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From Knowledge to Action: Students' Personal Financial Management in Rupandehi District of Nepal

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Abstract

This study investigates the relationships of financial literacy, attitude, behavior, and personal financial management among college students in Rupandehi District of Nepal. The increasing financial challenges faced by students and the specific socio-economic context of Rupandehi district, understanding these relationships is crucial for promoting financial well-being. Drawing on the Theory of Planned Behavior and Behavioral Finance, the research hypothesized direct and mediated effects among these constructs. A quantitative study was conducted using a survey questionnaire administered to 500 college students from various institutions in Rupandehi. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). The findings reveal significant positive relationships among all variables. Financial literacy strongly predicts both financial attitude and behavior. Importantly, the results confirm that financial attitude significantly mediates the relationship between financial literacy and financial behavior. Furthermore, financial behavior is a significant mediator in the relationship between both financial literacy and financial attitude, and personal financial management. Financial literacy also has a direct positive effect on financial management. These results underscore that while financial knowledge is foundational, positive attitudes and responsible behaviors are essential pathways translating knowledge into effective financial management. The study supports all proposed hypotheses, emphasizing the need for holistic financial education programs that cultivate not just knowledge but also positive attitudes and practical habits. The findings have implications for educational institutions and policymakers aiming to enhance students' financial capability in the region.

Keywords: Financial literacy, financial attitude, personal finance, college students

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Introduction

In a world that is increasingly full of complexity in financial matters, personal finance management cannot be emphasized enough. Personal financial management is crucial for individuals to be able to successfully steer their finances, especially for college students who are mostly doing this for the first time on their own. Personal finance incorporates budgeting, saving, investing, and an understanding of credit, which are essential skills that translate into economic stability and well-being (Barreto & Gamble, 2020; Kharel et al., 2024; Prakash & Bhatt, 2024). The relevance of financial literacy, behavior, and attitude to shaping financial decisions is particularly relevant among students at institutions of higher learning because they affect their ability to make good financial decisions and efficiently manage their resources (Trang, 2022; Kharel et al., 2024; Prakash & Bhatt, 2024).

Financial literacy, or the ability and knowledge required to make smart financial decisions, plays a vital role in optimizing the financial potential of students (Okamoto & Komamura, 2021; Simarmata, 2022; Maalouf et al., 2023). Evidence shows that more financially literate students are in a better position to manage financial problems, including student loans, credit card debt, and expenses for everyday needs (Bradley, 2021; Cai-yun, 2023; Tan et al., 2024). However, many college students face severe financial challenges, including rising tuition rates, limited income, and the burden of student debt that can perpetuate their financial struggles and impede their academic success (Hanson, 2022; Raut & Twanabasu, 2024; Poon et al., 2022).

In Rupandehi District, Nepal, the challenges mentioned above are very acute in nature. The socio-economic context of the region, along with restricted access to overall financial literacy, enables an environment where several students do not practice good money management (Lamichhane et al., 2024). Understanding the overlap of financial behavior, attitude, and literacy plays a crucial role in addressing such matters as well as in promoting correct financial management mechanisms in students from Rupandehi district.

Despite the recognized importance of financial literacy, there are significant gaps in financial knowledge and management among college students, particularly in Rupandehi District. Many students lack the necessary skills to navigate financial decisions, leading to poor financial outcomes and increased stress (Bradford et al., 2023; Alshebami & Aldhyani, 2022; Deda et al., 2022). Specific issues in this context include a lack of access to financial education resources, cultural attitudes towards money management, and the absence of structured financial literacy programs within educational institutions (Hardika et al., 2022; Çera et al., 2020; Huang et al., 2023).

Furthermore, the unique socio-economic characteristics of Rupandehi District, including varying levels of parental education and income, contribute to disparities in financial literacy among students (Ilar et al., 2024; Marchyta et al., 2024; Gultom & Liyas, 2024). This situation necessitates a focused investigation into the financial literacy levels of college students in the district, as well as the factors influencing their financial behaviors and attitudes. In this context this research will fill the gap by addressing these research questions 1) How do students' attitudes towards financial management mediate the relationship between financial literacy and financial behaviors? 2) How do financial behaviors mediate the relationship between financial literacy and personal financial management? 3) What is the impact of students' financial behaviors on their overall financial management in Rupandehi District?

This study contributes to the academic literature on financial literacy and management by providing empirical evidence on the financial literacy levels of college students in Rupandehi District. The findings will have practical implications for students, educators, and policymakers, highlighting the need for improved financial education initiatives and resources (Zhong & Hu, 2024; Elifneh, 2021). By addressing the financial literacy gap, the study aims to empower students to make informed financial decisions, ultimately enhancing their financial well-being and academic success.

The focus of this study is on college students in Rupandehi District, with an emphasis on understanding their financial literacy levels and management practices. However, the research is subject to certain limitations, including constraints related to sample size, geographic coverage, and time limitations for data collection (Adhikari, 2024; Yang et al., 2023). These factors may affect the generalizability of the findings, necessitating caution in drawing broader conclusions.

Literature Review

The exploration of personal finance among college students, particularly in the context of Rupandehi District, Nepal, necessitates a robust theoretical framework that encompasses financial literacy, behavior, and attitudes. One of the foundational theories relevant to this study is the Theory of Planned Behavior (TPB), which posits that individual behavior is driven by behavioral intentions, which in turn are influenced by attitudes, subjective norms, and perceived behavioral control (Ratnawati et al., 2022). This theory is particularly pertinent as it allows for the examination of how students' attitudes towards financial management and their perceived control over financial decisions can shape their financial behaviors. Additionally, behavioral finance theories provide insight into the psychological factors that influence financial decision-making, highlighting how cognitive biases and emotional responses can lead to suboptimal financial choices (Maalouf et al., 2023).

Moreover, the integration of financial literacy into this framework is critical, as it encompasses the knowledge and skills necessary for effective financial management. Financial literacy is often linked to improved financial behaviors, suggesting that students who possess a higher level of financial knowledge are more likely to engage in positive financial practices (Ninan & Kurian, 2021). This relationship underscores the importance of educational interventions aimed at enhancing financial literacy among college students, as these interventions can foster better financial behaviors and attitudes, ultimately leading to improved financial management outcomes.

Globally, the importance of financial literacy among college students has gained significant attention, particularly in developed economies. Studies indicate that financial literacy is crucial for effective financial management, influencing behaviors such as budgeting, saving, and investing (Brugiavini et al., 2018). For instance, research by Brugiavini et al. highlights that financial education positively impacts students' financial literacy levels, leading to improved financial behaviors (Brugiavini et al., 2018). Furthermore, a study by Grewal and Sweeney emphasizes that enhanced fiscal knowledge among medical students resulted in increased confidence in managing personal finances (Grewal & Sweeney, 2021). These findings suggest that financial literacy education is essential for fostering responsible financial behaviors among students.

However, challenges persist. Many students report high levels of financial stress, often stemming from inadequate financial management skills and knowledge (Bamforth et al., 2018). For example, a study by Bamforth et al. illustrates that students' money management behaviors are influenced not only by their financial literacy but also by psychological factors such as stress and anxiety related to financial obligations (Bamforth et al., 2018). This underscores the need for a holistic approach that addresses both knowledge and emotional factors in financial education.

In the Asian context, financial literacy among college students varies significantly across countries. Research conducted in China reveals that while many students possess basic financial knowledge, their practical financial management skills remain lacking (Huang et al., 2023). Huang et al. found that students enrolled in finance-related majors exhibited better financial habits compared to their peers in non-finance disciplines, indicating that academic background plays a crucial role in shaping financial behaviors (Huang et al., 2023). Similarly, studies in Malaysia have shown that cultural factors and socioeconomic status significantly influence students' financial attitudes and behaviors (Harrington & Smith, 2023).

Moreover, the integration of financial literacy into the educational curriculum has been emphasized in several Asian countries. For instance, a study by Al-Houti and Al-Daihani highlights the positive impact of financial literacy education on students' attitudes towards financial management in Kuwait (Al-Houti & Al-Daihani, 2018). This suggests that educational interventions tailored to the cultural context can effectively enhance financial literacy and improve financial behaviors among students.

In Nepal, the landscape of financial literacy among college students is still developing. Thapa and Nepal (2015) indicates that financial literacy levels among students in Nepal are alarmingly low, with many lacking basic knowledge of financial concepts such as budgeting and saving. This deficiency is compounded by cultural factors that often discourage open discussions about money management within families, leading to a lack of financial socialization (Rupakheti, 2020).

Furthermore, the financial behaviors of Nepalese college students are influenced by their attitudes towards money, which are often shaped by societal norms and peer influences. Research suggests that students who perceive financial management as a burden are less likely to engage in proactive financial behaviors (Pandey & Bhandari 2022; Acharya & Hamal, 2022). This highlights the need for targeted financial education programs that not only impart knowledge but also address the underlying attitudes and beliefs that hinder effective financial management.

Studies have examined the financial literacy of college students, revealing a concerning trend of inadequate financial knowledge among this demographic. For instance, research conducted by Pandey and Bhandari (2022), Acharya and Hamal (2022) highlight that many college students possess only a basic understanding of financial concepts, which can lead to poor financial decision-making. Similarly, Akça et al. found that financial literacy levels among college students are often intermediate, with significant disparities based on gender and socioeconomic background (Akça et al., 2018).

In addition to financial literacy, studies have explored the financial behaviors and attitudes of college students. Danahy's research indicates that financial stress is prevalent among students, often exacerbated by both positive and negative financial management behaviors (Danahy, 2024). This highlights the dual nature of financial behaviors, where even seemingly positive practices can lead to stress if not managed appropriately. Furthermore, the work of Kim et al. emphasizes the role of family financial socialization in shaping students' financial attitudes, suggesting that parental guidance can significantly influence financial behaviors (Kim et al., 2018).

Challenges in financial management are also well-documented. Many students face difficulties in budgeting, saving, and managing debt, often leading to financial strain (Azer & Mohamad, 2018). The findings from Huang et al. further corroborate this, indicating that despite the importance of personal finance education, many students lack the necessary skills to navigate their financial responsibilities effectively (Huang et al., 2023). These studies collectively underscore the critical need for targeted financial education programs that address the unique challenges faced by college students.

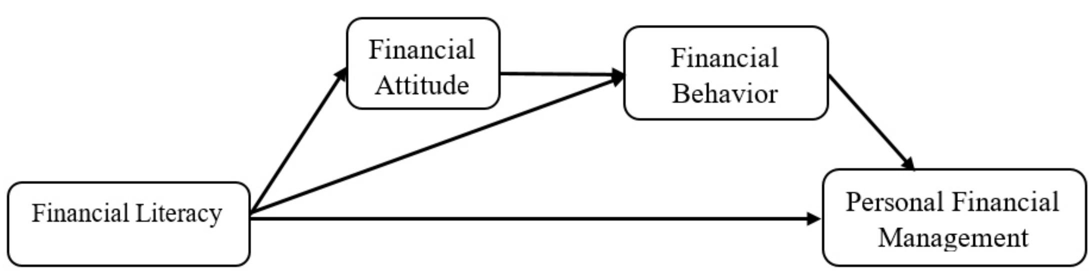
The conceptual framework for this study illustrates the interrelationships between financial literacy, behavior, attitude, and financial management among college students. Financial literacy serves as a foundational element that influences both attitudes and behaviors related to financial management. Students with higher financial literacy are likely to develop positive attitudes towards budgeting, saving, and investing, which in turn can lead to more responsible financial behaviors (Huang et al., 2023).

Furthermore, the role of social influences cannot be overlooked. Research indicates that peer behaviors and family financial practices significantly impact students' financial behaviors, aligning with Bandura's social learning theory, which emphasizes the importance of observational learning in shaping individual behaviors (Tan et al., 2024). This suggests that students who observe positive financial behaviors in their social circles are more likely to adopt similar practices. Consequently, the interplay between financial literacy, social influences, and individual attitudes creates a complex web that ultimately shapes financial management practices among college students.

The empirical evidence suggests that financial literacy, behavior, and attitudes are intricately linked in shaping the financial management practices of college students. However, significant gaps remain in understanding how these factors interact within the specific cultural and socioeconomic context of Rupandehi District, Nepal.

Figure 1

Conceptual Framework



Based on the reviewed literature, the following hypotheses are proposed for further investigation:

Hypothesis 1: Higher levels of financial literacy among college students in Rupandehi District are positively associated with responsible personal financial behaviors.

Hypothesis 2: Students' attitudes towards financial management significantly mediate the relationship between financial literacy and financial behaviors.

Hypothesis 3: Students' financial literacy positively influence financial management among college students in Rupandehi District.

Hypothesis 4: Students' financial behaviors towards financial management significantly mediate the relationship between financial literacy and personal financial management.

Hypothesis 5: Students' financial behavior positively influence financial management among college students in Rupandehi District.

Moreover, existing research often overlooks the longitudinal impact of financial education interventions on students' financial behaviors over time. Understanding how financial literacy education influences long-term financial management practices is crucial for developing effective educational programs (Stoddard & Urban, 2019). Lastly, there is a need for more qualitative research that delves into the personal experiences and narratives of college students regarding their financial management challenges, as this can provide deeper insights into the complexities of their financial behaviors and attitudes (She et al., 2022). Addressing these gaps will contribute to a more comprehensive understanding of personal finance navigation among college students in Rupandehi District.

Methods and Procedures

This study employs a descriptive and casual research design, integrating quantitative approaches to provide a comprehensive understanding of how financial literacy, behavior, and attitude shape financial management among college students in Rupandehi District, Nepal. The quantitative component was involved the collection of numerical data through structured questionnaires, allowing for statistical analysis of financial literacy levels and behaviors. This method is supported by the notion that research can enhance the validity and reliability of findings by triangulating data from different sources (Johan et al. 2020).

Population and Sample

The target population for this study comprises college students enrolled in various institutions within Rupandehi District. This demographic is particularly relevant as they are at a critical stage of financial independence and decision-making. A purposive sampling technique was employed to ensure representation across different colleges and academic disciplines. Five hundred sample respondents were collected from various institutions, which is deemed sufficient to achieve statistical significance and provide a robust analysis of the data. This approach aligns with previous studies that have successfully utilized similar sampling methods to explore financial literacy among student populations (Knowles & Schifferes, 2020).

Data Collection Methods

Data were collected using surveys through google form. The survey consisted of a structured questionnaire designed to assess financial literacy levels, behaviors, and attitudes towards personal financial management. The questionnaires include multiple-choice questions, and five-point Likert scale items. Key areas of focus were budgeting practices, saving habits, investment knowledge, and attitudes towards personal financial management. This approach is consistent with best practices in financial literacy research, which emphasize the importance of quantitative approach in literature (Yu et al., 2023).

Data Analysis Techniques

Quantitative data were analyzed using statistical software such as SPSS (Statistical Package for the Social Sciences), SmartPLS and Excel. Descriptive statistics were employed to summarize the demographic characteristics of the sample and assess overall financial literacy levels. Inferential statistics, including correlation and regression analyses, were used to examine the relationships between financial literacy, behavior, and attitudes. This approach allows for a comprehensive analysis of the data, providing a richer understanding of the factors influencing financial management among college students (Wu et al., 2022).

Ethical Considerations

Ethical considerations are paramount in conducting research involving human participants. Informed consent were obtained from all participants prior to their involvement in the study, ensuring that they were fully aware of the purpose of the research, the nature of their participation, and their right to withdraw at any time without consequence. Confidentiality was maintained by anonymizing responses and securely storing data. Additionally, the research adhered to data protection regulations to safeguard participants' personal information. These ethical guidelines are essential to foster trust and integrity in the research process, aligning with established standards in academic research (Ashourizadeh et al., 2022).

Results and Discussion

Demographic Profile of Respondents

The study surveyed 500 college students from Rupandehi District, representing diverse academic disciplines. The sample included a balanced gender distribution, with respondents aged 18–25 years. Most participants were from middle-income families, and a significant proportion reported limited prior exposure to formal financial education, highlighting the need for targeted financial literacy interventions.

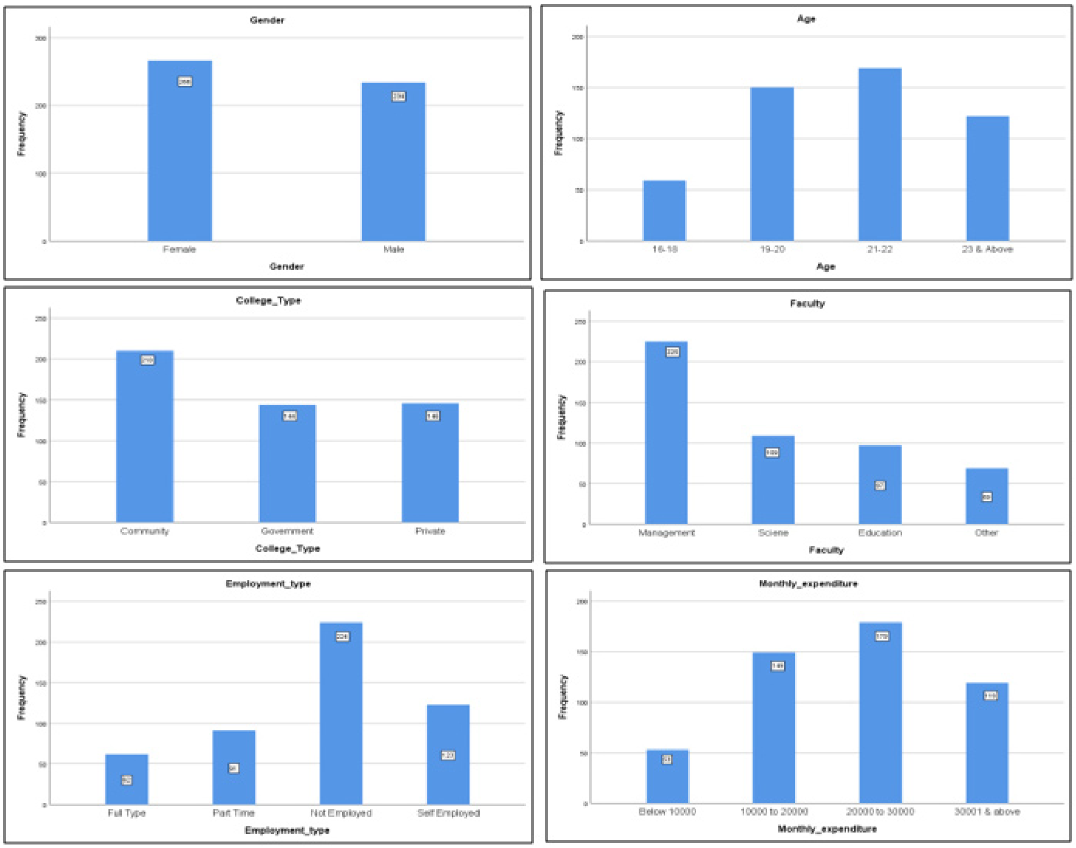
Table 1

Demographic Profile of the Respondents

		Gender		Age				College Type		
		Female	Male	16-18	19-20	21-22	23 & above	Community	Government	Private
Faculty	Management	135	90	22	60	69	74	120	49	56
	Science	54	55	15	39	45	10	29	21	59
	Education	38	59	13	35	35	14	30	36	31
	Other	39	30	9	16	20	24	31	38	0
Education type	Full Time	165	110	27	78	107	63	113	65	97
	Part Time	101	124	32	72	62	59	97	79	49
Employment type	Full Type	25	37	2	15	18	27	21	22	19
	Part Time	38	53	12	17	31	31	39	40	12
	Not Employed	145	79	28	74	82	40	93	39	92
	Self Employed	58	65	17	44	38	24	57	43	23
Monthly expenditure	Below 10000	31	22	16	11	18	8	19	14	20
	10000 to 20000	74	75	24	61	43	21	67	42	40
	20000 to 30000	104	75	12	50	80	37	87	49	43
	30001 & above	57	62	7	28	28	56	37	39	43

Figure 2

Demographic Profiling of the Respondents



The table summarizes data from 500 college students in Rupandehi District. Gender distribution shows female dominance in Management (135 females vs. 90 males), while males outnumber females in Science (55 males and. 54 females) and Education (59 males and 38 females). Most respondents (19–22 years) attend Community colleges (120 Management, 87 Science). Full-time enrollment is higher (275 students), with 63% unemployed. Monthly expenditure peaks at NPR 20,000–30,000 (179 students), while 119 spend above NPR 30,001, predominantly males (62). Private colleges attract Science students (59), whereas Community colleges lead in Management (120). Employment status highlights 224 unemployed (145 female, and 79 male) and 123 self-employed (58 female, 65 male). The data reflects gender disparities, enrollment trends, and spending patterns, emphasizing socio-economic diversity.

Reliability Analysis

Reliability analysis was conducted to assess the internal consistency of the measurement scales used in the study. Cronbach's alpha (α) was employed, with values ≥ 0.70 considered acceptable, indicating strong scale reliability, while α ≥ 0.80 denotes good consistency, and α ≥ 0.90 reflects excellent reliability (Nunnally, 1978; Taber, 2018). This analysis ensures the instruments reliably measure the latent constructs of attitude, behavior, financial literacy, and financial management.

Table 2

Reliability Analysis

Name of Variables	Cronbach Alpha	No of Item	Remarks
Attitude	0.847	5	Acceptable
Behavior	0.792	5	Acceptable
Financial Literacy	0.857	5	Acceptable
Financial Management	0.831	5	Acceptable
Overall	0.919	20	Acceptable

The results demonstrate strong internal consistency across all constructs. Attitude (α = 0.847), financial literacy (α = 0.857), and financial management (α = 0.831) exhibit good reliability, while behavior (α = 0.792) meets the acceptable threshold. The overall scale (α = 0.919) indicates excellent reliability, affirming the robustness of the 20-item instrument (Gliem & Gliem, 2003). These values confirm the scales' suitability for analyzing the interrelationships among the variables, supporting the study's validity, and enabling confident interpretation of findings.

Correlation Analysis

Correlation analysis was conducted to examine the relationships between financial behavior, financial literacy, financial attitude, and personal financial management. Pearson's correlation coefficients (r) were calculated, with values interpreted as follows: weak (0.10–0.29), moderate (0.30–0.49), and strong (≥0.50) (Cohen, 1988). Significance was tested at the 0.01 level (2-tailed), ensuring robust inferences about variable associations. This analysis explores how these constructs interrelate, providing insights into their collective influence on financial outcomes.

Table 3

Correlation Analysis

Variables	Financial Behavior	Financial Literacy	Financial Attitude	Personal Financial Management
Financial Behavior	1			
Financial Literacy	.630**	1		
Financial Attitude	.523**	.493**	1	
Personal Financial Management	.529**	.563**	.528**	1

** Correlation is significant at the 0.01 level (2-tailed)

The results reveal significant positive correlations among all variables ($p < 0.01$). Financial literacy exhibits the strongest association with financial behavior ($r = 0.630$), followed by its relationship with personal financial management ($r = 0.563$). Financial attitude moderately correlates with financial behavior ($r = 0.523$) and personal financial management ($r = 0.528$), aligning with prior studies (Hair et al., 2010). All coefficients exceed the moderate threshold ($r > 0.30$), indicating meaningful relationships. The findings underscore the interconnectedness of financial literacy, behavior, and attitude in shaping effective financial management practices, reinforcing the need for holistic educational interventions.

Figure 3

Path Model

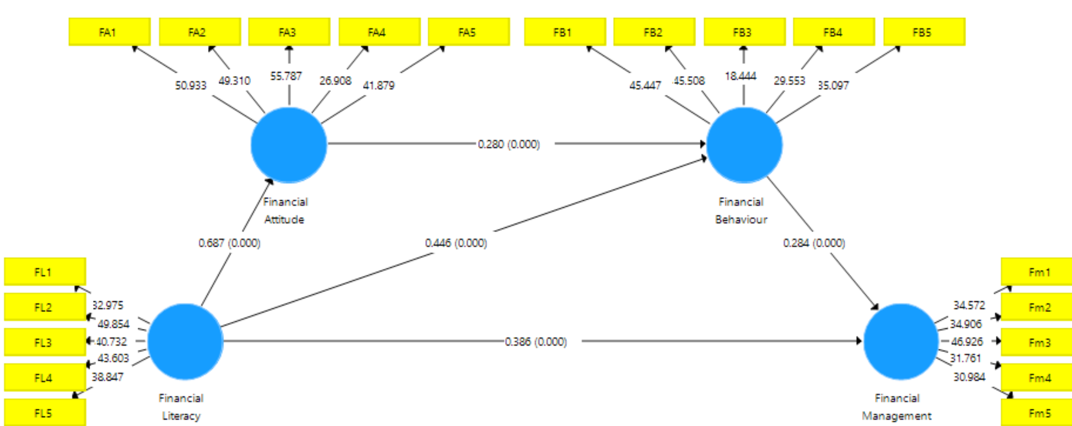


Table 4

Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/ STDEV|)	P Values
Financial Attitude -> Financial Behavior	0.280	0.284	0.053	5.312	0.000
Financial Behavior -> Financial Management	0.284	0.279	0.055	5.196	0.000
Financial Literacy -> Financial Attitude	0.687	0.686	0.028	24.165	0.000
Financial Literacy -> Financial Behavior	0.446	0.442	0.054	8.237	0.000
Financial Literacy -> Financial Management	0.386	0.390	0.052	7.493	0.000

Table 5

Total Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/ STDEV|)	P Values
Financial Attitude -> Financial Management	0.079	0.080	0.023	3.533	0.000
Financial Literacy -> Financial Behavior	0.192	0.195	0.038	4.995	0.000
Financial Literacy -> Financial Management	0.181	0.178	0.036	4.980	0.000

Table 6

Specific Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/ STDEV|)	P Values
Financial Literacy -> Financial Attitude -> Financial Behavior	0.192	0.195	0.038	4.995	0.000
Financial Attitude -> Financial Behavior -> Financial Management	0.079	0.080	0.023	3.533	0.000

Financial Literacy -> Financial Attitude -> Financial Behavior -> Financial Management	0.055	0.055	0.016	3.403	0.000
Financial Literacy -> Financial Behavior -> Financial Management	0.127	0.123	0.028	4.494	0

Table 7
Total Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/ STDEV|)	P Values
Financial Attitude -> Financial Behaviour	0.280	0.284	0.053	5.312	0.000
Financial Attitude -> Financial Management	0.079	0.080	0.023	3.533	0.000
Financial Behaviour -> Financial Management	0.284	0.279	0.055	5.196	0.000
Financial Literacy -> Financial Attitude	0.687	0.686	0.028	24.165	0
Financial Literacy -> Financial Behaviour	0.638	0.637	0.034	18.974	0
Financial Literacy -> Financial Management	0.568	0.568	0.037	15.376	0.000

The findings show that financial literacy has a strong and positive influence on financial attitude, with a path coefficient of 0.687 and a p-value of 0.000, indicating high statistical significance. This means that students who are more financially literate tend to develop more positive attitudes towards money and financial planning. This result is consistent with past research that suggests financial knowledge helps individuals build positive beliefs and confidence in handling money (Shim et al., 2010).

Financial attitude, in turn, was found to significantly influence financial behavior. The direct effect of financial attitude on financial behavior was 0.280 (p = 0.000). This shows that when students have the right mindset toward managing finances, such as being careful with spending or planning, they are more likely to act responsibly in their daily financial decisions. Importantly, the indirect effect of financial literacy on financial behaviour through financial attitude was 0.192 (p = 0.000). This confirms that financial attitude partially mediates the relationship between financial literacy and behaviour. In other words, knowledge alone is not enough, students also need the right attitude to translate that knowledge into action.

In terms of financial management, the study found that both financial literacy and financial behaviour significantly affect how students manage their money. Financial literacy had a direct effect of 0.386 ($p = 0.000$) on financial management, while financial behaviour had a direct effect of 0.284 ($p = 0.000$). The total effect of financial literacy on financial management was even higher, at 0.568. These findings imply that students with strong financial knowledge and responsible financial habits are better at planning, saving, and making smart financial decisions. The indirect effect of financial literacy on financial management through financial behaviour was 0.127 ($p = 0.000$), while the special indirect effect through both financial attitude and behaviour was 0.055 ($p = 0.000$). This suggests that behaviour plays a key mediating role in linking knowledge with effective money management, reinforcing the idea that action is just as important as awareness (Xiao & Porto, 2017).

Furthermore, the indirect effect of financial attitude on financial management, via behaviour, was 0.079 ($p = 0.000$), which confirms another important mediation pathway. These results point to a chain relationship: financial literacy leads to better attitudes, which in turn lead to better behaviour, which finally enhances financial management. This aligns with the Theory of Planned Behaviour (Ajzen, 1991), which argues that attitudes shape intentions, which then influence behaviour.

Based on the analysis of the path model using SEM-PLS, all five hypotheses proposed in this study are supported. Hypothesis 1, which states that financial literacy is positively associated with financial behaviour, is supported with a significant path coefficient of 0.446 and a p-value of 0.000. Hypothesis 2, which suggests that financial attitude mediates the relationship between financial literacy and financial behaviour, is also supported through a significant indirect effect of 0.192 ($p = 0.000$). Hypothesis 3, stating that financial literacy positively influences financial management, is confirmed with a direct effect of 0.386 ($p = 0.000$) and a total effect of 0.568. Hypothesis 4, which assumes that financial behaviour mediates the relationship between financial literacy and financial management, is validated with an indirect effect of 0.127 ($p = 0.000$). Lastly, Hypothesis 5, which proposes a direct positive relationship between financial behaviour and financial management, is supported with a significant path coefficient of 0.284 ($p = 0.000$). These findings confirm that all the proposed relationships in the model are statistically significant and meaningful within the context of the study.

Overall, the model supports all five hypotheses. It shows that financial literacy is a foundational factor influencing both financial attitudes and behaviour, and that both acts as channels through which financial literacy improves financial management outcomes. The findings emphasize the importance of holistic financial education programs that not only teach technical knowledge but also shape students' values and encourage responsible financial habits.

These results contribute to the growing body of literature on youth financial capability in developing countries, particularly in the South Asian context. They highlight the need for universities and policymakers to integrate financial education in the academic curriculum. Doing so can equip young people with the tools, mindset, and habits needed for long-term financial well-being.

Conclusion

This study explores how financial literacy, financial attitude, and financial behaviour shape the way college students in Rupandehi District manage their personal finances. The findings clearly show that financial literacy plays a central role in influencing both students' mindset and actions when it comes to money. When students have a solid understanding of financial concepts, they are more likely to develop a responsible attitude and make thoughtful financial decisions. These attitudes and behaviour, in turn, significantly support better financial management practices. From the analysis the research finds the strong connection between knowing, thinking, and doing. Knowledge alone is not enough. It needs to be supported by a positive attitude and practical actions. Students who understand how money works and who hold the right attitude are more capable of handling their finances in a responsible and sustainable way. Financial behaviour acts as a key bridge that turns knowledge into real-life money management skills.

The model tested in this study successfully explains how these elements are linked together and how they contribute to financial well-being. It confirms that building financial capability is not just about teaching facts. It's about shaping how students think and behave in their daily lives. The study strongly supports the need for more focused financial education programs in colleges. These programs should not only teach financial concepts but also encourage responsible habits and positive attitudes toward money. In conclusion, empowering young people with the right financial knowledge, attitude, and behaviour can lead to better financial decisions and improved quality of life. This research highlights the value of a well-rounded approach to financial literacy and serves as a useful guide for educators, policymakers, and institutions aiming to build financially capable youth in Nepal.

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