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Promoting Financial Well-Being through Financial Literacy for Gen Z

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The phenomenon of 'living paycheck to paycheck' among Gen Z has become one of the barriers for Gen Z to be financially prepared for emergencies. This statement is also supported by information from the US National Association of Plan Advisors (NAPA) that Gen Z has the lowest level of financial literacy. This research method implemented is a quantitative descriptive approach. To collect data from 219 domestic migrant college students (Gen Z) in the Jabodetabek Area of Indonesia, the paper uses a survey by questionnaire method with the simple random sampling technique. The study constructs demonstrated acceptable validity and reliability indices based AVE, Cronbach's Alpha, and Composite Reliability (CR) values. Among domestic migrant college students (Gen Z) in the Jabodetabek Area of Indonesia, financial literacy significantly improves their financial well-being. Furthermore, it has been shown that Financial Self-Efficacy does mediate the effect of Financial Literacy on the Financial Well-Being of Domestic Migrant College Students (Gen Z). Thus, the results of this research confirm the mediation effect, establishing that Financial Literacy significantly influences Financial Well-being through the mediating factor of Financial Behavior. Measurement is carried out on the objective measure and the findings of this study can be used as a reference to understand financial literacy optimally.

Keyword: Financial Well-Being, Financial Literacy, Financial Self-Efficacy, Financial Behavior, Gen Z

Introduction

Studies on financial well-being are in their preliminary phases, and there are no universally recognized methods to effectively gauge its fundamental components (Brüggen et al., 2017). There are broad dimensions that categorize the critical elements of financial well-being, which are "preparedness for emergencies", "perceived financial security", and "current money management stress" (Lone & Bhat, 2022).

The phenomenon of "living paycheck to paycheck" among Gen Z has become one of the barriers for Gen Z to be financially prepared for emergencies. It is supported based on the Deloitte Global 2023 Gen Z and Millennial Survey, which stated that 51% of Gen Z live paycheck to paycheck (Deloitte, 2023). In addition, according to the 2022 Gen Z Indonesia Report, 39% of Gen Z are not interested in investments (Utomo & Heriyanto, 2022). A substantial segment of the Gen Z demographic remains financially vulnerable, despite their daily efforts to manage and overcome the economic challenges they face. This financial vulnerability persists as they navigate the complexities of modern financial systems, often struggling to balance their limited resources with rising living costs and economic pressures. Their ongoing attempts to achieve financial stability

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highlight the need for enhanced financial literacy and support systems to better equip them for the economic realities of life (Kovács et al., 2021). Those data indicate that Gen Z is still lacking in readiness to face future financial emergencies and manage their finances now, as well as understand financial security. More specifically, there are broad dimension that categorizes the critical elements of financial literacy: financial awareness, financial experience, and financial skills (Lone & Bhat, 2022). Acquiring financial literacy is a process that entails obtaining vital financial knowledge and skills necessary for making informed decisions. This includes understanding and using complex financial instruments, grasping the workings of the financial system, evaluating various investment opportunities, and making choices that are well-considered and strategic. Financial literacy empowers individuals to manage their finances effectively, helping them to achieve financial stability and security by navigating the often intricate and challenging financial landscape with confidence and competence (Ghasarma et al., 2017). Further, a prior study asserted that financial literacy is vital for effectively attaining financial well-being (Pahlevan Sharif et al. 2020).

In relation to that matter, the US National Association of Plan Advisors (NAPA) informs that Gen Z has the lowest level of financial literacy. Further, The National Survey of Financial Literacy and Inclusion in 2019 showed that Indonesia's national financial literacy index was only 38.03%. Thus, it means many Indonesians still need to be financially literate with proper knowledge regarding financial services, financial products, or financial instruments. Moreover, Indonesia's 2019 financial inclusion rate is 76.1% (Otoritas Jasa Keuangan, 2019), indicating that people in Indonesia needed to use financial instruments more effectively. As a result, Gen Z needs to start building valuable financial habits and increase their financial literacy.

In relation to financial well-being, prior research has suggested that human behavior can be shaped and managed through financial self-efficacy in order to achieve a desired outcome, (Danes & Haberman, 2007). Thus, it is critical to have knowledge and confidence to make decisions. In this context, financial self-efficacy serves as a crucial intermediary factor in the relationship of financial literacy and financial well-being. The financial well-being is affected by financial behavior, which is impacted by diverse financial interventions (Brüggen et al., 2017). Thus, financial behavior acts as an intermediary, transmitting the impact of various factors on financial well-being (Gutter & Copur, 2011).

Alongside previous research, there has been a rapid increase in internal migration of Indonesian citizens, particularly citizens outside from Java Island migrates to Java Island, in specific Jabodetabek (Jakarta, Bogor, Tangerang, Depok, Bekasi) Areas (Handayani & Kumalasari, 2015), which the urbanization rate is also increasing from 2012 to 2022, that reach 57,93% in 2022, (Statista, 2024). Those data indicate that there are a lot of migrant citizens in the Jabodetabek area. Prior studies on financial well-being haven't raised and identified the conditions of the financial well-being of migrant citizens, specifically those migrant students in the Jabodetabek area. In particular, research only reveals that financial literacy can lead to financial well-being, as well as between financial self-efficacy and financial well-being (Lone & Bhat, 2022). Therefore, the present research aims to determine the gap by examining the role of Financial Self-efficacy and Financial Behaviour as intermediaries in the Financial Literacy and Financial Well-being relationship on Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia.

Framework

Financial Literacy to Financial Well-Being

Based on various theoretical studies on financial literacy, suggest that individuals who possess a solid understanding of fundamental financial concepts are more inclined to make prudent decisions in managing their finances (Dai et al., 2021; Kartawinata et al., 2021; Widyastuti et al., 2020; Zulfiqar & Bilal, 2016). Previous research affirmed that financial literacy positively impacts financial well-being (Kolade et al., 2022; Mahdzan et al., 2019; Sabri, Abd Rahim, et al., 2020). The study was conducted to see financial literacy from the women's side, whether working women understand well about financial concepts properly and can manage their financial decisions that are closely related. The financial well-being to be the outcome of financial literacy (Zulfiqar & Bilal, 2016).

In addition, it asserts that financial literacy is the key determinant of financial well-being among university students Gen Z at Greek University, Greece. Furthermore, Generation Z in Greek Universities who have high financial literacy have the potential to achieve prosperity in the future (Philippas & Avdoulas, 2020). Another study shows that enhancing digital financial literacy can reduce the risk of poverty during income shocks (Choung et al., 2023). Given that prior research focuses on the effect of financial literacy, this study applies these findings to scientific research methods on Gen Z Domestic Migrant College Students in Indonesia. As a result, we generate this hypothesis:
Hypothesis 1: Financial Literacy has a significant influence on Financial Well-being.

Mediating Role of Financial Self-efficacy

Self-efficacy is an individual's belief that they can manage personal finances by utilizing the knowledge they have (Farrell et al., 2016). As an individual's confidence in their financial capabilities increases, so does the potential for accumulating positive outcomes in the future (Brüggen et al., 2017; Farrell et al., 2016). Previous research explained that financial self-efficacy can be achieved if individuals are financially literate (Noor et al., 2020). The results show that the average respondent who has good financial literacy also has good financial confidence in managing finances. Furthermore, there is a previous study that used college students in China who were registered as online consumer credit to find out the relationship between financial literacy and financial self-efficacy. As a result, both objectively and subjectively financial literacy positively affects financial self-efficacy (Liu & Zhang, 2021).

In addition, other studies reveal that financial literacy significantly affects financial self-efficacy (Lone & Bhat, 2022). Still, the same research, explained that financial self-efficacy significantly affects financial well-being. Individuals who have high financial self-efficacy can elicit self-disciplined responses that are very helpful in facing challenges and achieving long-term financial goals. As a result, we generate this hypothesis:
Hypothesis 2: Financial Self-Efficacy Mediates the Influence of Financial Literacy on Financial Well-being.

Mediating Role of Financial Behaviour

Individuals with good financial behavior are inclined to be proficient in the effective use of money, adept at managing and controlling savings, and investments, and ensuring timely bill payments (Hasibuan BK et al., 2018). Empirical evidence suggests that Financial Behaviour acts as a crucial factor in empowering the Financial Well-being of the younger generation, as elucidated through clear and conclusive mediation analysis. This research is also in line with another study indicating that the enhancement of Financial Literacy contributes to increased proactive behavior and self-confidence, ultimately impacting Financial Well-being positively (Xiao & Porto, 2017).

Almost the same as the object of research (Xiao & Porto, 2017), this study also focuses on the financial literacy and the financial behavior of undergraduate students in Nigeria. Financial literacy affects financial behavior in the form of decision-making into the conclusions obtained in this study (Kolade et al. 2022). Several recent studies have found that healthy and positive financial behavior must be based on being financially healthy. Some factors that can show a person has healthy financial behavior can be seen in his credit management and regular savings. The achievement of healthy financial behaviour can bring individuals to achieve a higher level (Lusardi & Messy, 2023; Xiao, 2008). As a result, we generate this hypothesis:

Hypothesis 3: Financial Behaviour Mediates the influence of Financial Literacy on Financial Well-being.

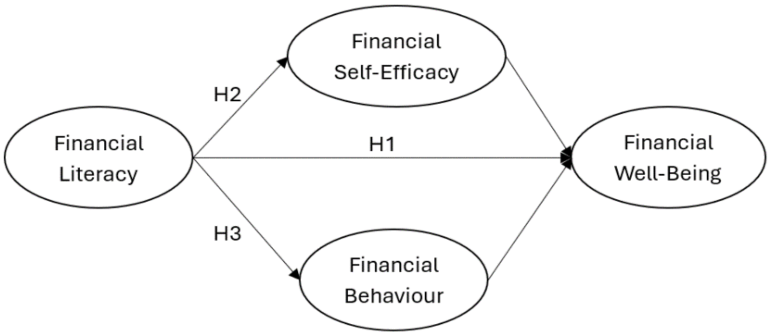

Figure 1. Research Framework

Methods

The research method implemented is a quantitative descriptive approach and uses cross-sectional data (Wang & Cheng, 2020). Furthermore, this research collects data by distributing questionnaires to Gen Z Domestic Migrant College Students in Indonesia. This study uses a Likert Scale with five response categories (1: Strongly Disagree, 2: Disagree, 3: Somewhat Agree, 4: Agree, 5: Strongly Agree) as a variable measurement scale.

Table 1. Questionnaire Variables

Variable	Definition	Indicators	
Financial Behaviour (FB)	People who have good skills in managing their money, including controlling savings, and investments, and ensuring timely bill payments (Hasibuan et al., 2018).	FB1	I am confident in my financial condition
		FB2	I have a comprehensive strategy for my retirement finances.
		FB3	I follow the latest investment trends and products on the market.
Financial Literacy (FL)	According to the Otoritas Jasa Keuangan (2016), financial literacy significantly influences an individual's actions, enhancing the decision-making process related to finance because financial literacy equips individuals with proficiency utilization of financial products.	FL1	I consistently monitor my monthly expenses
		FL2	I am experienced in investing in the stock market.
		FL3	I consistently make an effort to spread out my investments.
Financial Self-efficacy (FSE)	This encompasses the application of financial knowledge and skills to make prudent financial decisions and manage monetary resources effectively. Such self-assurance is foundational in financial behavior, empowering individuals to proactively address their financial needs, navigate fiscal challenges, and make strategic choices that foster long-term stability and overall well-being. This confidence is not merely about managing finances day-to-day but also involves setting and achieving broader financial goals through deliberate and informed actions (Bandura, 1988; Farrell et al., 2016).	FSE1	I am capable of creating a strategy to reach my financial objectives.
		FSE2	I am able to locate resources that can assist me in resolving financial issues.
		FSE3	I am capable of investing my savings effectively to reach my financial objectives.
		FSE4	I can provide for emergency expenses.
Financial Well-being (FWB)	An individual's perception of their ability to sustain both their current lifestyle and future aspirations regarding living standards and financial independence. It encompasses the confidence that one's financial resources are sufficient to cover daily needs, manage	FWB1	I can allocate enough money to ensure my future life
		FWB2	I am comfortable with my current financial situation.
		FWB3	I can enjoy life because I believe in my financial situation.

Variable	Definition	Indicators	
	unforeseen expenses, and support long-term goals, without experiencing undue stress or anxiety (Brüggen et al., 2017).	FWB4	I am content with my current financial situation.

The Indonesian population can be categorized based on age into six distinct generations, as classified by the Badan Pusat Statistik (BPS) Indonesia: Post Generation Z, Generation Z, Millennials, Generation X, Baby Boomers, and Pre-Boomers. According to BPS Indonesia, Generation Z comprises individuals born between 1997 and 2012 (Badan Pusat Statistik, 2020). This study focuses on Indonesia's Generation Z, identified in the 2020 population census by BPS Indonesia, which amounts to approximately 74.93 million people or 27.94% of the total population (Utomo & Heriyanto, 2022).

Specifically, the research targets the Generation Z population within the geographical region known as "Jabodetabek," a metropolitan area encompassing DKI Jakarta, Tangerang Regency, Tangerang City, Depok City, Bogor City, Bogor Regency, Bekasi City, and Bekasi Regency. A sample, representing a subset of the population, serves as the actual data source for this study. The selected sample must accurately reflect the entire population under investigation (Amin et al., 2023). This research utilizes a Probability Sampling method, focusing on Simple Random Sampling. By employing this technique, the data collection process is conducted randomly, ensuring that the sample is representative of the broader population and reducing potential biases in the selection process. This method enhances the reliability and validity of the research findings, as it allows for generalization of the results to the entire population (Firmansyah et al., 2022).

To determine the sample size, the study uses the approach developed by Krejcie & Morgan, based on a Population Proportion of 50%, a Margin of Error of 5%, and a Confidence Level of 95%. The following is the calculation formula for the minimum sample size.

$$S = \frac{X^2 NP(1-P)}{d^2(N-1) + X^2\,P(1-P)}$$

$$S = \frac{[(1{,}645)^2\,][12{,}212{,}925][0.5](1-0.5)}{[(0.05)^2](12{,}212{,}925-1) + [(1{,}645)^2\,[0.5](1-0.5)} = 134{,}758$$

Therefore, we gathered data from 219 respondents who participated in the study, where the reasons are Handling Lost or Invalid Data, Increasing the Power of Statistics, Controlling Data Variability and. Improve Accuracy and Precision of Results.

The indicators used to assess the different constructs in this study have been adapted from previous research. The Financial Well-Being variable is evaluated based on three key elements: (1) preparedness for emergencies, (2) perceived financial security, and (3) current money management stress. The Financial Literacy variable, in this research, is measured across three dimensions: (1) financial awareness, (2) financial experience, and (3) financial skills (Lone & Bhat, 2022).

For Financial Self-Efficacy, the study utilizes four dimensions: (1) saving and investing, (2) knowledge about financial resources, (3) financial goals achievement, and (4) cash flow management and credit basis (Nguyen, 2019). Additionally, the Financial Behaviour variable is measured using six dimensions: financial planning, financial execution, vigilance, financial discipline, financial control, and outsourcing financial services (Rousseau & Venter, 2019).

The study employs PLS-SEM data analysis techniques to optimize the variance explained by the latent variables, particularly focusing on financial self-efficacy and financial behavior as mediating variables.

Results

Validity and Reliability Test

This study examines convergent validity to establish the credibility of the data, quantifying the strength of the correlation between constructs and latent variables.

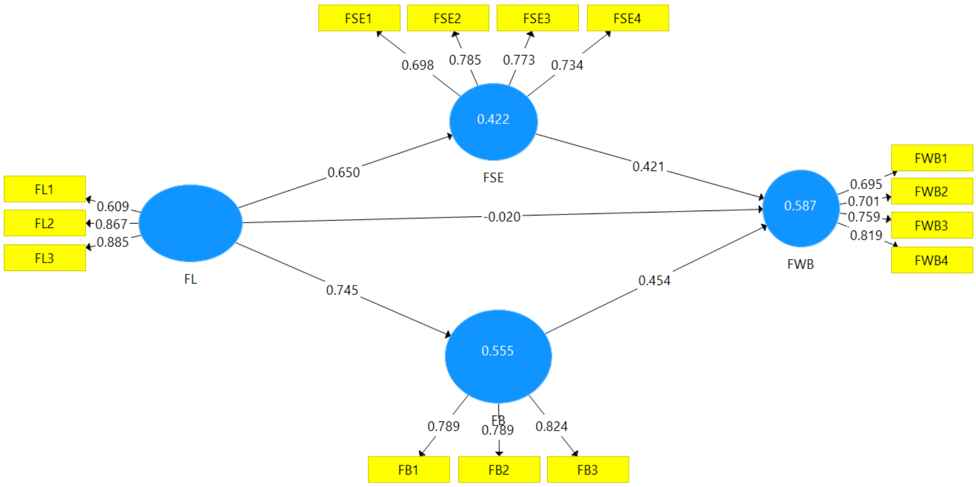

Figure 2. Outer Model

To validate each loading factor, it is imperative to ensure that the value from each loading factor is between ≥ 0.5 for validity (Hair et al., 2019). The values of each loading factor are ≥ 0.5.

Table 3. Outer Loading

Indicators	FB	FL	FSE	FWB
FB1	0.789			
FB2	0.789			
FB3	0.824			
FL1		0.609		
FL2		0.867		
FL3		0.885		
FSE1			0.698	
FSE2			0.785	
FSE3			0.773	
FSE4			0.734	
FWB1				0.695
FWB2				0.701
FWB3				0.759
FWB4				0.819

Table 3 shows that each outer loading is > 0.5. It can be concluded that the indicators are convergently valid.

Table 4. Validity and Reliability Test Result

Variable	Cronbach (alpha)	CR (rho a)	CR (rho c)	AVE
Financial Behaviour	0.721	0.726	0.843	0.641
FL	0.702	0.749	0.836	0.635
FSE	0.739	0.745	0.836	0.560
FWB	0.733	0.750	0.833	0.556

Each of the research variable's AVE values should be equal to or greater than 0.5 to be considered convergently valid (Hair et al., 2019). However, AVE values below 0.5 can be accepted as convergently valid if the composite reliability (CR) is ≥ 0.7. The AVE values for each variable in the research are ≥ 0.4 and the CR values for each variable are ≥ 0.7 (high validity). Notably, the interpretation of Composite Reliability (CR) aligns with that of Cronbach's Alpha. Particularly, a value ≥ 0.7 indicates acceptable reliability, while a value ≥ 0.8 signifies excellent reliability. Moreover, the recommended maximum value of Cronbach's Alpha is 0.95 to avoid redundancy of indicators (Hair et al., 2019).

Table 5. Discriminant Validity - Fornell Larcker Criterion

	FB	FL	FSE	FWB
FB	0.801			
FL	0.745	0.797		
FSE	0.598	0.650	0.748	
FWB	0.690	0.591	0.679	0.745

(Hair et al., 2014) For a construct to demonstrate discriminant validity, the square root of its AVE must exceed its highest correlation with any other variable. If this criterion is not satisfied, it indicates potential overlap between constructs. As presented in Table 5, each variable in the model satisfies this criterion, with the variance shared between the construct and its indicators exceeding the variance shared with other constructs, thereby confirming good discriminant validity.

Hypothesis Test

The theory claims that the p-value needs to be ≤ 0.05, to be considered as having significant relations or effects (Hair et al., 2019).

Table 6. Total Indirect Effect

	Original Sample	Sample Mean	STDEV	T Statistics	p-values
FL → FWB	0.611	0.612	0.055	11.177	0.000

Table 6 shows that the total indirect is 0.611. This number indicates the effect of FL on the FWB of Domestic Migrant College Students (Gen Z) through the mediation of FWB and FSE. The specific indirect effect of each mediation can be shown in Table 7.

Table 7. Specific Indirect Effect

	Original Sample	Sample Mean	STDEV	T Statistics	p-values
FL → FB → FWB	0.338	0.331	0.067	5.074	0.000
FL → FSE → FWB	0.273	0.279	0.054	5.080	0.000

As foreseen in Hypothesis 1, Financial Literacy significantly influences or impacts the Financial Well-being of Domestic Migrant College Students (Gen Z). As for Hypothesis 2, the results prove that Financial Self-Efficacy does mediate the influence of the Financial Well-being of Domestic Migrant College Students (Gen Z). The results, also confirm the idea of Hypotheses 3. The mediation effect establishes that Financial Literacy significantly influences Financial Well-being through the mediating factor of Financial Behavior. Thus, both Hypotheses 2 and 3 are proven, with the p-value for each hypothesis being below the 0.05.

Table 8. Path Coefficients – Mean, STDEV, T values, p-values

	Original sample	Sample mean	STDEV	T statistics	p-values
FB → FWB	0.454	0.443	0.087	5.200	0.000
FL → FB	0.745	0.748	0.031	24.399	0.000
FL → FSE	0.650	0.651	0.046	14.252	0.000
FL → FWB	-0.020	-0.016	0.074	0.270	0.787
FSE → FWB	0.421	0.427	0.074	5.725	0.000

Besides that, the p-value for FL to FWB can be seen in Table 8. Previous research highlights that a substantial number of Generation Z individuals remain financially vulnerable, largely due to their ongoing lack of financial literacy. Despite growing up in an era of abundant information and digital tools, many within this generation struggle to manage their finances effectively. This gap in financial knowledge contributes to their susceptibility to financial challenges, underscoring the need for targeted education and resources to enhance their financial well-being and stability (Dai et al., 2021; Kartawinata et al., 2021; Widyastuti et al., 2020; Zulfiqar & Bilal, 2016). Thereby, the expected result is to determine the gap by examining the role of FSE and FB as intermediaries in the impact of FL on the FWB of Domestic Migrant College Students (Gen Z) in Jabodetabek Area of Indonesia. The results reveal that Hypotheses 1, 2, and 3 were supported, and that each independent latent variable and the mediating variable does have a significant influence on its dependent latent variable.

Hair et al., (2014) state that the p-value must be ≤ 0.05 to be said to have a significant relationship or influence. As predicted in Hypothesis 1, FL has a significant positive influence or impact on the FWB of Domestic Migrant College Students (Gen Z) in Jabodetabek Area of Indonesia, and this can be proven by the p-value of FL on FWB in Table 8 which shows the number 0.787, in this case FL requires a mediating variable to significantly influence FWB, this can be seen through the p-value of FL on FWB with FWB and FSE as mediating variables.

Table 9. Coefficient of Determination [R-Square (R^2)]

	R-square	R-square adjusted
FB	0.555	0.553
FSE	0.422	0.419
FWB	0.587	0.581

The analysis results indicate that Financial Literacy (FL) as an independent variable significantly influences Financial Well-Being (FWB), accounting for 58.7% of the variance. The remaining 41.3% is attributed to other factors.

Table 10. f-Square (f^2)

Correlation	Effect Size (f^2)	Information
FL → FSE	0.730	Large
FL → FWB	1.248	Large
FWB → FWB	0.211	Medium
FL → FWB	0.000	No effect
FSE → FWB	0.235	Medium

On the other hand, the effect size f^2 is a statistical measure used to assess the impact of an independent variable on a dependent variable within a model. Specifically, it evaluates how much the inclusion of a particular independent variable contributes to the explanatory power of the model. This measure is essential for understanding the strength and importance of the relationships within the model.

Table 11. Q-Square (Q^2)

	SSO	SSE	Q^2
FWB	87.000	603.387	0.311

The Q^2 value, also known as Stone-Geisser's Q^2, is a metric used to evaluate the predictive relevance of a model. It assesses the model's ability to predict data that was not included in the model estimation process. A Q^2 value greater than zero indicates that the model has predictive relevance, meaning it can accurately predict new, unseen data. This measure is crucial in determining the model's robustness and generalizability, ensuring that the model's predictions are not just a result of overfitting to the specific dataset used for estimation but can be applied to other data sets as well (Hair et al., 2014). A Q^2 value > 0 indicates that the model has predictive relevance for the dependent variable and if the predicted value is close to the actual omitted value, the model shows high predictive accuracy (Hair et al., 2014). In Table 11, the Q^2 value is above 0, indicating high predictive accuracy. (Dai et al., 2021; Kartawinata et al., 2021; Widyastuti et al., 2020; Zulfiqar & Bilal, 2016), demonstrating the crucial role of financial literacy in shaping individual behaviors related to financial management. Likewise, the results of this study confirm that Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia generally

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possess a solid understanding of fundamental financial literacy and are more inclined to achieve financial well-being.

This study also proves a few of the theories from earlier studies (Lone & Bhat, 2022; Sabri, Wijekoon, et al., 2020; Wang & Cheng, 2020), that The study reveals a significant relationship between Financial Literacy and Financial Well-being, highlighting that higher financial literacy leads to better financial well-being. Additionally, the research confirms that Financial Behaviour plays a mediating role in this relationship, enhancing the impact of financial literacy on financial well-being. Furthermore, the study supports previous findings by demonstrating that Financial Self-efficacy also serves as a mediating factor, further strengthening the connection between financial literacy and financial well-being(Lone and Bhat 2022). This suggests that Domestic Migrant College Students from Generation Z in the Jabodetabek Area of Indonesia generally possess the capability to sustain their current and future aspirations for living standards and financial independence, thereby reinforcing the theory of Financial Well-being (Brüggen et al., 2017). Further, these research outcomes support the idea of adept capabilities of Domestic Migrant College Students (Gen Z) in managing and controlling savings, and investments, and ensuring timely bill payments. In other words, the findings of this study validate the previous study (Hasibuan et al., 2018). Besides, this result aligns with the idea from prior research (Xiao, 2008), that Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia can handle cash, credit, and savings effectively.

The outcomes of this research also uphold the concept from former studies that Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia can demonstrate the proposed dimensions of financial self-efficacy (Nguyen, 2019). In this context, they can manage tax filing, protect themselves from identity theft, solve financial problems, and detect financial fraud. Moreover, the findings of this study support the notion that Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia are adept at the decision-making process related to finance in the pursuit of financial well-being. Additionally, the output affirms prior research regarding the three dimensions of financial literacy, indicating that Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia have a solid understanding of basic financial fundamentals and financial products (Lone & Bhat, 2022).

Conclusion

In the face of rapid changes and financial planning uncertainty due to the phenomenon of 'living paycheck to paycheck, every individual needs to make effective and healthy personal financial decisions to secure financial well-being. A learned person is considered able to plan and manage his finances wisely to achieve his financial well-being. Although there have been several studies conducted with the use of the same variables and have reached more than various layers in the community. However, research discussing Domestic Migrant College Students (Gen Z) in the Jabodetabek Area of Indonesia hasn't been contained in the extant literature.

Hypothesis 1 in this research shows Financial Literacy has a significant positive influence on Financial Well-being of Gen Z Domestic Migrant College in Indonesia. Regarding Hypothesis 2, it is proven that FSE mediates the influence of Financial Literacy on the Financial Well-being of Gen Z Domestic Migrant College in Indonesia. Likewise, the outcomes of this research confirm the idea of Hypotheses 3. The analysis confirmed that Financial Literacy has a significant impact on Financial Well-being, mediated by Financial Behaviour.

The results of all hypotheses support that there is an important role of financial literacy in shaping individual behavior related to financial management. Moreover, the findings confirm that Domestic Migrant College Students (Gen Z) generally have a strong understanding of the basis of Financial Literacy. It can be conceded that they can manage matters related to finances optimally such as managing tax filings, protecting themselves from identity theft, solving financial problems, and detecting financial fraud In addition, this study also supports the idea that Domestic Migrant College Students (Gen Z) are proficient in finance-related decision-making in pursuit of Financial Well-being.

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