



**DETERMINANTS AFFECTING PERSONAL FINANCIAL  
MANAGEMENT BEHAVIORS AMONG GENERATION Y.  
A CASE STUDY IN WILAYAH PERSEKUTUAN  
KUALA LUMPUR.**

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## ABSTRACT

THEY have the world at their fingertips which is referred to Generation Y. They are outfitted with noteworthy paper, capabilities and furnished with an aggressive edge, Generation Y's has a simple and quick access to all the modern technologies that they can without much of a stretch have the way of life they had always wanted. This study aim to investigate the Determinants Affecting Personal Financial Management Behaviour among Gen Y in Kuala Lumpur. The independent variables used to determine the relationships are Financial Attitude, Financial Knowledge, and External Locus of Control. This research was carried out in Kuala Lumpur where 100 respondents were used as sample of the study to answer the questionnaire. Multiple Linear Regression was used for measuring the relationship and to test whether the model is accepted or not. From the findings, all the independents variable are significantly positive related and showed direct effect towards financial management behaviour. However it only explained 32% of the variance in the dependant variable. These findings could be useful for individual's references and for future researcher but further studies need to be conducted to provide better clarification about this study.

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## **CHAPTER 1: INTRODUCTION**

### **1.1 Background of Study**

Financial management can be a crucial part for an individual as it comprises general functions of management such as planning, organizing, leading and controlling according to (McDonald, 2010) as stated in (Schraeder, Self, Jordan, & Portis, 2014). However, financial management has always confused by financial planning. Financial management according to (Rajna, Ezat, Junid, & Moshiri, 2011) is defined as a set of behaviours that was performed on the planning, implementation and evaluation involved in cash, credit, investment, insurance, retirement, and estate planning. On contrary, in financial planning the most important part is “planning” and it covers five (5) major area which are, initial evaluation and assessment, setting goals, create plans, monitoring, and reassess the financial status.

Quality of an individual’s financial management depends on how efficient they organize and control their spending in term of needs and wants. As a human being, it is undeniable that to some extent an individuals sometimes affected by greed where they have strong desire to fulfil more on their unlimited wants which is some of its will neither be used nor need. Making the right decision in financial management is vital to avoid serious implications on the survival of an individual (Danso & Adomako, 2010).