The effect of financial knowledge, financial attitude, and personality on financial management behavior

Wahdiyat Moko (a)* Achmad Sudiro (b) Irma Kurniasari (c)

(a) Management Department, Faculty of Economics and Business, University of Brawijaya, Malang City, Indonesia

ABSTRACT

Financial management for young entrepreneurs needs to be done because disciplined financial arrangements will be able to minimize the risk of uncertainty. Young entrepreneurs have problems with financial management behavior, that is knowledge, and skills in managing finances which have an impact on financial decision-making. This study aims to see the effect of financial knowledge, financial attitudes, and personality on financial management behavior in young entrepreneurs in Malang. The approach used in this research is quantitative with an explanatory approach. This study's population is young entrepreneurs in the Brawijaya University environment. The sampling technique used purposive sampling with a sample size of 150 samples. The results of this study prove that partially financial knowledge has no significant effect on Financial Management Behavior. Financial attitudes have a significant effect on Financial Management Behavior, and personality has a significant effect on Financial Management Behavior in Young Entrepreneurs in Malang City.

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Introduction

Young business actors have common problems related to financial management behavior, namely knowledge, and skills in managing finances. Financial management skills are a technique for making financial decisions. Budgets are critical to the management control process and are generally considered a formal, registered structural control mechanism to support the use of controls. There are many variables that can influence financial management behavior, one of which is financial knowledge. Kholilah and Iramani (2013) describe financial knowledge as one's mastery of various things about the financial world of financial tools and financial skills. Factors that become obstacles for business actors involve funding and costs. Financial literacy improves a company's performance, especially when funds are available because insufficient funds interfere with the efficiency of business operations, thereby inhibiting its growth and survival. Other important factors, namely access to formal finance, lending policies of financial institutions, ease of doing business, and training programs have a major influence on the survival of companies. Thus, it can be concluded that financial literacy has an effect on the financial attitude of a business actor.

Research related to financial knowledge and financial skills on management behavior has been carried out in recent times (Borden et al., 2008; Engels et al., 2020; Robb & Woodyard, 2011; Widyastuti et al., 2020; Xiao et al., 2014). Yuliiani and Silvy, (2013) explained in their research that individuals with adequate financial knowledge would have better financial management behaviors, such as paying bills on time, keeping a record of expenses made every month, and having a reserve fund for emergencies. Furthermore, when individuals have sufficient knowledge they tend to make more rational and conscious decisions, thus minimizing errors in financial records. In addition to financial knowledge, financial behavior can be influenced by financial attitudes.

Financial attitudes are psychological tendencies that are expressed when evaluating recommended financial management practices with varying degrees of agreement and disagreement. Financial attitudes which refer to the evaluation of ideas, events, objects, or people can help in understanding and predicting individual financial behavior in different situations (Sethi, 2002). Humaira (2017)
explains that the more positive the attitude toward financial management and supported by the amount of financial knowledge possessed, the fewer errors in financial management practices that can be applied. Thus, financial attitudes determine the direction of individual behavior in behaving in making financial decisions.

In addition to financial attitudes, individual personality also determines the individual's financial management behavior. This condition is not surprising because personality is understood as an aspect needed to successfully manage finances because each personality type is different in how to manage their finances. Personality in managing finances is needed to successfully manage finances because each personality type is different in how to manage their finances. Various financial researchers have also found that personality aspects also influence a person's success in managing their finances. Lown (2008) in Sina (2014) found that there are personality differences between women regarding retirement savings and also risk tolerance. As a business actor, it is closely related to risk in running a business. Business actors can carry out risk mitigation that is useful for their business financial management. A country with a large number of strong-minded entrepreneurs will be vital to the economic progress of the nation and its free market system (Quaye et al., 201). Entrepreneurs currently have an important role in the national economy. This is because it can help the government in economic growth, equalize income and reduce the number of unemployed. It has been argued that the level of economic, social, and technological growth and development of a country depends on the level of entrepreneurial activities carried out in the country (Otache et al., 2019). Another reason for the increased interest in entrepreneurship is the potential for job creation (Afolabi, 2015; Ayodeji & Oluwatayo, 2015). Entrepreneurs through their small and medium enterprises (SMEs) create jobs for young people including young graduates. Undeniably, SMEs are the top employers in any country. According to Diabate et al. (2019), SMEs contribute more than 65% to total employment in high-income countries, more than 95% of total employment in middle-income countries, and more than 70% of total employment in low-income countries low. But on the other hand, financial management is often an obstacle for business actors. This condition is possible because MSMEs have many problems related to financial literacy. The head of the cooperative and MSME service explained that the stimulus financing program had been offered by the government in collaboration with banks, but this financing program could not be optimally absorbed by MSME actors (Ratri, 2019). Furthermore, this condition is possible because MSME actors are not yet bankable and MSME actors lack confidence in making decisions related to business financing (Ratri, 2019). On the other hand, the need for financing for business operations requires MSME players to take external funding. In the end, they prefer to borrow from individuals or microfinance institutions whose burdens and risks are actually much heavier (Ratri, 2017).

The lack of financial information and the limited ability to manage finances for MSMEs is one of the reasons why MSMEs are not developing rapidly and are still at the micro level (Ratri, 2019). Furthermore, the financial attitude of young entrepreneurs is related to their low motivation to manage finances improving financial management. This has an impact on the mind that is easily satisfied and does not yet have a plan for business development. Furthermore, this condition can also have an impact on long-term business performance which hinders competitive competition. Malang City as a tourist city and also a student city has young entrepreneurs whose number continues to grow each period. Many of these businesses do not last long, and various factors become obstacles, one of which is the problem of financial management. Therefore this problem attracts researchers to conduct a more in-depth study. Furthermore, this study aims to determine the effect of financial knowledge, financial attitude, and individual personality on financial management behavior among young entrepreneurs in Malang City.

**Literature Review**

**Empirical Review and Hypothesis Development**

Henley (2007) shows that entrepreneurship is a deliberate activity because the intention of a business founder is usually formed before the creation of a new venture (usually at least one year according to that particular study), indicating that there is a relationship between entrepreneurship and intention; in fact, one of the most prominent constructs that have predominantly contributed to the expansion of entrepreneurship not only as a career choice but also as a field of research is individual entrepreneurial intention (Lumpkin and Dess, 1996). Entrepreneurial intentions in young entrepreneurs can be seen from the financial management behavior of these business actors. Marsh (2006) explains that financial behavior, which is the study of how humans take action in the decision-making process in financial management, is the response and information obtained. Kholiah and Iramani (2013) also explained in their research that financial management behavior refers to a person's ability to manage, namely: planning, budgeting, checking, managing, controlling, searching, and storing daily financial funds. Thus, financial management behavior is a person's behavior in managing their finances from a psychological perspective and individual habits. Financial management behavior itself can be influenced by individual personal characteristics or what can be called personality. Personality refers to the character possessed by someone who is formed from the environment. Someone choosing a career is basically related to their personality, including in making choices as entrepreneurs. The traits possessed by an entrepreneur are self-confidence, task and result-oriented, risk-taking, leadership, originality, and future-oriented. Personality aspects themselves are the characteristics needed in managing finances successfully because each personality type has different tendencies in how to manage finances (Sina, 2014). This statement was sharpened by Ika (201) in her research which explained that psychological factors are often considered key in the financial decision process. Referring to this discussion, the hypothesis in this study is:

**H1:** There is an Influence between Personality on Financial Management Behavior
Financial literacy is defined as the level of knowledge, skills, and beliefs, which influence attitudes and behavior to improve the quality of decision-making and financial management to achieve prosperity (Lusardi et al., 2010). Susanti et al., (2018) explained that financial knowledge plays an important role in influencing financial management behavior. Lusardi et al., (2010) and Huston (2010) in their research also explained that financial literacy is also financial knowledge and the ability to apply it (manage and communicate) which aims to achieve prosperity. Individuals with a level of financial knowledge will have a positive effect on responsible financial behavior, so these individuals tend to be effective in using the money they have, such as making budgets, saving money and controlling spending, investing, and paying obligations on time (Atkinson et al., 2012). Not only that, financial knowledge in the form of individual decision-making abilities combined with optimal skills and resources will produce contextual knowledge to manage information and make financial-related decisions (Arifin, 2017; Keown, 2011; Riitsalu & Murakas, 2019). Based on this description, the hypothesis in this study is:

H2: There is an Influence between Financial Knowledge on Financial Management Behavior

The process of making financial decisions, and harmonization of individual motives and company goals is also determined by financial attitudes. Financial attitudes are defined as states of mind, opinions, and judgments about personal finances that are applied to attitudes. Klontz et al (2011) in his research explained that financial attitude can be interpreted as a state of mind, opinion, and assessment of finances. Thus, financial attitude is also defined as the application of financial principles to create and maintain value through decision-making and proper management of resources. Humaira (2017) in his research also explained that the more positive the attitude toward financial management and supported by the amount of financial knowledge possessed, the fewer errors in financial management practices that can be applied. Coskun & Dalziel, (2020) also explained in their research that financial attitude describes a person's state of mind, opinion, and assessment of his personal finances, which is then applied to attitudes. A good financial attitude can lead a person to manage various financial behaviors. Not only that, individuals who have a financial attitude will be better at managing their family finances. Referring to this explanation, the hypothesis and research model in this study is:

H3: There is an Influence between Financial Attitude on Financial Management Behavior

Figure 1: Research Model

Research and Methodology

This type of quantitative research with an explanatory approach. This study's population is young entrepreneurs at the University of Brawijaya. The sampling technique used purposive sampling with a total sample of 150 samples. The data collection technique in this study used a questionnaire by giving a series of written statements to the respondents to answer.

Variable Measurement

Financial management behavior

Financial management behavior is a person's behavior in managing their finances from a psychological perspective and individual habits. The indicators for measuring financial behavior in this study were adopted from the research of Dew & Xiao (2011) and Saurabh & Nandan (2018), i.e., types of financial plans and budgets owned, techniques in preparing financial planning, saving activities, insurance activities, retirement and unexpected expenses, investment activities, credit/debt, and bills, monitoring financial management, and evaluating financial management.

Financial knowledge

Financial knowledge is an individual's ability to manage financial resources and information to improve welfare and assist in making financial decisions. The indicators for measuring financial knowledge in this study were adopted from Huston's (2010) research, including the basic concepts of finance, formal loans and consumer loans, investment, and risk management.
Financial Attitude

Financial attitude is the application of financial principles to create and maintain value through proper decision-making and resource management. The indicators in the financial attitude variable were adopted from research by Hayhoe et al. (1999), i.e., orientation towards personal finance, debt philosophy, money security, and assessing personal finance.

Personality

Personality is a character possessed by someone who is formed from the environment. The indicators in the personality variable were adopted from research by John et al. (2008) i.e., self-confidence, courage to take risks, leadership, and future-oriented.

Analysis and Findings

The next data analysis method used in this study is the Partial Least Square (PLS) method. PLS analysis aims to predict the effect of variable X on variable Y and explain the theoretical relationship between the two variables. The formal model defines the latent variables as linear aggregates of the indicators.

Validity and Reliability

Convergent Validity Test

Testing the validity of the convergent validity is done by describing the magnitude of the correlation between the indicator scores and the latent variable scores. A loading factor value greater than 0.50 or a probability value less than 5% alpha indicates that the indicator is valid and can be included in the model.

<table>
<thead>
<tr>
<th>Item</th>
<th>Variable</th>
<th>Loading Factor</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>FB1.1</td>
<td>Financial Management Behavior</td>
<td>0.728</td>
<td>Valid</td>
</tr>
<tr>
<td>FB1.2</td>
<td></td>
<td>0.788</td>
<td>Valid</td>
</tr>
<tr>
<td>FB1.3</td>
<td></td>
<td>0.602</td>
<td>Valid</td>
</tr>
<tr>
<td>FB2.1</td>
<td></td>
<td>0.738</td>
<td>Valid</td>
</tr>
<tr>
<td>FB2.2</td>
<td></td>
<td>0.784</td>
<td>Valid</td>
</tr>
<tr>
<td>FB3.1</td>
<td></td>
<td>0.729</td>
<td>Valid</td>
</tr>
<tr>
<td>FA3.1</td>
<td>Financial Attitude</td>
<td>0.670</td>
<td>Valid</td>
</tr>
<tr>
<td>FA3.2</td>
<td></td>
<td>0.754</td>
<td>Valid</td>
</tr>
<tr>
<td>FA3.3</td>
<td></td>
<td>0.774</td>
<td>Valid</td>
</tr>
<tr>
<td>FA4.1</td>
<td></td>
<td>0.841</td>
<td>Valid</td>
</tr>
<tr>
<td>FA4.2</td>
<td></td>
<td>0.726</td>
<td>Valid</td>
</tr>
<tr>
<td>FA4.3</td>
<td></td>
<td>0.771</td>
<td>Valid</td>
</tr>
<tr>
<td>FL4.1</td>
<td>Financial Knowledge</td>
<td>0.805</td>
<td>Valid</td>
</tr>
<tr>
<td>FL4.2</td>
<td></td>
<td>0.921</td>
<td>Valid</td>
</tr>
<tr>
<td>FL4.3</td>
<td></td>
<td>0.633</td>
<td>Valid</td>
</tr>
<tr>
<td>FL4.4</td>
<td></td>
<td>0.694</td>
<td>Valid</td>
</tr>
<tr>
<td>KB1.1</td>
<td>Personality</td>
<td>0.647</td>
<td>Valid</td>
</tr>
<tr>
<td>KB1.2</td>
<td></td>
<td>0.655</td>
<td>Valid</td>
</tr>
<tr>
<td>KB2.1</td>
<td></td>
<td>0.675</td>
<td>Valid</td>
</tr>
<tr>
<td>KB2.2</td>
<td></td>
<td>0.671</td>
<td>Valid</td>
</tr>
<tr>
<td>KB2.3</td>
<td></td>
<td>0.641</td>
<td>Valid</td>
</tr>
<tr>
<td>KB3.1</td>
<td></td>
<td>0.819</td>
<td>Valid</td>
</tr>
<tr>
<td>KB3.2</td>
<td></td>
<td>0.776</td>
<td>Valid</td>
</tr>
<tr>
<td>KB4.1</td>
<td></td>
<td>0.752</td>
<td>Valid</td>
</tr>
<tr>
<td>KB4.2</td>
<td></td>
<td>0.805</td>
<td>Valid</td>
</tr>
<tr>
<td>KB6.1</td>
<td></td>
<td>0.654</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Source: Data Primary, 2022

Based on the test results are divided into the variables of Financial Management Behavior, Financial Attitude, Financial Knowledge, and Personality. The results of the Financial Management Behavior indicators have items with a loading factor value > 0.50 of 6 items which are declared valid. The results of the Financial Attitude indicator have items with a loading factor value > 0.50 of 6 items which are declared valid. The results of the Financial Knowledge indicator have items with a loading factor value > 0.50 of 4 items which are declared valid. While the personality indicators have items with a loading factor value of > 0.50, 10 items are declared
valid. All items have a probability level of 0.00. Based on this, it can be seen that the loading factor obtained is greater than 0.50 and the probability is less than 5% alpha (0.050). Thus, it can be concluded that all indicators have met convergent validity and can be used in the model.

**Internal Consistency Reliability Test**

The reliability test was carried out to measure the level of reliability of the indicator group and the formed latent variables. This measurement can be seen in the value of Cronbach's Alpha or Composite Reliability, where the value should be greater than 0.60, indicating the level of reliability of the latent variable indicator group.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Knowledge</td>
<td>0.781</td>
<td>0.852</td>
<td>Reliable</td>
</tr>
<tr>
<td>Financial Attitude</td>
<td>0.851</td>
<td>0.889</td>
<td>Reliable</td>
</tr>
<tr>
<td>Personality</td>
<td>0.891</td>
<td>0.911</td>
<td>Reliable</td>
</tr>
<tr>
<td>Financial Management Behavior</td>
<td>0.825</td>
<td>0.872</td>
<td>Reliable</td>
</tr>
</tbody>
</table>

Source: Data Primary, 2022

Based on the results of reliability testing on the latent variables used in the model, the latent variable Financial Knowledge has a Cronbach's Alpha value of 0.781 and a Composite Reliability of 0.852. The latent variable of Financial Attitude has Cronbach's Alpha value of 0.851 and Composite Reliability of 0.889. The personality latent variable has Cronbach's Alpha value of 0.891 and Composite Reliability of 0.911. And the latent variable of Financial Management Behavior has a Cronbach's Alpha value of 0.825 and Composite Reliability of 0.872. Thus, all variables are declared reliable because they have a Cronbach Alpha or Composite Reliability value greater than 0.60.

**Uji Multicollinearities**

Multicollinearity testing was carried out on the independent variables using the VIF value as a measuring tool. The results of the multicollinearity test can be shown in the following table:

<table>
<thead>
<tr>
<th>ITEM</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>FA3.1</td>
<td>1.495</td>
</tr>
<tr>
<td>FA3.2</td>
<td>2.419</td>
</tr>
<tr>
<td>FA3.3</td>
<td>2.274</td>
</tr>
<tr>
<td>FA4.1</td>
<td>2.393</td>
</tr>
<tr>
<td>FA4.2</td>
<td>1.746</td>
</tr>
<tr>
<td>FA4.3</td>
<td>1.893</td>
</tr>
<tr>
<td>FB1.1</td>
<td>1.719</td>
</tr>
<tr>
<td>FB1.2</td>
<td>2.116</td>
</tr>
<tr>
<td>FB1.3</td>
<td>1.448</td>
</tr>
<tr>
<td>FB2.1</td>
<td>1.684</td>
</tr>
<tr>
<td>FB2.2</td>
<td>1.869</td>
</tr>
<tr>
<td>FB3.1</td>
<td>1.575</td>
</tr>
<tr>
<td>FL4.1</td>
<td>2.361</td>
</tr>
<tr>
<td>FL4.2</td>
<td>2.525</td>
</tr>
<tr>
<td>FL4.3</td>
<td>1.433</td>
</tr>
<tr>
<td>FL4.4</td>
<td>1.462</td>
</tr>
<tr>
<td>KB1.1</td>
<td>1.564</td>
</tr>
<tr>
<td>KB1.2</td>
<td>1.672</td>
</tr>
<tr>
<td>KB2.1</td>
<td>1.973</td>
</tr>
<tr>
<td>KB2.2</td>
<td>1.911</td>
</tr>
<tr>
<td>KB2.3</td>
<td>1.836</td>
</tr>
<tr>
<td>KB3.1</td>
<td>3.573</td>
</tr>
<tr>
<td>KB3.2</td>
<td>3.176</td>
</tr>
<tr>
<td>KB4.1</td>
<td>2.469</td>
</tr>
<tr>
<td>KB4.2</td>
<td>2.716</td>
</tr>
<tr>
<td>KB6.1</td>
<td>1.668</td>
</tr>
</tbody>
</table>

Source: Data Primary, 2022
In table 3, the results of the multicollinearity test are described. The test results show the VIF value for each item shows a number below 10, so it can be concluded that there is no linear relationship between the independent variables.

**Inner Model Analysis**

The structural model is evaluated with respect to the predictive relevance model R2 which measures how well the observed values are produced by the model. In this structural model, there is 1 endogenous variable, namely Financial Management Behavior. The coefficient of determination (R2) of the three endogenous variables can be presented in the following table:

<table>
<thead>
<tr>
<th>Table 4: R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Management Behavior</td>
</tr>
</tbody>
</table>

**Source:** Data Primary, 2022

Based on the results of the feasibility test of the structural model of Financial Management Behavior, the R Square variable value is 0.319 or 31.9 percent. That is, the model that can be explained by Financial Attitude, Financial Knowledge, and Personality is 31.9 percent. The remaining 68.1 percent is explained by errors and other variables that have not been included in the model.

**Hypothesis Result**

Structural modeling and hypothesis testing are done by looking at the estimated value and critical point value (t-statistic) which is significant at $\alpha = 0.05$. Based on the conceptual framework of this study, testing the hypothesis and modeling the relationship between variables. The description of the results of this study testing the relationship between variables can be explained as follows:

<table>
<thead>
<tr>
<th>Table 5: Hypothesis Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hypothesis Path Coefficient</td>
</tr>
<tr>
<td>Personality -&gt; Financial Management Behavior (H1)</td>
</tr>
<tr>
<td>Financial Knowledge -&gt; Financial Management Behavior (H2)</td>
</tr>
<tr>
<td>Financial Attitude -&gt; Financial Management Behavior (H3)</td>
</tr>
</tbody>
</table>

Based on the data in Table 5 above, it can be plotted in the model path as follows. The results of the structural model obtained in this study are all variables at the 5% significance level. Further description of deep model testing can be disclosed in the following findings:

i. The results show that the relationship between personality and financial management behavior is significant with a T-statistic of 3.075 (> 1.96) and a P value <0.05. The original sample estimate value is positive, which is equal to 0.318 which indicates that the direction of the relationship between personality and financial management behavior is positive. Thus the H1 hypothesis in this study which states that "Personality has a significant effect on Financial Management Behavior" is accepted.

ii. The results showed that the relationship between financial knowledge and financial management behavior was significant with a T-statistic of 0.888 (<1.96) and a P value >0.05. Thus the H2 hypothesis in this study which states that "Financial Knowledge has no significant effect on Financial Management Behavior" is rejected.

iii. The results of the study show that the relationship between financial attitudes and financial management behavior is significant with a T-statistic of 2.995 (> 1.96) and a P value <0.05. The original sample estimate value is positive, which is equal to 0.293 which indicates that the direction of the relationship between personality and financial management behavior is positive. Thus the H3 hypothesis in this study which states that "Financial Attitudes have a significant effect on Financial Management Behavior" is accepted.

**Discussion**

**The influence of personality on financial management behavior**

The results of this study explain that personality has a significant effect on financial management behavior. This condition is possible because personality shows thoughts, emotions, and motives which will affect individual behavior (Fachrudin et al., 2022). Not only that, behavior related to financial problems has a significant impact on individual financial well-being. In order to make sound
financial decisions, it is important that individual investors have all the financial information they could possibly need, and that financial institutions should guide investors on proper financial behavior. Individual investors often have support from financial institutions in building their investment portfolios. In performing consulting services for financial institutions, they must create a specific portfolio for investors according to the expectations of individual investors. To achieve this, financial institutions need to build systems that allow them to know their customers well. This study concludes that there is a direct relationship between personality traits and investors' financial behavior. Among the various personality trait elements, conscientiousness, agreeableness, and openness to experience were found to be associated with financial behavior.

Individual investors with different personality characteristics make different types of investments according to their needs and exhibit different financial behavior. Personality traits are factors that financial institutions should focus on to build a relationship between investors and investment products. Financial institutions must consider the psychological characteristics of individual investors when designing their financial products. Financial advisors should advise individual investors to avoid fear of investment returns that may arise due to lack of information or other reasons. Financial advisors must also provide information to investors to develop a financial strategy that matches the investor's personality.

**Effect of financial knowledge on financial management behavior**

Business actors who have high knowledge can have an impact on significantly increasing company performance. However, this study provided the opposite result. The results of this study found that financial knowledge did not significantly influence financial management behavior. This condition explains that the level of knowledge of young entrepreneurial behavior tends to be low. This situation can be seen from the fact that most of the research respondents have a high school level of education, so indirectly their level of financial knowledge is not very good. This is because the knowledge obtained at the senior high school level is very limited, so business actors must seek additional skills or knowledge through non-formal education, such as training, workshops, mentoring, and other capacity-building programs.

This study also explains that a low level of financial knowledge makes it possible to direct business actors to behave negatively or behave badly. The context of negative or bad behavior in financial behavior refers to the inability to manage income and the problems faced by individuals to solve financial problems (Falahati et al., 2012; Loix et al., 2005), such as transparency of financial records, cost control, credit management, saving behavior and investment decision making. However, every individual will show positive financial behavior, if the value of behavior has been suggested by the individual, where the individual is subject to his behavior, and has control over the individual's behavior (Yong et al., 2018a). When this behavior leads to positive things in this case, financial settlement or the right business and financial decision-making behavior, it will have an impact on improving company performance. Augustine et al. (2020) explained that the company's goal of increasing profits is obtained from the increasing desire of business owners to understand business information and knowledge about company conditions so that a person's financial behavior will become more focused. In other words, when someone has a high level of knowledge, it will affect individual beliefs, where behavior is the output of that process. Furthermore, research by Yong et al. (2018) said that for an individual who has financial knowledge, actual financial behavior will be determined by the person's attitude.

**Effect of financial attitudes on financial management behavior**

The results of this study explain that financial attitudes have a significant effect on financial management behavior. This condition explains that the better a person's financial attitude, the better his financial management will be. A good financial attitude can lead a person to manage various financial behaviors. Individuals who have a financial attitude will be better at managing their family finances. This study also explains that financial attitude is an important contributor to achieving success or failure in the financial aspect.

This study also explains that individuals who have a good financial attitude will make it possible to plan future finances, save money, and do other financial planning. Coskun & Dalziel, (2020) also explained in their research that financial attitude describes a person's state of mind, opinion, and assessment of his personal finances, which is then applied to attitudes. Furthermore, a person's thoughts, opinions, and judgments about his personal financial situation will determine what actions each individual will take (Siswanti, 2020). Just as in the context of saving when a person has thoughts, judgments, and opinions that saving is not important, then the individual will not set aside a portion of his income to save. If these thoughts, opinions, and judgments (attitudes) continue, they will become habits/behavior that will be very difficult to change (Dwiastanti, 2017). This research is also relevant to the research of Mien & Thao, (2015), Amanah et al. (2016), and Ameliawati and Setiyani (2018) which explain that financial attitudes have a significant effect on financial management behavior.

**Conclusions**

Based on the results of the research and discussion that has been stated previously, the following conclusions can be drawn: Financial Knowledge has no significant effect on the Financial Management Behavior of Young Entrepreneurs in Malang City; Financial Attitude has a significant effect on the Financial Management Behavior of Young Entrepreneurs in Malang City; Discipline has a significant effect on Financial Management Behavior among Young Entrepreneurs in Malang City.
Based on the experience of researchers, there are some limitations experienced. Limitations in this study can be refined by further researchers. The limited number of Young Entrepreneurs observed is still not sufficient to describe the actual situation, so it is necessary to increase the number of young entrepreneurs and add several MSMEs so that the data obtained are many and varied so that they can further strengthen the research results.

The suggestions for further research are as follows:

i. Future research is expected to be able to consider other factors that can have an impact on the application of financial management behavior such as elements of spiritual intelligence, financial experience, and so on.

ii. Carry out ongoing research, this is so that you can see and assess any changes in the behavior of respondents from time to time.

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References


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