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The Influence of Financial Literacy and Personal Financial Attitude on Financial Behavior with Lifestyle as an Intervening Variable on Productive Generation Y in Medan City

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Every person has unique financial habits shaped by internal and external causes. A person's financial behaviour depends on their financial expertise. This study examines how financial education and attitudes towards money affect the financial decisions of productive Generation Y residents in Medan City. The lifestyle intermediate function in this link is also investigated in this research. Quantitative research approaches, such as surveys, are used in this study. Data processing was done using clever PLS software on 96 individuals. Data analysis methods including path analysis, PLS, and mediation effect analysis are popular. The research shows that financial knowledge strongly impacts lifestyle choices. Financial behaviour is heavily influenced by personal finance views. One's lifestyle is shaped by their financial views. Additionally, lifestyle might affect financial behaviour. This study also analyses how financial literacy and personal financial views affect financial behaviour and management, with lifestyle as a mediating component.

Keywords: Financial Behavior, Financial Literacy, Lifestyle, Personal Finance Attitudes

INTRODUCTION

The period of global integration (globalization) has had a significant impact on the financial habits of Indonesians as they strive to meet their fundamental needs. This era has not only fostered progress and economic growth on a global scale, but it has also influenced the financial behaviours of individuals in Indonesia. The increasing abundance of products available in the market has led individuals to place greater emphasis on non-financial factors when making purchasing decisions. The focus of this discussion pertains to the financial principle **2** prioritizing purchases based on necessity rather than desire, thereby impacting an individual's approach to financial management. The concept of financial conduct pertains to the manner in which individuals handle and manage their financial resources (Niar et al. 2022).

Millennials are often characterized by a propensity for extravagant expenditures, challenges in saving, and a tendency to overlook future financial obligations. When examining the characteristics and lifestyles of Generation X in comparison to the previous generation, there are discernible differences that are worth noting. The current cohort, commonly known as Generation Y, is typically characterized by elevated levels of energy, innovation, and technological proficiency. This contrasts with Generation X, which tends to exhibit a greater inclination towards idealism and conservatism (Wahyuni et al. 2022).

LITERATURE REVIEW

Definition of Financial Behavior

Financial behaviour pertains to the decision-making process individuals engage in when faced with financial choices that necessitate resolution. Behavioural finance is a psychological framework that seeks to examine how emotions and cognitive processes influence the decision-making behaviour of investors. Its primary objective is to help investors achieve their daily goals in a productive and optimal manner (Bismala, Arianty, and Farida 2017).

Definition of Financial Literacy

According to the findings of a research project that was carried out by (Wismantoro, Aryanto, and Andono 2021) the term "Financial Literacy" refers to a combination of skills and information that enables individuals to make decisions that are both well-informed and significant in relation to their own personal financial resources. Individuals who lack a suitable level of financial comprehension are less likely to make educated financial decisions and display superior abilities in managing their finances in contrast to those who have a sufficient level of financial literacy. Those who have a sufficient level of financial literacy are more likely to make informed financial decisions and demonstrate superior skills in managing their finances.

Definition of Personal Finance Attitude

According to the findings of a research that was carried out by (Wahyuni et al. 2022) is believed to be of great importance for individuals, particularly those who belong to Generation Y, to be able to handle their financial resources in an expert manner. Millennials are acknowledged as a generational cohort that actively adopts fleeting trends, current social movements, and lifestyle habits that have the potential to positively improve their financial prospects. This generational cohort is known as the "generational cohort that actively adopts transient trends, contemporary social movements, and lifestyle decisions". Therefore, acquiring knowledge and

comprehension of one's own finances is an absolute necessity for all persons, regardless of the generational background from which they come. In order for individuals to make educated financial decisions, it is essential for them to make best use of relevant tools and financial goods (Nasution et al. 2020).

Definition of Lifestyle

As per (Gunawan and Pulungan 2019), the concept of lifestyle refers to the method in which individuals manage their time and routines, allocate their financial resources, and carry out their day-to-day activities. The choices that an individual makes about their interests, hobbies, spending habits, and methods of time management can provide insight into the kind of lifestyle that they lead.

RESEARCH METHOD

Types of Research

For the purpose of this investigation, the gathering of data involved the administration of written questionnaires to members of Generation Y who were currently resident in the city of Medan. The questionnaires were composed of a set of written questions to be answered. In addition, in accordance with the framework suggested by (Sanusi 2014) this investigation makes use of an explanatory research approach in order to shed light on the causal connections that exist between the variables under investigation and the hypothesis that is being tested.

Quantitative research methods are utilized extensively throughout the majority of this work. The quantitative research technique is differentiated from other research approaches by its use of numerical data, systematic methodology, and emphasis on the objective evaluation of results through statistical analysis.

Population and Sample

The population of the study is comprised of people who live in the particular region that serves as the major focus of the researcher. As per (Sugiyono 2019) the term "population" refers to a large geographic region that contains entities or humans that share specified established features and traits. This "population" can be considered a group. Researchers conduct in-depth examinations of the population they are studying in order to arrive at reliable inferences and understandable understandings of the phenomena under scrutiny. The individuals who are recognized for their productivity and who are members of Generation Y are the subject of this study. These individuals are located in Medan City.

Data Collection Techniques

As per (Sujarweni 2014) the process of collecting data in research encompasses a variety of methods that are utilized to gain pertinent and important data for the study. These approaches are stated in the previous sentence. It is usual practice to use questionnaires as a research tool for the purpose of data collecting. In order to complete the surveys, participants are given a series of questions or written statements and are then prompted to provide their replies.

Data Analysis Techniques

The data analysis technique that is now being provided is being put forth as a candidate for the ideal solution to the existing issue. The goal of this study is to undertake an in-depth investigation of each variable, looking at how they interact with one another as well as how they stand on their own. The method of data analysis known as Smart PLS was utilized in the conduct of this research. The following are some of the components that make up the Smart PLS data analysis method:

Partial Least Square (PLS)

In order to test the five hypotheses that were presented in this research, this study employs a method known as partial regression analysis, more especially depending on a technique known as partial least squares (PLS). With the help of the Smart PLS 4.0 software, an investigation into each hypothesis will be carried out in order to investigate the relationships that exist between the variables.

Analysis of Measurement Models (Outer Models)

Construct reliability and discriminant validity are the two aspects of the measurement model that must be evaluated in order to complete the evaluation of the outer, or comprehensive, model. Other aspects of the measurement model must also be examined.

Analysis of Measurement Models (Inner Models)

The evaluation of structural models entails a thorough examination that includes three fundamental tests, each providing insights into various aspects of the model's performance.

1. The R-square test evaluates the extent to which the independent variables explain the variability in the dependent variable, thus offering valuable insights into the model's explanatory capability.
2. The F-square test is used to assess the overall significance of a model. It determines whether the predictors included in the model collectively contribute significantly to its explanatory capabilities.
3. The examination of Mediation Effects involves investigating the intermediate mechanisms by which variables in the model exert their influence. This analysis provides a more comprehensive understanding of the intricate relationships involved. The combination of these three tests plays a crucial role in conducting a comprehensive assessment of the structural model's efficacy and its capacity to offer valuable insights into the research inquiry under consideration.

Hypothesis Testing

The process of testing hypotheses is an essential part of the study of data, and it carries a great deal of weight and significance. Addressing the research problem and providing empirical data to back up the research hypothesis are the key goals of this function. Researchers are able to comprehensively test and authenticate their hypotheses when they use this approach. As a result, the researchers' results are strengthened, and they may be relied upon more effectively.

RESULTS

Data Analysis

Analysis of the Measurement Model (Outer Model)

In order to determine the validity and reliability of the measurement model, it will be put through its paces in a series of tests. The primary purpose of this investigation is to carry out a validity analysis in the interest of determining whether or not the idea satisfies the prerequisite conditions for moving on with future research. The validity evaluation will be split up into two distinct assessments, which are as follows:

Construct Reliability

As per (Azuar, Irfan, and Manurung 2015) construct scores have to have a degree of dependability that is quite high. The composite reliability threshold should be higher than 0.6.

Table 1. Composite Reliability

	Composite Reliability
Financial Behavior (Y)	0,900
Financial Literacy (X1)	0,945
Personal Finance Attitudes (X2)	0,889
Lifestyle (Z)	0,901

Discriminant Validity

According to (Sugiyono 2017) a model display¹⁷ robust discriminant validity when the cross-loading value of a latent variable exceeds the cross-loading value¹⁵ of other latent variables. This is the case when a model's cross-loading value is greater than the cross-loading values of other latent variables.

According to (Ghozali 2016) a model is said to have positive discriminant validity when one construct has a greater Average Variance Extracted (AVE) value compared to other constructs. This is an indication that the model is fitting the data well. The value of the AVE root may be found inside the table that has been supplied.

Table 2. Roots of Average Variance Extracted (AVE)

	Financial Literacy	Personal Finance Attitudes	Lifestyle	Financial Behavior
X1	0.835			
X2	0.815	0.855		
Z	0.826	0.826	0.877	
Y	0.819	0.842	0.856	0.884

Structural Model Analysis (Inner Model)

R-Square

The R-Square is a statistical measure that is used to estimate the proportion of variation in the dependent variable that can be explained by the independent variable. It does this by dividing the total variance in the dependent variable by the total variance in the independent variable. The measure is a very helpful instrument for determining how well the model is in meeting its objectives. According to (Azuar et al. 2015) the following are the requirements that must be met for R-Square to be satisfied:

¹⁵
Table 3. R-Square

	R-Square	R-Square Adjusted
Financial Behavior	0,958	0,956

According to the findings of the investigation, the R-Square Adjusted Model possesses a value of 0.956. According to the findings, it appears that the combination of Financial Literacy, Alms Literacy, Personal Financial Attitudes, and Lifestyle accounts for roughly 95.8 percent of the observed variability in Financial Behavior. As a result, the model has the potential to be seen as exceptionally efficient or admirable.

F-Square

The F-Square measure is a quantitative technique that is applied for the purpose of measuring the relative influence of an independent variable on a variable that is dependent on it. According to (Azuar et al. 2015) the specifications for meeting the criteria for F-Square are as follows:

Table 4. F-Square

	X1	X2	Z	Y
X1				0.020
X2				0.334
X3				0.032
Y				0.261

³⁷ According to the results of the F-Square test, variables X¹ (financial literacy) and X² (personal financial attitudes) have a modest influence on Y (financial behavior) through way of Z (lifestyle). The finding that was made before suggests that external influences have a considerable impact on the endogenous variable that was being discussed.

Mediation Effects

Direct Effects

The notion of a direct effect has importance in the examination of the proposition that an exogenous variable, functioning as a causal factor, exerts a direct influence on the endogenous variable. According to (Azuar et al. 2015) argue that in order to assess the direct influence, it is important to do an examination of the path coefficient.

²¹ A path coefficient over 0.50 indicates a unidirectional influence of one variable on other variables. In the above scenario, it can be observed that when the value of the variable grows, there is a corresponding proportionate increase in the values of the other variables.

³⁹ On the other hand, when the value of the path coefficient is below 0.50, it signifies a negative correlation between the variable and other variables. Fundamentally, an increase in one variable will lead to a decrease in the remaining variables.

Indirect Effects

Indirect effect analysis is a useful approach for testing hypotheses concerning the indirect influence of an exogenous variable on an endogenous variable. This type of analysis may be used by applying the appropriate formulas. This effect is brought about by the participation of a variable that acts as an intermediate.

(Azuar et al. 2015) lays forth the criteria that must be met in order to properly evaluate the indirect effect:

- If the P-value for the variable Z is less than 0.05, this suggests that it plays a statistically significant role in mediating the link between the exogenous variable X and the endogenous variable Y. To put it another way, it suggests that the variable has a major influence on the connection that is being discussed here.
- If, on the other hand, the P-values are higher than 0.05, this suggests that the results that were observed do not have statistical significance. The variable Z does not act as a mediator in the relationship that exists between the exogenous variable X and the endogenous variable Y when the circumstances are of this sort. To put it another way, the influence does not have a big impact.

Assessing the Outer Model (Measurement Model)

Analyzing the outer loading of each variable is a necessary step in the process of evaluating the outer model, which is also referred to as the measurement model. In order to meet the outer loading condition, the lowest possible threshold value must be larger than 0.70. According to (Burhan Bungin 2013) It is possible to draw the conclusion that it is possible to identify that each variable displays a clear link between the underlying variables and the indicators that are associated with it when particular criteria are satisfied by all of the variable values.

Following an examination of the processed data, one might reach the conclusion that the values of the outer loading meet the criteria that had been established beforehand. It is clear that there is a specific link existing between each variable and the latent variables, in addition to the indicators that correlate to those hidden variables.

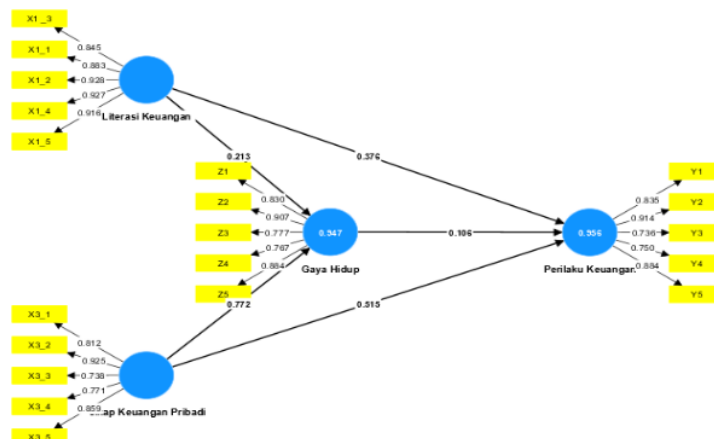


Figure 2. Structural Model

In conclusion, the outcomes of the Outer Loading that were discussed earlier may be seen clearly in the depiction of the structural model that was provided beside it. The depiction that is shown illustrates the causal relationship that exists between variable X and variable Y, with the participation of variable Z serving in a mediating capacity.

Reliability Evaluation

Cronbach's alpha and composite reliability are two benchmarks that are routinely used by academics when assessing the dependability of a construct. Both of them are well-known in their respective fields. Cronbach's alpha and the composite reliability score need to be higher than 0.6 for a construct to be considered trustworthy (Ghozali 2013).

Table 5. Cronbach Alpha & Composite Reliability

	Cronbach Alpha	rho_A	Composite Reliability	Average Variance
Financial Literacy	0.941	0.945	0.955	0.811
Personal Finance Attitudes	0.880	0.889	0.913	0.678
Lifestyle	0.891	0.901	0.920	0.697
Financial Behavior	0.883	0.900	0.915	0.683

Hypothesis Testing

In Partial Least Squares (PLS) analysis, evaluating hypotheses is made easier by analyzing variable coefficient values and P-Values. When looking for evidence of strong correlation between the variables, look for a variable coefficient that is more than 0.50.

If the coefficient of the variable is lower than 0.50, it reveals that there is only a moderate degree of correlation between the variables.

If the P-value for the hypothesis is less than 0.05, it indicates that there is a link between the variables that is statistically significant.

Hypothesis Testing 1 (Financial Literacy Influences Productive Generation Y Financial Behavior)

The findings of testing hypothesis 1 are illustrated in the table that is included with this paragraph.

Table 6. Hypothesis Testing 1

	Coefficient Value	P-Values
Financial Literacy	0.734	0.030
Financial Behavior	0.662	0.034

The preliminary results of the first test of the hypothesis reveal that there is a substantial association between financially literate conduct and such behavior as saving and investing. The presence of this condition may be deduced from the fact that the coefficient in question is more than the value of 0.50, in conjunction with P-values that are lower than the cutoff value of 0.05. The findings of this research show that there is a strong and positive association⁴ between financial literacy and financial conduct among the hardworking members of Generation Y who live in Medan City. Increased financial literacy and improved financial conduct have been found to have a significant and positive association.

Hypothesis 2 Testing (Personal Financial Attitudes Influence Productive Generation Y Financial Behavior)

The results of testing Hypothesis 2 are displayed in the table that can be seen below:

Table 7. Hypothesis Testing 2

	Coefficient Value	P-Values
Personal Financial Attitudes	0.631	0.008
Financial Behavior	0.662	0.034

The findings of the second test of the hypothesis reveal that there is a significant association between individuals' views regarding their own personal finances and the financial actions that are associated with those sentiments. According to the findings, there is a significant and favorable association between the personal financial attitudes and financial conduct of the industrious inhabitants of Generation Y who live in Medan City. This assertion is backed by a coefficient that is more than 0.50 and P-values that are less than 0.05. There is a clear association between the way an individual thinks about money and the way they really handle their money, demonstrating that there is a positive correlation between the two.

Testing Hypothesis 3 (Lifestyle Influences Productive Y Generation Financial Behavior)

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The findings of the third round of testing the hypothesis are illustrated in the following table:

Table 8. Hypothesis Testing 3

	Coefficient Value	P-Values
Lifestyle	0.748	0.019
Financial Behavior	0.662	0.034

The findings obtained from the third hypothesis test suggest that there is a link, which is statistically significant, between the qualities of one's lifestyle and their financial conduct. The coefficient is more than the minimum requirement of 0.50, and the P-values are significantly lower than the minimum requirement of 0.05. The aforementioned result sheds light on a robust and beneficial link between lifestyle choices and financial behavior among the conscientious members of Generation Y who live in Medan City. There is a correlation between an individual's level of financial responsibility and the level of improvement in their standard of living.

Testing Hypothesis 4 (Financial Literacy Affects the Productive Lifestyle of Generation Y)

The results of testing hypothesis number 4 are presented in the following table:

Table 9. Hypothesis Testing 4

	Coefficient Value	P-Values
Financial Literacy	0.779	0.021
Lifestyle	0.662	0.034

A substantial association between financial literacy³⁸ and lifestyle characteristics appears to have been found, according to the findings of the fourth hypothesis test that was performed. The value of the coefficient is more than 0.50, but the P-values continue to be less than 0.05. The data suggest that there is a strong and favorable link between financial literacy and lifestyle choices made by the conscientious members of Generation Y who live in Medan City.

Testing Hypothesis 5 (Attitude of Personal Finance Influences the Productive Y Generation Lifestyle)

The results of testing hypothesis number 5 are presented in the following table:

Table 10. Hypothesis Testing 5

	Coefficient Value	P-Values
Financial Literacy	0.579	0.003
Lifestyle	0.593	0.007

The results of the fifth test of the hypothesis reveal that there is a significant relationship⁴² between the personal financial views of individuals and the features of their lifestyles. The results of this study suggest that there is a substantial and favorable association between individuals' individual financial views and the lifestyle choices that they make among the hard-working Generation Y group that resides in Medan City. The validity of this association is demonstrated by the presence of a coefficient that is more than 0.50 and P-values that are less than 0.05.

Testing Hypothesis 6 (Financial Literacy Influences Financial Behavior Through Lifestyle as an Intervening Variable in Productive Generation Y)

The results of testing hypothesis number 6 are presented in the following table:

Table 11. Hypothesis Testing 6

	Coefficient Value	P-Values
Financial Literacy	0.734	0.010
Lifestyle	0.681	0.021
Financial Behavior	0.770	0.013

The findings from the sixth hypothesis test indicate a statistically significant relationship⁵ between financial literacy and lifestyle factors. Specifically, the results suggest that lifestyle factors play a mediating role in influencing financial behavior. The observed correlation demonstrates a strong and reliable association between the variables. The findings indicate that the variable of lifestyle functions as an intervening (mediating) variable, particularly within the context of this study.

Hypothesis 7 Testing (Personal Financial Attitudes Influence Financial Behavior through Lifestyle as Intervening Variables in Productive Generation Y)

Table 12. Hypothesis Testing 7

	Coefficient Value	P-Values
Personal Financial Attitudes	0.744	0.022
Lifestyle	0.865	0.020
Financial Behavior	0.821	0.013

⁵
The findings from the seventh hypothesis test indicate a statistically significant relationship between personal financial attitudes and lifestyle. Specifically, the results suggest that lifestyle factors play a mediating role in influencing financial behavior. The observed correlation demonstrates a strong and reliable association between the variables. The findings indicate that the variable of lifestyle functions as an intervening (mediating) variable, particularly within the context of this study.

DISCUSSION

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Financial Literacy Influences Financial Behavior

The initial findings from the hypothesis test indicate that there is a coefficient value of 0.734, which suggests a statistically significant association between financial literacy and financial behavior. There is a positive correlation observed between the level of financial literacy and the financial behavior exhibited by the diligent Generation Y population residing in the urban region of Medan City.

⁵
The results are in line with (Siregar and Simatupang 2022) which suggest that financial literacy exerts a positive and significant impact on financial behavior. The comprehension of this observation is derived from the data obtained through a meticulously conducted survey, in which conscientious individuals from the Generation Y demographic in Medan City expressed their agreement and robust endorsement for each statement presented.

Personal Financial Attitudes Influence Financial Behavior

³¹
The results of the hypothesis test reveal a coefficient value of 0.631, indicating a significant relationship between individual financial views and financial behavior. The findings of this study reveal a significant correlation between the personal financial attitudes and the effective financial behavior exhibited by young adults residing in the urban area of Medan. There appears to be a positive correlation between a stronger personal financial attitude and an associated increase in financial behavior among the diligent Generation Y population residing in the urban area of Medan City.

¹⁴
The findings of this study are consistent with the perspectives presented by (Setiyono, Sriyono, and Prapanca 2021) who assert that personal inclinations towards financial matters exert a favorable and noteworthy impact on an individual's financial conduct. Personal financial attitudes encompass fundamental financial principles such as the computation of simple and compound interest rates, the impact of inflation, opportunity costs, the time value of money, the liquidity of assets, and other pertinent factors.

Lifestyle Influence on Financial Behavior

The results obtained from the ²third hypothesis test indicate that there is a significant relationship between lifestyle and financial behavior, as evidenced by a coefficient value of 0.748. The current findings suggest a significant correlation between the lifestyle choices of individuals from the Y Generation in Medan City and their display of financial responsibility.

³³
The findings of this study align with the results ¹⁸ prior academic research conducted by (Siregar and Simatupang 2022) indicating a positive and significant impact of lifestyle on financial behavior. The concept of lifestyle encompasses the approach individuals take in making decisions regarding the allocation of their financial resources, distribution of their time, and conduct of their daily activities. The determination of an individual's lifestyle, encompassing their hobbies, interests, and opinions, can be accomplished by analyzing their typical activities.

Financial Literacy Affects Lifestyle

²
The findings of the fourth hypothesis test show that there is a substantial association between financial literacy and lifestyle, as indicated by a coefficient value of 0.779. The findings of this study suggest a clear association between the acquisition of financial knowledge and the adoption of a successful and meaningful lifestyle among members of Generation Y who reside in the metropolitan region of Medan. This is the conclusion drawn from the findings of this study. The findings that have been provided here are in agreement with ⁶ the research that was carried out by (Linzy Pratiwi Putri 2021). Both bodies of work indicate that financial literacy has a beneficial and substantial influence on an individual's way of life.

Personal Financial Attitudes Affect Lifestyle

The findings of the fifth hypothesis test show that there is a link between ⁶ personal financial views and lifestyle, as indicated by a coefficient value of 0.579. The results of this study suggest that there is a direct connection between an individual's financial views and the workaholic way of life that is demonstrated by Generation Y in the urban setting of Medan.

⁸
The findings that were reported in this study are consistent with the research that was carried out by (Gunawan et al. 2020) which indicates that an individual's financial dispositions have a significant impact, both positively and significantly, on the lifestyle that they like to lead. Particularly in light of Generation Y's propensity to adopt a consumer-centric mentality in their day-to-day spending habits, the diligent control of personal financial attitudes is of great importance. This is especially true in view of the fact that Generation Y tends to spend more money on experiences rather than things.

Financial Literacy Influences Financial Behavior through Lifestyle as an Intervening Variable

The results of the sixth test of the hypothesis reveal that there is a statistically significant association between an individual's level of financial literacy and their financial conduct, which is indicated by the choices they make about their way of life. A value of 0.734 for the coefficient illustrates the strength of the association. Taking into consideration the impact that their busy lifestyle ⁵ has, the observation that was just made indicates a definite association between financial literacy and financial behavior among the members of Generation Y in Medan City.

The findings of this study are consistent with the findings of earlier research carried out by (Kusumaningtuti and Setiawan 2018) which indicated that financial literacy has an impact on financial behavior by way of the mediating factor of lifestyle. This study was carried out in Indonesia. The way in which people go about their daily lives may have a significant bearing on the extent to which they are financially literate, which in turn can have an effect on the way in which they handle their finances.

Personal Financial Attitudes Influence Financial Behavior through Lifestyle as Intervening Variables

⁵
The findings of the seventh test of the hypothesis reveal that there is a statistically significant link between an individual's financial views and their financial conduct, as demonstrated by the lifestyle that they choose to lead. A coefficient value of 0.73⁶ is used to reflect the quantification of this relationship between the two variables. The results of this research show that there is a significant connection between individuals' personal financial views and their actual financial conduct among the conscientious members of Generation Y who live in the metropolitan region of Medan.

The results are consistent with the study carried out by (Afandi 2016) which indicated that individual financial views influence financial behavior through the mediation of lifestyle factors.

CONCLUSION

⁴¹
The findings of the study indicate a clear and significant correlation between financial literacy and successful financial behavior among the Generation Y population living in the urban area of Medan City. Furthermore, the findings indicate that the personal financial outlooks of Generation Y individuals in Medan City have a significant and favorable impact on their conscientious financial behaviors.

The research findings emphasize that the lifestyle decisions undertaken by individuals belonging to Generation Y in Medan City have a discernible and advantageous impact on their financial conduct, signifying a substantial correlation between these two aspects of life.

Furthermore, the findings of the study highlight a distinct and favorable association between financial literacy and the propensity of Generation Y individuals in Medan City to adopt a productive way of life. The findings suggest that the personal financial perspectives of the Generation Y population in Medan City have a positive and significant influence on their overall lifestyle, which is characterized by productivity.

Additionally, the research highlights a clear and significant correlation between financial literacy and financial behavior. This connection is influenced by the lifestyle choices of the hardworking Generation Y population living in the urban area of Medan City. The impact of individuals' attitudes towards personal finances on their financial behavior is clearly observable. This impact is also influenced by the lifestyle choices of the hardworking Generation Y cohort residing in the vibrant city of Medan.

LIMITATION

The active participation of the researcher in this study project has resulted in the identification of multiple limitations. The aforementioned limitations highlight the significance of thorough evaluation of multiple factors by future researchers in order to improve the quality and efficacy of their own studies. Ongoing refinements to the

research methodology are necessary due to the presence of inherent limitations in this study. Several limitations have been identified within the scope of this study, including, but not limited to:

- The primary focus of this study is to examine the impact of Financial Literacy, Personal Finance Attitudes, and Lifestyle as mediators on Financial Behavior. It is imperative to recognize the inherent limitations associated with employing questionnaires as a research methodology, as participants' responses may not consistently and accurately depict the true state of affairs.
- The study's scope was constrained by time limitations and the authors' limited comprehension of the subject matter. The study specifically targeted a sample size of 96 respondents from Generation Y who demonstrated a notable level of productivity within the urban setting of Medan City.

The aforementioned limitations necessitate additional scrutiny and refinement in future research endeavors.

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¹⁰DECLARATION OF CONFLICTING INTERESTS

The author has no conflict of interest in writing this article.

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