



Affective, Social and Cognitive Antecedents of Attitude towards Money among Undergraduate Students: A Malaysian Study

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ABSTRACT

Attitude towards money (ATM) often determines an individual's overall subjective well-being or happiness. Most past studies have investigated individual values, societal influences and financial acumen largely in isolation from one other. This study aims to develop a more comprehensive model of the antecedents of ATM by taking into account affective, cognitive and social dimensions concurrently by integrating concepts of the Theory Planned Behaviour (TPB) and the Social Cognitive Theory (SCT). Furthermore, this study focused on Generation Y youths in Malaysia as SCT, which suggests that individuals belonging to a particular generation/era and country/jurisdiction share certain collective social realities, hence ATM. In terms of methodology, a survey involving 248 respondents was carried out by utilising multiple regression analysis to test established hypotheses. The empirical findings suggest that, among others, financial awareness has a significant influence on all dimensions of ATM. In addition, parental influence significantly encourages savings and instils restraint tendency in spending, whereas peer influence acts as an influential substitute to parental influence and mass media effectively promotes materialistic values. In terms of practical implications, the study contributes to the understanding of Generation Y's ATM so as to inform the formulation of better financial planning practices and education-related policies.

Keywords: Attitude towards money, financial awareness, Generation Y

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INTRODUCTION

An individual's attitude towards money (ATM) influences his/her money spending and saving behaviour, which ultimately impact the attainment of that particular individual's life goals (Zhao, 2001;

Yamauchi & Templar, 1982). The meaning of money extends beyond being a medium of transaction to one that encompasses one's measure of achievement and subjective well-being (Farid & Lazarus, 2008). In this context, an individual's ATM is culturally nurtured and individually modelled through a process that encompasses affective dimensions (such as hope and religiosity), sociological factors (such as materialism) (Durvasula & Lysonski, 2010) and finance-related outcomes (such as overall degree of credit indebtedness) (Wang, Lv, & Jiang, 2011). In fact, Azjen's (1991) Theory of Planned Behaviour (TPB) posits that an individual's behaviour is guided by one's attitudinal beliefs, subjective norms and perceived control over a situation.

Social and personal values inadvertently intertwine albeit, differently across generational cohorts (Zhao, 2001). The social cognitive theory (SCT) posits that individuals belonging to a particular generation/era share certain social realities in response to their exposure to similar economic, political and education systems (Bandura, 2002; Bandura, 1977).

Most past studies have investigated antecedents of ATM in terms of individual values, societal influences and financial acumen but largely in isolation from one other. This study addresses the lacuna of knowledge by integrating the concepts of the TPB and SCT in investigating the antecedents of ATM in terms of the affective (hope and religiosity), social (parental, peers and media influence) and cognitive (financial awareness and perceived risk) dimensions in a single, comprehensive model.

This study also focused on the ATM phenomenon exhibited by Generation Y in Malaysia. A study of 1,002 young Malaysian workers highlighted that 47% of them had 30% of their collective gross income tied up in debt and 15% of them indicated that they had no savings (Consumer Resource and Research Centre, 2012). The primary sources of indebtedness for these young Malaysians are car loans (50%), credit cards (39%), educational loans (33%), housing loans (29%) and personal loans (15%). The respondents indicated that they have only an average of four months' worth of savings. In addition, they tend to fall back on their parents for financial security and succumb to social pressure, especially in the consumption of the latest technological gadgets and fashion. These spending behaviours are fundamentally influenced by their distinctive beliefs and ATM (Kidwell & Turrisi, 2004).

The situation stated above clearly suggests that even as income levels rise through time, wealth accumulation will be a stumbling block to many if individuals spend indiscriminately and lack the commitment and awareness towards financial planning (Lau & Sipagal, 2012). In fact, a Malaysian report indicates that 86% and 90% of urban and rural households have zero savings, respectively (Shukri, 2014).

Generation Y (1982 to 2004), which is the focus of this study, has been enjoying a higher quality of life as compared to their parents who were born in the post-war and post-recession eras (Comeau & Lai,

2013). Thus, it is important to understand that endowing more luxuries in life without instilling in them good ATM could be detrimental. Besides, a highly leveraged society without savings would add to social problems and hamper Malaysia's vision of becoming a developed nation.

Having considered the overall context of the financial predicaments besetting Generation Y in Malaysia, we contend that this will provide a fitting opportunity to further academic knowledge regarding the various antecedents of ATM. The conceptual framework of this study is depicted in Fig.1.

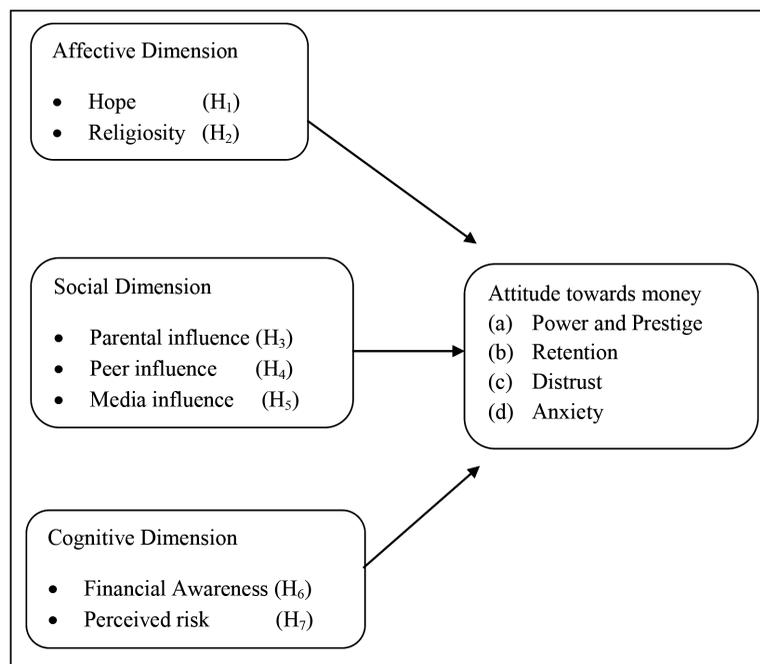


Fig.1: Conceptual Framework of the Study
Source: Developed for this study

LITERATURE REVIEW

Attitude towards Money (ATM)

Money can be a tool and/or a drug. The tool theory describes money as a medium of exchange and an incentive in motivating desired behaviour. However, the drug theory suggests that money can lead to adverse psychological and behavioural

manifestations such as extreme obsession, greed, fear and gambling (Chen, Dowling, & Yap, 2012; Lea & Webley, 2006). The meaning of money has also been linked to various beliefs such as good, evil, achievement, budgeting, respect, freedom/power and Machiavellianism (Tang & Chen, 2008; Tang, 1995; Tang, 1992).

The ATM has been investigated from four dimensions of power/prestige, retention, distrust and anxiety (Yamauchi & Templar, 1982). The power/prestige dimension emphasises money as a symbol of success and promotes a sense of life achievement linked to the worship of money, materialism, vanity and an inflated ego (Durvasula & Lysonski, 2010; Tang, Tang, & Arocas, 2004; Christopher, Marck, & Carroll, 2004; Tang, 1995).

The retention dimension promotes saving, prudent spending and money management (Yamauchi & Templar, 1982). The retention dimension manifests positively in the areas of conscientiousness, self-restraint and frugality (Beutler & Gudmunson, 2012; Davey & George, 2011) but negatively in the area of revolving credit usage among credit card users (Wang *et al.*, 2011).

The distrust dimension is characterised by insecurity in making purchase and financial decisions. Distrust includes constantly being suspicious of prices charged and hesitance when it comes to spending money due to the lack in confidence in one's financial acumen (Yamauchi & Templar, 1982).

Finally, the anxiety dimension incorporates worries associated with either having too much or too little money (Yamauchi & Templar, 1982). A shortage of money may trigger acute risk-averseness, where individuals become extremely cautious on spending decisions (Hansen, Kutzner, & Wänke, 2012). This stems from the fear of losing one's financial

safety net. The Prospect theory posits that the irrational fear of making losses often causes investors to sell out winning stocks too soon while holding on to loss-making ones for too long in investing (Kahneman & Tversky, 1979).

Affective Dimensions

This study adapts Azjen's (1991) Theory of Planned Behaviour (TPB) in encapsulating the affective dimensions of hope and religiosity under attitudinal norms as determinants of ATM.

Hope

The Hope Theory is grounded upon the principles of possibility, agency, worth/purpose and connection (Snyder, Rand, & Sigmon, 2002). A hopeful individual is cognizant of the pathways and possesses the drive to actualise the desired outcome value in the face of uncertainty (Snyder *et al.*, 2002). Hope has also been found to be a better predictor of life satisfaction compared to self-efficacy (O'Sullivan, 2011; Valle, Huebner, & Suldo, 2006).

In terms of money management, researchers have found that the hope of winning is often a strong motivator for lottery buyers (Ariyabuddhiphongs, 2011; Ariyabuddhiphongs & Chanchalermporn, 2007) and the propensity to undertake debt (Barros & Botelho, 2012). Hence:

H₁: Hope has a significant influence on (a) Power/Prestige and (b) Retention (c) Distrust and (d) Anxiety dimensions of ATM.

Religiosity

Religiosity reflects the commitment of an individual to follow principles believed to be ordained by God that forms the foundation of his/her faith (Chen & Tang, 2013; Vitell, Paolillo, & Singh, 2006). An individual with high intrinsic religiosity would exhibit a strong commitment by adhering to his/her beliefs to do what is right as an integral part of everyday life. Previous empirical research found that individuals with high intrinsic religiosity are disinclined towards Machiavellianism and unethical behaviour (Chen & Tang, 2013). High intrinsic religiosity is also linked less extravagance, lesser willingness to expose oneself to moral risk and increased conscientiousness (Furnham and Okamura, 1999). Hence:

H₂: Religiosity will have a negative influence on (a) Power/Prestige and (b) Anxiety dimensions, but positive influence on (c) retention dimension of ATM.

Social Influence

The SCT conceptualizes the role of agents such as parents, peers and media, as well as individual life cycle situations in facilitating the social learning process in developing skills, knowledge and attitudes of the young consumers (Mochis & Churchill, 1978). Similarly, Azjen's (1991) TPB includes social influences as part of the subjective norms antecedent.

Parental Influence

With regards to money management, indulgent parenting has been found to contribute towards the "entitlement" mentality among young adults (Beutler & Gudmunson, 2012). Parental involvement has been found to positively influence responsible credit card usage by young adults and lead to lower average balances (Palmer, Pinto, & Parente, 2001). Past studies have also found that parental support and influence lead to better self-esteem and lower materialism amongst young adults (Adib & El-Bassiouny, 2012; Chaplin & John, 2010). In addition, parental autonomy-support also helps to reduce extrinsic life goals (emphasis on wealth), apart from promoting intrinsic goals (self-actualisation) among youths (Lekes *et al.*, 2010). However, parental influence has not always contributed to higher financial literacy (Sabri *et al.*, 2012). Hence:

H₃: Parental influence will have a significant impact on all dimensions of ATM.

Peer Influence

Young individuals' consumption behaviour has been found to be partly shaped by the pressure to fit in with their peers (Adib & El-Bassiouny, 2012; Penman & McNeill, 2007; Mochis & Churchill, 1978). The self-determination theory posits that besides personal autonomy and competence, a person's motivation is significantly influenced by social relatedness (Deci & Ryan, 2000; Vallerand, 2000). Past empirical research also revealed that

peer influence has a positive relationship with materialism and impulsive spending (Bindah & Othman, 2012; Penman & McNeill, 2007). Hence:

H₄: Peer influence will have an impact on all dimensions of ATM.

Media Influence

Media advertisements have often been implicated for the erosion of virtue ethics through the subconscious stimulation of greed, instant gratification and conspicuous consumerism (Bagwell & Bernheim, 1996). Furthermore, television and internet exposure has been linked to the promotion of self-enhancement values promoting power/ prestige as defined by prevailing social standards (Besley, 2008). In relation to the ATM, the desire to accumulate fast fame and riches and the high stakes involved may cause anxiety. Hence:

H₅: Media influence will have an impact on dimensions of ATM.

Cognitive Dimensions

In terms of Azjen's (1991) TPB, cognitive capabilities form part of perceived behavioural control. The cognitive dimensions investigated are financial awareness (explicit) and perceived risk (tacit).

Financial Awareness

Financial awareness (FA) relates to the literacy or knowledge of the concepts of financial management and/or planning

(Huhmann & McQuitty, 2009). These practices include budgeting, saving for the future, as well as tax and retirement planning. Past studies have shown that financial literacy moderates the relationship between materialism and compulsive buying (Pham, Yap, & Dowling, 2012). Students' financial literacy has also been found to significantly influence their financial well-being (Sabri *et al.*, 2012). Conversely, the lack of financial knowledge and an indifferent attitude towards credit card use among college students have been associated with increased indebtedness (Norvilities *et al.*, 2006).

Behavioural finance suggests that human intuition is fallible as personal beliefs and attitudes intermingle with rational thought (DeBondt *et al.*, 2010; DeBondt *et al.*, 2008). As such, even though an individual may be equipped with good financial knowledge, he/she may not apply them consistently (Vitt, 2004). However, research on how financial literacy could influence the ATM is still lacking. Hence:

H₆: Financial awareness will have an influence on all dimensions of ATM.

Perceived Risk

Perceived risk relates to how an individual reacts to events that may potentially produce uncertain and unfavorable outcomes (Barros and Botelho, 2012). Definitions of risk perception in making investment decisions usually include elements of distrust, adverse consequences, volatility of returns and poor knowledge

(Diacon, 2003). Prospect theory posits that individuals are not risk neutral or completely rational in how they perceive risk. Individuals are almost twice as sensitive to perceived losses as compared to equivalent gains (Rabin & Thaler, 2001).

Psychologically-induced behavioural biases such as anchoring, representative, availability and overconfidence often cloud rationality and perception towards risk (DeBondt *et al.*, 2008). Furthermore, the love of money has been found to be positively correlated with risk tolerance (Tang, Chen, & Sutarso, 2008). An individual's risk threshold may differ as a result of economic and social acculturation, demographics as well as personality (Nga & Leong, 2013; Mayfield, Purdue & Wooten, 2008). In addition, the willingness to take risk has also been posited to moderate the relationship between financial numeracy and financial decisions such as borrowing and savings (Huhmann & McQuitty, 2009). Hence:

H₇: Perception of risk will have an influence on the retention dimension of ATM.

MATERIALS & METHODS

Sampling Design

As the primary purpose of our study is to verify the theoretical generalisability of the conceptual framework depicted in Figure 1, a non-probability, convenience sampling method was utilised. The final sample of our study consisted of 248 undergraduate students from a private higher education institution in the Klang Valley, Malaysia. An anonymous, quantitative survey method was employed.

Measurement Constructs

The various items constituting the chosen constructs of the study were adapted from past empirical studies based on a review of extant literature (refer to Table 1). All constructs have been measured by using 5-point Likert scales.

TABLE 1
Measurement Constructs

Constructs	No. of items	Adapted for the study based on
Attitude towards Money (ATM): - Power/Prestige - Retention - Distrust - Anxiety	8 8 7 8	} Yamauchi and Templar (1982)
Affective Dimension: - Religiosity - Hope	8 8	

TABLE 1 (continue)

Social Dimension: - Parental Influence - Peer Influence - Media Influence	8 8 8	} Developed for this study
Cognitive Dimension: - Financial Awareness - Perceived Risk	10 8	

The reliability of each measurement scale was verified by examining the corresponding Cronbach’s Alpha scores. A Cronbach’s Alpha of 0.70 denotes that the items within the scale display intra-construct consistency (Nunnally, 1978). Construct validity was verified via Factor Analysis to determine inter-construct reliability. The cut-off factor loading of 0.45 is used to identify valid scale items (Hair *et al.*, 2010).

Hypotheses

The dependent constructs of this study are the four (4) attitude towards money (ATM) dimensions of POWER, RETENTION, ANXIETY and DISTRUST. The independent constructs are the affective dimensions (HOPE and RELIGIOSITY), social dimensions (PARENT, PEER and

MEDIA) and cognitive dimensions (FIN_AWARE and PCV_RISK).

In order to address the established research question, four (4) separate runs of the multiple linear regression were conducted. Significance is accessed via the acceptable p-values of less than 0.05 and/or 0.10.

RESULTS & DISCUSSION

Majority of our sample were females (62.5%) and of Chinese descent (77.8%). In terms of reliability, all the constructs yielded Cronbach’s Alpha of above 0.70 except for ANXIETY which was 0.68. The total variance explained for the four dependent constructs are 53.75% and for the seven independent constructs was 53.77%.

Results relating to the study’s independent constructs are as follows:

TABLE 2
Results of Measurement Assessment for Independent Constructs

	Independent Constructs						
	RELIG	PEER	PARENT	P_RISK	FIN_AW	HOPE	MEDIA
ir4 - My whole approach in life is based on my religion.	.879						
ir8 - Holding on to my religious beliefs is more important than any other things in my life.	.875						

TABLE 2 (continue)

ir7 - It is more important for me to be right in the sight of God than men.	.874				
ir6 - I would be lost without seeking guidance from God.	.873				
ir5 - I have a strong sense of God's presence in my life.	.860				
ir3 - I pray for guidance before I make important decisions.	.803				
ir2 - I try hard to live up to my religious beliefs.	.801				
ir1 - It is important for me to spend private time in prayer.	.775				
peer3 - It is important for me to make decisions that are agreeable with my friends.		.740			
peer2 - I often consult my friends before I buy something special.		.693			
peer7 - My friends' opinions matter to me.		.681			
peer5 - I find it difficult to make decisions when my friends are not available.		.647			
peer4 - My friends are able to give me good advice.		.607			
peer8 - I value the advice of my friends.		.563			
peer6 - I will be lost without help from my friends on financial matters.		.545			
peer1 - My friends provide me with important advice on financial matters.		.492			
parent1 - I value advice from my parents on my career choices.			.724		
parent4 - I consult my parents on important decisions in my life.			.684		
parent5 - My parents are an important source of moral support.			.653		
parent2 - I value advice from my parents on my financial matters.			.646		

TABLE 2 (continue)

parent8 - My parents' opinion is of great importance to me.	.633		
parent3 - I share concerns with my parents on everyday matters.	.587		
parent7 - I will not go against my parents' wishes.	.462		
risk8 - The decision to go to university involves great risk.	.776		
risk4 - I am often concerned that my decision to attend university could be a mistake.	.758		
risk5 - I feel that going to university may bring me negative consequences.	.705		
risk6 - I am concerned I may not be able to pay my university tuition fees.	.629		
risk7 - I feel that I might not be able to find a good job with my university degree.	.590		
fa10 - I will do my own research before I invest.	.704		
fa3 - In general, riskier investments offer higher returns.	.643		
fa9 - Financial planning is important to me.	.616		
fa4 - In general, safe investments offer lower returns.	.595		
fa5 - "Get rich quick" generally has high risks.	.558		
fa8 - I keep track of the money I spend.	.474		
hope4 - I am committed to find my dream job.			-.712
hope3 - I will be satisfied only if I am able to find my dream job.			-.705
hope7 - Achieving my dream job is part of my life's greatest goals.			-.697
hope2 - Achieving my dream job is important to me.			-.664

TABLE 3
Results of the Measurement Assessment for Dependent Constructs

	Dependent Constructs			
	POWER	RETENTION	ANXIETY	DISTRUST
power6 - Money reflects a persons' accomplishments in life.	.816			
power7 - Money is a symbol of success.	.790			
power5 - I feel I am successful only if I can earn lots of money.	.760			
power2 - I believe that having lots of money is one of the important signs of a person's wealth.	.677			
power3 - I tend to show more respect to people who are wealthier than I am.	.647			
power8 - Rich people have a lot of influence in society.	.614			
power4 - I sometimes boast about my financial wealth or how much money I make.	.600			
power1 - I sometimes purchase things because I know they will impress other people.	.568			
retention2 - I keep a close watch on how much money I have.		.762		
retention4 - Saving up money is one of my priorities.		.754		
retention3 - I keep a monthly budget to monitor my expenditures.		.725		
retention5 - I believe in being careful with my spending at all times.		.714		
anxiety5 - I worry that I will not have enough money in the future.			.683	
anxiety3 - I cannot control myself from buying at a sale.			.680	
anxiety7 - I am not confident on managing my own finances.			.637	
anxiety8 - I often spend money to make myself feel better.			.545	
anxiety4 - I usually say: "I can't afford it" even when I can.			.529	

TABLE 3 (continue)

anxiety2 - I feel nervous when I don't have enough money.			.513	
distrust7 - I always question the price I have to pay for things.				.792
distrust6 - In general, I hesitate to spend money				.710
distrust5 - If I have to make an expensive purchase, I would feel suspicious about the price.				.632
distrust4 - I think for a long time before I buy things that I need.				.533
Eigenvalues	4.987	3.325	1.831	1.683
Percentage of variance explained	22.666	15.112	8.322	7.652
Cummulative variance explained	22.666	37.779	46.101	53.753
Cronbach's Alpha	0.843	0.839	0.680	0.743
Scale Mean	25.020	14.960	19.800	13.740
Scale Standard Deviation	5.482	2.621	3.766	2.570
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.	0.825			
Bartlett's Test of Sphericity				
Chi-Square	1,841.181			
df	231.000			
p-value	0.000			

With the exception of religiosity, Tables 2 and 3 above indicate that all the independent variables significantly influence at least one or more of the ATM dimensions. Therefore, H_2 is not supported.

Three out of the five variables making up the Social and Cognitive Dimensions (namely, Peer Influence, Media Influence and Financial Awareness) were found to exert significant positive influences on the POWER dimension. Hence, H_{4a} , H_{5a} and H_{6a} are supported at $p < 0.05$. The Beta coefficient indicates that Peer Influence

exerted the largest influence on the POWER dimension followed closely by Media Influence.

The RETENTION dimension recorded the highest model fit, as indicated by a close-to-large Adjusted R-Squared of 22.9% (Cohen, 1992). It is the only dependent variable that shows significant relationships across Affective (Hope), Social (Parental and Media) and Cognitive (Financial Awareness) Dimensions. More specifically, H_{1b} , H_{3b} , H_{5b} and H_{6b} are supported at $p < 0.05$. The Beta coefficients indicate that Financial

Awareness has the largest explanatory power on RETENTION followed by hope, media and parental influence, respectively.

Peer Influence was found to have a positive influence while Financial Awareness has a negative influence on ANXIETY. This indicates support for H_{4c} and H_{6c}. Based on the derived Beta coefficients; Peer Influence had a greater influence as compared to Financial Awareness.

Parental and Peer Influence exerted significant influences on DISTRUST at p<0.05 and p< 0.10, respectively. As such, H_{3d} and H_{4d} are supported. Both Cognitive Dimensions (Financial Awareness and Perceived Risk) were found to exert positive influences on DISTRUST, and these support H_{6d} and H_{7d}.

TABLE 4
Results of the Multiple Linear Regression

Independent Variable	Ref	Attitude towards Money Dimensions Dependent Variable			
		(a) POWER	(b) RETENTION	(c) ANXIETY	(d) DISTRUST
(Constant)		5.895	.777	12.667 *	-.526
HOPE	H1	.165	.121 *	.067	.029
RELIGIOSITY	H2	-.066	-.005	.050	.002
PARENT	H3	-.078	.089 **	.018	.128 *
PEER	H4	.276 *	-.022	.113 **	.065 ***
MEDIA	H5	.309 *	.097 **	.064	.057
FIN_AWARE	H6	.235 **	.327 *	-.142 ***	.232 *
PCV_RISK	H7	.084	.045	.217	.160 *
Adjusted R-Squared		0.115	0.229	0.086	0.183
F-Statistic		5.379 *	10.970 *	10.970 *	8.480 *
* p-value < 0.01		** p < 0.05		*** p < 0.10	

The various findings summarised and reported in Table 4 above, when considered concurrently, reveal a number of key underlying trends.

First, the findings suggest that parents are influential in encouraging savings (Sabri *et al.*, 2011) and in developing a restraint

tendency in spending (by cultivating in their children a healthy dose of distrust). Consistent with Palmer *et al.* (2001), parents are indeed good role models for their children's savings and spending behaviours as consumers. However, many parents may grant their children more liberal access

to money, partly to compensate for the more limited “parental time and affection” devoted and pressure to maintain a certain social status. As such, parental influence in curbing materialistic values is under threat of insignificance (Chan, 2013). Children need to develop a healthy ATM and parental restraint on the use of money as educational reinforcements towards personal financial planning is necessary.

Second, where parental influence is lacking, peer influence acts as an influential substitute. Peer influence has strong positive influences on power/prestige and anxiety aspects, and to a certain extent, on distrust. Although insignificant, it is interesting to note that peer influence is negative on the retention dimension. Thus, in general, peer influence seems to be a double-edged sword. The positive influence on power/prestige reinforces previous research findings that peer influence has on materialistic values (Blázquez & Bonáz, 2013; Chan, 2011).

Third, the media can be an effective educational reinforcement of financial planning besides being an influential tool for consumerism. Furthermore, the media seem to be able to suppress negative perceptions of money (i.e., insignificant influence on the distrust and anxiety components). This may suggest some bias in the messages emphasised by the media, especially those that are aimed at young adults. Perhaps, regulators should work closely with the media to promote and reinforce the importance of financial planning education and in promoting more

noble money values among these young minds.

Finally, in terms of financial awareness, the findings of this study show that it exerts positive influences on the power/prestige, retention and distrust aspects of ATM and a negative impact on anxiety. The “illusion of control” bias may cause overconfidence in one’s financial knowledge and lead to excessive risk-taking in investments and/or spending behaviours (Hansen, Kutzner, & Wänke, 2012).

On the contrary, good financial awareness may promote more criticality (i.e., distrust) regarding the appropriateness of one’s financial decisions. Also, increased financial awareness is found to have a positive influence on retention. The role of hope, as a psychological pillar in spurring the need to accumulate savings as a life stressor, is also reinforced (Valle *et al.*, 2006).

CONCLUSION

Overall, this study has shown that the development of ATM requires holistic integration of cognitive, social and affective dimensions. As the nurturing of values and beliefs takes time, proper ATM needs to be consciously reinforced by a concerted effort by society, educators and the relevant governmental authorities at an earlier stage in life.

This is because poor inter-generational financial planning and misguided ATM may result in high collective burden of debt which leads to unnecessary stress, social hardship, additional burden in terms of

social welfare, incidences of bankruptcy, as well as contribution to persistent poverty.

In terms of policy implications, a highly indebted Generation Y with poor financial management and planning skills do not augur well for Malaysia's vision of becoming a developed nation by 2020. This study has shown that while financial awareness/literacy is important, it needs to be complemented by proper parental, media and peer supports to succeed in inculcating a young individual's value of money.

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