Financial Management Behavior : Case of Athletes in Indonesia

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A R T I C L E I N F O	A B S T R A C T
  	This study is to determine the factors that influence the financial management of weightlifting athletes in Indonesia. In this study uses quantitative research methods in which weightlifting athletes in Indonesia are the object. This study using a non-probability sampling technique and using a sample of 80 respondents. The design used in this study is hypothesis testing using a structural equitation model (SEM) – SmartPLS 4.0. The results of this study indicate that the three X variables consisting of Income, Financial Literacy, and Lifestyle have an influence on Financial Management in weightlifting athletes in Indonesia. This study has limited research objectives that only use 80 weightlifters in Indonesia as research respondents. This is used as a suggestion for future researchers. The novelty of this study combines the variables of Income, Financial Literacy, and Lifestyle on Financial Management in weightlifting athletes in Indonesia.

INTRODUCTION

Every human being has unlimited needs and wants that create consumptive behavior. Consumptive behavior can cause a person's finances to be disrupted. This is because their consumptive lifestyle is not in accordance with their income (Herlindawati, 2017). The author has made observations on several athletes, where the results of these observations show that some of these athletes have consumptive behavior such as visiting a cafe, shopping center, or tourist spot. Because it is this consumptive behavior that can lead to failure in financial management for athletes. Meanwhile, managing and managing finances properly is needed to prevent financial failure. Based on the data obtained from the pre-survey, it is known that the athlete's annual income is as follows:

Table 1. The Data Obtained from the Pre-Survey

No	Category	Income
1	Junior Athlete	Rp 36.000.000
2	Senior Athlete	Rp 96.000.000

Above is a table that shows the nominal income generated by junior athletes and senior athletes obtained through interviews in 2020. With this income, athletes should be able to manage and manage their finances properly. However, from the observations that have been made, currently the athlete's financial management is deteriorating, which can hamper the athlete's achievement. Judging the funding needed is quite large for athletes to reach the peak of achievement. Therefore, proper financial management and arrangements are needed, especially during the covid-19 pandemic. If finances cannot be regulated or controlled, it is feared that the fate of today's athletes is the same as that of some of their predecessors, who at the end of their careers could not even survive because at their prime they had a high enough income, but were not wise in managing their finances.

Financial management can be influenced by several factors, namely income, financial literacy and lifestyle. Personal income is the overall gross income derived from wages, business enterprises and various types of investments obtained (Dwinta, 2010). Looking at the income of the athletes, it is hoped that they can manage and manage their financial income and expenditure. Financial literacy is another factor that can affect financial management because someone who gets more distribution of funds than his parents will affect attitudes in saving, investing, spending and budgeting activities in financial management. The ability of individuals to predict their personal finances clearly so that they can make financial decisions that will not harm the individual (Herdjiono & Damanik, 2016). Not only income and financial literacy, but lifestyle can also have a big influence on financial management because lifestyle makes people behave consumptively which can show how someone manages money and time well or not.

THEORETICAL REVIEW

Income

Personal income is the overall gross income derived from wages, business enterprises and various types of investments obtained (Dwinta, 2010) (Handayani & Rianto, 2021). Based on the above definition, it can be interpreted that income is a sum of money earned every month through wages, salaries, rent, profits, interest and benefits or pensions earned.

Financial Literacy

Financial Literacy According to (Sulistyowati et al., 2022), is knowledge, skills and beliefs that can influence attitudes and behaviour in improving the quality of decision-making and financial management to achieve prosperity. Based on this understanding, financial literacy can also be interpreted as the ability of an individual to manage and manage his finances correctly and clearly so that it can affect his behaviour in using his income wisely and not harming himself in the future.

Lifestyle

According to Setiadi (2010) Lifestyle is defined as a person's way of life which shows how that person spends their time and what they are thinking about themselves and the world around them. According to Rahayu and Alimudin (2015) lifestyle is the way how people live and how they spend their money and how they allocate time. Based on this definition, it can be interpreted that lifestyle is a pattern of activities that are carried out repeatedly so as to create a habit where the habit shows how they live their lives and spend their time.

Financial Management

According to Kasmir (2010), financial management or financial management is all activities related to the acquisition, funding, and management of assets with several overall objectives. Meanwhile, (Hartati, 2013) states that financial management is the entire process carried out to obtain company income by minimizing costs as well as in the efficient use and allocation of funds, which can be maximized from the value of the company. Based on the above understanding, it can be concluded that financial management or financial management is an activity to regulate the income and expenses of the income earned in order to create stable finances. Income is waged/salaries earned through wealth such as rent, dividends and interest as well as benefits provided by the government, such as scholarships and unemployment insurance (Herlindawati, 2017). This definition is supported by the results of research (Gustika, 2020), which states that income has a significant positive effect on financial management or financial management. It can be interpreted that the better the use of income, the better the financial management will be.

(Ratnawati et al., 2018) Defines financial literacy as the ability of an individual to make decisions to manage personal and family finances. This is supported by research (Putri & Lestari, 2019) and (Wahyu et al., 2018), which state that financial literacy has a significant effect on financial management. It can

be interpreted that the better a person performs his financial literacy, the better his financial management will be. According to Rahayu and Alimudin (2015) lifestyle is the way how people live and how they spend their money and how they allocate time. Based on this definition, it can be interpreted that lifestyle is a pattern of activities that are carried out repeatedly so as to create a habit where the habit shows how they live their lives and spend their time. This is supported by research (Putri & Lestari, 2019) which states that lifestyle has a significant effect on financial management. It can be interpreted that the better the lifestyle applied, the better the financial management. Based on the arguments above, several hypotheses are drawn as follows:

H1. Income has an effect on Financial Management
H2. Financial Literacy has an effect on Financial Management
H3. Lifestyle has an effect on Financial Management

The Framework of thought ia an important part in the thinking process to describe the relation of variable in research (Handayani & Rianto, 2021).
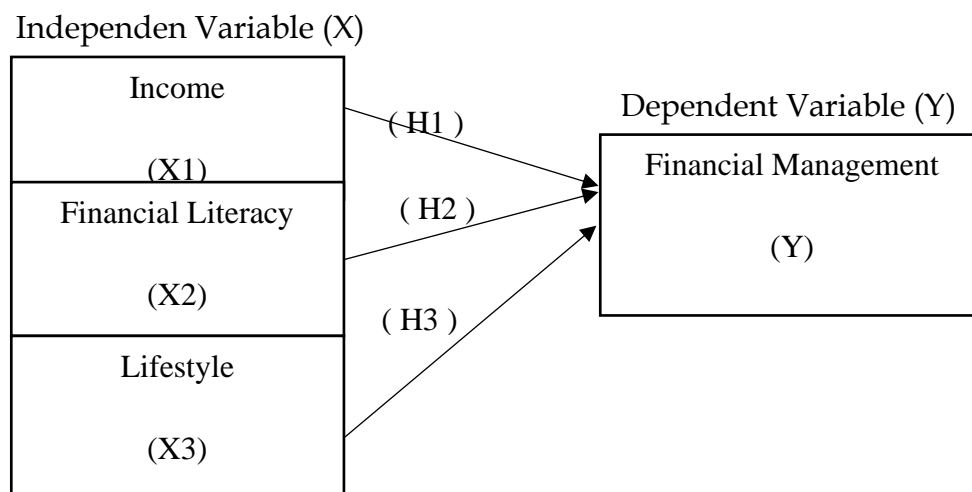
Independen Variable (X)

Income

(X1)

Financial Literacy

(X2)

Lifestyle

(X3)

(H1)

(H2)

(H3)

Dependent Variable (Y)

Financial Management

(Y)

Figure 1. Conceptual Framework

METHODOLOGY

The research method that the writer uses in this research is the quantitative method, and the writer uses the nonprobability sampling method, which is a sampling method that does not provide equal opportunities or opportunities for each element of the population to be selected as a sample. The basis of study used 80 respondents, where the respondents were sampled based on indicators for each variable, namely Income 4 indicators, financial literacy 5 indicators, lifestyle 3 indicators and financial management 4 indicators with a total of 16 indicators which means 16x5 is 80 respondents. And in this study using primary data obtained by distributing questionnaires to weightlifting athletes in Indonesia. In this study the authors used a Likert scale to determine the effect of income, financial literacy and lifestyle on financial management in weightlifting athletes in Indonesia. According to (Narpati, 2017) the Likert scale

is a question that shows the level of agreement or disagreement of the respondent. This study uses the SmartPls analysis tool to test the feasibility of the data and draw conclusions in the hypothesis. The outer model test and the inner model test are the analytical tools that will be used in this study.

RESULTS

Result of Outer Model Test

The outer model validity test is the extent to which the research results (1) accurately represent the data collected (internal validity) and (2) can be generalized or transferred to other contexts (external validity) (I. Ghozali & Latan, 2020). Validity testing is done by looking at content validity and construct validity. Content validity is the extent to which instrument measurements can represent all the characteristics of the variable. Content validity is judgmental.
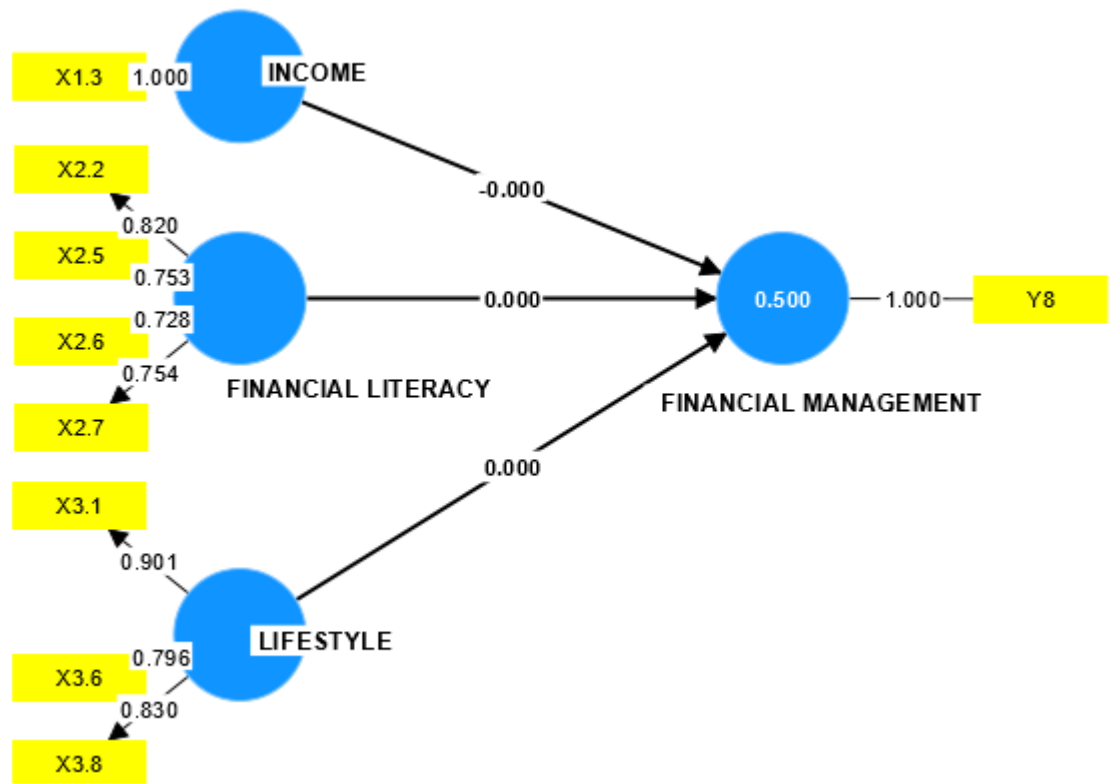

Figure 2. The Extent to which Instrument Measurements can Represent all the Characteristics of the Variable

Based on the validity test that has been carried out, it can be concluded that the entire value of the outer loading indicator statement is above 0.7 so that it can be interpreted that the data used in this study is valid and suitable for use in a study. The outer test of the reliability model is the size of the questionnaire/statement item that meets the consistent criteria, which means

that this statement can have consistent results if it is used to measure in different places and times (I. Ghozali & Latan, 2020).

Table 2. Data Processing

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
INCOME	1.000	1.000	1.000	1.000
FINANCIAL LITERACY	0.765	0.783	0.849	0.585
LIFESTYLE	0.802	0.867	0.881	0.712
FINANCIAL MANAGEMENT	1.000	1.000	1.000	1.000

Based on the results of the reliability test above, it can be concluded that the Cronbach's alpha value for each variable is Income 1,000, Financial Literacy 0.765, Lifestyle 0.802 and Financial Management 1,000, which means that the value is above 0.7 so it can be stated that the data used in this study is feasible to use. used in the next stage.

Result of Inner Model Test

The inner test is a structural model to predict or estimate the relationship between latent variables in research that has been developed in the previous discussion (P. D. H. I. Ghozali & Latan, 2015).

Table 3. Data Processing

	Original sampel (O)	Sample mean (M)	Standard deviation (STDEV)	T statistica ($|O/STDEV|$)	P values
INCOME-> FINANCIAL MANAGEMENT	0.294	0.301	0.094	3.139	0.002
FINANCIAL LITERACY -> FINANCIAL MANAGEMENT	0.462	0.461	0.098	4.700	0.000
LIFESTYLE -> FINANCIAL MANAGEMENT	-0.157	-0.155	0.073	2.141	0.032

Based on the inner model test that has been carried out, the results show that the three X variables (Income, Financial Literacy and Lifestyle) have a positive effect on Y (Financial Management). The Effect of Income on Financial Management in weightlifting athletes in Indonesia with a p-value of 0.002 which means it is smaller than 0.05 (0.002 < 0.05) it can be interpreted that there

is a significant influence on Income on Financial Management in weightlifting athletes in Indonesia so that the results This study also proves that hypothesis 1 (H1) is accepted. Then the influence of Financial Literacy on Financial Management in weightlifting athletes in Indonesia with a p-value of 0.000 which means it is smaller than 0.05 (0.000 < 0.05), it can be interpreted that there is a significant influence on Financial Literacy on Financial Management in weightlifting athletes in Indonesia. Indonesia so that the results of this study also prove that hypothesis 2 (H2) is accepted. Lastly, there is the influence of Lifestyle on Financial Management in weightlifting athletes in Indonesia with a p-value of 0.032 which means it is smaller than 0.05 (0.032 < 0.05) so it can be interpreted that there is a significant influence on Lifestyle on Financial Management in lifting athletes. iron in Indonesia so that the results of this study also prove that hypothesis 3 (H3) is accepted.

DISCUSSIONS

Based on the analysis results obtained in this study that there are several factors that can affect the financial management of weightlifting athletes in Indonesia. The results of the first study that the income variable affects the financial management of weightlifting athletes in Indonesia. This research is in line with previous research (Gustika, 2020) which states that individuals with high incomes will be increasingly motivated to make the right decisions in financial management, investment, consumption, and savings activities. The income generated by 80 respondents of weightlifting athletes who helped with this research shows that they have processed and managed expenses and income from the income generated so as to create good or stable financial management. It can also be interpreted that the higher the income generated by athletes, it will also affect the decisions that will be taken in managing their finances.

Based on the second finding, it is found that Financial Literacy has an influence on Financial Management in weightlifting athletes in Indonesia. This research is in line with previous research regarding the relationship of Financial Literacy to Financial Management (Rianty, 2019) which states that the higher a person's knowledge of financial literacy, the better his financial management will be. The better the athletes understand the financial literacy that will be carried out or realized, the financial management created will be stable or good. If someone understands and knows what he will do with his finances, the opportunities created for good or stable financial management will be even greater.

Based on the third finding which results that Lifestyle has a significant influence on financial management in weightlifting athletes in Indonesia. This research is in line with previous research, namely (Putri & Lestari, 2019) which states that lifestyle has an influence on financial management. The lifestyle run by the athletes will determine whether their financial management is good or not because everything they do in using their finances such as shopping, tourism and so on related to lifestyle will affect the athlete in managing and

managing his finances so that it can have a good or bad effect on management. his finances.

CONCLUSIONS AND RECOMMENDATIONS

This study is to determine the factors that influence the financial management of weightlifting athletes in Indonesia. In this study uses quantitative research methods in which weightlifting athletes in Indonesia are the object. This study using a non-probability sampling technique and using a sample of 80 respondents. The design used in this study is hypothesis testing using a structural equitation model (SEM) – SmartPLS 4.0. The results of this study indicate that the three X variables consisting of Income, Financial Literacy, and Lifestyle have an influence on Financial Management in weightlifting athletes in Indonesia. This study has limited research objectives that only use 80 weightlifters in Indonesia as research respondents. This is used as a suggestion for future researchers. The novelty of this study combines the variables of Income, Financial Literacy, and Lifestyle on Financial Management in weightlifting athletes in Indonesia. Financial management can be influenced by several factors, namely income, financial literacy and lifestyle. Personal income is the overall gross income derived from wages, business enterprises and various types of investments obtained (Dwinta, 2010). Looking at the income of the athletes, it is hoped that they can manage and manage their financial income and expenditure.

Financial literacy is another factor that can affect financial management because someone who gets more distribution of funds than his parents will affect attitudes in saving, investing, spending and budgeting activities in financial management. The ability of individuals to predict their personal finances clearly so that they can make financial decisions that will not harm the individual (Herdjiono & Damanik, 2016). Not only income and financial literacy, but lifestyle can also have a big influence on financial management because lifestyle makes people behave consumptively which can show how someone manages money and time well or not. In this study the authors used a Likert scale to determine the effect of income, financial literacy and lifestyle on financial management in weightlifting athletes in Indonesia. According to (Narpati, 2017) the Likert scale is a question that shows the level of agreement or disagreement of the respondent. This study uses the SmartPls analysis tool to test the feasibility of the data and draw conclusions in the hypothesis. The outer model test and the inner model test are the analytical tools that will be used in this study.

FURTHER STUDY

The results of this study are expected to add updates related to the effect of income, financial literacy and lifestyle variables on financial management. It is hoped that further researchers can add other variables so that a better update can be created from this research.

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