



The Influence of Financial Literacy and Lifestyle on Financial Management of Students at the Faculty of Economics and Business, UTP Surakarta

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ABSTRACT

The aim of this research is to find out how FEB UTP Surakarta students manage their finances in relation to their lifestyle and level of financial literacy. The sample for this research consisted of 50 Management and Accounting study program student's class 2020, 2021, 2022, and 2023. This data collection approach combines a voluntary respondent sampling strategy with non-probability techniques. Data was collected through an online questionnaire and multiple linear regression was used to evaluate the results. The SPSS V23 application is used to analyze primary data in the form of respondent responses. The results of the F Test conclude that the independent variables together can be called feasible. The Adjusted R Square value shows a result of 33.6%. so that financial literacy and lifestyle influence financial management by 23.6%, the rest is influenced by other variables.

INTRODUCTION

Globalization has improved economies throughout the world, including Indonesia, this has had various impacts on society in meeting their daily needs. Individuals nowadays have to be clever in making decisions, if you look at public places such as cafes, malls or tourist attractions, the views of visitors are dominated by young people who are busy with exciting world affairs. This can lead to inefficient consumer behavior and can lead to failure in financial management. The results of field research also occurred among students in Surakarta, especially FEB UTP Surakarta students who often visit malls, cafes or other shopping places. This is due to various reasons, one of which is supported by the many malls and shopping centers in Surakarta which offer cheap prices and good quality.

Financial literacy is a reference for individuals in solving problems from the knowledge and skills they have to achieve prosperity (Dewi, Ni Luh Putu Kristina, Agus Wahyudi Salasa Gama, 2021). Financial literacy can also be interpreted as understanding financial concepts in determining optimal and effective financial choices. Lifestyle is a pattern of actions that differs from one individual to another. (Imron et al., 2023) Financial behavior can change according to ongoing technological developments, increasingly people prefer to prioritize momentary pleasure and enjoyment. Lifestyle can be said to be an understanding of a pattern in a person's life that is expressed in their daily life. Lifestyle can also reflect an individual's character in socializing with their environment (Miftahul jannah, Gusnardi, 2022).

Financial Management is all the processes of planning and organizing and controlling financial resources to achieve a desired goal or target, with the aim of maintaining the financial stability of a person or individual, with sound financial management you can avoid unnecessary expenditure of income. This can help in saving finances. Students' maturity level should be able to use intellectual abilities to act based on needs first, then desires. Apart from that, commitment is also important, with a clear commitment you can correct lifestyle mistakes so that they do not happen again in the future (Widodo et al., 2021). This priority can help students to regulate financial discipline and help organize a better lifestyle with the aim of avoiding financial difficulties resulting from uncontrolled spending (Miftahul jannah, Gusnardi, 2022).

LITERATURE REVIEW

Financial Literacy

Financial literacy is the basic knowledge that every individual needs in an effort to avoid financial problems and to be able to determine the right techniques for investing to achieve future prosperity (Nirmala et al., 2022). Lack of knowledge of financial literacy can be detrimental to the individual himself, possibly due to inflation or a decline in the regional economy. Financial literacy refers to a person's capacity and understanding of how to use a certain amount of money to improve their standard of living and achieve success (Gjorgijovska & Ruggeri, 2018) . Meanwhile, financial literacy is the ability to manage funds

in order to have healthy finances in the future (Khairani & Fauzan, 2023) . PISA (Financial Literacy Assessment Framework), writes that financial literacy is a factor in economic growth to stabilize finances (Yushita, 2017) . Financial literacy is also useful in entrepreneurship, with entrepreneurial knowledge you can maximize productivity which can support students' economy in the future (Wijiastuti et al., 2021) . There is previous research by (Trisnayanti & Dewi, 2022) with the results there is a positive and significant influence on financial literacy on financial behavior.

H1: financial literacy has a positive and significant impact on financial management of FEB UTP Surakarta students.

Lifestyle

Lifestyle was first created by Alfred Adler in 1992 who was a psychologist from Austria. Lifestyle is a human need that can change according to changing times or according to someone's desire to change their lifestyle (Nitissia et al., 2022) . Life style is a person's use of money, lifestyle and time based on economic, cultural and individual life factors (Sampoerno & Haryono, 2021) . Lifestyle is an individual's lifestyle when living in the world based on daily activities (Kotler and Keller (2016)). Apart from that, according to (Pulungan & Febriaty, 2018) , lifestyle is considered as an individual identity that is clearly displayed in following current trends. Apart from that, habits that started with the Covid-19 pandemic have made people dependent on online shopping, which makes shopping easier to support their lifestyle (D Wanita Widodo et al., 2022) . From previous research by (Wahyuni et al., 2023) the results that lifestyle does not have a significant effect on financial behavior. In addition, there is also research by (Utami & Marpaung, 2022) with the results that lifestyle does not significantly influence financial literacy on financial management .

H2: Lifestyle simultaneously has an impact on the financial management of FEB UTP Surakarta students.

Financial Management

Financial management as the first action in applying finances can be done easily, the simplest way is to think first before acting. In this way, prioritizing lifestyle can make it easier for students to manage their finances (Wahyuni et al., 2023) . According to (Warsono, 2010) , there are four domains in managing finances, namely (1) using money appropriately, (2) determining the source of money, (3) knowing risks that may occur, (4) long-term financial planning. Apart from that, there are also five financial components, namely being able to spend money only as needed, being able to pay obligations on time, having an emergency fund if one day you need money urgently, being able to plan your money needs for future plans, and having savings or set aside funds for yourself. and family (Safirah, 2022) . Digital technology can also be used to improve these components, there are applications that can remind you of your payment obligations on time and many applications that can plan your finances from now to the future (Dan et al., 2023) .

H3: Financial literacy and lifestyle have a positive and significant impact on financial management of FEB UTP Surakarta students.

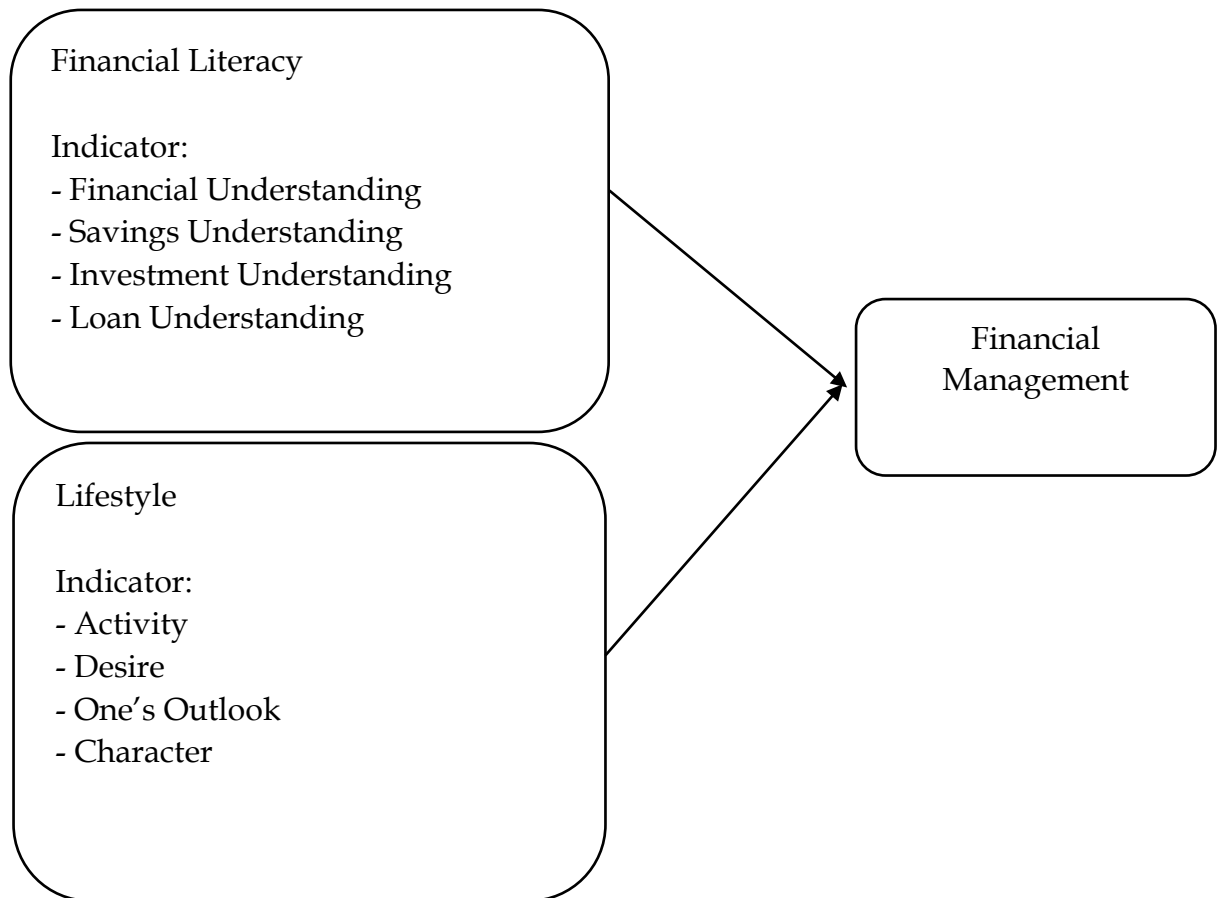


Figure 1. Conceptual Framework

METHODOLOGY

Quantitative methods were used as the method in this research. Distribution of online questionnaires was used in research to collect data. Researchers use primary data as data information. The data collection technique is by distributing questionnaires containing several questions regarding research problems to respondents included in the research sample. The sample is part of the population character (Trisnayanti & Dewi, 2022) . This research used students from the Faculty of Business, UTP Surakarta 1 to 7. Semester. The sample for this research consisted of 50 students. The Non-Probability Technique is a way of collecting data in this research using the voluntary response sampling method. The voluntary sampling technique is a data collection method that uses online surveys. A number of respondents who voluntarily filled out the questionnaire distributed were taken to be used as samples.

RESULT

Descriptive Statistical Test

This test will determine the lowest and highest values, standard deviation for each variable and the average number. Primary data was taken

from the results of an online questionnaire of 50 students from the Faculty of Economics and Business, UTP Surakarta (Susanti et al., 2008).

Table 1. Descriptive Statistical Test Results
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Financial Literacy (X1)	50	16.00	30.00	25.2157	2.77354
Lifestyle (X2)	50	12	30	23.82	3,179
Financial Management (Y)	50	23	40	31.49	4,081
Valid N (listwise)	50				

Source: Data Processing using SPSS V23 (2023)

These results can determine the quality of research data. There are 6 question items on financial literacy validation (X1), 6 question items on lifestyle validity (X2) and 8 question items in the financial management category (Y). All of this can be used to evaluate future research.

Cronbach Alpha technique was used to test the data with the SPSS for Windows version 23 program. A variable instrument is said to be reliable if it has a Cronbach Alpha value of more than 0.60. It was found that financial literacy (X1) had a high of 0.800, lifestyle variables (X2) had a high of 0.760, and financial management (Y) had a high of 0.706. These three data have a value of more than 0.60, indicating that the data is reliable.

Probability Plot Normality Test (P-Plot)

Next, a classical assumption test or what can be called a Probability Plot Normality Test (P-Plot) is carried out to determine the normality of the distributed data.

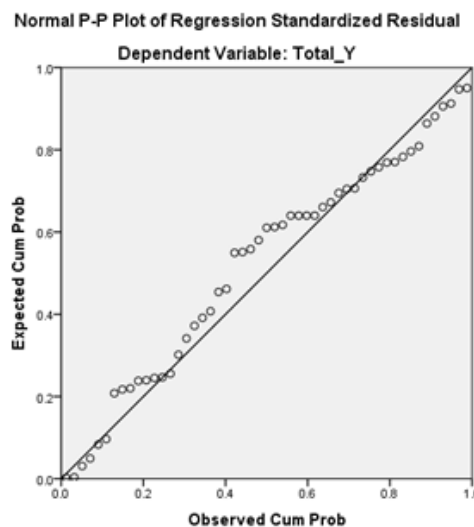


Figure 2. P-Plot Normality Test
 Source: Data Processing using SPSS V23 (2023)

Based on the data results, it can be seen that the points follow the line, meaning that the standardized residual is normal.

Multicollinearity Test

To find out the strong relationship between independent variables. The value used to describe the free model of multicollinearity regression is VIF (Variance Inflation Factor) < 10. From the research results below, it can be said that the tolerance for all independent variables is 0.01 and VIF is below 10, so each variable is protected from multicollinearity.

Table 2. Multicollinearity Test
Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	11,981	6,053		1,979	,054		
Financial literacy	,708	,187	,482	3,776	,000	,999	1,001
Lifestyle	,065	,162	,051	,402	,689	,999	1,001

a. Dependent Variable: Financial Management

Source: Data Processing using SPSS V23 (2023)

Test Multiple Linear Regression Analysis

Glejser Test Method is used to assess whether there is an inequality of variance in the residuals between one observation and another. The test results can be said to be Heteroscedasticity if the sig level. < 0.05. However, when the sig. > 0.05 then the data is said to be free or heteroscedasticity does not occur. The results of the research that has been carried out show that the financial literacy variable (X1) has a significance level of 0.140 > 0.05, the lifestyle variable has a value of Sign. 0.386 > 0.05. It can be concluded that the independent variable is free from heteroscedasticity.

Table 3. Multiple Linear Regression Analysis Test Results
Coefficients ^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	11,981	6,053		1,979	,054
Financial literacy	,708	,187	,482	3,776	,000
Lifestyle	,065	,162	,051	,402	,689

a. Dependent Variable: Financial Management

Source: Data Processing using SPSS V23 (2023)

From these data the following equation can be determined:

$$Y = 11.981 + 0.708X_1 + 0.065X_2$$

This equation can be interpreted as the constant value in the table, namely 11,981, this value represents the amount of financial management by ignoring the joint influence of financial literacy (X1) and lifestyle (X2).

Coefficient of Determination Test

This test is used to determine the magnitude of the influence between the variables used. Judging from the R Square value, if the coefficient of determination = zero then the dependent variable can be said to have no effect on the independent variable. If the coefficient of determination = 1, then it can be assumed that the variables influence each other.

Table 4. Coefficient of Determination Test Results

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,486 ^a	,236	.203	3,651

a. Predictors: (Constant), Lifestyle, Financial literacy

Source: Data Processing using SPSS V23 (2023)

From the test results it can be explained that the coefficient of determination (R Square) is 0.236 or 23.6%. So financial literacy and lifestyle influence financial management by 23.6%.

Hypothesis Test (t Test)

In this test, $\alpha = 5\%$ (0.05) is used with the probability value sig. $t > \alpha$, then H0 is accepted and H1 is rejected, and vice versa.

Table 5. Hypothesis Test Results (t Test)

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	12,775	6,085		2,099	.041
	Financial Literacy	,678	,188	,461	3,605	,001
	Lifestyle	,068	,164	,053	,414	,681

a. Dependent Variable: Financial Management

Source: Data Processing using SPSS V23 (2023)

From these data it can be seen that the significance level of financial literacy (X1) is $0.001 < 0.05$ with a calculated t of $3.605 > t$ table (1.677) and a B value of 0.678. Lifestyle (X2) has a significant result of $0.681 > 0.05$ with a calculated t of $0.414 < t$ table (1.677) and a B value of 0.068.

Hypothesis Test (F Test)

Aimed at detecting whether the dependent variable has a similar effect on the independent variable. Research conditions if it has a value of 5% (0.05) and F count $>$ F table then the hypothesis is accepted.

Table 6. Hypothesis Test Results (F Test)

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	180,263	2	90.132	6,631	.003 ^b
	Residual	652,482	48	13,593		
	Total	832,745	50			

a. Dependent Variable: Financial Management

b. Predictors: (Constant), Lifestyle, Financial Literacy

Source: Data Processing using SPSS V23 (2023)

The test results show a significant value of $0.003 < 0.05$ and a calculated F level of $6.631 > F$ table (3.20). It can be concluded that the dependent variable has an impact on the independent variables together or can be called a "feasible regression model".

DISCUSSION

From the results of the Hypothesis Test (t Test), it is stated that financial literacy (X1) has a positive and significant impact on financial management (Y). In this way, financial literacy is very useful for students because it can improve the financial behavior they experience. Financial literacy is very beneficial for students who often manage finances and allows them to manage their personal finances better.

From the Hypothesis Test (t Test), it can be concluded that there has been an impact on lifestyle variables simultaneously or together on financial management. Because it can be assumed that students' lifestyle is more prominent than their financial management, and can cause their finances to become lower.

It was explained that that the regression model can be said to be "feasible", because research on the independent variables is carried out together so that it has an impact on the dependent variable. It was concluded that financial literacy (X1) had an impact on student financial management. Students who have knowledge and understanding of the concept of money will be able to make effective choices. This also shows that lifestyle behavior (X2) influences student financial management. The results of the calculations show that lifestyle variables

do not have a significant effect on financial management. Because of this, many students still spend more money than their finances, many use money as a form of self-reward. They do a lot of inappropriate things in financial management, such as tending to follow trends that are happening at that time. So students need to be careful in managing their finances, so that in the future they can have healthy finances. So financial literacy and lifestyle simultaneously have a positive effect on financial management.

CONCLUSION AND RECOMMENDATION

The conclusion of this research is Hypothesis 1, financial literacy has a positive and significant impact on the Sign value. 0.001 on financial management. Hypothesis 2, lifestyle has a sign value. 0.681, which means it is not significant for financial management. So hypothesis 3 explains that financial literacy and lifestyle simultaneously have a positive effect on the financial management of FEB UTP Surakarta students.

Our suggestion is for Tunas Pembangunan University Surakarta. It is hoped that it can provide and improve financial education to students, such as financial literacy seminars, university level money management courses, or by reviving the Stock Exchange Corner at FEB, where this education is not only for Management and Accounting students, but for all Study Programs at UTP Surakarta.

For students and of course ourselves, who may have financial problems, it is highly recommended to increase financial literacy, participate actively in socializing and use available media, both offline and online, to advance personal understanding. And students who often use pay later are expected to be wiser in using this feature. For future researchers, it is hoped that they can add variables that need to be developed further to obtain empirical results that are stronger and have an influence on financial management.

ADVANCED RESEARCH

This research still has limitations, so it is necessary to conduct further research related to the topic "The Effect of Academic Information System Quality (Siakad) and Service Quality on Student Satisfaction at the Faculty of Economics and Business". Future research can use the object of student satisfaction in different faculties of economics and business to add insight for readers.

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