P-ISSN 1907–8145; E-ISSN 2460–0717

TIFBR | Tazkia Islamic Finance and Business Review

Volume 19 (1), 2025

Page: 91-113

Does Islamic Financial Literacy Provide Young Families Financial Resilience In The Post Covid-19 Era?

Afif Zaerofi[1], Shofi Arofatul Marits[2]

Abstract. *This study, conducted with a quantitative research approach, aimed to examine the factors influencing Islamic financial literacy and financial behavior, and their subsequent impact on financial resilience among young couples post-COVID-19. Employing Structural Equation Model-Partial Least Squares (SEM-PLS), the research analyzed data collected through questionnaires from a total of 250 respondents. The findings suggested Islamic Financial Literacy has both positive effects on Financial Resilience. and Islamic Financial Behavior. Interestingly, Risk Tolerance Level has a negative effect on Islamic Financial Behavior. In addition, Financial Behavior has a positive effect on Financial Resilience.*

Keywords: *Islamic Financial Literacy, Financial Behavior, Financial Resilience, Risk Tolerance, SEM-PLS*

Abstrak. *Penelitian ini menggunakan pendekatan kuantitatif untuk menganalisis faktor-faktor yang memengaruhi literasi keuangan Islam dan perilaku keuangan serta dampaknya terhadap ketahanan keuangan pada pasangan muda pasca-COVID-19. Dengan menggunakan metode Structural Equation Model-Partial Least Squares (SEM-PLS), data dikumpulkan melalui kuesioner dari 250 responden. Hasil penelitian menunjukkan bahwa literasi keuangan Islam berpengaruh positif terhadap ketahanan keuangan dan perilaku keuangan Islam. Menariknya, tingkat toleransi risiko memiliki pengaruh negatif terhadap perilaku keuangan Islam. Selain itu, perilaku keuangan berpengaruh positif terhadap ketahanan keuangan.*

Kata Kunci : *Literasi Keuangan Islam, Perilaku Keuangan, Ketahanan Keuangan, Toleransi Risiko, SEM-PL*

[1] Tazkia University | afif@tazkia.ac.id
[2] Tazkia University | shofi@tazkia.ac.id

Introduction

The COVID-19 pandemic has significantly altered global financial dynamics, particularly affecting household financial management. Young couples, as one of the most financially vulnerable groups, face challenges in maintaining financial stability due to income fluctuations, inflation, and economic uncertainty. In this context, financial literacy, particularly Islamic financial literacy, plays a crucial role in fostering resilience. Islamic finance, with its risk-sharing principles and ethical financial management, is believed to offer a more stable financial foundation. However, the extent to which Islamic financial literacy influences financial resilience among young couples remains underexplored, necessitating further research.

Existing studies indicate that financial literacy positively impacts financial behavior, which in turn enhances financial resilience. However, most research has been conducted in conventional financial settings, leaving a gap in understanding its implications within an Islamic finance framework. Moreover, the role of risk tolerance in shaping financial behavior is often overlooked, despite its critical influence on financial decision-making. Some studies suggest that higher risk tolerance leads to better financial decision-making, while others indicate the opposite, particularly in uncertain economic conditions. These inconsistencies highlight the need for further investigation.

Several previous studies have examined the relationship between financial literacy, financial behavior, and financial resilience. Lusardi and Mitchell (2014) found that individuals with higher financial literacy exhibit better financial management and resilience during economic downturns. In the Islamic finance domain, research by Hassan and Ali (2020) suggests that adherence to Islamic financial principles enhances financial discipline. However, empirical studies specifically addressing young couples post-COVID-19 within an Islamic finance framework remain limited. Additionally, while financial behavior has been widely studied, its interaction with risk tolerance in an Islamic finance setting is not well understood.

This research aims to fill the identified gaps by analyzing the impact of Islamic financial literacy on financial behavior and financial resilience among young couples post-COVID-19. Furthermore, it examines the moderating role of risk tolerance on financial behavior. By employing a Structural Equation Model-Partial Least Squares (SEM-PLS) approach, this study provides empirical evidence on how these factors interact in shaping financial resilience.

Thus, the main research questions of this study are: (1) How does Islamic financial literacy influence financial resilience among young couples post-COVID-19? (2) What is the role of Islamic financial behavior in mediating this relationship? (3) How does risk tolerance affect Islamic financial behavior? The findings are expected to contribute to the growing body of literature on Islamic finance and provide practical insights for policymakers, financial institutions, and educators in enhancing financial literacy programs.

The primary objective of this study is to examine the relationship between Islamic financial literacy, financial behavior, and financial resilience, with a particular focus on young couples. Specifically, it seeks to: (1) analyze the direct effect of Islamic financial literacy on financial resilience, (2) investigate the mediating role of financial behavior in this relationship, and (3) assess the influence of risk tolerance on financial behavior.

Literature Review

Islamic Financial Literacy and Financial Resilience

Financial literacy plays a crucial role in shaping an individual's financial decision-making process. According to Lusardi and Mitchell (2014), higher financial literacy enables individuals to manage financial risks effectively and enhances their resilience during economic downturns. In the Islamic finance context, Hassan and Ali (2020) found that individuals with a strong understanding of Islamic financial principles tend to exhibit better financial discipline, which contributes to long-term financial stability. Islamic financial literacy is unique as it incorporates Shariah-compliant principles such as risk-sharing, prohibition of interest (riba), and ethical investment, which may lead to different financial resilience patterns compared to conventional financial literacy.

Financial resilience refers to an individual's ability to withstand financial shocks and maintain stability during economic uncertainties. Previous studies indicate that financial literacy is a strong predictor of financial resilience (Lusardi & Mitchell, 2014). However, empirical research on the direct relationship between Islamic financial literacy and financial resilience remains limited, particularly among young couples post-COVID-19. This study aims to address this gap by analyzing how Islamic financial literacy influences financial resilience within this demographic.

Financial Behavior as a Mediator

Financial behavior serves as a key mediator between financial literacy and financial resilience. Studies have shown that financially literate individuals are more likely to engage in prudent financial behaviors, such as budgeting, saving, and investing, which subsequently improve financial resilience (Hassan & Ali, 2020). In Islamic finance, financial behavior is governed by Shariah principles, emphasizing responsible spending, avoidance of excessive debt, and ethical investment decisions.

Islamic financial behavior includes adherence to halal financial transactions, risk-averse investment strategies, and maintaining a balance between material and spiritual financial goals. Previous research highlights that individuals who exhibit disciplined financial behavior are more likely to achieve financial stability (Lusardi & Mitchell, 2014). However, little research has been conducted on the interplay between Islamic financial literacy, financial behavior, and financial resilience. This study seeks to fill this research gap by investigating how Islamic financial behavior mediates the relationship between Islamic financial literacy and financial resilience.

Risk Tolerance and Financial Behavior

Risk tolerance is a critical psychological factor influencing financial behavior. Conventional finance literature suggests that individuals with higher risk tolerance tend to engage in more aggressive investment strategies, potentially leading to greater financial gains or losses (Lusardi & Mitchell, 2014). In contrast, Islamic finance discourages excessive speculation (gharar) and promotes risk-sharing mechanisms, which may alter the traditional relationship between risk tolerance and financial behavior.

Some studies indicate that higher risk tolerance leads to better financial decision-making, while others argue that excessive risk-taking can result in financial instability, particularly in volatile economic conditions (Hassan & Ali, 2020). The impact of risk tolerance on Islamic financial behavior remains largely unexplored. This study aims to examine whether risk tolerance positively or negatively influences Islamic financial behavior and, consequently, financial resilience.

Hypothesis Development

Despite the growing body of literature on financial literacy and behavior, few studies have specifically examined the relationship between Islamic financial literacy, financial behavior, risk tolerance, and financial resilience, particularly among young couples in a post-pandemic setting. Existing research predominantly focuses on conventional financial literacy, with limited exploration of how Islamic financial principles shape financial decision-making and resilience.

Prior studies demontrated that financial literacy impacts on financial resilience (Erdem & Rojahn, 2022; Lusardi et al., 2011; Hasler et al., 2018; Hasler and Lusardi, 2019; Lusardi et al., 2020). People with higher financial literacy have a better understanding of debt concepts (Lusardi & Tufano, 2009). Pandin, Ratnawati, Yuhertiana (2021) suggested that financial literacy impacts on financial resilience. It was also reported that financial literacy leads to more effective planning for retirement (Bucher-Koenen & Lusardi, 2011; Lusardi & Mitchell, 2011). Therefore, the hipothesis proposed is:

H1: Islamic Financial Literacy has a positive effect on Financial Resilience.

Song, Pan, Ayub & Cai (2023) revealed that financial literacy significantly impacts the financial behaviour of individual investors. Andrianingsih, Novitasari, & Asih (2022) reported that financial literacy influences financial behavior. Riyadi & Pritami (2018) documented that financial literacy impacts on saving management, one of Islamic financial behavior indicator. Ariadi, Malelak & Astuti also found that the financial literacy level influence investment, saving and consumption behavior. Mutlu & Özer (2022) reported that financial literacy has a significant effect on financial behavior. Based on the above previous research findings, the following hyphothesis is proposed:

H2: Islamic Financial Literacy has a positive effect on Islamic Financial Behavior.

Nguyen, Nguyen, Tran, & Trinh, (2022) evidenced for the proposed indirect effects of financial literacy on retirement saving intention via risk tolerance and risk perception. Song, Pan, Ayub & Cai (2023) revealed that financial risk tolerance partially mediates the relationship between financial literacy and financial behaviour. Mutlu & Özer (2022) found that financial risk tolerance, has a significant effect on financial behavior. Park & Martin found that Risk tolerance has positive relationships with retirement planning It is also found higher levels of risk tolerance weaken the relationship between savings and retirement planning. Based on those previous findings, this study proposes the following hypothesis:

H3: Risk Tolerance Level has a negative effect on Islamic Financial Behavior.

Pandin, Ratnawati, Yuhertiana, (2021) suggested that financial behavior impacts on financial resilience. Setyorini, Indiworo, Sutrisno (2021) advised that financial behavior impacts on financial resilience and mediates the impact of financial literacy and financial planning.

H4: Islamic Financial Behavior has a positive effect on Financial Resilience.

Method

The primary objective of this research is to assess the impact of Islamic Financial Literacy and Financial Behavior on the Financial Resilience of recently married young Muslim couples in the aftermath of the Covid-19 pandemic. The target population for this study comprises newlywed Muslim couples (married for less than 5 years) residing in West Java. The researchers opted for convenience sampling techniques, utilizing structured questionnaires to collect data. Convenience sampling involves selecting respondents based on their willingness to participate and the ease of accessibility. To streamline data collection, the questionnaire was distributed using Google Form software. This approach enables researchers to gather insights into the financial dynamics of young Muslim couples, shedding light on the interconnected roles of Islamic Financial Literacy, Financial Behavior, and Financial Resilience in the post-Covid-19 context.

In accordance with Cohen's (1992) approach, the determination of the sample size for the Structural Equation Model-Partial Least Squares (SEM-PLS) model was guided by a table. The criterion involved assessing the largest number of arrows pointing to a single variable in the study, which, in this case, was 5. With an expectation of 5% significance and a minimum R2 of 0.50, the calculated minimum sample size for this study was established at 45 respondents. This aligns with the recommended range for sample sizes in SEM-PLS, which suggests a minimum of 30 to 100 samples (Hair et al., 2017). To ensure robustness and reliability, this research opted for a sample size of 250 respondents, well exceeding the minimum requirement of 45 samples as per the guidelines set by Cohen's approach and SEM-PLS recommendations.

The research employs a questionnaire as the primary instrument for data collection, structured into two distinct parts. The initial section is dedicated to gathering demographic information from respondents, encompassing variables such as gender, age, monthly income and expenses, marital status, age at marriage, education level, domicile, employment, and duration of financial security. This section serves to provide a comprehensive overview of the background characteristics of the participants.

The second part of the questionnaire delves into specific aspects, namely Islamic Financial Literacy, Financial Behavior, Risk Tolerance Level, and Financial Resilience. This section utilizes a five-point Likert scale, where respondents express their agreement or disagreement on a scale from 1 (strongly disagree) to 5 (strongly agree). This structured approach facilitates the quantification and analysis of participants' perceptions and attitudes regarding Islamic Financial Literacy, Financial Behavior, Risk Tolerance, and Financial Resilience. The questionnaire design thus ensures a systematic collection of data, enabling a comprehensive exploration of the factors under investigation.

The variable indicators in this study were adapted from previous research, and their reliability was assessed using Cronbach's Alpha. According to Hair et al. (2014), an acceptable loading factor is at least 0.6 or more, particularly in exploratory studies. The results, as depicted in Figure 1, demonstrate robust reliability for each variable: 0.711 for Socioeconomic, 0.861 for Islamic Financial Literacy, 0.881 for Financial Behavior, 0.791 for Risk Tolerance Level, and 0.747 for Financial Resilience. These Cronbach Alpha scores signify high internal consistency and reliability for the respective variables, affirming the validity of the measurement instruments. This lends confidence to the reliability of the collected data for each construct, strengthening the overall quality of the study's findings.

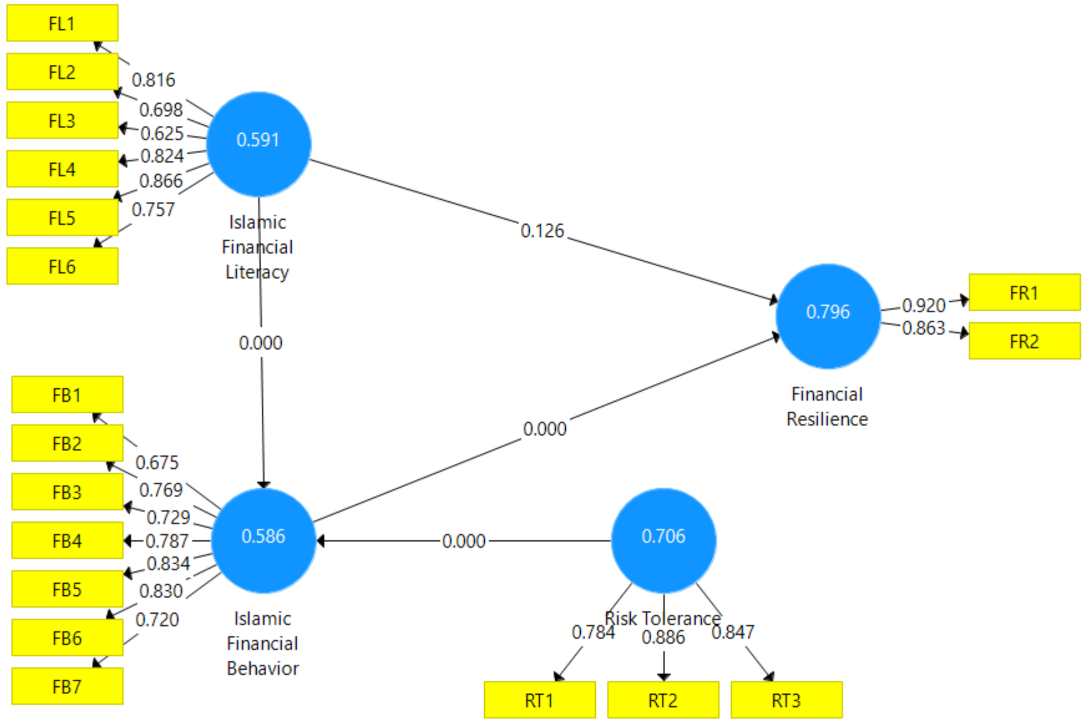

Figure 1. Outer Loading Factor

Table 1. Variable Operationalization

No	Variable	Indicators	Code	Source
1	Islamic Financial Literacy	• I have a good level of knowledge and understanding of the basic concepts of Islamic finance • The quality and variety of products offered by Islamic financial institutions are better than conventional financial institutions • Profit sharing in Islamic financial institutions is based on the profit-sharing principle • I have a good level of knowledge and understanding of the takaful system (Islamic financial insurance) • I have a good level of knowledge and understanding of Islamic savings and investments • I am a person who always obeys the muamalah rules taught by Islam	FL1 FL2 FL3 FL4 FL5 FL6	Arsanti & Riyadi (2018), Mulyari & Hati (2021)
2	Islamic Financial Behavior	• It is important for me to pay my bills on time • It is important for me to make a spending/spending budget • It is important for me to record expenses and purchases	FB1 FB2 FB3 FB4	Arsanti & Riyadi (2018), Kusnandar & Kurniawan, (2018), Arianti, (2020)

		• It is important for me to have funds available for unexpected expenses	FB5	
		• It is important for me to save money every month	FB6	
		• It is important for me to set financial targets for the future.	FB7	
		• It is important for me to invest regularly to achieve the expected targets in the long term		
3	Risk Tolerance	• I will choose a high-risk type of investment because it has high returns. • I prefer the type of investment in the capital market rather than in the bank. • My investment amount in the capital market is larger than at the bank.	RT1 RT2 RT3	Ridwan, & Trijumansyah (2018), Permanasari et al., (2020)
4	Financial Resilience	• I can survive for more than 3 months if I lose my job. • I cannot survive more than 1 month if I lose my job.	FR1 FR2	Arsanti & Riyadi, (2018), Mulyari & Hati (2021)

This study employs the Partial-Least Squares Structural Equation Modeling (PLS-SEM) model to test the influence of the variables: Islamic Financial Literacy (FL), Islamic Financial Behavior (FB), Risk Tolerance Level (RT), and Financial Resilience (FR). In the PLS model (Figure 3), the inner model is expressed through a system of equations as follows:

$$FB = \beta 0FL + \beta 1RT + e1$$

$$FR = \beta 0FL + \beta 2FB + e2$$

Where: FL means Islamic Financial Literacy, FB means Islamic Financial Behavior, RT means Risk Tolerance, FR means Financial Resilience, β is coefficient and ei show term error.

Subsequently, respondents were asked to provide background information, covering characteristics such as gender, age, marital status, age at marriage, education level, employment, monthly income and expenses, domicile, financial resilience status, ownership of emergency funds, and categories of risk tolerance. The respondent profile reveals that the majority (86%) belong to Generation Y (born between 1981-1996), with the predominant age group being 27-42 years. Females constituted the majority of respondents

(63%). A significant proportion of respondents (92%) were married, while 8% were divorced. Regarding the duration of marriage, 42% had been married for 1-5 years, and 44% had surpassed the 5-year mark. This demographic breakdown provides a comprehensive snapshot of the characteristics of the respondents, contributing to a nuanced understanding of the study participants.

The educational profile of respondents reveals that a significant majority (64%) hold a bachelor's degree. Geographically, the majority of respondents reside in districts (65%), primarily in Bogor (28%), Bandung (26%), and Garut (22%). In urban areas, half of the respondents (50%) live in Bandung City. Professionally, almost half (48%) are employed in the private sector. Economically, a third of respondents (34%) reported an income ranging from IDR 5,000,000 to IDR 10,000,000, while almost half (42%) reported monthly expenses between IDR 3,000,000 to IDR 5,000,000.

When examining the minimum income required by respondents (44%) to meet their monthly living needs, it falls within the range of 3-5 million IDR. Intriguingly, a significant majority (78%) reported having an emergency fund. Economically, more than a third of respondents (42%) could only survive for 1-3 months. A relatively similar number (40%) reported being able to survive economically for more than 3 months, and only 18% stated they could survive less than 1 month.

Furthermore, when categorizing risk tolerance, around half of the respondents (58%) identified as risk-neutral. Almost a third (31%) placed themselves in the risk-seeker category, while a smaller portion (11%) identified as risk-averse. These detailed insights into respondents' demographics, economic situations, and risk attitudes provide a comprehensive foundation for understanding their financial behaviors and resilience.

Results and Discussion

Outer Loading Factor and Convergent Validity

The PLS-SEM analysis process involves two distinct measurement steps, as outlined by Hair et al. (2017). The evaluation of reflective measurement models emphasizes reliability and validity (Asyraf & Afthanorhan, 2013). Individual indicators are deemed reliable if their correlation values exceed 0.70. However, during the research scale development stage, loadings between 0.50 and 0.60 are still considered acceptable (Ghozali, 2008). The measurement model for the research is presented in Table 4.2. This comprehensive assessment ensures the reliability and validity of the reflective measurement models, providing a robust foundation for subsequent analyses.

Table 3. Outer Loading Factor

	Islamic Financial Behavior	Islamic Financial Literacy	Financial Resilience	Risk Tolerance
FB1	0.675			
FB2	0.769			
FB3	0.729			
FB4	0.787			
FB5	0.834			
FB6	0.830			
FB7	0.720			
FL1		0.816		
FL2		0.698		
FL3		0.625		
FL4		0.824		
FL5		0.866		
FL6		0.757		
FR1			0.920	
FR2			0.863	
RT1				0.784
RT2				0.886
RT3				0.847

From the presented table, it can be observed that in the Islamic financial literacy variable, there are six indicators demonstrating outer model values that meet convergent validity. The outer loading factor values of the Islamic financial literacy indicators are all above 0.6, indicating that all the indicators used to assess the financial literacy of young couples are acceptable. The most dominant construct, namely FL5, is evidenced by an outer loading factor value of 0.866 (86.6%). This suggests that families of young couples after the Covid-19 pandemic are influenced by a high level of knowledge and understanding of Islamic savings and investments. The robust loading factor underscores the significance of this particular aspect in shaping the Islamic financial literacy construct within this demographic.

In the Islamic financial behavior variables, all indicators demonstrate convergent validity, showcasing correlations with all variables within acceptable ranges. The outer loading factor of financial management, when assessed with its indicators, displays correlation values above 0.6. This indicates that all indicators used to gauge the financial behavior of young couples' families after the Covid-19 pandemic are deemed acceptable. The most dominant construct, FB5, is substantiated by a loading factor value of 0.834 (83.4%). This underscores that the families of young couples after the Covid-19 pandemic are notably influenced by the importance of saving money every month or maintaining savings. Understanding the significance of this construct is crucial for tailoring financial strategies that resonate with the Islamic financial behavior patterns of this demographic.

In the risk tolerance variable, all indicators meet convergent validity, with each having an outer model value above 0.6. The dominant construct is RT2, evidenced by an outer loading factor value of 0.886 (88.6%). This suggests that families of young couples after the Covid-19 pandemic lean towards preferring investment types in the capital market rather than in banks. The robust loading factor for RT2 indicates the significance of this specific aspect of risk tolerance in shaping the investment preferences of these families. Understanding these preferences is essential for designing financial strategies that align with the risk tolerance profile of this demographic.

In the financial resilience variable, both indicators meet convergent validity, with each having an outer model value above 0.6. The dominant construct is FR1, evidenced by an outer loading factor value of 0.920 (92.0%). This indicates that families of young couples after the Covid-19 pandemic demonstrate a high level of financial resilience, being capable of surviving for more than three months even if they were to lose their jobs. The robust loading factor for FR1 underscores the significance of this particular aspect in shaping the financial resilience of these families. Understanding this resilience is vital for crafting financial plans and interventions that align with the unique financial circumstances of this demographic.

Table 4. AVE and *Composite Reliability*

	Cronbach's Alpha	Rho A	Composite Reliability	Average Variance Extracted (AVE)
Islamic Financial Behavior	0.881	0.888	0.908	0.586
Islamic Financial Literacy	0.861	0.888	0.896	0.591
Financial Resilience	0.747	0.781	0.886	0.796
Risk Tolerance	0.791	0.803	0.878	0.706

Structural Model Analysis

The testing of the structural model is conducted by examining the R-square, which serves as a goodness-of-fit model test. In this research, there are three endogenous variables—financial behavior, financial literacy, and financial resilience. Each of these variables is influenced by exogenous variables, forming a comprehensive model that explains the relationships and dynamics within the financial context of young couples' families after the Covid-19 pandemic. The R-square values provide insights into the proportion of variability in the endogenous variables that can be explained by the exogenous variables, contributing to the overall assessment of the model's fit and explanatory power.

Table 5. R-Square

	R-Square	R-Square Adjusted
Islamic Financial Behavior	0.196	0.189
Financial Resilience	0.239	0.233

In Islamic financial behavior, two influencing variables are considered: the level of risk tolerance and Islamic financial literacy. The combined influence of the level of risk tolerance and Islamic financial literacy on financial behavior results in an R-Square value of 0.196 (19.6%). This can be interpreted to mean that only 19.6% of the financial behavior (FB) construct variable can be explained by the variables of the level of risk tolerance and Islamic financial literacy included in this research. The majority, 80.4%, is explained by other variables that are not part of this study. This emphasizes that while the considered factors play a role, a significant portion of the variability in financial behavior is attributed to other unexplored elements outside the scope of this research.

In financial resilience, two influencing variables are considered: financial behavior and Islamic financial literacy. The combined influence of Islamic financial behavior and Islamic financial literacy on financial resilience yields an R-Square value of 0.239 (23.9%). This can be interpreted to mean that only 23.9% of the financial resilience (FR) construct variable can be explained by the variables of financial behavior and Islamic financial literacy included in this research. The majority, 76.1%, is explained by other variables that are not part of this study. This underscores that while the considered factors contribute to financial resilience, a significant portion of the variability is attributed to other unexplored elements beyond the scope of this research.

Table 6. Significance Test

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Islamic Financial Behavior -> Financial Resilience	0.434	0.438	0.068	6.391	0.000
Islamic Financial Literacy -> Financial Resilience	0.114	0.117	0.055	2.081	0.038
Islamic Financial Literacy -> Islamic Financial Behavior	0.291	0.298	0.061	4.767	0.000
Risk Tolerance -> Islamic Financial Behavior	0.245	0.248	0.054	4.556	0.000

The results of the statistical analysis reveal the presence of two endogenous latent variables: Islamic financial behavior and financial resilience. Additionally, two exogenous latent variables are identified: Islamic financial Literacy and the level of investment risk tolerance (risk tolerance). This configuration forms a comprehensive structural model that captures the interplay and relationships among these key financial elements for young couples' families after the Covid-19 pandemic. Understanding these variables and their connections is pivotal for crafting targeted strategies and interventions to enhance financial well-being and resilience in this demographic.

In this case, at least three structural equations are formed to represent the relationships among the latent variables. Based on these equations, four hypotheses are derived, corresponding to the direct relationships between the latent variables in the model (refer to the table). Further analysis using a significance level of 10% reveals that for all the hypotheses, the conclusion is to Reject H0. This implies that the hypothesis stating the exogenous latent variable has a significant effect on the endogenous latent variable is accepted. In other words, the exogenous variables, such as Islamic financial literacy and the level of investment risk tolerance, play a significant role in influencing the endogenous latent variables— Islamic financial behavior, and financial resilience in the structural model.

Table 7. Model Fit

	Saturated Model	Estimated Model
SRMR	0.077	0.078
d_ ULS	1.006	1.051
d_ G	0.421	0.424
Chi-Square	617.441	621.327
NFI	0.737	0.736

The analysis reveals that the level of Islamic financial literacy has a significant positive effect on both financial behavior and financial resilience, as indicated by the P-Value being below 0.05 when tested at a significance level of 5%. This suggests that the Islamic financial literacy variable makes a direct contribution to influencing financial behavior and financial resilience. The acceptance of this research hypothesis aligns with the expectation that a higher level of Islamic financial literacy corresponds to a higher level of financial resilience. These findings underscore the importance of having a strong understanding of Islamic financial principles in shaping not only financial behavior but also the ability to withstand financial challenges and uncertainties. This aligns with the broader narrative that financial literacy, particularly in the context of Islamic finance, plays a crucial role in fostering positive financial outcomes and resilience.

The research findings strongly support the idea that a higher level of Islamic financial literacy contributes to better financial behavior, enabling young couples to manage their finances more effectively and enhance their financial resilience post the Covid-19 pandemic. These results align with previous research by Andrianingsih, Novitasari, & Asih (2022), which highlights the positive and significant impact of basic financial literacy and financial behavior on housewives' financial management. Moreover, the insights from Mulyari Hati (2021) are reinforced, emphasizing the positive influence of individual financial literacy on both financial management and resilience. Collectively, these findings underscore the critical role that Islamic financial literacy plays in shaping various aspects of financial well-being, from day-to-day financial decisions to the ability to withstand economic uncertainties.

The statistical analysis reveals that the level of investment risk tolerance has a significant negative impact on financial behavior, supporting the research hypothesis. The findings indicate that as the level of investment risk tolerance increases, there is a corresponding decrease in financial behavior. This aligns with the expected outcome, emphasizing that individuals with a higher tolerance for investment risk tend to exhibit lower financial behavior, potentially indicating a propensity for riskier financial decisions. These results provide valuable insights into the intricate relationship between risk tolerance and financial behavior, contributing to a nuanced understanding of how individuals navigate financial decisions, especially in the context of investment risk.

The characteristics of the respondents, particularly their risk tolerance, indicate that the majority (58%) fall into the risk-neutral category. Risk seekers constitute 31%, while risk-averse individuals make up 11% of the respondents.

This suggests that a significant portion of young couples' families in this study tends to be neutral investors, exercising caution in their approach to risks. They are likely to seek an increase in the rate of return if there is a corresponding increase in risk. Essentially, these families may exhibit a nuanced relationship between risk-taking and financial behavior, implying that an escalation in risks might lead to a reduction in certain financial behaviors. Understanding this dynamic is crucial for tailoring financial strategies that align with the risk preferences of this demographic.

The positive influence of Islamic financial behavior on financial resilience is supported by a P-value of 0.00. Considering a significance level of 5%, where a P-value below 0.05 is indicative of statistical significance, it can be concluded that financial behavior variables make a direct and significant contribution to financial resilience. Therefore, the decision regarding the hypothesis is accepted, affirming that individuals or families with positive financial behaviors are more likely to exhibit enhanced financial resilience. This statistical significance reinforces the importance of fostering positive financial habits to bolster financial well-being, particularly in navigating economic challenges such as those encountered in the post-pandemic context.

The statistical tests on financial behavior variables align with the researcher's hypothesis, confirming that higher financial behavior correlates with a better level of financial resilience. The test results demonstrate a positive and significant influence on financial resilience. This implies that individuals or families exhibiting positive financial behaviors are more likely to have a stronger financial resilience, validating the researcher's initial hypothesis. This connection underscores the importance of cultivating wise financial practices to enhance overall financial well-being and resilience, particularly in the face of economic challenges such as those posed by the post-pandemic landscape.

Islamic Financial behavior plays a pivotal role in shaping individuals' financial decisions, particularly as these decisions are often driven more by emotions than reason. Generations Y and Z, being younger and more emotional, are particularly susceptible to the influences of their environment and circumstances. This susceptibility is heightened in the digital age, where numerous consumerist temptations abound, especially during and post-pandemic times. Wise financial behavior becomes crucial in determining choices related to shopping, expenditure amounts, distinguishing between needs and wants, and making investment decisions.

Positive financial behavior equips young couples to make more informed choices about their financial priorities. Post-pandemic, when faced with inflation, they are more likely to prioritize savings for emergency funds. This strategic approach enhances the family's financial resilience, aligning with research conducted by Yovita, Ratnawati, and Yuhertiana in 2021, which establishes a clear link between financial behavior and financial resilience. The ability to make sound financial decisions, especially during challenging economic circumstances, contributes significantly to a family's overall financial well-being.

Conclusion

This study examined the factors influencing the financial resilience of young couples' families after COVID-19, with a focus on Islamic financial literacy, Islamic financial behavior, and investment risk tolerance. The findings confirm that Islamic financial literacy has a significant positive effect on both financial resilience and Islamic financial behavior. This highlights the importance of financial knowledge in shaping responsible financial decision-making, as young couples who understand Islamic finance principles tend to manage their finances more effectively, leading to greater financial stability.

Furthermore, Islamic financial behavior plays a crucial role in enhancing financial resilience. Young couples who adopt disciplined financial practices, such as saving, investing in halal assets, and avoiding excessive debt, are more likely to maintain financial stability during economic uncertainties. This finding reinforces the importance of fostering financial behaviors aligned with Islamic principles to promote long-term financial well-being.

Interestingly, the study also reveals that the investment risk tolerance level of young couples has a negative effect on their Islamic financial behavior. This suggests that individuals who are more willing to take financial risks may engage in financial decisions that deviate from Islamic financial principles, such as speculative investments or high-risk financial products. This underscores the need for targeted financial education programs that emphasize risk management strategies within an Islamic financial framework, ensuring that young couples make informed and Shariah-compliant financial choices.

Overall, this research contributes to the existing literature by providing empirical evidence on the relationship between Islamic financial literacy, financial behavior, and financial resilience among young couples. The results offer valuable insights for policymakers, financial institutions, and educators in designing initiatives that enhance financial literacy and promote responsible financial behavior. Future research could explore additional moderating factors, such as socioeconomic background and digital financial inclusion, to further understand the complexities of financial resilience in an Islamic financial context.

References

Alghifari, A., Sofiana, A., & Mas'ari, A. (2020). Factor Economy and its Impact to Case Divorce in the Era of the Covid-19 Pandemic Review of Interpretation of Islamic Family Law. *El- Izdiwaj: Indonesian Journal of Civil and Islamic Family Law*, *1* (2).

Ariadi, Malelak, Astuti (2017), Analisa Hubungan Financial Literacy dan Demografi Dengan Investasi, Saving dan Konsumsi, FINESTA, Journal of Finance, Petra University Surabaya https://publication.petra.ac.id/index.php/manajemen-keuangan/article/view/2953/0

Arsanti, C., & Riyadi, S. (2018). Analisis Pengaruh Literasi Keuangan terhadap Perilaku Keuangan Mahasiswa. *Perbanas Review*, *3* (2), 110–122.

Bonang, D. (2019). Influence Literacy Finance to Planning Finance Family in Mataram City. *Journal Islamic Economics and Business*, *4* (2), 155–165. https://doi.org/10.32505/v4i2.1256

Central Statistics Agency (2022)

Cui Ling Song, Dongfang Pan, Arslan Ayub & Binbin Cai (2023) The Interplay Between Financial Literacy, Financial Risk Tolerance, and Financial Behaviour: The Moderator Effect of Emotional Intelligence, Psychology Research and Behavior Management, 16, 535-548, DOI: 10.2147/PRBM.S398450

Dwilita, H., & Sari, PB (2020). Analysis Management Finance Family and Literacy Women's Finances in 20 Village Hamlets Klambir Five Gardens. *Journal (AKMAMI) Accounting, Management and Economics*, *1* (3), 184–197. Retrieved from http://jurnal.ceredindonesia.or.id/index.php/akmami/article/view/77

Karlan, D., R. Osei, I. Osei-Akoto, and C. Udry. 2014. Agricultural Decisions after Relaxing Credit and Risk Constraints. The Quarterly Journal of Economics 129(2): 597–652.

Kurowski, Ł. (2021). Household's Overindebtedness during the COVID-19 Crisis: *Risks*, *9* (4), 1–19.

Kusnandar, DL, & Kurniawan, D. (2018). Literasi Keuangan Dan Gaya Hidup Ibu Rumah Tangga Dalam Membentuk Perilaku Keuangan Keluarga di Kota Tasikmalaya. *National Seminar and Call for Paper Sustainable Competitive Advantage (SCA) 8 Purwokerto*, *1* (8), 1–12.

Lusardi, A., & Mitchell, O. (2014). *Financial Literacy: Theory and Evidence.*

Kementerian Kesehatan, R. (2021). Perkembangan Situasi Terakhir Ccovid 19. 5 November 2021. Retrieved from https://detikemerging.kemkes.go.id/situasi-infection-emerging/situasi-terkini-perkembangan-coronavirus-disease-covid-19-5-november- 2021

Moore, D., Z. Niazi, R. Rouse, and B. Kramer. 2019. Building Resilience through Financial Inclusion: A Review of Existing Evidence and Knowledge Gaps. Financial Inclusion Program, Innovations for Poverty

Mulyari, S., & Hati, RP (2021). *Influence Literacy Finances and Attitude to Money on Management Finance Family*. *4* (1996), 6.

MUTLU, Ü., & ÖZER, G. (2022). The Effect of Individuals' Financial Risk Tolerance, Financial Literacy and Financial Attitude on their Financial Behaviors. JOEEP: Journal of Emerging Economies and Policy, 7(1), 8-15.

Nguyen, L.T.M., Nguyen, P.T., Tran, Q.N.N. and Trinh, T.T.G. (2022), "Why does subjective financial literacy hinder retirement saving? The mediating roles of risk tolerance and risk perception", Review of Behavioral Finance, Vol. 14 No. 5, pp. 627-645. https://doi.org/10.1108/RBF-03-2021-0036

Pandin, M, Y; Ratnawat, Yuhertiana, I (2021), Financial Literacy and Financial Behavior On Household Financial Resilience Using Financial Inclusion And Financial Decision As Intervening Variables On Cancer Survivors Household In East Java During Covid-19 Pandemic. International Journal of Entrepreneurship and Business Development (IJEBD) Volume 04 Number 01

Park, H., Martin, W. Effects of risk tolerance, financial literacy, and financial status on retirement planning. J Financ Serv Mark 27, 167–176 (2022). https://doi.org/10.1057/s41264-021-00123-y

Permanasari, FM, Harya Kuncara, & Ari Warokka. (2020). Influence Literacy Finance and Its Antecedents to Tolerance Risk with Moderation Factor Demographics of Young Workers in Indonesia. *JRMSI - Journal Research Indonesian Science Management*, *11* (2), 338–363. https://doi.org/10.21009/jrmsi.011.2.08

Pradita, RI (2021). On Family Financial Planning at Baj Polytechnic *(Behavioral Accounting Journal)*. *4* (2), 372–388.

Riyadi, S., & Pritami, D. A. (2018). The Impact of Financial Literacy, Consumptive Behavior And M Banking Services on Savings Management. International Journal of Advanced Research, 88-94.

Setyorini, N, Indiworo, H.E; Sutrisno (2021), The Role Financial Literacy and Financial Planning to Increase Financial Resilience: Household Behaviour as Mediating Variable, *Media Ekonomi dan Manajemen*, Volume 36 Issue 2, 243-255
DOI: http://dx.doi.org/10.24856/mem.v36i2.2179

Sucianah, A., & Yuhertiana, I. (2021). Gender Moderates Financial Literacy and Financial Behavior to Resilience Finance House Ladder Millennials During Covid-19 pandemic. *Journal Proaction*, *8* (2), 428 – 438. https://doi.org/10.32534/jpk.v8i2.2020

Yuesti, A., Rustiarini, NW, & Suryandari, NNA (2020). Financial literacy in the covid-19 pandemic: Pressure conditions in Indonesia. *Entrepreneurship and Sustainability Issues*, *8* (1), 884–898. https://doi.org/10.9770/jesi.2020.8.1(59)

Wisnubroto, AP, Edwina, TN, & Budiyani, K. (2020). Adjustment Marriage in Couples Husband and Wife. *Psychostudia: Journal Psychology*, *9* (1), 87–94.