

FINANCIAL MANAGEMENT BEHAVIOR AMONG YOUTH IN NEPAL

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fulfillment of the requirements for the Master's Degree

by

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled “**Financial Management Behavior Among Youth in Nepal**”. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

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REPORT OF RESEARCH COMMITTEE

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TABLE OF CONTENTS

<i>Title Page</i>	<i>i</i>
<i>Certification of Authorship</i>	<i>ii</i>
<i>Report of Research Committee</i>	<i>iii</i>
<i>Approval Sheet</i>	<i>iv</i>
<i>Acknowledgements</i>	<i>v</i>
<i>Table of Contents</i>	<i>vi</i>
<i>List of Tables</i>	<i>viii</i>
<i>List of Figures</i>	<i>ix</i>
<i>Abbreviations</i>	<i>x</i>
<i>Abstract</i>	<i>xi</i>
CHAPTER – I INTRODUCTION	1
1.1 Background of the study	1
1.2 Problem statement	3
1.3 Objective of the study	5
1.4 Hypothesis of the study	5
1.5 Rationale of the study	5
1.6 Limitations of the study.....	6
CHAPTER- II LITERATURE REVIEW	7
2.1 Theoretical review	7
2.1.1 Theory of planned behavior.....	7
2.1.2 Social cognitive theory	8
2.1.3 Goal setting theory.....	8
2.1.4 Social learning theory	9
2.1.5 Behavioral life-cycle hypothesis	10
2.1.6 Concept of financial management behaviour	10
2.1.7 Relationship between financial knowledge and financial management behavior	11
2.1.8 Relationship between financial attitude and financial management behavior	12

2.1.9 Relationship between locus of control and financial management behavior	12
2.1.10 The Importance of Financial Management Behaviour	13
2.2 Empirical review	14
2.3 Research gap	25
CHAPTER – III RESEARCH METHODOLOGY	27
3.1 Research design.....	27
3.2 Population and sample, and sampling design	27
3.3 Nature and sources of data	28
3.4 Method of analysis	28
3.4.1 Descriptive analysis	28
3.4.2 Correlation analysis	28
3.4.3 Regression analysis.....	29
3.5 Research framework.....	29
3.5.1 Definition of variables	30
CHAPTER – IV RESULTS AND DISCUSSION	32
4.1 Results	32
4.1.1 Respondents demographic profile	32
4.1.2 Reliability test.....	34
4.1.3 Descriptive analysis	34
4.1.4 Correlation analysis	39
4.1.5 Multiple regression analysis	40
4.1.6 Hypothesis testing.....	41
4.2 Discussion	42
CHAPTER – V SUMMARY AND CONCLUSION	44
5.1 Summary	44
5.2 Conclusion.....	45
5.3 Implications.....	46

References

Appendices

LIST OF TABLES

Table 1 Summary of Empirical Review.....	20
Table 2 Demographic profile of respondents (N=400).....	33
Table 3 Reliability statistic of variables.....	34
Table 4 Summary of descriptive analysis (N= 400)	35
Table 5 Financial knowledge	36
Table 6 Financial attitude.....	37
Table 7 Locus of control	37
Table 8 Financial management behaviour	38
Table 9 Pearson correlation coefficients of study variables	39
Table 10 Model summary	40
Table 11 Analysis of Variance (ANOVA).....	40
Table 12 Coefficient of independent variables on financial management behaviour..	41
Table 13 Hypothesis test.....	42

LIST OF FIGURE

Figure 1 Research Framework of the Study	29
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ABBREVIATIONS

FA	:	Financial Attitude
FK	:	Financial Knowledge
FL	:	Financial Literacy
FMB	:	Financial Management Behavior
IBM	:	International Business Machine Corporation
LOC	:	Locus of Control
MS. DO	:	Microsoft Disk Operating System
Res	:	Respondents
SEM	:	Structural Equation Modeling

ABSTRACT

Financial management behavior is necessary in order to purchase, utilize, and use financial resources with a specific objective. Financial product development is still expanding, and the number of financial product consumers is rising annually. However, their sound financial attitudes and expertise do not keep pace with the growing usage of financial goods. It is evident from the low literacy rate of Nepalese youth and their high financial inclusion. In this instance, attitude and knowledge markers are used to gauge the literacy level. Therefore, the study's primary goal is to investigate how financial knowledge, financial attitude, and locus of control affect young people's money management practices in Nepal. According to the idea of planned behavior, attitudes, subjective standards, and perceived behavioral control all have an impact on an individual's intentions, which in turn determine their conduct. Thus, this idea forms the basis of this investigation. Descriptive and explanatory research designs were used in the study. Purposive sampling was utilized in this study to choose 400 respondents. Concerning to the source of data mostly primary sources are employed in creating meaningful and relevant data. Data is acquired using a self-administered questionnaire. Data analysis techniques include multiple regression analysis, correlation analysis, and descriptive analysis. The study shows that youths perceive financial knowledge as having a significant impact on their financial management behavior, and overall, their financial management behavior is high. According to the correlation study, financial management behavior and financial knowledge are strongly positively correlated. Similarly, there is a strong positive correlation between financial management activity and financial mindset. Furthermore, there is a favorable correlation between locus of control and financial management practices. Additionally, regression research shows that money management behavior is much improved by financial understanding. Likewise, locus of control and financial attitude both significantly improve financial management practices. Based on this, the current study will contribute academics in creating more thorough related frameworks and offer detailed suggestions for improving personal money management for people, families, and educational institutions.

Keywords: *Financial Management Behaviour, Financial Knowledge, Financial Attitude and Locus of Control*

CHAPTER - I

INTRODUCTION

1.1 Background of the study

The ability and attitude abilities that people exhibit to plan, budget, audit, manage, control, search, and save financial monies in their everyday lives are known as financial management behavior. A person's ability to manage his finances, including locating and storing money, budgeting, future planning, and processing money, is known as financial management behavior. All of the elements of a person's financial interest are combined in this conduct. Four indicators—consumption, cash flow, savings and investments, and debt management—can be used to gauge an individual's financial management practices (Xiao et al., 2011).

To buy, use, and use financial resources with a defined objective, financial management behavior is essential. Students usually begin learning how to handle their finances while they are in college. Although they may not stress it to their kids, parents recognize the need of financial literacy. In a similar vein, universities do not offer classes on the topic particularly. Students should be taught money management skills at a young age because the information they learn may likely stay with them for the rest of their lives. Higher academic life and present financial obligations are quite taxing, according to Barr and McClellan (2018). The number of students seeking financial aid has been rising as the economy has deteriorated. Therefore, it is important for students to handle their finances sensibly.

According to Xiao and Dew (2011), there are four ways to categorize a person's financial management behavior: credit management, savings and investments, cash-flow management, and consumption. The practice of incorporating all aspects of a person's financial interests is known as personal financial management behavior, or PFMB. These include of investments, risk management, retirement planning, tax planning, estate planning, and cash flow management. Each person's level of financial literacy determines their own financial management. According to McCannon (2014), financial education influences how people behave in order to accumulate money. This

demonstrates that having sound financial management skills is crucial for success in life.

Because it has a significant impact on people's financial circumstances, financial management behavior is a significant problem in the field of financial management discipline. Depending on the study's sample, personal financial management behavior has been defined and evaluated in a number of ways in the literature to far (Goyal et al., 2022). Planning, carrying out, and assessing financial decisions, including cash management, credit management, investments, insurance, and retirement and estate planning, is what Parrotta and Johnson (1998) characterized as financial management. Altfest (2004) defines financial management planning as a process for combining all facets of an individual's financial interests, such as risk management, retirement planning, tax planning, estate planning, cash flow management, and investment management.

One of the fundamental ideas of the financial discipline is financial management behavior. There are numerous definitions for this concept. For instance, Weston and Brigham (1981) define financial management behavior as a branch of financial decision-making that balances individual motivations with organizational objectives, while Van Horne and Wachowicz (2002) define it as the identification, acquisition, distribution, and use of financial resources, typically with an overall goal in mind. Joo (2008) indicates that effective financial management behavior should improve financial well-being positively and failure to manage personal finances can lead to serious long term, negative social and societal consequences. Therefore, efficient money management is the primary focus of financial management. Ineffective money management can have detrimental long-term effects on a person's family as well as themselves.

The alternative investment is one that can be made without financial resources. However, hedge funds, commodities, and real estate are all included in the alternative investment category. In order for customers to have easier access to financial goods and services than they did previously. In order to make the best financial decisions, consumers need to have a better grasp of financial literacy and financial goods and services, even though they are simpler to obtain. The steadiness of world economy

has been in down turn over the past decade and that collapse has triggered the increasing on inflation, unemployment and lower the levels of income. Researchers are looking at solutions to deal with the economic collapse and the complexity of financial decisions, which have exposed people's quality of life and work (Taft, Hosein & Mehrizi, 2013). The capacity of people to control their own financial resources—savings, expenditures, and investments—has been used to gauge the effectiveness of personal financial management (Garman & Fogue, 2011).

One of the focal points for the country's economic development solution is the independence of the financial sector. The way people handle their money has become a significant part of enhancing their quality of life. According to Kholilah and Iramani (2013), financial management behavior refers to an individual's capacity to do both short-term and long-term financial functions, such as planning, controlling, searching, and storing. Understanding sound financial science and being able to use it in daily life are prerequisites for implementing the right financial management style. Therefore, in order to begin learning the first step to a profitable life, every student needs implement a sound financial behavior pattern.

Financial behavior can be linked to an individual's choices made during the decision-making process. This example explains how investors' emotional thought processes affect their decision-making. From a human perspective, economic behavior provides further insight into the what, why not, and how of financing and investing. As such, personal money management behavior has drawn the attention of academics in recent years. Therefore, this study tries to evaluate financial management behavior among youths in Nepal.

1.2 Problem statement

Every nation strives for financial viability at the moment, but it can be particularly difficult for youngsters who did not learn how to manage their money or develop plans to become financially secure. The general level of financial literacy in society has become a major source of concern in recent years and is expected to continue to do so. While locus of oversight and financial understanding had no influence on the management of money behavior, Prihartono and Asandimitra (2018) showed that knowledge of money and attitude had a significant impact.

According to Herawati et al. (2018), financial behavior had a substantial and beneficial effect by financial literacy, financial self-efficacy, and social economic standing. The largest contributor was social economic position. According to Abriani, Ahmad, and Purwohedi (2020), financial conduct was significantly improved by financial understanding. Similarly, locus of control had no influence on personal financial behavior, while financial attitudes had an obvious and considerable favorable impact on it. According to Htet and Wongsunopparat (2021), young adults' personal financial management was unaffected by their level of financial literacy. Adriani (2021) found that although financial mindset factors had little influence on the use of money, financial knowledge, locus of control, and incentive factors had no effect at all.

According to Halim and Setyawan (2021), financial management practice was significantly influenced by financial knowledge, financial attitudes, and primarily financial literacy. According to Ruslim, Wijaya, and Turangan (2022), monetary conduct was significantly improved by a financial mindset. However, the favorable impact of financial education on financial management behavior was negligible. Furthermore, locus of control significantly impacted financial management practices negatively. Goyal et al. (2022) discovered that, except from the strong positive correlation with self-control, there was no significant correlation between PFMB and the other explanatory factors. According to Phuong et al. (2023), personal financial handling behavior was greatly improved by financial attitude and fundamental financial understanding.

Dewi et al. (2023) demonstrated how cognitive bias factors, knowledge of finances, financial understanding, and individual emotional intelligence affect the Z generation's individual management of money in Buleleng Regency. According to Mardiana and Widodoatmodjo's (2023) research, financial management behavior was positively and significantly impacted by both financial knowledge and financial mindset. Because of these contradictory findings, it is unclear what elements and to what degree they affect young people's money management practices, such as in the Kathmandu Valley. Moreover, the available research, however cover a very limited respondent but this research intends to fulfill this gap by taking large number of respondents. So, the study aims at answering the following research questions;

- What are the key factors of that used to determine financial management behaviour of youth in Nepal?
- What is the relationship between financial literacy, locus of control and financial management behaviour of youth in Nepal?
- What is the effect of financial literacy and locus of control on financial management behavior of youth in Nepal?

1.3 Objective of the study

The study's primary goal is to investigate how young people in Nepal handle their finances. In addition, the other specific objectives are;

- To assess the key factors that influence financial management behaviour of youth in Nepal.
- To examine the relationship between financial literacy, locus of control and financial management behaviour of youth in Nepal.
- To examine the effect of financial literacy and locus of control on financial management behavior of youth in Nepal.

1.4 Hypothesis of the study

This study has developed the following hypothesis;

H₁: Financial knowledge has significant effect on financial management behavior among youth in Nepal.

H₂: Financial attitude has significant effect on financial management behavior among youth in Nepal.

H₃: Locus of control has significant effect on financial management behavior among youth in Nepal.

1.5 Rationale of the study

In terms of academic achievement and business management implications, the results of this study can benefit both individuals and associated organizations. People can learn about their own financial management circumstances and use this information to help them improve their own financial management skills and reduce the risks associated with excessive spending and debt issues. The results can be applied to planning and academic policy in order to improve youths' personal financial

management, financial literacy, and academic performance. Regarding the business management implications, government policy makers in fields like banking and economics can use the findings to create appropriate policies for financial products and services that will benefit the nation. Future researchers who wish to conduct research in the fields of financial literacy and personal financial management may find this study's foundation useful. This research project provides.

1.6 Limitations of the study

The major limitations of the study are as follows;

- The study focuses on the financial management behavior among youth in Nepal.
- This study is limited inside Kathmandu and requires areas where targeted responses would be available, so it might not represent the overall youth's view of Nepal.
- This study is based on primary data.
- The sampling method is convenience. Thus, it may have some errors resulting from the sampling method.
- Since the Nepali government defines youth as those between the ages of 16 and 40, all of the replies are from young individuals in this age range.
- The sample consists of 400 people. Generalizing will be challenging as a result.

CHAPTER- II

LITERATURE REVIEW

A critical and fundamental phase in every research endeavor is the literature evaluation. Reviewing research papers or other pertinent claims in the relevant field of study is necessary to do new research since it makes one aware of all previous studies, their shortcomings, and their findings. This chapter examines and evaluates several books, articles, and published and unpublished pieces on related subjects in a variety of economic periodicals, magazines, newspapers, and research papers. It also searches the web for information on the subject. The theoretical review and the empirical review comprise this chapter's two sections.

2.1 Theoretical review

This section evaluated the pertinent financial management behavior theories. The theories of planned behavior, social cognition, social learning, and behavioral life-cycle hypothesis are a few of these.

2.1.1 Theory of planned behavior

The Theory of Planned Behavior (TPB) is the theory that was applied in this study. The Theory of Planned conduct (TPB), according to Ajzen (1991), is a good theory to describe any conduct that calls for preparation and to explain how a person's behavior arises from their desire to carry out a behavior in daily life. The two primary components that make up an individual's purpose toward behavior—attitude and subjective norms—are explained by the Theory of Planned Behavior (TPB), an extension of the Theory of Reasoned Action (TRA). A person's attitude is an internal component that is utilized to give an evaluation of a situation in both positive and negative terms. Social pressure to do or not do something is known as the subjective norm. If others are motivating or encouraging, people will act in a certain way. (Dharmmesta, 1998). Compared to the Theory of Reasoned Action (TRA), the Theory of Planned Behavior (TPB) contains two more characteristics. This first characteristic is a hypothesis that postulates that new interests linked to conduct are motivated by perceived behavioral control. The second characteristic is that behavior and perceived

behavioral control are directly correlated. Therefore, conduct can be directly influenced by perceived behavioral control (Halim & Setyawan, 2021).

2.1.2 Social cognitive theory

The social cognitive theory, developed by Bandura in 1986, explains how a person's conduct is influenced by their experiences, surroundings, and other people's actions. One of the cornerstones of social cognitive theory is self-efficacy. Self-efficacy, or the belief in one's ability to manage financial obligations, is a key component of social cognitive theory. Research indicates that those with higher levels of economical self-efficacy are prone to engage in prudent financial activities, such as budgeting, saving, and speculating. Confidence in managing financial resources boosts one's capacity to make financial decisions and overcome obstacles (Perry & Morris, 2005). This idea states that people may pick up financial habits by watching the deeds and results of others, including friends, family, and financial role models. Sherraden et al. (2007) explored how people's financial habits are impacted by watching others in their social networks. They found that people are more likely to start saving money or investing money if they witness others doing it effectively. The theory takes into account an individual's past experiences, which have an impact on the likelihood of behavioral action. A person's decision to engage in a certain activity and the motivations behind that behavior are influenced by their past experiences, which create reinforcing expectations and expectancies. How a person's view of their financial self-efficacy affects their money behavior in management is explained by the social cognitive theory (Asandimitra & Kautsar, 2020).

2.1.3 Goal setting theory

Goal setting theory and expectancy theory have been combined more recently (Hollenbeck et al., 1989). The foundation of goal setting theory is the idea that deliberate intents and goals produce outcomes. Individual objectives are likely to determine how well they perform on related tasks, according to the goal setting theory of motivation (Locke & Latham, 1986). In particular, performance is higher when goals are well-defined and more difficult than when they are easy, ambiguous, or do-your-best. According to goal setting theory, for a goal to be successful, people need to be dedicated to it, receive feedback, and be capable of completing the task. This implies that initiatives promoting financial literacy should be more successful if they

are driven by attitudes and worries about one's future financial security. According to motivational theory, financial conduct that serves the interests of consumers should be linked to financial literacy metrics.

A Financial behaviors index was created by Hilgert, Hogarth, and Beverly (2003) based on (self-beneficial) behavior in credit management, cash flow management, and saving and investing behaviors. They discovered a favorable link between financial literacy scores and Financial Practices Index scores when they compared the index's findings with the results of a financial literacy questionnaire. Their findings imply a connection between financial habits and financial understanding.

2.1.4 Social learning theory

Rotter's idea of social learning is the basis of the Locus of Control. Rotter's (1954) social learning theory model for behavior prediction has four fundamental components. The four of them are psychology situation, reinforcing value, expectancy, and behavior prospective. The possibility of performing a certain action in a specific situation is known as behavior potential. One can take a number of different acts in any particular scenario. There is a potential behavior for every action. Whatever conduct has the most potential will be displayed by the individual. Moreover, expectation is the belief that a particular action will lead to a particular consequence. A person who has low expectations believes that it is unlikely that their actions would be reinforced. We will engage in the activity that has the highest expectation of success if both outcomes are sought. People need to believe (a) that they can do the task effectively and (b) that their actions will be rewarded in order to have a high expectation. Moreover, reinforcement is the term used to describe the outcomes of our actions. Reinforcement value is the term used to describe how appealing certain outcomes are. According to Rotter (1954), things that we want to happen or are drawn to have a high reinforcement value. The reinforcement value of things we wish to avoid or don't want to happen is low. Furthermore, the psychological scenario demonstrates that every individual's perception of the world is unique. It is important to keep in mind that different people have diverse interpretations of the same situation. Different people will have different expectations and reinforcement values in the same situation. Therefore, people's subjective

experience of the environment is important to them and shapes their responses, not an objective array of information.

Furthermore, Rotter (1954) established his social learning theory, which based behavior on the assumption that goals will be achieved as well as the kind or applicability of targets or reinforcements. He claimed that these expectations may be measured and are the outcome of prior actions. According to Carton et al. (2021), these expectations eventually spread to other circumstances, giving rise to generalized expectancies such as LOC.

2.1.5 Behavioral life-cycle hypothesis

The classic life-cycle model, which holds that people see money as completely fungible and that a wise person plans out their lifetime consumption sensibly, is extended by the Behavioral Life-Cycle hypothesis (Modigliani & Brumberg, 1954). According to the Behavioral Life-Cycle Hypothesis, which was codified by Shefrin and Thaler (1988), individuals behave as if they are engaged in a never-ending internal conflict between a "planner" who considers the long term and a "doer" who is more concerned with the here and now. According to the BLC hypothesis, people's ability to control their impulses and the expenses related to exercising such self-control define their financial behavior over the course of their life. People's mental accounts and how they categorize money determine how much it costs them to save for the future. According to the hypothesis, a person's capacity to control their desires determines how much money they can save. Moreover, Stromback et al. (2017) says that although the BLC theory has shown effective in understanding saving behavior, there is now.

2.1.6 Concept of financial management behaviour

Financial behavior is defined as the ability to comprehend how financial decisions affect one's situation as an individual, family, community, or nation and to make wise choices regarding managing money, planning for financial opportunities, and precautions (Htet & Wongsunopparat, 2021). As a result, financial management behavior is the achievement, distribution, and use of financial resources focused on a personal goal.

The main focus of financial studies is financial management behavior. The ability to plan, distribute, check, safeguard, and seek daily money resources is known as financial management behavior (Wahyuni et al., 2023). The academic field of financial management behavior seeks to elucidate the behavioral and psychological elements that underpin a person's approach to managing their financial resources. Their irrational financial decisions are also explained by this scientific field (Amanah et al., 2016).

The capacity to create financial plans, budget, manage, and control finances associated with personal financial responsibility through financial governance is known as financial management behavior (Asandimitra & Kautsar, 2020). Strong financial management practices can lead to a habitual propensity for creating and implementing financial planning plans. Effective financial planning, administration, and control procedures are all necessary for displaying sound financial conduct (Ghasarma et al., 2017). When people are forced to make financial decisions, their actions are characterized by their financial conduct.

2.1.7 Relationship between financial knowledge and financial management behavior

The data analysis's findings indicate a favorable correlation between financial management behavior and financial knowledge. You must learn how to use financial tools and hone your financial abilities in order to possess financial knowledge. One method for decision-making in personal financial management is financial skills. Financial abilities include using credit, picking investments, selecting an insurance plan, and creating a budget. Forms and charts used in personal financial management decision-making are known as financial tools. In addition to helping individuals manage their finances sensibly, financial literacy may boost the economy. Therefore, customers with sound financial understanding will be able to spend their money as they see fit, which will incentivize manufacturers to create goods and services that better meet their demands. Understanding finance has the ability to transform the world. Numerous studies have found that giving customers access to official information and education sources will aid in figuring out how much debt, money, and savings is reasonable. Financially literate consumers are more likely to practice prudent money management (Hilgert et al., 2013).

Theoretically, it refers to a person's understanding of financial literacy and their capacity to use previously acquired financial knowledge to conduct financial transactions in their day-to-day lives. Here, formal education, unofficial sources, and practical experiences can all be used to gain financial knowledge. Nonetheless, a wealth of research has shown that college students' financial behavior and their financial literacy are positively correlated. For instance, Amagir et al. (2018) discovered that high school students in the Netherlands had a positive correlation between their financial behavior and financial understanding, which is comparable to the results of Loke (2015) in the Malaysian setting. In parallel, Sohn et al. (2012) discovered a strong correlation between Korean high school students' money management practices and their financial understanding.

2.1.8 Relationship between financial attitude and financial management behavior

A person's ideal financial mindset is determined by their level of education, which is excellent and applicable to everyday activities. According to Adriani's (2021) research, having a positive financial attitude has a beneficial connection with behaviors related to money management; therefore, the more people who can put it into practice, the better their own money management will be. According to the results of earlier studies, two important factors that affect a person's adoption of sound financial management practices are receiving a strong financial education in the family and putting that mindset into practice by regularly meeting monetary goals in day-to-day life. This will save pupils from having trouble properly managing their finances.

Financial management behavior is partially influenced by financial attitude, according to earlier study by Amanah, Rahadian, and Iradianty (2016). Similar conclusions on the positive impact of financial attitude on financial management behavior—which also extends to the adoption and administration of fintech—have been reached by Herdjiono and Damanik (2016).

2.1.9 Relationship between locus of control and financial management behavior

A person's view of the factors influencing their life events is known as their locus of control; in this instance, it is both internal and external. An individual is said to have an internal locus of control if they feel that their success or failure is entirely their

own fault and the result of their own work. A person who believes that fate, luck, or other external factors dictate their success or failure is said to have an external locus of control. In social psychology, locus of control describes how much people think they have influence over the things that happen to them. Compared to the external locus of control, the internal one is more driven, action-oriented, and capable of handling challenging tasks. An external locus of control tends to lessen the effort needed to exhibit competent financial management behavior, according to earlier studies (Hillrigel et al., 2010).

According to Chinen and Endo (2012), people who are capable of making sound financial decisions are less likely to experience financial difficulties in the future. The ideal financial behavior is able to identify the needs that should take precedence over desires. According to Mien and Thao (2015), there is a negative correlation between locus of control and financial management behavior, suggesting that people with high locus of control are less likely to use sound financial management practices in their daily lives. According to Ruslim, Wijaya, and Turangan (2022), the locus of control has no bearing on financial management behavior since the aim of the study is not focused on the locus of control. Instead, the locus of control should be more specific to the internal locus of control.

2.1.10 The Importance of Financial Management Behaviour

In our private lives, sound money management enables us to build a comfortable existence with the certainty of a safe future and the flexibility to spend money as we see fit. Every aspect of both personal and professional life reflects the significance of financial planning and management. Regardless of their financial situation, everyone has to learn and understand financial management and apply it to their lives.

Personal financial management is crucial because it makes it possible to raise living standards, which promotes health and significantly lowers financial stress. In addition, it helps the person make better financial decisions, which lowers debt, lowers poverty, and boosts investments and saves (Volpe et al., 2006). In conclusion, it is critical that everyone understands the value and advantages of personal financial management, which results in a life that is safe, stress-free, and financially independent. When we

were young, many of us were not taught the value of managing our personal finances. We did not learn how to budget, invest, save, or make money work for us. Merely understanding the significance of personal financial management is insufficient; we also need to take action to plan, arrange, and oversee our own funds. Many of us owe money, do not know how we got there, and do not know how to begin paying it back (Robb & Sharpe, 2009).

2.2 Empirical review

Prihartono and Asandimitra (2018) looked at the elements impacting financial managers' behavior. The purpose of this study was to investigate how economics faculty students' locus of control toward financial management behavior, income, higher education learning, financial knowledge, financial literacy, and financial attitude were all impacted. 264 responders that were chosen using judgmental sampling make up the population. Students from the Economics Faculty who have attended the course for at least two semesters make up the responses. Multiple regression analysis is the analysis method that the researcher employed. The findings demonstrated that financial management behavior is influenced by income. Learning in higher education had little impact on how people handled their money. Financial management behavior was unaffected by financial understanding. effects of financial literacy on money management practices. Financial management conduct is influenced by one's financial mindset. Behavior related to financial management was unaffected by locus of control.

Herawati et al. (2018) investigated the variables influencing Bali accounting students' financial behavior. The study's primary goal was to examine the variables influencing Bali's accounting students' financial behavior. A financial literacy exam and questionnaires were distributed as part of this study's quantitative methodology. 518 respondents made up the sample, which was chosen using a multistage random sampling approach. Multiple regression analysis was used to examine the data. The study's findings demonstrated that financial behavior was positively and significantly impacted by financial literacy, financial self-efficacy, and social economic standing. The largest contributor was social economic position. The results demonstrated that the study's independent factors had an impact on participants' financial behavior. As a

result, they can serve as models for the development of additional factors associated with students' financial behavior.

Abriani, Ahmad, and Purwohedi (2020) studied administration master's students at Universitas Negeri Jakarta in order to assess personal finance aspects. This study's primary goal was to examine the variables influencing individual financial behavior. methods for gathering data that include observations and surveys. Multiple regression analysis and the univariate one-way ANOVA test using SPSS 22 are the data analysis methods utilized. The findings indicated that financial conduct was significantly improved by financial knowledge. Similarly, locus of control had no effect on personal financial behavior, while financial attitudes had a direct and considerable favorable impact on it. Furthermore, personal financial behavior was significantly influenced by income. Thus, based on the four income groups, it can be said that respondents' personal financial behavior varied significantly.

Htet and Wongsunopparat (2021) observed the traits that have an effect on young adults' individual financial management. Evaluating the link between all the variables and the impact of financial literacy, financial product knowledge, family, and peer factors on young adults' personal financial management was the primary goal of the study. Because the measurement model in the Structural Equation Modeling (SEM) was utilized for (CFA) Confirmatory Factor Analysis using Amos, followed by the definition and estimate of the models, the current study employed the CFA. The current study demonstrated that young adults' personal financial management was unaffected by their level of financial literacy. This finding ran counter to a prior study that demonstrated the importance of financial literacy in the process of personal financial management. Young adults' awareness of financial products was impacted by financial literacy. One of the study's important contributions was the novel finding that financial literacy has a considerable impact on understanding of financial products.

Adriani (2021) evaluated the elements influencing economic habits in a study enrolling students engaged in venture creation. The purpose of this study was to ascertain how financial behavior is influenced by financial knowledge, financial attitude, locus of control, risk tolerance, motivation, and mental accounting. There

were 168 students at Universitas Ciputra Surabaya majoring in International Business Management. Students who were in their sixth semester or older at the time of the purposive sample technique sampling were the respondents' characteristics. Partial Least Square (PLS) analysis was used to examine the collected data. The findings demonstrated that desire, locus of control, and financial knowledge had little impact on financial behavior. Financial behavior was influenced by risk tolerance, mental accounting, and financial attitude.

Halim and Setyawan (2021) investigated the elements that influenced Jakartans' financial management practices during the COVID-19 epidemic. The aim of this study was to examine how financial literacy, financial attitudes, and financial knowledge affected Jakartans' financial management practices during the COVID-19 epidemic. People's buying power will decline as a result of the government's harsh restrictions on many company operations during the epidemic. This study employs Structural Equation Modeling (SEM) with the Smart PLS to investigate the alternative hypothesis. An online Google Form Questionnaire with a purposive non-probability sampling type was used to gather the study sample, which had 185 responses in total. According to the study's findings, financial management behavior was significantly influenced by financial knowledge, financial attitudes, and primarily financial literacy.

Komarudin et al. (2021) looked at the elements impacting financial behavior in their study. Finding out how Kuningan Regency students behaved financially was the aim of this study. In this study, a descriptive and verification approach was taken. The University of Kuningan's Faculty of Economics students make up the population, and purposive sampling is the sample method employed. A combination of multiple regressions was performed in this study to examine the data. The findings indicated that self-control had a positive and substantial impact on financial conduct, financial knowledge had a good impact on financial behavior, and both self-control and financial knowledge had a significant and simultaneous impact on financial behavior.

Setianingsih, Dewi, and Chanda (2022) evaluated the effects of financial knowledge, financial preparation, internal locus of control, and financial self-confidence on financial management conduct using a case study of mid-sized and small grocery

enterprises. This study looked at how financial management practices at SMEs' grocery stores in Langsa City were impacted by financial knowledge, financial planning, internal locus of control, and financial self-efficacy. 159 SMEs grocery shops made up the study's population, while 114 SMEs grocery stores made up the sample. Purposive sampling was used to conduct the sample procedure. The multiple linear regression approach is the data analysis technique employed. Financial management behavior was significantly impacted by the hypothesis testing variables of locus of control and financial knowledge. On the other hand, financial management behavior was not significantly impacted by the factors of financial planning or financial self-efficacy.

Syaliha et al. (2022) investigated how lifestyle, locus of control, financial attitude, and financially literacy affected financial management behavior. The purpose of this study was to investigate the potential effects of locus of control, lifestyle, financial attitude, and financial literacy on the financial management practices of accounting students at Yapis University in Papua. All enrolled and enrolled accounting students at Yapis University Papua made up the study's population. Purposive sampling was used to collect samples, and there were fifty responders in all. A questionnaire was utilized to collect the data used in this investigation. Multiple linear regression analysis was used for data analysis. The study's findings demonstrated that locus of control and financial literacy significantly and favorably influenced the financial management practices of accounting students at Yapis University in Papua. However, among accounting students at Yapis University Papua, lifestyle and financial attitudes had no beneficial and negligible impact on financial management behavior.

Ruslim, Wijaya, and Turangan (2022) evaluated the effects of individual financial management practices. The study's primary goal was to investigate the potential effects of locus of control, attitude, and financial knowledge on West Jakartan employees' financial management practices. According to the criteria, 57 respondents were given questionnaires as part of the data collecting process for this study, which employed a descriptive research methodology. The PLS Algorithm on Smart-PLS is used for data processing. According to this study, money management behavior was significantly improved by financial mindset. However, the favorable impact of

financial education on financial management behavior was negligible. Furthermore, locus of control significantly impacted financial management practices negatively.

Prawitasari et al. (2022) reviewed how to assess monetary management habits through the Covid-19 pandemic. Examining the effects of financial literacy, financial attitudes, lifestyle, and social environment on UDINUS students' individual financial management practices was the primary goal of the study. Purposive sampling was used to choose 170 respondents for this investigation. Using the SPSS Version 23 analytic tool, assess the data using multiple linear regression, instrument testing, classical assumption testing, and hypothesis testing. According to the study's findings, UDINUS students' money management practices and financial literacy have a good and substantial relationship. The second finding indicated that among UDINUS students, financial views and financial management behavior were positively and significantly correlated. The third finding indicated that UDINUS students' money management practices were not positively impacted by lifestyle. The final finding indicated that UDINUS students' money management conduct was positively and significantly impacted by their social environment.

Khanal, Thapa, and Nepal (2022) conducted a study among Nepali business graduates to examine the factors that influence personal financial planning. The purpose of this study was to examine the factors that influence Nepali business graduates' financial planning. With gender, monthly income, family type, and marital status acting as control factors, it looked at how financial attitude, financial awareness, and financial knowledge affected financial planning. 227 business graduates were surveyed via email using a comprehensive questionnaire. The causal analysis was conducted using hierarchical multiple regression. The results showed that while financial knowledge had no discernible effect on personal financial planning, financial attitude and financial awareness did. Surprisingly, though, no control variable was shown to have a substantial impact on personal financial planning. Therefore, one of the main factors influencing business graduates' personal financial planning in Nepal is their attitude and level of understanding regarding the financial elements of their lives.

Goyal et al. (2022) conducted a meta-analysis to investigate the psychological factors that influence personal financial management practices. The study's primary goal was

to assess the relationship between six psychological factors—materialism, self-control, financial attitude, financial self-efficacy, internal locus of control, and external locus of control—and personal financial management behavior (PFMB). Using the meta analysis approach, a stack of thirty-two research documents that examined the connections between PFMB and other psychological characteristics were examined. With the exception of the strong positive correlation with self-control, this study showed no significant relationship between PFMB and the other explanatory factors. On the other hand, a subgroup analysis demonstrated that among adults, PFMB was substantially correlated with materialism (negatively) and self-control (positively). PFMB and internal Locus of Control (LOC) were significantly and favorably correlated in the youth. Fascinatingly, in industrialized nations, self-control seems to be substantially and favorably correlated with PFMB.

Phuong et al. (2023) studied the variables affecting individual financial planning practices using real-world information from Vietnam. This study looked at how people's personal financial management behavior (PFMB) in Vietnam was impacted by their demographics, financial attitude, early consumer experience, and general financial awareness. Using SPSS and AMOS software versions 20.0, the researchers employed mechanical analysis to examine the relationship. The results of the data analysis, which involved 308 participants, demonstrated that every independent variable had a strong favorable impact on the behavior of those who manage their own finances. Furthermore, the dependent variables were impacted by nearly every demographic variable, with the exception of gender. Based on this, the current study will assist academics in creating more thorough related frameworks and offer detailed suggestions for improving personal money management for people, families, and educational institutions.

Dewi et al. (2023) looked at how psychological bias variables, financial literacy, individual emotional intelligence, and finance knowledge affected personal financial management. The study's primary goal was to ascertain how psychological bias factors, financial literacy, individual emotional intelligence, and financial knowledge affected personal financial management. The Z generation in Bali's Buleleng Regency is the focus of this study. Multiple regression analysis approaches, the t-test (Partial), the analysis of the coefficient of determination test, and the classical assumption test

are all used in this quantitative study. With an adjusted R-Square value of 0.508, or 50.8 percent, the study's findings demonstrated that psychological bias factors, financial literacy, financial awareness, and individual emotional intelligence all affect the Z generation's personal financial management in Buleleng Regency. By comparing the t-table and t-count in each regression model, the hypothesis is proven.

Mardiana and Widoatmodjo (2023) assess the variables influencing students at Universitas Tarumanagara's financial management practices. The study's primary goal was to assess how Universitas Tarumanagara students' financial management practices were impacted by their income, financial attitude, and financial knowledge. The study's population consisted of 150 active students at Universitas Tarumanagara who were chosen through the use of purposive selection, a non-probability sampling approach. Questionnaires published online and displayed as a Google form were used to collect the data. Smart-PLS software was used to process the acquired data using PLS-SEM. According to the findings, financial management behavior was positively and significantly influenced by financial knowledge and financial attitude. Income, on the other hand, had a marginally favorable impact on financial management practices.

Table 1

Summary of Empirical Review

S.N.	Authors	Topic	Variables	Methodology	Major Findings
1	Prihartono and Asandimistra (2018)	Analysis of factors influencing financial management behaviour.	Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Higher Education Learning, Financial Literacy and Locus of Control	The plurality of regression analysis is the evaluation method that the researcher employed.	The findings demonstrated that financial management behavior is influenced by income. Learning in higher education had little impact on how people handled their money. Financial management behavior was unaffected by financial understanding. effects of financial literacy on money management practices. Financial management conduct is influenced by one's financial mindset. Behavior related to financial management was unaffected by locus of control.
2	Herawati	Factors that	Dep. =	The data	The study's findings

S.N.	Authors	Topic	Variables	Methodology	Major Findings
	et al. (2018)	influence financial behavior among accounting students in Bali.	Financial Behaviour Indep. = Financial Literacy, and Social Economic Status	were analyzed by using multiple regression analysis.	demonstrated that financial behavior was positively and significantly impacted by financial literacy, financial self-efficacy, and social economic standing. The largest contributor was social economic position. The results demonstrated that the study's independent factors had an impact on participants' financial behavior.
3	Abriani et al. (2020)	Personal finance determinants factors: case study on management master students of Universitas Negeri Jakarta.	Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Financial Literacy and Locus of Control	Multiple regression testing and the nonparametric one-way ANOVA examination with SPSS 22 are the statistical analysis methods utilized.	The findings indicated that financial conduct was significantly improved by financial knowledge. Similarly, locus of control had no effect on personal financial behavior, while financial attitudes had a direct and considerable favorable impact on it. Furthermore, personal financial behavior was significantly influenced by income. Thus, based on the four income groups, it can be said that respondents' personal financial behavior varied significantly.
4	Htet and Wongsunopparat (2021)	Study of factors that effect and influence on the personal financial management of the young adult.	Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Financial Attitude and Financial Skill	A confirmation factor analysis (CFA) was conducted using Amos and the modeling of structural equations (SEM), after which the models were specified and estimated.	The current study demonstrated that young adults' personal financial management was unaffected by their level of financial literacy. This finding ran counter to a prior study that demonstrated the importance of financial literacy in the process of personal financial management. Young adults' awareness of financial products was impacted by financial literacy.
5	Adriani (2021)	Factors affecting	Dep. = Financial	The data obtained	The findings demonstrated that desire, locus of control,

S.N.	Authors	Topic	Variables	Methodology	Major Findings
		financial behaviors: Studies in students who do venture creation.	Behaviour Indep. = Financial Knowledge, Financial Attitude, Locus of Control, Risk Tolerance, Motivation and Mental Accounting	were analyzed using Partial Least Square (PLS).	and financial knowledge had little impact on financial behavior. Financial behavior was influenced by risk tolerance, mental accounting, and financial attitude.
6	Halim and Setyawan (2021)	Determinant factors of financial management behavior among people in Jakarta during COVID-19 pandemic.	Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Financial Literacy and Financial Attitude	This study employs structural equation modeler (SEM) with the Smart PLS to investigate the alternative view.	According to the study's findings, financial management behavior was significantly influenced by financial knowledge, financial attitudes, and primarily financial literacy
7	Komarudin et al. (2021)	Analysis of factors affecting financial behavior.	Dep. = Financial Management Behaviour Indep. = Financial Knowledge and Self Control	A variety of regression analyses was performed in this study to examine the results.	The findings indicated that self-control had a positive and substantial impact on financial conduct, financial knowledge had a good impact on financial behavior, and both self-control and financial knowledge had a significant and simultaneous impact on financial behavior
8	Setianingsih et al. (2022)	The effect of financial knowledge, financial planning, internal locus of control, & financial self-efficacy on financial behavior:	Dep. = Financial Behaviour Indep. = Financial Knowledge, Financial Planning and Locus of Control Internal, Financial Self-efficacy	The numerous linear regression approach is the statistical analysis technique employed.	Financial management behavior was significantly impacted by the hypothesis testing variables of locus of control and financial knowledge. On the other hand, financial management behavior was not significantly impacted by the factors of financial planning or financial self-efficacy.
9	Syaliha et	The effect	Dep. =	A multiple	The study's findings

S.N.	Authors	Topic	Variables	Methodology	Major Findings
	al. (2022)	of financial literacy, life style, financial attitude and locus of control to financial management behavior.	Financial Management Behaviour Indep. = Financial Literacy, Life Style, Financial Attitude and Locus of Control	linear regression method was used for analyzing the information.	demonstrated that locus of control and financial literacy significantly and favorably influenced the financial management practices of accounting students at Yapis University in Papua. However, among accounting students at Yapis University Papua, lifestyle and financial attitudes had no beneficial and negligible impact on financial management behavior
10	Ruslim et al. (2022)	The affecting factor of personal financial management behavior.	Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Financial Attitude and Locus of Control	The PLS Algorithm on Smart-PLS is used for data analytics.	According to this study, money management behavior was significantly improved by financial mindset. However, the favorable impact of financial education on financial management behavior was negligible. Furthermore, locus of control significantly impacted financial management practices negatively
11	Prawitasa ri et al. (2022)	How to measure personal financial management behavior during the Covid-19 pandemic.	Dep. = Financial Management Behaviour Indep. = Financial Literacy, Financial Attitude, Life Style and Social Environment	Assessment the data using a variety of linear regression equipment testing, hypothesis validation, and traditional assumptions testing	According to this study, UDINUS students' financial management behavior is positively and significantly impacted by their financial attitudes and financial literacy. While the social environment had a beneficial and significant impact on UDINUS students' money management behavior, existence did not have an adverse effect.
12	Khanal et al. (2022)	Determinants of personal financial planning: A survey among	Dep. = Personal Financial Planning Indep. = Financial Knowledge,	The causal assessment was conducted using hierarchical regression	The results showed that while financial knowledge had no discernible effect on personal financial planning, financial attitude and financial awareness did. Surprisingly, though, no

S.N.	Authors	Topic	Variables	Methodology	Major Findings
13	Goyal et al. (2022)	business graduates in Nepal. The psychological antecedents of personal financial management behavior: A meta-analysis.	Financial Awareness and Financial Attitude Dep. = Financial Management Behaviour Indep. = Financial Attitude, Financial Self-efficacy, Internal LOC, External LOC, Materialism and Self Control.	models. Data was analyzed using the meta analysis technique	control variable was shown to have a substantial impact on personal financial planning. With the exception of the strong positive correlation with self-control, this study showed no significant relationship between PFMB and the other explanatory factors. PFMB and internal Locus of Control (LOC) were significantly and favorably correlated in the youth. Fascinatingly, in industrialized nations, self-control seems to be substantially and favorably correlated with PFMB.
14	Phuong et al. (2023)	Determinants of personal financial management behaviour: Empirical evidence from Vietnam.	Dep. = Financial Management Behaviour Indep. = Financial Attitude, Childhood Consumer Experience, General Financial Knowledge, Investment Experience and Financial Independence	Using AMOS and SPSS statistical software versions 20.0, the researchers employed mechanical testing to examine the relationship.	All of the independent factors in this study had a substantial favorable impact on the participants' personal financial management practices. Furthermore, the dependent variables were impacted by nearly every demographic variable, with the exception of gender.
15	Dewi et al. (2023)	The influence of finance knowledge, financial literacy, individual emotional intelligence, and psychological bias factors on	Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Financial Literacy, Individual Emotional Intelligence and	This study was systematic and employs various logistic analysis methods as well as the traditional premise test.	The study's findings demonstrated that psychological bias factors, financial literacy, financial awareness, and individual emotional intelligence all affect the Z generation's personal financial management in Buleleng Regency

S.N.	Authors	Topic	Variables	Methodology	Major Findings
16	Mardiana and Widodoatmodjo (2023)	personal financial management. Factors affecting financial management behavior among Universitas Tarumanagara's students.	Psychological Bias Factors. Dep. = Financial Management Behaviour Indep. = Financial Knowledge, Financial Attitude and Income	The data obtained were processed using PLS-SEM using Smart-PLS software.	According to the findings, financial management behavior was positively and significantly influenced by financial knowledge and financial attitude. Income, on the other hand, had a marginally favorable impact on financial management practices

2.3 Research gap

The primary theory that the researcher employed in this study was the theory of planned behavior. According to Ajzen (1991), attitudes have an impact on behavior. All things considered, the TPB demonstrates that the first act of conduct is determined by attitudes, subjective standards, and perceived behavioral control. Because this theory has been experimentally proven in a variety of circumstances, it offers a trustworthy theoretical foundation for the research that has been done. availability of empirical evidence such as Abriani et al. (2020); Halim and Setyawan (2021); Ruslim et al. (2022) conducted in international context. Therefore, the model was verified in countries other than Nepal, where the majority of the investigations were conducted. Therefore, it is unclear if the conclusions drawn from the research that were referred to in other nations may also be applied to Nepal, namely the Kathmandu Valley. Therefore, this study attempted to close the gap by including independent variables from the theory of financial behavior and using elements from this theory to examine the money management practices of young people in Nepal. In the meanwhile, the Behavioral Life-Cycle Hypothesis offers a helpful framework for comprehending how young people in Nepal make financial decisions. The theory helps explain why young people may participate in less-than-optimal financial behaviors, such as under-saving, overspending, or ignoring long-term planning, by taking into account psychological, social, and cognitive aspects. Youth in Nepal may have better financial results if these problems are resolved through enhanced financial literacy initiatives and legislative changes.

Nevertheless, some earlier research has shown contradictory results. For example, research on the factors influencing financial management behavior by Halim and Setyawan (2021) and Ruslim, Wijaya, and Turangan (2022) revealed that financial knowledge significantly improved youths' financial management behavior, while Adriani (2021) and Khanal, Thapa, and Nepal (2022) had no effect at all. Ruslim, Wijaya, and Turangan (2022) and Syaliha et al. (2022) found a moderate influence of financial attitude on financial management behavior, but Adriani (2021), Phuong et al. (2023), and Prihartono and Asandimitra (2018) all showed that financial attitude had a major influence on monetary behavior. Additionally, locus of control significantly improved the management of finances behavior, according to Abriani, Ahmad, and Purwoheddi (2020); Adriani (2021) did not observe this impact. The evidences discusses conflicting findings from various studies on the factors influencing financial management behavior among youth in Nepal. Therefore, this study tries to analyze these missing findings on factors affecting financial management behavior among youth in Nepal. These conflicting results make it unclear which factors most influence the financial behavior. So, this study aims to address and fill that gap.

CHAPTER – III

RESEARCH METHODOLOGY

Methodical problem solving through systematic data collection, analysis, interpretation, and reporting of the many aspects of the phenomenon being studied is known as research methodology. Each step and technique used in the investigation are detailed in the research methodology for this paper. Five components make up the research design: population and sample; sampling design; data sources and nature; data collection instrument; research framework; variable definitions; and analysis methodology.

3.1 Research design

Both an causal research and descriptive research design were used in the study. The components of young people's personal financial management behavior are described using a descriptive research design. In a similar vein, the causal comparative research design aids in establishing the connection between the independent variables (financial literacy, financial knowledge, financial attitude, and locus of control) and the dependent variable (personal financial management). Additionally, a causal research design is employed to investigate the connection and influence of various factors on the personal financial management practices of young people in the Kathmandu Valley.

3.2 Population and sample, and sampling design

The population for this survey is the all the youths of Kathmandu Valley. However, out of 500 distributed questionnaires in three district Kathmandu, Bhaktapur and Lalitpur, valid responses were received from 400 respondents where Kathmandu represents 196, Bhaktapur represents 105 and Lalitpur represents 99 respondents. Therefore, the sample size of the study is 400. This study attempts to find out the affecting factor of personal financial management behavior among youth in Kathmandu valley. Non probability with usage of purposive sampling method is used. Survey questions were manually distributed to youths of three districts to generate responses and they are willing and able to participate in the study and those respondents who can get in touch with and reach of the researcher.

3.3 Nature and sources of data

Regarding the data's source, primary sources are employed to produce insightful and pertinent data. The study's analysis phase also makes deliberate use of the primary data source. Questionnaires and interviews designed specifically for young people in the Kathmandu Valley were used to collect this data. Additionally, secondary sources of information about the factors influencing young people's personal financial management practices in the Kathmandu Valley were gathered from pertinent reading materials found online, in books, journals, articles, magazines, and newspapers. Data is gathered through a self-administered survey. The study primarily employs a five-point Likert scale to evaluate money management behavior, and it modifies the questionnaire from earlier research on this topic. Respondents will be asked to assign a score to the statements that detail their financial behavior. A higher scale indicates that respondents engage in successful money management behavior, and vice versa. The questionnaire is broken into two pieces, with section I consisting of respondents' demographic profiles and section II recording replies to the four indicators of financial behavior.

3.4 Method of analysis

This study made use of easily comprehensible frequency tables that show the frequency and percentage of each category. Regression and correlation analysis were used to validate the hypothesis in addition to descriptive analysis.

3.4.1 Descriptive analysis

In order to give an overview of the characteristics and replies of the participants, as well as to summarize the essential elements of the data that is gathered, descriptive analysis was carried out. Several statistical techniques are used in this research to assist comprehend the distribution, trends, and patterns of the data. The mean, standard deviation, and frequency distribution are the main descriptive analytic methods employed.

3.4.2 Correlation analysis

The correlation coefficient illustrates the relationship between two independent variables. It is a method for determining the relationship between these two variables. When there is a significant relationship between the two variables, or when changes in

the value of the independent variable also have an impact on the value of the dependent variable, there is a correlation coefficient. The degree of correlation between independent and dependent variables is assessed for responses on the Likert scale.

3.4.3 Regression analysis

The statistical technique of regression analysis is used to determine the strength of the correlation between one or more independent variables and one or more dependent variables. Numerous methods for evaluating and simulating multiple variables to determine their relationships are included. In this study, regression analysis is used to determine the direction of the association between the independent and dependent variables for each sample based on responses on a Likert scale. The equation that follows represents the theoretical model of the relationship.

$$\text{FMB} = \beta_0 + \beta_1\text{FK} + \beta_2\text{FA} + \beta_3\text{LOC} + \varepsilon$$

Where,

FMB= Financial management behavior

FK = Financial knowledge

FA = Financial attitude

LOC = Locus of control

β_0 = The intercept (constant)

$\beta_1, \beta_2, \beta_3$ = Coefficient of variables

ε = Error term.

3.5 Research framework

The study's foundation is the examination and interpretation of independent variables (financial knowledge, financial attitude, and locus of control) and dependent variables (financial management behavior).

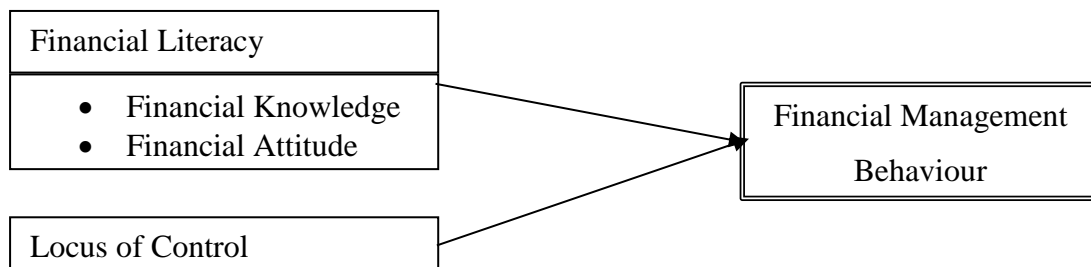


Figure 1 Research framework (Modified from: Syaliha et al., 2022)

3.5.1 Definition of variables

Dependent variable

Financial management behaviour

The behaviors, routines, and choices people make to efficiently manage their financial resources are referred to as personal financial management behavior. According to Phuong et al. (2023), understanding fundamental financial principles alone is pointless unless it is shown by financial behavior. The capacity to plan, budget, monitor, manage, regulate, search, and save daily financial money is known as financial behavior.

Independent variables

Financial knowledge

Understanding financial ideas that are necessary and utilized in daily life is known as financial knowledge. According to Herdjiono and Damanik (2016), people's level of understanding of numerous personal finance concepts is a measure of their financial knowledge. Financial knowledge includes a number of indicators. general understanding of investments, insurance, savings and loans, and personal finance. According to Ruslim, Wijaya, and Turangan (2022), financial management behavior was positively impacted by financial understanding. According to Halim and Setyawan (2021), financial management behavior was significantly influenced by financial understanding.

Financial attitude

Financial attitude may be defined as an individual's state of mind, opinion, and evaluation of his personal finances related to his attitude. Attitude is a person's state of mind, opinion, and judgment about the environment they live in (Amanah et al., 2016). A person's financial attitude encompasses their ideas, opinions, and judgments regarding money. A person's moral, cultural, and personal ideals toward financial decisions and goods might influence how things seem when they have a positive financial attitude. According to Ruslim, Wijaya, and Turangan (2022), financial management conduct was significantly improved by financial attitude. According to Halim and Setyawan (2021), financial management behavior was significantly influenced by financial views.

Locus of control

Rotter, a social learning theorist, introduced the idea of locus of control in 1966. A person's viewpoint on an event, regardless of his ability to affect it, is known as his locus of control. Internal and external loci of control are the two categories into which Rotter separates loci of control. The propensity for people to believe that their own talents, skills, and efforts influence the outcome is known as internal locus of control. A person who believes that fate, destiny, luck, or other people determine their life is said to have an external locus of control. According to Ruslim, Wijaya, and Turangan (2022), locus of control significantly impacted financial management behavior negatively. Adriani (2021) found that financial behavior was unaffected by locus of control.

CHAPTER - IV

RESULTS AND DISCUSSION

The primary goal of this research is to examine the financial management behavior among youth in Nepal. This chapter presents the analysis and findings, which are divided into three parts. The first part covers the study's demographic profile, along with descriptive and correlation analyses of the variables. The second part ensures that the assumptions of the linear regression model are met, and the third part presents the results of the regression analysis. Data analysis methods were applied to evaluate the relationship between the dependent and independent variables, as well as the measurement scale for further statistical examination. SPSS version 26 was used to conduct the statistical analysis of the collected data.

4.1 Results

The demographic profile of the respondents is carefully examined, with key characteristics highlighted in the results section. Following this, a comprehensive descriptive analysis is conducted to identify patterns and trends within the data. The complex relationships between variables are explored through correlation analysis, offering insights into the dynamics of the topics under investigation. Regression analysis further deepens our understanding of the research landscape by revealing the effects and predictive elements. This combination of demographic insights, thorough analysis, and descriptive details enriches the data, making the study's conclusions easier to understand.

4.1.1 Respondents demographic profile

This section examines the demographic characteristics of the respondents, focusing on key variables such as gender, age group, marital status, income level (monthly), and occupation. By addressing these essential demographic aspects, the research gains valuable insights into the diverse profiles of the participants, providing a clear context for the subsequent analysis and interpretations. All respondents are from the Kathmandu Valley.

Table 2. *Demographic profile of respondents (N=400)*

Variables	Categories	Frequency	Percent
Gender	Male	248	62.00
	Female	152	38.00
	Others	0	0.00
Age Group (in Years)	16-24 years	172	43.00
	25-31 years	228	57.00
	32 -40 years	36	9.00
Marital Status	Married	204	51.00
	Unmarried	192	48.00
	Others	4	1.00
Income Level (Monthly)	Up to Rs. 25K	116	29.00
	Rs.26K - Rs. 50K	188	47.00
	Rs. 51K and above	96	24.00
Occupation	Employed	198	49.50
	Business	134	33.50
	Others	68	17.00

Table 2 presents the gender distribution of the respondents. The study collected and analyzed data from 400 participants, all residing in the Kathmandu Valley. Of these, 62.00 percent are male, making males the majority, while 38.00 percent are female. However, there is no other gender in this study. Although there are more male participants, both male and female respondents contributed valuable insights into their interest in investing in the Nepalese stock market.

The study also provides an age breakdown of the respondents. It shows that 57.00 percent are in the 25-31 years age range, which is the largest group. The smallest group, comprising 9.00 percent of the respondents, is in the 32-40 years age range. Additionally, 43.00 percent of respondents fall into the 16-24 years age group.

Table 2 illustrates the marital status of the respondents. Of the 400 respondents, the majority, 51.00 percent, are married and 48.00 percent are unmarried. The remaining only 1.00 percent are others like divorced and widowed.

Table 2 also outlines the monthly income levels of the respondents. It reveals that 47.00 percent of participants have monthly incomes between Rs.26K - Rs. 50K. Additionally, 29.00 percent earn Up to Rs. 25K, while the remaining 24.00 percent have incomes of Rs. 51K and above.

Similar to the demographic breakdown by occupation, the majority of respondents, 59.00 percent, are employed, followed by 33.00 percent who are businessmen and followed by 17.00 percent who are others. However, employed and businessmen expressed financial management behaviour.

4.1.2 Reliability test

The internal uniformity of the variables is evaluated in this study using the composite reliability test. Internal consistency, according to Saunders et al. (2009), is the process of comparing answers to different questionnaire items. In other words, it assesses the amount of consistency in the replies given to either a subset or all of the survey responses (Saunders et al., 2009). The consistency with which a test evaluates the elements it is designed to assess is known as reliability. For this questionnaire's reliability test, Cronbach's Alpha is computed. Table 3 displays the reliability test results.

Table 3. *Reliability statistic of variables*

Code	Variables	Items	Cronbach's Alpha
FK	Financial Knowledge	5	0.888
FA	Financial Attitude	5	0.867
LOC	Locus of Control	5	0.841
FMB	Financial Management Behaviour	5	0.823

Table 3 presents the reliability statistics, or coefficient alpha, for the independent variables financial knowledge, financial attitude and locus of control and the dependent variable, financial management behaviour. As shown in the table, all variables in this study have a composite reliability greater than 0.7. This meets the recommended threshold of 0.7, as suggested by Fornell and Larcker (1981). Therefore, based on the Cronbach's alpha values, the measurement scale used for data collection is deemed reliable for further analysis.

4.1.3 Descriptive analysis

This section looks at the study of descriptive data to understand the respondents' opinions about financial management behavior. The study's primary analytical tools for providing a detailed analysis of the data gathered were the mean and standard

deviation. The standard deviation measures the degree of variability and provides a comprehensive assessment of the respondents' entire viewpoint, whereas the mean provides information about the fundamental trend of the responses and displays the average view. The study clarified the many viewpoints included in the dataset and the respondents' varying opinions on financial management behavior by using these metrics.

4.1.3.1 Summary of descriptive statistics

The financial management behaviour among youths in Kathmandu Valley are determined by analyzing the standard deviation and mean value of each variable. Descriptive analysis has been used to examine the collected data, aiding in the data's summarizing and description. The details of the descriptive analysis are provided in Table 4.

Table 4. *Summary of descriptive analysis (N= 400)*

Study variables	Mean	Std. Deviation
Financial knowledge (FK)	3.8000	.85242
Financial attitude (FA)	3.7760	.90103
Locus of control (LOC)	3.6520	.81815
Financial management behaviour (FMB)	3.7520	.82133

Table 4 presents the study's findings, which indicate that the average score for financial management behavior is 3.7520. It demonstrates that the range of all factors is 3.6520 to 3.8000. When compared to the other elements, financial attitude and locus of control, financial knowledge has the highest mean score value, at 3.8000. Given that the highest mean score of 3.8000 is the overall value, this suggests that financial literacy is the study's major factor. Stated differently, it is evident that a large proportion of the poll participants think that financial literacy significantly influences how young people in the Kathmandu Valley handle their money, and they also consider that this influence is significant. Meanwhile, financial attitude and locus of control got an overall mean score of 3.7760 and 3.6520 respectively.

4.1.3.2 Descriptive analysis of financial knowledge

This section uses descriptive analysis to investigate how youths' money management practices are influenced by their level of financial literacy. Participants' financial literacy is assessed using five assertions, and responses are graded on a five-point

Likert scale, where 1 represents strong disagreement and 5 represents strong agreement. The average and variance of the replies are calculated in order to ascertain what respondents thought. The range of values shows the difference from the average mean, whereas the mean value shows the participant's overall mood. The material that follows demonstrates how financial management behavior is influenced by financial knowledge.

Table 5. *Financial knowledge*

Code	Scale items of financial knowledge	N	Mean	Std. Dev.
FK1	I need to write financial goals that help me prioritize spending	400	3.7700	1.00978
FK2	I believe it is important to save money for the future	400	3.7500	1.03449
FK3	I enjoy taking financial risks	400	3.8300	1.01176
FK4	I feel confident about my ability to manage money effectively	400	3.8500	.98485
FK5	I believe that good financial habits are essential for a comfortable life	400	3.8000	1.08764

Table 5 presents descriptive statistics for five financial knowledge scale items. The item with the highest mean score, 3.8500, is FK4, "I feel confident about my ability to manage money effectively." The lowest mean score, 3.7500, corresponds to FK2, "I believe it is important to save money for the future." This suggests that young people feel more confident in their money management skills and are more inclined to take financial risks. In terms of standard deviation, FK5 shows the highest value at 1.08764, indicating the most variability in responses, while FK4 has the lowest at 0.98485, showing the least variability.

4.1.3.3. Descriptive analysis of financial attitude

Descriptive analysis is used in this part to assess how financial attitude affects individual financial management practices. A five-point Likert scale is used to rate responses to the study's five financial attitude items, where 1 indicates strong disagreement and 5 indicates substantial agreement. The replies' average and variance are calculated to have a better understanding of the respondents' viewpoints. The standard deviation shows the extent of departure from the average mean, whereas the mean value reflects each participant's overall mood. The data below illustrates how young people's personal financial management conduct is influenced by their financial attitudes.

Table 6. *Financial attitude*

Code	Scale items of financial attitude	N	Mean	Std. Dev.
FA1	I know about managing my personal finances	400	3.7300	1.15778
FA2	I understand what a budget is and how to create one	400	3.8400	1.08186
FA3	I understand the purpose and benefits of having insurance	400	3.6700	1.14209
FA4	I understand the basic principles of risk and return in investments	400	3.8500	1.06317
FA5	I understand the concept of long-term financial planning	400	3.7800	1.12906

Table 6 presents descriptive statistics for five financial attitude scale items. The item with the highest mean score, 3.8500, is FA4, "I understand the basic principles of risk and return in investments." On the other hand, FA3, "I understand the purpose and benefits of having insurance," has the lowest mean score of 3.6700. This suggests that young people are more familiar with the concepts of risk and return in investments and also have a good understanding of budgeting. Regarding standard deviation, FA1 shows the highest value at 1.15778, indicating the greatest variability in responses, while FA4 has the lowest at 1.06317, signifying the least variability.

4.1.3.4 Descriptive analysis of locus of control

Descriptive analysis is used in this part to show how locus of control affects young people's money management practices. Locus of control is assessed using five distinct declarations, and answers are graded on a scale of one to five, where 1 represents severe disagreement and 5 represents complete agreement. To gain insight into respondents' viewpoints, the replies' mean and standard deviation are computed. While the mean value represents the respondents' general mood, the standard deviation illustrates the degree of difference from the typical mean.

Table 7. *Locus of control*

Code	Scale items of locus of control	N	Mean	Std. Dev.
LOC1	I am in control of my financial situation	400	3.6200	1.06698
LOC2	I feel responsible for the financial outcomes in my life	400	3.7700	.99980
LOC3	I try to control what happens in my financial life	400	3.6300	1.01769
LOC4	I think luck plays a major role in determining my financial outcomes	400	3.5500	1.08186
LOC5	My surroundings affect my financial condition	400	3.6900	1.06618

Table 7 presents descriptive statistics for five locus of control items related to financial management behavior. The item with the highest mean score, 3.7700, is LOC2, "I feel responsible for the financial outcomes in my life." In contrast, the lowest mean score, 3.5500, is for LOC4, "I think luck plays a major role in determining my financial outcomes." This indicates that young people believe they are responsible for their financial outcomes and that their environment influences their financial situation. Regarding standard deviation, LOC4 has the highest value at 1.08186, reflecting the greatest variability in responses, while LOC2 has the lowest at 0.99980, showing the least variability.

4.1.3.5 Descriptive analysis of financial management behaviour

Descriptive analysis is used in this part to show how young people in the Kathmandu Valley handle their personal finances. An Likert scale with five points is used to rate responses to five investment-related propositions, where 1 denotes substantial disapproval and 5 denotes substantial agreement. To capture the opinions of the respondents, the mean and standard deviation are computed. While the mean value represents the respondents' general sentiment, the standard deviation shows the variation from the average mean.

Table 8. *Financial management behaviour*

Code	Scale items of financial management behaviour	N	Mean	Std. Dev.
FMB1	I set aside a portion of my income for savings every month	400	3.6800	1.14055
FMB2	I pay my bills on time	400	3.7400	1.03686
FMB3	I feel confident about my ability to make financial decisions	400	3.8100	1.02788
FMB4	I actively research investment opportunities before making decisions	400	3.7500	1.09109
FMB5	I save money for long term goals	400	3.7800	1.06510

Table 8 displays the individual scale components of financial management behavior. Among the five scale items, FMB3, "I feel confident about my ability to make financial decisions," achieved the highest mean score of 3.8100. On the other hand, FMB1, "I set aside a portion of my income for savings every month," recorded the lowest mean score of 3.6800. This indicates that young people feel confident in their financial decision-making abilities and are inclined to save for long-term goals. In

terms of standard deviation, FMB1 has the highest value at 1.14055, reflecting the most variability in responses, while FMB3 has the lowest value at 1.02788, showing the least variability.

4.1.4 Correlation analysis

This part uses correlation analysis to look at the correlations between the variables. The study investigates the direction and intensity of relationships between the dependent variable, financial management behavior, and the independent variables, financial knowledge, financial attitude, locus of control and financial literacy. The degree to which each independent variable is linearly connected to financial management behaviour is shown by the Pearson correlation coefficients. The findings indicate a positive association between financial management behavior and all independent factors, indicating that greater financial behaviour practices among young people in Kathmandu valley.

Table 9. *Pearson correlation coefficients of study variables*

	FK	FA	LOC	FMB
Financial knowledge (FK)	1			
Financial attitude (FA)	.478** (.000)	1		
Locus of control (LOC)	.373** (.000)	.690** (.000)	1	
Financial management behavior (FMB)	.654** (.000)	.732** (.000)	.629** (.000)	1

** . Correlation is significant at the 0.01 level (2-tailed).

Using a correlation coefficient matrix, Table 9 displays the results of the correlation test for both dependent and independent variables. According to the correlation coefficient (0.654) and p-value (0.000) between financial management behavior (FMB) and financial knowledge (FK), there is a substantial and positive relationship between the two. Additionally, there is a positive and substantial association between financial attitude and financial management behavior, as indicated by the correlation coefficient of 0.732 and p-value of 0.000 between the two. Additionally, the p-value is 0.000 and the correlation coefficient between locus of control and financial management behavior is 0.629, indicating a positive and significant relationship between the two.

4.1.5 Multiple regression analysis

In order to assess the impact of the independent variables' financial knowledge, financial attitude and locus of control on the dependent variable financial management behavior this section provides the findings of a regression analysis. The intent of this investigation is to evaluate the degree of importance and strength of these correlations as well as the factors that have the most effects on young people's financial management behavior in Nepal.

Table 10. *Model summary*

Model	R	R square	Adjusted R square	Std. error of the estimate
1	.823a	.677	.675	.46850

a. Predictors: (Constant), LOC, FK, FA

The independent factors (financial knowledge, financial attitude, and locus of control) account for 67.70 percent of the variation in the dependent variable (financial management behavior), according to the R-squared value of 0.677. The research variables have a substantial correlation, as indicated by the R value of 0.830, which implies that these independent factors have a considerable impact on financial management behavior. Furthermore, the standard error of estimate, which indicates how accurately the model predicts outcomes, is intimately related to the regression analysis.

Table 11. *Analysis of variance (ANOVA)*

Model		Sum of squares	df	Mean square	F	Sig.
1	Regression	182.241	3	60.747	276.765	.000b
	Residual	86.918	396	.219		
	Total	269.158	399			

a. Dependent variable: FMB

b. Predictors: (Constant), LOC, FK, FA

The findings reveal that independent variables have a major impact on financial management behavior. The results show a significant relationship between the independent variables (financial knowledge, financial attitude and locus of control) and the dependent variable (financial management behavior). This is evidenced by the F-value of 276.765 ($p = 0.000 < 0.05$), indicating a statistically significant effect of the independent variables on financial management behavior.

Table 12. *Coefficient of independent variables on financial management behaviour*

Variables	Coefficients	t-statistics	Sig. or p-value
(Constant)	.199	1.539	.125
Financial knowledge (FK)	.368	11.718	.000
Financial attitude (FA)	.373	9.786	.000
Locus of control (LOC)	.205	5.162	.000

a. Dependent variable: FMB

The regression coefficients for locus of control, financial literacy, financial knowledge, and financial attitude are shown in Table 12, as is the intercept value for the dependent variable, financial management behavior. For financial expertise, the regression coefficient β is 0.368. According to the findings, there is a one-unit rise in financial management behavior for every unit gain in financial knowledge (0.368 units). At the five percent level, the financial knowledge's p value of 0.000 indicates statistical significance. Therefore, money management behavior is significantly improved by financial understanding. For financial attitude, the regression coefficient β is 0.373. According to the research, for every unit change in financial attitude, the financial management behavior increases by 0.373 units. Furthermore, with a p value of 0.000 attributable to the financial attitude, the shift exhibits statistical significance at the five percent significance level. As a result, money management behavior is significantly positively impacted by financial mindset. Additionally, the locus of control in regression has a beta coefficient of 0.205. These numbers show that financial management behavior increases by 0.205 units for every unit increase in locus of control. A p value of 0.000 for the locus of control indicates that they are statistically significant at the 5 percent significance level. As a result, locus of control significantly improves financial management practices.

4.1.6 Hypothesis testing

The findings of the hypothesis testing based on the regression analysis are shown in this section. The purpose of the hypothesis is to evaluate the connections between the dependent variable, financial management behavior, and the independent variables, financial knowledge, financial attitude and locus of control.

Table 13. *Hypothesis test*

S.N.	Hypotheses	P-value	Test results
1	H1: There is a significant effect of financial knowledge on financial management behavior of youths.	0.000	Supported
2	H2: There is a significant effect of financial attitude on financial management behavior of youths.	0.000	Supported
3	H3: There is a significant effect of locus of control on financial management behavior of youths.	0.000	Supported

4.2 Discussion

This study's main goal is to assess how young people in Nepal handle their finances. The study investigates the connection between a number of variables and financial management practices. Financial management behavior is significantly influenced by financial knowledge, financial attitude, and locus of control, according to prior research and literature. It has been demonstrated that these elements have a direct impact on financial management practices. According to the correlation analysis, financial management behavior and financial knowledge are significantly positively correlated, which is consistent with Halim and Setyawan's (2021) findings. Additionally, this aligns with research conducted by Dewi et al. and Setianingsih, Dewi, and Chanda (2022). (2023). Likewise, there is a positive and statistically significant correlation between financial management behavior and financial attitude. This outcome is consistent with the findings of Mardiana and Widodoatmo as well as Adriani (2021).

The results of the multiple regression analysis showed that young people's money management behavior is significantly improved by financial literacy. According to research by Komarudin et al. (2021), Ruslim, Wijaya, and Turangan (2022), Setianingsih, Dewi, and Chanda (2022), Dewi et al. (2023), Mardiana and Widodoatmodjo (2023), and Phuong et al. (2023), this conclusion is in line with Halim and Setyawan's (2021) findings. It runs counter to the findings of Khanal, Thapa, and Nepal (2022) and Adriani (2021), who came to the conclusion that financial management conduct was unaffected by financial knowledge. Similarly, young people's money management conduct is significantly improved by their financial mindset. This outcome is in line with the earlier research by Adriani (2021), which

discovered that financial management behavior is favorably impacted by financial attitude. Additionally, it supports the conclusions of Phuong et al. (2023), Halim and Setyawan (2021), Mardiana and Widodoatmodjo (2023), and Prihartono and Asandimitra (2018). It does, however, go counter to the conclusions of Prawitasari et al. (2022), Syaliha et al. (2022), and Ruslim, Wijaya, and Turangan (2022), who found no relationship between financial management practice and financial attitude.

Furthermore, locus of control significantly improves financial management practices. This discovery is in line with the findings of Abriani, Ahmad, and Purwohedi (2020), who came to the conclusion that financial management behavior is favorably impacted by locus of control. Additionally, it is consistent with the research conducted by Syaliha et al. (2022), Komarudin et al. (2021), and Setianingsih, Dewi, and Chanda (2022). However, it runs counter to the findings of Ruslim, Wijaya, and Turangan (2022), who found that locus of control had a detrimental impact on financial management behavior, and Adriani (2021), who showed that locus of control had no effect on financial management behavior.

CHAPTER – V

SUMMARY AND CONCLUSION

This chapter provides a thorough overview of the main research findings and conclusion, highlighting the study's noteworthy contributions and drawing implications from the data analysis. It summarizes the knowledge gathered about how financial literacy and locus of control influences financial management behaviors among youths. The chapter also discusses the findings' ramifications for financial institutions, educators, and legislators, highlighting the significance of incorporating financial literacy into financial programs and curriculum. Through literacy activities and locus of control, the study's results offer helpful suggestions for improving financial management abilities and promoting broader financial inclusion. This chapter concludes by outlining the study's shortcomings and outlining potential directions for further investigation into the changing role of financial literacy and locus of control in enhancing financial well-being among various demographics.

5.1 Summary

Aspects of financial management behavior include the distribution of funds, the cost-effectiveness of various sources, the timing of loan repayments, the practice of keeping financial transaction records, and other associated activities. Financial behavior is influenced by a number of factors, including place of origin, gender, ethnicity, parental support, parental financial circumstances, employment level, and most importantly financial literacy. Conversely, financial literacy is the ability to prudently and effectively handle financial resources by having the necessary information and abilities. Compared to people without such training, those who have received thorough financial literacy instruction typically manage their money and make better financial decisions. Formal financial education gives management students extensive financial understanding, which is especially beneficial. They are therefore expected to exhibit a greater degree of financial literacy, setting them apart from others who might just comprehend the fundamentals of finance.

The study's primary goal is to investigate how young people in Nepal handle their finances. Other specific goals include evaluating the major determinants of Nepalese

youth financial management behavior, analyzing the connection between financial literacy, locus of control, and youth financial management behavior, and analyzing the impact of locus of control and financial literacy on youth financial management behavior. Both descriptive and explanatory research designs are used in this study. While the causal-comparative design aids in examining the connections between the dependent variable (financial management behavior) and the independent variables (financial knowledge, financial attitude, and locus of control), the descriptive design is utilized to delineate the essential elements of financial management behavior among young people. Furthermore, the explanatory research design is applied to investigate how various factors influence financial management behavior among youths in Nepal. The study focuses on the entire youth population in the Kathmandu Valley, with a sample size of 400 participants. Non-probability sampling methods, including purposive sampling, are employed. Primary data is collected to gain insights into the factors influencing financial management behavior among youths. The study utilizes descriptive analysis, correlation analysis, and multiple regression techniques, conducted using SPSS version 26. In this analysis, financial management behavior is considered the dependent variable, while financial knowledge, financial attitude and locus of control are treated as the independent variables.

According to the survey, young people's money management behavior is generally high and they believe that financial knowledge has a big influence on it. According to the correlation study, financial management behavior and financial knowledge are strongly positively correlated. Similarly, there is a strong positive correlation between financial management activity and financial mindset. Furthermore, there is a favorable correlation between locus of control and financial management practices. Additionally, regression research shows that money management behavior is much improved by financial understanding. In a similar vein, locus of control and financial mindset both significantly improve financial management practices. In conclusion, young people in the Kathmandu Valley's financial management practices are greatly influenced by their locus of control, financial attitude, and financial understanding.

5.2 Conclusion

This study concluded that financial knowledge, financial attitude and locus of control are identified as key factors influencing financial management behavior among youths

in Nepal. Notably, the study highlights that financial knowledge has the most significant impact on financial management behavior, as reflected by its high mean score. This underscores the importance of financial knowledge as the primary focus of this investigation.

The correlation analysis concluded financial knowledge has noteworthy positive relationship with financial management behavior. Likewise, financial attitude has strong beneficial relationship with financial management behavior. At the same time, locus of control has strong positive relationship with financial management behavior.

The regression analysis concluded that there is strong beneficial impact of financial knowledge on financial management behavior among youths in Nepal. Likewise, there is also significant positive effect of financial attitude on financial management behavior. In addition, locus of control has significant positive effect on financial management behavior. Hence, this study concluded that all the factors have significant positive impact on financial management behaviour among youths in Nepal.

5.3 Implications

The following implications are drawn from the summary and conclusion above:

- The finding found that financial knowledge, financial attitude and locus of control have the significant positive effect on financial management behaviour among youths in Nepal. These findings can be used by government bodies and financial advisors to create policies that assist financial service providers in designing effective financial management strategies. Furthermore, this information can be valuable for educating the public on financial management, ultimately boosting financial literacy and promoting better financial behaviors, particularly among young people.
- The research findings can help parents in guiding and supporting their children's financial management habits. Parents should understand that factors like locus of control, financial attitude, and financial knowledge play a key role in how their children manage money. It is important to encourage children to save, invest, and make wise financial decisions.

- Furthermore, individuals are accountable for improving their own financial behavior and related factors. Young adults can enhance their money management skills by attending financial seminars, stress management workshops, motivational programs, and financial counseling sessions to better address the factors that influence their financial decisions.
- Moreover, it provided the researcher with a chance to learn a great deal about the field and could serve as a foundation for future research.
- The primary objective of this research is to identify the financial management behaviour. Future research should look into other areas, such as other fields and government agencies, to improve the findings' generalizability. Future research should also look into additional aspects, such as personality traits, financial experience, and educational attainment, that may influence money management behavior beyond those covered in this study.

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