The Influence of Financial Literacy, Parental Income, *Hedonistic Lifestyle* and Self-Control on Student Financial Management Behavior in Pekanbaru City

Nurjannah
Department of Management, faculty of economic and social science, Sultan Syarif Kasim State Islamic University, Riau, Indonesia
Email: nurjannahdh72@gmail.com
*Yusrialis
Department of Management, faculty of economic and social science, Sultan Syarif Kasim State Islamic University, Riau, Indonesia
Email: yusrialis@uin-suska.ac.id

Abstract

Research aims:
This study aims to determine the effect of financial literacy, parental income, hedonic lifestyle and self-control on the financial management behavior of students in Pekanbaru City.

Design/Methodology/Approach:
This type of research is quantitative descriptive research with a total sample of 82 respondents in students in Pekanbaru City. Data collection was carried out by distributing questionnaires (google form) online with a Likert scale. In the data analysis process using SEM-PLS software.

Research findings:
The results of this study indicate that financial literacy, hedonic lifestyle, and self-control do not have a significant influence on the financial management behavior of students in Pekanbaru City. Meanwhile, parental income has a significant influence on the financial management behavior of students in Pekanbaru City. The Determination Coefficient (R2) with a value of 0.155 or 15.5% indicates that financial management behavior is influenced by financial literacy, parental income, hedonic lifestyle and self-control by 15.5%.

Theoretical Contribution/Originality:
This study contributes to the development of theoriesnon college students' financial behavior by simultaneously examining financial literacy, parental income, hedonic lifestyle, and self-control in the context of college students in Pekanbaru. The finding that parental income has no significant effect is an interesting original poin.

Practical/Policy/Social Implications:
The research findings can serve as a reference for universities and policymakers to improve financial literacy and self-control education for students. Sosially it can foster awareness of the importance of responsible financial management from an early age.

Research Limitations/Implications:
The study was limited to a small sample size and online data collection. Future research is recommended to expand the scope, increase the sample size, an consider other variables such as financial attitudes or peer influence.

Keyword : *Financial Literacy, Parental Income, Hedonic Lifestyle, Self-Control, Financial Management Behavio*

*Corresponding Author : yusrialis@uin-suska.ac.id

INTRODUCTION

In recent years, financial literacy has received increasing attention from both academics and policymakers, as it is considered a crucial prerequisite for creating a quality and financially savvy society. Financial literacy is believed to contribute positively to a country's economy by improving individuals' ability to manage financial resources wisely (Lusardi & Mitchell, 2014; OJK, 2017). Furthermore, financial literacy is seen as a fundamental need for everyone to avoid financial problems, as financial difficulties are not only caused by low income but also by errors in financial management (Huston, 2010; Chen & Volpe, 1998; Remund, 2010).

In 2022, OJK carried out financial education to improve people's financial literacy and based on the results of the survey conducted, the Indonesian population has the largest financial literacy rate of 49.68%, an increase of 21.84% from 2013 to 2016, 29.70% from 2016 to 2019, and 38.03% from 2019 to 2022. Even with this progress, there are still some Indonesian people who do not know the features and how various financial products and services work (Risalah & Alamsyah, 2023). Head of OJK Riau Muhamad Lutfi said Riau Province has experienced impressive financial literacy progress. According to the results of the 2022 Financial Literacy Index survey, currently Riau's financial literacy has reached 67.27%, or experienced significant growth from 43.19% in 2019. This phenomenon shows a decrease in the gap between financial literacy and inclusion from 38.16% to 35.42% in 2022. From OJK data, with the increase in financial literacy, it is not possible to confirm whether the Indonesian people have been able to manage their finances properly. OJK, with the increase in financial literacy, has not been able to confirm whether the Indonesian people have been able to manage their finances properly.

The phenomenon that occurs today where most students are individuals whose livelihood is still supplied through their parents, even though the application of a trending lifestyle seems to be inevitable for students. In general, students will try to meet their lifestyle by making purchases both *online* and *offline*. Not a few students also depend on *paylater* payment patterns to meet their lifestyle. Behaviors that lead to activities to seek pleasure in life such as spending a lot of time outside the home, playing more, enjoying socializing, like to buy things you don't need and want to be the center of attention are closely called *lifstyle hedonism* (Wahyuni, Radiman, & Kinanti, 2023) (Susanto, 2008) and (Arianda, 2021).

The development of the times today leads to the habit of using money that focuses on achieving pleasure and pleasure just to feel comfortable and get recognition (Dewi, Gama & Astiti, 2021). Most students cannot control themselves to spend their money on wants rather than necessities, so the money runs out before it is sent, a tendency where we more often see students just sitting around relaxing and spending time in cafes, shopping malls, or walking downtown has become a natural activity these days. The factor of wanting to get recognition and to be accepted in this circle of friends is what triggers students to force them to consume things that they don't really need, such as the type of gadget that must be the same, *uniform* outfits*, shoes and watches that are trending, and even often* healing together. *Lifstyle hedonism* has indirectly damaged the character of students who should be intellectuals, academics and *agents of change* into individuals who are insensitive to social change, *Lifstyle hedonism* only aims at pleasure and material enjoyment.

The financial problems that occur are more caused by their inability to meet their mandatory needs due to the increase in expenses that they have to spend and also the absence of good financial management. Therefore, financial management should ideally be done early because it can minimize the possibility of someone being irresponsible for their finances. Low saving, investment or financial planning activities are problems that often arise. It can be seen that the high online shopping that occurred during the pandemic with millennials as the population who most like to shop online. This is

proven by the Alvara Research Center survey, Shopee is the most popular E-Commerce service among young Indonesians in March 2022. The online shopping platform from Singapore is the main choice of 69.9% of respondents from generation Z, and 64.2% from the millennial generation. Then in second place there is Lazada which is chosen by 23.3% of generation Z and 20.6% of the Millennial Generation.Next there is Tokopedia which is chosen by 14.5% of generation Z and 15.5% of the millennial generation. Meanwhile, Bukalapak was only chosen by 8% of respondents of generation Z and 7.7% of the Millennial generation. This survey was conducted on 1,529 respondents spread throughout Indonesia.

Good financial management is a very important matter for everyone, especially for students. According to students, they are vulnerable to *fashions, trends,* and *elevators* that can increase students' opportunities in personal financial management issues. Although the majority of students are still dependent on their parents and do not have their own income, students should learn to do good financial management. If the younger generation, especially students, do not understand how to manage finances well, then it will result in difficulties in planning and controlling the use of money that will be used to meet all unlimited needs.

Financial behavior is related to the way an individual handles, manages, and uses the financial resources he or she has. (Putri, 2021) mentioned in her research that in managing finances, each individual has their own way, some manage by saving more than *buying* and some vice versa.
Financial behavior is related to a person's financial responsibilities related to the way they manage their finances. Financial management is a way of managing the money earned and enjoyed for the present while paying attention to the life in the future. Given the importance of knowledge in managing finances, especially during the new normal era, in 2020, the Government issued Presidential Regulation No. 114 of 2020 concerning the National Strategy for Inclusive Finance (SNKI) replacing Presidential Regulation No. 82 of 2016.

The issuance of this Presidential Regulation is a form of the Government's commitment to accelerating financial inclusion in Indonesia. Through Presidential Decree 114 of 2020, financial inclusion will be achieved through (1) increasing access to formal financial services; (2) increasing literacy and consumer protection; (3) expanding the reach of digital financial services; (4) strengthening access to capital and business development support for micro and small businesses; (5) improvement of digital financial products and services; and (6) strengthening the integration of inclusive economic and financial activities, at least through digital financial services.

The Organisation for Economic Co-operation and Development or OECD defines financial knowledge as knowledge and understanding of financial concepts and risks, along with the skills, motivation, and beliefs to apply the knowledge and understanding they have in order to make effective financial decisions, improve financial *well-being* individuals and society, and participate in the economic field according to Vayssettes, in Brilianti and Lutfy, (2020).

In addition to the financial management knowledge factor, it is income. According to Hilgert & Hogarth in Sampoerno & Asandimitra (2021), *income* is the total income that each individual gets from wages, company profits, and investment *returns* before being taxed. The largest component is the results of wages and salaries. A person's income is measured from all sources of income, in addition to the things mentioned earlier, there are many other categories such as income from rent, from interest and from dividends. According to Ida & Dwinta in Sampoerno & Asandimitra (2021) states that if individuals have available income, there is a great possibility to increase awareness to better manage their finances, considering that individuals who have available income funds have the opportunity to act more responsibly in allocating their funds.

The next factor that will affect financial management, another factor is lifestyle that can affect financial management. According to Gunawan et al, in Dewi and Darma, (2021) explain a person's lifestyle as expressed in their activities, interests, and income in spending their money and how to allocate time. Lifestyle can be said to be a person's lifestyle in the world which is expressed in his activities, interests, and opinions. Lifestyle describes "a person's whole self" that interacts with his or her environment. Lifestyle is one of the indicators that affect a person's behavior. Along with the issuance of this Presidential Regulation as a form of the Government's commitment to accelerating financial inclusion in Indonesia. Through Presidential Decree 114 of 2020, financial inclusion will be achieved through (1) increasing access to formal financial services; (2) increasing literacy and consumer protection; (3) expanding the reach of digital financial services; (4) strengthening access to capital and business development support for micro and small businesses; (5) improvement of digital financial products and services; and (6) strengthening the integration of inclusive economic and financial activities, at least through digital financial services.

The Organisation for Economic Co-operation and Development or OECD defines financial knowledge as knowledge and understanding of financial concepts and risks, along with the skills, motivation, and beliefs to apply the knowledge and understanding they have in order to make effective financial decisions, improve financial *well-being* individuals and society, and participate in the economic field according to Vayssettes, in Brilianti and Lutfy, (2020).

In addition to the financial management knowledge factor, it is income. According to Hilgert & Hogarth in Sampoerno & Asandimitra (2021), *income* is the total income that each individual gets from wages, company profits, and investment *returns* before being taxed. The largest component is the results of wages and salaries. A person's income is measured from all sources of income, in addition to the things mentioned earlier, there are many other categories such as income from rent, from interest and from dividends. According to Ida & Dwinta in Sampoerno & Asandimitra (2021) states that if individuals have available income, there is a great possibility to increase awareness to better manage their finances, considering that individuals who have available income funds have the opportunity to act more responsibly in allocating their funds.

The next factor that will affect financial management, another factor is lifestyle that can affect financial management. According to Gunawan et al, in Dewi and Darma, (2021) explain a person's lifestyle as expressed in their activities, interests, and income in spending their money and how to allocate time. Lifestyle can be said to be a person's lifestyle in the world which is expressed in his activities, interests, and opinions. Lifestyle describes "a person's whole self" that interacts with his or her environment. Lifestyle is one of the indicators that affect a person's behavior. Along with the lifestyle changes experienced by the community, it has an influence on people's behavior.

In essence, students are obliged to manage their own finances and must be more careful in making decisions when managing their money so as not to experience a financial crisis. Young people want to always keep up with the times, such as wanting to follow *the style* of a person they idolize, there are also many young people who like *branded* goods at high prices. This results in their expenses being high. This can be caused by environmental factors and norms (Rohmanto & Susanti, 2021).

Furthermore, the factor that affects financial behavior is self-control which is a form of self-regulation in behaving and behaving. Self-control is also defined as the ability to devise, guide, direct, and regulate forms of behavior that lead to positive consequences. (Kurnia & Hakim, 2021). According to Abdillah el al, (2022) explains that financial literacy affects financial behavior. while according to Azizah, (2020) also explains that financial literacy affects financial behavior. Meanwhile, according to Mustika et

al, (2022) explained that financial literacy has no effect on financial management behavior.

According to Andanika et al, (2022) explains that income affects financial management behavior. Meanwhile, according to Putri & Rahmi (2019), it is explained that parental income has no effect on financial behavior.

According to Utami & Marpaung (2022), lifestyle does not have a significant effect on financial management. While according to Nisa & Haryono (2022) explained that *lifestyle* has a significant effect on financial management, the same results are also explained according to Azizah (2020) who explained that *lifestyle* has a relationship with financial management behavior.

According to Andanika et al, (2022) explain that self-control affects financial management behavior. Meanwhile, according to Gunawan & Syakinah, (2022) it is evident that self-control has no effect on financial behavior. Table 2 below is the results of the pre-survey of 32 respondents in students in Pekanbaru City as follows:

Table 1.2 Pre-Survey Results

NO	VARIABLE	PERCENTAGE	CRITERION
1	Financial Literacy (X1)	61%	Enough
2	Parental Income (X2)	70%	Good
3	*Lifestyle Hedonis* (X3)	55%	Bad
4	Self-Control (X4)	75%	Good
5	Financial Management (Y)	65%	Enough

Source : Data processed, 2024

Based on the results of the pre-survey table above conducted by the researcher on students in Pekanbaru City with a sample of 32 respondents, the results of financial literacy reached 61% with sufficient criteria, Parental Income reached 70% with good criteria, *Hedonistic Lifestyle* reached 55% with bad criteria, Self-Control reached 75% with good criteria, and Financial Management reached 65% with sufficient criteria. This result explains that the existence of financial planning is very important in managing the income received, as there are still students who do not understand financial literacy that supports well-planned financial management. In addition, there are still students who do not know the benefits and how to organize good finances.

Based on these results, the researcher saw a phenomenon that occurred where the hedonistic lifestyle among students. This can be seen from the habit of hanging out, buying well-known brand clothes at expensive prices to support a good appearance when hanging out with friends. Of course, this luxurious lifestyle has a bad impact on financial management which if not managed as well as possible can cause problems with finances.

In this study using the Grand Theory, namely *the Theory Of Planned Behavior* (TPB), this theory states that a person's actual behavior in carrying out a certain action is directly influenced by his or her behavioral intentions, which are jointly determined by attitudes and control of perceived behavior towards these behaviors, behavioral control is determined by individual beliefs about the availability of resources and the location of energy sources in the form of equipment, Suitability, and the ability to support or limit the behavior that is expected to occur, this is to form a behavior.

Financial behavior is a person's ability to manage (plan, budget, audit, manage, control, search, and store) daily financial resources, (Kholilah & Iramani, 2013). According to research by Nababan and Sadalia (2012) in the journal Anita Sari (2015), financial behavior is related to how an individual handles, manages, and uses the financial resources available to them. People who behave financially responsibly

tend to use their money effectively, such as budgeting, saving, controlling expenses, investing, and keeping promises.

Financial literacy is the ability of individuals to have knowledge related to financial management, and with financial literacy will affect the improvement of a person's standard of living, Sholeh (2020). Financial literacy includes awareness and knowledge of financial products and their applications in business and life Pulungan & Nduru, (2019) in Research (Sri Suryani & Israfiani, 2021).

According to Sukirno in Baiq Fitriarianti, 2019, Income is the amount of income received by a person for his or her work performance during a certain period, whether daily, weekly, monthly or yearly. A person's income basically depends on the work in the service or production field, as well as the hours worked out, the level of hourly income received, personal income measured based on income from all sources.

Lifestyle According to Sugihartati (2010:159) in a study (Putri & Lestari, 2019), lifestyle is a lifestyle that includes a set of habits, attitudes and patterns of response to life, especially adaptation to life. According to Gunawan, et al. (2020), Hedonism is part of the identification of social change.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT
Financial Literacy

Financial literacy is something that everyone needs in order to be able to apply a priority scale in managing their finances and be able to distinguish between needs and desires (Arianti, 2021). Meanwhile, Bhushan and Midori (2013) explain that financial literacy is very important for individuals because it allows them to face challenging financial situations, make bill payments on time, and manage credit cards wisely. And financial literacy tends to lead to better or effective financial *literacy* and financial attitudes in financial *decision-making* (Hasanudin et al., 2022).

The results of the study (H. T. Putri, 2022) financial literacy (X1) have a partial influence on financial management. And lifestyle (X2) has a partial effect on financial management. Finance, literacy and lifestyle simultaneously affect the financial management of students of the management study program, Faculty of Economics, Batanghari University.

According to Abdillah el al, (2022) explains that financial literacy affects financial behavior. while according to Azizah, (2020) also explains that financial literacy affects financial behavior. Based on the description of the relationship between financial literacy variables and financial management, the first hypothesis proposed is:

H1: Financial literacy has a significant effect on financial management.

Parental Income

Parental Income is income that comes from a person's efforts that have been made (Ahmad, 2021). Putri & Rahmi (2019) show that *parental income* is the wages that parents get for a month, which comes from receiving results and salaries from the business or work done. According to Wiboowo et al (2021), *parental income* is income received by parents in the form of goods or money that comes from their business and is used to meet basic needs. *Parental income* has a positive impact on financial behavior (Arsanti & Riyadi, 2019). This is because the level of financial literacy is higher. Meanwhile, according to Putri & Rahmi (2019), *parental income* has no influence on students' financial attitudes. Wibowo et al. (2021) explained that parental income has a positive effect on students' financial behavior, because high parental income is able to meet the needs of their family members well. This incident arose because the income earned by the parents of each student was not the same as the income of the parents of other students due to differences in employment.

The problem of the research variables above explains that individuals who know the amount of parental income have an effect on students' financial behavior. Due to the difference in the work of each parent, each student gets a different allowance as well. Especially during a pandemic like this, parents' income is also limited because their work activities are affected.

H2: Parental income has a significant effect on financial management behavior.

Lifestyle Hedonis

Pulungan & Febriaty (2018) explain that lifestyle looks at how each individual spends his money, allocates time, and how they live. Listiyani et al (2020) explained that *lifestyle* is also referred to as a description of every individual who experiences behavior changes, such as following a developing trend and entering primary needs. Lifestyle describes a person's characteristics in his interaction with the surrounding environment (Sari et al., 2020). Lifestyle has an influence on financial behavior, because they can control their lifestyle and manage their finances (Azizah, 2020). Listiyani et al. (2021) stated that there is a negative influence of lifestyle. This is due to the increased expenditure of funds due to excessive lifestyle, and resulting in a person's financial level declining so that it is difficult to allocate and manage finances.

However, Kusnandar & Kurniawan (2020) explain that *lifestyle* has a positive impact on financial behavior, due to a person's ability to control their time and finances to buy what they need and set aside their desires. The problem with the above research variables shows that a person can control their lifestyle if they can control their lifestyle and use their money well, so that they do not overdo it in following the *trend* that is developing all the time. So such an excessive lifestyle must be changed. Especially now that many young people choose to stay at home and routines are not far from social media, especially with online shopping applications. In addition, everyone should be able to limit their social interactions, so that they can control their money and use their time well without seeing the changes *in the* growing trend.

H3: *Hedonistic lifestyle* has a significant effect on financial behavior.

Self-Control

(De Boer et al., 2015) states that self-control is a control of behavior. Behavior control refers to actions taken with the aim of considering what is right before acting. Delaying short-term gratification to achieve long-term accomplishments and larger goals is one way self-control works. The criteria used to measure self-control according to Herlini and Tasman (2019) are taking the initiative to save, intending to save, feeling uncomfortable when making unexpected expenses, and feeling uncomfortable when not having a financial plan.

The results of the study (Yousida et al., 2020) using the F test showed that independent variables, namely financial knowledge, financial planning, and self-control, had a simultaneous effect on dependent variables, namely financial management behavior. Based on the t-test, financial planning has a positive effect on the financial management behavior of students who carry out business practices. Based on the results of data analysis (Ekofani & Paramita, 2023), it is shown that financial literacy has a positive and significant influence on student financial management. Lifestyle has no effect on student financial management. Self-control has a positive and significant influence on student financial management. Financial attitudes have no effect on student financial management.

Based on the description of the relationship between self-control variables and financial management, the third hypothesis proposed is:

H4: Self-control has a significant effect on financial management.

METHOD

This study uses a quantitative method with an associative approach. This research was conducted on students in the city of Pekanbaru with 3 universities in the city of Pekanbaru, namely the State Islamic University of Sultan Syarif Kasim Riau, the University of Riau, and the Islamic University of Riau. This research began in February 2025 until it was completed by distributing questionnaires to respondents.

From BPS data, the number of students in Pekanbaru City is 116,095 students. However, the researcher took 3 universities, namely the State Islamic University of Sultan Syarif Kasim Riau, the University of Riau, and the Islamic University of Riau from PDDikti data with a total of 84,888 students as the population and to determine the sample.

**Table 3.1 Number of Students per University in Pekanbaru City**

No.	University Name	Number of Students
1	Sultan Syarif Kasim Islamic University Riau	30.920
2	University of Riau	23.323
3	Riau Islamic University	30.645
	Sum	**84.888**

Source: PDDikti, 2024

The determination of the number of samples used in this study is based on *the Gpower Software* developed by (Faul et al. 2009). *Gpower software* is a statistical test strength analysis program used, for many statistical tests and this *software* is available for free via the internet for windows and mac OS X platforms (Faul et al., 2009).

This software functions to calculate statistical tests for t, F, correlation, and other statistical tests. so that it can help researchers in determining the minimum sample in the study. the determination of sample size in this study uses *the G'Power* 3.1.9.7 application which was carried out on May 26, 2025 with the following results:

Figure 3.1 Number of Samples

285
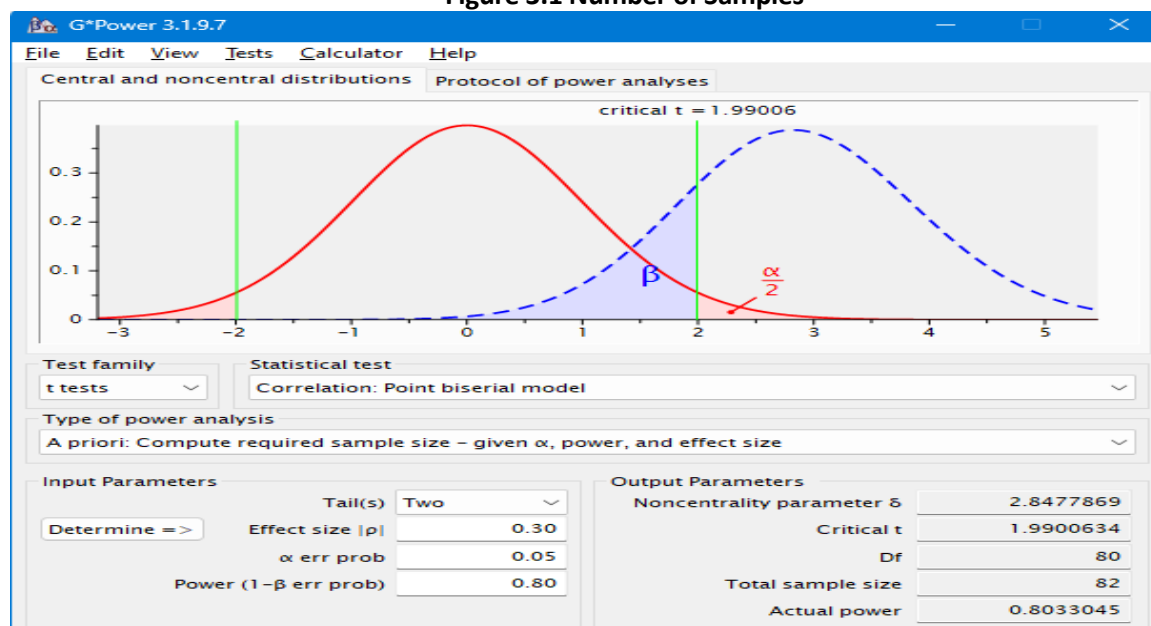
Source: G-Power App, 2025

From the data above, the sample size in this study was 82 respondents.

Proportionate Statifed random sampling is a technique used when the population has members / elements that are not homogeneous and professionally average. In this technique, the population is grouped or categorized which is called strata (*Statifed*). These strata can be in the form of age, city, gender, religion, education level, income level and others.

The determination of the distribution of samples so that the population can be represented is carried out by proportional distribution in each region so that the number of respondents as many as 82 students has the same opportunity by sampling by *Proportionate Statifed random sampling*, namely by using the *Proportionate formula*:

$$n2 = \frac{n}{N} \times N1$$

Information:

n2 = Number of Samples per University

n = Number of Population of each University

N = Total Research Population

N1 = Number of Years of Study.

The total research population (N) is 84,888 students, while the research sample (N1) is 82 students. The following are the sample acquisitions in the study:

1. Sultan Syarif Kasim State Islamic University Riau
   = 30,920 / 84,888 x 82 = 30
2. University of Riau
   = 23,323 / 84,888 x 82= 22
3. Riau Islamic University
   = 30,645 / 84,888 x 82 = 30

RESULTS AND DISCUSSION

A. Results

Respondent Characteristics

The discussion of respondent identity aims to understand the characteristics of the respondents, obtain an overview of the circumstances and characteristics of the respondents. From the results of the research conducted, an overview of the identity of the respondents who became the research sample was obtained which included gender, University origin, and semester, the following are the results of the elaboration of the research sample:

Characteristics of Respondents by Gender

Here are the results of respondent characteristics by gender:

Table 5.1 Respondents by Gender

Gender	Frequency	Percentage
Male- Male	33	40%
Woman	49	60%
Sum	82	100%

Source: Data processed, 2025

Based on table 5.1 above, it shows that the respondents who are the sample of this study are based on gender, where the male respondents are 33 students with a percentage of 40%, and the respondents who are female are 49 with a percentage of 60%. This shows that most of the participating responses are female. This can be seen from the results of a survey by the Financial Services Authority (OJK) in 2015, the results show that companies play an important role in making decisions in business and family finance. So women who have a very high contribution, which means that it can be known that the distribution of questionnaires is on target.

Characteristics of Respondents Based on University Origin
The following are the results of the characteristics of respondents based on university origin:

Table 5.2 Respondents by University Origin

University Origin	Frequency	Percentage
Sultan Syarif Kasim Islamic University Riau	30	36%
University of Riau	22	27%
Riau Islamic University	30	36%
Sum	**82**	**100%**

Source: Data processed, 2025

Based on table 5.2 above, it shows that respondents from the Sultan Syarif Kasim State Islamic University Riau amounted to 30 people with a percentage of 36%, respondents from the University of Riau amounted to 22 people with a percentage of 27%, and respondents from the Islamic University of Riau amounted to 30 people with a percentage of 36%. This shows that the number of respondents in accordance with the determination of the sample and the distribution of the questionnaire has been appropriate.

Characteristics of Respondents by Semester
The following are the results of the respondents' characteristics by semester:

Table 5.3 Respondents by Semester

Semester	Frequency	Percentage
2	4	5%
4	18	22%
6	23	28%
8	17	21%
10	13	16%
12	5	6%
14	2	2%
Sum	82	100%

Source: Data diprocessing, 2025

Based on table 5.3 above, it shows that the 2nd semester respondents were 4 people with a percentage of 5%, the 4th semester respondents were 18 people with a percentage of 22%, the 6th semester respondents were 23 people with a percentage of 28%, the 8th respondents were 17 people with a percentage of 21%, the 10th semester respondents were 13 people with a percentage of 16%, the 12th semester respondents were 5 people with a percentage of 6%, and semester 14 respondents amounted to 2 people with a percentage of 2%. This shows that the respondents are based on

considerations in sampling. Therefore, it can be concluded that the distribution of the questionnaire has been on target.

Convergent Validity

To test *convergent validity,* the value of outer loading *or loading factor* is used*. An indicator is declared to meet convergent validity* in the good category when *the outher loadings* > 0.70 (Ghizali & Latan, 2015). The following is the *outer loading* value of each indicator in the research variable. In *convergent validity*, there is a *partial least square* model scheme as follows:

Table 5.9 Outer Loading

Variable	Indicators	Outer Loading	Description
Financial literacy	X1.1	0.830	Valid
	X1.2	0.875	Valid
	X1.3	0.920	Valid
	X1.4	0.817	Valid
	X1.5	0.912	Valid
	X1.6	0.887	Valid
	X1.7	0.748	Valid
	X1.8	0.813	Valid
Parental Income	X2.1	0.752	Valid
	X2.2	0.858	Valid
	X2.3	0.795	Valid
	X2.4	0.823	Valid
	X2.5	0.777	Valid
	X2.6	0.742	Valid
Lifestyle Hedonis	X3.1	0.785	Valid
	X3.2	0.818	Valid
	X3.3	0.780	Valid
	X3.4	0.797	Valid
	X3.5	0.798	Valid
	X3.6	0.824	Valid
	X3.7	0.782	Valid
	X3.8	0.774	Valid
	X3.9	0.716	Valid
Self-Control	X4.1	0.796	Valid
	X4.10	0.852	Valid
	X4.2	0.710	Valid
	X4.3	0.800	Valid
	X4.4	0.800	Valid
	X4.5	0.822	Valid
	X4.6	0.818	Valid
	X4.7	0.895	Valid
	X4.8	0.785	Valid
	X4.9	0.770	Valid
	Y1	0.795	Valid
	Y2	0.753	Valid
	Y3	0.782	Valid

Financial Management Behavior	Y4	0.784	Valid
	Y5	0.815	Valid
	Y6	0.752	Valid
	Y7	0.728	Valid
	Y8	0.783	Valid

Suber: SmartPLS Processed Data 4.1

Based on figure 5.9, it can be seen that the *Outer Loading* value of all indicators is above 0.70 which can also be seen in table 5.2 so that it can be concluded that all indicators submitted in the final measurement model have met the valid criteria. In addition to evaluating the value of *outer loading,* the researcher also considered the value *of Avarege Variance Extracted* (AVE). The AVE value is said to be valid if it has a > value of 0.5. Below is the AVE value of each variable.

Table 5.10 Average *Variance Extracted* (AVE) Values

Variable	Average Variance Extarcted (AVE)	Information
Financial Literacy	0.726	Valid
Parental Income	0.627	Valid
Lifestyle Hedonis	0.619	Valid
Self-Control	0.650	Valid
Financial Management Behavior	0.600	Valid

Source: SmartPLS 4.1 Processed Data

The output of the AVE above shows that the AVE values of the variables Financial Literacy (X1), Parental Income (X2), *Lifestyle Hedonis* (X3), Self-Control (X4) and Financial Management Behavior (Y) are greater than 0.50 thus it can be stated that each variable has a good *discriminant*.

Reliability Test

In addition to the construct validity test, a construct realism test was also carried out which was measured by two criteria, namely *composite reliability* and *Cronbach's alpha* from the block of indicators that measure constructs. Reliability tests are carried out to prove accuracy and consistency in measuring construction. The construct is declared reliable if *the composite reliability value or Cronbach's alpha* is above 0.70. The results of the *composite reliability* and *Cronbach's alpha* tests can be seen in the following table:

Table 5.13 Composite *Reliability* and *Cronbach's Alpha Values*

Variable	Cronbach's alpha	Composite reliability (rho_c)	Information
Self-Control (X4)	0.941	0.949	Reliable
Lifestyle Hedonis (X3)	0.925	0.936	Reliable
Financial Literacy (X1)	0.952	0.955	Reliable
Parental Income (X2)	0.882	0.910	Reliable
Financial Management Behavior(Y)	0.906	0.923	Reliable

Source: SmartPLS 4.1 Processed Data

Based on table 5.13, it can be concluded that all constructs meet the reliability criteria, this can be seen in the table above that *the Compasite Reliability value* is 0.70 and above.

INTEGRATED RESEARCH JOURNAL OF BUSINESS AND MANAGEMENT

Coefficient of Determination

The magnitude *of the coefficient determination (R-Square)* is used to measure how much a dependent variable is influenced by other variables. Chin said that the R2 result of 0.67 and above for independent latent variables in the structural model (affecting) and dependent variables (influencing) were included in the good category. Meanwhile, if the result is 0.33-0.67, it is included in the medium category, and if the result is 0.19-0.33, it is included in the weak category. Targeting data processing that has been carried out using SmartPLS 4.1, the R-Square value is obtained as follows:

Table 5.14 *R-Square Values*

Variable	R-square
Financial Management Behavior(Y)	0.155

Source: SmartPLS4.1 Processed Data

Based on table 5.14 above, it is stated that the variables that are influenced by other variables are the variables of Financial Management Behavior which are influenced by the variables of Financial Literacy (X1), Parental Income (X2), *Lifestyle Hedonis* (X3), and Self-Control (X4). Based on the results in the table above, it shows that *the R-Square* value for the Financial Management Behavior variable obtains or obtains a value of 0.155. Based on these results, it is informed that 15.5% of the variables of Financial Management Behavior are influenced by Financial Literacy (X1), Parental Income (X2), *Hedonistic Lifestyle* (X3), and Self-Control (X4). This means that 84.5% of the variables of Financial Management Behavior are influenced by other independent variables that the researcher did not apply in this study.

F-Square

Value *f square* used to find out how big *effect size* endogenous latent variables against exogenous latent variables. When the value *f square* equal to 0.35 then it shows that the predictor of the latent variable has a large influence, but if it is equal to 0.15 then it has an intermediate influence and if it is 0.02 then it has a small influence (Ghozali & Latan, 2015).

Hypothesis Test

Based on the data processing, the results can be used to answer the hypothesis of this study by looking at the R *statistic* and P *Value*. The hypothesis is stated to be accepted if the t-statistic is >1.96 with a significance level of P *Value* < 0.05. In this study, to see direct or indirect relationships can be seen using Smart PLS with *the bootstrapping* method.

Figure 5.3 *Bootstropping Model*
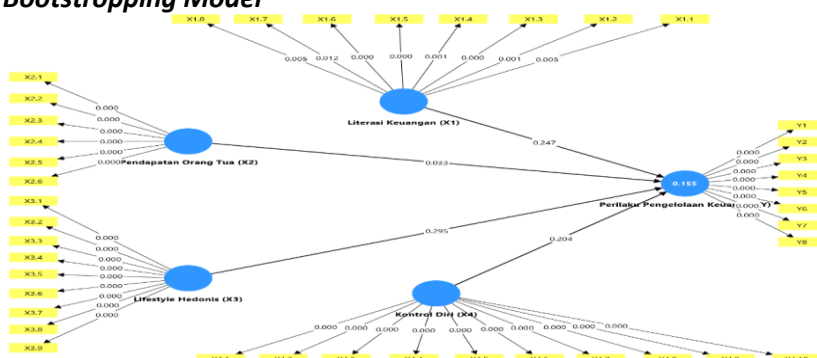
Source: PLS 4.1 Processed Data

Based on figure 5.3, the results of the research hypothesis test are summarized in the following hypothesis statistical testing table table:

Table 5.17 Hypothesis Test

Variable	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Financial Literacy - > Financial Management Behaviors	-0.171	-0.153	0.148	1.158	0.247
Parental Income -> Financial Management Behavior	0.234	0.232	0.110	2.136	0.033
Hedonistic Lifestyle -> Financial Management Behavior	-0.160	-0.169	0.153	1.047	0.295
Self-Control -> Financial Management Behavior	-0.191	-0.204	0.150	1.269	0.204

Source: SmartPLS 4.1 Processed Data

Theoretically, financial literacy is seen as one of the main factors influencing individual financial management behavior. The Theory of Planned Behavior (TPB) explains that a person's behavior is influenced by attitudes, subjective norms, and perceived behavioral control (Ajzen, 1991). In a financial context, financial literacy can strengthen a person's confidence in their ability to manage their finances effectively, supported by adequate knowledge and understanding. Therefore, theoretically, the higher a person's financial literacy, the better their financial management behavior should be.

However, the results of this study indicate that financial literacy does not significantly influence financial management behavior. This may occur because although respondents possess financial knowledge, they do not always apply it in their daily lives. Knowledge that is not implemented will result in financial literacy having no real impact on financial management.

CONCLUSION

Based on the results of research conducted by the researcher entitled "The Influence of Financial Literacy, Parental Income, *Hedonistic Lifestyle* and Self-Control on Student Financial Management Behavior in Pekanbaru City". Then the following conclusions can be drawn:

1. The Financial Literacy variable (X1) did not have a significant influence on the Financial Management Behavior (Y) of Students in the City of Pekanbaru. This shows that the level of Financial Literacy of Students is not strong enough to influence how they manage their finances, even if someone has good knowledge, it is not necessarily that the student does not apply the knowledge they have in daily life.

2. The Parental Income Variable (X2) has a significant influence on the Financial Management Behavior (Y) of Students in the City of Pekanbaru. This suggests that parental income is able to influence students' financial management behavior, meaning that students from higher-income families tend to be better able to manage their finances because they are used to seeing financial management from their parents, they may also have access to experience that helps in managing money.

3. The *Lifestyle Hedonis* variable (X3) does not have a significant influence on the Financial

Management Behavior (Y) of Students in the City of Pekanbaru. This shows that this *Hedonistic Lifestyle* variable is not included in the factors that affect a person to understand and be able to manage finances.

4. The Self-Control Variable (X4) did not have a significant influence on the Financial Management Skills (Y) of Students in the City of Pekanbaru. This shows that students cannot control themselves in managing their finances because they like to spend time and money on fun so that their expenses are higher.

5. Based on the calculation of the determination coefficient (R2), it is known that the R-Square value is 0.155 or 15.5% which shows that the influence of Financial Literacy, Parental Income, *Hedonistic Lifestyle* and Self-Discipline in influencing Financial Management Behavior is 15.5%. While the remaining 84.5% was explained by the variable Financial Management Behavior influenced by other independent variables that the researcher did not apply in this study.

LIMITATION

Based on the results of the analysis of the discussion and several conclusions in this study, the suggestions that can be given through the results of this study are:

1. For students, it is expected to be able to improve financial literacy, be able to manage *a hedonistic lifestyle* according to their abilities with more positive things, be able to develop habits in financial management such as planning finances, making budgets and recording expenses, and being able to manage finances in a planned manner in accordance with income to be better and able to become students who can control themselves so that finances are managed properly.

2. For the next researcher, it is hoped that the results of this study can be used as a reference to conduct research on financial management behavior, it is recommended for future researchers to be able to use other variables as exogenous variables both internally and externally in order to better know the variables that can affect endogenous variables.

REFERENCES

The Qur'an Qs Al-Baqarah Verse 195 and Qs Al-Furqon Verse 67 and their translations.

Afriyanti, N. (2021). The theory of planned behavior detects people's intentions to use Islamic banking products. *CV. Brimedia Global.*

Anugrah, Rizky. 2018. "The Influence of Financial Literacy and Financial Attitudes on People's Financial Management Behavior with Intention as an Intervening Variable." UIN Alauddin Makassar.

Ardyan, A., Kartini, T., & Indrawan, A. (2023). Analysis of Financial Management and Implementation of PSAP No. 13 concerning the Presentation of Financial Statements of Public Service Agencies at Ciracap Health Centers. *Journal Of Social Science Research*, *Volume 3 N* (13), 10344–10355. https://j- innovative.org/index.php/Innovative.

Arinda, D. (2021). Conformity with the hedonist lifestyle in college students.*Psychoborneo: A Scientific Journal.*

Arianti, B. F. (2021). Financial Literacy (Theory and Implementation). *Thesis Common*, 251. https://doi.org/10.31237/osf.io/t9szm.

Brilianti, T., & Lutfi. (2020). The Influence of Financial Knowledge, Financial Experience, and Income on Family Financial Behavior. *Journal Of Business And Banking, 9*, 197-213.

Chen, H., & Volpe, R. P. (1998). An analysis of personal financial literacy among college students. *Financial Services Review, 7*(2), 107–128. https://doi.org/10.1016/S1057-0810(99)80006-7

Dewi, N., & Darma, G. (2021). Measuring financial literacy and income on financial management

behavior for dentists with a lifestyle as mediation. *Journal of Business Management, 18*(4), 462.

Dulyadi. SCIENTIFIC RESEARCH METHODS. *Empirical Research Methods Model Path Analysis and Analysis Using SmartPLS.* Semarang: Prima Agus Foundation & University of Computer Science & Technology (STEKOM University).

Ghozali, I. Latan, H. (2012). Partial Least Square: Concept, Technique and Application of SmartPLS 2.0 M3. Semarang: Publishing Board of Diponegoro University.

Ghozali, Imam. 2014. Structural Equation Modeling, Alternative Method with Partial Least Square (PLS). Edition 4. Semarang: Publishing Agency of Diponegoro University.

Gunawan, A., Pirari, W. S., & Sari, M. (2020). The Influence of Financial Literacy and Lifestyle on Financial Management Students of the Management Study Program of the University of Muhammadiyah North Sumatra Ade. Journal of Humanities, 4(2), 23–35.

Huston, S. J. (2010). Measuring financial literacy. *Journal of Consumer Affairs, 44*(2), 296–316. https://doi.org/10.1111/j.1745-6606.2010.01170.x

Iba, Zainuddin & Wardana, Aditya. 2023. *Research Methods.* Copyright © 2019 Eureka Media Press. All Rights Reserved.

Kurnia, & Hakim, L. (2021). The Influence of Financial Literacy, Self-Control, and Peer Environment on Student Consumptive Behavior. *Management and Business*, *3*, 19– 29.

Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of Economic Literature, 52*(1), 5–44. https://doi.org/10.1257/jel.52.1.5

Mokhlis, S. (2009). "An Investigation of Consumer Decision-Making Style of Young- Adults in Malaysia". *International Journal of Business and Management,* 4(4), 140-148.

Muhson, A. (2022). Statistical analysis with SmartPLS. *Yogyakarta State University*, 1–34.

Otoritas Jasa Keuangan. (2017). *Strategi Nasional Literasi Keuangan Indonesia (Revisit 2017).* Jakarta: OJK.

PTIPD UIN SUSKA RIAU. (2023a). *A Brief History of the University*. PTIPD UIN SUSKA RIAU. https:// www.uin-suska.ac.id/sejarah-ringkas-universitas/PTIPD UIN SUSKA RIAU. (2023b). *Vision and Mission*. PTIPD UIN SUSKA RIAU. https:// www.uin-suska.ac.id/visi-misi/

Putlely, Z., Lesnussa, Y. A., Wattimena, A. Z., & Matdoan, M. Y. (2021). Structural Equation Modeling (SEM) to Measure the Influence of Service, Price, and Safety on the Satisfaction Level of Public Transportation Service Users During the Covid-19 Pandemic in Ambon City. *Indonesian Journal of Applied Statistics*, *4*(1), 1. https://doi.org/10.13057/ijas.v4i1.45784

Putri, L. P. (2021). The Influence of Financial Literacy on Investment Decisions through Financial Behavior as a Moderating Variable. *National Seminar on Social Educational Technology and Humanities*, *1*(1), 769–775.

Rohmanto, F., & Susanti, A. 2021. The Influence of Financial Literacy, Hedonistic Lifestyle, and Personal Financial Attitudes on Student Financial Behavior. *Ecobisma (Journal of Economics, Business and Management),* Vol.8 No. 1, 40-48.

Sampoerno, A., & Asandimitra, N. (2021). The Effect of Financial Literacy, Income, Hedonism Lifestyle, Self Control, and Risk Tolerance on Financial.

Solomon, M. R., Marshall, G. W., & Stuart, E. W., 2006. *Consumers with a hedonic lifestyle are driven by emotions, fantasies, and fum. They spend money for pleasure, rather than need*).

Sugiyono. (2013). *Quantitative, Qualitative and R&D Research Methods.* Bandung: Alfabeta.

Sugiyono. 2022. *Quantitative Research Methods.* Bandung: CV Alphabet.

Sugiyono. (2020) *Quantitative, Qualitative, and R&D Research Methodology.* Bandung: ALFABETA .

Sujarweni, V. Wiratna. (2023) *Complete, Practical, and Easy-to-Understand Research Methodology.*

Yogyakarta: PUSTAKABARUPRESS.

Susanto, A. B. (2008). *Lifestyle Portraits* (2nd ed.). Jakarta: Kencana Prenada Media.

Ubaidillah, Muhammad Septian. 2019. "The Effect of Financial Knowledge on Financial Behavior with Financial Attitudes and Self-Efficacy as Mediation Variables (Empirical Study on Students of the Department of Accounting, Universitas Airlangga)." Airlangga University Surabaya. http://repository.unair.ac.id.

University Islam Riau, U. (2020). *Vision Mission And Purpose UIR*. http://cms.uir.ac.id/wb/pg/article/profil_UIR/detail/220

University of Riau, U. (2022a). *University of Riau*. https://unri.ac.id/tugas-dan-fungsi- unri/

University of Riau, U. (2022b). *Vision and Mission of the University of Riau*. https://unri.ac.id/visi-mission/text=The vision of the University of Riau is "Becoming a Southeast Asian Region in 2035". & text=The mission of the University of Riau is as, the dharma of a superior university%3B

Urbach, Nils., & Ahlemann, Frederik. (2010). Structural Equation Modeling in Information Systems Research Using Partial Least Squares. *Journal of Information Technology and Theory*, 11(2), 5-36.

Wahyuni, S. F., Radiman, & Kinanti, D. (2023). The Influence of Financial Lotteries, Hedonistic Lifestyle and Personal Financial Attitudes on Student Financial Behavior. *Owner: Research and Journal of Accounting*, 656-671.

Wardhana, Aditya, et al. (2022). *Quantitative and Combination Research Methodology.* Bandung: Media Sians Indonesia