



International Journal of Research Publication and Reviews

Journal homepage: www.ijrpr.com ISSN 2582-7421

Generation Y and Z Cohorts: Financial Literacy, Risk Tolerance, and their Entrepreneurial Intention

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ABSTRACT

The research tries to identify how the financial literacy affects Generation Y and Z's tolerance on risk and business aspirations by means of Theory of Planned Behavior as its framework. Based on findings, those who know more about money are more likely to feel more comfortable in taking financial risks, which increases their interest in starting their own business.

The study clearly links financial literacy to risk tolerance and entrepreneurial desire by using a quantitative method with descriptive statistics and Pearson's *r* correlation. In other words, Gen Y and Z'ers are more prepared to accept the risks associated with launching a business if they are more financially aware.

This knowledge is very much important for legislators, educators, and financial institutions who hopes to assist and inspire young entrepreneurs. Improving the financial literacy programs can help to create a generation that is more willing to take the risks required for innovation and economic expansion and also to being more financially smart. The study contributes to a repository of existing knowledge in financial literacy and entrepreneurship as well, which emphasizes the necessity of focused educational initiatives that enable young people to succeed as business owners.

Keywords: entrepreneurial desire, entrepreneurial intention, entrepreneurship, financial literacy, financial risk, generation Y and Z cohorts, risk tolerance, theory of planned behavior

INTRODUCTION

The fast progress of the technology and the individual's continuous access of social media and digital tools made a significant impression on Generation Z or Gen Zs, who were born between the years 1995 and 2012. Gen Zs have a strong preference for digital technologies and they also gives high value on ethical and environmental considerations when they shop. They adore digital platforms, uniqueness, and diversity (Chan and Lee, 2023). But for those Millennials or what they refer to as Generation Y who were born between 1981 and 1994 was brought up in a technologically-changed society. The millennials saw the beginning of internet and the early stages of digital transformation which influenced their views on entrepreneurship and technology. Millennials are famous for their emphasis on social responsibility, work-life balance, and their chase of rewarding careers (Maziriri et. al. 2024). Understanding millennials and Gen Z's entrepreneurial desire is crucial in the ever-evolving business landscape of today. While Generation Z has a technologically savvy and socially conscious attitude to business, Generation Y's experiences have influenced their entrepreneurial goals in a different way.

Increasing people's financial literacy is essential for guiding them toward assets that fit their risk tolerance and helping them make well-informed choices about things like saving, spending, and planning (Mutlu and Ozer 2022). The study is to scrutinize roles that people's financial awareness and risk lenience play in their decision to launch a business in their early adult years. Millennials are more likely to begin investing before reaching 21 than the previous generations however only 25% of Filipinos in the country possess financial literacy (Klapper, Lusardi, and Oudheusden 2016). But in reality this lack of confidence is frequently brought on by problems with debt, irregular income, and ignorance (FINRA Investor Education, 2018). There are still large gaps in and notable regional differences in the financial education policy as well as the individual's lack of financial literateness throughout Asia (Yoshino, Morgan, and Wignaraja 2015). The consequences of these gaps are predicted to increase as societies get older and financial growth progresses, putting further pressure on personal investment decisions for a long-term financial preparation.

This research is aiming to learn more about financial literacy, risk tolerance and entrepreneurial intention and how these can relate to one another for millennials and Gen Zs to better understand how these aspects affect the choices of these individuals make when it comes to pursuing their entrepreneurial

goals. The financial well-being of the people in the ever-changing global economy is directly connected to their capacity to successfully navigate a complex web of financial decisions (Pandya, 2023). The two biggest demographic groups which are currently tackling the issues of the twenty-first century are the millennials and Gen Z. Growing student loan debt, shifting employment markets and the ever-present effects of technology are just few of the dynamic issues that these generations which are characterized by their distinct socioeconomic backgrounds can handle. Because of this, it is clearer than ever that in making informed decisions, exhibiting economic resilience, and ensuring long-term financial stability will all depend on having a solid financial knowledge.

The researcher's contribution to the study is to fill a knowledge gap in comprehending the way financial knowledge, willingness to take risks, and entrepreneurial intention interact, particularly among Generations Y and Z. This study focuses on how Gen Y and Z understand money, how much risk they can handle, and how subjective norm, personal attitude, and personal control beliefs influence financial literacy on risk tolerance of these generation cohorts as these generations increasingly embrace entrepreneurship. Understanding how their financial knowledge and risk-taking tendencies influence their decisions as does determining various factors such as subjective norms, personal attitude, and personal control beliefs as variables of the planned behavior theory. The issue at hand is about filling the gap in what we already know and understanding how things work for Generation Y and Z, considering their specific economic, level of risk-taking, and social situation.

REVIEW OF RELATED LITERATURE

Financial Literacy and Risk Tolerance of Generation Y and Z

Financial literacy, as defined by the "Organization for Economic Co-operation and Development" (OECD), is the skill of knowing how to manage money, make good decisions, think the right way, and understand finances. This mix helps people make money choices that keep them financially safe (Potrich, A.C.G., Vieira, K.M., & Kirch, G. 2015). Another definition of financial literateness is knowing how to handle your money, like earning it, spending it wisely, and keeping it safe (Remund 2010; Kimiyaghalam & Safari 2015). Someone may have financial difficulties because of certain behaviors that negatively impacts his financial wellness. Common financial behaviors include being unable to manage debt, overspending, not having emergency reserves, having bad buying habits, having a low salary, and not knowing enough about money (Parcia & Estimo, 2017, as cited by Rubinstein, M. 2017). For young individuals, emergency savings were associated with both formal financial education-based money management skills and formal financial system participation (financial capacity and inclusion). Financial literacy on its own was insufficient to show this relationship (Friedline and West 2020) as when it comes to financial literacy, profitability and how people use their money still matters. Also, in one out of three people can understand the financial concepts; those who are rich, well-educated, and have access to financial services usually grasp financial ideas more easily than others. Yet, billions of individuals are still not ready for the quick changes happening in the financial realm (Eloriaga, Roxas, & Cuaresma, 2022, as cited by Klapper, Lusardi, & Oudheusden, 2016).

Millennials and Gen Zs' risk tolerance is strongly influenced by financial literacy. Research has indicated that an individual's risk tolerance and financial behavior are significantly influenced by their level of financial literateness. In particular, from these studies, it has shown a linking between financial literacy and risk diversification, investment choices, and saving habits (Yong, and Tan, 2017). It was also been discovered that the millennials' financial conduct and as well as their degree of financial literacy are dependent to each other which suggests that those individuals with greater financial awareness also prefer to behave well when it comes to managing money. It describes importance of raising financial literateness in order to encourage a wise decision-making and improve the state of finances, especially within a young demographic. With this, it is hypothesized by the researchers as follows:

H1: The financial literacy of the respondents significantly influences risk tolerance.

Risk Tolerance and Entrepreneurial Intentions of Generation Y and Z

In this study, an attempt is made to explore the high desire of Gen Y and Z to take risks and start their own ventures. According to many previous studies, predisposition to entrepreneurship and attitude towards risk are strongly connected to desire to start individual's personal business. Many previous studies have concluded that fear of taking risks reduces the desire to individual's personal business. On the other hand, risk tolerance has a positive relationship with emotions and start-up related intentions (Ahmed et al., 2020). The aspect of entrepreneurship brings another element of discussing tolerance in risk-taking. It simply means that entrepreneurs must have the capacity to evaluate and manage risks. It also brings out variations in the extent to which entrepreneurs are willing to take risks (Cao et al., 2022). It is true that one basic quality required in entrepreneurs is the ability to take risks. Karabulut (2016) argues in his article that every entrepreneur must consider the risks before they make any decisions. They need to weigh the advantages and disadvantages of taking risks at every step in starting and running a business. On average, entrepreneurs show more willingness to take risks than the general public. When they decide to create their own firms, they are prepared to take chances with their careers, finances, families, and reputations. Entrepreneurship education programs of these generational cohorts can also contribute to shaping risk perceptions and intentions. Experiences of experiential learning and practical insights enhance the risk-taking mindset of Generation Y and Z individuals (Fayolle & Gailly, 2015).

The study by Xu and Ruef (2004) found that emerging entrepreneurs, including those Gen Y and Z, are actually more risk-averse than the other general cohorts. It is evident that most enterprise owners' drive to pursue entrepreneurial undertakings is not more of monetary rewards but they are motivated by a higher risk tolerance. This was supported by Antwi and Naanwaab (2022) stating that Gen Y is less likely to take risks in investing financially compared to Baby Boomers however, the study found an optimistic and noteworthy influence of the risk tolerance on the entrepreneurial intent of the Gen Z. Another study of Kravtcova, (2023) suggests that Gen Z tends to have a higher risk tolerance for this generation and can tolerate greater risks and they

are comfortable with it. These results indicate how much risk someone is willing to take in pursuing his entrepreneurial intention. Therefore, the researchers hypothesizes as follows:

H2: Risk tolerance greatly influences the entrepreneurial intention of Generation Y and Z cohorts.

Subjective Norms, Personal Attitude and Personal Control Beliefs affecting Entrepreneurial Intentions of Gen Y and Z

This has also been studied across different research works to how subjective norms, individual behaviors, and personal control mindsets shape the entrepreneurial desires of the millennials and Gen Zs. For example, research conducted among the Gen Z university students in Bangladesh showed that what they themselves feel about entrepreneurship, what they think others expect, and how confident they are in their own ability to act all contributes favorably towards their desire to be entrepreneurs. (Aditya, 2020; Kobylińska, 2022 and Hossain M.I., et al., 2023).

Subjective Norms. Basically, desirability and perceived feasibility in society influence the general wish among young people to start their own firms. From the works of Schlaegel & Koenig, (2014) it has supported the impact of subjective norms on entrepreneurial intentions, and it has further mentioned the role of mentors, peers, and family members in shaping Generation Y and Z attitudes toward entrepreneurship. Also, based on the research of Barba-Sánchez and Atienza-Sahuquillo (2018) among others, subjective norms seemed to be a significant factor in business inclination among young people, most especially in learning institutions. This means that exposure to business role models and social support networks can enhance an individual's inclination toward doing business. A study finds that one of the factors that influence economic inclination among Gen Y and Z cohorts pertains to subjective norms. For this, it is obvious that subjective norms show a central part in setting entrepreneurial intentions of these generational cohorts; however, Eysel and Vatansever Durmaz (2019) showed that these subjective norms do not make any substantial difference in foreseeing entrepreneurial ambition compared to perceived behavioral control and personal attitude. The study done by Luan, 2021, likewise scrutinizes those factors contributing to the intention of Generation Z to have a successful business during COVID-19 epidemic; it finds that one of the main enablers was having a risk-taking orientation. Therefore, the researchers hypothesized that:

H3: Respondents' subjective norms significantly influence their entrepreneurial intention.

Personal Attitude. It's a person's thorough assessment of an idea or an activity that considers their attitudes, feelings, and their readiness for action. In entrepreneurship context, personal attitude can include a tendency for optimism, self-efficacy, risk-taking, and innovation. According to Ajzen (2020), a person's mindset would mostly determine a person's behavioral goal. The researchers hypothesized that the positive views of entrepreneurship such as the possibility for financial gains, creativity, and independence are all critical in encouraging young people to pursue their business intentions. As per Kautonen et al. (2015), he has found a significant correlation between people's views on entrepreneurship and a desire to have a successful business, a tendency that is evident in both millennials and Gen Zs.

Mahmood et al. (2020), Eysel and Vatansever Durmaz (2019) and Masese (2020) revealed that the respondents' opinions significantly relate to the entrepreneurial intention of the cohorts of generation Y and Z, also it was affirmed by the findings of the study of Hossain et al. (2023) that proved the positive and significant relationship of entrepreneurial attitude on entrepreneurial intent. Furthermore, many studies continuously confirm that one of the reasons that makes a positive impact on the desire to become entrepreneurs in Gen Y and Z is their personal attitudes. Considering that, the researchers postulate that:

H4: Respondents' personal attitude significantly influences their entrepreneurial intention.

Personal Control Beliefs. A study by Obschonka, Silbereisen, and Schmitt-Rodermund (2017) highlighted that young people's drive to do their own businesses is significantly influenced by their personal conviction with their capacity to control their own activities particularly their confidence. They also out found that people are more inclined to seek business possibilities when they have greater confidence in their abilities to launch or run a company or a business. This demonstrates that the key motivator for young individuals to starting their own businesses is having faith in their abilities to control their conduct. A similar study by Rauch and Hulsink (2015) looked into how entrepreneurship teaching can affect the behavior of Gen Y and Z. They discovered that a person's willingness to launch their own firm is mostly determined by how they are confident in their own talents. There are also programs which boost self-efficacy via entrepreneurship education are good to people's aspirations to start their own businesses. This shows that the individual concepts regarding control have a substantial influence on young people's desire to become entrepreneurs. It is evident that progress of their tactical aspirations is significantly inclined by the internal sense of control and perceived self-efficacy, two expressions of personal control belief (Choudhary, 2017). The entrepreneurial aspiration of those Gen Z university apprentices has discovered that the entrepreneurial perceived behavioral control (EPBC) was actually one of the elements that can strongly influence their entrepreneurial intentions, supported from the findings of the study by Hossain et al. (2023). From Luan (2021), it has highlighted the standing of self-efficacy in foreseeing entrepreneurial ambitions in Generation Y, highlighting its strong association with their intentions to becoming entrepreneurs in contrast to other notions. As such:

H5: Respondents' personal control beliefs significantly influence their entrepreneurial intention.

THEORETICAL FRAMEWORK

Theory of Planned Behavior.

This research connects the financial literacy levels of generation Y and Z cohorts to the risk tolerance of individuals for the purpose of becoming entrepreneurs through the usage of concepts of the Theory of Planned Behavior.

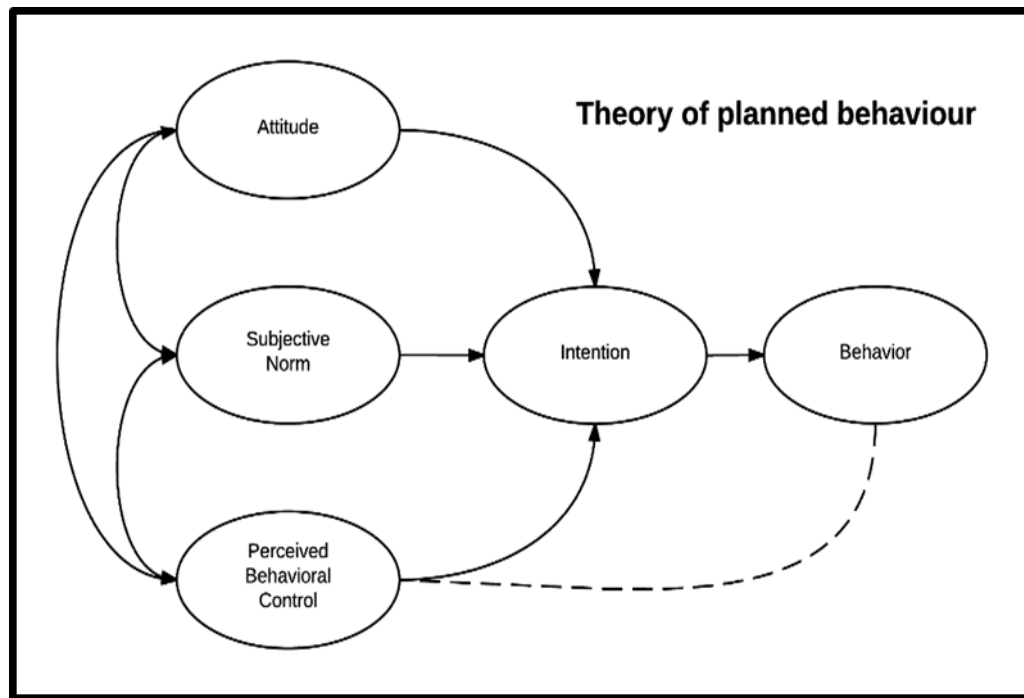


Figure 1. Theory of Planned Behavior (Ajzen, 1991)

Attitude, subjective norms, perceived behavioral control and intention - these are the antecedents and determinants of entrepreneurial intention that helps as a significant determinant of the realized entrepreneurial activity. When combined in its multiplicative form, these eventually determine one's disposition towards business activities. In this dynamic interaction, arises financial literacy which inspires public knowledge that goes beyond just mere conventional wisdom about financial concepts. It may deeply influence the desire to create and sustain a business by enhancing the self-efficacy and confidence of people in dealing with the complex economic environment. If people are more financially literate and confident in making any financial decision, it will have positive effects on the person's beliefs about entrepreneurship: subjective criteria are modified, and behavioral control is enhanced. At the core, a higher level of financial knowledge is the prime mover that creates an environment in which entrepreneurial intentions are developed and actualized. One outcome is increased interest in entrepreneurship as an alternative to traditional employment for Generations Y and Z. The absence of knowhow and experience in enterprise bars these generations from effective launching and managing of firms, although they have a deep-seated wish for independence and actualization of self.

CONCEPTUAL FRAMEWORK

To investigate further on how the financial literateness influences the risk tolerance and entrepreneurial intentions of the Generations Y and Z the conceptual framework of this study includes the Theory of Planned Behavior wherein it gives the argument that having a solid understanding and knowledge of finance boosts one's confidence in making sound financial decisions and raises one's risk tolerance which both support the desire to start their own business. Also, important mediators influencing entrepreneurial inclinations include subjective norms, individual attitudes, and personal control views and by connecting these elements, the framework emphasizes how critical and significant financial education is in preparing a generation that is more open to taking on business risks and opportunities.

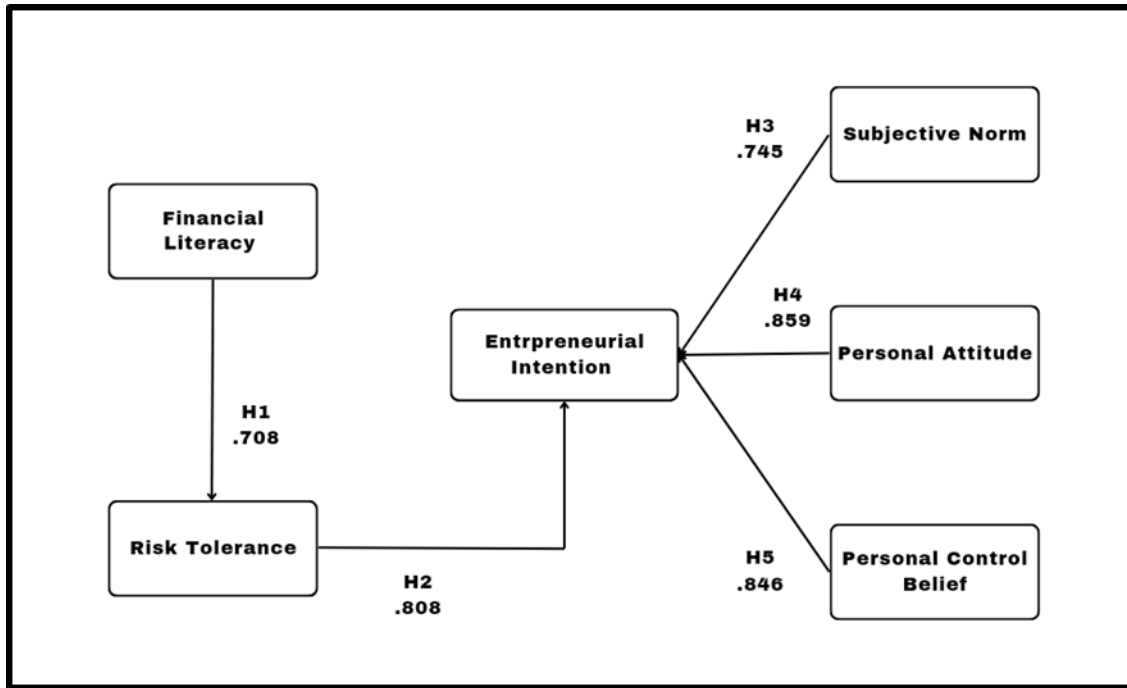


Figure 2. Conceptual Framework of the Study

METHODOLOGY

Descriptive analysis, correlation, and quantitative technique are the methods that were used in the study, and aside from this, the researchers also used Pearson's r to help in determining whether the two variables have a significant statistical relationship. The data from the respondents were analyzed using Software Packages for Social Sciences version 26. The research population consisted of fifty Business Process Outsourcing (BPO) employees from Metropolitan Manila with ages ranging from 24 to 32. A non-probability sampling technique was used, specifically the Purposeful sampling, to select the participants. A deliberate strategy has been used by Campbell et. al. (2020) to include the cases or participants who have important insights which are related to the research questions. To assess the five study variables, researchers have established a survey questionnaire using the 5-point Likert scale, wherein 1 signifies "strongly disagree" while 5 signifies "strongly agree." The questionnaires are composed of 5 sections namely: financial literacy (10), risk tolerance (10), subjective norms (5), personal attitude (5), and personal control beliefs (5). Before the survey was distributed to the respondents, the test pilot using a Cronbach's Alpha approach have been conducted to assess accuracy of the components. It has been noted that a score with 0.7 or higher generally regarded to as adequate while 0.8 or higher denotes a strong internal consistency. The minimal sample size required is dependent on the alternative's intended degree of internal consistency.

Table 1. Scales for Measurement in Reliability Analysis

	Cronbach's Alpha	No. of Items
Reliability Statistics of Financial Literacy to Risk Tolerance	.729	10
Reliability Statistics of Risk Tolerance to Entrepreneurial Intentions	.788	10
Reliability Statistics of Subjective Norms, Personal Attitude and Personal Control Beliefs affecting Entrepreneurial Intentions	.935	15

The reliability test using Cronbach's Alpha as shown above Table 1 indicates that all three sets of variables have its scores above 0.7 which is generally measured as acceptable for its reliability. The high values, especially for the third set of variables (0.935), indicate that the scales used to measure these constructs are reliable and the items within each scale are closely related to the respective dependent variables (risk tolerance and entrepreneurial intentions).

RESULTS AND DISCUSSION

On Financial Literacy vs. Risk Tolerance

In comparison to the financial knowledge surveys (Mean = 4.4500), the responses regarding risk tolerance are often less strongly agreed with (Mean = 4.1519). This implies that the people have a better grasp of financial ideas than they do of their readiness to take financial risks. In addition to this, relative

to risk tolerance (with a standard deviation 0.55147) the outcomes for financial literacy are more evenly distributed (with lower standard deviation of 0.36542), indicating greater agreement among those respondents on the matter. This is aligned with the findings by Xiao et al. (2015), which suggest that while financial literacy helps in enhancing person's capacity to assess risks more accurately, it does not automatically increase their desire to take risks.

On Risk Tolerance vs. Entrepreneurial Intentions

In the average, the respondents agree slightly more with those questions about risk tolerance (Mean = 4.1519) than those about entrepreneurial intentions (Mean = 3.9171). This is an indication that although both criteria are important, millennials and Gen Zs are just somewhat more likely to take financial risks than to start their own businesses. The risk tolerance and entrepreneurial desire standard deviations resulted 0.55147 and 0.54146 wherein it shows that they are the same levels of distribution for both of the variables. This also further indicated that the response variability is similar which also holds true with Song et al.'s research from 2023 wherein it had demonstrated that even if someone has a risk tolerance, his entrepreneurial goals may not be as strong without the presence of additional characteristics like emotional intelligence or social support.

On Subjective Norms vs. Entrepreneurial Intentions

In comparison to questionnaires about entrepreneurial objectives (Mean = 3.6769), respondents generally agree slightly more with statements about subjective norms (Mean = 3.9171). Further evidence of more agreement among respondents about subjective norms is provided by responses for subjective norms having a smaller standard deviation of 0.54146 and less spread than those for entrepreneurial intentions with standard deviation of 0.61759. The findings thus suggest that social pressure alone may not be enough to create strong entrepreneurial desires. Individuals may also tend to recognize the expectations of their social group but they might not be able to understand these expectations into actionable entrepreneurial goals. Entrialgo and Iglesias (2016) support this idea by finding that depending on the previous research subjective norms can impact, but do not always directly translate into entrepreneurial activity without the presence of other aspects such as self-efficacy and perceived behavioral control.

On Personal Attitude vs. Entrepreneurial Intentions

Contrary to assessments concerning business aspirations (Mean = 3.9171), respondents often agree slightly more with regard to personal attitude questionnaires (Mean = 4.1462). But compared to entrepreneurial intentions (with a standard deviation of 0.54146), the responses for personal attitude show a somewhat larger degree of variability (higher standard deviation 0.60211), suggesting a slightly greater dispersion in the replies for personal attitude. The scores indicated that while millennials and Gen Zs have generally a positive personal views about entrepreneurship, these attitudes may not always convert into entrepreneurial aspirations. For example, Entrialgo and Iglesias (2016) discovered that entrepreneurial education and past experience have a considerable impact on human attitudes towards entrepreneurship, although the impact differs according to individual backgrounds and exposure levels.

On Personal Control Beliefs vs. Entrepreneurial Intentions

Questionnaires about personal control attitudes (Mean = 3.9171) and entrepreneurial intentions are generally agreed upon by respondents (Mean = 3.9269). In contrast, those concerning entrepreneurial ambitions show a larger range of responses (higher standard deviation of 0.75980) than those related personal control beliefs, indicating a greater degree of agreement among respondents (with a standard deviation 0.54146). The result of this research suggests that while the respondents' opinions about their abilities to influence business results are relatively consistent with their intentions to be involved in any entrepreneurial activities that are more diverse. Conferring to the research of Liñán and Fayolle (2015) entrepreneurial ambitions have been influenced both by the internal motivation and as well as external variables notwithstanding the importance of personal control beliefs. This aligns with the current findings, which reveal higher variation in respondents' entrepreneurial desires, demonstrating that individual factors such as economic restrictions, social support, and personal risk tolerance might lead to differing levels of entrepreneurial commitment.

Table 2.

	Mean	Standard Deviation	Mean	Standard Deviation
Financial Literacy vs. Risk Tolerance	4.4500	.36542	4.1519	.55147
Risk Tolerance vs. Entrepreneurial Intentions	4.1519	.55147	3.9171	.54146
Subjective Norms vs. Entrepreneurial Intentions	3.9171	.54146	3.6769	.61759
Personal Attitude vs. Entrepreneurial Intentions	4.1462	.60211	3.9171	.54146
Personal Control Beliefs vs. Entrepreneurial Intentions	3.9171	.54146	3.9269	.75980

Assessment of Detailed Statistics

Mean and the standard deviation of each variable are exhibited in Table 2, which highlighted the higher median score of 4.45 for financial literacy. It is evident that respondents generally tend to agree with responses made about being financially literate. Higher financial knowledge is usually linked

together with a greater readiness to take risks when making financial decisions. And also, because they are better able to negotiate the complicated financial environment and also make well-informed decisions involving greater risk, people with financial expertise may be more likely to take on higher risks (Molina-García et al., 2023).

Pearson Correlation Coefficient Result

To determine the financial literacy, risk tolerance, and entrepreneurial tendencies of Generations Y and Z among BPO workers in Metro Manila, a Pearson correlation coefficient study was conducted. Pearson correlation coefficient is one statistical metric that is used to characterize direction and intensity of the direct relationship between two constant variables (Schober et al., 2018).

The objective of Pearson r study is towards computation of the strength as well as the direction of a linear connection between the two constant factors. Researchers in this study thus are able to determine the relationship between changes in one characteristic to another by means of measuring financial literacy, risk tolerance, and entrepreneurial intention. According to Mendis, Surangani, & Sundvik (2024), since both of the variables may be quantified on a continuous scale, Pearson r can then be an excellent tool for quantifying the linkage of financial literacy and risk tolerance in research studies. Also, because of its capability to quantify linear relationships as well as evaluate statistical significance, offer comprehensible interpretations and also facilitate additional analytical techniques, Pearson r is indeed a reliable statistical tool which can be used in examining connections between financial literateness, risk tolerance and entrepreneurial intention among the Generations Y and Z.

Table 3. Correlation Coefficient Scale

+ r values	Positive	- r values	Negative
1.0	Perfect +	-1.0	Perfect -
.8 to .99	Very strong +	-.8 to -.99	Very strong -
.6 to .8	Strong +	-.6 to -.8	Strong -
.4 to .6	Moderate +	-.4 to -.6	Moderate -
.2 to .4	Weak +	-.2 to -.4	Weak -
0 to .2	Very weak +	0 to -.2	Very weak -

The researchers use this scale in Table 3 to check whether two variables are correlated. It is predicted that an increase in the first variable relates to a decrease in the secondary variable, which carries a negative sign due to a negative correlation. A positive symbol, on the other hand, denotes a positive correlation and indicates that an increase in the first variable should be anticipated to coincide with a rise in the second, according to Amendolare & Kowalczyk (2023).

Table 4. The connection between these variables is shown by Pearson correlation coefficient (r) analysis.

	r	sig	Interpretation	
Financial Literacy to Risk Tolerance	.708**	.000	Strong	Significant
Risk Tolerance to Entrepreneurial Intentions	.808**	.000	Very Strong	Significant
Subjective Norms to Entrepreneurial Intentions	.745**	.000	Strong	Significant
Personal Attitude to Entrepreneurial Intentions	.859**	.000	Very Strong	Significant
Personal Control Beliefs to Entrepreneurial Intentions	.846**	.000	Very Strong	Significant

Financial Literacy to Risk Tolerance

The connection between the risk tolerance and the financial literacy is strongly favorable ($r = 0.708$). This implies that people who are more financially literate also typically have higher risk tolerance levels. Since the correlation is statistically significant ($\text{sig} = 0.000$), it is unlikely that the two relationships happened by chance. An earlier study also showed that the strongest association among risk tolerance and financial literateness is seen in people with lower risk tolerance, based on Hermansson, C., and Jonsson, S. (2021)

Risk Tolerance to Entrepreneurial Intentions

There is strong positive correlation ($r = 0.808$) among the risk tolerance and the entrepreneurial aspirations, which strongly implies that people who tend to be highly motivated to pursue entrepreneurship are more likely to be those who can endure greater risk. The literature has examined risk tolerance's

relationship to entrepreneurship aspirations in great detail. Many literature works have pointed out the correlation and explained how risk tolerance exerts a very complex impact on entrepreneurial choices. Several studies indicate that the propensity for risks which an individual exhibit will make a huge difference in whether he wants to start his own business or not. Controlling for other factors like past experience in entrepreneurship, level of education, and functional position, the high-risk-takers are more likely to self-start their own entrepreneurial activity (Fuentelsaz et.al., 2022). The presence of this relationship is highly unlikely to be a coincidence given that the significance level of the relationship is as $\text{sig} = 0.000$.

Subjective Norms to Entrepreneurial Intentions

The following variables subjective norms and entrepreneurial intentions are significantly positively connected: $r = 0.745$. which means that the more the people perceive stronger subjective norms in support of entrepreneurship, the better their entrepreneurial inclinations. Given the significance of the connection statistically, with $\text{sig} = 0.000$, it is very unlikely that this association happened by accident. Metro Manila is the very large urban hub hosting a large number of BPO companies with young professionals as millions of employees. Therefore, the environment usually is fast and competitive, focusing much on productivity and the need to serve clients. This is because subjective norms play an important role in how the Generation Y and Z cohorts would want to pursue entrepreneurship, wherein such findings support the work of Lihua, D (2022) which asserts that one of the main elements of entrepreneurial intention in different cultural environments are subjective norms, including those relevant for Generation Y and Z.

Personal Attitude to Entrepreneurial Intentions

A very strong positive correlation among personal attitude and business aspiration has been noted from this result $r = 0.859$. This shows that the more relatively positive the attitudes people hold towards entrepreneurship, the more likely they are to have strong impulses to be entrepreneurial. With a correlation which is statistically significant at $\text{sig} = 0.000$, it is unlikely that these two correlations have occurred by chance. A positive attitude towards entrepreneurship, in turn, has an important influence on individual's intentions towards entrepreneurship, which supports that in people's aspirations and dreams of becoming entrepreneurs, the role of entrepreneurial mindset is portrayed in settling on an entrepreneurial objective.

Personal Control Beliefs to Entrepreneurial Intentions

In this respect, the relation for personal control beliefs and entrepreneurial inclinations is very strongly positive at $r = 0.846$. This shows that the more a person holds self-efficacy to influence life's course, the more business startup goals he will have. In consideration of the relationship's statistical significance ($\text{sig} = 0.000$), it is therefore highly unlikely that the correlation occurred by chance. Basing on the study, two individual control beliefs that have a major influence on the emergence of business ownership desires are perceived behavioral control and self-efficacy (Kong et al., 2020). The studies' findings suggest that those who have strong beliefs about their own power are more probable to have high levels of entrepreneurial ambitions.

CONCLUSIONS AND RECOMMENDATIONS

As the findings are briefly analyzed, researchers therefore conclude that even though people may have a strong grasp of financial concepts, there are big differences in how willing people are to take risks. Entrepreneurial intentions are shaped in part by risk tolerance, personal control beliefs, subjective standards, and attitude. The researchers therefore concluded that someone's willingness to take risks need not to be correlated with the amount of individual's financial literateness or knowledge. This also suggests that becoming an entrepreneur requires more than just financial literacy. When one is deciding whether to start a business, factors such as risk tolerance, control beliefs, personal standards, and attitudes toward entrepreneurship are also very essential while social factors are not the only ones that affect these decisions. Other factors which are also important to consider are individual decision-making and personal agency.

This study critically establishes the fact that, although people may hold some positive attitudes about entrepreneurship, it does not mean that they all act. Further, if the objectives of entrepreneurship are influenced by social norms and social influence, they are not determined solely by these elements. Ultimately, it makes people feel that they actually do have a say in their business ventures, which tells us how many different areas are involved in influencing these generational cohorts' entrepreneurial decision-making where it involves financial literateness and level of risk tolerance, in undertaking a business venture. The researchers of the study suggested that educational institutions should be increased and developed in terms of entrepreneurship education in the curriculum, and then educators can promote risk-taking, entrepreneurship-related attitudes, and resilience in the face of adversity.

There are social learning programs and mentoring programs which can also offer children invaluable advice, encouragement, and exposure to successful entrepreneurs. This sets up an innovative and collaborative culture in the classroom right from the formative years of their lives. Through developing resilience, by looking at mistakes as opportunities for learning and growth and by taking continuous financial education seriously are important if Gen Y and Z entrepreneurs want to enhance their risk management abilities in order to make sound business startup decisions. Future researchers are encouraged to adopt comparative studies across cultures, thus digging deeper into the cross-cultural dynamics with respect to financial literacy, risk tolerance, and entrepreneurial goals of both Generation Y and Generation Z cohorts. Long-term studies can be conducted to learn how the risk tolerance, entrepreneurial behavior, or economic outcomes of youth are influenced by their understanding of financial management.

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