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The Financial Capability of the Millennial Generation during the Pandemic of Covid-19

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Abstract
Good financial management requires strengthening of not only financial literacy skills but also financial skills, financial planning, and financial capability. Prior research has demonstrated that the financial situation of today's millennials is quite daunting, since they confront different financial challenges compared to previous generations. To understand this, the significance of having strong financial literacy and awareness is a point that is frequently underlined. However, the capability for these generations to act financially sound should also be investigated, particularly in the light of COVID-19 pandemic. Thus, the main objective of the study is to determine the factors influencing the financial capability of the millennial generation. The survey method using a random sampling technique was applied in this study. The study sample is the millennial generation who serve as civil servants in the Public Service Department (JPA), Putrajaya. Questionnaires were used as data collection instruments. As a result, a total of 270 respondents were involved in this study. Multi-level regression analysis was used to elucidate the objectives of the study. Preliminary results of the study indicate that the financial capability of the millennial generation is high. Subsequent findings indicate that financial knowledge, financial behavior, motivation, and opportunity have a significant relationship with financial capability. However, the financial knowledge factor has only a small influence on the financial capability of the millennial generation. These findings imply that factors such as financial behavior, motivation, and opportunity need to be considered in order to improve an individual's financial capability. In addition, increasing the opportunities and accessibility of the millennial generation to financial facilities also needs to be given attention. Future studies related to financial capability of the millennial generation could compare between generations based on location of residence (urban and rural areas) and type of occupation (skilled and unskilled).
Keywords: Knowledge, Behavior, Motivation, Opportunity, Millennial Generation.

Introduction

In December 2019, the world witnessed the beginning of the first episode of the COVID-19 pandemic, which has not ended until now. The difficulties of dealing with a pandemic are not only related to health and life, but also to economic turmoil, which poses difficulties in survival. This challenge is faced by almost all countries, both developed and developing. The initial episode of the pandemic in Malaysia has caused paralysis to the entire economic sector as the operation of the premises is limited to essential services only. The closure of commercial centers, private premises, and educational centres during the movement control order period for a long period has affected the employment sector, and many have lost their jobs. This phenomenon not only affects financial resources but also tests the financial capability of individuals and families, including the millennial generation (Utusan Malaysia, 2019; Zaimah et al., 2022).

The millennial generation is the young people who make up the bulk of the nation's workforce (Institut Kewangan Asia, 2019). Thus, the economic well-being of the country is highly dependent on the ability of the millennial generation to adopt the right lifestyle and financial habits. However, financial problems among the millennial generation are often heard and reported in the mass media (Berita Harian, 2017). These financial problems are caused by various factors and are not limited to financial management mistakes only. The rising cost of living, coupled with the global economic uncertainty due to the COVID-19 pandemic, also has a direct impact on the finances of the millennial generation (Jabatan insolvensi Malaysia, 2019).

Another factor that contributes to the financial problems of the millennial generation is the spending habits of the millennial generation itself. Most of the millennial generation loves to spend beyond their actual means, in particular (Daily News, 2017). The millennial generation also faces credit card management problems (iMoney Report, 2019). Statistical data from the Insolvency Department of Malaysia (2019) also shows the highest number of bankruptcies in the age group of 35-44 years, followed by those aged 25-34 years. A study of Asian financial institutions (2015) showed that the main sources of millennial generation debt in Malaysia are leases, personal loans, and education.

Financial capability plays an important role in an individual’s financial behaviour (Reyers, 2019). This clearly shows that financial well-being will not be successfully achieved simply through exposure to financial education and financial planning alone. Recognizing the importance of examining aspects of financial capability among the millennial generation, the study attempts to identify the extent to which factors of financial knowledge, financial behavior, motivation, and opportunity influence the financial capability of the millennial generation.

Literature Review

Millennium Generation and Financial

The millennial generation forms the largest consumer population in Malaysia and has high purchasing power. They often make sure that the decision to make a purchase is made after obtaining sufficient information. These people, who were born and raised in the information age at their fingertips, are highly dependent on the internet and information technology in their lives. The millennial generation is comprised of young people who grew up during the world's major economic crisis in 2007–2009, and those who began a career during this time period have found themselves in an unappealing and oppressive job market (Dimock, 2019). This intense job competition causes these groups to seek further education to the highest level, and this has resulted in them getting caught up in the problem of education loans at a young age (DeVaney, 2015).

The same situation can also be seen in Malaysia. The Asian Institute of Finance (2015) shows the millennial generation starts accumulating debt at a young age and lacks an understanding of proper financial planning. The study showed that 75% of Gen Y had at least one long-term loan (repayment period exceeding one year) and 37% had more than one long-term loan. The study report found that 70% of millennium generation credit card holders in Malaysia paid the minimum monthly payment and 45% had never paid the monthly credit card payment within the bank's prescribed period. A total of 65% stated that the main sources for them to seek financial advice and information were family, friends, and colleagues. Only a total of 37% of this generation seek financial advice from professional financial advisors/planners, and of that number, only 26% stated that they trust the advice received.

The millennial generation is often described as a generation tied to social media and the digital world, burdened with loans, less trusting of others, and more likely to marry late (Pew Research Center 2018). This generation is also the first group to have a high level of education loans. They also face an unstable economy and high unemployment compared to Generation X and the boomer generation at the same stage of life.

Financial Capability

Capability means having sufficient resources to enable an individual to perform the expected behavior. Research has shown that adult behaviors, including financial behaviors, are learned through socialization. The social education and consumer socialisation experienced by children raised in different cultures are expected to produce different traits and, in turn, produce different beliefs and behaviours (Jariah et al., 2004).

In addition, differences are also seen between various generations in terms of financial savings, investments, affordability, and debt management (Fry et al., 2018), as each generation faces unique challenges and opportunities. Lusardi et al (2010) say that today's younger generation has to make more difficult financial decisions in a tense financial environment, and that financial mistakes made at a young age will be more detrimental to them. Most of these young people have been burdened with education debt. These credit cards make it difficult for them to accumulate wealth and affect their financial capabilities in the future.

Xiao et al (2014) found in a study related to financial capability that young people aged 18 to 35 years are more prone to risky financial behaviours than older people. In recent years, young people and adults have been found to struggle to achieve good financial capability and financial independence (Clarke et al., 2005; Lusardi et al., 2010). Financial capability, on the other hand, appears to improve as a consumer matures (Xiao et al., 2014). Atkinson et al (2007) explain that highly financially capable individuals are those who are financially capable of making sound financial decisions. These groups have a broad understanding of their financial, ethical, social, political, and environmental dimensions.

A study by Haziman et al (2018) showed that the level of satisfaction of civil servants on income, expenditure, savings, and property ownership is at a moderate level and that integrated and aggressive efforts are needed to increase the level of financial satisfaction of civil servants to a better level, in line with the government's intention to improve the level of well-being of the people.

Taylor (2011a) states that financial capability encompasses a broader concept than financial literacy. Financial capability also includes financial knowledge, financial behavior, and financial self-efficacy. Four elements of financial capability have been identified: money management, future planning, product selection, and staying informed (Taylor, 2011a; World Bank, 2013; Fazli & Farhana, 2015; MFPC, 2018).

Money management involves the management of adequate financial resources to meet the necessities of life and keeping track of expenses incurred. Future planning looks at the financial planning made, such as retirement preparations and the individual's attitude towards the need to plan. Product selection involves the knowledge, attitude, confidence, and behaviour of individuals towards the selection of financial products that suit their needs. The fourth domain, staying informed, looks at knowledge of current economic changes, recent financial products, differences between new products and previous financial products, as well as knowing where to seek needed financial advice and assistance (Atkinson et al., 2007).

Financial Knowledge

Capability refers to the physiological and physical capacity of an individual to perform or perform an activity. Capabilities include having financial-related knowledge and skills and having the capacity to process information such as comprehension and handling. This can be achieved through information/knowledge sharing and training to develop skills (Vlaev & Elliot, 2018). Financial capability can also be manifested by the level of financial literacy and the level of appropriate financial behaviour practised. Thus, financial knowledge and financial behavior are closely related to financial capability (Jing et al., 2014).

Financial education is important for improving consumer financial literacy, encouraging expected financial behaviors, and enhancing financial capability (President’s Advisory Council on Financial Capability, 2013). Individuals with good financial knowledge are better able to make complex financial decisions. They also have more positive financial behaviours compared to individuals with low financial knowledge (Hilgert et al., 2003; Lusardi & Mitchell, 2011).

The study by Xiao and O’neill (2016) also suggested that financial education can have some positive impact on consumers' financial capabilities through increasing financial knowledge, encouraging positive financial behaviors, and increasing confidence in their individual capabilities. Jariah et al (2004) stated that individuals, including graduates, should at least be equipped with basic financial knowledge and skills to enable them to manage their income efficiently and effectively when entering work later.

Therefore, financial education needs to be introduced at the college level or earlier to enable students to manage their finances effectively. Various approaches and learning channels can be used to achieve this goal. The availability of online materials can complement and add to educational activities. This is because effective financial management will contribute to an improved quality of life and sustainable consumption (Jariah et al., 2004; Ramli et al., 2014). Financial education and healthy financial practices in the workplace should also be practiced and cultivated. This is necessary because it is able to implement the practice of making a monthly budget so that expenditure can be monitored (Ramli et al., 2014).

A lack of financial literacy also causes some problems. Increased personal debt as a result of uncontrolled credit card use, taking out personal loans to meet wants, out-of-control spending to meet wants, participating in get-rich-quick schemes, making high-risk investments blindly, and inappropriate vehicle loans, for example (Beal & Delpachitra, 2003).

Financial Behavior

According to Ramli et al (2014), financial knowledge alone, without positive financial behaviors, cannot guarantee financial well-being. This view is also supported by Vlaev and Elliot (2018), where an individual is said to be incapable if he merely has the knowledge and skills but does not practise them as a life practice. Good financial behaviour is seen through the practise of effective behaviours such as preparing financial records, documenting cash flows, planning expenses, paying utility bills, controlling credit card usage, and having a savings plan (Zaimah et al., 2013).

Young people generally learn skills from parents and teachers during their growing up period. Friese and Koenig (1993) found that the financial behaviour of college students is taught through a process of socialization. What a teenager observes and learns during childhood influences how he or she will behave as an adult. However, parents often do not emphasise financial skills such as budgeting and investing while the children live together. Instead, children have to learn how to handle money while entering college and sometimes make mistakes that will result in them having to repay the loan for several years (Jariah et al., 2004).

Positive financial behaviour is something that can increase motivation in life. In order to meet basic financial needs (spending), positive behaviour should be accompanied by the need to make savings, protection, and investments. In this case, a person who has basic knowledge of finance will more easily achieve the goal of financial stability and well-being in life (Ramli et al. 2014). Although the study could not prove the relationship between financial knowledge and financial behavior, the findings of the study confirm that having financial knowledge alone does not necessarily guarantee financial well-being without being accompanied by positive financial behaviour (Ramli et al., 2014; Vlaev & Elliot, 2018).

Most cases of failure to manage personal and family finances that occur today are due to spending behaviour in excess of income (Ramli et al. 2014). To address this issue, Bank Negara Malaysia has published the Pocket Money Book 2001 since November 1st, 2000, as part of its efforts to raise public awareness and ability in financial planning, as well as personal financial management and savings (Juliati, 2013).

Motivation

Motivation is defined as all the processes in the brain (mind) that provide energy and direction to behavior encompassing reflective and automatic mechanisms. Reflective motivation (also known as attitude) involves evaluation, goal setting and planning (Vlaev & Elliot, 2018). Evaluation involves considering the pros and cons of an action. Goal setting, on the other hand, considers the outcomes to be achieved, including long-term goals and short-term goals. While planning involves an action plan to achieve results by determining where, when and how to implement the plan.

Arellano et al (2017) found through their study that levels of self-confidence, perseverance, and motivation have different effects on financial literacy between men and women due to differences in non-cognitive skills that differ between genders. Nurun et al (2017) stated that motivation has a large impact on employee performance. Such motivation can be in the form of intrinsic factors, job enrichment, job evaluation, employee relationships and stability, decision-making, and opportunities for growth.

The need to meet goals such as paying bills, using it in an emergency or meeting the wants and needs of the household also encourages individuals to save (Lusardi, 2011). Similarly, the study of Okech et al (2013) showed that individuals or families save to meet a variety of short-term and long-term targets. Such saving ability indicates that the individual is planning for the future and has good financial ability.

Oppurtunity

Opportunity is considered to be all factors, social and physical, that lie outside the individual but give impetus to the likelihood of the behaviour occurring or not. Social opportunities result from the cultural environment that influences a person's mindset. These include shared sets of values and practises that characterise institutions and groups. For example, when family and friends encourage and support us to find learning time and space through open discussion and sharing of household financial information, Marabeth et al (2005) also stated that parental involvement is key to the improvement of financial literacy among adolescents through financial instruction given to children at home.

Physical opportunities are related to the infrastructure or technology available to the individual, such as access to financial services or products. Examples are broadband internet access at home, smartphones with banking applications, and account information access (Vlaev & Elliot, 2018). A study by Muduli and Ramala (2018) showed that individuals who have access to the internet and own a smartphone have higher financial capabilities because financial information and services can be accessed more easily.

The study by Brunori et al (2013) showed a positive correlation between opportunity inequality and income inequality. Countries with high levels of income inequality were also found to have high levels of opportunity inequality. Several studies conducted in the United States show that inequality of opportunity has a negative impact on income growth for the poor but has a positive impact on the rich (Bradbury & Triest, 2016). Some empirical evidence points to situations where economic inequality and inequality of opportunity are always closely related across time and geographical locations (Perez-Arce et al., 2016). Inequality of opportunity can have a detrimental effect on economic growth as it restricts the accumulation of wealth by the low-income group. Therefore, actions to reduce inequality of opportunity, such as access to finance, are important to ensure the stability of financial growth in society (Aiyar & Ebeke, 2019).

Study Methods

This study uses a quantitative method that uses a survey design because it is in line with the objectives of the study that have been set. The study population is the millennial generation in the Public Service Department (JPA), Putrajaya, Malaysia, i.e., officers aged 19 to 39 years in 2020 (born in 1981 to 2000). Based on information from the PSD Services Division in August 2019, there are 834 people belonging to the millennial generation. Based on Yamane (1967) sampling, the sample size for the study was 270. The study used a systematic random sampling technique to determine the study respondents. This procedure was chosen because the list of populations to be studied was obtained from the Management Services Division, PSD Putrajaya. Next, 270 samples were selected based on value intervals or multiple values. The value of the multiplier used is 3 (fading value of 3.08). The selection of the first sample was made randomly using a draw of numbers from 1 to 3, and as a result, number 3 was selected as the first sample. Then the officer who was in the 3rd position in the list of 834 people in the population was selected as the first respondent. Next, the multiplication formula of three was repeated to produce 270 samples.

Instruments and Measurements

The research instrument was a questionnaire form divided into six sections, namely: profile, financial knowledge, financial behavior, motivation, opportunities, and financial capability. Financial capability consists of four sub-sections, namely: money management, planning ahead, choosing financial products, and staying informed. The question items in this section were adapted from the Malaysian Financial Planning Council (2018); Lusardi (2011) by using Likert scale measurements of 1 to 5, such as the study of Abdullah et al (2013). The financial knowledge question items were adapted from Ramli (2011) and the Financial Counseling and Management Agency (2011). The financial behaviour question items were also adapted from (Ramli, 2011). While the motivation and opportunity question items were adapted from Power et al (2011); Vlaev and Elliot (2018), Financial knowledge is measured using two scales, namely "True" and "False" for each statement given. While financial behavior, motivation, opportunity, and financial capability were measured using a Likert scale, namely 1 = strongly disagree, 2 = disagree, 3 = disagree, 4 = agree, and 5 = strongly agree. Respondents were asked to answer the most appropriate answer choice describing themselves based on the stated likert scale.

Data Collection

Data collection was done by hand through the Assistant Administrative Officer in each division. A detailed description of the questionnaire was presented to each Assistant Divisional Administrative Officer during the form distribution session. Detailed instructions are also included in the form to avoid confusion when respondents answer. Distribution of forms to 14 offices/divisions/units in PSD, Putrajaya was made on January 20, 2020, and respondents were given a period of two weeks to answer questions.

Pilot Study
A pilot test was carried out, and the Cronbach's Alpha coefficient for all financial capability variables ranged between 0.740 and 0.948, i.e., money management (0.919), forward planning (0.948), selecting financial products (0.740), and remaining informed (0.944). George and Mallery (2003) stated that a value of Cronbach's alpha value greater than 0.7 is acceptable, while Kerlinger and Lee (2000) stated that a reliability value of Cronbach's alpha greater than and equal to 0.90 indicates high reliability for answering the research question.

Data Analysis
Descriptive data analysis was used to discuss the overall results of the study. Average scores between 1.00 and 2.33 were interpreted as low level, 2.34–3.67 medium level, and 3.68–5.00 high level (Landell, 1997). Average scores were used to interpret the level of financial capability of this study. Pearson correlation analysis and multiple regression were used to measure the relationships and factors influencing financial capability (Piaw, 2009; Schober et al., 2018). Normality and linearity tests were also carried out to ensure that the data was normally distributed in order to meet the prerequisites for performing multiple regression analysis. The multiple regression equations are as follows:

$$Y = a + b1X1 + b2X2 + b3X3 + b4X4 + \mu$$

Where as: Y = Financial capability
a = Constant
b1 hingga b4 = Coefficient value of each variable
X1 = Financial knowledge
X2 = Financial behavior
X3 = Motivation
X4 = Opportunity

Results and Discussion
Respondent Profile
The results of the study show that there are more female respondents (63%) than male respondents. The breakdown by age shows that the highest percentage is 35 to 39 years old (58.8%), followed by 30 to 34 years old (28.1%), 25 to 29 years old (11.48%) and the rest between 20 to 24 years old. The majority of respondents are Malay (97%), followed by Indians, Chinese, and Bumiputera. Most respondents are Muslim (97%), followed by Hindus, Christians, and Buddhists. Most respondents were married (84.4%) and the rest were single (13.7%), single mothers (1.5%), and single fathers (0.4%).

A third of the respondents have a diploma qualification (33.0%), followed by a degree (27.4%), Sijil Pelajaran Malaysia (SPM) (22.2%), Masters (11.1%), and Sijil Tinggi Pelajaran Malaysia (STPM) (6.3%). The majority of respondents live in Putrajaya (71.5%) and the rest live outside Putrajaya (28.5%). About half of the respondents live in government quarters (50.4%), 29.3% live in their own homes, and the rest rent houses (13%) or live with family (7.4%).

The majority of respondents are from the implementation group (69.6%) and the rest from the management and professional groups (30.4%). Respondents who served for 11 to 15 years were the highest (40.4%), followed by 30.7% who served for 6 to 10 years and the rest who served between 1 to 5 years (17.4%) and over 16 years (11.5%). Most respondents chose to retire at age 60 (77%) and the rest chose to retire at age 56 (13.7%), age 58 (5.2%) and age 55 (4.1%).

Level of Financial Capability

Table 1 shows a summary of the average values for all four elements of financial capability. The average value of financial capability for the millennial generation in JPA, Putrajaya is at a high level (3.83). The millennial generation has good financial capabilities. Taylor (2011b) states that financial capability provides an overview of a person's level of knowledge about finances, their ability to manage money and control their finances. Ramana and Muduli (2018) also emphasise that education plays an important role in determining an individual's level of financial capability. His study shows that vendors with higher education have higher financial capabilities.

Table 1
Financial capability

No.	Elements	Mean*
1.	Financial management	4.20
2.	Planning ahead	3.80
3.	Choosing Financial Products	3.69
4.	Stay informed	3.63
	Financial capability	3.83

*Mean score: 1.00-2.33=low; 2.34-3.67=medium; 3.68-5.00=high

Employment status and age also play a role in whether working individuals have higher financial capabilities regardless of gender. This may happen because of the increase in human and social capital during the working period (Taylor, 2011b). The majority of respondents have a permanent job with the Malaysian government, and this provides a guarantee of continuous income. The nature of the millennial generation that is committed and has high loyalty to the organisation also causes them to be confident in remaining loyal by working in the government sector (Debard, 2004). This guaranteed income also gives a sense of peace to the respondent's financial security and allows financial management and planning to be done well.

Atkinson et al (2007) explain that individuals with high financial ability are those who are financially able to make accurate financial decisions. They are able to count, estimate, and manage money effectively. They also understand good credit and debt management and the need to have insurance and coverage. They are able to assess all the risks and returns involved in different types of savings and investments. This group has a broad understanding of their financial, ethical, social, political, and environmental dimensions.

The relationship between financial knowledge, financial behavior, motivation, opportunities, and financial capability

Table 2 shows Pearson's correlation analysis to see the relationship between financial knowledge, financial behavior, motivation, and opportunity with financial capability. Pearson's analysis shows that the correlation between financial capability and financial knowledge is weak ($r=0.155$, $p=0.011$). Tzu et al (2008) said that it is difficult to draw conclusions about the relationship between the level of financial education and financial capabilities, especially among children. Sheraden et al (2011) also stated that most studies cannot provide conclusions about the long-term effects of financial education on financial capability. On the other hand, Ramana and Muduli (2018) found that education can affect financial capabilities through increasing the individual's ability to understand the financial products offered and their management.

Table 2
Correlation between financial knowledge, financial behavior, motivation, opportunity and financial capability

	r	p
Financial knowledge and financial capability	0.155*	0.011
Financial behavior and financial capability	0.645**	0.000
Motivation and financial capability	0.635**	0.000
Opportunity and financial capability	0.683**	0.000

Significant: $p \leq .05$*, $p \leq .01$**

The relationship between financial behavior and financial capability is moderate (r=0.645, p=0.000). The results of this study show that there is a relationship between financial behavior and the financial capabilities of the millennial generation. This supports the statement of Xiao et al (2014), who found that young people are more prone to risky financial behavior than older people. In fact, financial ability is found to be better when a user grows older (Xiao et al., 2014), and those with high financial ability are those who are financially able to make accurate financial decisions (Atkinson et al., 2007).

Next, the relationship between motivation and financial capability is also moderate (r=0635, p=0.000). This finding is in line with Lusardi (2011), who found that motivation drives individuals to save to meet wants and needs, and this leads to an increase in financial capabilities. Okech et al (2013) also show that individuals save to meet various short-term and long-term goals. This ability to save directly leads to individuals having good financial capabilities.

The relationship between opportunity and financial capability is also moderate (r=0683, p=0.000). This finding supports the findings of Muduli and Ramala (2018), who found that individuals who have access to the internet and own a smartphone have higher financial capabilities. This is because they have the opportunity to access information and financial services easily. Thus, Aiyar and Ebeke (2019) concluded that action to reduce inequality of opportunity is important to guarantee financial capability in society.

Analysis of Multiple Regression

The regression analysis results show that four predictor variables, namely financial knowledge (=.081, p >.01), financial behaviour (=.291, p.01), motivation (=.273, p.01), and opportunity (=.360, p.01), are significant predictor variables to the occurrence of financial capability. The R Square value, R2 =.620, indicates that all four predictor variables account for 62 percent of the variance change in the millennial generation's financial capabilities [F (49, 269) = 107.965, p.01]. Therefore, the model of financial capability among the millennial generation is represented by the following equation:

$Y = .229 + .003X_1 + .253X_2 + .274X_3 + .315X_4$

Based on the results of various analyses above, the study reports that financial knowledge, financial behavior, motivation, and opportunity are predictors of financial capability among the millennial generation. Table 3 shows the results of the analysis of coefficients.

Table 3
Multiple Linear Regression Analysis

Independent variable	B	Beta	t	Sig. (p-value)
Constant	.229	-	1.136	.257
Financial knowledge	.003	.081	2.112	.036
Financial behavior	.253	.291	6.024	.000
Motivation	.274	.273	5.541	.000
Opportunity	.315	.360	7.302	.000

Significant: $p \leq .05$*, $p \leq .01$** R = 0.787 *Adjusted* $R^2 = 0.614$
F = 107.965 $R^2 = 0.620$

Conclusion
A study was conducted to identify the financial capabilities of the millennial generation in JPA, Putrajaya. Four elements of financial capability measurement are used, namely money management, planning ahead, choosing financial products and staying informed. The study also identified the relationship between financial knowledge, financial behaviour, motivation, and opportunities with the financial capabilities of the millennial generation in JPA, Putrajaya. A total of 270 millennials who were studied were Malay and Muslim. Most millennials are female, married, and between the ages of 30 and 39. Most millennials live in Putrajaya and half of them occupy quarters provided by the government. The majority of the millennial generation has an education at least at the STPM level or higher. The majority of the millennial generation consists of the executive group and has served for more than 10 years. The majority of the millennial generation is in the B40 and M40 categories, with a total household income of less than RM4360.00 and ranging from RM4,360.00 to RM9,619.00. Most millennials plan to retire at age 60.

The results of the descriptive analysis of the four elements of financial capability found that three elements (money management, planning ahead, and choosing financial products) were at a high level and the element of staying informed was at a medium level. Overall, the level of financial capability of the millennial generation is high. This finding is so because the millennial generation studied consists of workers with a high level of education and the location of the job in Putrajaya has advantages in terms of access to infrastructure facilities and the necessary financial services. In addition, employment in the public sector also provides a guaranteed monthly income to the millennial generation.

Correlation analysis shows that financial knowledge, financial behavior, motivation, and opportunities have a positive relationship with financial capability. However, the correlation level between financial knowledge and financial capability is too low, so this relationship can be ignored. While the other three factors, namely financial behavior, motivation, and opportunity, show a moderate relationship. The results of this analysis show that financial knowledge plays a lesser role in determining the financial capabilities of the millennial generation.

The results of the regression test again confirm that the factors of financial knowledge, financial behavior, motivation, and opportunity have an influence on the financial capabilities of the millennial generation. Good financial behavior among the millennial generation needs to continue to ensure that their level of financial capability remains at a high or good level. In addition, the motivational factors in the millennial generation also need to be paid attention to ensure the maintenance of their financial flexibility. Next, the most important factor to pay attention to is opportunity. The opportunity to obtain support, assistance, and financial services has been found to greatly influence the financial capabilities of the millennial generation.

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