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A MODERATION ANALYSIS: HOW DID FINANCIAL ATTITUDES INFLUENCE FINANCIAL MANAGEMENT BEHAVIOR OF SANTRI?

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Abstract

This study examined the financial management behaviors of Santri and Islamic students in Indonesia. It explores how financial attitudes impact financial management behavior by considering the moderating effects of Islamic financial literacy, financial well-being, and financial risk tolerance. The investigation employed a quantitative approach, surveying 335 Islamic boarding school students. The data analysis was conducted using the SEM-PLS method. The results show that financial attitudes, Islamic financial literacy, financial well-being, and financial risk tolerance have a significant effect on financial management behavior. Islamic financial literacy, financial well-being, and financial risk tolerance did not demonstrate a significant moderating effect on the relationship between financial attitudes and financial management behavior. This study offers valuable insights for practitioners, suggesting the development of financial education and training programs that emphasize cultivating positive financial attitudes.

Keywords*: Islamic Financial Literacy; Financial Well Being; Financial Risk Tolerance; Financial Attitude; Financial Management Behavior*

Abstrak

Penelitian ini bertujuan untuk menganalisis perilaku pengelolaan keuangan pada generasi muda, yaitu para santri. Uang yang mereka miliki harus dikelola dengan baik untuk digunakan sebagai dana darurat atau investasi. Penelitian ini berfokus pada pengaruh sikap keuangan terhadap perilaku pengelolaan keuangan, dengan mempertimbangkan peran literasi keuangan syariah, kesejahteraan keuangan, dan toleransi risiko keuangan sebagai variabel moderasi. Metode penelitian menggunakan pendekatan kuantitatif dengan sampel sebanyak 335 santri di Kota Malang. Data yang terkumpul dianalisis dengan menggunakan teknik SEM-PLS. Hasil analisis menunjukkan bahwa sikap keuangan, literasi keuangan syariah, kesejahteraan keuangan, dan toleransi risiko keuangan berpengaruh signifikan terhadap perilaku pengelolaan keuangan. Sementara itu, literasi keuangan syariah, kesejahteraan keuangan, dan toleransi risiko keuangan tidak menunjukkan pengaruh yang signifikan terhadap perilaku manajemen keuangan. Temuan ini menunjukkan bahwa sikap keuangan merupakan faktor penting yang mempengaruhi perilaku pengelolaan keuangan. Penelitian ini memiliki implikasi penting bagi para praktisi yaitu dapat mengembangkan program pendidikan dan pelatihan sikap keuangan yang positif.

Kata kunci: Literasi Keuangan Syariah; Kesejahteraan Keuangan; Toleransi Risiko Keuangan; Sikap Keuangan; Perilaku Pengelolaan Keuangan

INTRODUCTION

In recent years, financial management behavior has attracted growing interest, regarding its impact on younger generations (Arivalagan & Ilangko, 2024). The financial behavior of the youth population has become a focal point of research owing to its increasing economic influence and emerging financial challenges. In an era of rapid change and economic uncertainty, prudent financial management behaviors aim to achieve financial stability, including emerging generations (Bakar & Bakar, 2020). Financial management behavior is a critical component of personal financial well-being, particularly for young adults grappling with the intricacies of financial autonomy (Ameliawati & Setiyani, 2018). This demographic is at a transitional stage towards financial autonomy. While parents had previously managed their finances, they are now beginning to entrust their children with this responsibility. Poor financial management can lead the younger generation to problematic situations including online borrowing (Budiman, 2024), online gambling (CNN Indonesia, 2024), excessive spending on game upgrades (Bima, 2023), and leisure activities (CNN Indonesia, 2019). Establishing sound money management practices early in life is crucial, as they significantly affect an individual's future well-being (Andana & Yuniningsih, 2023).

Financial attitudes are crucial in shaping how individuals handle and strategize their finances. Financial attitude refers to a person's disposition or outlook towards financial matters, including savings, spending, investing, and debt management. They significantly influence financial decision-making and management practices (Nusron et al., 2018). Beyond reflecting monetary beliefs and emotions, financial attitudes guide financial choices, ultimately impacting behaviors related to financial management, budgeting, saving, and responsible credit use (Halimah et al., 2024). Previous research shows inconsistencies in the relationship between financial attitudes and financial management behavior. In addition, studies by Osman et al. (2024), Sam et al. (2022), Andana & Yuniningsih (2023), and Dewi et al. (2020) revealed a significant effect of financial attitudes on financial management behavior.

Conversely, research conducted by Azizah & Digdowiseiso (2023), Syaliha et al. (2022), Bagus et al. (2022), and Damayanti et al. (2023) found no influence of financial attitude on financial management behaviour.

This study seeks to address the inconsistencies in previous findings regarding the direct influence of financial attitudes on financial management behavior. This is done by examining the potential moderating effect of Islamic financial literacy, which is described as the ability to understand and apply financial skills effectively. Financial literacy may enhance or modify the way an individual's financial attitudes affect their behavior, in line with Shariah principles (Abdullah & Hoque, 2022). Improving financial literacy not only improves people's knowledge and skills but also potentially reshapes their attitudes and, consequently, more responsible financial management practices (Bamforth et al., 2018). This sets the stage for an in-depth examination of how financial attitudes, through the lens of Islamic financial literacy, can inform and change financial management behavior among Indonesia's younger population (Damayanti et al., 2023).

This study goes beyond merely identifying the direct impact of financial attitudes; it also investigates the role of financial well-being as a moderating factor. Financial well-being includes tangible aspects of financial health, such as income and savings, as well as the subjective experience of financial security and satisfaction with one's financial situation (Dare et al., 2023). Financial well-being includes not only current financial conditions but also individuals' perceptions of their ability to meet future financial needs (Bhatia & Singh, 2023). Thus, individuals with high levels of financial well-being may have a greater propensity to adopt financial management behaviors, even if their financial attitudes are suboptimal.

In the field of behavioral financial management, financial risk tolerance is a crucial moderating factor that influences the strength and direction of the relationship between financial attitudes and behaviors. Financial risk tolerance is conceptualized as the extent to which a person is comfortable taking financial risks, which can significantly affect their financial decision-making processes and outcomes (Rahman et al., 2023). Individuals with higher financial risk tolerance may be more likely to engage in behaviors that are aligned with their financial goals, even if those behaviors involve taking more risks (Kubilay & Bayrakdaroglu, 2016). Conversely, those with lower risk tolerance may exhibit more conservative financial behaviors, potentially limiting their financial growth opportunities (Bastomi & Sudaryanti, 2024). By incorporating financial risk tolerance as a moderator, this study aims to offer a more detailed understanding of how various factors interact with mold responsible financial management behaviors among young adults.

Santri, a group with extensive Islamic education and insight, plays a significant role in the development of Sharia-based economics (Asyifyan, 2023). The uniqueness of this study lies in its emphasis on santri, a distinct segment of the younger generation with strong religious values, who often encounter challenges in implementing sharia-compliant financial management (Safira et al., 2023). Additionally, the study's novelty is evident in its comprehensive approach, which integrates three key elements that serve as moderators–Islamic financial literacy, financial well-being, and financial risk tolerance–to understand how Santri makes financial decisions. This study contributes to model the construct of the growing literature on behavioral finance in the form of the development of the theory of planned behavior (TPB). By examining these factors, this study can provide insights into how Islamic financial literacy education can be optimized to shape better financial management behavior among santris while promoting broader implementation of Islamic finance at the individual level.

LITERATURE REVIEW

Financial Management Behavior

Financial Management Behavior, a critical element in personal finance, encompasses the strategies individuals employ to effectively oversee their monetary assets (Agustina & Mardiana, 2020). The theory of planned behavior (TPB) provides the grand theory for this study, which proposes that a variety of factors collectively shape an individual's financial actions. Financial management behavior involves the processes of budgeting, saving, investing, and managing debt (Kaur & Sahni, 2023). In addition, financial management behavior also involves how a person or organization makes decisions about spending, including whether it prioritizes needs or wants, or whether it engages in impulsive spending (Radiman et al., 2023). Financial management behavior can also include attitudes towards risk, understanding of financial concepts, use of financial tools, and how a person or organization plans and prepares for the future (Baptista & Dewi, 2021). The financial behavior of individuals can significantly affect their overall financial health and stability (Rahman et al., 2021). Practicing financial responsibility such as consistent savings and prudent spending contributes to long-term financial security.

Financial Attitude

Financial attitude represents a crucial psychological construct that reflects individuals' beliefs, emotions, and inclinations towards money and financial decision making. Financial attitude is a key determinant of financial behavior, influencing how individuals save, spend, invest and manage debt

(Syarif & Putri, 2022). The theory of planned behavior (TPB) serves as a theoretical foundation, suggesting that financial attitude, along with subjective norms and perceived behavioral control, shapes financial intentions and subsequent behavior. Research has consistently shows a positive correlation between constructive financial attitude and prudent financial management behaviors (Nurfadillah & Matoati, 2024; Siswanti & Halida, 2020). Those with positive financial attitudes are more prone to engage in behaviors that promote fiscal well-being, such as creating budgets, saving money, and making investments. Conversely, negative financial attitudes, including overspending and insufficient savings, often correlate with poor financial choice (Yahaya et al., 2019).

H1: Financial attitude has a significant positive effect on financial management behaviour.

Islamic Financial Literacy

The concept of Islamic financial literacy, a crucial element of economic independence, has been extensively studied to understand its impact on financial management behavior. Financial literacy encompasses a wide range of competencies, from fundamental budgeting to sophisticated investment tactics, and is frequently viewed as a pivotal factor in financial well-being that aligns with Shariah principles (Rahmanita et al., 2020). Theory of planned behavior (TPB) provides a framework that integrates Islamic financial literacy into the financial planning process, in which individuals can make more informed decisions aligned with Islamic principles, ultimately leading to improved financial management behavior. Various studies have consistently shown that individuals with higher levels of Islamic financial literacy are more likely to engage in responsible and prudent financial behaviors such as saving, investing, and managing debt effectively (Lutfi & Prihatiningrum, 2023). Islamic financial literacy is a dynamic concept that evolves alongside the development of Islamic financial products, highlighting the need for ongoing education to maintain financial well-being (Guntur & Kaban, 2021). This is especially important for santri groups who, despite their technological proficiency, may lack the necessary Islamic financial knowledge to effectively manage their finances within the Sharia guidelines (Osman et al., 2024). Therefore, improving Islamic financial literacy is considered a strategic approach to improving overall financial management behavior, particularly among younger individuals approaching significant long-term financial decisions (Widityani et al., 2020).

H2: Islamic financial literacy strengthens the influence of financial attitudes on financial management behavior.

Financial Wellbeing

The concept of financial well-being (FWB) has gained increasing prominence in personal finance research, as it captures individuals' perceptions of their economic health and stability (Ghina & Sukarno, 2021). FWB encompasses not only the capacity to meet present and future financial obligations but also the ability to make choices that enhance life enjoyment and secure one's financial future (Mahdzan et al., 2020). The theory of planned behavior (TPB) considers an individual's overall financial health, providing insights into financial behavior and outcomes. The literature on FWB suggests that it is influenced by a variety of factors, including income, debt levels, savings, financial knowledge, and behaviors such as spending and saving habits (Abrantes-Braga & Veludo-de-Oliveira, 2019). Research has shown that higher FWB is associated with reduced stress and increased life satisfaction, indicating that FWB goes beyond financial metrics to encompass overall quality of life. Researchers have also explored the relationship between FWB and demographic variables, finding that age, education, and income level can significantly impact financial well-being (Sabri et al., 2022). These findings highlight the complexity of financial well-being and the need for a deeper understanding of how it interacts with other financial variables, especially in developing countries where financial markets and education systems may differ from those in developed countries (Utkarsh et al., 2020).

H3: Financial well-being strengthens the influence of financial attitudes on financial management behaviour

Financial Risk Tolerance

Financial risk tolerance refers to the extent to which a person or organization can accept and deal with risk in a financial context (Bayar et al., 2020). It reflects the level of comfort and willingness to take risks in financial decision making. This tolerance can vary among individuals and organizations, influenced by factors such as financial objectives, income levels, economic circumstances, personal preferences, and investment knowledge (Suherman et al., 2023). Financial risk tolerance plays a crucial role in shaping financial management practices, particularly among young adults who develop financial habits (Lawrenson & Dickason-Koekemoer, 2020). The theory of planned behavior (TPB) explains that individuals with high risk tolerance tend to be more proactive in translating positive attitudes towards finance into concrete actions, such as investing in risky assets. Conversely, those with low risk tolerance tend to be more cautious, resulting in a disconnection between their positive financial attitudes and actual behavior. Understanding financial risk tolerance is essential as it impacts financial management strategies, including saving, investing, and spending behaviors (Song et al., 2023). Having a clear understanding of financial risk tolerance can assist individuals or organizations in planning and managing their investment portfolios in a way that suits their financial goals and comfort levels with risk (Naiwen et al., 2021). Financial risk tolerance is a complex construct influenced by various factors, and plays an important role in moderating the relationship between financial knowledge, attitudes, and responsible financial management behaviors (Murhadi et al., 2023).

H4: Financial risk tolerance strengthens the influence of financial attitude on financial management behaviour.

Research Framework

The research model based on an examination of previous research and theoretical reviews is depicted in Figure 1.

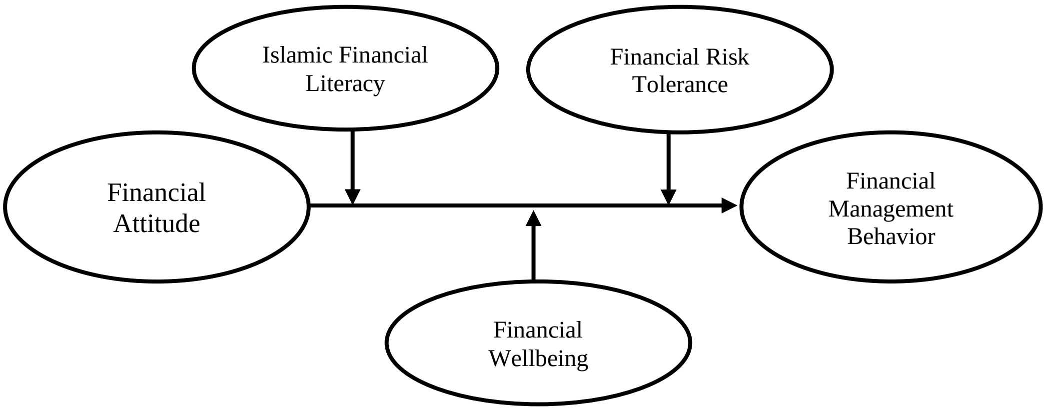

Figure 1. Conceptual Framework

METHOD

This study utilizes quantitative approaches to investigate how financial attitudes influence financial management behavior, with financial literacy, financial well-being, and financial risk tolerance serving as moderating variables. An explanatory research design was selected to enable statistical analyses, including regression, to assess the relationships between the study variables. This approach allows researchers to identify and directly measure the effect of the independent variable on the dependent variable and to determine how moderating variables affect the relationship (Creswell & Creswell, 2018).

This study focuses on the young generation, with santri (students in pesantren environments) considered a representative sample of Indonesia's youth (Mujtaba et al., 2024). Data from the Ministry of Religious Affairs of Malang City website revealed 2588 santri from salaf and Nahdlatul Ulama-affiliated Islamic boarding schools. Using a sample-size calculator, 335 respondents were included in the study. Participants were selected by purposive sampling, targeting santri residing in Malang City, aged 16-30 years (Pemuda, 2023), with a minimum of one year's residence in a pesantren.

The measurement of financial attitude incorporates indicators of general knowledge and savings, while financial management behavior is evaluated using cash and credit management indicators, both adapted from Bapat (2020). Islamic financial literacy was measured using financial knowledge and financial awareness indicators based on the study by Azman et al. (2023). Financial well-being is assessed using indicators of the current financial situation, the ability to manage financial emergencies, and satisfaction with the present financial state, derived from She et al., (2022). Following Rahman (2020), financial risk tolerance is gauged by speculative and investment risk indicators. A 6-point Likert scale was selected for its ability to provide a more refined and balanced range of responses, allowing for clearer distinctions between agreement (Kusmaryono et al., 2022). This study employs SEM-PLS to examine construct validity and reliability, goodness of fit, path coefficients, and moderation effects. This method was chosen for its comprehensive nature and widespread use in variance-based path analysis, as well as its flexibility in not requiring normality assumptions, enabling robust analysis (Henseler et al., 2016).

RESULTS AND DISCUSSION

Respondent Characteristics

Table 1 presents respondents' characteristics. According to the data, the majority of the subjects were women, primarily between 19 and 21 years of age. On average, participants resided in their current location for to 3-4 years. Regarding financial support, most respondents received a monthly stipend ranging from 0 to 1,000,000 Indonesian Rupiah (IDR).

Table 1 Description of Research Respondents

Description	Character	Total	Percentage
Gender	Male	162	48%
	Female	173	52%
Age	16-18 years old	18	5%
	19-21 years old	207	62%
	22-24 years old	103	31%
	25-27 years old	4	1%
	28-30 years old	2	1%
Length of stay	1-2 years	122	36%
	3-4 years	129	39%
	>4 years	84	25%
Pocket Money	< IDR 1,000,000	271	81%
	> Rp 1,000,000- Rp 2,000,000	50	15%
	> IDR 2,000,000	14	4%

Source: Data processed by researchers (2024)

Evaluation of Measurement Model

To assess convergent validity, a factor loading criterion above 0.7 was used to determine how well indicators in the measurement structure represent the concept being studied. A factor loading higher than 0.7 indicates a strong relationship between the indicator and the concept under study. Upon examination, it was revealed that all indicators in the measurement structure met the prerequisite of the loading factors exceeding 0.7. This indicates that each indicator played an important role in measuring the concept of focus. The convergent validity evaluation indicated that the measurement structure utilized in this study exhibited a commendable degree of validity, given that the standard factor loading exceeded 0.7

The composite reliability (CR) and Cronbach's alpha values exceeded 0.7 in the measurement model (Table 3), indicating an acceptable level of reliability. In addition, the Average Variance Extracted (AVE) value in the measurement model exceeded 0.5, indicating that the assessed constructs adequately captured more than 50 percent of the variance in the indicators used. Consequently, based on the results of the reliability assessment, it is reasonable to conclude that the indicators integrated into the measurement model can be relied upon to accurately measure the specific constructs under surveillance (Hair et al., 2017).

Description: Financial Attitude (FA), Islamic Financial Literacy (IFL), Financial Wellbeing (FW), Financial Risk Tolerance (FRT), and Financial Management Behavior (FMB).

Table 2: Convergent Validity Test

Variables	Item	Loading Factor
FA	It is important for me to develop consistent saving habits.	0.893
	Keeping a record of financial matters is beneficial.	0.940
IFL	I always ensure that all my financial transactions are free of interest.	0.811
	I am aware of sharia-compliant financial products available in the marketplace	0.919
FW	I feel satisfied with my current financial situation	0.806
	I feel comfortable with my current financial situation	0.875
	I am confident that I could secure funds to cover unexpected expenses amounting to twice my weekly allowance.	0.716
	Because of my financial situation, I feel that I can buy things I want in my life.	0.817
	I am confident that my savings will last for an extended period.	0.722
FRT	I am open to risking financial loss if there is a chance of monetary gain.	0.756
	Unlike others who prefer a secure job with a fixed salary to an uncertain venture, I am willing to take risks such as starting a business or trading.	0.825
FMB	I pay my bills on time	0.722
	I record my monthly expenses	0.777
	I adhere to a budget or spending plan	0.847
	I save money from every paycheck or pocket money	0.775

Source: Data processed by researchers (2024)

Table 3. Reliability Test

Variables	Composite Reliability	AVE	Cronbach's Alpha
FA	0.913	0.841	0.814
IFL	0.858	0.751	0.680
FW	0.891	0.623	0.847
FRT	0.770	0.626	0.405
FMB	0.862	0.611	0.787

Source: Data processed by researchers (2024)

The results of the analysis indicate Table 4, for each construct, the square root of AVE exceeds the inter-construct correlations found in the off-diagonal correlation matrix (Fornell & Larcker, 1981). The mutual discriminant measurement model's structure functions correctly, as evidenced by meeting the criterion that the square root of the Average Variance Extracted (AVE) exceeds the inter-construct correlations found in the off-diagonal elements of the correlation matrix (Fornell & Larcker, 1981). This indicates the validity of the structure of the measurement model and reliability of the analysis results.

Table 4. Validity Test

	FA	FMB	FRT	FW	IFL	M1	M2	M3
FA	0.917							
FMB	0.471	0.782						
FRT	0.251	0.346	0.791					
FW	0.344	0.463	0.323	0.789				
IFL	0.546	0.519	0.407	0.454	0.867			
M1	-0.495	-0.130	-0.038	-0.034	-0.116	1.000		
M2	-0.321	0.005	0.014	0.043	-0.046	0.667	1.000	
M3	-0.311	-0.104	0.102	0.013	-0.048	0.627	0.539	1.000

Source: Data processed by researchers (2024)

According to Table 5, the t-statistic values for variables including financial attitude, Islamic financial literacy, financial well-being, and financial risk tolerance exceed the t-table value of 1.96, with p-values below 0.05. These results suggest that these variables have a substantial impact on financial management behavior. In addition, the positive path coefficient value indicates that the increase in financial management behavior can be caused by financial attitudes, Islamic financial literacy, financial well-being, and financial risk tolerance. The moderation test outcomes indicated that the t-statistic value fell below the t-table threshold of 1.96, with a significance level exceeding 0.05. This suggests that Islamic financial literacy, financial well-being, and financial risk tolerance do not serve as moderators in the relationship between financial attitudes and financial management behavior. The results of the hypothesis testing are shown in Table 5.

Table 5. Hypothesis Test

	Original Sample	Standard Deviation	T Statistics	P Values	Description
FA -> FMB	0.252	0.060	4.168	0.000	Significant
FRT -> FMB	0.126	0.059	2.136	0.033	Significant
FW -> FMB	0.228	0.053	4.307	0.000	Significant
IFL -> FMB	0.229	0.065	3.545	0.000	Significant
FA*IFL -> FMB	0.010	0.062	0.162	0.872	Not Significant
FA*FW -> FMB	0.127	0.068	1.856	0.064	Not Significant
FA*FRT -> FMB	-0.098	0.063	1.552	0.121	Not Significant

Source: Data processed by researchers (2024)

Discussion

An individual's financial attitudes significantly shape their financial behavior, with those exhibiting less cautious financial mindsets often demonstrating poorer financial practices. Financial attitudes, especially in the form of saving behavior, significantly impact the financial management behavior of the younger generation. Developing a savings mindset from a young age can help young people understand the importance of financial reserves to face the pandemic and open business opportunities (Osman et al., 2024). This attitude encourages them to make wise financial decisions, such as setting budgets, limiting unnecessary spending, and setting realistic savings goals. Cultivating a saving habit curbs excessive consumption and fosters an entrepreneurial mindset (Silva & Dias, 2023). By having a saving habit, they can develop good financial management skills, solid financial well-being, wealth management skills, entrepreneurial spirit, and financial health. Consequently, instilling saving habits early on is crucial for young individuals to effectively and sustainably manage their finances (Owusu et al., 2022).

While Islamic financial literacy is crucial for comprehending Islamic financial principles and making appropriate financial decisions in line with Islamic law, it does not always effectively moderate the relationship between financial attitudes and financial management behavior. This limitation may be attributed to the intricacy of Islamic finance concepts and the lack of comprehensive Islamic financial literacy programs designed for young people's needs (Osman et al., 2024). Furthermore, Islamic financial literacy alone may not significantly alter the influence of financial attitudes on financial behavior. The insufficient socialization and practical application of Islamic financial literacy in modern financial contexts has resulted in a knowledge gap among younger generations regarding sharia-based digital financial products (Lamichhane et al., 2024).

The application of Islamic financial principles in daily life requires a deep level of understanding and a high level of commitment, which young individuals may not possess (Dinc et al., 2021). Moreover, most santri in Malang City are students whose learning and social environments extend beyond their fellow santri, sometimes leading to non-adherence to sharia principles in transactions, such as using conventional banking. Thus, even though they have positive attitudes and knowledge, their financial management behavior may still be inappropriate (Wartoyo et al., 2023). As a result, Islamic financial literacy does not automatically affect financial management behavior. To conclude, although Islamic financial literacy is important, its moderating effect is not apparent.

In addition, this study found no moderating role of financial well-being. Financial well-being does not serve as a moderating factor because santri, in their current life stage, has not yet developed a stable perception of financial well-being. Consequently, it lacks the strength to significantly alter the connection between financial attitudes and financial management behavior

(She et al., 2022). If an individual already has good financial attitudes and healthy financial management behaviors, financial well-being is a natural outcome of the combination of the two and not a factor that strengthens the relationship between the two (Algarni et al., 2024). The youth population has limited access to financial resources, as they are supported by their parents (Syahputra et al., 2023). Money is saved only in the immediate future because it is allocated to meet daily needs. The lack of allocation for investment and savings indicates that young people are not prepared for long-term financial planning (Kumar et al., 2023). Students in Islamic boarding schools face financial constraints, with their parental allowances strictly allocated for essential needs such as food, education, healthcare, and commuting expenses (Perdana et al., 2024). Consequently, financial well-being should be viewed as the outcome of the interplay between one's financial attitude and financial management behavior rather than as a factor that enhances this relationship.

Financial risk tolerance does not affect the relationship between financial attitudes and financial management behavior. Although individuals may have a positive financial attitude, their conservative approach to risk may lead them to exercise caution when managing their money. They may not engage in risky behaviors such as investing in the stock market (Sharma, 2024). Santri generally has a positive attitude towards financial management, which can reduce their attention on taking the risks required for better financial management (Murhadi et al., 2023). They prioritize caution and refrain from making financial choices that could result in monetary losses, despite having potential opportunities for profit (Rahman et al., 2020). In addition, young people who understand the importance of financial planning may stick to strict budgets and regular savings, although they are willing to take risks in their investments (Nguyen et al., 2022). Their money allocation is divided according to their needs and parents' provision, so there is no risk of failure in its management (Nursaid, 2024). In other words, a positive financial mindset can lead to consistent and reliable financial behavior regardless of one's risk tolerance level.

CONCLUSION

Research has consistently demonstrated that financial attitudes significantly influence financial management behaviors in the young population. A positive and thoughtful perception of and approach to money can encourage individuals to better manage their finances, such as making more effective savings, investments and financial planning. However, this study's findings reveal that Islamic financial literacy, financial well-being, and financial risk tolerance do not substantially moderate the relationship between financial attitudes and financial management behavior. This implies that regardless of an individual's level of financial literacy, financial status, or risk tolerance, their financial attitudes remain crucial in shaping their financial management practices.

The practical implication of this finding is that education and training that promotes positive financial attitudes can be an effective strategy to improve individuals' financial management behavior. Programs designed to build awareness and positive attitudes towards finance, such as budget management and personal financial planning training, can assist individuals in better managing their finances. The limitations of this study include the use of a sample that may not be broadly representative of the population under investigation, thus restricting the results to a specific context. In addition, moderating variables, such as Islamic financial literacy, financial well-being, and financial risk tolerance, may require a more specific or different measurement approach to demonstrate significant moderating effects.

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