**Determinants of Personal Financial Management in Generation Z: Financial Literacy as a Moderator**

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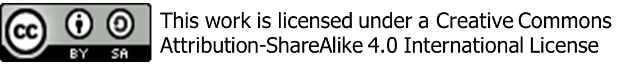
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**Abstract**

The management of personal finances among youth has become increasingly important due to changes in contemporary lifestyles. This study thoroughly examines the influences of a hedonistic lifestyle, frugal living, and family financial education on personal financial management, with financial literacy serving as a moderating variable among Generation Z students at public universities in Malang City. Through the application of a quantitative methodology, data were amassed via the distribution of questionnaires to the collegiate populace. The data scrutiny was executed employing Structural Equation Modeling (SEM) via SmartPLS version 4 on a sample of 135 participants. The results indicate that a hedonistic lifestyle exerts a negative yet statistically insignificant influence on personal financial management, whereas frugal living and family financial education demonstrate a significant positive impact. Financial literacy fails to function as an effective moderator in the relationships between a hedonistic lifestyle, frugal living, and family financial education concerning personal financial management. These findings highlight the imperative for the formulation of more comprehensive financial education programs aimed at empowering students to enhance their financial management proficiencies.

**Keywords**: Hedonism Lifestyle,Frugal Living, Family Financial Education, Financial Literacy, Personal Financial Management

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| --- | --- | --- |
| DOI | : | http://dx.doi.org/10.32503/jmk. |
| Article History | : | Article received (3 Okt 2024); revised (20 Nov 2024); accepted (13 Des 2024) |
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**Introduction**

The rapid advancement of technology in various aspects of life has significantly influenced societal views on financial management (Narimo et al., 2022). The rise of the digital era 4.0 has brought about profound changes, driving shifts in societal lifestyles (Fajriyah & Listiadi, 2021). The increasing demands of this transformation require individuals, particularly Generation Z students, to adapt and enhance their financial management skills (Azhima & Pinem, 2024). In the context of crucial financial decision-making, the ability to manage finances efficiently and effectively is of utmost importance (Mashud et al., 2021). A 2022 study by OCBC NISP and NielsenIQ reveals that only 42% of Generation Z in Indonesia believe their financial planning will support future financial stability, 26% have established emergency funds, 8% have successfully managed their spending within budget, and just 22% have a solid understanding of the investment products they use (Azhima & Pinem, 2024). These findings highlight that less than half of Generation Z in Indonesia possess adequate financial management skills.

Effective financial management is vital for meeting financial needs, achieving life satisfaction, striving for financial independence, and avoiding unforeseen expenses. Personal motivation holds considerable influence in determining financial management actions. This idea is reinforced by the Theory of Planned Behavior, which offers a structured approach to comprehending the intentions that drive such behaviors (Mahyarni, 2013). As per this theory, individual actions are propelled by intentions which are shaped by attitudes, social norms, and the perceived ability to control behavior. (Achmat, 2010). Attitudes refer to beliefs about the consequences of behaviors, subjective norms concern the influence of others, and behavioral control relates to an individual's confidence in their ability to perform specific actions. Factors such as a hedonistic lifestyle, frugal living, and family financial education influence personal financial management, with financial literacy acting as a moderating factor that strengthens the connection between intention and behavior in financial management.

The hedonistic lifestyle is characterized by a consumption pattern that prioritizes personal gratification, often disregarding the utility of the consumed goods and tends to favor indulgence (Aqsya et al., 2023). This lifestyle is closely tied to personal financial management, as individual consumption behaviors reflect financial habits that set people apart. With the passage of time and technological advancements, spending patterns have evolved, with more individuals placing greater importance on enjoyment and social recognition as means of fulfilling emotional needs. As a result, the hedonistic lifestyle often leads to negative effects on personal financial management (Yana & Setyawan, 2023)and (Aqsya et al., 2023), However, some studies highlight a positive correlation between hedonism and the management of personal finances (Salsabilla et al., 2022) and (Markonah et al., 2023).

Generation Z, characterized by a strong affinity for technology and information, is particularly susceptible to the influence of hedonism. They often engage in a competitive pursuit to project modernity and adopt luxurious lifestyles in their quest for recognition and societal validation (Herlina, 2018). In response to the prevailing effects of hedonism, frugal living emerges as an alternative strategy to address these challenges. Frugal living encompasses an individual's consciousness of controlling expenditures while taking into account both immediate and future financial objectives (Inayati et al., 2024). This concept encourages careful decision-making in spending and emphasizes prioritizing needs over wants. Several studies demonstrate that frugal living exerts a direct effect on financial management(Hartantri et al., 2024) and (Franita, 2023).

The significance of family financial education is crucial in guiding personal financial management, alongside the influences of the hedonistic lifestyle and frugal living. The education and practical experiences gained within the family environment form a foundational basis for understanding personal financial management (Fajriyah & Listiadi, 2021). Families are responsible for imparting essential financial management knowledge to their children, enabling them to internalize and apply principles of prudent spending from an early age (Kamila et al., 2016). As a result, financial education from the family plays a significant role in fostering positive financial management behaviors (Arifa & Setiyani, 2020). These findings align with research that shows family financial education positively contributes to personal financial management (Pahlevi & Nashrullah, 2021); (Pulungan et al., 2024); and (Khalisharani et al., 2022). However, the current relationship between Generation Z and their families often lacks optimal functioning. Interactions that should ideally be characterized by closeness often become more formal, particularly as Generation Z spends increasing amounts of time away from home (Zahra & Wulandari, 2022). This interplay results in a weakened effect of family financial education on personal financial management. Such a phenomenon is congruent with the disquisitions of Salsabilla et al., (2022) which intimated that family financial education might bestow a pernicious influence on personal financial management.

Financial literacy functions as a moderating variable in the interplay between a hedonistic lifestyle, frugal living, family financial education, and personal financial management. The principal objective of financial literacy is to augment the economic welfare of individuals and society alike, thereby empowering thoughtful and proactive engagement within the broader economic sphere (Prazadhea & Firiyah, 2023). It assesses one's grasp of fundamental financial principles and the ability to apply this knowledge judiciously and with assurance in managing personal finances, thus facilitating well-informed decisions that affect both immediate and future financial stability in response to life events and shifting economic conditions (Fitriyah et al., 2023). This concept not only includes the ability to grasp financial terms and basic concepts but also the capacity to apply this knowledge in real-world situations. Individuals possessing superior financial literacy are more proficient in overseeing their resources, making discerning choices, and applying fitting financial instruments and tactics. As a result, they are more likely to avoid a hedonism lifestyle, making financial literacy a critical link between the hedonism lifestyle and personal financial management (Manik & Dalimunthe, 2019).

Financial literacy holds significant importance in cultivating more adept financial management. Individuals well-versed in financial principles are more inclined to embrace a frugal way of living, which is vital for safeguarding financial stability in both the short and long term (Ramadhani et al., 2023). In this regard, financial literacy fortifies the link between frugal living and personal financial management (Bakar & Bakar, 2020). Additionally, financial literacy functions as a determining influence, thereby amplifying the effectiveness of family financial education in sculpting personal financial management behaviors. Individuals with greater financial literacy are more adept at utilizing the knowledge and skills acquired from family financial education, thereby deepening their understanding of financial matters (Pahlevi & Nashrullah, 2021).

The increasing recognition of financial management's importance, combined with technology's influence on spending habits among Generation Z, underscores the need for prudent financial strategies to avoid future challenges. Understanding factors such as hedonistic lifestyles, frugal living, and family financial education is essential, with financial literacy playing a key role in linking these influences to effective financial management skills. Comprehensive research is needed to assess factors influencing Generation Z's financial resilience.

**Methodology**

This inquiry was carried out in the city of Malang, a well-known educational center, focusing on public universities including Universitas Brawijaya, Universitas Negeri Malang, Universitas Islam Negeri Maulana Malik Ibrahim Malang, and Politeknik Negeri Malang. The research specifically targets public universities, as their education costs are more accessible to students from middle-income backgrounds (Nurrachman, 2021). This affordability influences the lifestyle of middle-income students, who tend to exercise greater caution in managing their expenses due to rising living costs. The count of students involved in the study was ascertained according to the assumption that half of the active students in the Faculty of Economics in 2022 would form the population, totaling 7.864 individuals, according to data from the PDDIKTI website. A purposive sampling approach was employed to discern the sample. The sample size was calculated using Hair’s formula, which involved multiplying 27 indicators by 5, resulting in 135 respondents. The inclusion criteria for the sample were: a) Learners from the Faculty of Economics cohorts 2021 and 2022 were registered at public universities situated in Malang City; b) classified as Generation Z; and c) having completed financial management courses. The distribution of the sample across the four universities in Malang City is shown in Table 1.

**Table 1.** Sample Calculation Based on Higher Education

|  |  |  |
| --- | --- | --- |
| **State Universities** | **Number of Students** | **Sample** |
| Universitas Brawijaya | 2.896 | 2.896/7.864 × 135 = 50 |
| Universitas Negeri Malang | 2.999 | 2.999/7.864 × 135 = 51 |
| Universitas Islam Negeri Malang | 1.295 | 1.295/7.864 × 135 = 22 |
| Politeknik Negeri Malang | 674 | 674/7.864 × 135 = 12 |
| **Total** | **7.864** | **135** |

*Source:* Research Data, 2024.

The data in this study were subjected to analysis through quantitative methods, obtained from both primary and secondary sources. Primary data were procured via surveys, while secondary data were culled from pertinent tomes. Data scrutiny was undertaken using a descriptive approach and hypothesis testing with SmartPLS version 4. The study’s instruments underwent rigorous validity and reliability testing, assessing both inner and outer models prior to analysis.

**Framework Research**

Hedonism Lifestyle (X1)

Personal Financial Management (Y)

Frugal Living (X2)

**Description**

Direct effect

Indirect effect

Family Financial Education (X3)

Financial Literacy (Z)

**Figure 1.**Framework Research

*Source:* Research Data, 2024.

**Hypothesis**

H1: Hedonism influences personal financial management.

H2: Frugal living influences personal financial management.

H3: Family financial education influences personal financial management.

H4: Financial literacy intervenes in the connection between hedonism and personal financial management.

H5: Financial literacy intervenes in the connection between frugal living and personal financial management.

H6: Financial literacy intervenes in the connection between family financial education and personal financial management.

The definitions of the variables utilized in this research are outlined as follows.

**Table 2.** Operational Definition of Variables

|  |  |  |
| --- | --- | --- |
| **Variable** | **Indicator** | **Source** |
| Hedonism Lifestyle(X1) | 1. Impulsif | (Salsabilla et al., 2022) |
| 1. Attention-seeking |
| 1. Lacking rationality |
| 1. Fond of leisure destinations |
| 1. Trend-following |
| 1. Easily influenced |
| Frugal Living (X2) | 1. Clear and rational financial objectives | (Hartantri et al., 2024) |
| 1. Assessment of needs and desires prior to spending |
| 1. Avoidance of consumer debt |
| 1. Comfort without succumbing to trends |
| 1. Awareness of long-term sustainability |
| Family Financial Education (X3) | 1. The significance of savings | (Pulungan et al., 2024) |
| 1. Cultivating prudent consumer behavior |
| 1. The expenditures associated with higher education |
| 1. Financial decisions predicated upon parental influence |
| 1. Parents as exemplars |
| 1. Exemplars in financial affairs |
| 1. Beneficial influence of parents |
| Financial Literacy (Z) | 1. Budgetary planning | (Wahyuni et al., 2023) |
| 1. Savings |
| 1. Investment |
| 1. Debt management |
| 1. Foresight into the future |
| Personal Financial Management (Y) | 1. Planning | (Salsabilla et al., 2022) |
| 1. Reporting |
| 1. Recording |
| 1. Controlling |

*Source:* Research Data, 2024.

**Result and Discussion**

The respondent traits in this inquiry were gleaned through questionnaires completed by 135 individuals. The collected data include various details regarding their university, major, batch, and pocket money. As depicted in Table 3, the greater part of respondents are affiliated with Universitas Negeri Malang, representing 38% of the total sample. Additionally, a significant portion of the respondents are enrolled in the Management program, accounting for 47% of the participants. The largest group of respondents belongs to the class of 2021, representing 75% of the sample. Lastly, the majority of respondents receive pocket money extending from Rp 1.000.000 to Rp 1.500.000, representing 51% of the entire respondent group.

**Table 3.** Overview of Respondent Characteristics

|  |  |  |
| --- | --- | --- |
| **Characteristics** | **Majority** | **Percentage (%)** |
| College | Universitas Negeri Malang | 38 |
| Major | Management | 47 |
| Batch | 2021 | 75 |
| Pocket Money | 1.000.000-1.500.000 | 51 |

*Source:* Research Data, 2024.

**Figure 2.** Frequency Distribution of Variable

*Source:* Research Data, 2024.

Figure 2, summarizes the descriptive statistics showing the frequency distribution of research variables based on respondents' responses. The average score for the hedonism lifestyle was 3.02, indicating a moderate inclination towards hedonism. Frugal living received a score of 4.36, reflecting strong frugal practices. Family financial education scored 4.31, emphasizing the positive impact of family financial education on respondents' financial understanding. Financial literacy achieved a score of 4.21, demonstrating a solid comprehension of basic financial concepts. Finally, personal financial management scored 4.15, reflecting a positive perception of financial management capabilities.

**Outer Model**

**Validity Test**

**Convergent Validity**

**Table 4.** Loading Factor Value

|  |  |  |  |
| --- | --- | --- | --- |
| **Variable** | **Research Instrument** | **Value** | **Description** |
| Hedonism Lifestyle(X1) | HL1 | 0.850 | Valid |
| HL2 | 0.880 | Valid |
| HL3 | 0.770 | Valid |
| HL4 | 0.835 | Valid |
| HL5 | 0.828 | Valid |
| HL6 | 0.823 | Valid |
| Frugal Living (X2) | FL1 | 0.872 | Valid |
| FL2 | 0.861 | Valid |
| FL3 | 0.887 | Valid |
| FL4 | 0.828 | Valid |
| FL5 | 0.754 | Valid |
| Family Financial Education (X3) | FFE1 | 0.732 | Valid |
| FFE2 | 0.704 | Valid |
| FFE3 | 0.731 | Valid |
| FFE4 | 0.732 | Valid |
| FFE5 | 0.738 | Valid |
| FFE6 | 0.741 | Valid |
| FFE7 | 0.749 | Valid |
| Financial Literacy (Z) | FLC1 | 0.827 | Valid |
| FLC2 | 0.760 | Valid |
| FLC3 | 0.756 | Valid |
| FLC4 | 0.755 | Valid |
| FLC5 | 0.714 | Valid |
| Personal Financial Management (Y) | PFM1 | 0.787 | Valid |
| PFM2 | 0.728 | Valid |
| PFM3 | 0.851 | Valid |
| PFM4 | 0.781 | Valid |

*Source:* Research Data, 2024.

Convergent validity alludes to the measure in which the indicators comprising a construct accurately represent the concept being measured. To meet the criterion for convergent validity, each measurement's loading factor must exceed 0.70 (Duryadi, 2021). As shown in Table 4, The hedonistic lifestyle (X1) is composed of six items, with loading factors varying from 0.770 to 0.880. Frugal living (X2) consists of five items, with loading factors ranging from 0.754 to 0.887. Family financial education (X3) is made up of seven items, with loading factors between 0.704 and 0.749. Financial literacy (Z) contains five items, with loading factors ranging from 0.714 to 0.827. Personal financial management (Y) comprises four items, with loading factors spanning from 0.728 to 0.851. Therefore, all items for each variable meet the convergent validity criteria, confirming that the research instrument accurately measures the intended latent variables.

**Discriminant Validity**

**Table 5.** Average Variance Extracted (AVE) Value

|  |  |  |
| --- | --- | --- |
| **Variable** | **Average Variance Extracted** | **Description** |
| Hedonism Lifestyle (X1) | 0.692 | Valid |
| Frugal Living (X2) | 0.708 | Valid |
| Family Financial Education (X3) | 0.537 | Valid |
| Financial Literacy (Z) | 0.583 | Valid |
| Personal Financial Management (Y) | 0.621 | Valid |

*Source:* Research Data, 2024.

The principle of discriminant validity asserts that measurement instruments for distinct constructs should not exhibit high correlations. This form of validity is regarded as adequate when the square root of the Average Variance Extracted (AVE) surpasses the intercorrelations among the latent constructs, specifically when it surpasses 0.5 (Duryadi, 2021). As shown in Table 5, the hedonism lifestyle (X1) has an AVE value of 0.692, frugal living (X2) is recorded at 0.708, family financial education (X3) stands at 0.537, financial literacy (Z) is noted at 0.583, and personal financial management (Y) measures 0.621. All variables exhibit valid AVE values, indicating that the indicators within each construct effectively reflect significant relationships, thereby reinforcing the reliability and confirming the instrument’s effectiveness.

**Reliability Test**

**Table 6.** Cronbach’s Alpha and Composite Reliability Values

|  |  |  |
| --- | --- | --- |
| **Variable** | **Cronbach’s Alpha** | **Composite Reliability** |
| Hedonism Lifestyle (X1) | 0.916 | 0.969 |
| Frugal Living (X2) | 0.897 | 0.903 |
| Family Financial Education (X3) | 0.860 | 0.884 |
| Financial Literacy (Z) | 0.825 | 0.837 |
| Personal Financial Management (Y) | 0.796 | 0.803 |

*Source:* Research Data, 2024.

The assessment of reliability evaluates the consistency and dependability of measurement instruments for specific constructs, using two primary indicators: Cronbach’s Alpha and Composite Reliability. These indicators are considered acceptable when they exceed a threshold of 0.70 (Duryadi, 2021). The results in Table 6, show that the hedonistic lifestyle (X1) has a Cronbach’s Alpha of 0.916 and a Composite Reliability of 0.969, frugal living (X2) has a Cronbach’s Alpha of 0.897 and a Composite Reliability of 0.903, family financial education (X3) has a Cronbach’s Alpha of 0.860 and a Composite Reliability of 0.884, financial literacy (Z) has a Cronbach’s Alpha of 0.825 and a Composite Reliability of 0.837, and personal financial management (Y) has a Cronbach’s Alpha of 0.796 and a Composite Reliability of 0.803. All variables in this study demonstrate excellent reliability.

**Inner Model**

**Table 7.** R-Square Values

|  |  |  |
| --- | --- | --- |
|  | **R-square** | **R-square adjusted** |
| Personal Financial Management (Y) | 0.246 | 0.204 |

*Source:* Research Data, 2024.

The inner model illustrates the causal relationships among latent variables. R-Square is employed to gauge the extent of the impact, with a value of 0.19 indicating weak influence, above 0.33 indicating moderate influence, and above 0.67 indicating a strong influence (Duryadi, 2021). Personal financial management (Y) shows an R-Square of 0.246, meaning that 24.6% of the influence comes from exogenous variables, whereas the residual 75.4% is imputed to other factors. This model consequently reveals a tenuous influence.

**Hypothesis Testing**

**Table 8.**Hypothesis Testing Results

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Original sample (O)** | **T statistics (|O/STDEV|)** | **P-Values** |
| X1 -> Y | -0.095 | 0.898 | 0.369 |
| X2 -> Y | 0.165 | 2.139 | 0.032 |
| X3 -> Y | 0.274 | 3.605 | 0.000 |
| Z x X1 -> Y | -0.012 | 0.102 | 0.919 |
| Z x X2 -> Y | -0.108 | 1.601 | 0.109 |
| Z x X3 -> Y | -0.045 | 0.459 | 0.646 |

*Source:* Research Data, 2024.

The hypothesis examination herein seeks to shed light on the steadfastness of the connections between the independent and dependent variables. A variable is regarded as significantly impactful when the P-value falls beneath 0.05 or the T-value exceeds 1.96 (Muhson, 2022). As illustrated in Table 8, the hedonistic lifestyle (X1) exerts a detrimental effect on personal financial management (Y), with an Original Sample of -0.095, a T-value of 0.898, and a P-value of 0.369, suggesting an insignificant impact. Conversely, frugal living (X2) reveals a statistically significant positive influence, evidenced by an Original Sample of 0.165, a T-value of 2.139, and a P-value of 0.032. Family financial education (X3) holds the strongest effect, demonstrated by an Original Sample of 0.274, a T-value of 3.605, and a P-value of 0.000, signifying its considerable impact. As for financial literacy (Z), which serves as a moderating variable, it does not exhibit a substantial influence, with P-values of 0.919 for the link between the hedonism lifestyle (X1) and personal financial management (Y), 0.109 for the relationship between frugal living (X2) and personal financial management (Y), and 0.646 for the connection between family financial education (X3) and personal financial management (Y).

**The Impact of a Hedonism Lifestyle on Personal Financial Management**

The hedonism lifestyle negatively impacts students' capacity to oversee their individual financial management, although the effect is not statistically significant. Students who embrace this lifestyle tend to prioritize spending on immediate pleasures and gratification, which hinders effective financial management. This discovery corroborates the findings from studies by Yana & Setyawan, (2023) and Aqsya et al., 2023) both of which report similar negative effects. Despite the inclination towards hedonistic behavior, the analysis indicates that its influence is not strong enough to significantly affect overall financial management. These findings are in concordance with the Theory of Planned Behavior, which suggests that a positive attitude toward spending for enjoyment may act as a barrier to students' financial management abilities.

**The Impact of Frugal Living on Personal Financial Management**

Frugal living has a significantly positive impact on students' personal financial management, indicating that adopting this principle enhances their financial management skills. Students who practice frugality tend to be more cautious with their spending, focusing on long-term financial planning and setting clear, achievable financial goals. This outcome concurs with earlier investigations by Hartantri et al., (2024) and Franita, (2023) which highlights the importance of frugal living in shaping effective personal financial management. According to the Theory of Planned Behavior, frugal living fosters a positive attitude toward financial management, empowering students to take greater control of their finances and engage in successful long-term financial planning.

**The Impact of Family Financial Education on Personal Financial Management**

Conclusions drawn from the third hypothesis elucidate financial education a distinctly positive influence upon personal financial management. This highlights the crucial role of parents in imparting essential financial skills. Through effective education, students are better equipped to understand and manage their finances with greater care. Previous research supports this conclusion regarding the influence of family financial education in molding personal financial management practices (Pahlevi & Nashrullah, 2021); (Pulungan et al., 2024); and (Khalisharani et al., 2022). According to the Theory of Planned Behavior, family financial education fosters a positive attitude toward financial management and strengthens social norms that promote responsible financial decision-making.

**The Moderating Role of Financial Literacy in the Relationship between Hedonism Lifestyle and Personal Financial Management**

Financial literacy proves ineffective as a moderating influence upon the connection of a hedonistic lifestyle with personal financial stewardship in Generation Z students registered at public universities in Malang City. The analysis confirms that the proposed hypothesis is untenable. Despite students possessing a strong understanding of financial literacy, their hedonistic tendencies lead to impulsive decision-making, hindering the implementation of sound financial management practices. The moderate average score for the hedonistic lifestyle, as shown in Figure 2, reveals a gap between knowledge and its practical application, which contributes to these findings. This result aligns with previous studies that argue financial literacy alone is insufficient to counteract the negative effects of impulsivity on personal financial decisions, especially when there is no strong motivation to apply financial knowledge (Sulhan & Putri, 2023). This is consistent with the Theory of Planned Behavior, which emphasizes that attitudes, subjective norms, and behavioral control are crucial in shaping individuals’ intentions. Students’ hedonistic tendencies push them toward choices that prioritize immediate gratification, disregarding prudent financial planning, despite their high level of financial literacy.

**The Moderating Role of Financial Literacy in the Relationship between Frugal Living and Personal Financial Management**

The revelations of the ensuing hypothesis elucidate that financial literacy refrains from assuming a moderating role in the interrelation of frugal living and personal financial stewardship amongst Generation Z scholars matriculated at public universities in Malang City, thus rendering the proposed hypothesis untenable. Despite the evident sway of frugal living on personal financial governance, financial literacy fails to offer a noteworthy contribution to this interrelation. This finding resonates with the study carried out by Sulhan & Putri, (2023) which concluded that financial literacy is insufficient to moderate the principles of frugality about personal finance. With average scores of 4.15 for personal financial management and 4.36 for frugal living, as shown in Figure 2, students exhibit a strong understanding of financial management. Frugal living emphasizes efficient financial practices, such as setting financial goals and avoiding debt, independent of financial literacy. Furthermore, external factors seem to have a more substantial impact than financial literacy in this context. In harmony with the Theory of Planned Behavior, students' attitudes toward frugal living play a more critical role in fostering effective personal financial management.

**The Moderating Role of Financial Literacy in the Relationship between Family Financial Education and Personal Financial Management**

The connection between family financial education and personal financial management remains unmoderated by financial literacy among Generation Z students at public universities in Malang City. Consequently, the hypothesis put forth herein is disavowed. This finding contradicts the initial assumption that financial literacy could enhance the connections between these variables. While family financial education exerts a significant influence on personal financial management, financial literacy does not provide any meaningful supplementary contribution. The average scores from Figure 2, with 4.15 for personal financial management and 4.31 for family financial education, suggest that students possess a sufficient understanding of financial management without the need for advanced financial literacy. This research aligns with Agustina et al., (2022) which posits that individuals possessing elevated financial literacy do not obligatorily demonstrate effective financial management, nor ensure financial satisfaction within a familial context. Moreover, these results support the Theory of Planned Behavior, which contends that the inclination to act is molded by established attitudes and social norms, enabling family financial education to foster positive attitudes without additional reliance on financial literacy.

**Conclusion**

The research reveals that the hedonistic lifestyle negatively affects personal financial management among students, although this impact is not statistically significant. In contrast, a significant positive influence on the enhancement of students' financial management skills is demonstrated by frugal living and family financial education. Financial literacy is not acted upon as a moderating factor in the connections between the hedonistic lifestyle, frugal living, family financial education, and personal financial management. The paramount significance of student cognizance in pecuniary decision-making and the vital office of financial erudition in fostering improved economic practices is underscored by these findings.

A limitation of this study is found in the sample selection, which is limited to students from public universities in Malang City, thus restricting the generalizability of the findings to a more extensive population. It is suggested that future investigations consider a more heterogeneous sample, encompassing students from private universities and various regions, to allow for a deeper comprehension of the effects of the hedonistic lifestyle, frugal living, and family financial education on personal financial management. Additionally, other influencing factors, such as the impact of social and cultural environments, should be examined.

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