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Squeezed But Empowered: The Influence of Financial Autonomy on Financial Well-Being through Financial Mindfulness among the Sandwich Generation

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Abstract

This study investigates the influence of financial autonomy on financial well-being, with financial mindfulness serving as a mediating variable, among individuals categorized as part of the sandwich generation in Indonesia. This generation concurrently bears financial responsibilities for both older and younger family members, rendering autonomous and mindful financial management crucial to fostering financial well-being. Adopting a quantitative approach, the research employed a structured survey of 281 respondents from the sandwich generation across western, central, and eastern regions of Indonesia. Data were analyzed using Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) technique. The findings yielded four key insights. First, financial autonomy has a positive effect on financial well-being, indicating that individuals with greater independence in financial decision-making tend to achieve a higher sense of economic security. Second, financial mindfulness has a positive effect on financial well-being, underscoring its role as a psychological resource that supports individuals' economic resilience and satisfaction. Third, financial autonomy has a positive effect on financial mindfulness, reflecting increased awareness, intentionality, and reflective control in managing finances. Fourth, financial mindfulness positively mediates the relationship between financial autonomy and financial well-being, reinforcing its function as a psychological mechanism that channels the benefits of autonomous financial behavior into improved financial outcomes. These findings provide both theoretical and practical implications for the development of behaviorally informed financial literacy programs. Such programs should integrate components that foster both autonomy and mindfulness as foundational elements in promoting sustainable financial well-being among members of the sandwich generation.

Keywords: financial autonomy, financial mindfulness, financial well-being, sandwich generation, empowered generation.

1. Introduction

Financial well-being has emerged as a pivotal indicator of life quality in contemporary society, particularly amid mounting economic uncertainties and intensifying social demands (Netemeyer et al., 2018). In specific sociocultural contexts, a demographic group known as the Sandwich Generation has gained prominence comprised of individuals who simultaneously bear financial responsibilities for both their aging parents and their dependent children (Sergy, 2021). This dual caregiving role places them in a financially vulnerable position, potentially disrupting their psychological, social, and economic equilibrium (Syufa'at et al., 2023). Contrary to conventional

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assumptions, financial well-being is not solely determined by income or asset accumulation. Rather, it is deeply rooted in an individual's capacity to manage financial resources judiciously, independently, and with a heightened sense of awareness (Nanda & Banerjee, 2021). In this regard, financial autonomy becomes a critical construct, reflecting the extent to which individuals can make self-directed financial decisions aligned with personal goals and free from external coercion or dependency (Lone & Bhat, 2024). Those with high financial autonomy are more likely to experience a sense of competence and control over their financial lives, allowing them to respond to financial stress with greater resilience and optimism.

However, for members of the Sandwich Generation, opportunities to exercise financial autonomy are often constrained by the complex realities of multigenerational caregiving (Manor, 2021). The dual economic burden frequently compels individuals to compromise their personal financial freedom in order to fulfill obligations toward two generations simultaneously. In such contexts, financial mindfulness defined as the ability to remain present, non-reactive, and emotionally regulated in financial decision-making becomes increasingly indispensable. Financial mindfulness enables individuals to navigate economic stressors with clarity and intention, even when faced with limited autonomy (Stone, 2012).

Given these interwoven dynamics, this study aims to investigate four core relationships: (1) the effect of financial autonomy on financial well-being, (2) the effect of financial mindfulness on financial well-being, (3) the effect of financial autonomy on financial mindfulness, and (4) the mediating role of financial mindfulness in the relationship between financial autonomy and financial well-being. We posit that financial autonomy, when not accompanied by financial mindfulness, may fall short in enhancing well-being, as individuals may still experience psychological strain and dissatisfaction with their financial state. Financial mindfulness is therefore hypothesized as a critical psychological pathway that positively channels financial autonomy toward sustained improvements in financial well-being (Garbinsky et al., 2024).

Based on this conceptual foundation, the present study sets forth four primary objectives: first, to analyze the direct impact of financial autonomy on financial well-being; second, to assess the influence of financial mindfulness on financial well-being; third, to examine the relationship between financial autonomy and financial mindfulness; and finally, to evaluate the mediating role of financial mindfulness in the financial autonomy–well-being nexus specifically among the Sandwich Generation in Indonesia. By integrating psychological and behavioral dimensions of personal finance, this research offers a comprehensive framework for understanding how individuals navigate financial stress through mechanisms of autonomy and mindful awareness (Vijaykumar, 2022).

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Indonesia presents a particularly compelling context for this investigation, due to its extended family structures and collectivist cultural values. The limited reach of formal social protection systems, coupled with rising living costs and strong normative expectations for adult children to provide for their elders, makes the topic not only academically salient but also practically urgent from a policy and community development standpoint. Empirical studies that explicitly explore the triadic relationship between financial autonomy, financial mindfulness, and financial well-being within the Sandwich Generation especially in developing countries remain exceedingly scarce (Abramson, 2015; Sergy, 2021).

Accordingly, this paper makes both a timely and significant contribution. Theoretically, it enriches the behavioral finance literature by positioning financial mindfulness as a psychological mechanism through which autonomy exerts its effect on well-being. Practically, the findings may inform the design of targeted financial literacy programs, mindfulness-based financial education, and socio-economic interventions that empower individuals navigating the challenges of multigenerational financial caregiving. By advancing a nuanced understanding of the interplay between autonomy and mindfulness in financial behavior, this study seeks to offer meaningful insights for addressing the complex well-being challenges faced by the Sandwich Generation. Moreover, it aspires to open new avenues for the development of more human-centered and forward-looking financial policies and practices.

2. Literature Review

Self-Determination Theory (SDT). Self-Determination Theory (SDT) offers a robust motivational framework that elucidates how fundamental psychological needs drive optimal human behavior and sustainable psychological well-being. Within this framework, three core psychological needs autonomy, competence, and relatedness are considered essential prerequisites for achieving well-being across various life domains, including personal financial management (Ajzen, 1991; Ryan & Deci, 2020). In this study, financial autonomy is conceptualized as a direct expression of the basic need for autonomy, representing an individual's capacity to regulate and govern their financial decisions independently, free from external control. For members of the Sandwich Generation, possessing financial autonomy enhances their internal locus of control, thereby strengthening intrinsic motivation to manage finances in a purposeful and accountable manner (Ng et al., 2019). Furthermore, financial mindfulness functions as a mediating variable in the model, embodying a deep form of self-regulation grounded in present-moment awareness of one’s financial status and characterized by reflective, deliberate decision-making rather than impulsivity. From the SDT perspective, mindfulness facilitates the internalization of financial values and goals, refining how individuals respond to environmental pressures, including the multigenerational financial demands typical of the Sandwich Generation (Ryan & Deci, 2020).

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Consequently, financial mindfulness serves as a psychological mechanism that bridges the relationship between financial autonomy and financial well-being. Financially autonomous individuals who cultivate mindful awareness of their financial realities are better equipped to manage financial stress, make decisions aligned with their life aspirations, and experience meaningfulness and satisfaction regarding their financial condition. Therefore, Self-Determination Theory not only provides a solid conceptual foundation to comprehend the link between financial autonomy and financial well-being but also highlights the critical role of mindfulness-based self-regulation in amplifying the positive psychological effects of autonomy. This integrative theoretical lens offers valuable insight into the dynamics of financial behavior within populations subjected to structural social pressures, such as the Sandwich Generation (Ryan & Deci, 2020).

Financial Autonomy and Financial Well-Being. Financial autonomy refers to an individual's capacity to independently manage and make decisions regarding their personal financial matters without reliance on external parties. For the Sandwich Generation—who concurrently bear economic responsibilities toward both their children and aging parents, financial autonomy is a vital resource that empowers effective allocation and management of financial resources. The rationale is that when individuals possess financial autonomy, they are able to prioritize expenditures, investments, and savings in alignment with their personal needs and life goals, free from external pressures. This autonomy enhances their internal sense of control, which in turn promotes emotional stability and mitigates anxiety related to financial concerns (Holani, 2008). Moreover, financial autonomy enables the Sandwich Generation to develop adaptive financial management strategies that are responsive to the complexities of multigenerational family dynamics and evolving economic challenges. This capability strengthens their resilience against financial risks while maximizing opportunities, thereby directly contributing to improved financial well-being encompassing both material security and psychological welfare (Vijaykumar, 2022).

Hence, financial autonomy functions not only as a practical economic management tool but also as a source of psychological empowerment that underpins holistic financial well-being amid the dual pressures experienced by the Sandwich Generation. Furthermore, previous research has demonstrated the positive impact of financial autonomy on financial well-being, as evidenced by studies conducted by (Netemeyer et al., 2018; Stone, 2012, 2014). Based on this rationale and prior research, the first hypothesis is developed as follows:

H1 : Financial Autonomy has a positive effect on Financial Well-Being.

Financial Mindfulness and Financial Well-Being. Financial mindfulness refers to an individual's sustained and non-judgmental awareness of their current financial condition, grounded in focused attention, comprehension, and acceptance, without impulsive emotional reactions.

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Within the context of the sandwich generation—working-age individuals who simultaneously bear financial responsibilities for both their children and aging parents—practicing financial mindfulness is particularly vital. Theoretically, this construct draws upon the principles of mindfulness in positive psychology and self-regulation theory, both of which emphasize the value of reflective awareness in financial decision-making (CEDE & GÖZEN, 2021; Garbinsky et al., 2024). Financial mindfulness has been shown to enhance financial well-being, as individuals who are financially mindful tend to manage financial stress more adaptively, avoid reactive consumption behaviors, and make decisions that align with their long-term values and goals. In the face of multigenerational economic pressures, financial mindfulness enables members of the sandwich generation to remain composed under financial strain, prioritize expenditures judiciously, and maintain a greater sense of control over their financial future (Bohecker & Doughty Horn, 2016). Consequently, financial mindfulness not only alleviates financial anxiety but also reinforces perceived financial well-being by enhancing efficacy in resource management, goal attainment, and overall life satisfaction. As such, it serves as a critical mediating mechanism that bridges the relationship between financial autonomy and financial well-being. Furthermore, previous research has demonstrated the positive impact of financial mindfulness on financial well-being, as evidenced by studies conducted by(Garbinsky et al., 2024; Maheshwari, 2020; Stone, 2012). Based on this rationale and prior research, the second hypothesis is developed as follows:

H2 : Financial Mindfulness has a positive effect on Financial Well-Being.

Financial Autonomy and Financial Mindfulness. Conceptually, financial autonomy reflects an individual's capacity to make independent financial decisions, free from external pressures, and grounded in personal values and life goals. Within the context of the sandwich generation those simultaneously supporting both aging parents and dependent children, financial autonomy plays a strategic role in fostering financial mindfulness. Rooted in Self-Determination Theory and self-regulation frameworks, financial autonomy provides a psychological foundation that enables individuals to become more aware, reflective, and focused in managing their financial circumstances. When individuals exert control over their financial resources and experience freedom in navigating personal economic dynamics, they are more likely to remain fully attentive to their financial realities without being overwhelmed by emotional or external stressors. Financial autonomy facilitates a sense of acceptance toward one’s financial condition, reduces anxiety about the future, and enhances present-moment awareness in financial decision-making processes (Kumar et al., 2023; Thoa & Nhi, 2022). For members of the sandwich generation, the positive linkage between financial autonomy and financial mindfulness is particularly critical, as mindfulness serves as a psychological buffer against chronic financial stress. Accordingly, financial autonomy not only supports rational decision-making but also serves as a foundational

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driver for cultivating a sustained, integrated, and adaptive form of financial awareness in the face of complex multigenerational responsibilities (Kumar et al., 2023). Furthermore, previous research has demonstrated the positive impact of financial mindfulness on financial well-being, as evidenced by studies conducted by (Kumar et al., 2023; Ng et al., 2019; Thoa & Nhi, 2022). Based on this rationale and prior research, the third hypothesis is developed as follows:

H3 : Financial Autonomy has a positive effect on Financial Mindfulness.

Financial Autonomy and Financial Well-Being mediated by Financial Mindfulness. In the context of the sandwich generation, which simultaneously bears the financial responsibility of supporting both aging parents and dependent children, financial autonomy constitutes a fundamental element underpinning individuals' capacity to manage their finances independently. Defined as the freedom and control over financial decision-making, financial autonomy enables individuals to devise resource management strategies that align with their personal priorities and values. This capability is particularly crucial given the intricate multigenerational obligations they face, whereby financial autonomy enhances their sense of control and self-efficacy in navigating financially stressful circumstances (Holani, 2008; Vijaykumar, 2022).

However, the influence of financial autonomy on financial well-being does not operate through a direct pathway; rather, it is mediated by psychological mechanisms represented by financial mindfulness. Financial mindfulness, characterized by full awareness of one's financial conditions and processes, allows individuals to maintain an objective and non-reactive focus on their financial experiences (Brüggen et al., 2017). The presence of financial autonomy creates the psychological space necessary for cultivating this awareness, which encompasses acceptance, deliberate attention, and emotional regulation in response to financial stress.

Through financial mindfulness, the sandwich generation is better equipped to manage their finances prudently, alleviate anxiety, and enhance adaptability when confronting economic uncertainties. Consequently, financial mindfulness functions as a mediating mechanism that bridges the positive relationship between financial autonomy and financial well-being, indicating that financial autonomy contributes to well-being not only directly but also indirectly through the enhancement of mindful financial awareness and management (Sehrawat et al., 2021; Strömbäck et al., 2017). Furthermore, previous research has demonstrated the effect of financial Autonomy on financial well-being is positively mediated by financial mindfulness, as evidenced by studies conducted by (Brüggen et al., 2017; Stone, 2012, 2014; Wu et al., 2024). Based on this rationale and prior research, the fourth hypothesis is developed as follows:

H4: Financial Mindfulness positively mediates the relationship between Financial Autonomy and Financial Well-Being

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3. Research Method

This study employs a quantitative research approach to examine the influence of an independent variable on a dependent variable, mediated by an intervening variable. The data, originally qualitative in nature, were converted into quantitative form using a Likert scale to assess respondents' perceptions. All variables were treated as latent constructs. The model comprises Financial Autonomy as the exogenous variable, Financial Well-Being as the endogenous outcome, and Financial Mindfulness as the mediating variable. The target population includes Indonesian individuals classified as part of the sandwich generation. A purposive sampling technique was adopted to ensure the selection of participants aligned with the study's contextual focus (Sekaran & Bougie, 2016). The inclusion criteria required respondents to be Indonesian citizens aged 24 to 55, encompassing members of Generations X and Y within their productive working age. Eligible participants were also those who are married, have children, co-reside with their parents, and simultaneously bear financial responsibilities for their children, siblings, and parents. Employment status was also considered, encompassing part-time and full-time employees (both contractual and permanent), business owners, active military personnel, graduate students, freelancers, and other income-generating occupations. A total of 281 valid responses were obtained from individuals identified as members of the sandwich generation. Data collection was conducted via Populix, a licensed research firm that provides online survey services.

Table 1. Demographic Descriptive Statistics of Respondents.

Demography Profile	Frequency	%
Gender		
Male	113	40.21%
Female	168	59.79%
Total	281	100%
Age		
18-24 years old	5	1.78%
25-30 years old	94	33.45%
31-35 years old	78	27.76%
36-40 years old	38	13.52%
41-45 years old	41	14.59%
46-50 years old	15	5.34%
51-55 years old	10	3.56%
Total	281	100%
Domicile		

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Demography Profile	Frequency	%
Bali	8	2.85%
Banten	16	5.69%
DI Yogyakarta	3	1.07%
DKI Jakarta	55	19.57%
Gorontalo	1	0.36%
Jambi	1	0.36%
Jawa Barat	78	27.76%
Jawa Tengah	21	7.47%
Jawa Timur	25	8.90%
Kalimantan Barat	1	0.36%
Kalimantan Selatan	3	1.07%
Kalimantan Tengah	1	0.36%
Kalimantan Timur	4	1.42%
Kepulauan Riau	2	0.71%
Lampung	5	1.78%
Maluku	1	0.36%
Maluku Utara	1	0.36%
Nanggroe Aceh Darussalam	2	0.71%
Nusa Tenggara Barat	6	2.14%
Nusa Tenggara Timur	2	0.71%
Papua	1	0.36%
Riau	2	0.71%
Sulawesi Selatan	15	5.34%
Sulawesi Tengah	1	0.36%
Sulawesi Tenggara	3	1.07%
Sulawesi Utara	3	1.07%
Sumatera Barat	3	1.07%
Sumatera Selatan	7	2.49%
Sumatera Utara	10	3.56%
Total	281	100%
Occupation		
Part-time Workers	36	12.81%
Full-time Employees (Contract)	37	13.17%
Full-time Employees (Permanent)	118	41.99%

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Demography Profile	Frequency	%
Business Owners/Entrepreneurs	53	18.86%
Active Military Personnel	1	0.36%
Active Postgraduate Students	14	4.98%
Freelancers	20	7.12%
Other Paid Employment Types	2	0.71%
Total	281	100%

Table 1 presents the demographic descriptive statistics of the respondents. In terms of gender distribution, female participants constituted the majority, accounting for 59.79% of the total sample of 281 respondents. Regarding age, the largest proportion fell within the 25–30 age range, representing 33.45% of the sample. This age group is considered a highly productive stage for individuals within the sandwich generation (Hurtley, 2007; Syufa'at et al., 2023). Respondents were drawn from 29 provinces across Indonesia, with the highest representation originating from West Java Province at 27.76%. The participants reported diverse occupational backgrounds; however, the majority were employed full-time with permanent employment status, comprising 41.99% of the total sample.

Measurement. This study employed a structured questionnaire as the primary instrument for data collection, utilizing a five-point Likert scale. Respondents were instructed to indicate their level of agreement with each statement, ranging from 1 (strongly disagree) to 5 (strongly agree) (Kusmaryono et al., 2022). All questionnaire items were developed based on indicators derived from established empirical findings and adapted theoretical frameworks relevant to each construct under investigation. The specific indicators used for each variable are as follows (Salignac et al., 2020; Stone, 2012, 2014) (Table 2) :

Table 2. Variabel Indicators.

Financial Autonomy	FA1: I am able to exercise control over my financial life.
	FA2: I have multiple options or considerations when making financial decisions.
	FA3: I prefer to make my own financial decisions independently.
	FA4: I make financial decisions without coercion or external pressure.

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Financial Mindfulness	FM1: I am fully aware of all aspects of my personal finances, including savings, expenses, and income.
	FM2: I am capable of managing my emotions such as stress, anxiety, or excitement, when they relate to financial matters.
	FM3: I can make financial decisions with a full awareness of their short-term and long-term implications.
Financial Well-Being	FWB1: I am able to meet my financial obligations and manage my debts effectively.
	FWB2: I have an emergency fund available for unforeseen expenses.
	FWB3: I possess savings that can be used to purchase essential goods or services.
	FWB4: I feel capable of maintaining control over my financial situation both now and in the future.
	FWB5: I am able to set and pursue financial and life planning goals for the future.
	FWB6: I feel financially secure in the present and the future, free from significant financial worries, and satisfied with my current financial condition.

The Partial Least Squares Structural Equation Modeling (PLS-SEM) approach was employed in this study due to the non-normal distribution of the data collected from respondents across diverse demographic backgrounds. PLS-SEM is particularly well-suited for analyzing datasets that deviate from normality. Moreover, it demonstrates greater robustness in evaluating research models involving non-normally distributed data, aligning with methodological recommendations for studies that emphasize predictive relationships (Hair et al., 2021, 2022; Kock, 2022). The data analysis was conducted using WarpPLS version 8.0.

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4. Finding and Discussion

Following the data collection phase, the next step involved conducting a comprehensive analysis and evaluation of the empirical results. The model assessment procedures included the following:

Goodness of Fit. The model's goodness-of-fit indicators, derived using WarpPLS 8.0, revealed robust statistical performance: the Average Path Coefficient (APC) was 0.503 with $p < 0.001$; the Average R-squared (ARS) was 0.535 with $p < 0.001$; and the Average Adjusted R-squared (AARS) was 0.533 with $p < 0.001$. These values indicate that the structural paths among constructs were statistically significant and that the model exhibited strong and stable predictive capabilities after adjustment. Furthermore, the Average Block Variance Inflation Factor (AVIF) was 1.855, and the Average Full Collinearity VIF (AFVIF) was 2.644 both well within acceptable thresholds (≤ 5, and ideally ≤ 3.3), confirming the absence of multicollinearity issues both within indicator blocks and across constructs. These results reinforce the structural validity of the proposed model. The Tenenhaus Goodness-of-Fit (GoF) index was 0.606, which surpasses the recommended threshold for large effect sizes (GoF ≥ 0.36), suggesting the model possesses substantial and holistic predictive strength across the entire research framework. Additionally, key model quality metrics—namely the Simpson's Paradox Ratio (SPR), R-squared Contribution Ratio (RSCR), Statistical Suppression Ratio (SSR), and Nonlinear Bivariate Causality Direction Ratio (NLBCDR)—all achieved the ideal score of 1.000. These values significantly exceed the minimum recommended standards reported in prior literature (SPR ≥ 0.70; RSCR ≥ 0.90; SSR ≥ 0.70; NLBCDR ≥ 0.70). Collectively, these findings affirm that the structural model and measurement instruments employed in this study meet the rigorous criteria for model fit and data quality in Partial Least Squares Structural Equation Modeling (PLS-SEM). This is in alignment with the methodological standards outlined by (Hair et al., 2019, 2022) A detailed summary of the model's goodness-of-fit statistics is presented in Table 3.

Table 3. Goodness-of-Fit Test Results.

GoF's Indicators	Prerequisite	Value
Average path coefficient (APC)	P<0.05	0.503, P < 0.001
Average R-squared (ARS)	P<0.05	0.535, P < 0.001
Average adjusted R-squared (AARS)	P<0.05	0.533, P < 0.001
Average block VIF (AVIF)	acceptable if ≤ 5, ideally ≤ 3.3	1.855
Average full collinearity VIF (AFVIF)	acceptable if ≤ 5, ideally ≤ 3.3	2.644

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Tenenhaus GoF (GoF)	small ≥ 0.1, medium ≥ 0.25, large ≥ 0.36	0.606
Simpson's paradox ratio (SPR)	SPR ≥ 0.7	1.000
R-squared contribution ratio (RSCR)	RSCR ≥ 0.9	1.000
Statistical suppression ratio (SSR)	SSR ≥ 0.7	1.000
Nonlinear bivariate causality direction ratio (NLBCDR)	NLBCDR ≥ 0.7	1.000

Validity Test. In accordance with the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach, construct validity in this study was examined through both convergent and discriminant validity tests, as recommended by (Hair et al., 2022). Convergent validity was assessed using two primary indicators: outer loadings and Average Variance Extracted (AVE). The results of the convergent validity test met all recommended thresholds for PLS-based measurement models.

Convergent validity was established through three core metrics: AVE values, factor loadings, and the statistical significance of each indicator in relation to its corresponding construct. All constructs in the model demonstrated AVE values exceeding 0.50, indicating that more than 50% of the variance in each indicator was accounted for by its underlying construct. Accordingly, the criterion for convergent validity was fully satisfied. Furthermore, all indicators reported factor loadings above 0.60, with significance levels at $p < 0.001$, thereby reinforcing the strength of their convergent validity. These findings confirm that each indicator consistently and validly represents its designated construct, thereby supporting the model's suitability for subsequent structural analysis.

Discriminant validity was evaluated using the cross-loading method, whereby an indicator's loading on its intended construct was compared against its loadings on other constructs. An indicator is deemed to demonstrate discriminant validity if it loads more strongly on its assigned construct than on any other (Hair et al., 2021, 2022b). The results revealed that indicators FA1 through FA4 exhibited their highest loadings on the Financial Autonomy (FA) construct, as compared to Financial Mindfulness (FM) and Financial Well-Being (FWB). Similarly, indicators FM1 through FM3 loaded most strongly on FM, and indicators FWB1 through FWB6 displayed their highest loadings on the FWB construct. No indicator showed a cross-loading value exceeding its loading on its own construct. Consequently, all indicators met the threshold for discriminant validity, affirming the conceptual distinctiveness and non-redundancy of each construct within the

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model. A detailed summary of both convergent and discriminant validity assessments is presented in Table 4.

Table 4. Validity Test Results.

Variable	Indicator	Loading Factor	P-Value	Cross-Loadings			AVE
				FA	FM	FWB	
Financial Autonomy							
FA1	I am able to exercise control over my financial life.	0.817	<0.001	0	0.037	0.457	0.589
FA2	I have multiple options or considerations when making financial decisions.	0.694	<0.001	0	0.221	-0.400	
FA3	I prefer to make my own financial decisions independently.	0.754	<0.001	0	-0.132	-0.036	
FA4	I make financial decisions without coercion or external pressure.	0.798	<0.001	0	-0.106	-0.085	
Financial Mindfulness							
FM1	I am fully aware of all aspects of my personal finances, including savings, expenses, and income.	0.884	<0.001	0.002	0	0.014	0.707
FM2	I am capable of managing my emotions such as stress, anxiety, or excitement, when they relate to financial matters.	0.906	<0.001	-0.027	0	-0.020	
FM3	I can make financial decisions with a full awareness of their short-term and long-term implications.	0.835	<0.001	0.027	0	0.006	
Financial Well-Being							
FWB1	I am able to meet my financial obligations and manage my debts effectively.	0.825	<0.001	0.119	0.160	0	0.705

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Variable	Indicator	Loading Factor	P-Value	Cross-Loadings			AVE
				FA	FM	FWB	
FWB2	I have an emergency fund available for unforeseen expenses.	0.845	<0.001	0.020	-0.184	0	
FWB3	I possess savings that can be used to purchase essential goods or services.	0.858	<0.001	0.049	-0.144	0	
FWB4	I feel capable of maintaining control over my financial situation both now and in the future.	0.841	<0.001	0.018	0.092	0	
FWB5	I am able to set and pursue financial and life planning goals for the future.	0.846	<0.001	0.032	0.040	0	
FWB6	I feel financially secure in the present and the future, free from significant financial worries, and satisfied with my current financial condition.	0.824	<0.001	-0.241	0.043	0	

Reliability Test. The reliability of constructs in this study was evaluated by examining internal consistency using two key indicators: Cronbach's Alpha and Composite Reliability (CR). According to (Hair et al., 2022), a minimum threshold of 0.60 is generally considered acceptable for establishing internal consistency, whereas Kock (2020) suggests a more stringent cut-off of 0.70 for variance-based structural modeling. Data analysis performed using WarpPLS 8.0 revealed that all constructs in the model namely, Financial Autonomy (FA), Financial Mindfulness (FM), and Financial Well-Being (FWB) exhibited strong reliability, with both Cronbach's Alpha and Composite Reliability values exceeding the 0.70 threshold. These results indicate a high degree of internal consistency across all constructs assessed. The Composite Reliability scores further reinforce the conclusion that each construct demonstrates a high level of measurement reliability, affirming the robustness of the instrument employed in this study. A summary of the construct reliability results is presented in Table 5.

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Table 5. Reliability Test Results.

Variabel	Cronbach's Alpha (CA)	Composite Reliability (CR)
Financial Autonomy (FA)	0.766	0.851
Financial Mindfulness (FM)	0.847	0.908
Financial Well-Being (FWB)	0.916	0.935

Hypothesis testing in this study was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) via WarpPLS version 8.0. The assessment of relationships among latent variables relied on two principal indicators: path coefficients (β), which measure the direction and strength of influence, and p-values (ρ), which evaluate the statistical significance of these effects. Drawing upon the guidelines of (Hair et al., 2022b; Kock, 2022) a positive β coefficient reflects a direct relationship in the same direction, while a ρ-value below the 0.05 threshold indicates statistical significance at the 95% confidence level. The empirical findings reveal that financial autonomy (FA) exerts a positive and statistically significant direct effect on financial well-being (FWB), with a path coefficient of $\beta = 0.63$ and $\rho < 0.001$. Similarly, financial mindfulness (FM) demonstrates a significant positive influence on FWB ($\beta = 0.27$; $\rho < 0.001$). In addition, the relationship between FA and FM is also statistically significant ($\beta = 0.61$; $\rho < 0.001$), thereby supporting the conditions necessary for mediation testing. Further mediation analysis confirms that FM serves as a partial mediator in the relationship between FA and FWB, as evidenced by a significant indirect effect ($\beta = 0.16$; $\rho < 0.001$). These findings collectively underscore the interconnected role of autonomy and mindfulness in shaping financial well-being within the structural framework proposed.

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Figure 1. Research Model

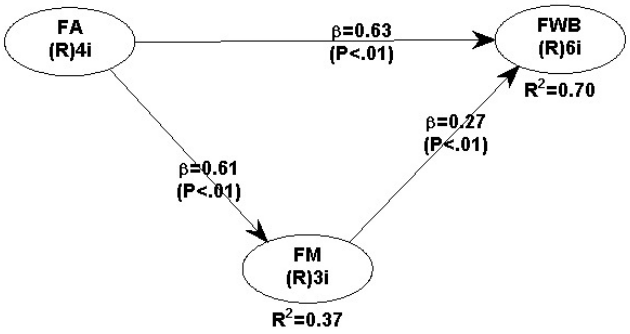


Table 6. Hypothesis Test

Hypothesis	Result	Decision
H1: Financial Autonomy has a positive effect on Financial Well-Being.	(β=0.63, ρ=<0.001)	Accept
H2: Financial Mindfulness has a positive effect on Financial Well-Being	(β=0.27, ρ=<0.001)	Accept
H3: Financial Autonomy has a positive effect on Financial Mindfulness	(β=0.61, ρ=<0.001)	Accept
H3: Financial Mindfulness positively mediates the relationship between Financial Autonomy and Financial Well-Being	(β=0.16, ρ=<0.001)	Accept

Financial Autonomy on Financial Well-Being. The findings of this study provide compelling evidence that financial autonomy has a significant positive influence on financial well-being among individuals categorized within the sandwich generation. This result aligns with the foundational principles of Self-Determination Theory (Ajzen, 1991), which posits autonomy as a core psychological need essential for optimal functioning across various life domains, including personal finance. Financial autonomy encapsulates an individual's capacity to independently manage and make decisions regarding their financial resources. This sense of autonomy fosters greater perceived control, self-efficacy, and confidence in navigating financial stressors. In the

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specific context of the sandwich generation, who often face dual responsibilities of supporting aging parents while simultaneously financing their children's needs, financial autonomy plays a particularly critical role (Manor, 2021; Syufa'at et al., 2023). When individuals perceive themselves as capable of managing their finances without external dependence, they are more likely to experience enhanced psychological comfort and life satisfaction, both of which are integral components of financial well-being. Thus, this study not only reinforces prior empirical evidence but also contributes a robust theoretical justification: autonomy in financial decision-making is a key determinant in elevating the financial quality of life, particularly for vulnerable populations experiencing intergenerational economic pressures (Ng et al., 2019; Vijaykumar, 2022; Waluyo, 2018).

Financial Mindfulness on Financial Well-Being. This study provides empirical validation that financial mindfulness exerts a significant positive impact on financial well-being among individuals within the sandwich generation. The findings highlight that a heightened level of conscious and reflective awareness in managing one's financial circumstances substantially enhances one's perceived financial well-being. Individuals exhibiting high financial mindfulness are more likely to observe their financial conditions with objectivity (Garbinsky et al., 2024; Maheshwari, 2020), accept situational realities without excessive emotional reactivity, and engage in financial decision-making that is deliberate, prudent, and well-calibrated. In the case of the sandwich generation who face dual financial responsibilities for both aging parents and dependent children financial mindfulness emerges as a crucial psychological resource for maintaining emotional equilibrium and optimizing financial decisions under pressure. This mindful approach to financial management enables individuals to resist being overwhelmed by financial anxiety or stress, fostering the capacity to plan, allocate, and manage financial resources efficiently and rationally. Consequently, financial mindfulness functions as a vital determinant of financial well-being, particularly within population groups navigating multi-layered economic demands. Its presence not only buffers the adverse effects of financial strain but also reinforces resilience and informed agency in personal financial governance (CEDE & GÖZEN, 2021; Singh & Malik, 2022; Sinha et al., 2021).

Financial Autonomy on Financial Mindfulness. The findings of this study reveal that financial autonomy significantly enhances financial mindfulness among individuals within the sandwich generation. This result suggests that individuals who possess a higher degree of financial autonomy defined as the capacity to make independent and responsible financial decisions also tend to exhibit greater conscious awareness and reflective engagement in managing their financial affairs. Financial autonomy not only enables individuals to independently prioritize and allocate their financial resources, but also fosters a deeper psychological connection with the decision-making

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processes related to their finances (Kumar et al., 2023a, 2023b). In the context of the sandwich generation, who simultaneously shoulder economic responsibilities for both aging parents and dependent children, financial autonomy serves as a critical enabler of mindful financial behavior. It empowers individuals to observe their financial conditions with clarity, accept realities without destructive emotional interference, and respond to financial demands with measured wisdom (Abramson, 2015; Sergy, 2021; Syufa'at et al., 2023). In essence, financial autonomy acts as a foundational condition for the development of financial mindfulness. The psychological space created by autonomous financial decision-making supports a more present, intentional, and balanced approach to managing money. This dynamic is particularly essential in preserving mental stability and securing long-term financial well-being for those navigating the intergenerational pressures that characterize the sandwich generation (Sinha et al., 2021).

Financial Autonomy on Financial Well-Being Mediated by Financial Mindfulness. The present study provides empirical evidence that financial mindfulness serves as a significant positive mediator in the relationship between financial autonomy and financial well-being among individuals within the sandwich generation. This finding underscores the pivotal psychological role of financial mindfulness in translating autonomous financial behaviors into enhanced subjective financial well-being. While individuals with higher financial autonomy are more capable of making independent, adaptive, and personally aligned financial decisions, autonomy alone does not guarantee optimal financial outcomes (Bohecker & Doughty Horn, 2016; Brown & Ryan, 2003; Wu et al., 2024). Absent mindful awareness, autonomous decision-making may still fall short in navigating the complexities of financial responsibilities, particularly within the dual-pressure context faced by the sandwich generation. Financial mindfulness operates as a psychological mechanism that enhances the functional value of autonomy by fostering intentional awareness of one's financial reality, informed judgment of available options, and thoughtful evaluation of potential consequences (Ng et al., 2019; Vijaykumar, 2022). This heightened financial awareness reduces impulsive reactions and promotes sustained financial behaviors that support long-term well-being. In this light, financial mindfulness functions not merely as a complementary psychological trait but as a critical cognitive-affective pathway through which financial autonomy exerts its beneficial impact on financial well-being. Particularly for sandwich generation individuals coping with multidirectional financial stressors, cultivating financial mindfulness is essential in bridging the gap between empowered decision-making and the attainment of financial tranquility and satisfaction (Netemeyer et al., 2018; Strömbäck et al., 2017).

5. Conclusion

Based on the empirical analysis, this study identifies four principal findings, all of which align with the proposed hypotheses. First, the results reveal that financial autonomy exerts a significant

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and positive influence on financial well-being. This suggests that the greater an individual's capacity to make independent and responsible financial decisions, the more favorable their perceived financial well-being particularly within the sandwich generation, who are burdened with multigenerational financial obligations.

Second, financial autonomy is found to significantly enhance financial mindfulness. In other words, individuals with higher control over their financial decisions tend to demonstrate greater mindful awareness of their financial circumstances. They are more capable of observing, understanding, and responding to their financial situations with attentiveness and reflective engagement.

Third, financial mindfulness is shown to have a direct, positive, and statistically significant effect on financial well-being. This underscores the essential role of present-focused, non-reactive awareness in managing financial realities, particularly for individuals experiencing dual financial responsibilities. Mindful engagement in financial matters appears to enhance subjective well-being by fostering composure, clarity, and intentionality.

Fourth, the mediation analysis confirms that financial mindfulness significantly mediates the relationship between financial autonomy and financial well-being. Thus, financial mindfulness acts as a critical psychological mechanism that amplifies the impact of autonomy on financial outcomes. It enables individuals to translate their autonomous decision-making into sustained financial well-being by fostering conscious financial behavior and reducing impulsivity. Collectively, these findings highlight the strategic importance of fostering both financial autonomy and mindfulness as foundational elements for cultivating sustainable financial well-being within the sandwich generation. A key recommendation emerging from this research is the integration of autonomy and mindfulness principles into behavioral-based financial literacy programs, aimed at equipping individuals with not only knowledge but also the psychological tools necessary for adaptive financial functioning.

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