

A Descriptive Study on Poor Financial Management Behaviour Among Malaysia University Students

Nor Hidayatun Abdul Razak¹, *Norlaili Harun², Nursyahidatul Suhada Jamalludin³, Nur Su'aidah
Abdul Rashid⁴, Nur Kamisah Romainor⁵

^{1,3,4,5}Faculty of Business and Management,
Universiti Teknologi MARA, Jengka Campus
Pahang Branch, Pahang

²Faculty of Business and Management,
Universiti Teknologi MARA, Puncak Alam Campus
Selangor Branch, Selangor

*Corresponding author's email: norlaili@uitm.edu.my

Submission date: 14 September 2025

Accepted date: 6 December 2025

Published date: 17 December 2025

*To cite this article: Abdul Razak, N.H., Harun, N., Jamalludin, N.S., Abdul Rashid, N. S., & Romainor, N.K. (2025).
A Descriptive Study on Poor Financial Management Behaviour Among Malaysia University Students. e-Academia
Journal of UiTM Cawangan Terengganu, 14 (2) 284-296, November 2025*

ABSTRACT

The issue of lack of funds among university students has been on the rise for years. One of the reasons is that students lack financial knowledge, which contributes to the failure of financial behaviour through excessive spending and accumulated debt. This research descriptively explored the poor financial management behaviour among university students. It is a quantitative research approach that collects data through questionnaires distributed in Google Forms. The survey used convenience sampling involving 170 university students to gather specific insights about their financial management behaviours. The data was analysed using the IBM SPSS version 29.0. to obtain frequency, percentage and mean. The output indicated that the most influential reasons for poor financial management behaviour among university students are keeping up with the spending habits of their peers and spending money on things they cannot afford. Despite these reasons, the students understand the importance of setting financial goals and adjusting their goal-setting to manage their money better. These findings could suggest for universities to develop ad-hoc programs that promote financial management and provide support for students to achieve responsible financial spending. It is also recommended that the university provide counselling services for students who face financial stress and organise programs to enhance students' literacy with basic financial terms and concepts such as savings, debts, budgeting management and investment. Vice versa, the students could gain knowledge about financial management to improve financial behaviour. It is suggested for future research; the sample can be expanded to wider diversified respondents to represent a larger scope.

Keywords: *Poor Financial Management, Financial Management Behaviour, University Students, Vital Skills*

1.0 INTRODUCTION

Issues of not having enough funds among university students have been escalated and persisted through the years. The students' inability to manage financial behaviour may result from less experience in managing expenses that are normally handled by their parents. As a result, they face difficulties in managing their expenses (Rozana, 2019). This can create greater financial pressure, and in some cases, students are forced to work part-time or take out additional loans that will surely weigh on them after graduation (Sabu, 2024). This will further increase the burden if they do not have the knowledge and capability of managing their financial behaviour.

University students are often confused in distinguishing between "necessity spending" and "wants" in managing the financial aid they received. Khalisharani et al. (2022) indicated that the majority of young people spent their income on pleasure and lifestyle instead of savings or buying educational materials. The authors further stated that about 47% of young people experienced unpaid debt or credit cards, 46% of them have spent their income on shopping, while another 26% of them under the age of 34 have experienced bankruptcy. This indicates that they are lacking in financial knowledge, which contributes to the failure of financial management behaviour through excessive spending and accumulated debt (Azizah et al., 2024).

In the recent news, The Star (2025, March 13) reported that a total of 5,189 youths between 25-34 and 83 youths below the age of 25 have been declared bankrupt from 2020 until 2025. Among the factors that contributed to this bankruptcy are business loans as the highest (1,148 cases), followed by house loans (474 cases), other debts (463 cases), hire-purchase loans (444 cases), and corporate guarantees (383 cases). In addition to that less cases include debts for income tax (110 cases), credit card (89 cases), the Employees Provident Fund contribution (77 cases), scholarships and student loans (nine cases), and finally social guarantees (four cases). The bankruptcy factors occurred as a result of the youths' inability to effectively manage their finances. They need to be very careful with their usage habits, and, therefore, they need to learn about finance so that they can manage their income and expenses well (Parulian & Bebasari, 2022). In addition, financial knowledge also plays a vital role in predicting positive financial behaviour (Gunawan et al., 2020).

As students live in hostels or rent houses during their studies, they begin to gain independence and have important responsibilities, particularly concerning their finances. They have to be independent in managing their budget, particularly for food, transportation, educational materials, and other daily expenses (Handayani & Handayani, 2022). Unfortunately, most students face difficulties as they have to start managing their own finances without parental control. With limited knowledge and control of financial management, many students spend without thinking of their financial ability. They are influenced to follow the latest trends that lead to spending on branded items and food in trendy cafes (Muliana & Hashim, 2022). Sometimes, in order to keep off-campus-style living, they are willing to acquire debt, especially when shopping online, like using ATOME, GrabPay, Lazada PayLater, and other platforms. Using these platforms does not require them to pay in cash immediately but rather through instalments to pay later. As a result, this convenience can easily encourage them to overspend, which increases their debt. This issue becomes worse when they are unable to repay it, eventually leading to financial problems in the future (Fauzi et al., 2020).

Students need to have knowledge in financial management because with this knowledge, students can manage their finances and determine their personal financial management more effectively (Azzuhro et al., 2024). Hence, this study focuses on the financial management behaviour among university students in Malaysia, and it highlights the factors that contribute to poor financial management. It focuses on how financial management behaviour is essential to help students in order to prioritise their spending. In fact, poor financial behaviour increases wasteful spending and can cause bankruptcy (Kassim et al., 2022). Azer and Mohamad (2018) indicated that the cause of financial problems and ineffective financial management behaviour among university students is due to a lack of financial management knowledge. Muliana and Hashim (2022) stated that without effective financial management behaviour and budgeting understanding, students will tend to behave poorly in financial practices in the future. The authors also indicated the significance of financial literacy among students in terms of loans, credit cards, and impulse buying to curb

their long-term financial difficulties. In fact, poor financial management behaviour can result in wasteful spending and lead to serious financial problems (Kassim et al., 2022). Students with good financial management could successfully control their expenses; however, many still have difficulties dealing with their spending behaviour.

Therefore, the present research aims to study factors that lead to poor financial behaviour management among university students. Thus, in the context of UiTM students, the research objectives and research questions of this research are:

RO1: To study the financial management behaviour among university students.

RO2: To identify the factors that contribute to poor management behaviour among university students.

RQ1: What are the financial management behaviours among university students?

RQ2: What are the factors that contribute to poor management behaviour among university students?

2.0 LITERATURE REVIEW

2.1 FINANCIAL MANAGEMENT BEHAVIOUR

Soo Cheng et al. (2020) defined financial management behaviour as the act of distribution, acquisition, and use of financial resources directed toward a personal goal. Financial management behaviour is not just about managing finances effectively but also about developing positive financial habits, maintaining self-control, and being proactive in addressing and improving financial issues as they arise (Prihartono & Asandimitra, 2018). Wahyuni et al. (2023) stated that personal financial management behaviour involves learning about planning, taking action based on planning and making improvements towards the planning implementation by individual or family members. Thus, managing financial behaviour is vital to every individual to avoid financial problems or pressures. Educating young people at the university level on financial management is crucial as many of them are at the stage of learning to manage their own expenses.

Many university students take education loans from the 'Perbadanan Tabung Pendidikan Tinggi Negara' (PTPTN) and many of them overspend on unnecessary expenses (Zulfaris, 2020). University students need to prioritise their spending as that is the purpose of the education loans. Proper financial management behaviour will allow students to allocate their funds wisely, especially spending on basic needs such as food and beverages, tuition and college fees, transportation, and books to be purchased, while also setting aside funds for future goals such as emergencies. It becomes important for students to learn to budget properly and be responsible with their savings and debt, ensuring that loans such as PTPTN are managed and repayments are made on time to avoid accruing excessive interest (Kassim et al., 2022).

Fauzi et al. (2020) defined financial management behaviour as how a person acts towards managing their finances, which correlated with self-control and saving behaviour. Financial management behaviours are also an important aspect of a student's overall financial well-being and future financial stability (Muliana & Hashim, 2022). The responsibilities of students are quite large because they live away from their parents and are beginning to become independent and more involved in managing their own affairs, including providing for their financial needs. Students with healthy financial management behaviour usually show deep awareness of their sources of income and the amount of money coming in. As the cost of living increases each year significantly, and as students grow into financially independent adults, these increasingly mature thoughts and emotions must be balanced by positive financial behaviours (Khalisharani et al., 2022).

Khoong (2016) stated that the study on individual behavioural finance theories is limited, yet combining the Maslow hierarchy theory and the classic financial theory can be useful in discussing the financial behaviour of individuals in different situations. In Maslow's theory, individuals tend to satisfy needs before safety and self of belonging. While in classic financial theory, individuals tend to maximise profits. However, in an uncertain situation, an individual becomes irrational, which influences their financial behaviour. This individual financial behaviour becomes more complex when it involves individual

financial planning. Without proper financial planning, an individual is subject to poor financial management.

2.2 FACTORS THAT LEAD TO POOR FINANCIAL MANAGEMENT

2.2.1 Overspending and Debt

According to Achtziger (2022), rising numbers of young people run into financial hardship due to overspending and over-indebtedness. Spending means using money to buy things that a person wants or needs. This includes goods like food and clothing and services like health care and transportation. People have different spending habits based on several factors. Age, income, gender, ethnicity, family history, and personality all influence how people spend their money (Kumar et al., 2022). Many young people have more debt that makes them vulnerable to economic shocks like termination or an increase in interest rates. As a result, many young people are trapped in a cycle of debt that worsens the financial situation. Hence, teaching them financial management to manage expenses and debt could develop good budgeting habits and curb financial problems (Cappelli et al., 2024).

2.2.2 Poor Budgeting Skills

One of the key factors for successful personal and economic growth is having good budgeting habits. Without good budgeting, a person struggles to have extra money to save. While budgeting is widely recommended as a financial activity, Choong et al. (2023) noted that there is little systematic evidence on its long-term effectiveness in achieving financial goals. Without good budgeting, a person struggles to have extra money to save. Only those who manage their finances well can set aside savings. Developing good budgeting habits can be challenging. Many people want to save some of their income and believe that saving is important for their future. However, they often delay their saving and budgeting plans. This situation affects not only regular people but also those in higher-paying jobs (Aung et al., 2020). Besides that, having good budgeting habits and savings creates a safety net for economic security. Saving means putting aside resources for the future. This helps people prepare for unexpected situations, including financial issues. When it comes to saving and budgeting, the amount saved isn't as important as saving regularly. A person who saves a lot at once is not as effective as someone who saves a little consistently.

2.2.3 Hedonistic Lifestyle

A hedonistic lifestyle focuses on seeking happiness and enjoying life's pleasures. People who follow this lifestyle prioritise fun and immediate satisfaction in their daily activities, interests, and views. A lifestyle reflects a person's habits and choices, including how they spend their time and money. Those who embrace hedonism often put self-indulgence above other concerns, sometimes ignoring long-term consequences or financial responsibilities. They may splurge on fine dining, luxury items, or extravagant trips, but this can harm their financial well-being. This focus on pleasure can lead to poor money management, and it can negatively impact how someone handles their finances (Surwanti, 2024). Furthermore, everyone has their own lifestyle, which is not limited by gender, age, or income, including students. Universities have changed from just places for learning to settings where students express their identity through what they wear. They often compete with each other in fashion. Many students at the university enjoy shopping and dining out because there are malls and cafes nearby. New social spots are opening up, and social media influencers are sharing trends in fashion, hairstyles, luxury items, and popular food places. This attracts 15 students and inspires them to follow these trends. The presence of shopping centres and cafes encourages students to spend more time outside their homes. During breaks or after classes, they often choose to hang out at the mall or a cafe to eat, work on assignments, or shop. This preference goes beyond basic needs and leads students to adopt a more extravagant lifestyle. Many students do not fully understand how to manage their personal finances, which further fuels this trend (Yana et al., 2023).

2.2.4 Lack of Income Sources

Most students living at home are dependent on their parents. Their ability to manage money or allowances is strongly influenced by their parents' financial situation (Jumawan et al., 2024). Some students shared that even though some of their parents understand the costs of university, they cannot afford to cover those expenses. This financial burden makes it hard for students to get the most out of their education. Parents

usually advise and teach their children how to handle financial challenges to succeed. Besides that, many study participants said that not having enough pocket money greatly affected their daily lives. It made it hard for them to reach their learning goals. Most participants explained that their limited pocket money mostly went to meeting basic needs. As a result, they struggled to pay for other important things like transportation, food, educational resources, and other small expenses, which are discussed below (Kumsa et al., 2020). Many students struggle to balance school and personal life because of money issues. They often have trouble paying for basic needs. This situation makes them look for other ways to support themselves, like getting part-time jobs or asking for financial aid. Part-time jobs can help with money, but they can also hurt students' grades and mental health (Njagi et al., 2024).

3.0 METHODOLOGY

Descriptive analysis helps in understanding the data by summarising the key features through patterns, trends, and distributions. Thus, in this study, descriptive analysis helps in providing the management financing behaviour of the group being studied. In descriptive studies, it is sufficient to use at least 10% of the population as a sample size. Roscoe suggested that a sample size is greater than 30 and less than 500 is suitable for most behavioural studies (Memon et al., 2020). This research uses convenience sampling, a non-probability sampling method; thus, it is suitable for the situation where access to all target populations is limited. This study does not have a specific target population for UiTM Jengka and UiTM Puncak Alam. But this method allows the researchers to distribute questionnaires to willing and accessible respondents. Having more respondents is beneficial as it provides a broader and more reliable dataset; however, an excessive number of respondents can create challenges in managing and analysing the results effectively (Nalurita et al., 2022).

The total number of students involved is 170, which is more than 100 samples as often recommended to achieve meaningful results. In order to confirm the validity and reliability of the questions, 4 academicians have reviewed the questionnaires. A pilot test was conducted to obtain feedback on the questionnaires. The questionnaire includes several sections that consist of demographic information, financial literacy, budgeting and money management, spending behaviour, saving and investing, debt and credit management, attitudes toward money, financial goal setting, financial stress and coping mechanisms, social influences on financial behaviour, and use of financial technology. However, for this article, only the descriptive analysis of demographic information, spending behaviour and factors contributing to spending behaviour were presented and discussed. The questionnaires were distributed using Google Forms via respondents' WhatsApp groups. This method was chosen because it is easy to reach respondents from different locations and within the scope of the respondents of studied.

For this research, quantitative data is collected through a structured questionnaire that incorporates closed-ended questions designed to gather specific insights about the financial management behaviours of the students. The questionnaire was divided into 11 sections. Section 1 focused on respondents' demographics, such as gender and age, while Sections 2 through 11 addressed various aspects related to financial management behaviour among students. The first part of this questionnaire collects demographic information from respondents and consists of 10 questions. The topics covered include age, gender, campus, faculty, educational level, semester, monthly allowance, family household income, and number of family members. The second part, continuing through to the eleventh part, consists of five questions each that focus on various aspects of this research. These topics include financial literacy, budgeting and money management, spending behaviours, saving and investing, debt and credit management, attitudes toward money, financial goal setting, financial stress and coping mechanisms, social influences on financial behaviour, and the use of financial technology. To analyse respondents' answers, a 5-point Likert scale was used in the survey form, which ranges from 1 for "Strongly Disagree" to 5 for "Strongly Agree," as well as some questions that utilise a 3-point scale, which is "Yes," "No," or "Maybe."

4.0 RESULT AND DISCUSSION

This section uses descriptive analysis to outline the characteristics of the respondents, including their age, campus, gender, faculty, education level, semester, monthly allowance, and family income. The frequency and the percentages shown are based on the 170 responses.

Table 1: Demographics of Respondents (Gender, Age, Campus, Faculty)

No.	Demographic	Frequency	Percentage (%)
1	Gender		
	Male	28	16.6
	Female	142	83.5
2	Age (year)		
	18 – 20	82	48.2
	21 – 23	73	42.9
	24 – 26	14	8.2
	28	1	0.6
3	Campus		
	Jengka	114	67.1
	Puncak Alam	56	32.9
4	Faculty		
	BA002	58	34.1
	BA118	6	3.5
	BA232	69	40.6
	BA279	25	14.7
	BA274	1	0.6
	BA273	10	5.9
	CS110	1	0.6

The table above shows the ages of the respondents in the survey. Out of 170 people, most belong to the 18-20 age group, making up 48.2%. The next largest group is those aged 21-23, who account for 73 (42.9%). Respondents aged 24-26 represent 8.2% (14 individuals), and only one person is 28 years old, which is 0.6%. From the table, the majority of the respondents were female, a total of 142 (83.5%), and 28 respondents were male, which is 16.6%. This study involved two campuses, which are the Jengka campus, with 114 respondents making up 67.1%, and the Puncak Alam campus, with 56 respondents, which was 32.9%. There were seven programs that participated in this study. BA232 has the highest enrollment with 69 students, making up 40.6% of all students. Next is BA002 with 58 students, which accounts for 34.1%. This was followed by BA279 with 25 students, representing 14.7%. Besides that, BA118 and BA273 have fewer students, with 6 (3.5%) and 10 (5.9%), respectively. Lastly, CS110 and BA274 have the least, with only 1 student each (0.6%). Overall, most students are in BA232 and BA002.

Table 2: Demographics of Respondents (Education level, Semester, Monthly Allowance, Family Income)

No.	Demographic	Frequency	Percentage (%)
5	Education level		
	Pra diploma	58	34.1
	Diploma	6	3.5
	Degree	106	62.4

6	Semester		
	Part 1	94	55.3
	Part 2	6	3.5
	Part 3	5	2.9
	Part 4	1	6
	Part 5	64	37.6
7	Source of monthly allowance		
	Parents	108	63.5
	Education loan	55	32.4
	Scholarship	4	2.4
	Zakat	3	1.8
8	Family income		
	RM100 and below	33	19.4
	Rm101 - rm200	52	30.6
	Rm201 - rm300	29	17.1
	Rm301 - rm400	25	14.7
	Rm401 - rm500	16	9.4
	RM501 - and above	15	8.8

The table shows the educational level of the respondents. The largest group, 106 people (62.4%), has a degree. There are 58 respondents (34.1%) who are pre-diploma students, and only 6 respondents (3.5%) have a diploma. The percentage distribution of semesters is categorised into five sections. Among them, "Semester 1" contributed the highest share, with 94 respondents, representing 55.3% of the total. This was followed by "Semester 5," which consisted of 64 respondents, or 37.6%. The remaining sections contributed less significantly to the total: "Semester 2" had 6 respondents (3.5%), "Semester 3" had 5 respondents (2.9%), and "Semester 4" contributed only 1 respondent (0.6%). In total, the data set consisted of 170 respondents, equal to 100%. This distribution highlights the dominance of "Semester 1" and "Semester 5," which shows that the highest number of respondents participated in answering this questionnaire, while the other semesters contribute only marginally.

In terms of financial support received by students, the majority of respondents, 63.5%, which is 108 students, reported receiving their financial support in the form of a monthly allowance or pocket money from their parents. In addition, 55 students, or 32.4% of respondents, stated that they relied on educational loans, highlighting another important source of financing for their expenses. Scholarships were also recorded, with 4 students, or 2.4% of respondents, benefiting from this form of financial assistance, while a smaller percentage, with only 3 students, or 1.8%, received Zakat. Overall, the total number of respondents surveyed was 170, providing a comprehensive picture of the various financial support mechanisms available to them, with parents being the main source for them to receive the monthly allowance or pocket money needed for their survival throughout their studies at UiTM Jengka and Puncak Alam.

Finally, on the average monthly allowance, the data showed that 19.4% of respondents, which is 33 students, received RM100 or less of monthly allowance, while the largest group, consisting of 30.6%, which is 52 students, received between RM101 to RM200. The next tier, with allowances between RM201 to RM300, comprised 17.1% of respondents, which is 29 students. Those receiving between RM301 to RM400 represented 14.7% of respondents, consisting of 25 students, while 9.4%, which is 16 students, had allowances in the range of RM401 to RM500. The smallest group, comprising 8.8% of respondents, which is 15 students, received RM501 or above of monthly allowance. Overall, the data shows that most students rely on relatively limited monthly allowances, with only a small number receiving larger allowances.

Research Objective 1: To study the financial management behaviour among university students.

Table 3: Research Objective 1

Questionnaires	Mean
I allocate savings specifically for emergency	2.34
I feel that university students should spend money on social activities (e.g., eating out, events) even if it puts a strain on their budget	2.13
I do not compare prices before making purchases.	2.11
I often make unplanned shopping and online purchases.	1.87
I often make purchases based on recommendations or reviews from peers or influencers.	1.77

Based on Research Objective 1, the questionnaire “I allocate savings specifically for emergency” recorded the highest mean score, which is 2.34. This means that students are aware of the importance of allocating savings for emergencies. The finding is in line with Hartono & Isbanah (2022) research, which indicated that saving money brings many benefits, especially when unforeseen circumstances arise. It also helps deal with unexpected expenses such as paying off debt, building assets, and medical bills.

In addition, based on the second questionnaire, “I feel that university students should spend money on social activities (e.g., eating out, events) even if it puts a strain on their budget” has the second-highest mean score of 2.13. The findings, show that students often prioritise their lifestyle over financial discipline and have a tendency to waste their money on unnecessary activities. This is also proven in Zahra & Anoraga (2021) study, where they found that lifestyle can influence students’ consumptive influence. This can be seen from the lifestyle of students who like to spend their money at cafes and malls, as well as shopping online.

Moreover, the third questionnaire, “I do not compare prices before making purchases”, has scored the third-highest mean score, 2.11. This indicates that students lack awareness of financial management and budgeting skills, which can result in impulsive buying habits. It shows that students are unfamiliar with websites or price comparison apps that can assist them in making more informed purchasing decisions. Consequently, they may overspend and end up struggling to manage their expenses effectively.

Furthermore, based on the fourth questionnaire, “I often make unplanned shopping and online purchases” has recorded a mean score of 1.87. This indicates that students lack understanding of financial planning and budgeting, which leads to less awareness about the difference between needs and wants. This is supported by Zahra & Anoraga (2021) study, where they found that when students see influencers owning

or promoting an item on social media, it will influence them to purchase it without planning. Another study by Budaya, Bustami & Sherlin (2022) found that people make unplanned purchases because of the emotional state, mood, and feelings of a person. They added that other factors that affect their impulse buying are price discount, bonus pack, and hedonic value.

Last but not least, the questionnaire “I often make purchases based on recommendations or reviews from peers or influencers” scored the lowest mean score of 1.77. This demonstrates that students often rely on recommendations or reviews from peers and influencers to guide their purchasing decisions. This is supported in the Croes and Bartels (2021) study, when they found that young adults regularly shop for items based on influencer recommendations on social media like Instagram, TikTok, and Facebook. Croes & Bartels added that students view the influencers as trustworthy sources of online information because influencers use their reputation and social influence to gain trust and encourage their followers to see it in a good light or buy it.

Research Objective 2: To identify the factors that contribute to poor management behaviour among university students.

Table 4: Research Objective 2

Questionnaires	Mean
I feel pressure to keep up with the spending habits of my peers	3.38
I feel pressured by others to spend money on things I could not afford	3.09
I do not understand the basic financial terms and concepts	2.51
I have been influenced by social media or advertisements when making financial decisions	1.98
I sometimes borrow money from friends for things that are not necessary	1.79

The first statement, “I feel pressure to keep up with the spending habits of my peers”, received the highest mean score of 3.38. It indicated a significant level of agreement among respondents on peers on their financial decisions. This finding aligns with the existing literature, which highlights the significant weight brought upon the peers in shaping consumer behaviour among young adults. Thus, it is shown that students often make comparisons on their spending habits towards peers, leading to feelings of inadequacy or the desire to conform to perceived social norms. For instance, a study highlighted that approximately 60% of respondents experienced peer pressure to spend rather than save, with many feeling compelled to participate in social activities that strain their finances (Sabu & Dinakar, 2024).

Secondly, the statement “I feel pressured by others to spend money on things I could not afford” with second-highest mean score of 3.09, indicated significant concerns of social pressure influence on financial behaviour among students. This indicated that many students feel a strong sense of being pressured to spend more than their means by many sources, such as peers and societal expectations. Thus, students may feel compelled to be far with peers in terms of lifestyle, clothing and social activities that contribute to debt or overspending. In fact, with the increase in the cost of living, it becomes more challenging for students to manage their finances (Chia et al., 2024).

Third highest mean score of 2.51, “I do not understand the basic financial terms and concepts”, showed that students do not understand the exact meaning of the basic terms related to budgeting, saving, and investing. Understanding the terms and concepts is important to guide their financial responsibilities during their studies at the university. The importance of financial literacy for university students cannot be overstated. Financial literacy equips students with the knowledge and skills needed to manage their finances, make informed decisions, and achieve financial stability. Without this knowledge, students are more likely to face financial stress, which can negatively impact their academic performance and overall well-being. Lack of financial literacy can also have serious implications for students' financial well-being, potentially leading to poor financial decisions, increased debt, and long-term economic challenges (Sufian & Wen, 2024).

Fourth, the statement “I have been influenced by social media or advertisements when making financial decisions” received the second lowest mean score of 1.98, which means the influence of social media is not strong enough to influence their financial behaviour. Social media advertisements are designed to be highly targeted and personalised, making them more effective in influencing consumer behaviour. Thus, university students who frequently use social media are vulnerable to this marketing strategy. Constant exposure to these advertisements can create social pressure to conform to certain lifestyle standards, leading to financial decisions that may not align with students’ actual needs or financial capabilities (Rodriguez et al., 2024). However, if students are engaged with financial content on media social such as Instagram or TikTok, they possibly have awareness of the risks of targeted advertisements that lead to poor financial choices. As a result, the low mean scores indicate a mixed understanding among university students of the impact of social media advertisement on financial management behaviour.

Finally, the lowest mean score of 1.79, “I sometimes borrow money from friends for things that are not necessary”, showed that borrowing money for non-essential expenses is relatively uncommon for the respondents. The low score indicates that most respondents are cautious about borrowing money. Borrowing money among friends can cause awkwardness and tension, as individuals may feel pressured to lend money or feel discomfort to pay a loan (Wherry et al., 2019). Thus, avoiding loans from friends for buying non-essentials is a good way to curb poor financial management behaviour.

5.0 CONCLUSION

This study shows a significant result on the financial management behaviour and the factors that lead to poor financial management behaviour among university students. In terms of financial management behaviour, the students do allocate some money for emergency needs; however, they have the tendency to spend more on social activities, make unplanned purchases, and are influenced by online marketing reviews. Meanwhile, keeping up with the spending habits of their peers and spending money on things they could not afford were found to be the most influential reasons for poor financial management behaviour. In fact, the results acknowledge that students are aware of the risk of social media and loan to their financial behaviour. Hence, it is suggested that universities can create awareness by implementing a financial management behaviour programme for the students. Additionally, universities can develop ad-hoc programs that promote financial management behaviour and provide support for students to achieve responsible financial spending.

It is also recommended that the university provide counselling services for students who face financial stress and organise programs to enhance students’ literacy with basic financial terms and concepts such as savings, debts, budgeting management, and investment. Parents could also encourage them to participate in financial literacy courses. In fact, the government or other private institutions/agencies can organise seminars or workshops on financial literacy or saving attitude to enhance the students’ knowledge of financial management behaviour. Future research could replicate this study at both public and private universities with consideration of qualitative research methods to examine different patterns of financial

management behaviours among university students. It is suggested that in the future, researchers can expand and diversify the research sample to a larger scope.

Declaration of Generative AI and AI-assisted technologies

This work was prepared using QuillBot and Grammarly. These tools allowed the authors to review and revise the work and edit the content, and accept full responsibility for the publication.

ACKNOWLEDGEMENTS

The authors would like to acknowledge the support from the Faculty of Business and Management, Universiti Teknologi MARA, Jengka Campus, Pahang, and Puncak Alam Campus, Selangor, Malaysia, for providing the moral support for this research.

REFERENCES

- Achtziger, A. (2022). Overspending, debt, and poverty. *Current Opinion in Psychology*, 46, 101342. <https://doi.org/10.1016/j.copsyc.2022.101342>
- Aung, N. N., & Mon, H. H. (2020). Budgeting habit behavior of undergraduate students in Yangon University of Economics. *Journal of the Myanmar Academy of Arts and Science*, 18, 1–12.
- Azer, I., & Mohamad, S. A. (2018). Exploring financial management practices and problems among students. *International Journal of Academic Research in Business and Social Sciences*, 8(12), 1–10. <https://doi.org/10.6007/IJARBS/v8-i12/5762>
- Azizah, A. N., Susilaningsih, S., & Noviani, L. (2024). The impact of financial knowledge on college students' financial behavior: A systematic literature review. *Asian Journal of Management Analytics*, 3(4), 1085–1102. <https://doi.org/10.55927/ajma.v3i4.11720>
- Azzuhro, A., Banquerigo, N. T., De Guzman, A. P., Cruz, C. K. L. D., Estabas, E. M. S., Geronimo, E. S., Torres, J. D., Dayao, R. J. C., Cacayuran, I. Q., & Porciuncula, C. J. D. (2024). Analyzing the effect of allowance frequency on savings allocation of junior tourism management students at National University–Baliwag. *Cognizance Journal of Multidisciplinary Studies*, 4(6), 334–343. <https://doi.org/10.47760/cognizance.2024.v04i06.020>
- Budaya, I., Bustami, E., & Sherlin, I. (2022). Price discount, bonus pack, and hedonic value towards online shop impulse buying: A case study of private college students in Sungai Penuh City. *Journal of Business Studies and Management Review*, 5(2), 242–247.
- Cappelli, T., Banks, A. P., & Gardner, B. (2024). Understanding money-management behaviour and its potential determinants among undergraduate students: A scoping review. *PLOS ONE*, 19(8), e0307137. <https://doi.org/10.1371/journal.pone.0307137>
- Chia, M. S., Ismail, Z., & Yahaya, R. (2024). The role of spending behavior in mediating the influence of financial socialization and reaction to indebtedness among Malaysian tertiary students. *International Business Education Journal*, 17(1), 1–11. <https://doi.org/10.37134/ibej.vol17.1.1.2024>
- Choong, C. Y., Lim, Y. C., & Ng, S. R. (2023). Analysis of factors that influence budget practices among college students in Malaysia (Doctoral dissertation). Universiti Tunku Abdul Rahman.
- Croes, E., & Bartels, J. (2021). Young adults' motivations for following social influencers and their relationship to identification and buying behavior. *Computers in Human Behavior*, 124, 106910. <https://doi.org/10.1016/j.chb.2021.106910>
- Fauzi, R., Fitri Zaini, M. N. Z., Nik Faudzy, N., & Zor, A. A. Z. (2020). Financial self-efficacy, behaviour, wellness and its effect on academic performance among nursing students. *Environment-Behaviour Proceedings Journal*, 5(15), 77–83. <https://doi.org/10.21834/ebpj.v5i15.2456>
- Gunawan, A., Pirari, W. S., & Sari, M. (2020). Pengaruh literasi keuangan dan gaya hidup terhadap pengelolaan keuangan mahasiswa. *Jurnal Humaniora: Jurnal Ilmu Sosial, Ekonomi dan Hukum*, 4(2), 23–35. <https://doi.org/10.30601/humaniora.v4i2.1196>

- Handayani, J. T., & Handayani, A. (2022). The effect of financial knowledge, financial attitude, and lifestyle on financial behavior of Shopee users. *Innovation Research Journal*, 3(1), 78–86.
- Hartono, U., & Isbanah, Y. (2022). Students' saving behaviour: What are the motives that influence them to save? *Jurnal Ekonomi Bisnis dan Kewirausahaan*, 11(3), 363–382.
- Jumawan-Powao, A. R., Tubat, K. T., Cellerio, R. C. L., Alibangbang, A. D. C., & Capilitan, M. K. T. (2024). Family income in relation to budgeting of accounting students in a university. *International Journal of Multidisciplinary: Applied Business and Education Research*, 5(8), 2973–2984.
- Kassim, A. A. M., Nejad, M. Y., Othman, J., Mamat, S., Saad, A. M., & Izwan, I. D. M. (2022). Determinants of money management behavior among Malaysian private university students. *International Journal of Business and Applied Social Science*, 8(8), 10–18. <https://doi.org/10.33642/ijbass.v8n8p2>
- Khalisharani, H., Johan, I. R., & Sabri, M. F. (2022). The influence of financial literacy and attitude towards financial behaviour amongst undergraduate students: Cross-country evidence. *Pertanika Journal of Social Sciences & Humanities*, 30(2), 449–474. <https://doi.org/10.47836/pjssh.30.2.03>
- Khoong, T. W. (2016). Perancangan kewangan dan aplikasi teori tingkah laku kewangan dan teori keperluan Maslow: Kajian kes KWSP di Malaysia. *Geografia: Malaysian Journal of Society and Space*, 12(8), 10–21.
- Kumar, D. S., Sudin, H., Othman, J., & Salehuddin, S. (2022). The influence of spending behaviour among university students in Malaysia. *Asian Journal of Accounting and Finance*, 4(3), 30–43.
- Kumsa, M. J., Lemu, B. N., & Nguse, T. M. (2020). Lack of pocket money impacts Ethiopian undergraduate health science students' learning activities. *PLOS ONE*, 15(12), e0243634. <https://doi.org/10.1371/journal.pone.0243634>
- Memon, M. A., Ting, H., Cheah, J., Thurasamy, R., Chuah, F., & Cham, T. H. (2020). Sample size for survey research: Review and recommendations. *Journal of Applied Structural Equation Modeling*, 4(2), i–xx. [https://doi.org/10.47263/JASEM.4\(2\)01](https://doi.org/10.47263/JASEM.4(2)01)
- Muliana, I. L., & Hashim, E. (2022). Examining the effect of financial management and shopping behavior on financial literacy among university students. *International Journal of Finance, Economics and Business*, 1(1), 43–50. <https://doi.org/10.56225/ijfeb.v1i1.3>
- Nalurita, F., Leon, F. M., & Nisfiannoor, M. (2022). Financial management behavior of e-wallet users in Jabodetabek. *Business and Entrepreneurial Review*, 22(2), 229–250.
- Njagi, R. M., & Thinguri, R. (2024). Influence of principals' budgeting competencies on financial performance in public secondary schools. *African Journal of Emerging Issues*, 6(18), 39–49.
- Parulian, P., & Bebasari, N. (2022). Peran demografi sebagai variabel moderasi pada pengaruh literasi keuangan dan teknologi informasi terhadap perilaku keuangan. *E-Qien: Jurnal Ekonomi dan Bisnis*, 11(3), 1–10. <https://doi.org/10.34308/eqien.v11i03.1111>
- Prihartono, M. R. D., & Asandimitra, N. (2018). Analysis of factors influencing financial management behaviour. *International Journal of Academic Research in Business and Social Sciences*, 8(8), 308–326. <https://doi.org/10.6007/IJARBS/v8-i8/4471>
- Rozana Sani. (2019, April 3). Money woes at university. *New Straits Times*. <https://www.nst.com.my/education/2019/04/475754/money-woes-university>
- Rodriguez, J. M., Velez, C., & Palallos, L. (2024). Social media influence on senior high students' spending behavior for a financial management plan. *International Journal of Management, Knowledge and Learning*, 13, 273–286. <https://doi.org/10.53615/2232-5697.13.273-286>
- Sabu, F. T., & Dinakar, K. (2024). Influence of peer pressure on individual savings behaviour. *International Journal of Advance Research and Innovative Ideas in Education*, 10(2), 24795–2583.

- Soo-Cheng, C., Kamaruddin, J. N., & Singh, J. S. K. (2020). Factors affecting financial management behaviour among university students. *Malaysian Journal of Consumer and Family Economics*, 25, 154–174.
- Sufian, A., & Wen, Y. Y. (2024). The influence of financial literacy on entrepreneurial intention among university students in Malaysia. *International Journal of Academic Research in Business and Social Sciences*, 14(8). <https://doi.org/10.6007/IJARBSS/v14-i8/22288>
- Surwanti, A., Maulidah, M., Wihandaru, Kusumawati, R., & Santi, F. (2024). Financial management behaviour of Generation Z. *E3S Web of Conferences*, 571, 03003. <https://doi.org/10.1051/e3sconf/202457103003>
- The Star. (2025, March 13). Over 5,000 youths declared bankrupt since 2020, mostly due to personal loans. *The Star*. <https://www.thestar.com.my/news/nation/2025/03/13/over-5000-youths-declared-bankrupt-since-2020-mostly-due-to-personal-loans>
- Wahyuni, S. F., Radiman, N., Hafiz, M. S., & Jufrizen, N. (2023). Financial literacy and financial attitude on financial management behavior: The mediating role of behavioral intention. *Investment Management and Financial Innovations*, 20(3), 239–250. [https://doi.org/10.21511/imfi.20\(3\).2023.20](https://doi.org/10.21511/imfi.20(3).2023.20)
- Wherry, F. F., Seefeldt, K. S., & Alvarez, A. S. (2019). To lend or not to lend to friends and kin: Awkwardness, obfuscation, and negative reciprocity. *Social Forces*, 97(4), 1–28. <https://doi.org/10.1093/sf/soy127>
- Yana, N., & Setyawan, I. (2023). Do hedonism lifestyle and financial literacy affect students' personal financial management? *International Journal of Application on Economics and Business*, 1(2), 880–888. <https://doi.org/10.24912/ijaeb.v1i2.880-888>
- Zahra, D. R., & Anoraga, P. (2021). The influence of lifestyle, financial literacy, and social demographics on consumptive behavior. *Journal of Asian Finance, Economics and Business*, 8(2), 1033–1041. <https://doi.org/10.13106/jafeb.2021.vol8.no2.1033>
- Zulfaris, M. D., Mustafa, H., Mahussin, N., Alam, M. K., & Daud, Z. M. (2020). Students and money management behavior of a Malaysian public university. *Journal of Asian Finance, Economics and Business*, 7(3), 245–251. <https://doi.org/10.13106/jafeb.2020.vol7.no3.24>