FL, on the PFMB of young professionals in India. Previous studies have focused mainly on the influence of parents or family-related FSs, and studies that consider the four types of FSs proposed in this study (peer influence (PEI), social media influence (SMI), government agency support (GAS), and parental influence (PRTI)) are lacking. Therefore, it is necessary to propose a novel conceptual framework that comprehensively considers these four types of FSs to facilitate future research.

Inspired by the above research gap, the main objective of this study is to develop a conceptual framework for youth PFMB by considering four types of FSs on the basis of the stimulus–organism–response (S-O-R) framework. In this context, this study aims to explore the direct relationships among four types of FSs, namely, PEI, SMI, GAS, and PRTI, on FA and the direct effects of peers' influence, PRTI, FA, and FL, on the PFMB. In addition, the study also proposed FL as a moderator in the relationship between FA and PFMB. Past studies have examined the subject matter from other perspectives and other antecedents but are very limited in terms of the four different types of FS. Therefore, this study is likely to contribute to the existing knowledge on PFMB by proposing four different types of FS, rather than parent- or family-related FS, to explain youth PFMB. Moreover, integrating the FST into the S-O-R framework also contributes to the body of knowledge, as it might prove that the integrated framework is superior to the conventional framework and further benefits policymakers in formulating strategies for cultivating PFMBs among youths to address serious issues of financial distress.

The proposed conceptual framework of the study was developed on the basis of a review of the literature on individuals' behavioural intentions in different subject areas. The main references were focused primarily on PFMB, financial well-being or even financial education and literacy. In addition, to ensure that the framework is robust, prior research in other areas, such as investment intention, consumer consumption behavior and career selection choice, has also been reviewed. This literature is published mainly from 2019 to 2024 and includes several reputable and trustworthy publishers, such as Emerald, ScienceDirect, Springer, Taylor and Francis, and others. This is to ensure that the proposed conceptual framework of the study is developed on the basis of references from some reliable and reputable sources. The literature review on the PFMB and S-O-R framework is reviewed in the following section, followed by hypothesis development and the proposed research framework. The study ends with the conclusion and implications section.

2. Literature Review and Hypothesis Development

2.1. Personal financial management behaviour

Goyal et al. (2021) defined PFMB as the behavioural index that involves a set of multiple measurements, including planning, implementation and evaluation related to the cash flow, credit, savings and investments, insurance, retirement and estate planning, and also income and money management for a household. In addition, financial behaviour can be divided into short-term and long-term behaviours, and the differences mainly rely on their focus, even though both share the same objective of avoiding financial difficulties. For instance, short-term financial behaviour is more concentrated on cash and debt

management, whereas long-term financial behaviour is focused on future financial planning (Wagner & Walstad, 2019). Financial well-being might be achieved through proper financial behaviour, and economic well-being might be affected by poor financial behaviour (Goyal et al., 2022). Therefore, PFMB is a broad idea that includes a wide range of personal finance-related activities, and desirable PFMB is required to achieve an individual's goals. Given the importance of PFMB in achieving personal financial well-being, many prior studies have been conducted to understand the antecedents that drive individuals to engage in PFMB from diverse perspectives and settings. These antecedents may include demographic and socioeconomic factors; psychological and personality factors; and social, cultural and environmental factors (Goyal et al., 2021). In this proposed conceptual framework, the FST is used as a stimulus, whereas the psychological factor of the FA is included as an internal organism to explain the PFMB of youths.

2.2. Peer influence on financial attitudes and personal financial management behaviour

PEI is defined as the recommendation or encouragement from peers to take part in a particular behavior (Mohd Suki & Mohd Suki, 2019). Peers usually refer to the people surrounding them, such as their friends and others, who are similar in age, have similar interests, or are in the same sociocultural group (Nanda & Sorensen, 2010). Youths interact more with their peers, which might indicate that their behaviour is often influenced by their friends or peers. As noted by Zhao et al. (2019), consumers tend to receive some suggestions, feedback or thoughts from their peers or friends, which could further affect their attitudes and subsequently influence their purchase intentions. Similarly, Mohd Suki and Mohd Suki (2019) claim that peers' recommendations are powerful, as they would like to influence the younger generation to behave like them. Therefore, this study hypothesizes that youths' attitudes and behaviours are substantially affected by their peers. Numerous empirical studies have supported these assumptions, especially in other contexts. For example, Kumar and Das (2019) concluded that students' attitudes toward entrepreneurship are impacted by their peers. These findings indicate that students tend to have favourable attitudes toward a behavior if their peers have positive and good perceptions of that behavior. In addition, the significant effect of peers on an individual's behaviour has also been documented in different studies. For example, Saad et al. (2020) reported that individuals' zakat payments are significantly influenced by the positive opinions of the people closest to them, such as peers. Similarly, the substantial influence of peers on consumers' green product purchase behavior is also noted by Mohd Suki and Mohd Suki (2019). Channa et al. (2022) reported a similar conclusion, whereas consumers' purchasing behaviour for green products was also substantially affected by their peers. Similarly, Sun et al. (2022) documented the significant influence of friends and peers on the purchase intention of Generation Z in China. Moreover, Yanto et al. (2021) reported the substantial role of peers in students' financial behaviour in Indonesia. Similarly, Goyal et al. (2023) reported a significant positive impact of peers and media on PFMB among young professionals in India. The evidence in the literature certainly implies that the attitudes and behaviours of individuals are affected by their peers and further proposes that a youth's FA and PFMB might be influenced by their peers or friends; the following research proposition was formulated.

H1: PEI positively significantly affects FA.

H2: PEI positively significantly affected PFMB.

2.3. Social media influence on financial attitudes

Currently, numerous social media platforms have been developed for several purposes. One of the most important roles of social media is to network and communicate with others. Therefore, social media has become an important channel through which citizens, especially the youth generation, can communicate. This finding aligns with that of Ling et al. (2024c), who also remarked that social media is an effective and important communication channel for achieving several objectives. One of the advantages of social media is that it offers high freedom and coverage for consumers to interact with others (Cheng et al., 2021). In addition, social media is also perceived as a dynamic communication network that provides broader and faster coverage (Gupta et al., 2021). Given the importance of social media in our daily lives, individuals cannot escape from social media, which might create an addiction to social media, especially for the youth generation (Ngo & Ismail, 2021). Therefore, it is expected that information from social media might influence individuals' perceptions of a certain behaviour and their behavioural intentions. This supposition is particularly true, as the influence of social media has been widely mentioned in the literature. For example, Ling et al. (2024c) reported that the influence of social media substantially affects Chinese college students' green consumption behavior. Similarly, Goyal et al. (2023) reported the significant role of peers and media in PFMB. The substantial influence of social media influencers on millennial clients' behavioural intentions was also reported by Dean et al. (2022). Additionally, the significant role of social media in individuals' attitudes has also been revealed in empirical studies. For example, Trivedi et al. (2023) reported that the SMI attitudes millennials toward toxin-free food products. Similarly, Khan et al. (2024) reported that social media usage positively affects consumer attitudes. Furthermore, Yanto et al. (2021) noted the significant influence of social media on students' FA. The significant role of the effect of social media on individuals' attitudes and behaviour has been recognized in previous studies. This finding suggests that FA attitudes might also be affected by social media, which leads to the following research proposition.

H3: SMI positively significantly affects FA.

2.4. Government agency support for financial attitudes

Support from the government can be defined as the assistance provided by government entities, and this assistance might include regulations, facilities, policies and other services (Ling et al., 2024c). The assistance supplied by governments might significantly influence an individual's behaviour, as proven in the literature (Charag et al., 2020; Chaudhuri et al., 2023; Ojo et al., 2022; Vo-Thanh et al., 2024). For example, Chaudhuri et al. (2023) reported that support from the government could significantly improve entrepreneurial intention in family businesses. Charag et al. (2020) also revealed the positive significant effect of government support on Muslim banking users' attitudes and adoption intentions toward Islamic banking. Similarly, Ojo et al. (2022) revealed the substantial effect of perceived government support on consumers' e-wallet use intention. Lee and Jais (2022) also reported that government support positively influences users' attitudes toward e-wallets. However, as noted by Ling et al. (2024c), support from the government could be a "two-edged sword", as it consists of both positive and negative effects. In this study, only the positive effect of support from government agencies is considered. This is because government agencies provide only some support that might further encourage good financial management behaviour. For example, in Malaysia, *Agensi Kaunseling and Pengurusan Kredit* (AKPK) is an agency established by the central bank of Malaysia, Bank Negara Malaysia, to assist individuals in managing and controlling their financial-related conditions and provide guidance for them with the wise use of credit. The main services offered by the AKPK are financial education, financial advice, and debt management. Therefore, individuals, including youths, might seek counselling and advice from AKPK on financial matters. In addition, Bank Negara Malaysia also established an interagency platform called the "Financial Education Network" to coordinate the financial education strategy in Malaysia. Numerous attractive activities and programs were organized by these government-related agencies to support efforts to help individuals better understand their finances and address their financial needs properly. Therefore, as support from numerous government-related agencies is available for young people to practice better PFMB, the following research proposition is proposed, as the GAS might cultivate the PFMB of young people.

H4: GAS positively significantly affects FA.

2.5. Parental influence on financial attitudes and personal financial management behaviour

PRTI refers to the suggestions or inspiration of the individual's parents, including the father and mother, to become involved in a particular behaviour. This is consistent with Bloemen-Bekx et al. (2019), who remarked on the importance of parents as role models for the next generation. The dependency of students on their parents in financial matters is also recognized by Nugraheni and Widyani (2021). Goyal et al. (2023) also remarked on the crucial role of parents and family for children to learn and handle money. Likewise, Kumar et al. (2024) further argued that parents might guide their children regarding good financial practices to develop better financial awareness. Pandey and Utkarsh (2024) also noted that parents socializing with their children about personal financing might affect their positive financial behavior in the long term. Therefore, parents play a crucial role in shaping individual behaviour, especially for younger generations, as parents are the people with whom they have interacted most since their birth. Therefore, it is expected that individuals' perceptions and behaviour, including FA and financial management behaviour, are strongly influenced by their parents. Empirically, several studies have revealed the vital effect of parents on their children's behaviours in different contexts. For example, Iroaganachi et al. (2021) reported that PRTI has a substantial effect on STEM career path choice intention. Nugraheni and Widyani (2021) also reported that parental recommendations are important in the intention to save in Islamic banks. The significant role of PRTI in children's financial-related attitudes and behaviour is also documented in the literature. For example, Khawar and Sarwar (2021) reported the significant influence of family FS on employees' financial behaviour in Pakistan. The substantial role of parental FS in the financial behaviour of Malaysian university students was also revealed by Khalisharani et al. (2022). Similarly, Goyal et al. (2023) reported that parent-direct teaching is positively related to the PFMB of young professionals in India. Moreover, Noh (2022) revealed that US college students' financial behaviour is significantly impacted by parental financial teaching. Similarly, Ndou (2023) further documented the significant influence of parental financial teaching on FA and financial behaviour among young adults in South Africa. The significant effect of parents' FS on their children's FA and financial behaviour was also revealed by Kumar et al. (2024). Therefore, in parallel with the evidence in the literature, this study also postulates that youth FA and PFMB are positively affected by PRTI, and the following research proposition is proposed.

H5: PRTI positively significantly affects FA.

H6: PRTI positively significantly affects PFMB.

2.6. Financial attitudes toward personal financial management behavior

Attitudes refer to personal feelings toward a certain behavior (Osman et al., 2024). FA is defined as an individual's tendency toward personal finance issues (Pal et al., 2021). An individual might have diverse feelings, either positive or negative, toward a certain behavior, and these feelings would like to influence their subsequent action toward it. Theoretically, an individual tends to engage in PFMB if they have favourable FA toward it. As noted by Soepding et al. (2021), individuals' decision

to save or invest is determined by their favourable evaluative judgment. Likewise, Sam et al. (2022) also concluded that individuals will engage in financial behaviour when they have desirable inclinations. Therefore, the vital role of the FA in the PFMB of youth might be hypothesized. The conjecture of the influence of FA on young people's PFMB is supported by findings from previous studies. For instance, Soepding et al. (2021) reported that retirees' financial well-being is influenced by their FA. Bhatia and Singh (2024) also remarked on the substantial effect of FA on the financial well-being of working professionals in India. In addition, Pal et al. (2021) reported that FA significantly influences young investors' financial management behaviour. Similarly, She et al. (2022) also revealed the significant role of FA in the financial behaviour of Malaysian working adults. In a study on working millennials in Malaysia, She et al. (2023) reported the positive effect of FA on financial behaviour. Similarly, Kumar et al. (2024) further concluded that the financial behaviour of male villagers in India is also significantly affected by their FA. In the same vein, the substantial role of FA in young adults' financial management behaviour was also reported by Bapat (2020). Ansar et al. (2023) also reported that FA positively affects the personal financial management practices of Malaysian youth. Similarly, Sam et al. (2022) concluded that the financial behavioural intentions of workers in Ghana are positively affected by their FA. Therefore, consistent with the evidence in the literature, the research proposition below is proposed.

H7: FA positively significantly affects PFMB.

2.7. Financial literacy on personal financial management behaviour

FL is defined as the level of understanding of the necessary information as well as the cognitive ability to understand economic conditions and manage financial matters adequately (Kumar et al., 2023). In addition, FL also refers to the understanding and knowledge pertinent to personal financial concepts (Sivaramakrishnan et al., 2017). Ling et al. (2024d) further defined FL as the knowledge that is necessary for investment decision-making. Kumar et al. (2024) noted that good FL can avoid financial issues and depression. Similarly, Khalisharani et al. (2022) stated that FL is necessary for better financial planning and behaviour, as sufficient FL might assist young adults in saving money and making reasonable financial decisions. Therefore, FL is projected to play a substantial role in an individual's financial-related behaviour, such as PFMB. This proposition is supported by previous studies in different financial-related studies. For instance, Raut et al. (2021) revealed the substantial role of FL in the intention to invest in socially responsible investment. A similar finding of FL in terms of investment intentions among students was also revealed by Pandurugan and Al Shammakhi (2024). In addition, the significant influence of FL on individuals' financial management behaviour has also been documented in the literature. For example, Khawar and Sarawar (2021) concluded that FL positively influences employees' financial behaviour in Pakistan. Prakash et al. (2022) also revealed the significant influence of FL on financial behaviour among IT employees in India. Similarly, Kumar et al. (2023) reported the positive significant role of FL in financial behaviour. Moreover, Pandey and Utkarsh (2024) reported that the financial behaviour of young adults in India is positively affected by both subjective and objective FL. By focusing on investors in Pakistan, Song et al. (2023) also reported that FL has a significant role in determining financial behaviour. Similarly, Kumar et al. (2024) reported that the financial behaviour of male villagers in India is positively influenced by their FL. The above literature review consistently suggested that individuals' financial-related behaviour is greatly impacted by their FL, and this has led to the following proposition.

H8: FL positively significantly affects PFMB.

2.8. Moderating effect of financial literacy

As discussed above, FL tends to play a substantial role in determining a youth's PFMB. Youths are expected to be involved in PFMB if their FL is high, and this supposition has been proven in prior studies (Kumar et al., 2024, Pandurugan & Al Shammakhi, 2024; Song et al., 2023). This study also acknowledges the role of FL as a moderator of the association between FA and PFMB. Empirically, the significant effect of FA on financial management behaviour has been noted in the literature (e.g., Ansar et al., 2023; Kumar et al., 2024; Pal et al., 2021; She et al., 2023). However, the insignificant effect of FA on financial management behaviour is still documented in the literature. For example, Osman et al. (2024) revealed the insignificant role of FA in financial management behavioural intentions among Malaysian working Muslims. Therefore, FL is proposed as a moderator that might further enhance the effect of FA on youths' PFMB. FL has been proven to moderate this effect in previous financial-related studies. For example, Mutlu and Ozer (2022) concluded that FL significantly moderates the influence of internal locus of control and financial behaviour. Adil et al. (2022) further showed that the relationships between attitudes and perceived behavioural control on the intention to invest are moderated by FL. In addition, Hidayat-ur-Rehman (2024) reported that FL acts as an effective moderator, as it further strengthens the association between digital transformation and fintech adoption and competitiveness. Similarly, Raut and Kumar (2024) reported that FL significantly moderates the influence of attitudes and perceived risk on online trading intentions. These studies further hypothesized that the association between FA and PFMB might be significantly moderated by FL and proposed the following proposition.

H9: FL positively moderates the relationship between FA and PFMB.

On the basis of the discussion of the nine propositions to examine the four types of FS (PEI, SMI, GAS, and PRTI) on the youth’s PFMB by utilizing the sequential framework of S-O-R, the proposed conceptual framework of the study is illustrated in Figure 1.

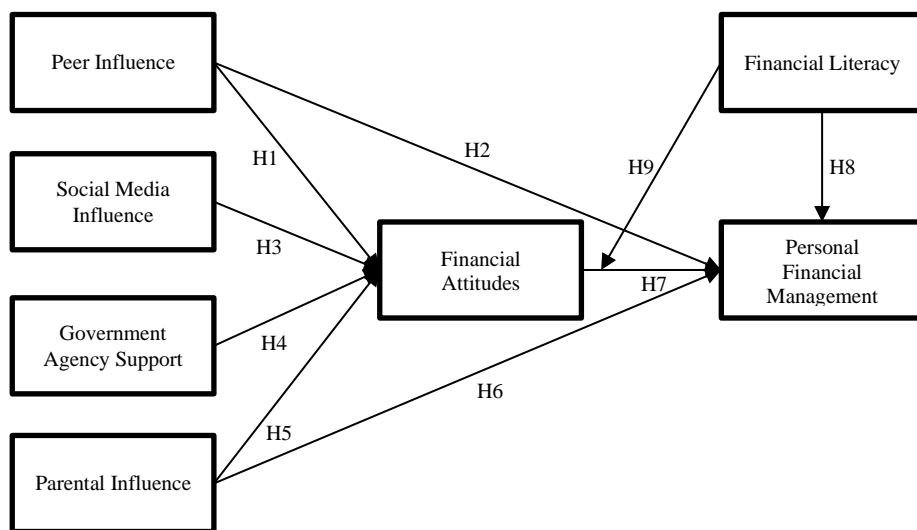


Figure 1 Proposed conceptual framework.

3. Discussion

The review of the literature demonstrated that the FS played a significant role in affecting the PFMB of the youths. However, most of the previous studies mainly discovered the importance of the parent’s or family-related FS but ignored other types of FS. By reviewing the literature in other research contexts, the study further proposed four different types of FS, including PEI, SMI, GAS, and PRTI. The four different types of FS are projected to significantly influence the financial attitudes of the youth, while PEI and PRTI, together with FA and FL are also proposed to be the vital factors that affect youth’s PFMB. Additionally, the FL is further included in the proposed conceptual framework as a moderator on the effect of FA on PFMB as the inconclusive findings are still documented in the literature.

The proposed effect of PEI on the FA is paralleled with the finding of Kumar and Das (2019) who also revealed the significant role of PEI on attitudes in the context of entrepreneurship. This suggests that the youths tend to have favourable FA if their peers and friends provide some positive recommendations towards financial-related matters. Similarly, PEI is also projected to have a positively significant influence on the PFMB, and this assumption is consistent with Channa et al. (2020), Saad et al. (2020), and Mohd Suki and Mohd Suki (2021), who also remarked the substantial effect of PEI on individual’s behaviour. This signified that when the people surrounding the youth like their friends and others who have similar interests or in the same socio-cultural group have a good perspective toward the PFMB, it will further cultivate the youth to practice the PFMB.

In addition, the literature further suggested that the FA of the youth might be affected by SMI, and this is paralleled with the findings of Ling et al. (2024c), Trivedi et al. (2023) and Yanto et al. (2021). This postulates that the personal feelings of the youths toward financial-related matters will be impacted by social media. When social media have a lot of information regarding financial-related matters, it will promote favourable FA feelings. Likewise, the evidence in the literature further proved that the FA of the youths will be influenced by GAS. As discussed in the previous section, the government and related agencies such as AKPK and “Financial Education Network” have played their role in educating healthy personal finance practices and also provide consultation and advisory services to those who need needed. This support from the government is in agreement with the studies of Lee and Jais (2022) that remarked on the substantial role of government support on the attitudes toward e-wallets.

Moreover, the PRTI also cannot be neglected in the context of PFMB. As remarked by Goyal et al. (2023), parents tend to be a role models for their children to learn and handle money properly. Therefore, the youths tend to have a positive FA if their parents teach their children healthy financial practices. Consistent with Goyal et al. (2023), Kumar et al. (2024), and Noh (2022), the youths are expected to have a good PFMB if their parents provide them with useful and valuable suggestions related to their finances. Therefore, the youths have a positive and favourable FA and also a greater likelihood of engaging with a good PFMB if their parents played their role in influencing their children.

Besides, the evidence in the literature further suggested that the FA of the youths is essential in encouraging a good PFMB. The suggestion mainly is because of the significant role of FA on the PFMB, such as Bhatia and Singh (2024), Kumar et al. (2024), and Sam et al. (2022). Therefore, the youths are hypothesized to practice the PFMB if they have positive and favourable attitudes toward their finance. In supporting the findings of Khawar and Sarawar (2021), Prakash et al. (2022), and



Song et al. (2023), FL is also postulated to have a positively significant influence on PFMB. The youth is projected to be actively involved in a good PFMB if they have a high level of understanding and knowledge regarding their personal finance issues, and this understanding and knowledge are crucial in influencing financial decisions and behaviour.

Lastly, FL is also included in the framework as a moderator on the relationship between FA and PFMB. This proposition is mainly due to the inconclusive findings of the effect of FA on PFMB in the literature. With that, the study hypothesized that with the presence of a high level of FL, the effect of the FA on PFMB is expected to be strengthened. The significant moderation role of FL has also been widely acknowledged in previous studies, such as Adil et al. (2022), Hidayat-ur-Rehman (2024), and Raut and Kumar (2024), and it is believed that the high level of understanding and knowledge on financial will enhance their influence of the youth's favourable feeling toward the PFMB.

4. Conclusions and Implications

This paper reviewed numerous previous papers, including empirical studies and review studies on individuals' behaviour in the fields of finance-related behaviour, technology adoption behaviour, career selection, and consumption behaviour. With respect to the empirical research findings, this paper proposes a conceptual framework for youth financial management by integrating the FST into the S-O-R framework. According to the FST, several external influences might have stimulated the PFMB of youth. This study further divided this FS into four different types: PEI, SMI, GAS, and PRTI. In addition, the psychological factor of FA is also included as an internal cognitive factor that might be influenced by the four different types of external stimuli and eventually impact the PFMB of youth. Additionally, FL is included as a direct predictor of youth PFMB and a moderator of the relationship between FA and PFMB. Therefore, the conceptual framework proposed in this paper is anticipated to explain youth's PFMB well, especially from the perspective of the four types of FS in the S-O-R framework.

Both theoretical and practical implications are provided in this study. Theoretically, the study extends the existing knowledge on behaviour finance, as the proposed conceptual framework is novel and encompasses a relatively comprehensive perspective of FS. Compared with prior studies, four types of FSs were proposed as stimuli in this conceptual framework, consisting of PEIs, SMIs, GASs and PRTIs. In addition, the influence of GAS also further contributes to the growing body of knowledge on PFMB, as this supposition is less statistically tested in the literature. Additionally, the utilization of the sequential framework of the S-O-R is also expected to contribute to the extant literature, as it is projected to better understand the PFMB of youth than other theories that have been widely adopted in previous studies, such as the theory of planned behaviour and the theory of social behaviour. As mentioned above, youths today face more complicated financial decisions. Therefore, a more thorough framework is needed to better understand their financial management behaviour. Moreover, the proposed framework also acknowledges the inconclusive evidence on the effect of FA on PFMB; therefore, FL is included as a moderator that might significantly moderate their initial relationship. Future researchers might consider empirically testing this proposed conceptual framework to investigate the effects of the four types of FSs as stimuli on the FA and/or PFMB and the moderating role of FL to further add new empirical evidence in the subject area.

In addition to theoretical implications, the study also offers some important practical implications for stakeholders in promoting good PFMB. As suggested in the conceptual framework, the FA of the youth is directly influenced by the four types of FS, including peers, social media, government agency and parents. This infers that policymakers, such as government entities and financial and banking institutions, must focus on these stakeholders to establish favourable FA toward the PFMB among youths. When youths possess favourable FA, they ultimately cultivate their financial management behavior. Furthermore, the literacy level of financial knowledge among the younger generations cannot be underestimated. As documented in most of the previous studies, policymakers and stakeholders have enhanced the FL of the younger generation, as it is necessary to promote their financial management behaviour, either directly or by strengthening the influence of FA on the PFMB. Therefore, the conceptual framework suggests that policymakers and stakeholders must play a role in encouraging youths to have better PFMB to prevent financial stress in the future.

This paper proposes a conceptual framework that is anticipated to better explain young people's PFMB. However, some shortfalls are still presented in the paper. For example, the proposed conceptual framework was developed on the basis of a review of the selected literature from certain accessible databases and publisher portals. This might cause bias in the framework formulation, as the literature is not reviewed comprehensively through a proper literature review, such as a proper systematic literature review. However, owing to the limited ability of the authors to access well-known databases such as Scopus and Web of Science, this is the practical way for the authors to carry out this study. In addition, the proposed framework focused only on the perspective of the FST, and other important perspectives, such as rational behaviour theory and the theory of self-control, are ignored in the study. This study considered only four types of FS, and some other types of FS might directly or indirectly influence the PFMB of youth not included in this framework. Moreover, the framework only proposed the direct effect of the four types of FSs on FA. This may limit the predictability of the framework, as these FSs might also have an indirect effect on PFMB through some mediators. In addition to FA, other factors, such as financial self-efficacy and financial risk tolerance, might be considered internal cognitive organisms and mediators in mediating the indirect influence of the four types of FS on the PFMB of youth. Therefore, future research might take into account the limitations of this study to explore youth PFMB comprehensively.

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Ethical Considerations

Not applicable.

Conflict of Interest

The authors declare that they have no conflicts of interest.

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