The Effect Of Financial Literacy, Financial Attitude, and Parental Income On FInancial Management Behavior Of Students In Yogyakarta

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THE EFFECT OF FINANCIAL LITERACY, FINANCIAL ATTITUDE, AND PARENTAL INCOME ON FINANCIAL MANAGEMENT BEHAVIOR OF STUDENTS IN YOGYAKARTA

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ABSTRACT
This study aims to determine and analyze the influence of financial literacy, financial attitude, parental income, and financial management behavior. This is survey research, with the data collection tool being a questionnaire. The population in this study was students in Yogyakarta. The data used are primary data obtained from the answers of 126 respondents with the purposive sampling method. The results of the study conclude that: 1) financial literacy, financial attitude, and parental income have a significant influence on financial management behavior, 2) partially financial literacy and financial attitude have a positive effect on financial management behavior, 3) partially parental income has a positive effect on financial management behavior.

KEY WORDS
Financial literacy, financial attitude, parental income, financial management behavior.

In the current millennial era, society is dominated by young people. Young people in the current millennial era impact the community's economic activities. Economic activities tend to be consumptive because it is not uncommon for people to follow trends even though they have to spend much money. Reporting from the investor.id page said that a third of Indonesia's population is the millennial generation, and only about 2% or about 8.5 million residents set aside their income to invest.

With the development of increasingly advanced technology, buying and selling activities are made easier by e-commerce. Based on the results of this study, the categories of goods purchased in e-commerce are clothing (48%), accessories (33%), bags (28%), shoes (28%), and health & beauty equipment (25%). In this case, students make online shopping transactions based on one's pleasure and lifestyle, causing waste or what is better known as consumptive behavior. This consumptive behavior occurs due to a lack of student understanding of financial literacy (financial literacy). Therefore, a financial understanding of financial literacy is very important for students to manage finances and make financial planning properly to avoid financial problems.

With learning about financial problems, it is hoped that individuals, especially young people, can improve their financial literacy so they can manage finances and make financial decisions very well. Good financial literacy must know so that it can be applied based on financial attitude. Individuals must own financial attitude (financial attitude) to assist in determining attitudes or behavior regarding finances, management, budgeting, and how decisions will be made when making investments (Budiono, 2012).

At the student level, parental income is also one that also influences financial behavior. Differences in parental income levels will impact the emergence of different understandings and perceptions to form different behaviors in managing finances. Parental income affects student spending.

LITERATURE REVIEW

Financial literacy can help individuals manage their financial condition to remain stable and not volatile, with a strong knowledge of the basic principles and concepts of finance that is useful as a guide for someone as a guide in finding a solution to financial problems that arise, as well as being useful for welfare. Chen and Volpe (1998) reveal financial literacy as knowledge related to financial management and aims to live prosperously in the future.

Attitude refers to how a person or individuals feel about personal financial matters, as measured by responses to a statement or opinion. Robbins & Judge (2008) also argue that financial attitudes are like evaluative statements, favorable or unfavorable towards an object, individual, or event.

Parental income (parental income) is the income level the respondent's parents obtained each month from salary, wages, or income from business results (Nababan & Sadila, 2012). The sum of all sources owned measures income. Differences in parents' income levels will affect differences in perception and understanding to form different behaviors in managing finances.

Financial behavior or financial management behavior is directly related to people's consumption behavior (Putri & Tasman, 2019). Responsibility in finance is a process of managing finances and the process of mastering the productive use of financial assets and assets owned. The emergence of financial management behavior (financial management behavior) impacts a person's desire to fulfill their needs by the level of income obtained (Kholilah & Iramani, 2013).

METHODS OF RESEARCH

Sugiyono (2013) states that the population is a generalized area consisting of an object. It has a certain quality or characteristic that researchers can determine to be studied, and then conclusions can be drawn. In this study, the population was all students in Yogyakarta. According to Sugiyono (2013), the sample is part of the number and characteristics possessed by the population. In this study, the sample was some students in Yogyakarta. To determine the number of samples to be used in this study, the researcher used the Slovin formula:

$$n = \frac{N}{1 + (Ne^2)}$$

The variables observed in this study consist of independent variables of financial literacy (X1), financial attitude (X2), financial income (X3), and dependent variables of financial management behavior (Y). To identify the functional relationship of each research variable is presented in Figure 1.

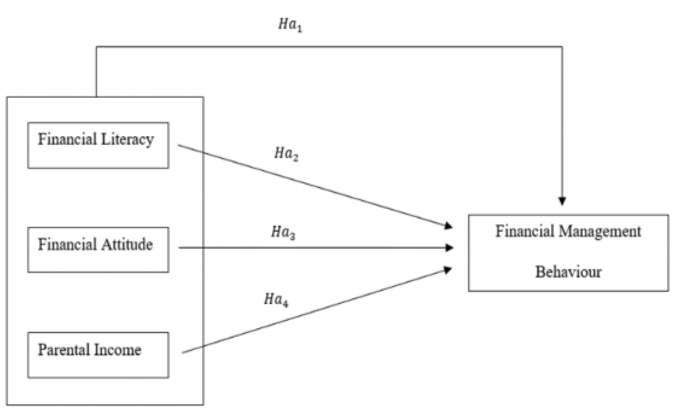

Figure 1 – Research Model

RESULTS AND DISCUSSION

Based on the validity test, it can be seen that all items have questions r count > 0.361, and the correlation between each indicator to the construct score shows significant results, which are smaller than 0.05, thus overall the items used in this study can be said to be valid. The results of the multiple linear regression analysis in the table above obtained the results of the regression equation as follows:

$$Y = 15.422 + 0.681X_1 + 0.358X_2 - 0.743X_3 + e$$

Table 1 – Validity Test Results

Variable	Item	r Hitung	r Table	Result
Financial Literacy	X1.1.1	0,448	0,361	Valid
	X1.1.2	0,612	0,361	Valid
	X1.1.3	0,482	0,361	Valid
	X1.1.4	0,570	0,361	Valid
	X1.1.5	0695	0,361	Valid
	X1.2.1	0792	0,361	Valid
	X1.3.1	0,513	0,361	Valid
	X1.4.1	0,687	0,361	Valid
	X1.5.1	0,570	0,361	Valid
	X1.5.2	0,731	0,361	Valid
Financial Attitude	X2.1.1	0,768	0,361	Valid
	X2.2.2	0,602	0,361	Valid
	X2.3.3	0,578	0,361	Valid
	X2.4.4	0,676	0,361	Valid
	X2.5.5	0,670	0,361	Valid
	X2.6.6	0,686	0,361	Valid
Financial Management Behaviour	Y1.1.1	0,549	0,361	Valid
	Y1.1.2	0,550	0,361	Valid
	Y1.2.1	0,485	0,361	Valid
	Y1.2.2	0,683	0,361	Valid
	Y1.2.1	0,604	0,361	Valid
	Y1.2.2	0,554	0,361	Valid
	Y1.3.1	0,646	0,361	Valid
	Y1.3.2	0,534	0,361	Valid
	Y1.3.3	0.476	0,361	Valid
	Y1.3.4	0.626	0,361	Valid
	Y1.4.1	0.495	0,361	Valid
	Y1.4.2	0.468	0,361	Valid

Furthermore, in reliability testing table 2, it can be said that each variable has an alpha value above the standard of 0.70 so that all statement items can be declared reliable or reliable so that all question items can be used as a measuring tool in this study.

Table 2 – Reliable Test Results

Variable	Items	Cronbach's Alpha	Sig.	Description
Financial Literacy	X1	0,801	0,70	Reliable
Financial Attitude	X2	0,723	0,70	Reliable
Financial Management Behaviour	Y	0,783	0,70	Reliable

Table 3 – Multiple Linear Regression Analysis Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Description
	B	Std. Error	Beta			
(Constant)	15.442	4.156		3.716	0.000	Significant
Financial Literacy	0.681	0.108	0.521	6.322	0.000	Significant
Financial Attitude	0.358	0.162	0.182	2.205	0.029	Significant
Parents' Income	-0.743	0.327	-0.155	-2.271	0.025	Significant

Dependent Variable: Financial Management Behavior (Y)
Adjusted R: 0.426
R Square: 0.440
R: 0.663
F-count: 31.910
Sig. F: 0.000

The results of the F_{test} in the table below show that the F count is 31,910, which is higher than the F_{table} value of 2.68. The significance value obtained is 0.000 <0.05, then it is rejected and accepted. This means that the independent variables of financial literacy (X1), financial attitudes (X2), and parental income (X3) have a positive and significant influence together on the dependent variable of financial management behavior (Y).

Table 4 – F Test Result

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1708.504	3	569.501	31.910	.000
Residual	2177.369	122	17.847		
Total	3885.873	125			

Based on the results of the F test, the significance level of 0.000 < 0.05 and $F_{\_count}$ 31.910 > 2.68 $F_{\_table}$, which means that the variables of financial literacy, financial attitudes, and parents' income simultaneously have a significant influence on financial management behavior. So that the higher level of financial literacy, financial attitudes, and parental income will impact the higher financial management behavior of students in Yogyakarta.

The results of testing the financial literacy variable have a positive and significant influence on financial management behavior with the results of Sig. 0.000 < 0.05. This shows that the higher a person's literacy level, the better his financial management behavior will be. So the better the financial knowledge of students in Yogyakarta, the better their financial management behavior will be. The results of this study are from the research conducted by Ida, Zaniarti, and Wijaya (2020), which states that financial literacy has a positive and significant influence. This shows that the higher the level of financial literacy, the better in financial management and regulation.

Financial attitude variable has a positive and significant effect on financial management behavior with sig results 0.029 < 0.05. This shows that the higher the financial attitude of a person, the higher the behavior of financial management. So the better students in Yogyakarta apply the principles of financial assessment to make the right decisions, the better they will be at managing their finances. The results of this study follow the results of research conducted by Khairani and Alfarisi (2019) and Herdjiono and Damanik (2016). In the research of Khairani and Alfarisi (2019), financial attitudes have a positive effect on financial management behavior. Herdjiono and Damanik (2016) research also said that students who have good financial attitudes tend to be wiser in their financial management behavior compared to students who have bad financial attitudes.

The parental income variable has a negative and significant effect on the sig value 0.025 < 0.05. This shows that the higher the parents' income, the lower the behavior of financial management, but the effect is significant. So the higher the income of parents of students in Yogyakarta will reduce the level of financial management behavior. These results follow research by Khairani and Alfarisi (2019), which states that parents with high incomes tend to give their children more pocket money. So with more pocket money, it tends to make poor financial management because they are free to spend it. Of course, they will provide sufficient pocket money for their children's needs so that their children can control their finances well.

CONCLUSION

Based on the performed research, conclusions are drawn as follows: (1) Financial literacy has a positive and significant influence on financial management behavior in students in Yogyakarta; (2) Financial attitudes have a positive and significant influence on financial management behavior in students in Yogyakarta; (3) Parental income has a negative and significant influence on financial management behavior in students in Yogyakarta. Generation Z needs to learn about financial literacy and how to have a good financial attitude because financial literacy and financial attitude positively affect financial management behavior.

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