



The Journal of Financial, Accounting, and Economics

Homepage: <https://jurnal.glowscien.com/index.php/JFAE>

Vol. 1, Issue. 1, January (2024), 01-12

DOI Issue: <https://doi.org/10.58857/JFAE.2024.v01.i01>

E-ISSN 3031-9064



The Influence of Financial Literacy and Lifestyle on Students' Financial Management Behavior

Afrizna Kurnia Putri¹⁾,

Didin Fatihudin²⁾,

Rieska Maharani³⁾

^{1), 2), 3)} Faculty of Economics and Business Muhammadiyah University Surabaya

email: ²⁾diaenafdloka@gmail.com

DOI Article: <https://doi.org/10.58857/JFAE.2024.v01.i01.p01>

ARTICLE INFO	ABSTRACT
<p><i>Article History:</i> Submitted: 22 February 2023 Reviewed: 29 August 2023 Revision : 4 September 2023 Accepted : 5 September 2023 Available online: 5 September 2023</p> <hr/> <p><i>Keywords:</i> Financial Literacy; Lifestyle; Financial Management Behavior</p> <hr/> <p><i>Corresponding Author:</i> Didin Fatihudin email: diaenafdloka@gmail.com</p>	<p>The purpose of this research is for test and analyze the effect of financial literacy and lifestyle on financial management behavior of management students at the University of Muhammadiyah Surabaya. The following research uses a quantitative approach and multiple linear regression analysis methods. The data collection technique in this study used a questionnaire with a sample of 181 respondents. Results from research show that financial literacy and lifestyle simultaneously have a positive effect on the financial management behavior of management students at the Muhammadiyah University of Surabaya. While partially the variable that really influences is financial literacy, lifestyle variables have no effect on the financial management behavior of management students at the Muhammadiyah University of Surabaya. So with financial literacy a person can manage their finances appropriately and efficiently.</p>

INTRODUCTION

National Financial Literacy Survey (SNLIK) 2019 conducted by OJK show there has been an increase in public financial understanding by 8.33% in the last 3 years. There are 5 indicators that are measured for know level of financial literacy, namely knowledge, skills and confidence in financial service institutions, as well as financial attitudes and behavior to assess efforts to improve the quality of decision making and individual financial management (SNLIK 2019). Financial education is a long process that encourages individuals to have financial plans for the future in order to gain prosperity in accordance with the lifestyle patterns and life styles they live (Mendari and Kewal, 2013) in (Yushita, 2017). Studying is a process to become an independent and responsible person in carrying out various aspects of life, including financial management. Students

prefer to spend time being active on social media and visiting entertainment and shopping centers. On average, students do not keep records of expenses, so financial deficits often occur (Suryanto, 2017). Education does not affect his understanding of financial literacy (Fatihudin et al., 2018). Based on the researchers' research, the phenomenon that occurs is that students do not understand financial literacy, the level of financial literacy is low and this is supported by the high level of lifestyle tendencies. This has an impact on financial management behavior among students. Sholeh, B. (2019) that there is an influence financial literacy on student financial behavior, then Sundjaja et al. (2011) state that lifestyle affects family finances.

Thus the hypothesis in this research is as follows. The first hypothesis is that financial literacy has a positive effect on financial management of management students at Muhammadiyah University, Surabaya. The second hypothesis is that lifestyle has a negative effect on the financial management of management students at the Muhammadiyah University of Surabaya. Researcher This is very interesting to do to test and analyze the influence of financial literacy and lifestyle on the financial management behavior of university management students Muhammadiyah Surabaya.

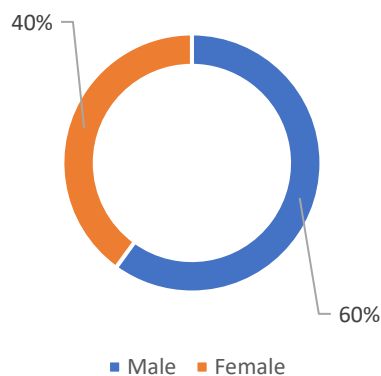
RESEARCH METHOD

This research uses a quantitative approach, which is a study whose approach is objective in nature, includes data collection and analysis and uses statistical testing methods (Fatihudin, 2020). In this study, the population was the 6th and 8th semester students of the Management Study Program, Faculty of Economics and Business, Muhammadiyah University of Surabaya. In the sample determined by the researcher, out of 355 populations, there were 181 students who became the research sample and used simple random sampling. This research was conducted using a questionnaire via Google form which was distributed through the whatsapp group of Management Study Program Students at the University of Muhammadiyah Surabaya. Then the data is processed using the SPSS (Statistical Product and Service Solution) program version 25.

RESULTS AND DISCUSSION

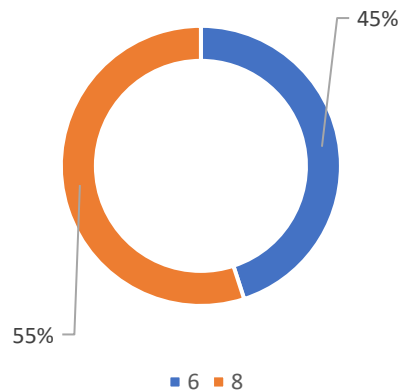
Based on the results of filling out the questionnaire by respondents, it can be grouped by gender, semester level, source of income and amount of income. The following is the result of the characteristics of respondents by group. Based on Figure 1 it can be seen that the number of respondents' characteristics based on gender is male, namely 60% and female by 40%.

Figure 1 Student Characteristics Based on Gender



Source: data processed by researchers, 2023

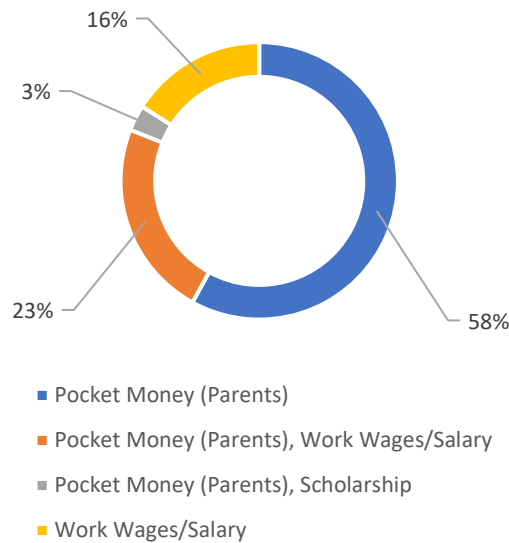
Figure 2 Characteristics of Respondents Based on Semester Level



Source: data processed by researchers, 2023

Based on Figure 2 it is explained that the number of respondents is based on semester level, namely semester 8 of 55% and semester 6 of 45%.

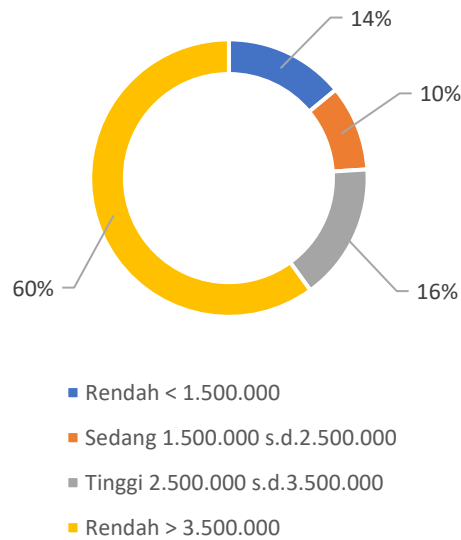
Figure 3 Characteristics of Respondents Based on Source of Income



Source: data processed by researchers, 2023

Based on Figure 3 it can be explained that the most sources of income are pocket money (parents) 58%, pocket money (parents), work wages/salary 23%, pocket money (parents), scholarships 3% and work wages/salary 16%.

Figure 4 Characteristics of Respondents Based on Income



Source: data processed by researchers, 2023

Based on Figure 4 it can be explained that as many as 60.2% of respondents had an income greater than Rp. 3,500,000 which is categorized as very high income, 15.5% of respondents are in the high income category, 14.4% of respondents are in the low category, and 9.9% of respondents are in the low category, namely less than Rp. 1,500,000.

Validity test

Table 1 Validity Test Financial Literacy (x₁)

Financial Literacy Validity Test Results (x ₁)			
Item X ₁	R-Count	R-Table	Status
1.1	0.459	0.148	Valid
1.2	0.354	0.148	Valid
1.3	0.388	0.148	Valid
1.4	0.576	0.148	Valid
1.5	0.586	0.148	Valid
1.6	0.411	0.148	Valid
1.7	0.576	0.148	Valid
1.8	0.517	0.148	Valid
1.9	0,556	0.148	Valid
1.10	0.506	0.148	Valid

Source: data processed by researchers, 2023

Table 2. Lifestyle Validity Test (x₂)

Financial Literacy Validity Test Results (x ₁)			
Item X ₂	R-Count	R-Table	Status
2.1	0.733	0.148	Valid
2.2	0.751	0.148	Valid
2.3	0,708	0.148	Valid
2.4	0,609	0.148	Valid
2.5	0,803	0.148	Valid

Source: data processed by researchers, 2023

Table 3 Validity Test Financial Management Behavior(y)

Financial Literacy Validity Test Results (y)			
Item Y	R-Count	R-Table	Status
3.1	0.508	0.148	Valid
3.2	0.646	0.148	Valid
3.3	0.704	0.148	Valid
3.4	0.648	0.148	Valid
3.5	0,631	0.148	Valid

Source: data processed by researchers, 2023

Based on Table 1, Table 2, and Table 3 results validity test of Financial Literacy (X₁), Lifestyle (X₂) and Financial Management Behavior (Y) show question items on these variables status valid, because degree of freedom (df)= n-2= 181-2 then df significant a=5%, then R-table in this study 0.148. From this result is that R-Count greater than R-Table.

Reliability Test

Table 4 Reliability Test

Reliability Test Results		
Variable	Reliability Coefficient	Decision
X ₁	0.656	Reliable
X ₂	0.769	Reliable
y	0,607	Reliable

Source: data processed by researchers, 2023

This research uses the Cronbach's Alpha measuring instrument with measurements carried out only once and then the correlation between the score results on the same question instrument is measured. If the value of Cronbach's Alpha (α) > 0.60, it can be concluded that the instrument is reliable. Conversely, if the value of Cronbach's Alpha (α) < 0.60, it can be concluded that the instrument used is not reliable.

Normality test

Table 5 Kolmogorov-Smirnov test

One-Sample Kolmogorov-Smirnov Test			
		Unstandardi-zed Residual	
N		181	
Normal Parameters ^{a,b}	Mean	,0000000	
	Std. Deviation	2,22260502	
Most Extreme Differences	Absolute	,072	
	Positive	,038	
	Negative	-,072	
Test Statistic		,072	
Asymp. Sig. (2-tailed)		,025 ^c	
Monte Carlo Sig. (2-tailed)	Sig.	,293 ^d	
	99% Confidence Interval	Lower Bound	,281
		Upper Bound	,305

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. Based on 10000 sampled tables with starting seed 2000000.

Source: data processed by researchers, 2023

Table 5 results of Kolmogorov-Smirnov test results obtained output Monte Carlo Sig. (2-tailed) of 0.293 is greater than 0.05 and less than 1 which indicates that the data is normally distributed.

Multicollinearity Test

Based on the multicollinearity test results table, it states that X1 and X2, as explained above, have a tolerance value greater than 0.1 and a VIF value less than 10.

Table 6 Multicollinearity Test

Variable	Tolerance Value	VIF
Financial literacy (X1)	0.891	Reliable
Lifestyle (X2)	0.891	Reliable

Source: data processed by researchers, 2023

Heteroscedasticity Test

Table 7 Heteroscedasticity Test

Heteroscedasticity Test Results					
Model	Coefficients ^a		Standardized Coefficients	t	Sig
	Unstandardized Coefficients				
	B	Std. Error	Betas		
(Contant)	3,234	1,044		3,097	,002
Financial literacy (x1)	-.036	,021	-,131	-1,668	,097
Lifestyle (x2)	,003	,023	,024	,113	,910

a. Dependent Variable: Abs_RES

Source: data processed by researchers, 2023

In the heteroscedasticity test on Table 7 explained that there is no heteroscedasticity because the two variables are greater than 0.05. The significance value (Sig.) for the financial literacy variable (X1) is 0.097 and for the lifestyle variable (X2) is 0.910.

Multiple Linear Regression Test

Table 8 Multiple Linear Regression Test

Coefficients^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error			
	B	Std. Error	Betas		
(Contant)	4,443	1.863		2,922	,004
Financial literacy (x1)	,350	,038	-,584	9.155	,000
Lifestyle (x2)	,020	,043	,030	-,476	,634

a. Dependent Variables: Student Financial Management (Y)

Source: data processed by researchers, 2023

Based on the Table 8, it can be seen that the regression equation formed in the regression test is as follows:

$$Y = 5.443 + 0.350X1 - 0.020X2$$

The interpretation of the above model is as follows:

1. Constant (a) is 5.443, meaning that if the independent variables financial literacy and lifestyle are constant, then the dependent variable financial management behavior has a value of 5.443 units.
2. Financial Literacy (X1) has a coefficient value of 0.350. This shows that financial literacy (X1) has a positive influence on financial management (Y). If work stress increases by one unit, it means that the higher the work stress value, the higher the financial management.
3. Lifestyle (X2) has a coefficient value of -0.020. This shows that lifestyle (X2) has a negative influence on financial management (Y). If the lifestyle value increases by one unit, it means that the higher the lifestyle value, the lower the financial management.

Hypothesis testing

Table 9 Hypothesis testing

hypothesis	Influence	Sig	Findings
H1	Positive 9.155	Significant 0.000	Accepted
H2	Negative -0.476	Not significant 0.634	Rejected

Source: data processed by researchers, 2023

Financial literacy partially has a positive effect on financial management behavior. Partial life style Nonnegative influence on financial management behavior.

DISCUSSION / DISCUSSION

The first hypothesis is accepted because the results of the partial test show that the effect value of financial literacy (9.155) and its significance value (0.000 < 0.05) are means there is a positive influence between financial literacy and financial management behavior. The test results means that the higher the financial literacy you have, the more Good financial management behavior. This is in line with previous research where financial literacy has an influence positive towards financial management (Fatihudin et al., 2018; Fatimah, 2018; Resma et al., 2018). Financial literacy influences a person's way of thinking in making strategic decisions in financial matters and better financial management (Anggraeni, 2015). The higher a person's level of financial literacy, the better that person is at managing their finances (Resma et al, 2018). Therefore, Financial management behavior cannot be separated from financial literacy, namely the various ways an individual can achieve financial prosperity with the knowledge, abilities and financial experience they have in order to avoid financial problems.

The second hypothesis was rejected because the partial test results showed that the influence value of financial literacy was (-0.471) and the significance value (0.638 > 0.05) was means that the higher the lifestyle one has, the lower one's financial management behavior will be and vice versa, the lower a person's lifestyle, the more Good financial management behavior. However, in this research there is no influence negative between lifestyle and financial management behavior. This is not in accordance with previous studies where lifestyle has a positive effect on financial management behavior (Dwi et al., 2018 and Pulungan et al., 2018), different in research (Kosyu et al., 2014); Nurvitria, 2015; and Paramita, 2015) who found a negative influence between lifestyle and personal financial management. The results of this study are in line with research conducted by (Izza, 2020 and Mutahanah et al., 2021) that lifestyle has no effect negative on financial management behavior. This is due to the condition of the respondents whose basic criteria were taken from undergraduate level management students who had taken semesters 6 and 8 and had also received financial management courses, so understand the principles of good financial management.

H-test results simultaneously shows the coefficient of determination as 48,753 and value. Matter This shows that financial literacy, and life style collectively can influence the financial management behavior of University of Muhammadiyah Surabaya students. Or 48.73 percent of management students' financial management behavior at Muhammadiyah University Surabaya is influenced by financial literacy and lifestyle, and the remaining 51,27 percent of financial management behavior of Muhammadiyah University Surabaya management students is influenced by other variables not included in the model.

CONCLUSION

Results research shows that financial literacy and lifestyle simultaneously have a positive effect on the financial management behavior of Muhammadiyah University Surabaya students. Partially, the variable that really influences is financial literacy, while lifestyle variables have no influence negative on financial management behavior. Students need to know and increase their financial literacy, because with good financial literacy, students can manage their finances better, so they can avoid financial problems in the future.

REFERENCES

- Albertus, SS, Leksono, AW, & Vhalery, R. (2020). The Influence of Financial Literacy and Campus Environment on Students' Personal Financial Management. *Research and Development Journal of Education*, 1(1), 33-39.
- Amanah, E., Iradianty, A., & Rahardian, D. (2016). The Influence of Financial Knowledge, Financial Attitude and External Locus of Control on Personal Financial Management Behavior in Undergraduate Students at Telkom University. *The Influence of Financial Knowledge, Financial Attitude and External Locus of Control on*. *E-Proceedings of Management*, 3(2), 1228–1235.
- Anggraeni, BD (2015). The Effect of Business Owners' Financial Literacy Level on Financial Management. Case Study: Umkm Depok. *Indonesian Vocational Journal*, 4(1). <https://doi.org/10.7454/jvi.v4i1.50>
- Aria, P., January 20 2021, "2.56 Million People Unemployed Due to the Pandemic, 24 Million Workers Cut Their Salaries", <https://katadata.co.id/pingitaria/berita/6023e999b2667/2-56-million-people-unemployed-due-to-pandemic-24-million-workers-salary-cuts>.
- Arianti, BF (2020). Financial Literacy Through Investment Decisions As Intervening Variables The Effect Income And Financial Behavior On Financial Literacy. 10(1), 13–36.
- Chen, H., & Volpe, R. (2002). Gender Differences in Personal Financial Literacy among College Students. *Financial Services Review*, 11(3), 289.
- Chen, H., & Volpe, R. P. (1998). An Analysis of Personal Financial Literacy Among College Students. *Financial Services Review*, 7(2), 107–128. <https://doi.org/10.3788/CJL201643.0811001>
- Chinen, K., & Endo, H. (2012). Effects of Attitude and Background on Personal Financial Ability: A Student Survey in the United States. *International Journal of Management*, 29(1), 33.
- Covid-19. (nd). covid19.go.id
- Dewi, NLPK, Gama, AWS, & Astiti, NPY (2021). The Influence of Financial Literacy, Hedonistic Lifestyle, and Income on the Financial Management of Unmas Students. 2, 74–86.
- Dwi, R., Parmitasari, A., & Alwi, Z. (2018). The Role Of Spiritual Intelligence And Lifestyle. 5(2), 147–162. <https://doi.org/10.24252/minds.v5i2.5699>

- Fatihudin, D. (2020). Revised Edition Research Methodology for Management and Accounting Science from Theory to Practice. zifatama@gmail.com .
- Fatihudin, D., Holisin, I., & Hidajat, S. (2018). Implementation of the allocation of income portfolio merchant and fisherman in financial investments. *International Journal of Civil Engineering and Technology*, 9(11), 513–521.
- Fatimah, N. (2018). The Influence of Financial Accounting Learning, Financial Literacy, and Income on the Financial Behavior of Students of the Faculty of Economics, Muhammadiyah University of Gresik. *Journal of Accounting Education (JPAK)*, 6(1).
- Gunawan, A., Pirari, WS, & Sari, M. (2020). The Influence of Financial Literacy and Lifestyle on Financial Management of Management Study Program Students at Muhammadiyah University, North Sumatra. *Journal of the Humanities*, 4(2), 23–35
- Herlindawati, D. (2017). The Influence of Self-Control, Gender, and Income on Personal Financial Management of Postgraduate Students at Surabaya State University. *Journal of Educational Economics and Entrepreneurship*, 3(2), 158. <https://doi.org/10.26740/jepk.v3n2.p158-169>
- las, M., & Instruments, T. (nd). *Ias about financial instruments*. 2, 1–23.
- Ida, I., & Dwinta, CY (2010). The Effect of Locus of Control, Financial Knowledge, Income on Financial Management Behavior. *Journal of Business and Accounting*, 12(3), 131–144.
- Indah, I., Susilaningsih, & Ivada, E. (2013). The Influence of Financial Literacy on Adolescent Consumer Behavior in the Social Sciences Program at Sma Negeri 1 Surakarta in the 2012/2013 Academic Year. 2(1).
- Indrianawati, E., & Soesatyo, Y. (2017). The Effect of Income Levels and Economic Knowledge on Consumption Levels of Postgraduate Program Students at Surabaya State University. *Journal of Educational Economics and Entrepreneurship*, 3(2), 214. <https://doi.org/10.26740/jepk.v3n2.p214-226>
- Izza, Muhammad Yusril. 2020. The Influence of Income, Financial Literacy, Lifestyle on Personal Financial Management with Gender as a Moderating Variable. *Scientific articles*. STIE Perbanas Surabaya. Retrieved December 31, 2021.
- Chancellor. (2015). *Consumptive Behavior of Economic Education Department Students UNDIKSHA 2015*. 5(1).
- Kholilah, N. Al, & Iramani, R. (2013). Study of Financial Management Behavior in Surabaya Society. *Journal of Business and Banking*, 3(1), 69. <https://doi.org/10.14414/jbb.v3i1.255>
- Kosyu, DA, Hidayat, K., & Abdillah, Y. (2014). The Influence of Hedonic Shopping Motives on Shopping Lifestyle and Impulse Buying (Survey of Stradivarius Outlet Customers at Galaxy Mall Surabaya). 14(2), 1–7.
- Lusardi, A., Michaud, PC, & Mitchell, OS (2017). Optimal financial knowledge and wealth inequality. *Journal of Political Economy*, 125(2), 431–477. <https://doi.org/10.1086/690950>

- Mien, NTN, & Thao, TP (2015). Factors Affecting Personal Financial Management Behaviors: Evidence from Vietnam. *Economics, Finance and Social Sciences*, 978–1.
- Mutahanah, S., Cahyo, H., Setiawan H., & Rahmah, S. (2021). Financial Literacy, Income and Lifestyle on Financial Management during a Pandemic. *Scientific Journal of Batanghari University, Jambi*, 21(3), 1245-1248.
- Napitupulu, JH, Ellyawati, N., & Astuti, RF. (2021). The Influence of Financial Literacy and Financial Attitudes on the Financial Management Behavior of Samarinda City Students. *Journal of Economic Education (JUPE)*, 9(3), 138-144.
- Novianti, S. (2019). The Influence of Locus of Control, Financial Knowledge, Income on Financial Management Behavior. *Journal of Competitive Accounting*, 2(1), 1–10. <https://doi.org/10.35446/akuntansikompetif.v2i1.278>
- Pulungan, DR, Koto, M., & Syahfitri, L. (2018). The Effect of Hedonic Lifestyle and Emotional Intelligence on Student Financial Behavior. *Royal National Seminar (SENAR)*, 9986(September), 401–406.
- Putra, PD, Harahap, K., & Rahmah, SS (2020). the Hedonism Lifestyle, Financial Literacy and Financial Management Among Business Education Students To Financial Management. *Journal of Community Research and Service*, 4(1), 32. <https://doi.org/10.24114/jcrs.v4i1.18287>
- Putri, NA, Lestari, D., Business, F., & Technology, I. (2019). Influence of Lifestyle and Financial Literacy of Young People in Jakarta. 1(1), 31–42.
- Sholeh, B. (2019). The Effect of Financial Literacy on Student Financial Behavior. *PEKOBIS: Journal of Education, Economics and Business*, 4(2), 57-67.
- Sina, PG (2012). Economic Literacy Analysis. *Economia Journal*, 8(2), 135–143. <https://doi.org/10.21831/economia.v8i2.1223>
- Sugiharti, H., & Maula, KA (2019). The Effect of Financial Literacy on Student Financial Management Behavior. *Accountthink : Journal of Accounting and Finance*, 4(2), 804–818. <https://doi.org/10.35706/acc.v4i2.2208>
- Sundjaja, R., Gomulia, B., Sudjaja, D., Oriana S, F., Barlian, I., & Dewi, V. (2011). Lifestyle Patterns in Family Finances (Case Study: Private Education Institution Work Unit in Bandung). *Economic Development*, 15(2). <https://doi.org/10.26593/be.v15i2.784>.
- Suryanto. (2017). Student Financial Behavior Patterns in Higher Education. *Journal of Political Science and Communication*, VII(1), 11–20.
- Suwaldiman, S., & Ramadhan, J. (2019). Financial Instrument Assets and Free Cash Flow on Company Value: Dividend Payout Ratio as a Moderator. *Journal of Business and Accounting*, 21(1), 27–38. <https://doi.org/10.34208/jba.v21i1.423>

- Vhalery, R., Leksono, AW, & Irvan M. (2019). The Influence of Financial Literacy, Age and Parental Guidance on UNINDRA Student Pocket Money Management. *Journal of Economic Education*, 12(1), 10-17.
- Yulianti, N., & Silvy, M. (2013). Attitudes of financial managers and behavior of family investment planning in Surabaya. *Journal of Business and Banking*, 3(1), 57–68.
- Yushita, AN (2017). The Importance of Financial Literacy for Personal Financial Management. *Nominal, Barometer of Accounting and Management Research*, 6(1). <https://doi.org/10.21831/nominal.v6i1.14330>
- Zahriyan, M. Z. (2016). The Influence of Financial Literacy and Attitudes toward Money on Family Financial Management Behavior. *Journal of Business and Banking*, 1, 1–10.
- Zahroh, A. (2015). Capital Market Instruments. *Iqtishoduna Journal of Islamic Economics*, 5(1), 51–65. <http://ejournal.iaisyarifuddin.ac.id/index.php/iqtishoduna/article/view/25>.
- Zaimah, R., Sarmila, MS, Lyndon, N., Azima, AM, Selvadurai, S., Saad, S., & Er, AC (2013). Financial behavior of female teachers in Malaysia. *Asian Social Science*, 9(8), 34–41. <https://doi.org/10.5539/ass.v9n8p34>