

FINANCIAL WELL-BEING: A WAY TO MAINTAIN LONG-TERM FINANCIAL SECURITY

**Andri Apriansah, Nurdiana Mulyatini
Faizal Haris Eko Prabowo***

[*faizalharisekoprabowo@gmail.com*](mailto:faizalharisekoprabowo@gmail.com)*

Universitas Galuh

Jl. R. E. Martadinata No.150, Mekarjaya, 46274
Kabupaten Ciamis, Provinsi Jawa Barat
Indonesia

Received Date : 21.08.2021
Revised Date : 05.09.2022
Accepted Date : 06.10.2022

PROGRAM STUDI MANAJEMEN
FAKULTAS EKONOMI DAN BISNIS
UNIVERSITAS KOMPUTER INDONESIA
BANDUNG

ABSTRACT

Financial literacy has an important role in encouraging improving financial well-being. The purpose of this study is to determine the effect of Financial Attitude and Financial Knowledge on Financial Well-being. The research method uses quantitative and data analysis techniques used is multiple linear regression analysis. With a population of 105 employees of Badan Pengelolaan Keuangan Daerah Kabupaten Ciamis and sampling using a saturated sampling technique, the entire population was sampled with as many as 105 respondents. The research results conclude that financial attitude and financial knowledge affect financial well-being with a magnitude of 65.6%. Therefore, it is expected that the financial sector employees of BPKD Kabupaten Ciamis can maintain and improve their financial attitude and knowledge by implementing financial planning, management, and control to improve their financial well-being. The study has an impact on increasing knowledge about financial behavior in government employees.

Keywords : *Financial management, financial behavior, financial attitude, financial knowledge, and financial wellbeing*

ABSTRAK

Literasi keuangan memiliki peran penting dengan mendorong peningkatan kesejahteraan keuangan. Tujuan dari penelitian ini adalah untuk mengetahui pengaruh Financial Attitude dan Financial Knowledge terhadap Financial Well-being. Metode penelitian menggunakan kuantitatif dan teknik analisis data yang digunakan adalah analisis regresi linier berganda. Dengan populasi sebanyak 105 pegawai Badan Pengelola Keuangan Daerah Kabupaten Ciamis dan pengambilan sampel menggunakan teknik sampling jenuh, maka seluruh populasi dijadikan sampel sebanyak 105 responden. Hasil penelitian menyimpulkan bahwa sikap keuangan dan pengetahuan keuangan mempengaruhi kesejahteraan keuangan dengan besaran 65,6%. Oleh karena itu, diharapkan pegawai sektor keuangan BPKD Kabupaten Ciamis dapat memelihara dan meningkatkan sikap dan pengetahuan keuangannya dengan melaksanakan perencanaan, pengelolaan, dan pengendalian keuangan untuk meningkatkan kesejahteraan keuangannya. Penelitian ini berdampak pada peningkatan pengetahuan tentang perilaku keuangan pada pegawai pemerintah.

Kata Kunci : **Manajemen keuangan, perilaku keuangan, sikap keuangan, pengetahuan keuangan, dan kesejahteraan keuangan**

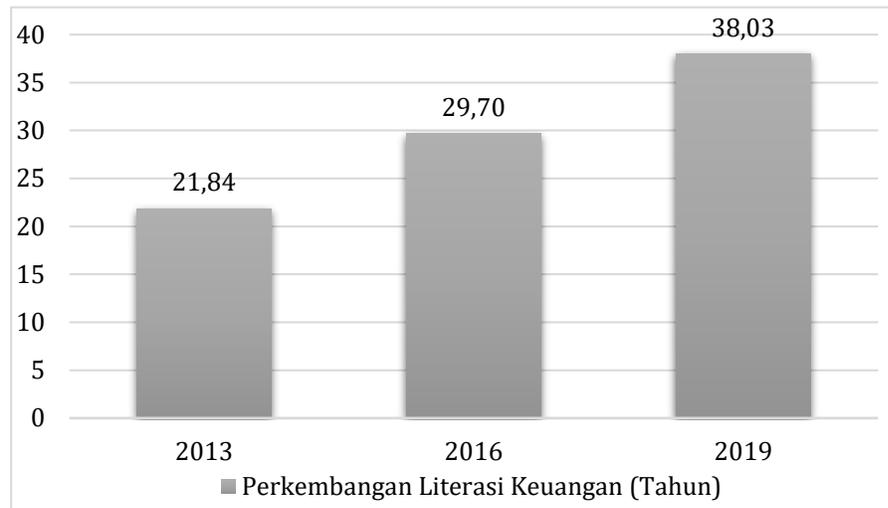
INTRODUCTION

Everyone has a desire to achieve happiness in the present and the future. One way that can be done is to achieve well-being. Prosperity is a condition in which everyone has a very good condition in various aspects socially, economically, and other aspects and is in a happy, peaceful, and prosperous condition. Welfare has a broad meaning, namely happiness, comfort, prosperity, and quality of life in humans both at the individual level or in family and community groups (Wulansari, 2019). Components according to (Budd, 2016), the components of well-being can be divided into five components, namely career welfare, social welfare, financial well-being, physical well-being, and community welfare. Financial well-being is one component of the well-being that everyone desires, which leads to dependence between the desire to achieve happiness and the quality of life for individuals or society in managing finances.

The level of knowledge, especially in the millennial generation related to finance, will have a higher possibility to make it easier in every personal financial decision. In this process, financial literacy can play a significant role. Financial literacy can be defined as a person's ability to make informed judgments and make effective decisions regarding the use and management of money (Nicolini, 2019). Financial literacy can also be understood as understanding and managing financial resources effectively for financial well-being (Santini et.al, 2019). In the theory of financial literacy, many researchers have studied several special sciences, such as financial knowledge and financial attitudes. The Financial Services Authority (OJK, 2018) explains that financial literacy is knowledge, skills, and beliefs that influence attitudes and behavior to improve decision-making and financial management quality to achieve prosperity. From the previous definition, it can be understood that financial well-being is a coveted thing and is closely related to financial literacy, which includes financial knowledge and financial attitudes that influence each other.

Financial knowledge and understanding lead people to be able to make better financial decisions and financial attitudes, share financial experiences such as the importance of frugality, diligent saving, understanding financial products/services, benefits/risks, rights and obligations, the importance of good financial planning and management to create a more prosperous life (OJK, 2019). The more satisfied a person is with his financial condition, the more it can be said that the person has well-being in his life (Ali et.al, 2016). The level of financial literacy and inclusion in Indonesia in recent times has increased and illustrates the condition of financial literacy, which is getting better. From 2013

until 2019 OJK has data from its survey to find how the development of financial literacy in Indonesian people. The data will be presented as follows:

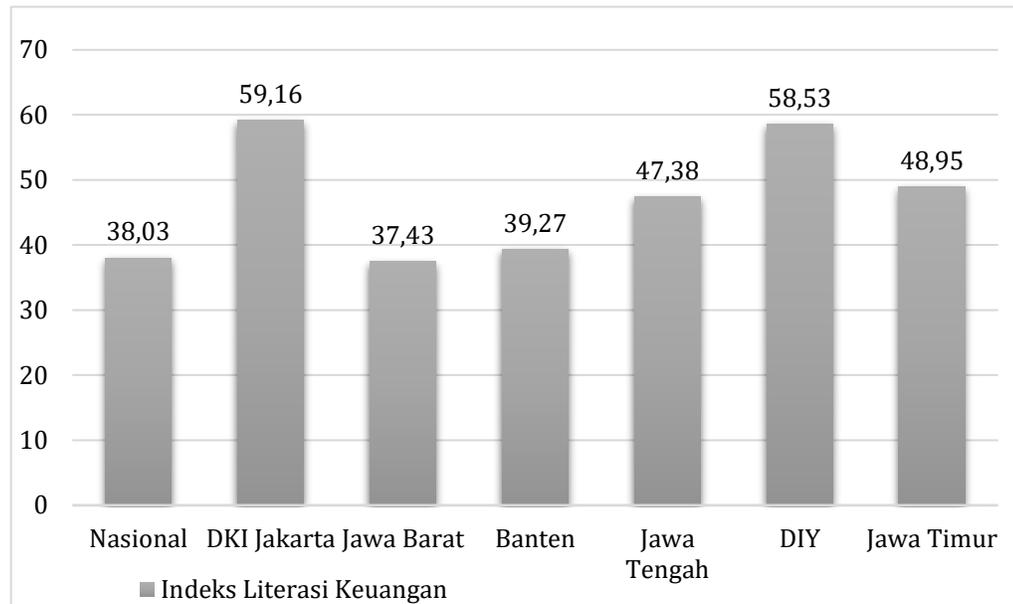


Source: OJK, 2020

Figure 1. Development of Financial Literacy Survey by OJK

Respondents take into account regional strata, gender, education, and age group. Based on regional strata, the financial literacy index for urban areas reached 41.41%, and for rural communities, it was 34.53%. Conditions show that in 2019 the financial literacy index was 38.03%, with a comparison in 2016 which was 29.70%, and in 2013 it was 21.84%. Thus, the increase in the financial literacy index in 2016 was 7.86% and in 2019 was 8.33%, but these figures can still be said to be low when compared to countries in Southeast Asia such as Thailand and Malaysia with their respective levels of inclusion. - by 82% and 85%, respectively. With these conditions, it is suspected that the Indonesian people do not fully have sufficient knowledge about how to optimize money for productive activities (OJK, 2018).

Based on the results of the survey shows that the financial literacy of the people in Indonesia has increased, but this condition is not relevant to the literacy level of the people of West Java which shows the lowest position compared to other provinces on the island of Java and the level of national financial literacy. The data will be presented as follows:



Source: OJK, 2020

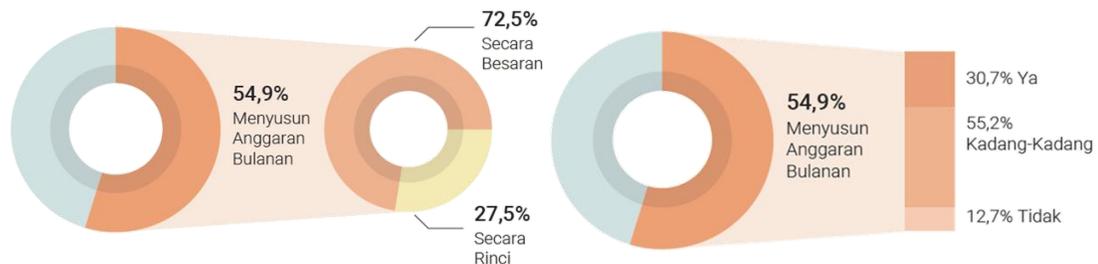
Figure 2. Development of Financial Literacy Survey by OJK

Based on the OJK Survey in 2019, the literacy rate of the people of West Java was 37.43%, the lowest compared to the national and all provinces on the island of Java. The level of financial knowledge of the people in West Java is rightly said to be low based on the level of financial literacy and financial

Attitude, which influence each other so these conditions indicate a low level of financial well-being, which means the level of financial well-being is still low. The community has not yet fully experienced financial welfare. This statement is in line with the opinion according to (Atkinson & Messy 2012) that financial well-being can be achieved when a person has a good financial understanding in making healthy financial decisions. Other data reveal the relationship between financial goals and financial welfare. According to (OJK, 2018) financial goals can be achieved by financial management, namely financial planning or financial budgets.

Financial knowledge possessed by a person will then develop into financial skills, where financial skills are defined as the ability to apply their financial knowledge in everyday life (Palameta et.al, 2016). Financial skills allow a person to make rational and effective decisions related to finances and economic resources (Kurihara, 2013). However, the relevance of the reality that is happening to society today, based on the OJK survey, shows a low level of understanding of public financial literacy. In detail, it can be seen from one of the indicators in measuring the level of financial knowledge, namely how to prepare and implement a financial budget, which in reality is still lower in

implementation compared to budgeting. Besides that, OJK has other data on understanding financial literacy in more detail from Indonesian people's monthly habits of spending money. For more details, the data will be presented as follows:



Source: OJK, 2020

Figure 3. Understanding of Financial Literacy Survey by OJK

In terms of financial management, it turns out that 54.9% of Indonesians prepare a monthly financial budget. Of the 54.9%, 27.5% stated that they made detailed monthly financial plans, and 72.5% only prepared in bulk. However, out of 54.9% of the people who organized the budget, only 30.7% were committed to implementing the financial planning that had been prepared. The data again shows that people still do not feel welfare because one of the determining factors is financial understanding and management. In line with the statement from (Gutter & Copur, 2011), which states that financial well-being is related to financial management, if financial management is terrible, then financial well-being will not be realized, and vice versa if financial management is good, then financial well-being will be realized. Based on this statement, it has again proven that the relationship between financial management and financial well-being is very strong and provides an understanding that financial management as a whole can affect financial well-being.

In their research, (Atkinson & Messy, 2012) suggests that an individual's knowledge, skills, and financial beliefs affect their financial attitudes and behavior. Therefore, financial well-being has its indicators in general, based on the ability to understand and implement financial literacy, which includes financial attitude and financial knowledge. Thus conditions like this have high urgency in solving them because they are related to the current condition of society with knowing in detail the data and the fact that with a good financial attitude and financial knowledge measurable through financial literacy targeted by the government, it will be able to improve the financial well-being of the community and this is a condition that everyone expects. Therefore,

ignoring this condition will certainly slow down and hinder realizing one of the nation's ideals, namely a prosperous society.

Financial literacy issues are handled by the Financial Services Authority (OJK) through a planned strategy with the primary objective of solving the problem of the gap between current conditions and conditions that should be emphasized in Presidential Regulation Number 114 of 2020 concerning the National Strategy for Financial Inclusion to encourage an increase in the inclusion index. Financial well-being to spur the improvement of public welfare, especially financial well-being, with a financial inclusion index target of 90% in 2024. To prove it, the efforts that have been made by OJK in the last three years with the condition of financial attitude and financial knowledge are still low, whether they are aligned or have a significant effect on financial well-being. With the possibility of a linkage, if it has a significant effect, this will be an accurate solution for the government and society in general, namely focusing on financial literacy by having high financial knowledge and an excellent financial attitude according to everyone's needs, the financial well-being will be achieved for the efforts made so that this condition is able to facilitate the achievement of shared expectations.

Various previous researches which concern in financial well-being have been widely studied including; Financial literacy has an effect on financial well-being at SME's Batik in East Java, this research use the indicator on financial literacy are financial knowledge, financial attitudes and financial behavior (Sumani & Roziq, 2020). In other research find that financial literacy is an essential element for the wellbeing, this study has done in Pakistan to working women and also use education as an antecedent (Zulfiqar & Bilal, 2016). There is study about financial well-being on millennial generation at Riau Island Indonesia, the study finds that financial literacy, financial attitude and financial socialization has a positive relationship on financial well-being (Suprpto & Cecilia, 2020). In the US, a study about financial well-being on college students shows that there is a significant difference on financial well-being level by various socioeconomic factors (Gutter & Copur, 2011). Other study about financial well-being in college students at Semarang Indonesia, it finds about financial literacy, financial socialization, financial attitude and financial confidence have positive effect on financial well-being through financial behavior (Setiyani & Solichatun, 2019).

There are two financial knowledge theory, they are subjective financial knowledge and objective financial knowledge. In this research find that subjective financial knowledge has a stronger relation with financial well-being than objective financial knowledge (Riitsalu & Murakas, 2019). Study about financial well-being in gen Z has conducted, it finds that financial self-efficiency, financial attitude, financial knowledge, financial behavior has a positive effect on financial well-being but locus of control had no significant effect to financial

well-being (Renaldo et.al, 2020). This study examines the antecedents and consequences of financial well-being, the antecedents are personal values, financial education. While the consequences are life satisfaction and physical health (Shim et.al, 2009). The study of financial well-being not only in adulthood area but there is study in childhood experiences, this research examine that childhood consumer experiences has an effect to financial well-being (Sabri et.al, 2012). Other study find about demographic has an effect to financial literacy and financial wellbeing. That study shows that financial literacy leads of greater financial well-being and less financial concern. (Taft et.al, 2013).

Another study examines how to develop a model for making a great financial capability, it finds that changing knowledge about personal finances associated with changing self-belief about finances, change self-belief associated with changing financial behavior and changing financial behaviors ultimately associated with changes in financial well-being (Serido et.al, 2013). There is study about financial knowledge which analyze on direct and indirect effect on financial literacy, the result shows that there is a direct effect on financial knowledge to financial literacy. (Yuliani et.al, 2019). Comprehensive theory about financial well-being find that financial well-being has a direct influence also indirect influence. Direct influences are financial capability, economic resource, financial inclusion and social capital, while indirect influences are personal health, society conditions and life events (Muir et.al, 2017).

From the previous studies, author will make a model how to make people reach their financial well-being. The financial well-being cannot be formed on its own. Some studies have portrayed that financial being can create from a good financial literacy and financial knowledge. The difference in this study is the part of the sample that is used as the object to be studied has relevance to financial knowledge, financial attitude, and financial well-being those who work in the financial sector. They are civil servants/government employee of the Badan Pengelolaan Keuangan Daerah (BPKD) Kabupaten Ciamis who can represent part of the sample who already have sufficient financial understanding and, in their operation, BPKD employees require a minimum basic financial knowledge and good financial attitude because the complex activities carried out daily are related to finance. Therefore, this study aims to determine whether financial well-being can be achieved with the basics possessed by employees who work in the financial sector, namely financial attitude and financial knowledge.

Hypothesis in this research built based on previous studies there are: [1] Financial Attitude has an effect to financial well-being; [2] Financial Knowledge has an effect to financial well-being; [3] Financial Attitude and Financial Knowledge have an effect to financial well-being.

RESEARCH METHODS

The research method used in this study was quantitative. While the type of research is explanatory, which will explain the influence between the variables studied. To facilitate this activity, the researcher used a survey research strategy. There are three variables observed in this study consisting of financial attitude, financial knowledge, and financial well-being. To measure the three variables used indicators that have been developed by previous researchers. Financial attitude is measured using Attitudes towards daily financial behavior, Attitudes towards savings plans, Attitudes towards financial management, and Attitudes towards future financial capabilities.

Then Financial Knowledge is measured by Knowledge about savings and investment, Knowledge about the importance of financial budgets, knowledge about insurance, and knowledge related to debt. Lastly, Financial well-being is measured based on Money saved, current financial condition, and financial management skills. The population in this study was 105 respondents using the saturated sampling technique. All respondents were used for research. The data used are primary data obtained from respondents using questionnaire data collection techniques. The data analysis technique to examine this research used multiple linear regression. The study was conducted at the Badan Pengelolaan Keuangan Daerah (BPKD) Kabupaten Ciamis for one year in 2021.

RESULTS AND DISCUSSION

Multiple correlation analysis is used to determine the degree of relationship between independent variables (X_1 and X_2), namely financial attitude and financial knowledge with the dependent variable (Y) financial well-being used multiple correlation coefficient analysis (R). The following test results were obtained as seen in table 1.

Table 1. Multiple Correlation Coefficient Test

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.810a	.656	.649	2.512	.656	97.089

Source: processed data, 2021

Based on the results of the multiple correlation coefficient tests, the correlation coefficient value (R) is 0.810. This value, if associated with table 3.3, is in the interval 0.80 – 1000 or in the very strong category. This means that financial attitude and financial knowledge have a strong relationship with financial well-being.

Moreover, the coefficient of determination is the square of the correlation (r^2), which is used to determine the magnitude of the contribution of financial attitude and financial knowledge to financial well-being with the following results obtained, as seen in table 2.

Table 2. Coefficient of Determination Test

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					R Square Change	F Change
1	.810a	.656	.649	2.512	.656	97.089

Source: processed data, 2021

Based on the data above, it can be concluded that the influence of financial attitude and financial knowledge on financial well-being is 0.656, which can be seen in R Square after multiplying by 100%, it is obtained that 65.6% influence of financial attitude and financial knowledge on financial well-being and the remaining 54.4% is influenced by other factors or variables not examined.

Multiple Linear Regression Analysis

The equation of multiple regression analysis is used to determine the direction of the relationship between the independent variables, namely financial attitude and financial knowledge, with the dependent variable, namely financial well-being, and to determine the amount of increase or decrease in the independent variable on the dependent variable. The results obtained are based on the following calculations as seen in table 3.

Table 3. Multiple Linear Regression Analysis

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	22.810	1.665		13.699	<.001
	Financial Attitude	.517	.062	.618	8.394	<.001
	Financial Knowledge	.207	.057	.268	3.636	<.001

Source: processed data, 2021

Based on the coefficient table can be seen as the following regression equation:

$$Y = 22,810 + (0,517X_1) + (0,207X_2)$$

From the regression equation can be determined constant value of 22.810, if the X^1 and X^2 value is 0, then the magnitude of the Y value by 22.810. The regression coefficient of variable X^1 of 0,517, each increase of 1 unit X, then Y

will increase by 0,517 units, and the same applies to the variable X2 at 0.207 that increase of 1 unit, will increase by 0.207 units Y.

The F test aims to determine whether or not there is a significant effect between the independent variables on the dependent variable together or simultaneously. In this study, simultaneous hypothesis testing is intended to measure the influence of financial attitude and financial knowledge on financial well-being. The test is measured based on the t value of the coefficient of the independent variable by comparing the calculated Fhitung terhadap Ftable. The results were obtained based on the following calculations as seen in table 4.

Table 4. F Test

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1225.033	2	612.517	97.089	<.001b
	Residual	643.500	102	6.309		
	Total	1868.533	104			

Source: processed data, 2021

Based on the significance test table which shows that Fhitung > Ftable (97.089 > 3.09) or significance < 0.05 (0.001 < 0.05) which means Hypothesis or received. Thus, it can be concluded that financial attitude and financial knowledge together have a positive and significant effect on the financial well-being of employees of Badan Pengelolaan Keuangan Daerah (BPKD) Kabupaten Ciamis.

Financial Attitude on Financial Well-being

The results of the study confirm that financial attitude has an influence on the financial well-being of BPKD Ciamis Regency employees. This incident shows that an attitude towards daily finances, savings plans, financial management, and future financial capabilities can actually improve personal financial well-being. The results of statistical analysis show that financial attitude affects the financial well-being with the results of the t-test having a positive and significant effect. Reinforced by the level of correlation or relationship between variables is strong and the value of determination or contribution of 61.1%. The magnitude of the relationship and its contribution proves that financial attitude is one of the variables forming financial well-being. This phenomenon confirms that employees who work in the financial sector are able to form the basis for making the right decisions in finance because it is proven in their management related to finance. In line with the opinion of (Sumani & Roziq, 2020), which states that a good financial attitude will have an impact on welfare through quality financial decisions.

In some theories, it is stated that financial attitude is a perception of the importance of carrying out financial-related activities (Candra & Memarista, 2015). The higher the financial attitudes, the higher the financial responsibility (Darmawan & Pamungkas, 2019). The theory of financial well-being is related to finance, which is defined as a healthy state of being financially happy and free from worries, which is based on the subject's assessment of one's financial situation (Sabri et.al, 2012). Based on the theory, it provides an overview of the similarities that form the influence between the two. Financial literacy develops financial attitudes (financial attitudes) that lead to financial well-being (Philippas & Avdoulas, 2020). Research that has been carried out on various financial attitudes that are projected with attitudes towards everyday financial behavior rationally can have an influence because, in its management, a basic perception is needed that becomes a reference in responding to it so that financial well-being with a sufficient period of time can be affected.

Other indicators of financial attitude are attitudes towards savings plans, financial management, and future financial capabilities with direct links based on experience in management and these factors have a major contribution to the influence of financial attitude on the financial well-being in other words, the influence between the two comes from the attitude of each employee in dealing with their finances, and in their own financial well-being has a measure of money saved, current financial condition, and financial management skills.

High relevance is shown by the factors causing the influence of financial attitude on financial well-being. The indicators of each variable are directly proportional to the consequences that will arise when the financial attitude is carried out, it will improve the financial well-being such as attitudes towards savings plans that are relevant to the consequences, one of which is saving money, and attitudes towards financial management will shape management skills. A good financial attitude will also have a good impact on financial conditions (Falahati & Paim, 2011). Attitudes towards daily financial behavior and good future financial capabilities will result in current financial conditions with perceptions that depend on subjective income and expenditure.

Thus, the financial attitude is practiced with various attitudes in dealing with finances that have been implemented by employees in the financial sector. In this case, the Badan Pengelolaan Keuangan Daerah (BPKD) Kabupaten Ciamis employees have a positive effect on finances on the basis of attitudes that have been possessed by experience in dealing with finances and pay attention to factors that have a negative impact on finance. May influence his attitude. In practice, the financial attitude of an employee in the financial sector has a tendency to understand what kind of impact will be caused to each behavior shown by a financial attitude so as to minimize the possibility of losses or uncertain financial conditions. In other words, financial attitude is represented by a person's level of understanding. And respond to their finances so that they

pay more attention to decisions or attitudes taken with the aim of affecting their finances in the future. Stable financial condition in the future and the ability to manage finances is a benchmark for a person's financial well-being, and this is proven based on research results that lead to each individual with a financial background in his behavior showing an increased financial attitude followed by an increase in financial well-being. Being.

The results of this study do not support (Wulansari, 2019), which finds that there is an indirect effect of financial attitudes on financial welfare through financial behavior. However, the results of the study are in line with those of (Philippas & Avdoulas, 2020), which state that "the financial attitude of an individual also determines the level of the financial well-being of the respondents". The results of this study are also in line with previous empirical evidence, which states that financial attitude has a significant positive effect on financial well-being (Sumani & Roziq, 2020). The results of the same study were carried out by (Renaldo et.al, 2020), (Zulfiqar & Bilal, 2016), (Suprpto & Cecilia, 2020), (Setiyani & Solichatun, 2019) with positive and significant results. Finally, this study supports (Gutter & Copur, 2011), which provides evidence that financial well-being can be said to be "high" when someone has a positive financial attitude.

Financial Knowledge on Financial Well-being

Financial knowledge has a significant positive effect on the financial well-being of BPKD Ciamis Regency employees. This condition shows that good financial knowledge is able to have an impact on personal financial management properly, which then has an impact on financial condition and money saved in terms of financial value so that in the future financial well-being will increase. The results of the correlation test show that financial knowledge of financial well-being is mutually correlated with a strong relationship and determination or contribution of 41.8%. They were reinforced by the results of partial statistical analysis, which states that financial knowledge affects the financial well-being with the results of the t-test having a significant positive effect.

This phenomenon rationally provides evidence that one of the factors that can affect financial well-being is financial knowledge. In this case, employees who work in the financial sector have financial knowledge with a background that supports them in being able to fulfill their efforts in achieving financial prosperity by paying attention to financial planning and management, such as allocating money for savings and investments. As in the opinion of (Brilianti & Lutfi, 2020) states that someone who has high financial knowledge has many opportunities with their financial knowledge to optimize the circulation of money in order to get prosperity in the future.

In theory, (Renaldo et.al, 2020) stated that financial knowledge is the ability to understand, analyze, and manage finances. Financial knowledge provides a meaningful picture in understanding matters related to finance. Financial well-being is a condition when a person is able to meet all their needs and have money left over, can control their finances, and feel financially secure, now and in the future (Muir et.al, 2017). The main purpose of financial knowledge is to use it as a basis for making financial decisions in the form of controls such as efforts to control expenses, financial risks, and financial possibilities in the future. Having better knowledge will be wiser in controlling expenses, such as evaluating, compiling, and making financial budgets (Munawarah, 2020). Thus, it is able to strengthen the correlation and the magnitude of the effect shown based on the results of research that show there is a significant correlation and influence in it.

Financial knowledge, which is measured based on knowledge about savings and investment, knowledge about the importance of the budget, knowledge about insurance, and knowledge related to debt, have a mutually influencing relationship such as knowledge about savings and investment affects financial condition and will certainly have savings in the future. In line with the opinion of (Renaldo et.al, 2020), which states that someone with a high level of financial knowledge will have the ability to understand and analyze financial options, plan their financial future, and respond appropriately according to various financial situations they face.

The factors that cause the influence of financial knowledge on financial well-being can be identified based on the close relationship between indicators on each variable which partially and simultaneously influence each other. As in the indicator of knowledge about saving and investment, which clearly has high relevance to the money saved or owned in the future with knowledge, it has a high probability of implementing it. In line with the opinion of (Luis & Nuryasman, 2020), which states that one of the indicators of financial literacy that affects financial welfare is that individuals have a good understanding of saving and transacting. The same thing is shown by the relationship between indicators of knowledge about the importance of financial budgets in terms of financial management that is able to affect financial conditions in the future or which is the basis for determining financial well-being. The opinion of (Sumani & Roziq, 2020), stated that someone who has knowledge of financial management would certainly have a better future. In terms of general financial knowledge, such as financial knowledge about insurance, and debt, it is also able to influence financial conditions. With good financial management skills, the right financial condition will be obtained in the future, which is one of the factors of financial well-being.

Financial knowledge of employees in the financial sector of BPKD Ciamis Regency, which is measured based on indicators, provides strong evidence of

its effect on financial well-being. In practice, knowledge related to financial management obtained based on formal education and work experience has a major contribution to a person's financial knowledge so that it can be said as an employee in the financial sector. In this case, the Ciamis Regency BPKD employee has a fairly high level of financial knowledge. This is evidenced by the results of this study. Financial knowledge becomes a person's basis in understanding finances which is used as a basis for consideration and treatment of financial management so that it has an influence on a person's ability to manage finances with a relevant influence on the possibility of maintaining financial condition every behavior. Thus, financial knowledge, which is represented as the financial knowledge of employees in the financial sector of the Ciamis Regency BPKD with various possibilities to increase financial knowledge or financial knowledge that is increasingly broad, will have an impact on the individual's ability to manage finances and produce financial conditions that can be maintained in the present and the future. The future in terms of financial well-being can also increase.

The results of partial research conducted by (Riitsalu & Murakas, 2019) show that "financial knowledge score has no significant relation to financial well-being" or financial knowledge does not meet a significant relationship with financial well-being. This means that the research results are not mutually supportive. The results of this study support research conducted by (Suprpto & Cecilia, 2020), which states that financial knowledge or financial literacy has a significant positive influence relationship because they have the ability to manage finances well and are able to make good financial decisions so that they can affect one's financial well-being. This research is also in line with the empirical evidence obtained in (Brilianti & Lutfi's, 2020) research, namely, someone who has high financial knowledge will pay attention to future financial planning, such as setting aside money to invest because financial managers n have many opportunities with financial knowledge to optimize the circulation of money in order to get prosperity in the future. The results of the same study were carried out by (Sabri et.al, 2012); (Setiyani & Solichatun, 2019); (Sumani & Roziq, 2020); (Renaldo et.al, 2020), and (Taft et.al, 2013), who get the results that financial knowledge has a positive and significant impact on financial well-being.

Financial Attitude and Financial Knowledge on Financial Well-being

The results of the study prove that financial attitude and financial knowledge have an influence on the financial well-being of BPKD Ciamis Regency employees. These conditions confirm that together they have a strong influence on the relationship of every attitude towards daily finances, financial management, savings plans, and future financial capabilities, as well as their influence based on the level of financial knowledge possessed on financial well-

being. The results of the multiple correlation test show that each variable has a relationship or correlation with a very strong correlation level, and the value of determination or contribution reaches 65.6%. They are reinforced by the results of simultaneous statistical analysis or F test, which shows that there is a significant positive influence of financial attitude and financial knowledge on financial well-being. This phenomenon confirms that based on the background of employees of the Regional Financial Management Agency who are operationally related to financial management, they are able to form the factors that determine financial well-being either partially or jointly, namely financial attitudes stemming from financial behavior obtained and knowledge based on experience and understanding in the implementation of financial management. The presence of financial literacy (financial knowledge) and a positive financial attitude are indispensable for financial well-being (Bilal & Zulfiqar, 2016).

In the concept of financial well-being, a person's attitude in dealing with finances (financial attitude) is one of the components that make up the significance which is defined as the attitude of each individual in various aspects of personal finance to achieve financial well-being. Likewise, financial knowledge is a component of significant influence, namely basic knowledge that forms perceptions in strengthening basic assumptions and financial understanding to direct financial behavior in an effort to achieve financial well-being. In line with the opinion of (Wahyudi & Linawati, 2017), which states that financial knowledge is a perception that strengthens each individual to direct the individual to have awareness in having financial behavior and is one of the important components in shaping financial well-being.

The very high level of linkage is evidenced by the relevance of each projection of the indicators in financial well-being, which is measured by money saved based on financial attitudes towards savings plans and future financial capabilities with knowledge about savings and investments that relevance greatly influences the condition of money, which will be saved both in the present and in the future based on its planning and management. A financial condition which is also a measure of financial well-being is formed based on attitudes towards current finances in the short term or daily financial behavior and long-term preparation on the basis of knowledge about the importance of financial budgeting knowledge that provides perceptions of management as an effort to maintain and improve conditions. Financial management skills are one measure of how far a person's financial well-being is, and in its implementation, it is proven that attitudes towards financial management are directly proportional to knowledge of budget management and personal financial allocation and knowledge of insurance and debt to be an option in shaping financial management that is effective. Good and directly proportional to the factors that can form financial well-being.

Thus, overall very high relevance provides supporting reasons based on the results of the analysis by taking into account various interrelated factors so that they can influence each other. Finding the same thing also strengthens the results of this study where the results of (Serido et.al, 2013) emphasized that with changes in financial knowledge (subjective or objective knowledge), changes in self-belief variables (financial attitude, perceived behavior control, financial self-efficacy), and changes in self-confidence variables have an effect on behavioral changes, behavioral changes are related to changes in behavior. Financial well-being and changes in financial well-being will have a major effect on changes in overall well-being.

These things provide a strong basic analysis with research and research results that prove financial attitude and financial knowledge have an influence on financial well-being. It can be emphasized by the relationship between these variables, which can be seen based on the implementation in the form of behavior that is shown to represent the financial attitude and financial knowledge, both of which are related when an individual has a high financial attitude and is indicated by decisions related to his finances for now and the future. Accurately and the level of knowledge of each individual is shown in understanding each financial condition and how to overcome or manage it so as to be able to support the occurrence of healthy finances in the sense of having good financial conditions now and in the future (financial well-being) which is the result of the influence shown in each variable, namely financial attitude and financial knowledge.

The results of this study support the results of research conducted by (Suprpto & Cecilia, 2020), which states "financial attitude, financial socialization agents and financial literacy have a significant positive relationship on the financial well-being" which means that financial attitude, financial socialization agents and financial literacy has a positive and significant influence on financial well-being. The results of this study are also in line with (Setiyani & Solichatun, 2019), which state that financial literacy, financial socialization, financial attitude, financial confidence, and financial behavior have a direct influence on financial well-being. In addition, the results of this study are also in accordance with research conducted by (Bilal & Zulfiqar, 2016), (Serido et.al, 2013); (Yuliani et.al, 2019); and (Riitsalu & Murakas, 2019), which states that financial attitude and financial knowledge have a significant positive effect on financial well-being.

CONCLUSION

Establishing financial well-being is one thing that can be applied to an organization that is expected to have an impact on maintaining the financial stability of each member/individual in an organization. Stimulating financial

well-being is not easy, but this can be done well if training and/or counseling on financial attitude and financial knowledge are provided. Financial attitude and financial knowledge are sciences in the financial realm that study human behavior in studying, viewing, and using their finances. Because financial management is a behavior, it needs to be learned and practiced gradually in order to form a habit. Financial well-being has very good benefits in the short term as well as the long term. In the short term, it can help optimize the use of finance, while in the long term, this can reduce the decline in economic growth and even recession due to excellent financial management, where financial decisions are far from irrational.

The application of the theory of financial well-being is not only limited to organizations. This theory can be used in all spheres of both individuals and organizations. It is the same with financial management in the company if the company's financial manager cannot manage it properly. Then this will become an internal problem that will have an impact on operational and development activities. There are many examples of companies, organizations, and individuals who have financial well-being in a bad category. In the end, they could not continue the operational activities of the organization. Likewise, individuals, when financial well-being is not owned by individuals, there will be opportunities for social problems to arise, both in the realm of civil and criminal law, such as fraud, theft, robbery, and others. Therefore, the theory of financial well-being has a pretty good impact on all fields.

RECOMMENDATION

Some alternative recommendations that can be given based on the analysis and research results that have been carried out are as follows: Attitudes towards the future financial capabilities of BPKD Ciamis Regency employees need to be maintained and improved by continuing to implement the principles of financial planning in the future. Concretely, the attitude towards financial management needs to be improved and improved with simple financial management such as the allocation of daily finances in outline and gradual training in financial planning, management, and control. In practice, it can use various media such as writing in notebooks, notes or memos on mobile phones, and applications that facilitate financial planning and management such as cash books, money managers, and daily financial records, and other similar applications.

BPKD of Ciamis Regency employees understand the importance of the financial budget, and this understanding is recommended to be maintained and strengthened by seeking new financial knowledge in everyday life through direct and digital media. In terms of knowledge about savings and investment, it is also highly recommended to improve their understanding by adding new

knowledge through various media. Practically, this can be done by discussing or sharing financial knowledge with fellow employees and can use search engines or applications in the form of articles or short readings on social media by following accounts that provide financial insight such as on Instagram, Facebook, and Twitter. Namely, Cekaja.com focuses on increasing financial intelligence. Besides that, there are still many accounts and websites that discuss increasing financial knowledge.

The financial well-being of BPKD Ciamis Regency employees shown by the money saved is suggested to be maintained and, if possible, to be added by allocating additional funds for each income received, such as at the time of salary receipt. The current financial condition of the Ciamis Regency BPKD finance staff is recommended to be improved to at least meet the needs by buying as needed by writing a list of needs, and developing the money they have such as making common and frequent investments such as gold, deposits, and stocks as well as various other forms of investment.

REFERENCE

- Ali, M., Qamar, J., Asif, M., Khemta, N., & Jamil, H. 2016. How Knowledge and Financial Self-Efficacy Moderate the Relationship between Money Attitudes and Personal Financial Management Behavior. *European Online Journal of Natural and Social Sciences*, 5(2), 296–308. www.european-science.com
- Anthony, R., Ezat, W. S., Junid, S. Al, & Moshiri, H. 2011. Financial Management Attitude and Practice among the Medical Practitioners in Public and Private Medical Service in Malaysia. *International Journal of Business and Management*, 6(8). <https://doi.org/10.5539/ijbm.v6n8p105>
- Arifin, A. Z. (2018). Influence factors toward financial satisfaction with financial behavior as intervening variable on Jakarta area workforce. *European Research Studies Journal*, 21(1), 90–103.
- Asaff, R., Suryati, S., & Rahmayani, R. 2019. Pengaruh Financial Attitude Dan Financial Knowledge Terhadap Financial Management Behavior. *JEMMA | Journal of Economic, Management and Accounting*, 2(2), 9. <https://doi.org/10.35914/jemma.v2i2.243>
- Astuti, Y. K. E. H., & Dewi. 2015. Financial Stressors, Financial Behavior, Risk Tolerance, Financial Solvency, Financial Knowledge, dan Kepuasan Financial. *Journal of Management Universitas Kristen Petra*, 3(1), 19–23.
- Atkinson, A., & Messy, F. 2012. Measuring financial literacy: results of the OECD/International Network on Financial Education (INFE) Pilot study”, Working Paper No. 15, OECD Working Papers on Finance, Insurance and Private Pensions OECD Publishing. OECD Working Papers on Finance, Insurance, and Private Pensions, 15, 1–73.

- Budd, C. 2016. *The Financial Wellbeing Book* (M. Simamora (ed.)). Jakarta: Bhuana Ilmu Populer.
- Candra, J. W., & Memarista, G. 2015. Faktor-Faktor yang Mempengaruhi Financial Satisfaction pada Mahasiswa Universitas Kristen Petra. *Finesta*, 3(2), 1–6.
- Chowa, G., Despard, M. R., & Osei-Akoto, I. 2012. Financial knowledge and attitudes of youth in Ghana (YouthSave Research Brief 12-37). Washington University, Center for Social Development.
- Durband, D. B., Law, R. H., & Angela K, M. 2019. Financial Counseling. In *Financial Counseling*. Wiley Online Library. <https://doi.org/10.1007/978-3-319-72586-4>
- Fahmi, I. 2016. *Pengantar Manajemen Keuangan Perusahaan*. Bandung: Alfabeta, 62.
- Fahmi, I. 2016. *Pengantar Manajemen Keuangan Perusahaan*. Yogyakarta: Diandra Kreatif, 62.
- Falahati, L., & Paim, L. H. 2011. Gender differences in financial well-being, financial socialization, and financial knowledge among college students. *Life Science Journal*, 8(3), 173–178.
- Fazli Sabri, M., Cook, C. C., & Gudmunson, C. G. 2012. The financial well-being of Malaysian college students. *Asian Education and Development Studies*, 1(2), 153–170. <https://doi.org/10.1108/20463161211240124>
- Ganyang, M. T. 2014. *Manajemen Sumber Daya Manusia Konsep dan Realita*. Zanafa Publishing.
- Gutter, M., & Copur, Z. 2011. Financial Behaviors and Financial Well-Being of College Students: Evidence from a National Survey. *Journal of Family and Economic Issues*, 32(4), 699–714. <https://doi.org/10.1007/s10834-011-9255-2>
- Hakim, I. M. 2017. Pengaruh Financial Knowledge, Income, dan Financial Attitude Terhadap Financial Management Behavior Pada Pengusaha Bordir Kota Tasikmalaya. *Journal of Personality and Social Psychology*, 1(1), 1188–1197.
- Harahap, D. A., & Amanah, D. 2018. *Pengantar Manajemen*. Jakarta: Mitra Wacana Media. <https://doi.org/10.31227/osf.io/3ub4t>
- Hasibuan, A. 2018. *Metodologi Penelitian*. In Penerbit Mandar Maju. Penerbit Mandar Maju. <https://doi.org/10.31219/osf.io/xy6uv>
- Herdjiono, I., & Damanik, L. A. 2016. Pengaruh Financial Attitude, Financial Knowledge, Parental Income Terhadap Financial Management Behavior. *Jurnal Manajemen Teori Dan Terapan| Journal of Theory and Applied Management*, 9(3), 58–69. <https://doi.org/10.20473/jmtt.v9i3.3077>
- Herry. 2017. *Kajian Riset Akuntansi*". Jakarta: Grasindo. Jakarta: PT Grasindo.
- Kariyoto. 2018. *Manajemen Keuangan: Konsep dan Implementasi*. Universitas Brawijaya Press. <https://books.google.co.id/books?id=QuJqDwAAQBAJ>

- Keown, L.-A. 2011. The financial knowledge of Canadians. *Canadian Social Trends*, 91, 30–39.
- Kholilah, N. Al, & Iramani, R. 2013. Studi Financial Management Behavior Pada Masyarakat Surabaya. *Journal of Business and Banking*, 3(1), 69. <https://doi.org/10.14414/jbb.v3i1.255>
- Kurihara, Y. 2013. Does Financial Skill Promote Economic Growth? *International Journal of Humanities and Social Science*, 3(8), 92–97.
- Luis, L., & Nuryasman, M. N. 2020. Pengaruh Pengendalian Diri, Literasi serta Perilaku Keuangan Terhadap Kesejahteraan Keuangan. *Jurnal Manajerial Dan Kewirausahaan*, 2(4), 994–1004.
- Maharani, T. N. 2013. Pengaruh Personal Financial Literacy, Financial Attitude Terhadap Financial Management Behavior (pp. 1–8). Universitas Andalas.
- Muir, K., Hamilton, M., Noone, J. H., Marjolin, A., Salignac, F., & Saunders, P. 2017. Exploring Financial Wellbeing in the Australian Context. Centre for Social Impact & Social Policy Research Centre - University of New South Wales Sydney, for Financial Literacy Australia, 1–58. http://www.csi.edu.au/media/Exploring_Financial_Wellbeing_in_the_Australian_Context_Final_Report.pdf
- Munawarah. 2020. Pengaruh Pengetahuan Keuangan, Materialisme, Pendapatan terhadap Perilaku Pengelolaan Keuangan Keluarga. *Journal of Business and Banking*, 9(2), 1–14.
- Nababan, D., & Sadalia, I. 2013. Analisis personal financial liteacy dan financial behavior mahasiswa strata i fakultas ekonomi universitas sumatera utara. *Jurnal Media Informasi Manajemen*, 1(1), 1–16. <https://jurnal.usu.ac.id/index.php/jmim/article/view/651>
- Nicolini, G. 2019. Financial literacy and financial behavior. In *Financial Literacy in Europe* (pp. 85–140). Routledge. <https://doi.org/10.4324/9780429431968-3>
- Novianti, S. 2019. Pengaruh Locus of Control, Financial Knowledge, Income Terhadap Financial Management Behavior. *Jurnal Akuntansi Kompetif*, 2(1), 1–10. <https://doi.org/10.35446/akuntansikompetif.v2i1.278>
- OECD, P. 2015. Assessment and analytical framework: science. Reading, Mathematics and Financial Literacy,(Interscience: Paris, 2016), 24–25.
- OJK. 2018. Strategi Nasional Literasi Keuangan Indonesia. Otoritas Jasa Keuangan, 1–99. <https://ojk.go.id>
- OJK. 2019. Survei Nasional Literasi dan Inklusi Keuangan 2019. In *Survey Report* (pp. 1–26). www.ojk.go.id
- Palameta, B., Nguyen, C., Hui, T. S., & Gyarmati, D. 2016. The Link Between Financial Confidence and Financial Outcomes Among Working-Aged Canadians. In *The Social Research and Demonstration Corporation (SRDC). Social Research and Demonstration Corporation.*

- Philippas, N. D., & Avdoulas, C. 2020. Financial literacy and financial well-being among generation-Z university students: Evidence from Greece. *European Journal of Finance*, 26(4-5), 360-381. <https://doi.org/10.1080/1351847X.2019.1701512>
- Renaldo, N., Sudarno, S., & Marice, H. B. 2020. the Improvement of Generation Z Financial Well-Being in Pekanbaru. *Jurnal Manajemen Dan Kewirausahaan*, 22(2), 142-151. <https://doi.org/10.9744/jmk.22.2.142-151>
- Riitsalu, L., & Murakas, R. 2019. Subjective financial knowledge, prudent behaviour and income: The predictors of financial well-being in Estonia. *International Journal of Bank Marketing*, 37(4), 934-950. <https://doi.org/10.1108/IJBM-03-2018-0071>
- Robbins, S. 2012. P. and Mary Coulter, Management Eleven Edition. New Jersey: Pearson Education, Inc.
- Santini, F. D. O., Ladeira, W. J., Mette, F. M. B., & Ponchio, M. C. 2019. The antecedents and consequences of financial literacy: a meta-analysis. *International Journal of Bank Marketing*, 37(6), 1462-1479. <https://doi.org/10.1108/IJBM-10-2018-0281>
- Serido, J., Shim, S., & Tang, C. 2013. A developmental model of financial capability: A framework for promoting a successful transition to adulthood. *International Journal of Behavioral Development*, 37(4), 287-297. <https://doi.org/10.1177/0165025413479476>
- Setiyani, R., & Solichatun, I. 2019. Financial Well-being of College Students: An Empirical Study on Mediation Effect of Financial Behavior. *KnE Social Sciences*, 3(11), 451. <https://doi.org/10.18502/kss.v3i11.4026>
- Shim, S., Xiao, J. J., Barber, B. L., & Lyons, A. C. 2009. Pathways to life success: A conceptual model of financial well-being for young adults. *Journal of Applied Developmental Psychology*, 30(6), 708-723. <https://doi.org/10.1016/j.appdev.2009.02.003>
- Simamora, H. 2011. Manajemen Sumber Daya Manusia In Manajemen Sumber Daya Manusia. In Edisi Revisi Jakarta: Bumi Aksara. Bumi Aksara.
- Sofia, M. 2019. Manajemen Keuangan. Penerbit Andi. <https://doi.org/10.31227/osf.io/kdtfj>
- Subarna Bir, J. 2016. Knowledge, Attitude and their Effect on the Recently Graduated Employees' Financial Management Practices and Satisfaction. *Economic Literature*, 12, 69. <https://doi.org/10.3126/el.v12i0.14889>
- Sugiyono. 2017. Metode Penelitian Kuantitatif, Kualitatif, dan R&D. Penerbit CV. Alfabeta: Bandung.
- Sugiyono, P. D. 2015. Metode Penelitian Pendidikan Pendekatan Kuantitatif, Kualitatif, dan R&D Bagian III. Bandung: Alfabeta. Cv.
- Sumani, S., & Roziq, A. 2020. Financial Literation: Determinants of Financial Well-Being in the Batik Small and Medium Industries in East Java. *Jurnal*

- Aplikasi Manajemen, 18(2), 289–299.
<https://doi.org/10.21776/ub.jam.2020.018.02.09>
- Suprpto, Y., & Cecilia, M. 2020. Analysis Of The Factors That Affects Financial Well-being Of Millennials In Batam. 2020.
<https://journal.uib.ac.id/index.php/jgbmr/article/download/793/683>
- Syarifah, Z. 2015. Pengaruh Literasi Keuangan Terhadap Kesejahteraan Keuangan Dengan Mediasi Perilaku Pengelolaan Keuangan Keluarga. In STIE Perbanas Surabaya (p. Hlm. 1-12). STIE Perbanas Surabaya.
- Taft, M. K., Hosein, Z. Z., & Mehrizi, S. M. T. 2013. The Relation between Financial Literacy, Financial Wellbeing and Financial Concerns. *International Journal of Business and Management*, 8(11), 63.
<https://doi.org/10.5539/ijbm.v8n11p63>
- Thi, N., Mien, N., & Thao, T. P. 2015. Factors Affecting Personal Financial Management Behaviors: Evidence from Vietnam. *Economics, Finance and Social Sciences*, 978–1.
- Van Horne, J. C., & Wachowicz Jr, J. M. 2012. Prinsip-Prinsip Manajemen Keuangan (Edisi 13, Buku 1). Jakarta: Salemba Empat.
- Wahyudi, R., & Linawati, N. 2017. Mencapai Financial Well-being melalui Peran Financial literacy bagi Masyarakat Indonesia. Petra Christian University.
- Wiharno, H. 2018. Pengaruh Financial Knowledge, Financial Behavior Dan Financial Attitude Terhadap Personal Financial Management. *Jurnal Riset Keuangan Dan Akuntansi*, 3(2). <https://doi.org/10.25134/jrka.v4i1.1336>
- Wulansari, N. 2019. Pengaruh Pendapatan, Literasi Keuangan, Dan Sikap Keuangan Terhadap Kesejahteraan Keuangan Keluarga Desa Ketanjung Kecamatan Karanganyar Kabupaten Demak Melalui Perilaku Keuangan Sebagai Variabel Intervenning (Vol. 1, Issue 1, pp. 6–7). UNNES.
<https://lib.unnes.ac.id/29614/1/7101413025.pdf>
- YULIANI, Y. 2019. The Effect of Financial Knowledge on Financial Literacy with Mediated by Financial Behavior in Society of Palembang City South Sumatera. *Mix Jurnal Ilmiah Manajemen*, 9(3), 421.
<https://doi.org/10.22441/mix.2019.v9i3.003>
- Zemtsov, A. A., & Osipova, T. Y. 2016. Financial Wellbeing as a Type of Human Wellbeing: Theoretical Review. *The European Proceedings of Social & Behavioural Sciences EpSBS*, 7, 385–392.
<https://doi.org/10.15405/epsbs.2016.02.49>
- Zulfiqar, M & Bilal, M., 2016. Financial Wellbeing is the Goal of Financial Literacy. *Research Journal of Finance and Accounting*, 7(11), 94–103.