



The Influence of Financial Literacy and The Lifestyle Housewives on Family Financial Management

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Abstract: Good financial literacy can help families achieve financial stability and improve mutual well-being. Lifestyle greatly affects family finances and how housewives can balance between the needs to still be able to manage finances well. Have stable finances so that you are wise in determining future savings and long-term investments. The Influence of Financial Literacy and Housewives' Lifestyle on Family Financial Management. This study aims to determine the influence of financial literacy and lifestyle of housewives on family financial management in Sumberejo village. The data collection method used in this study was questionnaire and data analysis using multiple linear regression. The result of the showed that financial literacy on financial management and lifestyle on financial management. It can be partially concluded that "there is an influence of financial literacy and lifestyle on family financial management"

Keywords: Financial Literacy, Lifestyle, And Financial Management

Introduction

Financial literacy is a measurement of a person's understanding of financial concepts, and having the ability and confidence to measure long-term finances, and pay attention to economic events and conditions. According to (Remund, 2010) Financial literacy is one of the basic needs that have an effect on family financial management and needs to be done because success in financial management can affect family financial well-being (Stella et al., 2020). In order to increase prosperity. In order to improve financial well-being (Baker et al., 2019), one needs to have sound knowledge, behavior and implementation of direct finance. The extent to which a person's knowledge, behavior and implementation on managing finances, is known to use financial literacy (Stella et al., 2020).

Financial literacy is the ability to evaluate and manage one's finances in making detailed spending and financial income decisions to achieve life goals and financial well-being. The emergence of financial problems is not only from the low level of income, but can be from low knowledge in managing finances (Kadoya & Khan, 2020). Mothers are the

pillars of the household, usually having greater freedom to make decisions when it comes to family finances (Adil et al., 2022). His role is very important in spending money with an understanding of financial literacy so that the economy is stable and forms a healthy and happy family. Good financial management as the key to family success in meeting their needs according to using their abilities. The number of needs and increasing lifestyles results in problems in managing household financial patterns. The occurrence of instability in the family economy is not only because of insufficient income, but because the family is not wise in spending money or income (Sekita et al., 2022).

The purpose of this study is to determine the influence of financial literacy on family financial management and also to know the influence of housewives' lifestyles on family financial management (Lopus et al., 2019). Lifestyle is one of the factors that influence a person's behavior. When interpreted lifestyle is a lifestyle that is expressed by activities, interests and opinions of a person. Lifestyle describes a person as a whole who interacts with the environment (Nicolini & Haupt, 2019). Lifestyle in principle is a person's pattern in managing his time and money, besides that it can create a priority scale according to needs as a factor to be considered in financial management (Hasan et al., 2021). Nowadays housewives are starting to follow the circumstances and follow the latest lifestyle (Lusardi, 2019). The latest life has educated people not only to try to meet their needs, but also to try to fulfill their desires (Morgan & Trinh, 2019).

The higher a person follows the current lifestyle, the higher the money that must be spent to meet that lifestyle (Deuflhard et al., 2019). Ideally, financial literacy and lifestyle factors can greatly influence in managing finances and knowledge about finances, will shape a person's financial behavior well (Amagir et al., 2020). So, it can be said that the increase in a person's financial literacy, the better his financial behavior and vice versa. Meanwhile, lifestyle has both positive and negative effects (Baker et al., 2019). If someone uses high literacy and a lifestyle that is in sync with family circumstances, they will be able to manage family finances (Hermansson & Jonsson, 2021). Learning skills to manage finances is very important in order to manage finances optimally (Rai et al., 2019), especially for housewives. Learning to manage finances can start through simple things like adjusting between income and expenses and determining what is the optimal amount of money to save (Santini et al., 2019).

Methodology

Financial management is business management that is dedicated to the selection of capital sources and the use of wise models so as to achieve its management goals

(Bradley.J.F, 1969). Financial management is related to the effective allocation of funds in the form of investment (Agus, 2001). According to (Arthur J Keown, John D Martin, J. William Petty, 2008) financial management is concerned with how to create ways and maintain economic value or wealth. According to (James C. Van Horne, John M.Wachowicz, 2012)financial management is all activities related to asset acquisition, funding and asset management based on several objectives(Fong et al., 2021).

Understanding Financial Management Family financial management is very important to meet family needs(Rieger, 2020). Basically, financial management consists of planning andmanaging funds to meet needs and achieve financial prosperity (Novitasari, 2022). Financial management on the other hand is an attitude that is able to manage one's financesby meeting all the needs of life, both current needs and future needs environment (Pradinaningsih et al., 2022). A person's lifestyle can be expressed through daily activities that all depend on the interests and perceptions of the person(Csorba, 2020)

In this study, researchers use a quantitative approach with a causal associative approach, this type of research is used to describe the relationship between independent variables (financial literacy and lifestyle)(Lopus et al., 2019), dependent variables (financial management). The population in this study is housewives who live in Sumberejo village. The sampling technique uses the slovin formula so that 57 respondents were obtained(Panos & Wilson, 2020). The sample is selected based on a simple random sampling method where every respondent in a population has an equal chance to become a respondent(Morgan & Long, 2020). Data collection in this study used research instruments in the form of questionnaires. The study used the linear regression analysis method(Ingale & Paluri, 2022).

Result and Discussion

This research provides a new understanding and conceptual framework on how financial literacy and lifestyle of housewives have an effect or influence on family financial management in the midst of today's societal conditions(Gunawan et al., 2021). But basically in building theoretical contributions will certainly depend heavily on modifying and setting models that integrate a result of different approaches(Farida et al., 2021), especially in finance(Hasan et al., 2021). The results of hypothesis testing that the results found in this study can prove that the conceptual framework built in this study, is able to provide an

overview (Lusardi, 2019)of the condition of the phenomenon from several determining factors that can affect family financial management amid the conditions of many financial problems in housewives(Haliassos et al., 2020).

Table 1. Data Test Result

Test Result	Result	Information
Uji Normalitas	006	Normal
Uji Heteroskedastisitas	638	Normal
Uji Multikolinearitas	1,01 1	Normal
Regresi Linier Berganda	0,00	Normal
Koefisien Determinasi R ²	252	Normal
Uji F (Simultan)	9,10 6	Ho Diterima
Uji T (Parsial)	4,25 5	H1 Diterima

Data processed: 2024

Discussion

In this discussion section, the researcher will describe the result of the data analysis that has been done obtained using SPSS for Windows version 26. Result in this research aim to analyze and test wheter financial literacy and lifestyle have an influence on financial management. The result of the showed that financial literacy on financial management and lifestyle on financial management. It can be partially concluded that “there is an influence of financial literacy and lifestyle on family financial management”.

Financial Literacy Variable (X1) on Financial Management (Y)

The results of this study show that there is a significant influence between financial literacy and financial management(Niu et al., 2020). This supports the theory of Garman & Forgue (2010: 4) states that financial literacy is knowledge of facts, concepts, principles and technological tools that underlie to be smart in using money(Kadoya & Khan, 2020b). Financial literacy can be defined as the ability to distinguish financial choices, discuss financial issues, future plans, and competence to respond to life events that affect daily financial decisions as well as events in the economy in general.(Novitasari, 2022).

Variebal Lifestyle (X2) to Financial Management (Y)

The results of this study show that there is a significant influence between lifestyle on financial management (Ćumurović & Hyll, 2019). This supports the theory of Peter & Olson (2000: 142), Lifestyle can be measured by work, hobbies, family interests, problems and business opinions. Meanwhile, according to Aulianigrum & Rochmawati (2021), lifestyle can be interpreted as a person's treatment of the environment and others, such as community life, money allocation, and how someone spends money and manages time. Lifestyle is showing how the person spends his money and how to allocate time (Muñoz-Murillo et al., 2020).

Conclusion

Based on the result described above, researchers concluded that financial literacy has an influence on the financial management of housewives, lifestyle has an influence on financial management so that in general related to financial literacy and lifestyle affects family financial management in Sumberejo Village. Further researchers can add moderation variables such as gender, income, and education.

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