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The Influence of Factors on Students' Financial Management: SEM Approach

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ABSTRACT

This study aimed to identify the factors influencing student financial management in the Jakarta Metropolitan Area. The study included 206 Jakarta Metropolitan Area respondents who met the following criteria: active students at Jakarta Metropolitan Area universities aged 17 to 25 years. The study employed the SEM-PLS method as the primary analysis approach. The results indicated that several factors showed positive and negative correlations on student financial management in the Jakarta Metropolitan Area. Specifically, self-control and financial literacy, which are internal factors, influenced financial management, while allowances and good lifestyle, which are external factors, had no influence. These findings suggest that individuals tend to manage their finances effectively when equipped with a thorough understanding of financial principles and strong self-control. The results of this study offer significant practical implications for the Jakarta Metropolitan Area government in designing strategies to increase financial inclusion more effectively. This study emphasizes the importance of self-control and financial literacy as the main factors affecting financial management skills among college students, and lifestyle factors and the amount of pocket money have no significant effect. Furthermore, financial institutions can use these findings to develop better financial products to meet consumers' preferences for sound financial principles. By providing a better understanding of the factors influencing financial management, this research can contribute to more responsible, sustainable, and compliant financial management within society.

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Introduction

Today's economy continues to grow and develop rapidly. During increasingly sophisticated technology, everyone still encounters various difficulties, which has led the public to face various needs, making it certain to encounter problems. A need refers to goods or services that an individual requires to achieve satisfaction and happiness in life (Pratiwi et al., 2022). Every individual, such as a student, has different needs in life. Every student encounters a range of needs, ranging from necessary consumption to non-consumption. Consumption needs, such as expenses for food and shelter, take precedence in a student's sustainable life. Meanwhile, non-consumption needs are additional aspects that support a student's life. Various aspects of this need continue to impact a student's spending. When faced with necessities, a student often encounters a range of challenges, including how to meet these needs (Derasit et al., 2020).

In December 2022, the Financial Services Authority's statistics on Fintech P2P Lending (fintech co-lending) revealed that customers aged 19–34 owned 62% of these accounts. The fintech community in Indonesia also provides a 60% loan to customers aged 19 to 34. This indicates that Gen Z and Millennials dominate the funding of fintech users collectively (OJK, 2023). Statistics indicate that students are among those who use fintech funding. Enough big. According to (Fauziana et al., 2022) students were people actively pursuing their education at a campus or college, typically between the ages of 18 to 25.

When a student encounters numerous needs and expenses, they need to understand how to manage allowances effectively and efficiently (Ryandono et al., 2019). Financial management knowledge is increasingly important in this era of globalization, especially among students (Oppi & Galizzi, 2024). Students are one group that is vulnerable to financial problems. They are beginning to venture into the realm of finance independently, relying on their allowances or income (Juliansyah et al., 2021). Students encounter a variety of pressures from their lifestyle, campus, and social circles. At the same time, financial literacy has become an important issue because students must possess sufficient knowledge to manage their finances efficiently (Al-Banna, 2019).

Influencing factors influence one's financial management behavior, including allowance, self-control, lifestyle, and financial literacy (Qosim et al., 2023). Money, as a form of income, primarily serves as a medium of exchange, akin to a tool swap (Affandi, 2020). Money serves as a tool to fulfill the needs of individuals. One can obtain money from a variety of sources, such as wages or gifts from others. One example is allowance as the primary source of income for students. Parents or guardians give allowances to students for a specific period. This amount of allowance is often insufficient to meet all needs and wants (Zakik et al., 2022). Students may experience difficulty organizing their expenditures wisely because of the price fluctuation of goods. Limitations in finance can give rise to stress and pressure, which may ultimately influence financial management behavior (Ghifara et al., 2022). Control self plays a crucial role in shaping the financial management behavior of students. Control self refers to the capacity to resist actions, impulsiveness, and consideration for long-term consequences. Students who have good self-control tend to have better financial management behaviors (Wardhana, 2021).

Lifestyle changes influence how students organize their finances. Technology and social media, for example, have provided easier access to products and services for consumers, which can trigger uncontrolled shopping behavior. Self-control plays an important role in financial management behavior. Students with good self-control tend to be more capable of making rational and responsible financial decisions. However, in an environment filled with temptation, caring for oneself can become challenging separately. The financial behavior of students is influenced by lifestyle. Lifestyle refers to the patterns of behavior and habits that form an integral part of an individual's social identity or personal image (Zulaikha et al., n.d.). Lifestyle determines how well a person organizes and manages their finances. Lifestyle also influences the decisions made by individuals, including students (Ryandono et al., 2019). In finance, literacy is the ability to understand and use financial information to make smart decisions in spending money. Literacy and finance can have an important influence on how effective students are at managing their finances themselves. The current state of financial literacy in Indonesia is as follows (Trisno & Vidayana, 2023).

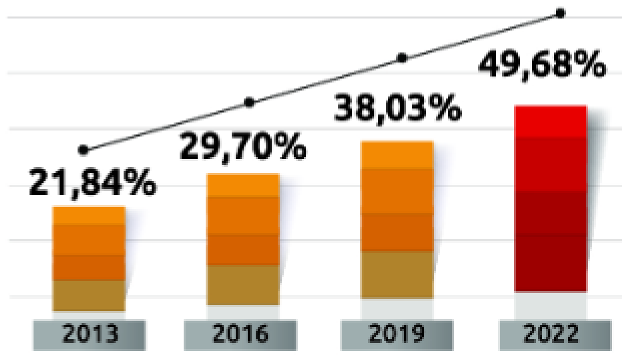

Figure 1. Index of Financial Literacy in Indonesia

Source: Financial Service Authority of Indonesia (OJK) 2022

SNLIK 2022 results show index literacy among Indonesians reached 49.68%, an increase compared to 39.03 percent in 2019. Only 38 out of every 100 Indonesians fall into this group of well-literate individuals. The classification of index literacy in Indonesian finance remains low, lagging behind the index literacy of developed countries worldwide. Currently, Denmark, Norway, and Sweden occupy the three positions with the highest index of 71 (OJK, 2021).

In Indonesia, particularly in the *Jakarta Metropolitan Area* (Jakarta, Bogor, Depok, Tangerang, and Bekasi), various environmental and cultural factors, such as the high cost of living, were challenges for students in managing finances. The Jakarta Metropolitan Area ranks among the highest living costs in Indonesia. The graph below illustrates the cost of living in the Jakarta Metropolitan Area (Kementerian Pertanian, 2020).

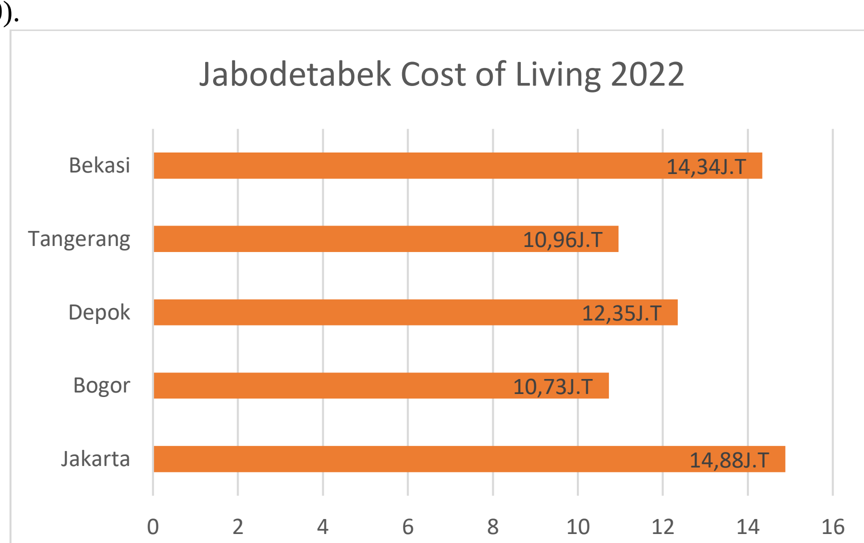

Figure 2 Living Cost in Jakarta Metropolitan Area

Source: Central Bureau of Statistics (BPS. 2022)

One of them is the Jakarta Metropolitan Area region. It is the largest metropolitan area in Indonesia, with a heterogeneous and diverse population. Students in this region come from various social, economic, and cultural backgrounds, which influence their patterns of behavior and finances addition, urbanization and globalization have significantly altered lifestyle and consumption patterns in this region, potentially influencing students' financial management habits (Ghifara et al., 2022). These factors include allowance, lifestyle, self-control, and liberation finance. Allowances have a positive influence on financial management behavior. Students who have a large amount of allowance tend to be able to manage their finances well. Self-control exerts a positive influence on financial management behavior. In other words, increasing self-control in shopping can help students better manage their finances. Meanwhile, lifestyle does not influence financial management (HC & Gusaptono, 2020).

However, no research uses Jakarta Metropolitan Area students as a case study to investigate the impact of allowance, self-control, lifestyle, and financial literacy on financial management. The unique geographical and demographic context of the Jakarta Metropolitan Area certainly provides a rich background for exploring student financial behavior. The region is known for its high social and economic diversity, which may influence how allowance, lifestyle, self-control, and financial literacy influence financial management behavior. This research can explore variations in the factors studied, such as how different allowance amounts affect financial behavior and whether a certain threshold is significant.

Furthermore, the existing literature needs to explore the increasingly relevant topic of modern lifestyle trends among university students. In addition, this study can explore deeper the role of self-control as a psychological factor that interacts with financial literacy in influencing financial behavior. Examining the effectiveness of existing financial literacy programs can also provide new insights into how improving financial literacy can modify students' financial management.

This research can have broad practical implications, such as the development of campus or government policies related to financial literacy education and financial support for students, as well as recommendations for designing financial education programs that are more effective and follow the needs of students in the Jakarta Metropolitan Area. This study was to be hoped to provide valuable new insights regarding the factors that influence college students' financial management behavior in the Jakarta Metropolitan Area

Theory of Planned Behavior

This research uses the theory of planned behavior. Ajzen (1991) introduced the theory of planned behavior, a development of the theory of reasoned action. According to the theory of planned behavior, three main factors influence a person's intention to perform a behavior: attitude toward behavior, subjective norms, and perceived behavioral control (Ajzen, 1991). An attitude toward a behavior is an attitude that reflects the extent to which a person has a positive or negative assessment of certain behaviors (Fedorko et al., 2021). Both internal and external factors can influence this attitude in the context of financial management Internal factors of attitude toward behavior include financial knowledge and budget management (Loestefani et al., 2022). Then some personal values and beliefs related to the management of the fund.

Past experiences in managing finances, both positive and negative, will affect one's attitude toward financial management in the future. External factors include media influences, such as information and opinions from articles, news, or social media. In addition to the media, there are external factors of formal education, namely education received, whether at school, university, or courses related to finance (Kasri et al., 2020). Lifestyle and allowance can influence students' attitudes towards financial management, including their perception of its importance. TPB assists in examining the formation of these attitudes and their impact on the intention to manage finances effectively (Iman, Wardhana, et al., 2022).

Subjective norms refer to a person's perception of social pressure or expectations from others that are important to him in doing or not doing a behavior (Juliansyah et al., 2021). There are internal and external factors that influence this subjective norm. Internal factors are family and friends, such as expectations and influences from family members and closest friends. Cultural norms prevailing in society, are another internal factor influencing a person's views on financial management. External factors include popular lifestyle and spending trends in society. Community influence is a group or community where a person interacts with someone who has certain views or habits in financial matters Subjective norms refer to the perceived social pressure to perform or not perform certain behaviors (Mendo et al., 2023). In the context of university students, peer or family social norms regarding financial management can be very influential. TPB allows analysis of how these social pressures affect financial management intentions and behaviors (Chen et al., 2018).

Perceived behavioral control refers to a person's perception of his ability to perform a behavior, which includes factors that facilitate or hinder that behavior (Fedorko et al., 2021). There are internal and external factors that affect perceived behavioral control. The internal factor was a level of skill in managing finances, including the ability to budget or make investments. On the other hand, external factors include the availability of resources, specifically access to tools and resources necessary for managing finances, such as financial management applications or professional financial advice. Economic Environment: economic conditions that affect a person's ability to manage finances, such as inflation rates, interest rates, and job stability (Wijayanti et al., 2020). It refers to the way individuals feel capable of performing certain behaviors. Self-control is a crucial component of perceived behavioral control. In this study, how strong students' self-control is will affect their perception of their ability to manage their finances well. TPB helps explain this relationship (Wardhana et al., n.d.).

Student Financial Management Behavior

Financial management refers to the method by which an individual organizes and manages the sources of power they use to fulfill their needs, achieve their financial goals, and manage risk. Among students, financial management plays an important role in shaping habits and patterns of behavior; finances will have long-term impacts on their lives. Knowledge about financial management behavior among students is still very minimal Students often lack basic financial concepts such as money management, debt, investment, and financial planning. Long-term decisions and unwise financial practices can lead to economic difficulties (Iman, Sukmana, et al., 2022). Students tend to experience stress in finance because of a lack of knowledge and skills in managing their money. Stress These finances can influence their mental and academic well-being, highlighting the importance of good financial management behavior among students (Wardhana, 2021).

Allowance and Student Financial Management

Allowance serves as a primary source of income for a significant number of students. Effective management of allowances plays a crucial role in achieving financial goals (Kasri et al., 2020). Students who receive allowances from their parents typically exhibit more responsible financial management behavior, as they often feel inadequately responsible for managing their money wisely. Previous research by (Kasri et al., 2020) showed that allowance influences financial management behavior. Students who receive sufficient allowance tend to organize and manage their finances better. Good financial management habits depend not only on the amount of allowance received but also on individuals' attitudes and behaviors in managing their money.

Self-Control

Control self refers to an individual's ability to restrain themselves from impulsive actions and control unwanted behavior (Hikmah et al., 2020). Controlling oneself is important in financial management because it helps to organize spending, save for the future, and avoid unnecessary debt (Lesminda, 2021). People with a high level of self-control tend to manage their finances better, including making wiser financial decisions and avoiding excessive consumption (Luis & MN, 2020). In the context of students, self-control plays a crucial role in determining their ability to manage fund (Tarlani & Sirajuddin, 2020).

Self-control has a significant positive influence on financial management behavior. Various factors, such as circumstances, emotions, and the surrounding environment, can influence self-control (Siallagan et al., 2021). Capable students who can control their impulses and restrain themselves from social pressure to spend their money may be more likely to have good financial management behavior. However, Gunawan and Nasution's (2022) research reveals that self-control does not significantly influence the financial management behavior of students at Muhammadiyah University of Sumatra. This underscores the importance of self-control in determining student financial management behavior at UMSU.

Good Lifestyle

Lifestyle refers to patterns, behaviors, and habits of consumption (Mathematics & 2021, 2021). Lifestyle can significantly impact an individual's financial decisions and how they manage their finances. Lifestyle, campus, and peer social pressure can all play an important role in determining patterns of consumption and financial management in students (Zaki et al., 2024). Lifestyle can influence someone's financial management behavior through social and psychological influences (Rashid et al., 2021). A good lifestyle is a holistic approach encompassing physical, mental, emotional, and social well-being to achieve and maintain an optimal quality of life. It involves healthy habits such as eating a balanced nutritious diet, exercising regularly, and getting adequate sleep (Rippe, 2018). In addition, it is important to manage stress through relaxation techniques, maintaining a work-life balance, and practicing mindfulness (Mafruchati et al., 2023).

Positive social relationships are also a key element, including maintaining good interactions with family and friends and having a strong social support network (Zakik et al., 2022). Wise financial management, such as budgeting, saving, investing, and avoiding excessive debt, is also an integral part of a good lifestyle. It provides stability and reduces financial stress, thus supporting overall well-being. Previous research by (Utami & Marpaung, 2022) shows that lifestyle does not influence financial management behavior, other factors influence financial management more than lifestyle.

Financial Literacy

Financial literacy is a person's understanding of financial knowledge and financial arrangements (Azizah, 2020). A person with strong financial literacy can manage their financial situation without succumbing to personal consumerism (Tubastuvi et al., 2024). Financial literacy has a significant impact on financial management, indicating that a high level of financial knowledge in applying financial aspects leads to improved financial management (Sugiharti & Maula, 2019). Previous research by Luis and MN (2020) showed a positive and significant effect on financial management. This study's results align with Utami and Marpaung's (2022) research, which suggests that financial literacy influences financial management. Someone who can confidently consider costs in financial decisions will find it easier to manage finances (Narli & Oner, 2018).

Methodology

This research uses a quantitative approach with types of causality to understand the relationship between variables and their influence on change (Supriyati & Bahri, 2020). This approach also employs a cross-sectional method, collecting data from a sample of respondents at a specific time. We conducted the data collection process through an implementation survey, using a questionnaire as the primary instrument, to quickly gather information from research subjects. This approach is in line with the principles stressed in the survey, which uses questionnaires as the main instrument to extract data from research participants (Widiastuti et al., 2022).

The next step involves quantitative data collection through the online distribution of questionnaires using Google Forms. The designed questionnaire uses 4 points. The Likert scale aims to assess respondents' views, opinions, and perceptions of the phenomenon. Social issues are the focus of research. We meticulously conducted the data collection process to ensure the validity and reliability of the research findings. This study employed a purposive sampling strategy as its collection method, deliberately selecting respondents at random according to specific criteria. The criteria include being an active student in the Jakarta Metropolitan Area (Jakarta, Bogor, Depok, Tanggerang, and Bekasi) and being at least 18 years old. We chose a purposive sampling approach to ensure the samples reflected characteristics relevant to the research objectives.

This research uses the SEM-PLS method and data analysis. The minimum sample required in SEM-PLS is 30-100 (M. S. Rahman et al., 2021). These guidelines stipulate that the minimum sample size should align with the number of indicators and research variables, specifically between 5 and 10 times the total number of variables. Therefore, the minimum sample size in this study is 20 x 5 = 100 samples. This study involved as many as 206 respondents. We chose this sample size to ensure adequate representation from a relevant and capable population, thereby producing findings with significant statistics. We obtained the following respondent data based on the questionnaire.

Table 1. Respondent Data

Demographics	Total	Percentage
Gender		
Male	110	53.4%
Female	96	46.6%
Age		
17-19	23	11.2%
20-22	147	71.4%
23-25	36	17.5%
Domicile		
Jakarta	22	10.7%
Bogor	45	21.8%
Depok	61	29.6%
Tangerang	44	21.4%
Bekasi	34	16.5%
Amount of Allowance		
< Rp.500.000	38	18.4%
Rp.500.000 – Rp.1.000.000	96	46.6%
>Rp. 1.000.000	72	35%

Here are the hypotheses of this research:

H1. Allowance has a positive and significant effect on Student Financial Management in Jakarta Metropolitan Area

H2. Self-control has a positive and significant effect on Student Financial Management in the Jakarta Metropolitan Area

H3. A good Lifestyle has a positive and significant effect on Student Financial Management in the Jakarta Metropolitan Area

H4. Financial Literacy has a positive and significant effect on Student Financial Management in the Jakarta Metropolitan Area

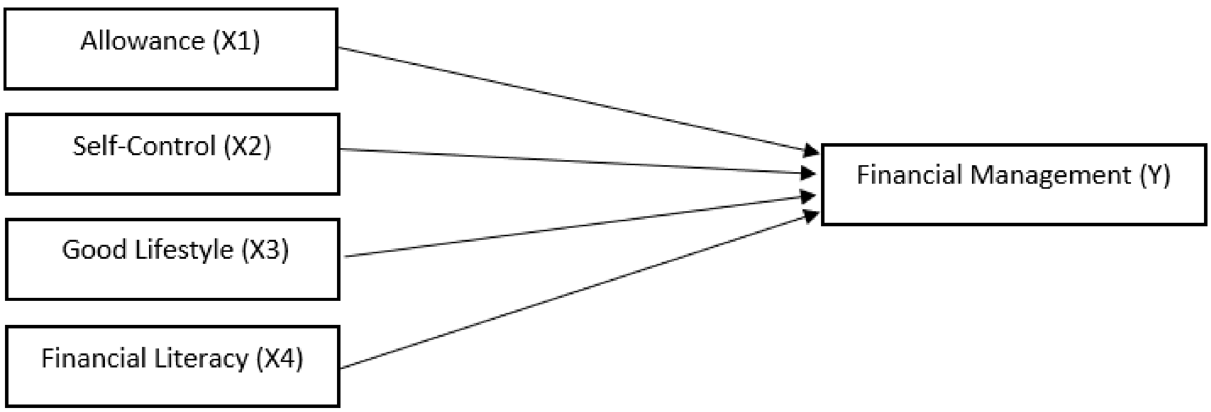

Figure 3 Research Model

Source: Arranged by authors

Results and Discussion

Table 2. Evaluation of the Measurement Model (Outer Model)

Variable	Code	Loadings	CR	Cronbach's Alpha
Allowance	**US 1**	0.721		
	US 2	0.787	0.898	0.575
	US 3	0.579		
	US 4	0.534		
Self-Control	**KD 1**	0.585		
	KD 2	0.746	0.887	0.642
	KD 3	0.662		
	KD 4	0.778		
Lifestyle	**GH 1**	0.528		
	GH 2	0.618		
	GH 3	0.585	0.872	0.595
	GH 4	0.561		
	GH 5	0.581		

	GH 6	0.566		
Financial Literacy	**LK 1**	0.817	0.902	0.788
	LK 2	0.826		
	LK 3	0.814		
	LK 4	0.667		
Financial Management	**PK 1**	0.744	0.907	0.630
	PK 2	0.641		
	PK 3	0.706		
	PK 4	0.656		

Source: Data Processed (2024)

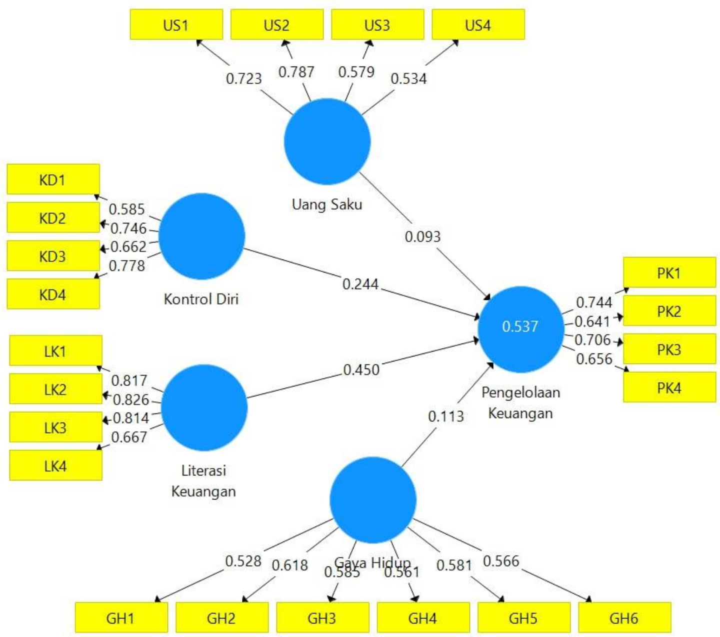

Figure 4. Result of Outer Model using Convergent Validity

Source: Data Processed (2024)

The table also demonstrates that all the indicators used in this research have a loading factor value greater than 0.5, indicating that they adequately represent the construct under investigation. Lastly, the table mentions that all of the indicators The CR and CA values of each latent variable in this study exceed 0.50, which shows all indicators used are reliable and valid (Hair et al., 2019).

The next research step is to evaluate the inner model, which aims to show a specific connection because of the consequences of the latent variable (Rafika, 2021). We will test two parameters as part of the inner model evaluation. The r-squared test was run first to determine the percentage donation influence or shift from the endogenous variable to the exogenous variable. In addition, this parameter also makes it possible to predict level-proportional or good models (Bosnjak et al., 2020).

Reliability Test

We conducted the reliability test for variable indicators using composite reliability (CR) and Cronbach's alpha (CA) values. We use composite reliability to ensure the consistency and trustworthiness of the indicators used in the variables. Ghazali (2016) states that an indicator is considered reliable if its composite reliability, or Cronbach alpha, exceeds 0.65. This research demonstrates high-reliability values for all research variables, with both composite reliability and Cronbach alpha having values > 0.6.

Structural Model Evaluation (Inner Model)

Table 3. R-Square

Variable	R-Square	R-square Adjusted
Financial Management	**0.537**	**0.528**

Source: Data Processed (2024)

The PLS (partial least squares) inner model uses R-square to test how much the independent variable can affect the dependent variable. The R-Square value for variable Y in this study is 0.50, indicating that allowance, self-control, Good Lifestyle, and financial literacy account for 53.7% of the explanation of variable Y (student financial management), with other variables outside this research model accounting for the remaining 46.3%.

Path Coefficients

Path coefficients are measurements used to determine the significance and strength of the research model, as well as to test the research hypothesis. This test consists of the original sample value, T-statistics, and P-value to determine how strong the influence of the independent variable is on the dependent variable. A variable is considered positive and significant when the T-statistics exceed 1.96 and the P-value falls below 0.05.

Table 4. Results of Path Coefficients

Model	Original Sample	T-Statistic	P Values	Result
GLS→ FM	0.113	1.879	0.061	Not Supported
SC → FM	0.244	3.008	0.003	Supported
FL → FM	0.450	6.512	0.000	Supported
A → FM	0.093	1.157	0.248	Not Supported

Source: Data Processed (2024)

The results of this research indicate that the relationship between (SC → FM) with a T-statistic value of 3.008 and a P-value of 0.003 is acceptable, and (FL → FM) with a T-statistic value of 6.512 and a P-value of 0.000 is acceptable. However, (GLF → FM) with a T-statistical value not enough of 1.96 and a P-value above 0.05, namely a T-statistic of 1.879 and a P-value of 0.061, has no significant effect and is rejected. Table 4 shows that (A → FM), with a T-statistical value of 0.157 and a P-value of 0.248. it means that shows no significant effect and is rejected. These results demonstrate a significant relationship between self-control in financial management and financial literacy. However, lifestyle and allowance are not significant to financial management.

Discussion

H1. Allowance has a Positive and Significant Effect on Student Financial Management

The results indicate the rejection of hypothesis H2. This is because the T-statistic value <1.96 and the P-value > 0.05. This means that the number of allowances has no significant effect on the skill of financial management of students. This finding is consistent with Lesminda's (2021), which also demonstrated a significant negative impact of allowances on student financial management, suggesting that allowances alone cannot determine one's ability to manage finances effectively (Lesminda, 2021). However, this research is not in line with research conducted by Zulaika and Listiadi (2020) which showed that allowance affected significantly on student saving behavior.

Several reasons may explain this. First, the allowance is usually given in a fixed amount and scheduled date, which may not match students' changing and diverse expenditures. Second, students may lack the skills to plan and allocate funds effectively because they are used to relying on fixed disbursements from their parents. Thirdly, an allowance is often not accompanied by the development of necessary personal financial management skills, such as budgeting or small investments (Wardhana et al., n.d.). As a result, university students may lack training in managing their finances independently and proactively, regardless of the amount of allowance they receive (Sulaiman & Ahmadi, 2020). This study suggests that internal factors such as self-control and financial literacy are more influential in shaping good financial management behavior than unstructured external funding sources such as allowances or allowances from parents.

Allowance from parents can be seen as part of subjective norms in the Theory of Planned Behaviour (TPB). In this case, students may feel social pressure or expectations from parents to manage their finances well. Parents can influence students' perceptions of how they should manage the money they receive, including in terms of budgeting, spending, and saving. However, although allowances can influence students' subjective norms regarding financial management, research shows that the direct effect of the allowance itself on students' financial management behavior is often insignificant. Other factors such as financial literacy and self-control could also influence students' financial behavior. Internal factors such as financial literacy and self-control often have a stronger influence in shaping good financial management behavior (Wardhana & Ratnasari, 2022).

H2. Self-Control has a Positive and Significant Effect on Student Financial Management

The results showed that the H2 hypothesis was accepted with a T-statistic value of 3,008 (> 1.96) and a P-value of 0.003 (<0.05). This means that financial management affected significantly on student financial management variables. the higher the student's self-control in spending money, the higher he can manage his finances well. Individuals who have good self-control tend to be more disciplined in planning budgets and avoiding excessive consumptive behavior. This ability to exercise restraint allows them to manage their financial resources effectively, reducing the risk of overspending and improving long-term financial stability.

Previous research by (Danesty Deccasari & Syifaun Janan, 2023) and (Zulaika & Listiadi, 2020) confirms that self-control positively affected the financial management of students in the Accounting Study Program at the Faculty of Economics, Surabaya State University. This suggests that students who have more control over their finances can effectively manage their expenses in financial management. However, (Gunawan & Nasution, 2022) suggests that self-control among students at the Faculty of Economics and Business, UMSU, does not have a strong and significant impact on their financial management. Research shows that self-control plays an important role in college students' financial management due to its ability to regulate spending and make wise financial decisions. Individuals who have good self-control tend to be more disciplined in planning budgets, delaying instant gratification, and avoiding excessive consumptive behavior. This ability to exercise restraint allows them to manage their financial resources effectively, reduce the risk of overspending, and improve long-term financial stability.

H3. Good Lifestyle has a Positive and Significant Effect on Investment Intention in Student Financial Management

The results showed that the H1 hypothesis could not be accepted, with a T-statistic value is 1.879 (<1.96) and a P-value which is 0.061 (> 0.05). Lifestyle does not have a significant influence on student financial management. This indicates that lifestyle variables are not included in the factors that could affect a person to manage finances. This suggests that effective financial management depends more on factors such as financial literacy, self-control, and social environment than on an individual's lifestyle level. In this context, research shows that other factors such as financial literacy and self-control have a stronger influence in shaping good financial management behavior than one's lifestyle. Therefore, while lifestyle may influence some aspects of spending, college students' ability to manage their finances effectively depends more on their financial knowledge, management skills, and self-control. This is also confirmed by research (Danesty Deccasari & Syifaun Janan, 2023) indicating that lifestyle has no significant impact on student financial management. Additionally, (Utami & Marpaung, 2022) found no influence of lifestyle on financial management.

In the digital era, access to information about financial management has become easier through apps, social media, and online education platforms. Students can learn about finance from various sources, which may have more influence on their financial management than just living a simple lifestyle (Muh Akbar Saputra et al., 2023). That is, although a college student may live a modest lifestyle, this does not significantly affect or relate to how they organize, manage, or control their finances (Wijayanti et al., 2021). Other factors may be more likely to influence students' financial management, such as financial education, income, family habits, or other external factors (Utami & Marpaung, 2022). However, other studies suggest that lifestyle plays a significant role in promoting positive financial management behaviors (I. Rahman et al., 2022). Skilled individuals in organizing their lifestyle and maintaining proper financial habits tend to manage their student finances better.

H4. Financial Literacy has a Positive and Significant Effect on Student Financial Management

The results indicate that we can accept hypothesis H3. This is because the analysis results on this variable meet the requirements for a T-statistic value is 6.512 (> 1.96) and a P-value was 0.000 (<0.05). This study shows that financial literacy has a significant effect on financial management. Research by (Sugiharti & Maula, 2019), (Sudrajat & Setiyawan, 2022), and (Rohmanto & Susanti, 2021) confirms this, highlighting the positive impact of financial literacy on financial management, despite conflicting findings in other studies suggesting otherwise. The findings underscore the importance of understanding financial principles in shaping individuals' attitudes and behaviors toward financial management. Individuals with higher financial literacy tend to exhibit positive attitudes and behaviors in financial practices, aligning their financial management decisions with these principles. A good understanding of basic financial principles provides a solid foundation for individuals to make smart financial decisions and to manage their financial resources effectively. Therefore, improving financial literacy among college students is not only important for their financial independence but also for their future financial well-being.

Conclusion

Based on the obtained research results and the conducted discussion, we can draw the following conclusions from this study: 1) Allowances hurt student financial management. 2) Lifestyle has a significant negative impact on student financial management. 3) Self-control simultaneously has a significant positive effect on student financial management. 4) Financial literacy affected significantly students’ financial management. The results showed that only two variables affected positively financial management behavior. Overall, this study emphasizes the importance of self-control and financial literacy as the main factors affecting financial management skills among college students, and lifestyle factors and the amount of pocket money have no significant effect. Researchers in this study align their findings with the theory of planned behavior. This theory suggests that positive attitudes (influenced by financial literacy), perceived behavioral control (attributed to self-control), and subjective norms are key factors that influence financial management. In this context, self-control and financial literacy play a major role in determining how well students manage their finances, while pocket money and lifestyle have a weaker or insignificant influence. The variables of pocket money and lifestyle, which are external factors, do not influence financial management, while the variables of self-control and financial literacy, which are internal factors, influence financial management.

Author's Contribution

All authors have contributed to the final manuscript. The contributions of each author are as follows, Asti Dewi Syafiqah is responsible for collecting data, drafting manuscripts, and drafting drawings, drafting key conceptual ideas. Dina Diana provided excellent guidance and provided critical revisions of articles. All authors discussed the results and contributed to the final manuscript.

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Declaration of Competing Interest

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