

Integrating The Theory of Planned Behaviour to Explore Young Private Sector Employees' Retirement Planning Behaviour

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ABSTRACT

Retirement planning has emerged as a major concern among the younger workforce in Malaysia. A significant number of individuals employed in the private sector, aged 18 to 40, depend on the Employee Provident Fund (EPF) as a means to save for retirement. The savings levels of this group declined due to the government's COVID-19 pandemic policies, which allowed the withdrawal of funds. The rising prevalence of bankruptcy cases and inadequate reserves is a concerning aspect for the future viability of future generations. Despite the implementation of various retirement programs by governmental agencies and financial institutions, a considerable proportion of young Malaysians still lack the requisite commitment to initiate early retirement savings. Based on available statistics, individuals are inclined to expend money rather than save it. This study aims to analyze the determinants that impact the retirement planning behavior of young adults in Malaysia. The study suggests that saving attitude and financial literacy are dependent variables, whereas saving intention acts as a mediating variable, and retirement planning behavior serves as a dependent variable. This study aims to enhance the existing literature by defining the function of saving intention as a mediator between financial literacy and saving attitude in the context of retirement planning behavior. The idea of planned behavior posits that the inclination to participate in saving behavior is impacted by both one's financial knowledge and attitude towards saving. The indicator that exhibits the most robust correlation with retirement planning behavior is an individual's level of saving intention. The recommendations for further inquiry are outlined.

Keywords: *retirement planning behaviour, savings attitude, financial literacy, savings intention*

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1. INTRODUCTION

The preparation for retirement is undergoing global transformation and modernization (Gallego-Losada et al., 2022). Retirement planning encompasses the measures taken to ensure preparedness for the phase of life following the cessation of paid work. It pertains to financial matters and all areas of life, involving the establishment of retirement income goals and determining the methods required to achieve them (Kagan, 2023). Understanding how individuals prepare financially for retirement is essential, as a lack of preparedness significantly impacts public health and the global economy (Adinkrah, 2020). Therefore, the process of preparing for retirement involves identifying sources of income, projecting expenses, initiating a savings strategy, and managing risk and assets. Similarly, Malaysia has faced challenges in savings and retirement planning. Citing data from Malaysia's government statutory organization responsible for savings and retirement planning, a significant number of Malaysians express concerns about inadequate financial resources to maintain a satisfactory standard of living during retirement, thereby undermining the quality of their golden years (Munisamy et al., 2022). This template is designed to assist authors in presenting their work so that it is easy for reviewers to assess. Having a standard template will also assist in the eventual publication process should the paper be accepted. Submitting an article that is easier to read by the reviewer will assist in expediting the review process. Prior studies have established a correlation between retirement planning and savings behavior (Anderson, 2019). Retirement savings encompass several activities, such as planning, enrolling, contributing, and saving, which contribute to its complexity (Yusof & Sabri, 2017). A more alarming fact is that the majority of Malaysians require extensive long-term financial planning, as only 40% are well prepared for retirement (Bank Negara Malaysia, 2017).

Insufficient retirement savings planning has several detrimental effects on society and extended families, in addition to the individual (Topa et al., 2018). Therefore, retirement pertains to the termination of employment, rather than to the termination of life. Despite ceasing employment, individuals may still have specific objectives to achieve post-retirement. Simultaneously, an individual would also aspire to maintain and adapt their lifestyle as before, without worrying about their daily expenses after retirement. By engaging in strategic preparation, individuals can develop a lifestyle marked by self-reliance and a feeling of comfort, without depending on others (Uttamchandani, 2022). Therefore, retirement planning entails calculating the required retirement funds and implementing appropriate investment and savings strategies. Retirement is often not a priority for individuals until they reach their 40s or 50s (Baker, 2023). However, delaying the start of saving and investing until that moment will put an individual at a significant disadvantage. Individuals will have varying retirement needs. Nonetheless, the majority will require substantial funds to maintain a comfortable lifestyle in their later years. Experts commonly advise saving enough money to cover approximately 80% of one's present earnings (Baker, 2023).

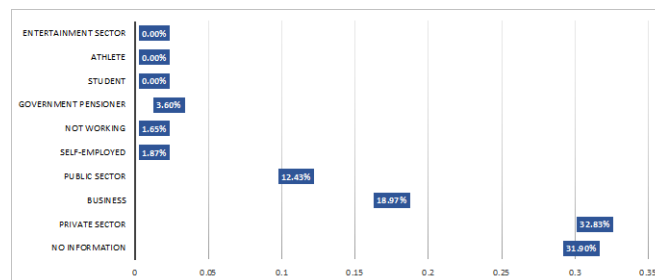
Younger employees view retirement preparation as arduous because it requires extensive long-term strategizing. In contrast to those in their 30s and 40s who want to feel prepared because they have assets in their Employee Provident Fund, people in their 20s feel too young to think about retirement (Zulfaka & Kassim, 2021). Furthermore, the outlook for retirement in the upcoming generation seems unpromising at first glance. Increased life expectancy and an uncertain global economy have hindered these goals, forcing many individuals to continue working past their planned retirement age due to inadequate financial means (Moran, 2021). The inherent instability of the global economy compels individuals to commit to prolonged employment, thereby constraining young adults' prospects of obtaining employment (Sue Farrar & Jonathan Moizer, 2018). According to the Government Accountability Office, 66% of employed individuals in the millennial generation and 50% of American households with at least one member aged 55 or older do not have any savings specifically designated for retirement. A significant 41% of Americans believe that achieving financial security in retirement will require an extraordinary event, commonly referred to as a "miracle" (Index, 2023). Asia is currently undergoing notable demographic changes due to the simultaneous increase in the older population and a decrease in birth rates (D. Anderson, 2019). Consequently, young adults' chances of finding well-paying jobs may be affected, whereas older adults will continue working for longer. In addition, Indonesia, a country in Asia, has the world's largest population, with 269 million people, accounting for 3.49% of the global population (Worldometer, 2023). Indonesia is currently facing the challenge of the demographic dividend, which is projected to stop in 2036 and would result in a 19% growth rate, impacting the younger population (BPS, 2019). Indonesia is currently witnessing a decline in its birth rate while observing a rise in the proportion of older individuals. This will impact young adults, as the proportion of young

individuals in the labor force is declining.

Furthermore, according to the Malaysian Department of Insolvency (MDI), as of April 2023, the number of reported bankruptcy cases in Malaysia amounted to 1,392. A total of 361 bankruptcy cases were registered among persons residing in Selangor, accounting for 26% of the total. As of April 2023, Selangor exhibits the highest incidence of bankruptcy cases among all other states. The data presented by the MDI indicate that 13% of bankruptcy cases in the younger age category pertain to young adults between the ages of 25 and 34 years. Based on these statistics, it is readily apparent that young people face greater challenges in retirement savings because of the significantly higher likelihood of experiencing insolvency at a younger age. The concerning statistic is clearly seen among young persons aged 25–34 years (Insolvency, 2023).

Figure 1.1

Bankruptcy cases registered by type of job as of April 2023 (Insolvency, 2023)



The data presented in Figure 1.1 indicate that 32.83% of bankruptcies occurred among individuals employed in the private sector. This percentage corresponds to 457 out of a total of 1,392 instances as of April 2023 (Insolvency, 2023). The private sector is involved in most bankruptcy cases in Malaysia. This data supports the study's investigation of the relationship between retirement planning behavior among young adults employed in private enterprises. The age group of 25–34 years old constitutes the largest proportion of the population in Malaysia (Kemp, 2022). Furthermore, the age group that exhibited the largest number of employed individuals in Malaysia was the 25 to 34 age bracket, constituting 33.9% of the overall population, corresponding to 5.45 million individuals. Furthermore, the segment of the population between the ages of 35 and 44 constituted 25.6% of the overall population, which corresponds to 4.12 million individuals. The population consisted of approximately 2.68 million individuals in the age bracket of 45 to 54 years, accounting for 16.7% of the total population (Sofiah, 2023). According to this figure, individuals between the ages of 25 and 34 have the highest employment rate in Malaysia compared to other age groups.

In addition, insufficient financial literacy or adequate financial knowledge is evident among a considerable proportion of the Malaysian population. Developing financial literacy is extremely important because it provides individuals with the essential knowledge and skills to efficiently manage their financial resources. Although individuals receive monthly remuneration, a significant proportion requires enhanced financial literacy to strengthen individual financial management abilities. This study examines the complexities of retirement planning, with a specific focus on the important task of detecting unforeseen expenses that occur after retirement. The regulatory body in charge of overseeing retirement plans and savings in Malaysia has discovered a significant problem: a sizeable segment of the Malaysian population does not have sufficient savings to maintain a satisfactory standard of living during their retirement years, casting a shadow over what should ideally be a prosperous and meaningful period in life (Munisamy et al., 2022). Retirement planning encompasses thorough and attentive preparation for the stage in an individual's life when they stop working and no longer have regular income sources.

The Employees' Provident Fund (EPF) serves as the primary means of retirement savings for many individuals employed in the private sector. The dependence on the Employees Provident Fund (EPF) may give rise to the necessity of additional financial resources for retirement (Mustafa et al., 2023). Adolescents, particularly those with a poor understanding of

financial matters, may need help allocating funds towards potential investment prospects. It has been observed that a significant proportion of young people tend to display a preference for risk aversion rather than risk-seeking behavior. Further inquiry is required to fully understand the intended behaviors displayed by young people in light of this phenomenon. The research categorized participants within the demographic of young adults in the labor force, spanning from 18 to 40 years of age. The policy pertains to the Malaysian Youth Policy (MYP), officially implemented in 2018.

Numerous studies have underscored the considerable significance of financial literacy among young adults in the labor sector. Research has primarily centered on the broader determinants that lead to the attainment of financial knowledge, with specific attention to individuals nearing retirement age. This study underscores the pressing need to address the relevance of the subject matter for the youth population. This study aims to fill a gap in the existing literature by broadening its focus to encompass young adults in conjunction with the proactive measures implemented by higher education institutions. There is a requirement for the involvement of educational establishments that aim to provide students and young individuals with essential financial preparedness as they shift into the workforce. This measure will guarantee that individuals acquire a robust foundation of financial literacy prior to attaining retirement, irrespective of the specific year in this significant life stage.

This study attempts to understand retirement saving behavior among young workers. To address this disparity, this study attempts to answer the following research questions:

- i. What is the relationship between savings attitudes and retirement planning behavior?
- ii. What is the relationship between financial literacy and retirement planning behavior?
- iii. Does savings intention mediate the relationship between two variables, savings attitude and financial literacy, and the dependent variable, retirement planning behavior?

2.0 LITERATURE REVIEW

2.1 Retirement Planning Behaviour

The Minimum Retirement Age Act of 2021 stipulates that individual commencing employment in Malaysia at 25 have the right to participate in employment for up to 35 years, after which they are eligible to retire at 60. One aspiration commonly shared by employees is the prospect of early retirement, which entails freedom from professional obligations following an extended work period. The realization of these goals is hindered by extended life expectancies and the volatility of the global economy, compelling individuals to extend their working years beyond their initial intentions due to insufficient financial resources (Moran, 2021). (Moran, 2021). Retirement planning involves making arrangements for the eventual cessation of employment when an individual will no longer receive a regular income. Prior studies have established a correlation between retirement planning and savings behavior (D. Anderson, 2019). Based on the findings of the Government Accountability Office, it has been observed that a significant proportion of the working Millennial population (approximately two-thirds) as well as a substantial portion of U.S. families with individuals aged 55 and above (specifically half) lack any form of retirement savings. According to statistics collected by the Natixis Global Retirement Index, an assessment conducted by an asset management organization to evaluate retirement security worldwide, it is unsurprising that 41% of Americans believe that achieving financial stability during their retirement years would require a miraculous occurrence. This finding demonstrates that the issue of retirement savings and planning behavior is a cause for concern in Malaysia and on a global scale. This issue extends beyond the present moment. In 2018, a survey was conducted on this concerning matter, and it was already anticipated that this issue would escalate and worsen by the year 2050.

Individuals with inadequate financial reserves in their employee provident fund (EPF) accounts have the potential to experience impoverished living conditions during their retirement years. Mustafa et al. (2017) assert that retirement planning is a proactive approach to anticipating and preparing for the many adjustments and transitions associated with

retirement. Insufficient retirement preparation is often cited as a common concern among individuals who express apprehension regarding their ability to meet the escalating expenses associated with living and healthcare throughout their later years. Despite the availability of several governmental and commercial pension schemes aimed at safeguarding

individuals throughout their post-retirement phase, empirical evidence indicates that many individuals need to save sufficient savings for their retirement years (Le et al., 2017). Nevertheless, the United States has experienced a notable effect, especially considering its historical context of a more volatile labor market than Singapore. The study found that employment-related concerns significantly contributed to feelings of remorse regarding savings among individuals aged 60 to 74 in both countries. Unemployment and wages falling below anticipated levels were among the obstacles hindering workers' ability to save.

Moreover, in conjunction with unforeseen health complications and inadequate investment choices, premature retirement and disability have also played a role in unfortunate financial decisions. The article "Factors Contributing to Insufficient Savings: An Analysis by the Centre for Retirement Research," published in 2021, discusses the reasons for individuals' inadequate saving habits. This finding underscores the significance of retirement planning, particularly in anticipation of unanticipated expenses. Conversely, the manifestation of financial difficulties often stems from adopting unfavorable financial behaviors, in which a lack of sufficient comprehension of financial matters assumes an integral part (Sabri et al., 2020). According to recent studies conducted by Dinda Riri Saraswati and Pristiyono in 2022, millennials can enhance their likelihood of attaining their financial goals by acquiring knowledge on money management and cultivating financial awareness (Dinda Riri Saraswati, Pristiyono, 2022).

The contemporary youth cohort is renowned for their profound interest in technology and the acquisition of information (Sari, 2019). Nevertheless, empirical evidence indicates that individuals belonging to the millennial generation persist in encountering challenges pertaining to the effective administration of their finances (Gunadi et al., 2020). Uncontrolled expenditures represent a significant challenge faced by Generation Y. The younger demographic exhibits a propensity towards conspicuous consumption, frequently engaging in the squandering of financial resources on non-essential acquisitions. According to a study by V. Violin et al. (2023), there is a possibility of encountering financial challenges in the future. Hence, financial literacy is crucial for devising a more effective retirement strategy (Violin et al., 2023).

2.2 Savings Attitude

When it comes to conserving money, young people consider not only their current financial status or income but also behavioural, demographic, and educational factors. Nevertheless, the spending and saving habits of Generation Z are significantly shaped by behavioural characteristics that distinguish them from their parents (Goldring & Azab, 2020). The matter of teenage savings aligns with behavioural theory, which underscores the significance of factors that are frequently disregarded as inconsequential in forecasting saving behaviour (Thaler, 2018). Having a favorable outlook on saving can enhance one's financial literacy, as stated by I. Widjaja et al in 2020. Other than that, Khoo et al (2022) conducted a recent study that yielded comparable findings, indicating that students who possess positive attitudes towards money tend to exhibit higher levels of financial literacy if they also possess strong moral principles. They have full control over their spending habits. The findings of Aydin and Selcuk (A. E. Aydin and E. Akben Selcuk, 2019) align well with these results.

Young adults who engage in saving money enjoy several benefits, such as cultivating thrifty mindsets that result in reduced spending, exercising financial discipline, and preparing for the future (S.N Chalimah et al., 2019). Saving is beneficial for individuals and countries alike, but it is contingent upon revenues exceeding costs. The primary source of For employed individuals, money refers to pay or wages, which are commonly allocated towards consumer expenditures based on their individual lifestyles. Nevertheless, due to the finite nature of one's career, unexpected events, such as sudden job loss, can lead to a decline in earnings. Upon commencing employment, several individuals intend to accumulate funds for diverse purposes, including retirement, education, housing, and other investments. Other methods of

saving money include purchasing life insurance or depositing money with a bank or another financial institution. Although

not everyone is able to save money, there are individuals who can save as much as they like. Some individuals may initiate the act of saving money and maintain this behavior for a period; however, they eventually cease or are compelled to cease owing to various circumstances (Ribaj & Ilollari, 2019). The benefits of savings education lie in its ability to inspire individuals to persist in saving until it becomes a sustainable habit.

According to several studies (Amari et al., 2020; Chalimah et al., 2019; Clark et al., 2006; Gerhard et al., 2018; Rajan & Abdullah, 2017), financially literate people are more likely to save for retirement. In addition, families play a significant role in terms of saving money. Family factors significantly influence the development of saving habits in young people, particularly regarding the need for guidance. Parents act as exemplars for their children and offer guidance on saving for retirement (L. B. Anderson & Gettings, 2020). The behavior of saving money is highly esteemed by individuals across all levels of society (Maison et al., 2019). To achieve financial literacy and demonstrate appropriate financial behavior, individuals must possess self-discipline, as money alone is insufficient (Marqués et al., 2020). Individuals who allocate a percentage of their earnings for the purpose of saving (Kiliç & Özcan, 2018) participate in the act of saving, which can involve enhancing income, reducing expenses, and deferring consumption (E. K. Nyhus, 2017). Both external and internal factors influence an individual's saving behavior. Internal aspects encompass learning, motivation, attitude, mood, personality, memory, and perception. Helmi Hashim et al. (2018) identified financial awareness, parental sophistication, and self-control as key factors influencing saving behavior.

2.3 Financial Literacy

Financial literacy refers to the aptitude and knowledge required to comprehend and effectively navigate various aspects of personal finance, including insurance, savings, and investments. Individuals with a strong understanding of financial matters may exhibit a remarkable ability to regulate their attitudes when participating in consumption-related activities. Based on recent research conducted by Robin and Djanuarko (2021), a significant disparity between saving interest and behavior can be attributed to a lack of financial literacy.

Perceived behavioral control (PBC) constitutes a fundamental element within the theory of planned behavior (TPB) framework, a psychological theory employed for forecasting and comprehending human behavior. In the context of financial literacy, PBC refers to an individual's cognitive assessment of their capacity to navigate and make well-informed choices regarding financial affairs competently. In this discourse, we shall explore the intricacies surrounding the operational mechanisms of financial literacy as the variable of perceived behavioural control within the Theory of Planned Behaviour (TPB). Four components of financial literacy need to be explored in the context of this study:

- i. **Knowledge:** Understanding financial concepts, terminology, and basic principles is fundamental to financial literacy. A solid knowledge base allows individuals to make informed decisions and feel confident about their choices.
- ii. **Skills:** Practical skills, such as budgeting, managing debt, and investing, play a crucial role in financial literacy. Developing these skills increases one's ability to manage financial resources effectively.
- iii. **Confidence:** Financial literacy contributes to building confidence in making financial decisions and managing finances. When individuals understand financial concepts, they are more likely to believe in their ability to manage complex financial situations.
- iv. **Awareness:** Being aware of various financial options and products helps individuals feel more in control of their financial decisions. This awareness includes an understanding of different types of investments, insurance options, and retirement plans.

The impact of financial literacy on personal financial behavior is evident through its role in improving an individual's

perceived capacity to make well-informed financial choices. Individuals with a greater degree of financial literacy tend to experience a heightened sense of control over their financial circumstances and exhibit a stronger belief in their ability to handle their monetary affairs proficiently. Conversely, a lack of adequate financial literacy can contribute to a diminished sense of perceived control over financial affairs, giving rise to feelings of uncertainty and worry, and even leading to a tendency to postpone making financial decisions.

The theory of planned behavior (TPB) encompasses various concepts, including behavioral attitudes, perceived behavioral control, and financial literacy. Therefore, the acquisition of financial knowledge has a significant impact on the establishment of saving behavior. Possessing a comprehensive understanding of financial matters may foster positive financial behaviors, such as prioritizing essential expenditures, adhering to timely bill payments, optimizing savings, engaging in investment activities, and procuring personal and familial health insurance (Bauhoff et al., 2020).

Conversely, poor financial behaviors sometimes lead to financial difficulties, in which a lack of sufficient financial knowledge plays a substantial role (Sabri et al., 2020). According to Wulandari et al. (2016), financial literacy has a crucial influence on an individual's consumption patterns. According to recent studies conducted by A. M. Saraswati et al. (2021) and H. Helman (2021), millennials can enhance their likelihood of attaining their financial goals by acquiring knowledge in money management and cultivating financial literacy. The contemporary cohort of young individuals is known for their profound interest in technology and the acquisition of information (Sari, 2019).

2.4 Savings Intention

Previous research has indicated a strong association between retirement saving intention and subsequent retirement saving and planning behaviors (Bongini & Cucinelli, 2019; Hoffmann & Plotkina, 2020). In their study on the significance of saving, specifically for retirement purposes, Sakaya and Lyimo (2019) emphasized the necessity for enhanced financial knowledge and the utilization of financial advisors to address this inherent uncertainty. The participants also discussed the inherent unpredictability, lack of control, and uncertainty associated with future life events. The absence of adequate access to retirement savings programmes and uneven income patterns further renders individuals in undeveloped nations vulnerable to various adversities. Avdeenko et al. (2019) assert that economists are actively engaged in efforts to incentivize individuals to alter their saving behavior concerning retirement planning. To examine the mediator employed in this study, individuals must possess a morally upright attitude when engaging in decision-making processes on managing their finances. Hence, individuals' financial knowledge and attitude are crucial in shaping their financial management practices. The effective management of financial resources is crucial for individuals in shaping their everyday lifestyle (Adiputra & Patricia, 2019).

A previous study that primarily focused on individual investing habits identified gaps in each of the approaches discussed. It is worth noting that not all individuals are inclined to pursue the specific investment opportunities examined in the study. The existing body of research needs to emphasize the specific actions and strategies individuals should undertake to enhance their quality of life during the post-retirement period. Developing an individual's financial mindset is of utmost importance because of its potential to enhance their inclination towards saving money and their capacity to formulate and execute long-term financial strategies (Talib, N. F. M. et al., 2017).

2.5 Theory of Planned Behavior (TPB) and Conceptual Framework

Based on a comprehensive analysis of existing scholarly works, the theory of planned behavior is identified as the best theoretical framework for examining human behavior, specifically in retirement planning. The theory of planned behavior (TPB), initially proposed by Ajzen in 1985, has undergone numerous improvements and updates; the most recent version was published in 2019. Originally referred to as the theory of reasoned action (TRA), this conceptual framework was developed in 1980 with the aim of predicting an individual's intention to participate in a particular behavior within a specific temporal and spatial environment. Significantly, it can clarify various behaviors within an individual's control.

The theory of planned behavior (TPB), developed by Ajzen and Fishbein, posits that an individual's behavioral intentions are influenced by three key factors: attitude, subjective norms, and perceived behavioral control. In this context, two specific variables, namely, savings attitude and financial literacy, serve to differentiate and define these factors. The trajectory towards retirement planning behavior is anticipated to involve a mediating role of saving intention in conjunction with these variables. Significantly, the central element of the TPB is behavioral intention, which serves as a direct antecedent to observed social behavior, effectively capturing its fundamental nature.

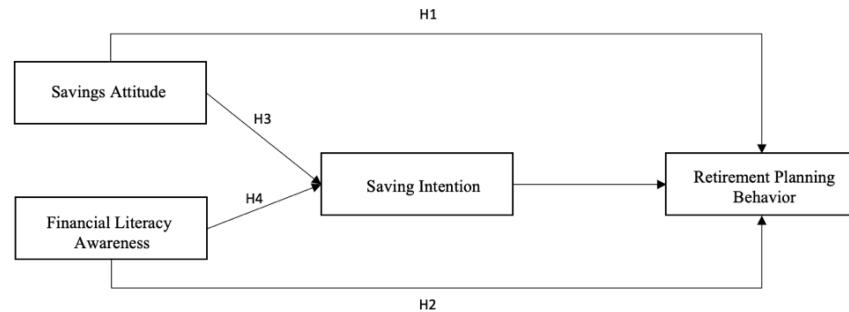


Figure 1: Conceptual Framework

Within the scope of this research, which explores the behavioral dynamics of retirement planning, the theory of planned behavior is identified as the most suitable analytical framework. The framework presented in Figure 1 exemplifies the profound applicability of this theory in comprehending the complexities of individual retirement planning behavior. Based on the above discussion, Figure 1 presents a conceptual framework. As one of the critical determinants of retirement planning behavior, it is proposed that spending attitudes and financial literacy affect retirement planning behavior through the mediating role of saving intentions.

2.6 Hypothesis Development

The primary objective of this study is to enhance the clarity of the study objective by providing a concise summary of the hypothesis utilized. The hypotheses examine the influence of independent variables on dependent variables, mediating through savings intention. The following hypotheses are proposed: -

H1: There is a significant relationship between savings attitude and retirement planning behavior.

H2: There is a significant relationship between financial literacy and retirement planning behaviour

H3: Saving intention significantly mediates the relationship between savings attitude and retirement planning behavior. **H4:** Saving intention significantly mediates the relationship between financial literacy and retirement planning behavior.

3. METHODOLOGY

This study aims to ascertain how retirement planning behavior is influenced by savings attitudes, financial literacy, and savings intentions. In this study, a quantitative technique will be used. It will use a deductive approach or a quantitative research design based on positivist philosophies. Deductive research emphasizes explaining the relationships between variables, moving from theory to data, and selecting samples to draw conclusions that may be applied broadly (Saunders et al., 2019). Since this study aims to investigate the relationship between the independent variables of savings attitude and financial literacy and the dependent variable of retirement planning behavior mediated by savings intention, a cross-sectional study design will be used. In this study, the data collection method was a survey. The target population is young

adults working in the Klang Valley who contribute significantly to the median income, and the sample examines the retirement readiness of these young working adults in private companies in the Klang Valley.

4. CONCLUSION

To enhance the quality of post-retirement life in society, individuals, particularly young adults, should possess a strong foundation in financial literacy. This capability enables them to cultivate prudent spending habits and establish a robust savings plan for their future well-being. This study seeks to address a gap in the existing literature on financial knowledge by examining its importance in educational institutions, such as schools and colleges. This emphasizes the need for individuals to be aware of financial matters, even while employed. To effectively manage their finances upon receiving their monthly salary in the real world, individuals must identify their priorities, assess risks, and understand the importance of maintaining savings.

The findings of this study make significant contributions to the understanding of the attitudes and behaviors of young professionals in Malaysia. Specifically, it provides insights into their saving, spending, and investment habits. A significant pattern is observed among the younger workforce in Malaysia, characterized by a limited understanding of investment strategies and a need for foresight regarding long-term goals. A lack of knowledge often leads to a preference for quick disbursements rather than preservation. These inclinations lead to increased expenditure, inadequate savings accumulation, and speculative ventures, ultimately resulting in financial difficulties. Therefore, the findings highlight the need to cultivate a holistic financial mentality. This strategy extends beyond simple spending patterns and encompasses a deep understanding of financial principles and a strong commitment to securing one's future through meticulous savings habits.

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