

**DETERMINANTS OF FINANCIAL WELL BEING AMONG INDONESIAN YOUNG
ADULTS: THE ROLE OF FINANCIAL LITERACY, SELF EFFICACY, AND
FINANCIAL BEHAVIOR**

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STATEMENT BY THE AUTHOR

I hereby declare that this submission is my own work and to the best of my knowledge, it contains no material previously published or written by another person, nor material which to a substantial extent has been accepted for the award of any other degree or diploma at any educational institution, except where due acknowledgement is made in the thesis.

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ABSTRACT

DETERMINANTS OF FINANCIAL WELL BEING AMONG INDONESIAN YOUNG ADULTS: THE ROLE OF FINANCIAL LITERACY, SELF EFFICACY, AND FINANCIAL BEHAVIOR

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This study examines the determinants of financial well-being among Indonesian young adults by focusing on financial literacy, financial self-efficacy, and financial behavior. Although young adults have increasing access to digital financial services and financial information, many still face challenges in building financial resilience, controlling spending, and preparing for future financial needs. Using a quantitative explanatory design, data were collected through an online questionnaire from Indonesian young adults aged 18 to 30 living in the Greater Jakarta area. After data screening, 163 valid responses were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings show that all four hypotheses were supported. Financial literacy had a positive and significant effect on financial well-being, although its direct practical contribution was relatively small. Financial self-efficacy had the strongest direct effect, indicating that confidence in managing financial decisions plays an important role in shaping perceived financial well-being. Financial behavior partially mediated both the relationship between financial literacy and financial well-being and the relationship between financial self-efficacy and financial well-being. Overall, the study concludes that financial well-being among Indonesian young adults is shaped not only by what they know, but more strongly by their confidence in managing money and their ability to translate knowledge and confidence into consistent financial behavior.

Keywords: *financial well-being, financial literacy, financial self-efficacy, financial behavior, young adults, Indonesia.*

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DEDICATION

I dedicate my thesis to my family, whose affection, prayers, and support have been my paramount source of strength throughout this endeavor.

I dedicate this work to myself for the perseverance, patience, and diligence required to accomplish my thesis despite the challenges encountered along the route.

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