Strengthening Financial Health for Sustainable Finance: Evidence from Young Working Adults

Hazianti Abdul Halim
aculty of Management and Economics, Universiti Pendidikan Sultan Idris, Tanjong Malim, Perak. Malaysia

Mohd Faizal Basri
Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, Tanjong Malim, Perak. Malaysia

Zuriadah Ismail
Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, Tanjong Malim, Perak. Malaysia

Hartini Jaafar
Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, Tanjong Malim, Perak. Malaysia

Nurul Sakini Kennedy
Faculty of Management and Economics, Universiti Pendidikan Sultan Idris, Tanjong Malim, Perak. Malaysia

Abstract

Strengthening financial health has become an important priority for sustainable finance as young working adults face rising living costs, financial uncertainty, and the rapid digitalisation of financial services. From a sustainable finance perspective, financial well being reflects not only individual outcomes but also the extent to which financial systems support responsible decision making, financial resilience, and long term stability. Financial vulnerability among young adults therefore raises concerns related to financial responsibility, social inclusion, and sustainable economic participation. This study proposes and examines a Financial Health Model that conceptualises financial health as a multidimensional construct comprising financial knowledge, financial attitude, financial socialization, and digital financial literacy. These dimensions are integrated into a Financial Health Index (FHI) to capture individuals' overall financial capability in contemporary financial environments. Financial resilience is further examined as an explanatory mechanism linking financial health to financial well being. Using survey data from 150 young working adults in Malaysia, descriptive and associative analyses were conducted. The findings indicate that respondents generally demonstrate moderate to high levels of financial health, with stronger performance in financial attitudes, financial socialization, and digital financial literacy, and comparatively weaker financial knowledge. The results further show that financial health is positively associated with financial well being and financial resilience. The study highlights the importance of strengthening financial health and resilience as foundations for responsible and sustainable finance, contributing to reduced financial vulnerability and improved long term financial well being.

Keywords

Financial Health, Financial Resilience, Financial Well Being, Sustainable Finance, Young Working Adults.