Jurnal MEBIS Manajemen dan Bisnis
ISSN 2528-2433 (print)
ISSN 2599-283X (online)
Volume 8, Number 2
Desember 2023, pp. 133-140

EXPLORING THE IMPACT OF FINANCIAL ATTITUDES, FINANCIAL KNOWLEDGE, AND PERSONALITY ON FINANCIAL MANAGEMENT BEHAVIOR AMONG SMALL AND MEDIUM ENTERPRISES (SMES)

Ida Bagus Artha Sada Wibawa, Ni Putu Yeni Astiti*, Agus Wahyudi Salasa Gama
Universitas Mahasaraswati Denpasar, Indonesia

Article Info

Article History:
Received 15 Okt, 2023
Accepted 20 Nov, 2023

Keywords:
Financial attitude
Financial knowledge
Personality
Financial Management Behavior
UMKM

ABSTRACT

Everyone has a manner of handling, controlling, and making use of their financial resources that they call their financial conduct. Financial attitude, financial knowledge, and personality are a few of the variables that affect how people manage their money. The purpose of this study is to determine how personality, financial knowledge, and financial attitude affect SMEs financial management practices. All SMEs are included in the study's population. selection of samples using the saturation sampling technique, with up to 37 SMEs participants being sampled. Data collection methods with observations, interviews, documentation, and questionnaires. Double linear regression analysis is the method utilized for data analysis. The test's findings demonstrated that SMEs financial management practices are significantly and favorably impacted by one's financial mindset. The behavior of financial management on SMEs is positively and significantly impacted by financial knowledge. Personality has a major and beneficial impact on how finance management behaves at SMEs.

Corresponding Author
Ni Putu Yeni Astiti
Email: yeni.astiti@unmas.ac.id

INTRODUCTION

There are several problems in the development of SMEs among them in the behavior of the financial management of the SMEs actors. In the systematic approach of financial management, behavior is regarded as one of the core ideas. (Fatimah and Susanti, 2018) stated that financial management behavior is how everyone handles, looks after, and makes use of their financial resources. The problem experienced by SMEs is related to the financial attitude of SMEs. Most SMEs perpetrators avoid having a negative attitude on income, characterized by a lack of desire to keep growing their capacity for handling their financial endeavors, and it's crucial that they have the drive to keep becoming better at it.

Financial mindset is the primary factor influencing Behaviour of financial management. An individual's disciplined habit of money management is known as their financial attitude. Positivity toward money is a sign of self-control (Sriyono and Setiawan, 2022). Researching (Kusumawati et al., 2021), (Pujiyanti, 2022), (Sugiharti and Maula, 2019) discover that financial knowledge has a substantial and positive influence on money management behavior. The better financial knowledge a person possesses, the better the financial management behavior of that person will be. Different research finds (Tampubolon and Rahmadani, 2022) They discovered that behaviors related to financial management are unaffected by opinions about money.

Financial understanding as is the second component that affects how financial management behaves. The capacity to comprehend, evaluate, and manage finances in order to make wise financial decisions and prevent financial difficulties is known as financial knowledge (Rahman et al., 2020). Financial knowledge is about improving the use of knowledge through information management practices and to a competitive advantage in decision-making (Handayani et al., 2022).

The problem in terms of financial knowledge experienced by SMEs actors is that the awareness of SMEs perpetrators to make accounts for the management of financial efforts is still very low. The reason for the low consciousness of SMEs perpetrators in making a plan for the event is due to the thinking of SMEs perpetrator that the budget plan is not significant and is usually regulated and Nothing negatively affects the sustainability of their efforts even though SMEs Perpetrator does not make a budget plan. The next area in which financial literacy is needed is in investing. Not a lot of people jump into the world of investments. Knowledge of the creditors of SMEs is still very low. Since SME's offenders are ignorant of the elements that determine creditworthiness, it is challenging for SMEs to secure further funding. Furthermore, a lot of SMEs players don't take into account a number of factors while requesting for loans, like the length and interest rate of the loan.

(Novianti and Salam, 2021), (Handayani et al., 2022), (Fatmawati, 2021), They discover that having an understanding of finance significantly and favorably influences their financial management practices. An individual is going to be better if they possess greater financial understanding than their money management practices. A person who is well-versed in general financial concepts, such as time worth of money and inflation, will use those concepts to manage their capabilities. Different research finds (Rahman et al., 2020) The behavior on financial management is unaffected by this financial understanding.

The third element that affects the behavior of financial management is personality. According to (Rahmat, 2021) A person's personality is a reflection of how they interpret the things they encounter in their surroundings. We can conclude that a person's personality is shaped by their particular environment. (Handayani et al., 2022) elucidate how different personality types handle their finances in different ways and how understanding personality traits is essential to effective money management. Success in business demands a person who is constantly concerned with improving money management so that the company can continue to operate and even expand.

(Handayani et al., 2022), (Yuhaprizon, 2022) and (Rosyadah, 2020) The way that individual manages their finances is positively and significantly influenced by that personality. Everyone has a different type of personality. By being able to understand their own personality well, the person can manage their finances properly. This personality is related to the determination and establishment of the individual in advancing his endeavors. These people's behaviors stem from their unique situations and personalities. Different research finds (Mardahleni, 2020) That personality has no impact on how financial management is conducted. There were inconsistencies in the results of previous research, so in this study the researchers analyzed financial management behavior, including financial attitudes, financial expertise, and financial personality.

LITERATURE REVIEW

Theory of Planned Behavior (TPB) describes how a person performs an action, the behavior that arises from the individual's desire to do or not do an action and the person performing an activity consciously or unconsciously and considering the information available. One of the ways that financial attitudes, financial knowledge, and personality influence decision-making is through their money management behavior. According to (Lubis, 2020) Financial management behavior is a theory grounded in psychology research that aims to clarify the ways in which emotions and cognitive abnormalities impact investor behaviour. Financial management behavior indicators (Herdjiono and Damanik, 2016) Consumption, management of loans, savings and investments, and cash flow.

Financial Literacy explains how one can overturn a financial action. Being literate in finance means knowing how to read and handle money, analyze finance, Discuss personal financial circumstances that impact well-being with others in the material, calculate and develop independent judgments, and take actions resulting from processes to thrive in the world of finance in a complex way (Putri and Wiyanto, 2019).

A person's financial attitude is a psychological trait linked to their own financial difficulties. Such as financial openness to data, considering the importance of implicit financial management in terms of consumption, future direction and sense of responsibility (Novianti and Salam, 2021). Financial behavior indicators (Novianti and Salam, 2021) is an orientation towards personal finance, the security of funds or money and evaluates personal finance.

The capacity to understand, assess, and manage finance in order to make wise financial decisions and prevent financial difficulties is known as financial knowledge (Rahman et al., 2020). Measures of financial literacy (Musthafa, 2017) which is basic knowledge of personal finance, credit and debt management, savings and investment, risk management. According to (Simbolon, 2007) the quality of a person's personality that indicates who is the source of the information they absorb from their surroundings. Indicators of personality according (Novianti and Salam, 2021) are self-confidence, risk-taking, leadership and future-oriented.

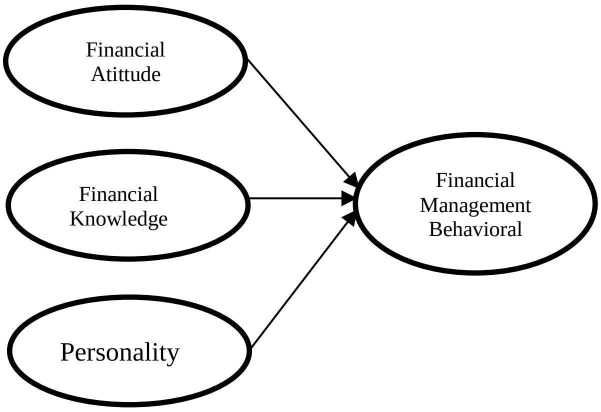

Figure 1. Research Model

HYPOTHESIS FORMULATION

H_1: Financial attitudes have a positive and significant impact on how people control their finances.

H_2: Financial knowledge has a substantial and favorable influence on the behavior of financial management.

H_3: Personality has a favorable and strong impact on financial management behavior.

RESEARCH METHODS

The SMEs perpetrators who were in the Badung district were the subject of the investigation. The goal of the study is to determine how the financial attitudes, knowledge, and personalities of SMEs perpetrators in the Badung district relate to their financial management behaviors. The study's population consists of all 37 SMEs perpetrators who reside in the Badung district. by accidently gathering samples. techniques for gathering data that include documentation, questionnaires, interviews, and observations. The data analysis technique employed is double linear regression analysis.

RESULTS AND DISCUSSION

Validity Test

It is determined that the entire statement item containing all variables is valid based on the findings of the validity test. Each question item in the financial attitude variable, financial knowledge, and personality all have pearson correlation values greater than 0.30, which indicates this.

Reliability Test

The findings of the reliability test indicate that all variables have Cronbach Alpha coefficient values greater than 0.6, indicating the dependability of the financial attitude, financial knowledge, and personality instruments as research tools.

Table 1. Results Research

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig
	B	Std Error	Beta		
Constant	1,622	0,184		2,526	0,001
X_1	0,136	0,278	0,087	2,490	0,008
X_2	0,035	0,206	0,032	2,571	0,005
X_3	0,042	0,230	0,034	2,583	0,016
R	0,825				
R Square	0,681				
AdjustR Square	0,679				
F hitung	3,421				
Sig F	0,001				

Classical Assumption Test Results

Asymmetric was found in the normalcy test results using the Kolmogorov-Smirnov test. Given that the 2-tailed significance value (Sig.) is 0.114 > 0.05, It is assumed that the regression model is normal. It can be inferred from the multicollinearity test that all free variables have tolerance coefficients greater than 0.10 and values of less than 10 for the VIF (Variance Inflation Factor) that are no signs of multicollinearity in the regression model that was created. The heteroscedasticity's outcomes test indicated that no independent variable had an effect on the absolute residues, with each free variable's significance value being greater than 0.05. Because the generated model lacks heteroscedasticity symptoms, it is worthwhile to use.

Double Correlation Analysis

Table 1 indicates that the R value is 0.825. In the very strong category, the value falls between 0.800 and 1.000, indicating a strong correlation between financial management behavior and personality traits, financial knowledge, and financial attitudes.

Determination Coefficient

The Adjusted R square, based on Table 1, is 0.679, or 67.90 percent. It shows that personality, financial knowledge, and financial attitudes can all explain financial management behavior to the extent that they account for 67.90% of the behavior; other components explain 32.10 percent of the conduct.

Statistical Test F (F-test)

The F-computed value of 3,421 and the significance value of 0,001 < 0,050 in Table 1 indicate that financial attitude, financial knowledge, and personality all have an equal impact on financial management behavior. This indicates that using the model for additional testing is worthwhile. (data fit the model).

Statistical test t (t-test)

Table 1 presents the test results based on that the financial attitude variable has a t-count value of 2,490 with a significance level of 0,008 where the value is less than 0,05, which means that financial attitudes partially have a positive and significant influence on the financial management behavior of SMEs participants so that the first hypothesis accepted. The test's findings demonstrated that the financial literacy variable has a t-calculation value of 2,571 with a significance level of 0,005 where the value is less than 0,05 which means that financial knowledge partially has a positive and significant influence on the financial management behavior of SMEs participants so that the second hypothesis is accepted. The test results showed that the personality has a t-count value of 2,583 with a significance of 0.016 where the value is less than 0.05, which means that personality has a partially positive and significant influence on financial management behaviour in SMEs perpetrators, then the third hypothesis is accepted.

DISCUSSION

The UMKM offenders need to have a positive outlook because doing so will enhance UMKM management. People with SMEs beliefs about money can better manage their personal finances if they possess a deeper comprehension of financial attitudes (Gahagho et al., 2021). The results of this study are in line with the research (Kusumawati et al., 2021), (Yahaya et al., 2019), (Pujiyanti, 2022), (Dwiastanti, 2017) It discovered that financial management behavior was positively significantly influenced by financial attitudes. Since a person's vision of reality is founded on their presumptions, attitude plays a significant role in the study of behavior. In terms of financial management, personal financial resolution, and decision-making regarding financial affairs, an individual's financial attitude will aid in deciding their behavior and attitude in these areas.

Participants in SMEs are able to comprehend financial management through the financial knowledge that influences the conduct of financial management. It will help the SMEs offenders decide what actions they need to do in order to get to a decision. Actors from SMEs who are well-versed in finance would manage the funds prudently and improve their own lives. Actors in SMEs typically possess strong financial literacy, enabling them to recognize effective financial strategies that can help them better manage their resources. This financial knowledge involves SMEs actors in knowing how to finance, how to organize short, medium, and long-term finances, applying factors that can influence income, and understanding the liquidity of an asset for their needs. SMEs actors with people with little financial knowledge typically behave poorly when making decisions or managing their own finances. It happens when SMEs perpetrators do not know and do not understand the importance of real financial knowledge. In the end, this will have a negative impact on the financial management of each individual. The study's findings are consistent with the research obtained (Handayani et al., 2022), (Fatmawati, 2021) who found that financial knowledge had a positive and significant influence on financial management behavior. A person will be wiser if they are more knowledgeable about money than they are in terms of how they handle it anyway. A person with a good understanding of general financial knowledge, such as an understanding of inflation or the time value of money, will then apply that knowledge to managing his wealth, like the habit of saving and investing.

The study's findings imply that better money management practices follow from a person's increased personality development. The terrible possession of SMEs perpetrators will lead to a decrease in the value of financial management behavior, which will make it difficult to regulate wants and desires for expenditure. When it comes to financial management and decision-making, personality may be a powerful asset and factor that helps people manage risk. Results from this investigation consistent with the work conducted (Rosyadah, 2020), (Putri et al., 2023), (Firli and Hidayati, 2021), (Yuhaprizon, 2022) They discovered that money management behavior was positively and significantly influenced by personality. Personality is an individual's habit caused by their own environment and nature, understanding the type of personality will help in understanding how they manage their personal finances and business.

CONCLUSION

The conduct of SMEs is positively and significantly impacted by financial views in terms of Behavior in Financial Management. This implies that the better the money management conduct of SMEs offenders, the better their financial attitude. Financial management behavior on SMEs behavior is positively and significantly impacted by financial knowledge. This implies that the offender of SMEs will behave better in terms of money management the more financial information he possesses. Personality has a strong and favorable impact on SMEs behavior related to money management. This implies that the offender of SMEs will behave better in terms of money management the better his personality.

REFERENCES

Dwiastanti, A. (2017). Analysis Of Financial Knowledge And Financial Attitude On Locus Of Control And Financial Management Behavior. *Mbr,* 1**,** 1-8.

Fatimah, N. & Susanti, S. (2018). Pengaruh Pembelajaran Akuntansi Keuangan, Literasi Keuangan, Dan Pendapatan Terhadap Perilaku Keuangan Mahasiswa Fakultas Ekonomi Universitas Muhammadiyah Gresik. *Jurnal Pendidikan Akuntansi,* 6**,** 48-57.

Fatmawati, I. (2021). Pengaruh Lokus Pengendalian Dan Pengetahuan Keuangan Pada Perilaku Manajemen Keuangan Generasi Milenial Dengan Moderasi Pendapatan. *Jurnal Manajemen Dan Keuangan,* 10**,** 58-71.

Firli, A. & Hidayati, N. (2021). The Influence Of Financial Knowledge, Financial Attitude, And Personality Towards Financial Management Behavior On Productive Age Population. *Review Of Integrative Business Economics Research,* 10**,** 43-55.

Gahagho, Y. D., Rotinsulu, T. O. & Mandei, D. (2021). Pengaruh Literasi Keuangan Sikap Keuangan Dan Sumber Pendapatan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa Fakultas Ekonomi Dan Bisnis Unsrat Dengan Niat Sebagai Variabel Intervening. *Jurnal Emba: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi,* 9.

Handayani, M. A., Amalia, C. & Sari, T. D. R. (2022). Pengaruh Pengetahuan Keuangan, Sikap Keuangan Dan Kepribadian Terhadap Perilaku Manajemen Keuangan (Studi Kasus Pada Pelaku Umkm Batik Di Lampung). *Ekombis Review: Jurnal Ilmiah Ekonomi Dan Bisnis,* 10**,** 647–660-647–660.

Herdjiono, M. V. I. & Damanik, L. A. (2016). Pengaruh Financial Attitude, Financial Knowledge, Parental Income Terhadap Financial Management Behavior. *Jurnal Manajemen Teori Dan Terapan,* 9**,** 226-241.

Kusumawati, A., Rosyafah, S. & Rahman, A. (2021). Pengaruh Pengetahuan Keuangan, Sikap Keuangan Terhadap Perilaku Keuangan (Study Pada Umkm Batik Jetis Sidoarjo Jawa Timur). *Equity: Jurnal Akuntans,* 2**,** 57-65.

Lubis, I. (2020). Perilaku Finansial Generasi Milenial. *News. Detik. Com*.

Mardahleni, M. 2020. Pengaruh Pengetahuan Keuangan Dan Kepribadian Terhadap Perilaku Ma Najemen Keuangan (Studi Pada Rumah Tangga Di Nagari Persiapan Anam Koto Utara Kecamatan Kinali Kabupaten Pasaman Barat). *Jurnal Apresiasi Ekonomi,* 8**,** 511-520.

Musthafa, H. (2017). *Manajemen Keuangan*. Andi.

Novianti, M. & Salam, A. (2021). Pengaruh Pengetahuan Keuangan, Sikap Keuangan Dan Kepribadian Terhadap Perilaku Manajemen Keuangan Pelaku Umkm Di Moyo Hilir: Indonesia. *Jurnal Manajemen Dan Bisnis,* 4**,** 18-26.

Pujiyanti, N. W. (2022). Pengaruh Pengetahuan Keuangan, Sikap Keuangan Dan Kepribadian Terhadap Perilaku Manajemen Keuangan Pelaku Umkm Pedagang Bakso Di Kabupaten Bekasi: The Effect Of Financial Knowledge, Financial Attitude And Personality On Financial Management Behavior On Msme Meatball Traders In Bekasi Regency. *Sentimas: Seminar Nasional Penelitian Dan Pengabdian Masyarakat*.

Putri, R. S., Tubastuvi, N., Rahmawati, I. Y. & Endratno, H. (2023). The Effect Of Financial Literacy, Financial Knowledge, Financial Attitudes And Personality On Financial Management Behavior In Msme. *Baskara: Journal Of Business Entrepreneurship,* 5**,** 136-151.

Putri, Y. I. & Wiyanto, H. (2019). Keterkaitan Antara Pengetahuan Keuangan Dan Perencanaan Keuangan Terhadap Perilaku Keuangan Individu. *Jurnal Manajerial Dan Kewirausahaan,* 1**,** 917-925.

Rahman, A., Yousida, I., Kristansi, L. & Paujiah, S. (2020). Pengaruh Pengetahuan Keuangan, Perencanaan Keuangan Dan Kontrol Diri Terhadap Perilaku Pengelolaan Keuangan Pada Mahasiswa Yang Menjalankan Praktik Bisnis Dikota Banjarmasin. *Jurnal Mitra Manajemen,* 4**,** 1405-1416.

Rahmat, P. S. (2021). *Psikologi Pendidikan*, Bumi Aksara.

Rosyadah, K. 2020. The Influence Of Financial Knowledge, Financial Attitudes And Personality To Financial Management Behavior For Micro, Small And Medium Enterprises Typical Food Of Coto Makassar. *Jhss,* 4**,** 152-156.

Simbolon, M. (2007). Persepsi Dan Kepribadian. *Jurnal Ekonomis,* 1**,** 52-66.

Sriyono, S. & Setiawan, D. (2022). Penguatan Perilaku Manajemen Keuangan Umkm Melalui Edukasi Pengetahuan Keuangan, Sikap Keuangan, Kepribadian Dan Pengendalian Diri. *Jurnal Manajemen Dan Bisnis Indonesia,* 8**,** 147-159.

Sugiharti, H. & Maula, K. A. (2019). Pengaruh Literasi Keuangan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa. *Accounthink: Journal Of Accounting Finance,* 4.

Tampubolon, M. & Rahmadani, R. (2022). Pengaruh Pengetahuan Keuangan, Sikap Keuangan Dan Kepribadian Terhadap Perilaku Manajemen Keuangan Pada Pelaku Umkm Di Kecamatan Air Putih Kabupaten Batubara. *Jurnal Akuntansi, Manajemen, Bisnis Dan Teknologi,* 2**,** 70-79.

Yahaya, R., Zainol, Z., Osman, J. H., Abidin, Z. & Ismail, R. (2019). The Effect Of Financial Knowledge And Financial Attitudes On Financial Behavior Among University Students. *International Journal Of Academic Research In Business Social Sciences,* 9**,** 22-32.

Yuhaprizon, Y. (2022). Pengaruh Pengetahuan, Sikap Dan Kepribadian Keuangan Terhadap Perilaku Keuangan Serta Implikasinya Pada Kinerja Keuangan (Suatu Studi Pada Pelaku Umkm Sentra Kerajinan Sepatu Di Cibaduyut Dan Ciomas Provinsi Jawa Barat). *Jurnal Pendidikan Tambusai,* 6**,** 4729-4746.