The effect of financial literacy and love of money on the financial management behavior of generation z

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A R T I C L E I N F O

ABSTRACT

Present-day Generation Z encounters financial obstacles that will have long-term consequences on the collective financial welfare of future generations, and their decision-making processes transpire under more adverse conditions than those of prior generations. Nevertheless, there remains a dearth of research that thoroughly examines the financial management behavior of Generation Z, particularly regarding how financial literacy, love of money, and lifestyle impact this behavior. The financial management behavior focuses on using money effectively and efficiently. This study will investigate how financial literacy and love of money influence the financial management behavior of urban Generation Z members in Indonesia, using lifestyle as a mediator. Quantitative research is conducted and analyzed using SEM AMOS 22. The study collected data through a questionnaire from 232 respondents using a purposive sampling technique. According to the findings, financial literacy and love of money positively and significantly affect financial management behavior, mediated by lifestyle. These findings can assist related parties in devising strategic policies in micro and macroeconomics and can aid Generation Z's thought process in comprehending financial management behavior.

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1. INTRODUCTION

Technological developments followed by rapid economic development have caused human needs to increase, and Indonesia's economy continues to experience growth and changes in people's lifestyles (Haryana, 2020). In line with this information by the Central Statistics Agency (BPS), the Indonesian economy recorded positive growth in the first quarter of 2023 of 5.03% (BPS, 2022). Based on the population census conducted by BPS, Indonesia in 2022 will have a population of more than 275 million people (Rizaty, 2022), with a working-age population of more than 191 million people, and most of it is dominated by Generation Z (V. B. Kusnandar, 2023). Particularly in the era of Society 5.0, the character of Indonesia's youth is vital to the country's economic expansion (Hartarto, 2022). The dominance of Generation Z in Indonesia is also a bonus for Indonesia's demographics and an opportunity and challenge to carry out digital transformation in financial literacy and in providing products and services in the financial services sector (Hartarto, 2022). Generation Z, colloquially referred to as "Gen Z," is a generation born in an era of technological development and high connectivity because Gen Z is always connected and dependent on

technology, especially the internet. and social media (Merdeka, 2020). Therefore, Gen-Z should be facilitated to make good financial decisions. However, there is a negative side, namely, Gen-Z spends most of their time on the internet. On a theoretical level, it provides them with exposure to global issues (Pangestu & Karnadi, 2020).

Not only are they users, but Gen Z also creates and controls them (Gentina, 2020). Gen Z was born between 1995-2010 (Francis & Hoefel, 2018). In addition to encountering progressively intricate financial products, services, and markets, the younger generation, and Generation Z in particular, will likely be expected to undertake more significant financial risks in the future than their predecessors (Lusardi, 2019) and encourage this young generation to make financial decisions in the modern era and the uncertainty that makes their decision making difficult (Rey-Ares et al., 2021). According to research findings from the Boston Consulting Group, generation Z has changed from other generations in terms of views and behavior, particularly regarding online purchasing and money spending (Mohammad Ali et al., 2020), because Generation Z has a hedonistic, consumptive, and wasteful character (Refasa et al., 2023). This consumptive lifestyle will later form a wasteful person, resulting in reduced opportunities to save and a tendency not to think about future needs (Novianti & Retnasih, 2023).

At the individual level, the financial management behavior of the younger generation today will significantly affect their financial well-being throughout their lives. Therefore, understanding sound financial management behavior becomes crucial (Chairil & Niangsih, 2020; Kim et al., 2019; Rey-Ares et al., 2021). By applying effective financial management, one can maximize the utility of financial resources and avoid financial problems (Putri & Tasman, 2019). In realizing good and orderly financial management behavior, financial management must be responsible for making decisions so that personal financial management can be carried out correctly to achieve financial prosperity (Gunawan & Chairani, 2019).

Two factors that influence the way a person manages their finances are rational and irrational factors. Nonetheless, irrational factors exert a significantly lesser influence on financial conduct than rational elements, primarily attributable to insufficient financial knowledge and literacy (Malini & Nilam, 2022). Financial management competence is indissoluble from financial literacy, a greater degree of financial literacy correlates with an enhanced capacity for financial management behavior (Aini & Rahayu, 2022; Azizah, 2020). The finding of the National Survey of Financial Inclusion (SNLIK) in 2022 revealed the level of financial literacy in Indonesia at a mere 49.68% (OJK, 2022). Meanwhile, financial inclusion attains 85.10% (OJK, 2022). The statistics indicate that Indonesia's financial literacy remains inadequate despite the relatively strong financial inclusion.

The stigma of Gen Z, who tend to be wasteful or consumptive, causes Gen Z to commit numerous errors in financial management (Azizah, 2020). Consequently, it is necessary to equip oneself with good financial literacy in this modern era (Arrafi, 2023). Moreover, financial literacy can support the growth of financial wealth. For example, by having sufficient financial literacy, one can determine the right investment product based on their necessity and capability so that the returns can enhance an individual's standard of living in the future (OJK, 2021a). Apart from financial literacy, a love of money can also determine how well a person manages their finances (Prasetyo & Lestari, 2022). The meaning of "love of money" refers to an individual's degree of profound love of money and their perception of its significance in their life. Individuals with a stronger love for money exhibit healthier financial practices, including greater caution in allocating and estimating their funds (Tang, 2007). Understanding the love of money holds significance not only for individual financial management but also for the overall economy (Ulumudiniati & Asandimitra, 2022).

The higher one's lifestyle will influence financial management behavior because everyone's lifestyle differs (Nisa & Haryono, 2022). This is caused by a lifestyle that moves dynamically so that the level of consumption becomes more impulsive (Sampoerno & Haryono, 2021). To fulfill the desired lifestyle, a person will be more consumptive without careful consideration, and this can result in uncontrolled spending of money if it is not balanced with good financial management (Sari, 2021). Due to lifestyle differences, financial management behaviors vary (Nisa & Haryono, 2022; Sampoerno & Haryono, 2021). To achieve the desired lifestyle, one will consume more without mature consideration, which can lead to uncontrolled spending without sound financial management (Sari, 2021). Furthermore, generation Z has a dread of Missing Out (FOMO), or the

dread of being left behind by a popular lifestyle trend (Wiyanto et al., 2022). FOMO itself is a condition of someone fearful of being said to be less up-to-date and afraid to miss the news that is trending or trending (Regita, 2021). This will encourage consumer behavior inconsistent with the individual's financial circumstances (Buderini et al., 2023; Martono & Sudarma, 2019). It can be said that they prefer a lifestyle that focuses solely on pleasure, merely to keep up with the latest fashions, and are constantly seeking the spotlight. Most urban Z generations have more complex or diverse lifestyles than their rural counterparts (Pane, 2018).

This research will examine how significant the impact of financial literacy and love of money is on the financial management behavior of Generation Z in urban areas of Indonesia, with lifestyle as a mediation variable. Developing proficient financial management skills is critical, as individuals who possess firm command over their finances can effectively regulate their income and expenses. Not only that, they can also meet their living needs and will not be trapped in financial difficulties. If one day they are trapped in financial problems, they will be able to solve them well (Faramitha et al., 2021).

Several results of the research found that financial literacy impacts personal financial management behavior (Arifa & Setiyani, 2020; Asandimitra & Kautsar, 2019; Azizah, 2020; Martono & Sudarma, 2019; Ritakumalasari N & Susanti A, 2021; Sari, 2021; Ulumudiniati & Asandimitra, 2022). However, contrary research by (Prasetyo & Lestari, 2022; Sampoerno & Haryono, 2021) argue that financial literacy has no bearing on financial management behavior since an individual who is well-versed in financial literacy does not inherently exhibit sound financial management behavior. Meanwhile, other research results show that love of money influences financial management behavior (Prasetyo & Lestari, 2022; Ulumudiniati & Asandimitra, 2022). However, the other research (Rudy et al., 2020) states that the love of money has no influence on financial management behavior. Other research results show that financial literacy influences lifestyle (Dewi & Darma, 2021; Ulumudiniati & Asandimitra, 2022). However, this is not in accordance from previous research (Sekararum et al., 2020) that asserts there is no effect between financial literacy and lifestyle. Findings from Azizah (2020), Dewi & Darma (2021), and Sari (2021) states that the lifestyle has influence on financial management behavior.This is not comparable to the research of Rahman & Risman (2021), where lifestyle is not impacted by financial management behavior because even though someone has a diverse lifestyle, financial management behavior is relatively the same. Study results in Ulumudiniati & Asandimitra (2022) and Dewi & Darma (2021) demonstrate that lifestyle acts as an intermediary factor among financial literacy and financial management behavior.

Based on these phenomena and the results of previous research that are inconsistent, this study will re-test the effect of financial literacy and love of money on the financial management behavior of Generation Z in urban areas of Indonesia with lifestyle as a mediation variable has not been widely discussed by previous researchers, especially generation Z of urban areas in Indonesia. Therefore, a study is needed to look at the role of financial literacy and love of money on the financial management behavior of Generation Z with lifestyle as a mediation variable, which will ultimately provide insight for related parties who need it in formulating economic and strategic policies.

2. RESEARCH METHOD
Literature Review

The Theory of Planned Behavior, as proposed by Ajzen (1991), is a predictive framework that elucidates how an individual's behavior can be modified. A person does something because he has a purpose or intention for doing it. An individual's intentions can be determined through three elements: attitude, subjective norms, and perception regarding behavioral control. Attitude is related to a response (positive or negative) to a particular behavior. Subjective norms are an individual's evaluation of the opinions of others, regardless of whether they agree with them, whereas perception pertains to an individual's evaluation of the ease or difficulty of performing a particular action.

Financial behavior is a modern discipline within finance that endeavors to elucidate the rationales behind an individual's financial decisions by integrating psychological and cognitive

principles into conventional economics and finance (Kumar, 2017). An individual's financial management behavior consists of the following: planning, budgeting, monitoring, managing, controlling, locating, and saving financial resources and taking the correct position in financial matters to create financial freedom (Asandimitra & Kautsar, 2019; Nisa & Haryono, 2022). The responsibility for supervising financial resources is intricately linked to financial management behavior (Waspada & Mulyani, 2020). Basically, personal financial management aims to create a balance between expenditure and earning and maximize the use of financial resources to achieve desired long-term goals and create financial prosperity (Chuah et al., 2020). According to (Dew & Xiao 2011 in Sampoerno & Haryono, 2021), An individual's financial management behavior is observable from four indicators: effective management of cash flow, consumption, debt, savings and investment.

Financial literacy pertains to the degree to which a person's beliefs, skills, and knowledge enhance their capacity to make prudent financial decisions and effectively manage their finances with regard to financial institutions, their offerings, and how to attain prosperity, thereby impacting their attitudes and conduct (OJK, 2021b). Financial literacy includes evaluating financial alternatives, engaging in conversations about money and financial issues, creating strategies for forthcoming events that may influence financial decisions, and reacting appropriately to life circumstances, such as economic developments (Gunawan & Chairani, 2019). Three indicators comprise the evaluation of financial literacy, including attitudes, behavior, and financial knowledge (Atkinson & Messy, 2012).

Love of money is a measurement that assesses a person's subjective conduct, the significance of money, and their worth or desire for it (Luna-Arocas & Tang, 2004). The love of money is related to an individual's level of love of money and how important money is in his life (Prasetyo & Lestari, 2022). According to research conducted by (Du & Tang, 2005 in Ulumudiniati & Asandimitra, 2022), a person's level of love of money can be measured using the Love of Money Scale (LOMS), which includes wealth, motivation, success, and the importance of money.

A lifestyle can be described as a manner of living that is manifested through one's activities, interests, and opinions regarding time management and money (Gunawan & Chairani, 2019). A person's lifestyle is reflected in the activities that are often carried out. A person's lifestyle differs from one individual to another, and this can be caused by several factors that shape lifestyle patterns, such as cultural background, family, education, and environmental factors (Purnama & Simarmata, 2021). Research conducted by (Elias & Malini, 2020) states that religion refers to a person's decision-making within the boundaries of guidance and sustaining rules in behavior, especially in making financial decisions.

Conceptual framework

Based on the description above, we can formulate the research framework as follows:
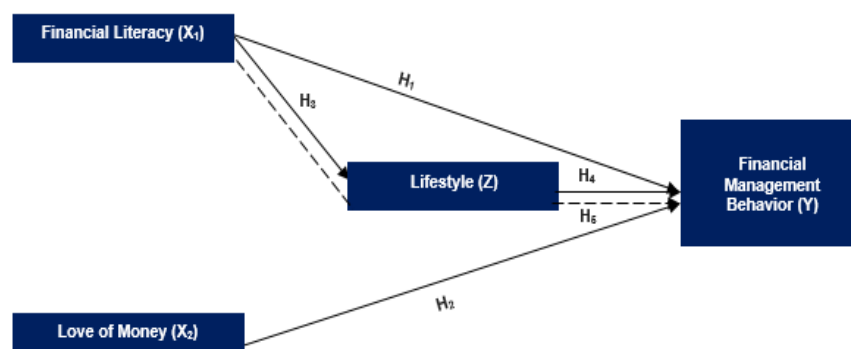

Figure 1. Research Framework

Research Hypothesis

Financial literacy significantly affects financial management behavior because it is related to insight and expertise in managing one's finances (Sari, 2021). Individuals who have a greater

depth of financial understanding and a higher degree of financial literacy will exhibit superior financial management practices (Arifa & Setiyani, 2020; Asandimitra & Kautsar, 2019; Azizah, 2020; Ritakumalasari N & Susanti A, 2021; Sari, 2021; Ulumudiniati & Asandimitra, 2022). Financial literacy also influences consumptive behavior, meaning that better financial literacy will reduce consumptive behavior (Martono & Sudarma, 2019). Financial literacy can be obtained from various sources, starting from formal education at school or college or non-formal education such as training, seminars, and sources on the internet (Felantika, 2022). Therefore, when an individual's financial literacy increases, this will easily give rise to or improve someone's financial management behavior (Waspada & Mulyani, 2020). H1: Financial literacy influences financial management behavior.

Love of money influences financial management behavior because love of money is closely related to how a person views money (Prasetyo & Lestari, 2022; Ulumudiniati & Asandimitra, 2022). Money plays a vital role in life that cannot be neglected because one can meet his basic needs for stockpiles, food, and boards by having money (Prasetyo & Lestari, 2022). The greater the love of money, the more careful it is in managing and using it because that love of money is considered necessary in financial management, whereas someone who has a low level of love of money is more wasteful and consumptive (Ulumudiniati & Asandimitra, 2022). Love of money is a driving factor in making a person's decision. One's perception and understanding of the love of money will foster positive or negative behavior toward money (Ulumudiniati & Asandimitra, 2022). Individuals who have a strong love of money will also exhibit sound financial management behavior, such as always thinking long-term in making every decision, not being extravagant, and tending to be careful in financial management (Ulumudiniati & Asandimitra, 2022). H2: Love of money influences financial management behavior.

Financial literacy can exert an influence on a person's lifestyle since it leads to a more focused lifestyle. (Ulumudiniati & Asandimitra, 2022). Ideally, A raised degree of financial literacy will lead to a simple and frugal way of life (Ulumudiniati & Asandimitra, 2022). In accord wit (Dewi & Darma, 2021) findings that financial literacy exerts a good influence on lifestyle, as the level of financial literacy rises, the more significant effect on lifestyle. The lifestyle context here is a way of living economically, caring for the environment, and wise in spending time and money (Dewi & Darma, 2021). H3: Financial literacy influences lifestyle.

The connection between lifestyle and financial management behavior is predicated on values and lifestyle (VALS). Modernization has required someone to live according to trends. Trends can change a person's lifestyle and have an impact on the formation of their attitudes and behavior. The better someone is at managing their lifestyle, their financial management behavior will improve (Azizah, 2020). Someone with a good lifestyle, such as being frugal and simple, will have good financial behavior. In line with research by Sari (2021) and Dewi & Darma (2021), a substantial positive correlation exists between lifestyle and financial management behavior. H4: Lifestyle influences financial management behavior.

A strong understanding of financial matters plays a crucial role in influencing one's ability to manage their finances effectively. Nonetheless, one's lifestyle can either have a favorable or unfavorable effect on this aspect. When a person has high financial literacy, then a good lifestyle will be formed (positive), and ultimately impact the formation of skilled, responsible, and avoidable financial management behavior (Ulumudiniati & Asandimitra, 2022). Study results in Ulumudiniati & Asandimitra (2022)and Dewi & Darma (2021) demonstrate that lifestyle acts as an intermediary factor among financial literacy and financial management behavior. H5: Financial literacy influences financial management behavior through lifestyle.

Method

Causal associative research is the method chosen for this research. Questionnaires are disseminated online to obtain primary data. The survey employs a five-point Likert scale, ranging from 1 = "strongly disagree" to 5 = "strongly agree". In this investigation, 232 respondents were sampled and included in the analysis. The method employed for sample collecting was purposive sampling, specifically utilizing predetermined criteria. The selected criteria focused on individuals born within the time frame of 1995 to 2006 (minimum 17 years), unmarried, already have income from salary/pocket money/government assistance/stipend, and residing in the urban area of

Indonesia. The sampling sites are dispersed across multiple urban areas in Indonesia, including Jakarta, Pontianak, Samarinda, Bandung, Semarang, Surabaya, Malang, Bekasi, Yogyakarta, Palembang, Medan, Makassar, Padang, and various other urban areas in Indonesia through online questionnaires.

The employed analytical method is Structural Equation Modeling (SEM) using AMOS 22 software to evaluate and analyze structural models and measure the framework of the research built. Its application of a variance-based approach, specifically the Partial Least Square (PLS) approach with SEM, simultaneously examines connections among variables. The initial evaluation involves checking for validity and reliability. In order to satisfy the validity assessment, it is necessary to have a Standardized Loading Factor (SLF) value of a minimum of 0.50 (Hair et al., 2019). The construction's reliability assessment is conducted using the Average Variance Extracted (AVE) value and the Construct Reliability (CR) tabulation. The Goodness of Fit test is to see to what extent the SEM model matches the observed empirical data and when the model is successfully classified as either excellent or good fit, then proceeds to the hypothesis test. The final test is a Sobel test to determine the indirect influence of the mediation variable.

3.   RESULTS AND DISCUSSIONS
Respondent Characteristics

Table 1 shows data on the characteristics of the respondents, a total of 232 respondents. Females predominate (73.3%), domiciled in Pontianak (40,9%), the age range is 20-22 years (61.8%), and last high school education (72%).

Table 1. Characteristics of Respondents

Category	Item	f	%
Gender	Male	62	26,7
	Female	170	73,3
	Total	232	100
Domicile	Jakarta	34	14,7
	Pontianak	95	40,9
	Samarinda	2	0,9
	Bandung	21	9,1
	Semarang	6	2,6
	Surabaya	14	6
	Malang	3	1,3
	Palembang	1	0,4
	Medan	2	0,9
	Makassar	3	1,3
	Bekasi	14	6
	Yogyakarta	19	8,2
	Padang	3	1,3
	Other	15	6,5
	Total	232	100
Age	17 – 19 Year	28	12,1
	20 – 22 Year	143	61,6
	23 – 25 Year	48	20,7
	26 – 28 Year	13	5,6
	Total	232	100
Last Education	Junior High School	3	1,3
	Senior High School	167	72
	Diploma	7	3
	Bachelor	55	23,7
	Post Graduate	0	0
	Total	232	100

Measurement and Structural Models

The validity and reliability of the research were obtained through the output of data processing using AMOS 22. Evaluating the validity and reliability of a set of instruments is crucial for ensuring that they can produce precise and dependable outcomes. The conformance, validity, and reliability test results are as follows.

Table 2. Value of Standardized Loading Factor, Construct Reliability (CR), and Average Variance Extracted (AVE) in Overall Model Fit.

	Items	SLF	CR	AVE
Financial Literacy (FL)	I keep track of my daily/monthly/yearly expenses and financial income.	0,854		
	I know the purpose and benefits of financial planning.	0,863		
	When I desire something but lack the funds to purchase it, I will not borrow money.	0,819	0,949	0,848
	I consistently saved money and believed that doing so made it simpler to meet future needs.	0,856		
Love of Money (LOM)	My life would be better and more enjoyable if I were rich and had more money.	0,887		
	Money gives me a greater inner drive.	0,870	0,959	0,889
	I view money as a representation of success and accomplishment	0,906		
	Money plays an essential in all of our lives.	0,891		
Lifestyle (LS)	I do not spend my spare time shopping or hanging out at the cafe.	0,949		
	I rarely purchase in accordance with my tree's desires.	0,929		
	I am not interested in purchasing something that is trendy and appears intriguing.	0,949	0,968	0,939
	My confidence does not increase when I purchase and use expensive products or follow the latest fashion.	0,935		
	My self-image is not enhanced by shopping for or ingesting a trendy product.	0,935		
Financial Management Behavior (FMB)	I provide a fund limit for each month.	0,931		
	When I go shopping, I consider the price of the products so that I can set the cost to be paid.	0,891		
	Always maintain a record of all expenditures and income.	0,895		
	I make arrangements for my future finances.	0,899	0,979	0,912
	I always place aside a portion of my monthly income for savings.	0,937		
	I consistently invest a portion of my income.	0,903		
	If I have a loan, I always pay the bills or the loan on time.	0,929		

Table 2 represents a test of validity and reliability. In the entire model, all indicator variables have a Standardized Loading Factor (SLF) value of ≥0.50. This signifies that all the specified indicators are considered valid and are reliable measures of the overall model's structure. The results of the validation test are pertinent and affirm that each of the designated instruments is dependable and consistently capable of assessing the entire model's structure. It is seen from any instrument indicator that has an average variance extracted (AVE) value ≥0.50 and construct reliability (CR) obtains ≥0.70.

Table 3. Goodness of Fit Index

Goodness of Fit Index	Cut off Value	Results	
χ^2	Expected to be low	421,805	
Df		166	
χ^2- Significance Probability	≥ 0.05	0.000	
CMIN/DF	≤ 3.00	2,546	Good Fit
RMSEA	≤ 0.08	0.082	Bad Fit
RMR	< 0.05	0.052	Bad Fit
NFI	≥ 0.90	0.947	Good Fit
IFI	≥ 0.90	0.967	Good Fit
TLI	≥ 0.90	0.962	Good Fit
CFI	≥ 0.90	0.967	Good Fit

Table 3 shows the test of the model conformity assessment, indicating that the model conformance requirements have been met, thereby allowing the declaration of conformance. Five measurements indicate a satisfactory level of fit. When three to four measurements exhibit a satisfactory level of agreement, surpassing the predetermined threshold, the configuration of the study model can be deemed acceptable and allowed.

Hypotheses Testing

The outcomes obtained from examining the impacts of interrelationships among variables in the experimental design developed for this research can be succinctly described as follows.
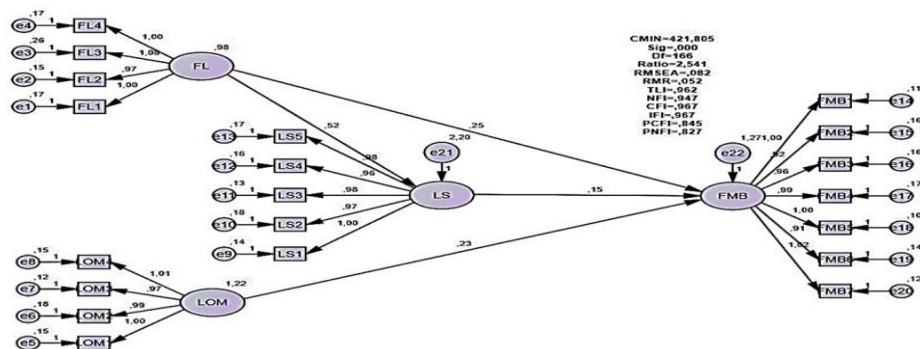

Figure 2. Full Model Testing

Table 4. Hypothesis testing

				Estimate	S.E.	C.R.	P
H1	Financial Literacy	--->	Financial Management Behavior	0,248	0,083	3,005	0,003
H2	Love of Money	--->	Financial Management Behavior	0,232	0,069	3,344	***
H3	Financial Literacy	--->	Lifestyle	0,522	0,103	5,080	***
H4	Lifestyle	--->	Financial Management Behavior	0,152	0,051	2,970	0,003

Table 4 provides results indicating that the t-count value associated with the variable financial literacy concerning financial management behavior is approximately 3.005, surpassing the t-table value of 1.96. Based on a p-value of 0.003, which is less than the significance level of 0.05 (α = 0.05), it can be concluded that the first hypothesis, which claims that financial literacy has a significant and positive impact on financial management behavior, is supported. Moreover, the t-value for the variable love of money in relation to financial management behavior is 3.344, with a p-value lower than 0.05, supporting the second hypothesis that love of money significantly and positively affects financial management behavior.

Concerning the third hypothesis, the t-count value for the variable lifestyle in relation to financial literacy is substantiated by a sample size of 5,080 and a p-value of 0.003, indicating a substantial and positive impact of financial literacy on lifestyle. Additionally, the fourth hypothesis is confirmed, showing that lifestyle significantly impacts financial management behavior. The t-counts for the lifestyle and financial management behavior variables were 2.970, exceeding the t-table value of 1.96, with a p-value below 0.05. Table 5 presents the variable representing the indirect impact of mediation derived from the Sobel test results obtained.

Table 5. Sobel Test - Significance of Mediation

		Sobel test statistic	Two-tailed probability
H5	Financial Literacy --> Lifestyle --> Financial Management Behavior	2,57	0,01

The Sobel test statistical analysis yielded results of 2.57 for the Sobel test statistic and 0.01 for the p-value. The obtained results suggest that the Sobel test statistic exceeds the critical value of 1.96 from the t-table. Similarly, the p-value acquired indicates a significance level below 0.05 (α = 0.05). This finding suggests that financial literacy significantly affects financial management behavior indirectly through lifestyle.

This research aims to propose or communicate a lifestyle-mediated conceptual framework illustrating the interplay between financial literacy and love of money and the financial management behavior of Indonesia's urban Gen-Z. Based on the study's outcomes, all hypotheses are substantiated, signifying that both financial literacy and the inclination towards wealth significantly impact the financial management behavior of Gen-Z in urban areas in Indonesia. Furthermore, lifestyle mediation affects the intercourse among financial literacy and financial management behavior. The findings of this investigation hold potential value for stakeholders involved in shaping strategic policies at both micro and macroeconomic levels. Moreover, they contribute to understanding financial management behavior and its influencing factors among the Z-generation, enhancing their capability and responsibility in financial management.

According to previous research, financial literacy influences financial management behavior (Arifa & Setiyani, 2020; Azizah, 2020; Dewi & Darma, 2021; Sari, 2021; Ulumudiniati & Asandimitra, 2022; Waspada & Mulyani, 2020). As one's financial literacy increases, so does his or her financial knowledge, resulting in improved financial management behavior and discipline (Ulumudiniati & Asandimitra, 2022). When people have a high love of money, their perception of money is enhanced, which motivates them to practice good financial management (Ulumudiniati & Asandimitra, 2022). Additionally, financial literacy can affect an individual's mentality (Azizah, 2020; Dewi & Darma, 2021; Ulumudiniati & Asandimitra, 2022). An individual with elevated financial literacy will have simple control over his lifestyle (Dewi & Darma, 2021). An individual who leads such a lifestyle positively influences how they handle their financial affairs (Nisa & Haryono, 2022; Sari, 2021). This study is consistent with (Azizah, 2020; Sampoerno & Haryono, 2021; Ulumudiniati & Asandimitra, 2022). An increased financial literacy contributes to the development of a positive lifestyle and, in turn, influences the adoption of responsible financial management behaviors, thereby preventing financial problems (Dewi & Darma, 2021; Ulumudiniati & Asandimitra, 2022). In accordance with the results of this investigation, financial management behavior can be enhanced when an individual possesses financial literacy and a love of money or a high perception of money, which is supported by a lifestyle of economics, discipline, gratitude, and simplicity. Obviously, this will substantially influence Generation Z's financial management behavior.

CONCLUSION

As shown by the results of this research, Generation Z must increase financial literacy, along with a love of money and a simple, disciplined, and frugal lifestyle, because it has been demonstrated that this leads to more organized financial management behavior. If a person has a good, simple, disciplined, and frugal lifestyle, it is not difficult for them to engage in improved financial management. Furthermore, these outcomes have many significant implications, including the ability to provide policymakers with recommendations designed to encourage Generation Z to engage in healthful financial management behaviors. OJK (Financial Services Authority) and other stakeholders in finance should engage in socialization, education, and training for the general public, particularly Generation Z, to enhance financial literacy and confidence in their ability and skills in managing finances. Then, it is necessary to appreciate the love of money and economic lifestyles and the ramifications of financial management behavior. The suggestion for future research is to implement qualitative studies to explain phenomena further and to incorporate supplementary variables like financial knowledge, financial attitude, financial socialization, personality, and peers, among others. Furthermore, expanding the sample size by age or region or investigating alternative topics would be better for research.

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