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The Influence of Financial Attitude and Financial Socialization Agent on Financial Behavior with Financial Self Efficacy as Moderating Variables (Study on Students Who are Boarding in the City of Medan)

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ABSTRACT

Financial behavior is a reality that must be faced by every individual in everyday life. Where every individual must behave financially well in order to balance between income and expenses so that they can meet the needs of life and not get caught in financial difficulties. Students are individuals who behave poorly with their finances. Students still have a soul that is still unstable and easily influenced by the surrounding environment. Students often have complex financial problems, because most students do not have limited income and reserves to use every month. Especially for students who have not worked and only get some money from their parents. The purpose of this study was to analyze the effect of financial attitude and financial socialization agents on the financial behavior of students who are boarding and studying in Medan with financial self-efficacy as a moderating variable. The type of research used is quantitative research with a descriptive approach. The population in this study were students who were boarding and studying in Medan. The determination of the sample size follows the rules in the PLS with a total of 100 respondents. The sampling technique used is non-probability sampling with method incidental sampling. The questionnaire that has been filled in by the respondent will then be processed using PLS (Partial Least Square). The results show that financial attitude has a positive and significant effect on financial behavior, financial self-efficacy has a positive and significant effect on financial behavior, and financial socialization agents have no significant effect on financial behavior. The results of the moderation test state that financial self-efficacy is a moderating variable for the relationship between financial attitude and financial behavior. Still, the results of the moderation test state that financial self-efficacy is not a moderating variable for the relationship between financial socialization agents and financial behavior. All independent variables are able to influence Y by 81.8% while the remaining 18.2% is explained by other variables not examined in this study.

Keywords: Financial Behavior, Financial Attitude, Financial Self Efficacy, Financial Socialization Agents

INTRODUCTION

In today's modern life, money is an object that is very vital and useful to meet all needs. Financial behavior is a reality that must be faced by every individual in everyday life. Each individual must behave properly financially in order to be able to balance between income and expenses so that they can meet the needs of life and not get caught in financial difficulties. Individuals who are able to manage their finances will be able to make a budget, save money, control spending, invest and pay their obligations on time. Human needs and desires are not limited and supported by human nature that is never satisfied, will encourage people to behave consumptively. This will have a negative impact and cause personal financial problems if they are not able to implement good financial behavior. Online shopping is indeed increasingly popular in Indonesia, especially among young people, in addition to offering convenience and practicality, online shopping is considered more time and energy efficient because it is enough to use gadgets without having to go to a seller's place to buy the desired goods and services, thus making the Indonesian people happy. online shopping, especially among young people, namely students. At present, students are active agents of change in the use of information technology through their mobile phones.

Students are one of the groups that are vulnerable to consumptive behavior (Hamdani, 2018). This is because students still have unstable souls and are easily influenced by the surrounding environment. Students often have complex financial problems, because most students do not have limited income and reserves to use every month. Especially for students who have not worked and only get some money from their parents. The increase in online shopping transactions among the younger generation creates a problem, namely the reduction in saving activities. The decrease in saving activities, apart from the consumerism culture among students, causes students to be vulnerable to financial problems.

Based on previous research, there are many factors that influence financial behavior. The first factor that is thought to have an effect on students' financial behavior is financial attitude. In everyday life, every individual must have an attitude in his life. Attitude is needed in every person's life, where attitude is a person's way of reacting to a stimulus that will arise from a person or in a situation. When individuals are obsessed with money, it will encourage individuals to think about how to get money and use the money that they will have. So with it will encourage individuals to have a perception of their finances in the future.

The second factor that influences financial behavior is the financial socialisation agent. Financial socialization agents are one of the factors that can influence financial behavior. Financial socialization is a process obtained from the environment, namely in the form of skills, knowledge, and behaviors that are important to maximize the role of consumers in financial markets (Ward, 1974). Socialization is a social process that occurs in individuals with various characteristics. Financial socialization agents such as interactions from parents, friends, schools, and the media (Sohn et al., 2012). Financial self-efficacy is used as a moderating variable for the influence of financial attitude and financial socialization agents on financial behavior. Where financial self-efficacy will strengthen or weaken the factors that influence financial management behavior. Individual financial behavior can be influenced by self-confidence or commonly referred to as self-efficacy. Self-efficacy for individuals refers to the individual's belief in the ability to learn to take action at a specified level (Arofah, 2019). In managing one's finances requires more than just knowledge, an individual also needs confidence, or confidence in their own abilities. Financial self-efficacy is a person's sense of belief in his capacity to manage his finances well and to achieve his financial goals (Asandhimitra & Kautsar, 2019). When a person's confidence level is high, then that person will be motivated to do something in order to achieve his goals. So that the higher the level of trust or confidence in their financial capacity in managing finances, the individual will be responsible for managing his finances so that it becomes a behavior that tends to be non-consumptive.

LITERATURE REVIEW

Financial Behavior

Behavior finance is the involvement of behavior that exists in a person which includes emotions, traits, preferences and various kinds of things inherent in humans as intellectual and social beings who interact and underlie the emergence of decisions to take an action (Ricciardi and Simon: 2000).). Financial behavior is a new field that seeks to combine behavioral and cognitive psychology theory with conventional economics and finance to provide an explanation for why people make irrational financial decisions (Phung, 2016). Financial behavior relates to how a person treats, manages, and uses the financial resources available to him. Individuals who have responsible financial behavior tend to be effective in using their money, such as making a budget, saving money and controlling spending, investing, and paying obligations on time.

Behavior is a way of acting on something that is formed through the individual. Individual financial behavior is an attitude that is formed where a person is able to consider and plan how to get a budget so that he is able to save, accept financial risks, and make a match between his needs and the budget needed for the sustainability of his business. Personal financial behavior is the way in which individuals manage sources of funds (money) to be used as decisions on the use of funds, determination of sources of funds, and decisions for retirement planning (Gitman, 2002).

Financial Attitude

Financial attitude is a person's state of finance that is applied to an attitude. Attitudes are evaluative statements both favorable and unfavorable towards objects, individuals, and events. Attitude is a person's measurement, opinion and assessment of the world he inhabits. Attitude is a measure of a person's state of mind, opinion and assessment of the world he inhabits (Pankow, 2003). So that financial attitude is a person's condition, opinion or assessment of money that is applied or applied to an attitude. Based on the research of Hayhoe, et al (1999), a person's financial attitude will influence and help the individual in his attitude and behavior towards finances. Both in managing, budgeting and decisions to be taken. Financial attitudes can be influenced by family, school and so on. If an individual is in a good financial management environment, then automatically that individual will also be able to manage finances well too. Attitude refers to how a person feels about personal financial matters, which is measured by the response to a statement or opinion (Hardjono & Damanik, 2016).

Every individual who always applies a financial attitude in his life will make it easier for the individual to determine his attitude and behavior in financial matters, such as managing finances, preparing personal budgets and making the right investment decisions. A person's financial attitude will help the individual determine their attitudes and behavior in terms of finances, both in terms of financial management, personal financial budgeting, or how the individual's decisions regarding the form of investment to be taken. Every individual who always applies a financial attitude in his life will make it easier for the individual to determine his attitude and behavior in financial matters. Hardjono and Damanik (2016) stated that there is a relationship between financial attitude and the level of financial problems. Thus it can be said that a person's financial attitude also affects the way a person regulates his financial behavior.

Financial Self Efficacy

Financial self-efficacy is an individual's belief regarding their ability to organize and carry out an action or action to achieve a financial goal. Financial self-efficacy is a person's belief or belief in his ability to achieve his financial goals and is influenced by several factors (Forbes & Kara, 2010). Self-efficacy or self-efficacy was first introduced by Bandura (1989) who stated that self-efficacy is an individual's belief regarding their ability to organize and carry out an action or action to display certain skills. Self-efficacy is a person's belief in their ability to exercise a number of control measures over their own functioning and events in their environment (Feist, 2008).

Someone who has confidence in his abilities, has a high potential for behavior in his environment. Self-efficacy can be said to be a person's assessment of one's own ability to carry out certain behaviors to achieve certain goals (Jeanne Ellis Ormrod. (2008). This study of self-efficacy is related to financial goals so that it can be concluded that financial self-efficacy is belief in one's ability to manage or perform behavior regarding finances.

Financial Social Agents

Njehia (2014) defines financial socialization as the process by which people acquire knowledge, skills, and attitudes relevant to their effective functioning in financial matters. Ward (1974) explains that financial socialization is a process that is obtained from the environment, namely in the form of knowledge and behavioral abilities that are important to maximize the role of consumers in financial or financial markets. Meanwhile, according to Albeerdy & Gharleghi (2015) financial socialization or financial socialization is the process by which a person acquires the skills, knowledge, and attitudes from the internal and external environment needed to maximize the role of consumers in financial markets. Thus, financial socialization can be interpreted as a socialization process that aims to acquire knowledge that can be used as guidelines for managing finances effectively and efficiently.

Socialization is a social process in consumers with various characteristics brought by specific sources, usually called socializing agents. Thus, financial socialization agents can be said to be people who provide knowledge and understanding of finance by interacting which can influence a person to behave in managing finances.

MATERIALS & METHODS

The type of research used in this research is quantitative research with a descriptive approach. Quantitative research method is one type of research whose specifications are systematic, well-planned and clearly structured from the beginning to the making of the research design. This study uses a descriptive approach with the aim of describing the object of research or research results. The population in this study were students who were boarding in Medan, amounting to 722 students. Incidental sampling is a sampling technique based on chance, that is, anyone who coincidentally meets the author can be used as a sample. Because the number of indicators for this study is 19, the researcher determines a sample of 19 x 5, which is 95 samples. However, to prevent and minimize errors, the researchers set a sample size of 100 respondents. The data analysis method used is descriptive analysis method and PLS (Partial Least Square) analysis method using SmartPLS software.

RESULT

Respondents' Descriptive Results

Table 1 Characteristics of Respondents by Gender

Gender	Frequency
Male	17
Female	83
Total	100

Based on Table 1 shows the characteristics of the respondents by gender, it can be seen that the respondents with male sex were 17 respondents and as many as 83 respondents were female. This shows that respondents with female sex are more dominant than male respondents.

Table 2 Characteristics of Respondents by Age

Age	Frequency
22	14
21	45
20	21
19	20
Total	100

Based on Table 2, the characteristics of respondents based on age, it is known that there are 20 respondents aged 19 years, 21 respondents aged 20 years, 45 respondents aged 21 and 22 years old are 14 respondents. Based on this, it is known that respondents aged 21 years are more dominant than other respondents.

Data Analysis Results

The results of the direct and indirect effects test can be seen in the following table:

Table 3 Path Coefficients

	T Statistics (|O/STDEV|)	P Values
M -> Y	2,784	0,006
X1 -> Y	5,404	0,000
X1.M -> Y	2,581	0,010
X2 -> Y	0,636	0,525
X2.M -> Y	0,779	0,436

DISCUSSION

The Influence of Financial Attitude on Financial Behavior

The probability value of this study if the prob value < 0.05 or t-statistics > t-table then the proposed hypothesis is accepted. The table explains the results of hypothesis testing from this study, showing that the financial attitude variable has a positive and significant effect on financial behavior which states that the value of t-statistics > t-table is 1.96, which is 5.404. This states that the first hypothesis which reads that financial attitude has a positive and significant effect on financial behavior in boarding students in Medan is accepted. The results of this study are in line with research conducted by Güvemli & Meydan, 2019, Richard, 2016 and Kostini, 2021 which show that financial attitude has a positive and significant influence on financial behavior.

The Influence of Financial Socialization Agents on Financial Behavior

The probability value of this study if the prob value < 0.05 or t-statistics > t-table then the proposed hypothesis is accepted. In the table explaining the results of hypothesis testing from this study, it shows that the variable financial socialization agents has no significant effect on financial behavior which states the value of t-statistics < t-table 1.96, which is 0.636. This states that the second hypothesis which reads that financial socialization agents have a positive and significant effect on financial behavior in boarding houses in Medan is rejected. The results of this study are in line with research conducted by Margaretha in 2015, Sobaya et al. (2016) and Ramadhan & Asandimitra (2019) show that the results of research related to financial socialization agents have no effect on financial behavior.

The Influence of financial self-efficacy on financial behavior

The probability value of this study if the prob value < 0.05 or t-statistics > t-table then the proposed hypothesis is accepted. In the table explaining the results of hypothesis testing from this study, it shows that the financial self-efficacy variable has a positive and significant effect on financial behavior which states that the value of t-statistics > t-table (1.96) is 2.784. This states that the third hypothesis which reads that financial self-efficacy has a positive and significant effect on financial behavior in boarding and college students in Medan is accepted. The results of this study are in line with research conducted by (Arofah, 2019) and (Putri & Pamungkas, 2019) showing that research results related to financial self-efficacy have an influence on financial behavior.

The Influence of Financial Attitude on Financial Behavior with Financial Self Efficacy as a moderating variable

Based on the test results, the hypothesis of this study shows that the financial attitude variable has a positive and significant effect on financial behavior with financial self-efficacy as a moderator which states that the value of t-statistics > t-table (1.96) is 2.581. The results of the study explain that the financial self-efficacy variable can moderate the influence of financial attitude on financial behavior. This states that the fourth hypothesis which reads that financial self-efficacy moderates the effect of financial attitude on financial behavior in boarding students in Medan is accepted. The results of hypothesis testing in this study are in line with research conducted by Ira and Rochmawati in 2020, the results of which said that financial self-efficacy can moderate the influence of financial attitudes on students' personal financial behavior well.

The Influence of Financial Socialization Agents on Financial Behavior with Financial Self Efficacy as a moderating variable

Based on the test results, the hypothesis of this study shows that the variable financial socialization agents has no significant effect on financial behavior with financial self-efficacy as a moderator which states the value of t-statistics < t-table (1.96) which is 0.779. The results of the study explain that the financial self-efficacy variable cannot moderate the influence of financial socialization agents on financial behavior. This states that the fifth hypothesis which reads that financial self-efficacy moderates the effect of financial socialization agents on financial behavior in boarding students in Medan is rejected.

This finding contradicts the theory of planned behavior proposed by (Ajzen, 2005). In this theory, it states that subjective norms can influence behavior, besides Bandura (1989) in social learning theory adds a factor of inner events that can influence perceptions and actions. In this case, the inner events in question are financial self-efficacy that can affect financial behavior or actions.

CONCLUSION

Based on the results of research and discussion, the following conclusions can be drawn:

1. Financial attitude has a positive and significant effect on financial behavior in students who are boarding students in Medan.
2. Financial socialization agents have no significant effect on financial behavior in boarding students in Medan.
3. Financial self-efficacy has a positive and significant effect on financial behavior in boarding students in Medan.
4. Financial self-efficacy is significant as a moderator of the relationship between financial attitude and financial behavior in students who live in boarding houses in Medan.
5. Financial self-efficacy is not significant as a moderator of the relationship between financial socialization agents and financial behavior in boarding students in Medan.

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