

Assessment of lifestyle and financial experience on student financial management behavior

Ita Rosita¹, Oktavandila Ruwandini Fitri², Sobiyah³, Didit Haryadi⁴

^{1,2,3,4}Prody Management, Department of Economics and Business, Primagraha University, Serang, Indonesia

ARTICLE INFO**Article history:**

Received Dec 28, 2023
Revised Dec 30, 2023
Accepted Jan 27, 2024

Keywords:

Financial Experience;
Lifestyle;
Financial Management
Behavior;
Regression Analysis.

ABSTRACT

A country's high level of finance will encourage the development of its economy. Internal and external factors cause high and low financial management behavior. This study aims to develop a model that examines the three variables that the author has analyzed to determine the factors that can improve student financial management behavior. This study used an associative descriptive quantitative method with a population of 73 respondents drawn into samples using non-probability sampling and saturated sampling / total sampling methods. Data analysis techniques using linear regression with the help of SPSS software version 26. The first hypothesis is that lifestyle significantly affects student financial management behavior, and the second hypothesis is that financial experience partially impacts student management behavior; the third hypothesis is that lifestyle and financial expertise together can affect financial management behavior. This research is expected to make theoretical contributions to the literature in this context, including in the context of economic and banking management.

This is an open access article under the CC BY-NC license.

**Corresponding Author:**

Ita Rosita,
Prody Management,
Department of Economics and Business,
Primagraha University,
Komplek Griya Gemilang Sakti, Jl. Trip Jamaksari No. 1A Kaligandu, Serang, Banten 42111, Indonesia
Email: itar45989@gmail.com

1. Introduction

Financial management can be interpreted as the overall activities related to planning, finding, and allocating funds to maximize the efficiency of the Company's operations (Hawaldar et al., 2022; Nur et al., 2023; Sumardi & Suharyono, 2020). Financial management is an integration of science and art that observes and analyzes the efforts of a financial manager by using all company human resources to find funding, manage funding, and divide financing to provide profits for shareholders and business sustainability for economic entities. Financial management is the overall activity of the company related to obtaining the necessary funds at minimal costs and the most favorable conditions, along with efforts to use these funds as efficiently as possible (Gu et al., 2024; Saputra, 2022; Zhang et al., 2023). Financial management, in general, is the understanding of all activities of the organization/institution/company, which starts from how the management function is carried out, namely planning, budgeting, checking, managing, controlling, how to obtain funding and storage of funds or assets owned by the organization/institution/company, and how to strive to be carried out effectively and efficiently in achieving the goals that have been set according to the plan that has been set established organizations/institutions/companies (Colline, 2022; Supsermpol et al., 2023; Zhang et al., 2023).

Financial management behavior relates to a person's financial responsibility regarding managing their finances. Financial obligation is collecting money and other assets in a way considered productive (Li et al., 2023; Mang'ana et al., 2024; Sugiharti & Maula, 2019). Meanwhile (Wardani et al., 2022) Explain financial management behavior as planning for the financial function by finding funds and how to use funds. Making decisions based on experience benefits practical knowledge (Mang'ana et al., 2023; Peng et al.,

2023). One can forecast conditions, calculate gains and losses, and make wise decisions due to experience (Elghaish et al., 2022; Paarima et al., 2021; Sumardi & Suharyono, 2020).

Lifestyle is how a person behaves to allocate money and time expressed in his activities, interests, and opinions. Lifestyle is related to the times and is a characteristic of a modern country, commonly referred to as modernity; anyone who lives in contemporary society and follows the times will use perceptions of lifestyle to describe their own or others' actions (Mirsky & Artz, 2023; Rozaini & Purwita, 2021; Schwartz et al., 2024). According to (Irawati & Kasemetan, 2023), Lifestyle will develop in each dimension of activity, interest, opinion, or AIO (achievement, thought). Lifestyle influences financial behavior because they can control and manage their lifestyle (Nuraeni & Ari, 2021; Peña & Payne, 2022; Yichen & Chuntian, 2024). From this explanation, we can conclude that lifestyle is very influential in the way a person behaves to allocate his time and money (Lim et al., 2023; Sheng et al., 2023).

Each individual's experience in managing their finances is undoubtedly different, such as in planning investments, insurance, pension funds, and credit. A person's experience managing finances is needed for the continuity of life in the future (Nuraeni & Ari, 2021). According to (Brilianti & Lutfi, 2020), Financial experience is related to savings, credit, investment, and accounting records, just in case. According to (Ary et al., 2023; Gu, 2023; Jiang et al., 2013; Sohn et al., 2012), Financial experience is the ability of individuals or groups to evaluate and determine past financial management decisions that determine the effectiveness of present and future financial management (Li et al., 2020; Moreno-Herrero et al., 2018; Ye et al., 2019).

In Indonesia, many educational institutions have been established because the quality of education is known as a benchmark for the progress or failure of a country. The higher the quality of education in a country, the more progressive the country is. Conversely, the lower the quality of a country's education system, the more the country will be left behind. One of the educational institutions available is the university. A university is an institution of higher education with several faculties that provide academic and professional education in some discipline, technology, or art. In Indonesia, there are 184 state universities.

Meanwhile, as many as 3,820 universities are Private Universities. Universitas Primagraha, abbreviated as UPG, is one of the private universities in Indonesia located in Serang, Banten. The university is organized by Yayasan Insan Pelita Pratama Indonesia (YIPPI). This university combines the Prima Graha College of Economics and the Pelita Pratama College of Education and Teacher Training. At first, before becoming a university, UPG consisted of the Primagraha College of Economics, which would later become the Faculty of Economics of Prima Graha University, and the Pelita Pratama Teacher Training and Education College, which later became the Faculty of Teacher Training and Education of Prima Graha University. After the two universities were merged into one university, new faculties were added, namely the Faculty of Engineering, Faculty of Law, Faculty of PAI, and Faculty of STISIP Trimasda. This study aims to develop a model that examines the three variables that the author has analyzed to determine the factors that can improve student financial management behavior. This research is expected to make theoretical contributions to the literature in this context, including in the context of economic and banking management.

2. Research Method

This research was conducted on Primagraha University Students allocated in Serang City. In this study, the method used by the author is quantitative descriptive research with a causal approach. The causal process is an analysis that will look for a picture of relationships, influences, impacts, and causal effects from various concepts or factors or, in some ways, designed in management science. The population in this study is Primagraha University students of the RC regular class in Semester 5 because the students already have jobs, totaling 73 respondents. A saturated sampling technique means the entire population is taken as a sample. The data collection technique used in this study used a questionnaire with a Likert scale of 1-5 using the scale method of strongly disagree, disagree, doubt, agree, and strongly agree. Only 73 respondents were obtained from the questionnaire based on the research sample. The data analysis technique in this study is a descriptive analysis using the SPSS assistance program version 26, then to determine the influence between variables using inferential analysis with the SPSS assistance program version 26 through validity test analysis, reliability calculations, and then classical assumption tests including data normality. In this study, the author formulated a research hypothesis and developed a theory, namely H1: There is a significant influence of lifestyle on financial management behavior, H2: financial experience affects financial management behavior and H3: lifestyle variables and financial experience simultaneously affect financial management behavior.

3. Results And Discussions

Before testing assumptions, it is necessary to test validity to show how positive an instrument is or how to measure something designed. Lifestyle was measured using six statements, financial experience using six accounts, and financial management behavior using four ideas. This study tried to test validity by looking at the validity number of the correlation value of the correction. Furthermore, the results of the validity test calculation and the results of reliability calculations for each variable can be seen in Table 1, validity and reliability below.

Table 1. Validity and reliability test

Item Statement	Validity Convergent	r-table	Decision	Reliability Convergent
Lifestyle				
L_1	0.541	0.230	Valid	0.737
L_2	0.543	0.230	Valid	
L_3	0.527	0.230	Valid	
L_4	0.394	0.230	Valid	
L_5	0.526	0.230	Valid	
L_6	0.342	0.230	Valid	
Financial Experience				
FE_1	0.490	0.230	Valid	0.725
FE_2	0.685	0.230	Valid	
FE_3	0.496	0.230	Valid	
FE_4	0.419	0.230	Valid	
FE_5	0.359	0.230	Valid	
FE_6	0.307	0.230	Valid	
Financial Management Behavior				
FMB_1	0.322	0.230	Valid	0.739
FMB_2	0.605	0.230	Valid	
FMB_3	0.719	0.230	Valid	
FMB_4	0.562	0.230	Valid	

Figure 1 shows that all statement indicator variables for each variable on each indicator have r-count values > 0.230 , which automatically meet the data validity standard. The needle is considered accurate if each r-calculate point of validity value r is > 0.230 . Not only look at the validity of the reliability value as well, which must be greater than 0.60. The average alpha value lies above 0.60. The following are the results of the classic assumption test from normality data that are proven to be normally distributed data, as seen in Table 2 below.

Table 2. One-sample kolmogorov-smirnov test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		73
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	2.09771347
Most Extreme Differences	Absolute	.140
	Positive	.076
	Negative	-.140
Test Statistic		.140
Asymp. Sig. (2-tailed)		.081 ^c

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Table 2 shows the magnitude of the Kolmogorov-Smirnov normality and obtained Asymp values. Sig. (2-tailed) A value of 0.081 indicates residual data that has a significance value greater than 0.05. The following results of the multicollinearity examination can be seen in Table 3 below.

Table 3. Multiklonieritas test

Model	Tableicients ^a	
	Collinearity Statistics	
	Tolerance	VIF

Model		Tableicents ^a	
		Collinearity Statistics	
		Tolerance	VIF
1	Lifestyle	.689	1.452
	Financial Experience	.689	1.452

a. Dependent Variable: Financial Management Behavior

Based on the results of the multicollinearity test in Table 3. It can be known that the value of the Variance Inflation Factor (VIF) is 1.452, and the Tolerance value is 0.689. The result of the multicollinearity test decision is that if the tolerance value (0.689) > 0.10 and VIF (1.452) < 10, it can be concluded that there is no multicollinearity between independent variables in this research model. The following multiple linear regression analysis can be seen in Table 4 below.

Table 4. Regresregressionr test

Model		Coefficients a			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
	(Constant)	5.035	3.227		1.560	.123
1	Lifestyle	.309	.145	.278	2.136	.036
	Financial Experience	.234	.115	.255	1.998	.048

a. Dependent Variable: Financial Management Behavior

The positive constant 5.035 means that if the value of the variables of lifestyle and financial experience is equal to zero, then the level or magnitude of financial management behavior is 5.035. The regression coefficient of the lifestyle variable has a positive value of 0.309, which means that if the value of the lifestyle variable increases one hundred %, then financial management behavior increases 0.309 times. The value of the regression coefficient of the economic experience variable is positive by 0.234. This explains that if the value of the financial experience variable increases by one hundred percent, then the financial management behavior variable increases by 0.234 times. The following analysis results in hypothesis testing are presented in Table 5 below.

Table 5. Hipotesis test

Variable	T-value	P-values	Result
L → FMB	2.136	0.036	Accepted
FE → FMB	1.998	0.048	Accepted
L & FE → FMB	7.826	0.001	Accepted

Source: Results of research data processing 2023

The first finding shows that statistically, the first hypothesis accepted lifestyle variables significantly influence financial management behavior. Lifestyle is how a person behaves to allocate money and time expressed in his activities, interests, and opinions. Lifestyle is related to the times and is a characteristic of a modern country, commonly referred to as modernity; anyone who lives in contemporary society and follows the times will use perceptions of lifestyle to describe their own or others' actions (Mirsky & Artz, 2023; Rozaini & Purwita, 2021; Schwartz et al., 2024). According to (Irawati & Kasemetan, 2023) Lifestyle will develop in each dimension of activity, interest, opinion, or AIO (exercise, claim, thought).

The second finding shows that statistically, the second hypothesis accepted that financial experience variables significantly influence financial management behavior. Each individual's experience in managing their finances is undoubtedly different, such as in planning investments, insurance, pension funds, and credit. A person's expertise in managing finances is needed for the continuity of life in the future (Nuraeni & Ari, 2021). According to (Brilian & Lutfi, 2020), Financial experience is related to savings, credit, investment, and accounting records for just-in-case funds.

The third finding showed that statistically, the third hypothesis accepted that lifestyle variables and financial experience significantly influenced financial management behavior simultaneously. Lifestyle affects financial behavior because they can control and manage their lifestyle (Nuraeni & Ari, 2021; Peña & Payne, 2022; Yichen & Chuntian, 2024). From this explanation, we can conclude that lifestyle is very influential in the way a person behaves to allocate his time and money (Lim et al., 2023; Sheng et al., 2023). According to (Ary et al., 2023 Gu, 2023; Jiang et al., 2013; Sohn et al., 2012), Financial experience is the ability of individuals or groups to evaluate and determine past financial management decisions that determine the

effectiveness of present and future financial management (Li et al., 2020; Moreno-Herrero et al., 2018; Ye et al., 2019).

4. Conclusion

Based on the results of the research and discussion that has been described, this study concludes that the first hypothesis of lifestyle has a significant effect on student financial management behavior, the second hypothesis of financial experience has a partial impact on student management behavior, the third hypothesis of lifestyle and financial expertise together can affect financial management behavior. Based on the conclusions above, the researcher gave suggestions, namely for universities, it is recommended to encourage students to be more active in improving their financial knowledge, namely by providing seminars on the topic of the importance of saving behavior so that in the future, student to manage finances wisely. For students, it is advisable to continue to deepen their knowledge of finance from various sources to improve their understanding and apply it in life. Further researchers are expected to develop similar research by adding other independent and moderating variables to provide more thorough results on financial management behavior. Researchers can further expand the scope of the study to see what factors can influence financial management behavior. This research is expected to make theoretical contributions to the literature in this context, including in the context of economic and banking management.

ACKNOWLEDGEMENTS

The author would like to express my deepest gratitude for the expression and dedication of the entire team. The Journal of Managed Science (JMAS) has reviewed the article and published the author's paper. In addition, the author would also like to thank all peer reviewers who have collaborated with and supported the preparation of this article so that it can be successful and published in the Journal of Management Science (JMAS).

References

- Ary, K., Pramita, A., & Sinarwati, N. K. (2023). Pengaruh pengalaman keuangan terhadap perilaku keuangan 1, 5(2), 191–197.
- Brilianti, T. R., & Lutfi, L. (2020). Pengaruh pendapatan, pengalaman keuangan dan pengetahuan keuangan terhadap perilaku keuangan keluarga di kota Madiun. *Journal of Business and Banking*, 9(2), 197. <https://doi.org/10.14414/jbb.v9i2.1762>
- Colline, F. (2022). The Mediating Effect of Debt Equity Ratio on The Effect of Current Ratio, Return on Equity, and Total Asset Turnover on Price to Book Value. *Peer-Reviewed Article Jurnal Keuangan Dan Perbankan*, 26(1), 2443–2687. <https://doi.org/10.26905/jkdp.v26i1.6882>
- English, F., Pour Rahimian, F., Hosseini, M. R., Edwards, D., & Shelbourn, M. (2022). Financial management of construction projects: Hyperledger fabric and chain code solutions. *Automation in Construction*, 137, 104185. <https://doi.org/10.1016/j.autcon.2022.104185>
- Gu, J., Shi, X., Wang, J., & Xu, X. (2024). Examining the impact of market power discrepancy between supply chain partners on firm financial performance. *International Journal of Production Economics*, 268, 109100. <https://doi.org/10.1016/j.ijpe.2023.109100>
- Gu, L. (2023). Executives' financial experience and myopic marketing management: A myopic loss-aversion perspective. *Journal of Business Research*, 157, 113587. <https://doi.org/10.1016/j.jbusres.2022.113587>
- Hawalidar, I. T., Meher, B. K., Kumari, P., & Kumar, S. (2022). "Modelling the effects of capital adequacy, credit losses, and efficiency ratio on return on assets and return on equity of banks during COVID-19 pandemic." *Banks and Bank Systems*, 17(1), 115–124. [https://doi.org/10.21511/bbs.17\(1\).2022.10](https://doi.org/10.21511/bbs.17(1).2022.10)
- Irawati, R., & Kasemetan, S. L. E. (2023). Pengaruh Literasi Keuangan, Gaya Hidup, Sikap Keuangan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa. *Jurnal EMA*, 8(1), 32. <https://doi.org/10.51213/ema.v8i1.312>
- Jiang, F., Zhu, B., & Huang, J. (2013). CEO's financial experience and earnings management. *Journal of Multinational Financial Management*, 23(3), 134–145. <https://doi.org/10.1016/j.mulfin.2013.03.005>
- Li, C., Bai, J., Chen, Y., & Luo, Y. (2020). Resource and replica management strategy for optimizing financial cost and user experience in edge cloud computing system. *Information Sciences*, 516, 33–55. <https://doi.org/10.1016/j.ins.2019.12.049>
- Li, N., Gu, Z., Albasher, G., Alsultan, N., & Fatemah, A. (2023). Nexus of financial management, blockchain, and natural resources: Comparing the impact on environmental sustainability and resource productivity. *Resources Policy*, 83, 103730. <https://doi.org/10.1016/j.resourpol.2023.103730>
- Lim, S. X., Lim, C. G. Y., Müller-Riemenschneider, F., van Dam, R. M., Sim, X., Chong, M. F.-F., & Chia, A. (2023). Development and validation of a lifestyle risk index to screen for metabolic syndrome and its components in two

- multi-ethnic cohorts. *Preventive Medicine*, 107821. <https://doi.org/10.1016/j.ypmed.2023.107821>
- Mang'ana, K. M., Hokororo, S. J., & Ndyetabula, D. W. (2024). An Investigation of the Extent of Implementing the Financial Management Practices of Agri-SMEs in Developing Countries: Evidence from Tanzania. *Sustainable Technology and Entrepreneurship*, 3(1), 100049. <https://doi.org/10.1016/j.stae.2023.100049>
- Mang'ana, K. M., Ndyetabula, D. W., & Hokororo, S. J. (2023). Financial management practices and performance of agricultural small and medium enterprises in Tanzania. *Social Sciences & Humanities Open*, 7(1), 100494. <https://doi.org/10.1016/j.ssaho.2023.100494>
- Mirsky, J., & Artz, K. (2023). Lifestyle Medicine Shared Medical Appointments: A proposed high-value chronic disease care framework. *Healthcare*, 11(4), 100723. <https://doi.org/10.1016/j.hjdsi.2023.100723>
- Moreno-Herrero, D., Salas-Velasco, M., & Sánchez-Campillo, J. (2018). Factors influencing the social literacy among young people: The role of parental engagement and students' experiences with money matters. *Children and Youth Services Review*, 95, 334–351. <https://doi.org/10.1016/j.childyouth.2018.10.042>
- Nur, L. Z., Riyadi, W., & Hernita, N. (2023). Effect of Gross Profit Margin and Dividend Policy on Stock Price (Case Study of Food and Beverage Companies Listed on the IDX for the 2016-2021 Period). *Journal of International Conference Proceedings*, 6(2), 222–231. <https://doi.org/10.32535/jicp.v6i2.2443>
- Nuraeni, R., & Ari, S. (2021). Literasi Keuangan, Gaya Hidup, Locus of Control, Dan Parental Income Terhadap Perilaku Keuangan Mahasiswa. *Jurnal Ilmu Manajemen*, 9(4), 1440–1450.
- Paarima, Y., Kwashie, A. A., & Ofei, A. M. A. (2021). Financial management skills of nurse managers in the Eastern Region of Ghana. *International Journal of Africa Nursing Sciences*, 14, 100269. <https://doi.org/10.1016/j.ijans.2020.100269>
- Peña, C. M., & Payne, A. (2022). Parental experiences of adopting healthy lifestyles for children with disabilities living with overweight and obesity. *Disability and Health Journal*, 15(1), 101215. <https://doi.org/10.1016/j.dhjo.2021.101215>
- Peng, X., Mousa, S., Sarfraz, M., Abdelmohsen A, N., & Haffar, M. (2023). Improving mineral resource management by accurate financial management: Studying through artificial intelligence tools. *Resources Policy*, 81, 103323. <https://doi.org/10.1016/j.resourpol.2023.103323>
- Rozaini, N., & Purwita, S. (2021). Gaya Hidup Dan Hasil Belajar Manajemen Keuangan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa. *Niagawan*, 10(2), 198. <https://doi.org/10.24114/niaga.v10i2.25540>
- Saputra, F. (2022). The effect of return on equity, earning per share a, and price ea, turning ratio to the stock prices of manufacturing companies listed thon e Indonesia stock exchange. *Dinasti International Journal of Economics, Finance and Accounting (DIJEFA)*, 3(1), 82–94. Retrieved from <http://repository.uph.edu/41805/%0Ahttp://repository.uph.edu/41805/4/Chapter1.pdf>
- Schwartz, J. L., Lasser, E. C., Kitchen, C., Gwynn, K. B., Pandya, C., Weiner, J. P., & Gudzone, K. A. (2024). Prevalence of lifestyle-related behavioral information in claims data in the U.S. *Preventive Medicine*, 178, 107826. <https://doi.org/10.1016/j.ypmed.2023.107826>
- Sheng, C., Zhang, X., Liu, B., Lynn, H. S., Chen, K., & Dai, H. 20 The interplay between oral health and lifestyle factors for cancer risk in rural and urban China: a population-based cohort study. *Journal of the National Cancer Center*, 3(4), 279–285. <https://doi.org/10.1016/j.jncc.2023.10.004>
- Sohn, S., Joo, S., Grable, J. E., Lee, S., & Kim, M. (2012). Adolescents' financial literacy: The role of financial socialization agents, financial experiences, and money attitudes in shaping financial literacy among South Korean youth. *Journal of Adolescence*, 35(4), 969–980. <https://doi.org/10.1016/j.adolescence.2012.02.002>
- Sugiharti, H., & Maula, K. A. (2019). Pengaruh Literasi Keuangan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa. *Accounting Journal of Accounting and Finance*, 4(2), 804–818. <https://doi.org/10.35706/acc.v4i2.2208>
- Sumardi, R., & Suharyono. (2020). *Dasar-Dasar Manajemen Keuangan : Dilengkapi dengan Contoh soal dan Jawaban*.
- Supsermpol, P., Huynh, V. N., Thajchayapong, S., & Chiadamrong, N. (2023). Predicting financial performance for listed companies in Thailand during the transition period: A class-based approach using logistic regression and random forest algorithm. *Journal of Open Innovation: Technology, Market, and Complexity*, 9(3), 100130. <https://doi.org/10.1016/j.joitmc.2023.100130>
- Wardani, T., Reza, & Astuti, R. F. (2022). Perilaku Pengelolaan Keuangan Berbasis Green Economy. *Ekuitas: Jurnal Pendidikan Ekonomi*, 10(1), 138–144.
- Ye, S., Xiao, H., & Zhou, L. (2019). Small accommodation business growth in rural areas affects guest experience and financial performance. *International Journal of Hospitality Management*, 76, 29–38. <https://doi.org/10.1016/j.ijhm.2018.03.016>
- Yichen, M., & Chuntian, L. (2024). Is lifestyle a bridge between perceived social support and depression in Chinese university students? *Children and Youth Services Review*, 156, 107283. <https://doi.org/10.1016/j.childyouth.2023.107283>
- Zhang, W., Chen, F., Liu, E., Zhang, Y., & Li, F. (2023). How does digital inclusive finance promote the financial performance of Chinese cultural enterprises? *Pacific-Basin Finance Journal*, 82, 102146. <https://doi.org/10.1016/j.pacfin.2023.102146>
- Zhang, X., Zh, Dai, Z., & Zhang, X. (2023). The impact of carbon markets on the financial performance of power producers: Evidence based on China. *Energy Economics*, 127, 107119. <https://doi.org/10.1016/j.eneco.2023.107119>