Influences on Gen Z's Financial Choices in Pokhara: Drivers of Money Management Behaviour

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Nabin Bahadur Adhikari[1], Bipin Bahadur Adhikari[2], Resam Lal Poudel[3]

[1] Tribhuvan University, Prithivi Narayan Campus, Pokhara

[2] Prithvi Narayan Campus, Pokhara

[3] Prithvi Narayan Campus, Pokhara

Corresponding Author
Nabin Bahadur Adhikari
Prithvi Narayan Campus, Tribhuvan University, Nepal
kazinabin3@gmail.com
https://orcid.org/0009-0005-1103-6855

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Abstract

Objectives: This paper examines the factors of personal financial management behaviour among Gen-Z and analyzes the relationship and impact of those driving forces on the money management behaviour of the same generation in Pokhara Metropolitan City.

Methods: It takes an exploratory research design to explore the drivers of money management behaviour. Likewise, the exploratory factor analysis has been utilized to complete the research work. Furthermore, it employs a quantitative approach to describe the variables and uses a causal comparative research design to examine the link and impact between the variables. Data were collected by using a structured questionnaire from a sample of 384 people of the Gen Z category in Pokhara Metropolitan City by following the idea of Cochran (1977). The dual method 'drop and collect' and the Google form were used to accumulate the data.

Results: The four major constructs were identified based on EFA. This study found that there is a significant positive relationship between driving forces and MMB. Regression analysis further confirms that LoC, FinL, and FinK have a significant positive effect and are considered as major drivers for the personal money management behaviour, whereas FinS is a negative driver for the personal money management behaviour of Gen-Z. About 63% can be explained by the four identified variables.

Conclusion: The driver for the personal money management behaviour of Gen-Z is Locus of control, followed by Financial Literacy, and a negative driver, according to finding is Financial Stress. About 63% can be explained by the four identified variables through EFA, which may stimulate the upcoming researcher to conduct further research in this area.

Keywords: Behaviour, financial knowledge, financial literacy, financial stress, Gen-Z, locus of control.

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Introduction

The management, production and study of money, investments and other financial instruments are all included in the field of finance. Moreover, budgeting, saving, investing, and landing are also part of it. Borrowing and risk management are some of the tasks involved in this area. At its core, finance focuses on understanding how individuals, businesses, and governments manage and allocate their financial resources to achieve specific goals. Personal finance, corporate finance and public finance are the types of finance. However, in the context of personal finance, it refers to how individuals make decisions about managing their income, expenditures, savings, and investments, aiming for financial stability and long-term growth. Personal finance is crucial for individuals to manage their financial well-being, plan for the future, and navigate unexpected financial challenges (Ricciardi & Simon, 2000). Effective money management has emerged as a critical component of enhancing life quality. According to Kholilah and Iramani (2013), money management behaviour is the capacity of people to perform both short-term and long-term financial functions (planning, control, search and storage). While Weston and Brigham (1981) defined financial management behaviour as a branch of financial decision making that balances individual motivations with organizational objectives, Van and Wachowicz (2008) proposed financial management behaviour as the identification, acquisition, allocation and utilization of financial resources, typically with an overall goal in mind. Syaliha et al. (2022) explained that personal money management behavior refers to the choices and actions people make in order to manage their money and finances. The ability of individuals to manage their own financial resources, including savings, investments and spending, has been used to measure the success of personal financial management (Garman & Forgue, 2011). McCannon (2014) asserted that a person's behavior about amassing money is influenced by their financial literacy. This suggests that having good money management abilities is one of the most essential conditions for success in life. According to Joo (2008), good money management practices should enhance financial well-being, whereas poor money management can have major, long-term negative social and societal consequences.

Economic factors such as the rising cost of living, inflation, and limited job opportunities in certain sectors have contributed to a growing awareness of the importance of money management among the youth. Many Gen-Z individuals, particularly students and early professionals, struggle to make ends meet due to the imbalance between income and expenditure. Additionally, the growing influence of social media and peer pressure has led to increased consumerism, with many young According to Joo (2008), effective personal financial behavior is associated with financial well-being, but ineffective people feel the need to spend on trending products or experiences. However, the lack of adequate financial literacy education in schools and universities further exacerbates poor financial management practices. Resource management might have detrimental lasting effects. Therefore, in order to prevent bankruptcy, chronic debt, low savings, have a better retirement life and have a positive relationship with their family, it becomes imperative that they adopt appropriate money management practices and recognize the variables influencing them. Young adults, particularly students and those entering the working class, must make tough financial decisions in the current difficult climate due to increasing debt (Bapat, 2020). The research work of Prihartono and Asandimitra (2018) revealed that locus of control had little bearing on money management behaviour, while knowledge had no effect on it. Instead, financial literacy and attitude had a substantial impact. Herawati et al. (2018) showed that financial behavior was positively and significantly impacted by financial literacy, financial self-efficacy, and socioeconomic standing. In the existing literature, some of the important factors of personal money management behaviour have been explained. It was revealed that financial attitude (Herawati et al., 2018; Halim & Setyawan, 2021; Syaliha et al., 2022), Locus of control (Abriani et al., 2020; Komarudin et al., 2021; Setianingsih et al., 2022;

Syaliha et al., 2022), and financial stress (Chuah et al., 2020; Goyal et al., 2022; Setianingsih et al.,2022) influenced the behaviour of money management. Furthermore, it was also found that self-control is related to money management behavior (Halim & Setyawan, 2021; Ruslim et al., 2022; Mardiana & Widoatmodjo, 2023). According to Dewi et al. (2023), the personal money management of Gen- Z in the Buleleng Regency was influenced by psychological bias factors, financial literacy, individual emotional intelligence, and financial knowledge. Phuong et al. (2023) found that personal money management behavior was greatly improved by general financial understanding and financial attitude. Ansar et al. (2023) showed that financial literacy and attitude had a significant positive impact on young Malaysians' financial management habits. In addition, although there is empirical evidence in other nations, it is lacking in Nepal at the moment, especially in the Pokhara Metropolitan City. This paper assesses the factors that affect personal money management behaviour, whether there is an association between personal money management behaviour and its factors and aims to examine the impact of identified factors on the personal money management beheviour among Gen Z in Pokhara.

Review of Literature

The paper is basically based on the theoretical ground of goal setting theory developed by Hollenbeck et al. (1989) because individual performance on related tasks is likely to be influenced by their own goals, and financial management practices of Gen-Z can influence how they develop, commit to and carry out personal financial objectives. Theory of planned behaviour (Ajzen, 1991), suggested that factors like attitude toward the conduct, subjective standards and perceived behavioral control shape behavioural intention, which in turn drives behaviour. Social Learning theory developed by Rotter (1954) emphasizes that people learn via seeing and coping the behaviours of others in addition to their own experiences. Another theoretical basis for this article is Behavioural Life Cycle Hypothesis (Modigliani & Brumberg, 1954) because people mentally segregate their money into several accounts, such as present income, current assets, and future income, and self-control, mental accounting, and framing all have an impact on how they spend and save. The basis for the development of a hypothesis for this study is the above-mentioned theories and the previous empirical study, as follows.

Financially literate people are better equipped to take initiative and make decisions that improve their daily money dealings. Herawati et al. (2018) showed that there was a positive and significant effect of financial literacy on financial behavior. Likewise, Halim and Setyawan (2021) and Ansar et al. (2023) found that financial literacy had a significant influence on money management behavior. In view of the theoretical perspective and the above empirical evidence, the following hypothesis can be developed;

H_1: There is a significant impact of financial literacy on personal money management behavior among Gen- Z of Pokhara Metropolitan City.

Financial knowledge is the degree to which people understand different personal finance ideas and what they know about personal financial concerns. Ruslim et al. (2022) concluded that financial knowledge had a positive effect on financial management behavior. Similarly, Halim and Setyawan (2021) mentioned that financial knowledge had a significant influence on financial management behavior. Further, Setianingsih et al. (2022) and Phuong et al. (2023) found financial knowledge had greatly effect on personal money management behaivour. From the viewpoint of the literature review, the following hypothesis can be developed;

H_2: There is a significant impact of financial knowledge on personal financial management behavior among Gen- Z in Pokhara Metropolitan City.

The Locus of control refers to the extent to which individuals feel they can influence events that impact

them. When it comes to financial conduct, Locus of control indicates whether or not an individual thinks that if he manages his money correctly, they will get the desired outcomes, such as solid financial standing or financial happiness. Ruslim et al. (2022) concluded that locus of control had a significant negative impact on money management behavior. Syaliha et al. (2022) showed that the locus of control had a significant positive relationship with financial management behaviour. In view of the theoretical perspective and empirical evidence, the researchers have been formulating the following hypothesis;

H_3: There is a significant impact of locus of control on personal financial management behavior among Gen Z in Pokhara.

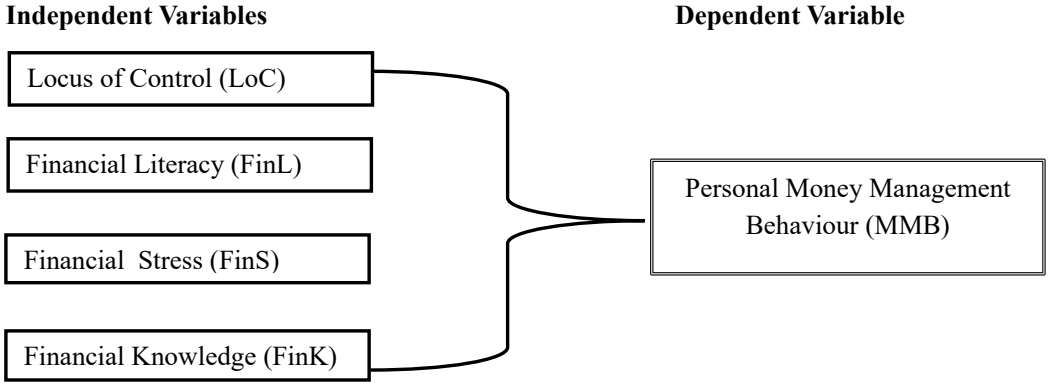
The degree to which respondents believe they can handle their money and take on financial risk is a measure of financial self-efficacy and can also be referred to as financial stress. Chuah et al. (2020) found that financial stress positively and significantly influenced money management behaviour among university students. Moreover, Goyal et al. (2022) stated that financial stress has a significant effect on personal money management behaviour. However, Setianingsih et al. (2022) concluded that financial stress had no significant effect on financial management behavior. Based on this empirical evidence, the developed hypothesis is as follows;

H_4: There is a significant impact of financial stress on the personal financial management behavior among Gen Z of Pokhara Metropolitan City.

Hence, this research paper has used Locus of Control, Financial Literacy, Financial Stress and Financial Knowledge as driving factors for the personal money management bahaviour. The conceptual framework for this research work is presented with the assistance of a subsequent figure as follows;

Figure 1

Research Framework



Methods

This research work uses a questionnaire survey after conducting a pilot survey with the people who fall under the Gen-Z category in Pokhara Metropolitan City. After conducting the pilot survey, researchers have revised the questionnaire based on the feedback from the pilot survey. The method applied in this research work is a quantitative technique as well to establish the connection between the variables, and a causal research design to demonstrate how the independent variables affect the dependent variable. The population for this research work is about 176,000 (CBS, 2022) Gen-Z people who reside in Pokhara Metropolitan City. The sample size is selected by using the concept of Cochran (1977) and the convenience sampling method, which is 384. The questionnaire, along with the covering letter, was sent to the respondents through e-mail and personal visit and also utilized social media like Messenger and Viber, to those who were in the personal list of researchers'

contacts, and also requested the friends of their social contacts to send the questionnaire to their friends, so the snowball concept was also utilized. The nature of the questionnaire was closed-ended in nature. It comprises two parts, viz. general information in the first part and they were in the form of nominal and ordinal scale and the perception of Gen Z in the second part. The first part comprises queries about the general characteristics of the respondents, such as the gender, age, annual income level and occupational status. However, the second part of the questionnaire consists of a five-point Likert scale, as respondents can clearly understand it and discriminate well between constructs, and their degree of agreement or disagreement. Altogether, the questionnaire consists of 30 statements. Hence, the nature of the data is quantitative, the source is primary, and the instrument is a questionnaire survey. The researcher distributed around five hundred questionnaires physically and virtually, and received 399 responses; only 384 were usable.

To conduct a descriptive and causal analysis based on the questionnaire data for this research work, the researcher has used IBM SPSS Statistics version 27, and Smart PLS also used for reliability and validity testing purposes. This research work aims to assess the exploratory factors that influence the money management behaviour of Gen Z. Based on the literature and survey, researchers take into account four exploratory factors which may affect the money management behaviour of Gen Z in Pokhara valley. They include i) Locus of control, ii) Financial Literacy, iii) Financial Stress, iv) Financial Knowledge. Firstly, the researcher implements the reliability analysis to determine the reliability of all factors using Cronbach's alpha. Secondly, researchers conducted the exploratory factor analysis (EFA), which tests the trend of gathering among variance to reconfirm the accuracy of the theoretical framework. Thirdly, researchers use correlation and regression analysis for the examination of the relationship and interactions among the four independent factors and the dependent variable. A normality test was also conducted to confirm the normality of the acquired data.

The Model Specification

In order to analyze the relationship between independent constructs and individual money management behaviour, as a dependent, this study has used an econometric model. The following regression model is applied in this research to inspect the empirical effect of locus of control, financial literacy, financial stress and financial knowledge on the personal financial management behaviour of Gen Z in Pokhara Metropolitan City.

$$MMB = \beta_0 + \beta_1 LoC + \beta_2 FinL + \beta_3 FinS + \beta_4 FinK + \varepsilon$$

In this model, the dependent variable is Personal Money Management Behaviour (MMB), whereas the independent variables are considered as Locus of Control (LoC), Financial Literacy (FinL), Financial Stress (FinS) and Financial Knowledge (FinK), and the symbol ε represents the error term. The factors identified by EFA were named sequentially based on review.

Results and Discussion

The data collected from the respondents is shown in the following table, which is followed by a description of the data.

Table 1

Demographic Characteristics (N=384)

Variables	Categories	Frequency	Percent
Gender	Male	254	66.1
	Female	130	33.9

Age Group	Up to 20	71	18.5
(in Years)	21-24 years	191	49.7
	25-27 years	122	31.8
Income Level (Annual)	Up to 300000	91	23.7
	Rs. 301,000- Rs. 500,000	177	46.1
	Rs.501,000 and above	116	30.2
Occupation	Employed	143	37.2
	Business	126	32.8
	Others	115	29.9

Source: Survey, 2025

The characteristics such as gender, age group, income level and occupation were questioned of the respondents in the questionnaire. Out of the total respondents, most of them were male (66.1%, n = 254), under the age group most of the respondents were falls under 21 to 24 years (49.7%, n = 191), the highest income level of respondents are more than three hundred thousand to five hundred thousand (46.1%, n = 177) and most of the respondents were job holder (37.1%, n=143) followed by business (32.8%, n=115).

Construct Reliability and Validity

A statistical tool used to assess data dependability is Cronbach's alpha (Anderson et al., 2010). The threshold of Cronbach's alpha is 0.70; each construct has more than 0.80, which indicates satisfactory internal consistency among the measurement items. It evaluates the degree to which items within a construct are consistent and measure the same underlying concept (Nunnally & Bernstein, 1994). Similarly, the minimum acceptable value of composite reliability is 0.7 (Hair et al., 2019); all the constructs have sufficient composite reliability above the recommended levels. The AVE value ranged from 0.58 to 0.687, exceeding the recommended threshold of 0.50. This shows that more than 58 per cent of the variance in the indicators was explained by the latent construct, confirming adequate convergent validity (Fornell & Larcker, 1981). Overall, the results confirm that there are acceptable levels of reliability and convergent validity.

Table 2

Results of Cronbach's Alpha, Composite Reliability and AVE

Items	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
LoC	.886	.916	.687
FinL	.867	.905	.656
FinS	.834	.882	.601
FinK	.832	.882	.599
MMB	.816	.873	.580

Discriminant Validity

Discriminant validity refers to how much a construct experimentally differs from other constructs. Here, the Fornell-Larcker criterion and HTMT were used to examine the discriminant validity. The square root of the AVE value for each construct is higher than its corresponding inter-construct correlations. The results confirm that each construct shares more variance with its own measurement indicators than with other constructs, thereby satisfying the Fornell-Larcker criterion. This supports the adequacy of the measurement model for further structural model analysis (Fornell & Larcker, 1981; Hair et al., 2019).

Table 3

Discriminant Validity (Fornell-Larcker Criterion)

Factors	FinK	FinL	FinS	LoC	MMB
FinK	0.774				
FinL	0.561	0.810			
FinS	0.471	0.686	0.775		
LoC	0.410	0.470	0.383	0.829	
MMB	0.647	0.745	0.639	0.637	0.762

Another method for discriminant validity is HTMT. The value of the HTMT ratio is shown in Table 4. Discriminant validity is established when HTMT values are below the recommended threshold of 0.90, while a more conservative threshold of 0.85 is also suggested in some cases (Henseler et al., 2015). Since all HTMT values are below the critical value of 0.90, the results confirm that discriminant validity is established among all constructs in the study (Henseler et al., 2015; Hair et al., 2022).

Table 4

Heterotrait Monotrait Ratio for Discriminant Validity (HTMT)

Factors	FinK	FinL	FinS	LoC	MMB
Fink					
FinL	0.652				
FinS	0.565	0.801			
LoC	0.474	0.533	0.428		
MMB	0.778	0.877	0.759	0.750	

Exploratory Factor Analysis

The second method used to reaffirm the validity of the theoretical framework is Exploratory Factor Analysis (EFA), which tests the pattern of gathering among variances. EFA is a statistical technique used to examine the underlying structure of the data and reduce it to a smaller set of variables. Based on the KMO measure, it is also used to determine the structure of the relations between the variables. The factor analysis is appropriate if the sig. is less than 0.5 and 1.0 (DcCoster, 1998). The principal components based on eigenvalues greater than 1 are used, and varimax rotation was used to suppress small coefficients less than 0.50, and found five factors, including the dependent variable and named them based on the literature. In the EFA test, researchers obtain the outcomes as shown in Table 5. Overall, the KMO value measures 84.7% of the sampling adequacy with a significant value of 0.000. All the variables stated in Table 5 are accepted due to a higher factor loading value higher than 0.5. The variables are named as 1= Locus of Control (LoC), 2= Financial Literacy (FinL), 3=Financial Stress (FinS), 4 = Financial Knowledge (FinK) and 5= Personal Money Management Behaviour (MMB). Each item is listed in the table in descending order.

Table 5

EFA Results

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.847	
Bartlett's Test of Sphericity	Approx. Chi-Square	7599.967
	df	378
	Sig.	0.000

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Rotated Component Matrix					
	Component				
	1	2	3	4	5
LoC5	.828				
LoC4	.793				
LoC3	.737				
LoC1	.723				
LoC2	.718				
LoC6	.527				
FinL5		.769			
FinL1		.714			
FinL7		.684			
FinL3		.649			
FinL2		.638			
FinL6		.568			
FinS2			.825		
FinS1			.809		
FinS3			.685		
FinS4			.618		
FinS5			.529		
FinK5				.779	
FinK1				.705	
FinK3				.693	
FinK4				.650	
FinK2				.618	
MMB6					.746
MMB1					.679
MMB2					.627
MMB4					.581
MMB3					.562
MMB5					.556

Relationship and impact analysis

Table 6 reveals the mean value, standard deviation and value of the correlation of the study variables. The following table clarifies that there was a solid positive relationship between LoC & MMB and FinL & MMB.

Table 6

Mean, Standard Deviation, and Inter Correlation Between the Study Variables

Characteristics	Mean	SD	MMB	LoC	FinL	FinS	FinK
MMB	22.86	4.64	1				
LoC	22.64	4.87	.686**	1			
FinL	22.46	5.39	.696**	.529**	1		
FinS	18.25	3.96	.488**	.417**	.649**	1	
FinK	19.16	3.84	.544**	.452**	.579**	.470**	1

**Correlation is significant at the .01 level

The relationship between FinL and LoC is more than average, whereas the relationship between FinS and LoC and FinK and LoC is less than average. The relationship between FinS and FinL, and with FinK and FinL, is good and more than average, but the relationship between FinK and FinS is less than average. The p-value is 0.000, which indicates that there is a positive and significant correlation between the independent and dependent variables among Gen-Z in Pokhara Metropolitan City. All findings are significant at the $p < 0.01$ level.

As their correlation was found to be .686 and .696 which is more than 0.6, respectively. The relationship between LoC and MMB is consistent with the findings of Abriani et al. (2020). This is also consistent with the finding of Setianingsih et al. (2022) but opposite to the finding of Ruslim et al. (2022). Similarly, the relationship between FinL and MMB aligns with the findings of Abriani et al. (2020) and Dewi et al. (2023). The correlation between FinS and MMB and FinK and MMB is less than average. Moreover, there is a positive and significant correlation between FinS and MMB among Gen-Z in Pokhara, which aligns with the verdicts of Goyal et al. (2022) and Setianingsih et al. (2022). This is also similar to the prior study of Chuah et al. (2020). Likewise, FinK has a significant positive relationship with MMB, which is consistent with the finding of Halim and Setyawan (2021). This is also consistent with the findings of Setianingsih et al. (2022) and Dewi et al. (2023).

Table 7

Impact of Constructs on Personal Money Management Behaviour

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1.	Constant	3.311	.876		3.780	<.001
	LoC	.398	.036	.417	11.103	<.001
	FinL	.355	.040	.413	8.860	<.001
	Fin	-.013	.049	-.011	-.268	.789
	FinK	.146	.048	.121	3.074	.002
$R^2 = 0.634$	Adjusted $R^2 = 0.630$	F-Statistics = 164.144		$p < .005$		

The researchers performed a regression analysis to evaluate whether or not the personal money management behaviour of Gen-Z is affected by the four factors, including LoC, FinL, FinS and FinK. The positive relationship indicates that the higher/lower values of the determinants are related to the higher/lower level of MMB.

In Table 7, the results of the regression analysis are presented to test the interface among these four variables and the dependent variable. The adjusted R^2 value in the regression model is 63%, which highlights that the MMB can be explained by the four variables after the adjustment for degrees of freedom. The value of the F-statistic is 164.144, and it is significant at the level of 0.005. The outcome specified that the established regression model is statistically significant and that it can be relied upon to describe the influence of LoC, FinL and FinK on the personal MMB. Therefore, researchers accept the following regression model:

$PFMB = 3.311 + .398^{*}LoC + .355^{*}FinL - .013^{*}FinS + .146^{*}Fin\ K$

Based on the established regression equation, when all independent variables (LoC, FinL, FinS and FinK) are held constant at one, the personal MMB would be 3.311. The finding shows that when all other independent variables are held at one, a unit increase in LoC leads to .398 increase in MMB, a unit increase in FinL leads to .355 unit increase in MMB. Similarly, a unit increase in FinK leads to .146 unit rise in MMB. Whereas a per-

unit decrease in FinS leads to .013 decrease in MMB of Gen-Z of Pokhara Metropolitan City. In addition, the formulated hypotheses, namely H1, H2 and H3, are accepted. The researchers concluded that the FInL, FinK and LoC have positive relationships with the personal MMB of Gen-Z of Pokhara valley and are negatively associated with FinS.

The hypothesis examines whether financial literacy has a significant influence on the personal money management behaviours of Gen Z individuals in Pokhara Valley. The dependent variable MMB was regressed on the predicting variable FinL for testing the H1. FinL significantly predicted MMB, $F (4, 379) = 164.144$, $p <.001$, which indicates that FinL can play a noteworthy role in shaping the MMB ($\beta = .355$, $p<.001$). The results clearly indicate the positive effect of the FinL on MMB of Gen-Z of Pokhara Metropolitan City. The result is consistent with the idea that Herawati et al. (2018) found that FinL had a significant impact on MMB. This finding is also similar to the prior study of Halim and Setyawan (2021) and Syaliha et al. (2022). However, it contradicts the finding of Prawitasari et al. (2022), who concluded that FinL had an insignificant negative impact on MMB.

The hypothesis investigates whether FinK exerts a significant influence on money management behaviours among Gen Z in the Pokhara valley. The dependent variable MMB was regressed on the predicting variable FinK to test the second hypothesis. FinK predicted significantly MMB $F (4, 379) = 164.144$, $p<.001$, which denotes that the FinK can play a noteworthy role in shaping MMB ($\beta = .146$, $p<.001$). The results clearly indicate the positive effect of the FinK on the MMB of Gen-Z of Pokhara valley. FinK significantly improves Gen- Z's money management practices. This is in line with Halim and Setyawan's (2021) findings. The outcome is also similar to the findings of Ruslim et al. (2022), Phuong et al. (2023), Dewi et al. (2023), Setianingsih et al. (2022), Komarudin et al. (2021), and Mardiana and Widoatmodjo (2023). It does, however, conflict with Adriani's (2021) findings; Khanal et al. (2022) came to the conclusion that MMB was unaffected by FinK.

Table 7 depicts that the significant value of the beta coefficient of LoC is .398 which indicates that an increase of one unit in locus of control leads to an increase in personal financial management behaviour by 0.398 units. The p-value of locus of control is <.001, which is significant at the 5 per cent level. Hence, the third hypothesis is accepted. Therefore, there is a significant relationship between LoC and MMB. This supports the conclusion drawn by Abriani et al. (2020) that LoC significantly improves MMB. The findings of Komarudin et al. (2021), Setianingsih et al. (2022), and Syaliha et al. (2022) are likewise in line with this. It does, however, conflict with Adriani's (2021) conclusion that LoC had little impact on financial management practices. Additionally, this contradicts the findings of Ruslim et al. (2022), who discovered that LoC had a detrimental impact on financial management practices. Regarding H4, the unstandardized beta coefficient is -0.013 with a p-value of 789. The negative beta value indicates that there is a negative relationship between FinS and personal MMB. This indicates that for every one unit increase in the FinS, the dependent variable decreases by 0.13 units. However, the p-value is much higher than the commonly accepted significant level of 0.05. Thus, the fourth hypothesis is not statistically significant. Hence, the H4 is rejected. Therefore, there is no significant relationship between FinS and MMB, which is contradictory than the findings of Setianingsih et al. (2022) and the study of Chuah et al. (2020). They found that there is a significant impact of FinS and MMB.

Conclusion

The researchers have found that Locus of Control, Financial Literacy, Financial Stress and Financial Knowledge are major factors driving the personal money management behaviour of Zen-Z in Pokhara Metropolitan City.

Furthermore, it is found that there is a significant and positive relationship between LoC and MMB, FinL and MMB, FinS and MMB, and FinK and MMB of Gen-Z in Pokhara Valley. Therefore, it can be concluded that the personal money management behaviour of Pokhareli Zen-Z is significantly correlated with these factors. The high correlation is with Financial Literacy and the personal money management behaviour, implying they understand the value of financial literacy, prudent spending and long-term planning.

Generally, the formulated hypothesis is accepted, except for one, but the correlation indicators are positive. Hence, the researchers can conclude that the major driver for the personal money management behaviour of Gen-Z is Locus of control, followed by financial literacy and the negative driver according to the econometric model and regression is financial stress. Therefore, it can be established that Gen Z are more inclined to engage in sound personal money management behaviour if they feel they have personal control over their financial circumstances and future results. Members of Gen-Z who exhibit long-term planning, financial priorities, and the importance of financial literacy are more likely to practice sound money management. Similarly, financial stress plays as a negative driver for personal money management behaviour of Gen-Z in the territory of Pokhara Metropolitan City.

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