



## Financial Management for Muslim Youth in Thailand.

Rachma Indrarini<sup>1\*</sup>, Clarashinta Canggih<sup>2</sup>, Fira Nurafini<sup>3</sup>, Maryam bte Badrul Munir<sup>4</sup>, Ach Yasin<sup>5</sup>, Ahmad Ajib Ridlwan<sup>6</sup>

<sup>1-6</sup> Department of Islamic Economics, Faculty of Economics and Business, Universitas Negeri Surabaya

---

### Article Info

#### **Paper type:**

Research Paper

#### **Keywords:**

Islamic Financial Literacy,  
Highschooler, Thailand

---

\*Corresponding:

[rachmaindrarini@unesa.ac.id](mailto:rachmaindrarini@unesa.ac.id)

Please cite this article in APA style as:  
Indrarini, R., Canggih, C., Nurafini, F.,  
Munir, M.B.N., Yasin, A., Ridlwan,  
A.A. (2024). Financial Management  
for Muslim Youth in Thailand.  
(2024). *International Collaboration  
Conference on Islamic  
Economics*, 2(1).

<https://conference.apseii.id/index.php/ICCEIS/article/view/64>

---

### Abstract

*This study investigates the effectiveness of a community engagement program designed to improve financial literacy among Generation Alpha students at Songserm Wittaya Islamic School in Hatyai, Songla, Thailand. Generation Alpha, growing up in a digital age, is exposed to technologies like smartphones, tablets, and e-wallets, which shape their financial behaviors. However, despite their early exposure to digital tools, many children in Thailand still lack the knowledge and skills to manage finances effectively, as financial literacy is not adequately addressed in formal education. The program utilized a Community-Based Research (CBR) methodology, which involved collaboration between researchers and the school community. The educational sessions focused on key financial concepts, including saving, investment, credit, and Islamic financing. Pre- and post-test evaluations measured the students' understanding of these topics. The results showed a significant improvement in financial literacy, with students' knowledge shifting from moderate to high levels. Participation and engagement were also high, indicating strong interest and the potential for further financial education.*

---

## Introduction

Generation Alpha in Thailand, which includes children born after 2010, grew up in an environment heavily influenced by technological advancements and globalization. They were exposed to digital devices such as smartphones, tablets, and computers early, making technology an integral part of their daily lives. The education process has also become increasingly dependent on technology, with many schools in Thailand using digital devices and learning applications in their teaching and learning activities, even adopting distance learning systems.

Financial literacy is an individual's understanding and skills in managing personal finances effectively. It includes the ability to make wise decisions about money management, investment, savings, debt, and general financial planning. Good financial literacy helps a person

understand financial products and services and manage financial risks in everyday life.

One important aspect that influences the financial literacy of Generation Alpha in Thailand is the influence of technology. Children today are increasingly familiar with digital payment applications and e-wallets that make it easier for them to make transactions. Applications such as LINE Pay, TrueMoney, and Rabbit LINE Pay are already widely used in Thailand, not only by adults but also by teenagers and children. This gives them first-hand experience in using digital money, although it is not always accompanied by a sufficient understanding of how to manage money wisely. This technology also provides an opportunity to introduce the concept of financial literacy through educational apps that teach how to save, manage expenses, and even invest engagingly and interactively.

However, while technology makes it easier to access information, there is still a gap in financial literacy between children and their parents. In Thailand, financial literacy is not yet a significant part of the formal education curriculum, although some efforts have been made by the government and non-governmental organizations to introduce basic concepts of financial management in schools. These financial education programs typically cover topics such as the importance of saving, how to manage expenses, and the risks and rewards of investing. However, these programs are not yet widely available across the country, and financial literacy teaching in schools is still limited. Unfortunately, many parents in Thailand do not have adequate knowledge about finance, so they are not always able to provide the right education to their children.

On the other hand, although Generation Alpha in Thailand is increasingly open to the use of technology in their daily lives, they are also often exposed to a consumerist lifestyle promoted by social media and influencers. Many of them are influenced by online shopping trends or lifestyles showcased by celebrities and influencers on platforms such as Instagram, TikTok, and YouTube. This phenomenon can exacerbate challenges in financial literacy, as young people tend to consider spending on consumer goods as normal, without realizing its impact on long-term financial stability. In this regard, parents and educators need to guide them in understanding the value of money, as well as teach the importance of saving and investing wisely. Overall, the financial literacy of the Alpha generation in Thailand still faces various challenges, but there is great potential that can be utilized to improve their financial literacy. Through this program, participants are expected to gain a deeper understanding of financial literacy to shape a future generation that is financially capable.

## **Literature Review**

The Financial Services Authority in 2019 stated that Financial literacy is knowledge, skills, and beliefs, that influence attitudes and behaviors to improve the quality of decision-making and financial management to achieve prosperity. Meanwhile, financial literacy can be interpreted as a human ability to obtain, understand, and evaluate appropriate information to decide by understanding the financial consequences that arise (Mason & Wilson, 2000). So financial literacy is very important for society. With financial literacy, people can organize and manage their finances better and ultimately stabilize the economy of individuals and families. Sharia financial literacy is proficiency in digesting and implementing Sharia financial concepts and then being able to use and manage available finances to achieve expected targets based on Sharia principles (Faridho, 2018)

Financial literacy has several good uses and benefits for the level of welfare in the future. The benefits are (Achmad Choerudin, 2023):

1. Able to Manage Finances Well Having good financial literacy will make it easier to manage financial conditions according to their uses and interests. In this case, for example, managing monthly cash flow
2. Use your finances more wisely. If you have the ability or skills to manage your finances well, for example, financial products and services, your standard of living or welfare can increase significantly because you are able to use them better.
3. Avoiding Fraud Based on sufficient insight and literacy knowledge, it is possible that individuals will be caught in fraud issues
4. Equitable Distribution of Wealth The benefits of financial literacy can have a positive influence on society at large. This is because the owners of wealth or the rich prefer to invest their capital in the form of money in financial institutions. In this case, the money will be managed into financial products or services that can be used for good things, for example, to open a business or enterprise

According to the Financial Services Authority, financial literacy has 3 urgent aspects, namely:

1. Knowledge: Knowledge in this case means that every individual must have knowledge and information related to Financial Services Institutions, risks, rights and obligations of customers or users, and other things.
2. Skill: Every individual must be able to implement a form of knowledge that they have to manage financial problems
3. Confidence: Confidence in this case means that there is a level of trust in money or the like that is channeled to be managed and processed by a certain institution or trusted financial services institution.

Aspects of Financial Literacy according to (Chen, H., & Volpe, R.P. (1998) are:

1. Basic Knowledge related to Personal Finance, being able to understand basic knowledge or information about one's own or personal finances.
2. Savings and Loans (Savings & Borrowing), the ability to have insight into savings or deposits and loans. In this case, it is in the form of the use or utilization of credit cards by customers or consumers to make transactions.
3. Insurance, the ability to understand basic knowledge or information about insurance and its types. Examples of insurance in financial literacy are the use of health insurance, life insurance, vehicle insurance, and others.

Investment (Investment) someone who has an understanding of the ins and outs of investment and everything related to the financial investment. In this case, for example, is information and insight into investment risks, and investment products in the form of stocks, bonds, mutual funds, and others.

## Methodology

The community engagement utilized the Community-Based Research (CBR) method, a participatory approach to foster collaboration between researchers and community members, where the community is integrally involved throughout the process (Zeina et al., 2024). This method aims to empower the community by integrating local knowledge to tackle either social, economic, or environmental challenges. It is seen as a highly effective way for colleges and communities to work together, fostering stronger relationships (Strand et al., 2003). Practitioners and community members work together in planning, executing, and analyzing the results of the activities. This partnership ensures the community has a significant role in guiding the research agenda, selecting methodologies, and implementing intervention strategies. Such involvement enhances the relevance, sustainability, and overall effectiveness of the study.

The program is organized altogether with Songserm Wittaya Islamic School which is a High School in Hatyai, Songla, Thailand. The program was carried out in several stages, starting with problem identification, following by class, and evaluation. Activities were conducted face-to-face in the classroom, with participation from approximately 20 students, equivalent to secondary education (high school level). The specific steps of the implementation process are outlined in Table 1.

Table 1. Implementation Stage of Financial Literacy

No.	Stages	Acitivities	Method	Parties Involved
1	Preparation	Coordination was carried out between the researcher team and the administrators of Songserm Wittaya Islamic School which is a High School to the implementation of activities	Online Focus Group Discussion	Researcher team Administrators of Songserm Wittaya Islamic School which is a High School
2	Financial Literacy Class	Deliver the financial literacy material, particularly on Saving, Investment, Credit, and Financing in the form of material on Islamic entrepreneurship to the student	Training	Researcher team Student of Songserm Wittaya Islamic School which is a High School Administrators of Songserm Wittaya Islamic School which is a High School
3	Evaluation	Evaluation of the activity	Offline Focus Group Discussion	Researcher team Administrators of Songserm Wittaya Islamic School which is a High School

Source: prepared by the author

Analysis community service is carried out through Data Reduction, Presentation, and Analysis, and Conclusion drawing

### Results and Discussion

The community engagement program conducted at Songserm Wittaya Islamic School which is a High School Hatyai, Songla, Thailand focusing on enhancing the knowledge and understanding in Financial Literacy, successfully achieved its intended objectives. Through series of educational and interactive sessions, the highschoolers gained a deeper understanding

of financial literacy concept. The materials presented emphasized on Saving, Investment, Credit, and Financing.

Around 20 highschoolers attended the sessions and they demonstrated a high level of enthusiasm throughout the program, as reflected in their active participation in each session. They showed significant interest in discussed about financial literacy related to their daily life. This outcome highlights that the program not only enhanced their knowledge but also fostered their confidence to manage their personal finance

To measure the understanding about financial literacy, the highschoolers are given series of questions asking about saving, investment, credit, financing, as well as Islamic banking. The questions are given prior to activities to check the student initial understanding about financial literacy. After the session, the students are given the question back to measure the increasing level of understanding on financial literacy following the workshop and seminar. The answer then reviewed and assessed to determine the financial literacy level by referring to the following scoring in table 2 below:

Table 2. Assessment Scores

Scores	Index
0-20	Very low
20,01-40	Low
40,01-60	Moderate
60,01-80	High
80,01-100	Very high

Source: prepared by the author

The pre-session student answer result showed in Figure 1.

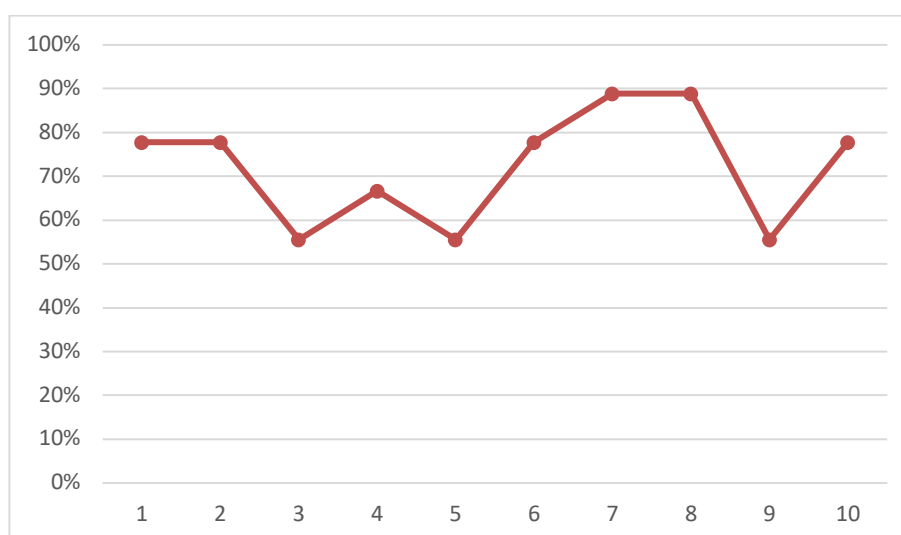


Figure 1. Pre-Session Correct Answer

Based on the Figure 1, it shows the understanding level of students are relatively low on several question. The lowest points are on the question 3, 5, and 9 that asked about credit and financing. The next question that has relatively low understanding is question 3 and 6 Islamic Banking and the profit margin of sale contract.

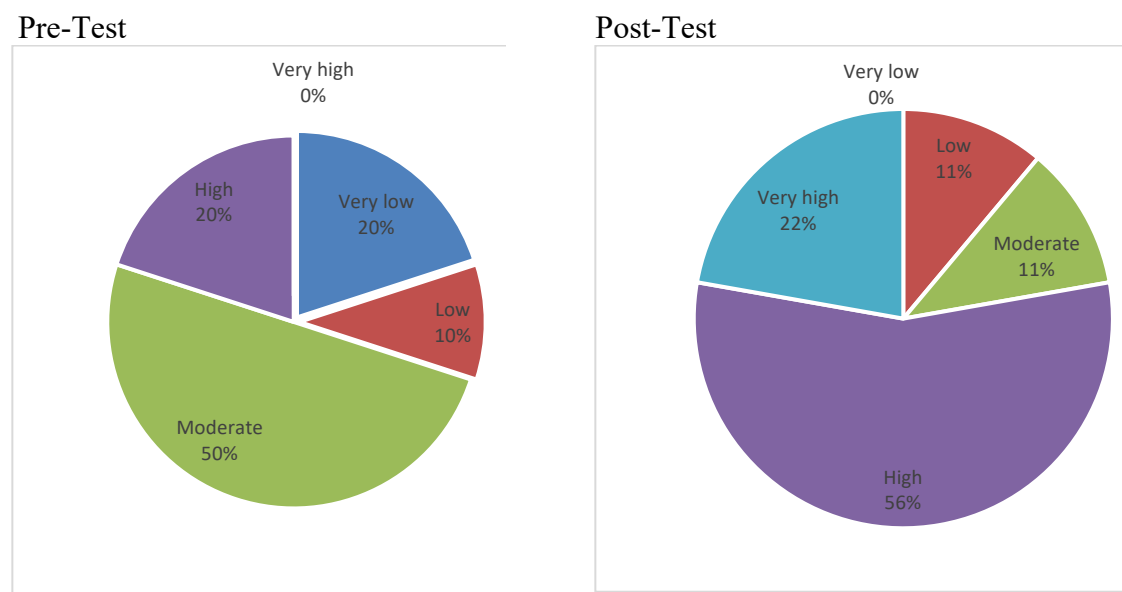


Figure 2. Literacy Level based on the Student Answer

Figure 2 shows the literacy level following the student answer over the questionnaire about saving, investment, credit, financing, as well as Islamic banking prior (pre-test) and after (post-test) the session. The result shows there is shifting of understanding of the students in answering the question. Prior the session, the majority understanding of the students are within the moderate level, moreover there is very low and low understanding about saving, investment, credit, financing, as well as Islamic banking. However, after the session, there is significance increase in understanding, where the understanding is shifting within high level and there is none of very low level. The success of community engagement program in Songserm Wittaya Islamic School are measured by several factors i.e. community participation, increased knowledge and skill as following:

#### 1. Community participation

A measure of success can also be seen from the level of participation of highschooler under Songserm Wittaya Islamic School. The more student attended and participated active in these activities, the greater the chances of success and many from Songserm Wittaya Islamic School took part in this activity

#### 2. Increased knowledge and skills

Community service can also be measured by the extent to which the activity is able to increase the knowledge of mentoring participants which can be measured from the the pre-test and post-test question. The pre-test and post-test results show an increase in knowledge.

### Conclusion

The community engagement program conducted at Songserm Wittaya Islamic School successfully enhanced students' Islamic Financial Literacy. Through a series of workshops, seminars, and hands-on practice sessions, participants not only gained theoretical knowledge but also acquired practical skills on Islamic Financial Literacy. The increased enthusiasm and understanding of essential about saving, investment, credit, financing, and Islamic Banking. The program also fostered awareness of Islamic Financial Literacy as pathway to manage their personal finance. Therefore, to ensure the sustainability of the program's positive impact, this



study recommends the implementation of advanced training sessions focusing on more specific topics related to Islamic Financial Literacy

### **Author's Contribution**

First and second author: Creating and designing analyses, collecting data, and contributing data or analysis tools; Third and Fourth author: perform analysis; Writing paper

### **Acknowledgements**

The author as a representative of the International Community Service team of the Islamic Economics Study Programme, Faculty of Economics and Business, University of Surabaya, would like to thank all parties involved for the running of the International Community Service. Our thanks also go to Songserm Wittaya Islamic School

### **Declaration of Competing Interest**

The authors declare that they have no conflict of interest.

### **Reference**

- Achmad Choerudin et.al. 2023. Literasi Keuangan. Padang: Pt Global Eksekutif Teknologi
- Carolynne LJ Mason & Richard MS Wilson. 2000. Conceptualizing Financial Literacy Business School Research Series.
- Chen, H., & Volpe, R.P. (1998). An Analysis of Personal Financial Literacy Among College Student. *Financial Services Review*, 7(2), 107-128.
- Faridho M Al. 2018. Sharia Economics Edugame (SEE): Alternatif Pengembangan Pemahaman Literasi Keuangan Syariah. *J. Stud. Agama dan Masy.* 14: 64
- Hilgert, M.A., Hogarth, J.M. and Beverly, S.G. 2003. Household Financial Management: The Connection between Knowledge and Behavior. *Federal Reserve Bulletin*, 89, 309-322.
- Otoritas Jasa Keuangan. 2016. Peraturan Otoritas Jasa Keuangan Nomor 76 /Pojk.07/2016 Tentang Peningkatan Literasi Dan Inklusi Keuangan Di Sektor Jasa Keuangan Bagi Konsumen Dan/Atau Masyarakat
- Strand, K. J., Cutforth, N., Stoecker, R., Marullo, S., & Donohue, P. (2003). Community-based research and higher education: Principles and practices. John Wiley & Sons.
- Zeina, N., Sari, M., Kanya, N., & Kamil, I. (2024). Marketing Promotion Finance and Accounting System in Banana Chip and Peel Community Micro Business Bandung. *Amalee: Indonesian Journal of Community Research and Engagement Marketing*, 5(2), 823–837. <https://doi.org/10.37680/amalee.v5i2.5904>