

Personal Financial Management Behavior of Students in Bali

Putu Eva Julianawati¹, Putu Siti Firmani², Ni Putu Devi Ary Santhi³, I Ketut Sudana⁴

¹²³⁴ PGRI Mahadewa University of Indonesia

* Email correspondence; evajulianawati93@gmail.com; putusitifirmani1971@gmail.com; deviary@mahadewa.ac.id; sudana@mahadewa.ac.id

Article history

Submitted: 2026/02/02; Revised: 2026/03/15; Accepted: 2026/05/1

Abstract

This study aims to analyze the influence of financial literacy, financial knowledge, financial attitudes, and budget planning on the personal financial management behavior of college students in Bali. The research method used was a quantitative approach with descriptive and inferential analysis, as well as multiple linear regression analysis techniques on data obtained from respondents. The results indicate that, both partially and simultaneously, financial literacy, financial knowledge, financial attitudes, and budget planning have a positive and significant influence on college students' personal financial management behavior, with budget planning being the most dominant variable. Furthermore, the coefficient of determination indicates that the research model can explain 13.4% of the variation in financial behavior, while the remainder is influenced by factors outside the model. These findings emphasize the importance of improving financial education and budget planning practices in shaping better college students' financial behavior.

Keywords

Personal Finance; Management Behavior; Bali College Students



©2026 by the authors. This is an open access publication under the terms and conditions of the Creative Commons Attribution 4.0 International (CC BY SA) license, <https://creativecommons.org/licenses/by-sa/4.0/>.

INTRODUCTION

In essence, money is legal tender in the form of Rupiah, issued and circulated by Bank Indonesia (BI) within the territory of the Unitary State of the Republic of Indonesia. Money is an indispensable tool for facilitating the exchange of goods, services, and resources, enabling economic transactions and driving economic growth. Beyond its physical representation in the form of coins, banknotes, or digital currency, money has profound social, cultural, and psychological significance, shaping society, influencing behavior, and representing a measure of value and wealth. The current era of consumption has made consumers increasingly irrational in purchasing their necessities. The increasing prevalence of online shopping systems and the ubiquity of shopping malls has led people to become more consumptive and make routine purchases without considering the future consequences. Consumption

is natural, but consumption can lead to a consumptive lifestyle and even a consumer culture. This consumer culture extends beyond food to inclusive contexts such as clothing purchases and excessive data usage. Therefore, greater clarity is often required between needs and wants. One effort that can be made to minimize a consumptive lifestyle is to improve personal knowledge and skills regarding personal financial management.

Personal financial management is the activity of planning, controlling, and evaluating the use of income. Steps in financial planning include recording assets, identifying expenses, budgeting, saving, and planning for the future. Implementing financial management is part of the organized and systematic management of financial resources in accordance with the plan. According to Mulyati & Hati, personal financial evaluation is the activity of analyzing deficiencies in the planning and implementation of personal financial management.

Students are among those who can contribute to the economy because in the future, they will be able to enter the workforce and begin to independently manage their finances. Therefore, students' financial capabilities will be appropriate to influence the state of Financial Education in Indonesia. Furthermore, students must be equipped with information and skills. The goal is to avoid disruptions in financial monitoring.

College is the first time for most students to manage their finances independently without the full supervision of their parents. Students are at a crucial time during their university studies because they must learn financial independence and take responsibility for their decisions. Students face complex financial challenges because most require income and limited monthly reserves. These challenges can be caused by late remittances from parents or prematurely running out of monthly funds, which can be caused by unexpected needs or by improper personal financial management (lack of planning), as well as by wasteful lifestyles or consumption patterns.

College students are the primary focus of personal financial management behavior because they are at the beginning of an independent life and are managing their finances without parental supervision. This aligns with research by Sabri et al. (2012) that found that college students are the first time manage their finances without parental intervention. Lack of knowledge and skills in financial management can lead to financial difficulties, such as not being able to make tuition payments on time because the tuition fees run out first. Furthermore, without financial knowledge and skills, the likelihood of making mistakes in managing financial resources will be

even more significant for the economy, as students will enter the workforce and become independent in the future, including in managing their finances.

Bali is an island rich in cultural and religious diversity. Therefore, living and studying in Bali will provide an insight into living in a multicultural society. One of Bali's largest sectors is tourism. Not only is Bali known for its tourism, but it also boasts numerous universities. These include Udayana University, Stikom Bali, Nusa Dua Tourism College, Marwadewa University, Ganesha University, PGRI Mahadewa Indonesia University, and many others. Bali's campuses are also as well-equipped as other universities outside of Bali. The faculty is highly qualified, and Bali's tranquil environment provides a conducive learning environment.

Previous research has shown that financial literacy plays a key role in personal financial management. Turner et al. (2017) found that individuals with a good financial understanding tend to be wiser in managing expenses and avoiding financial problems. A person's financial knowledge can serve as a basis for implementing personal financial management behaviors in everyday life (Palameta et al., 2016). Another factor that can influence financial management is financial attitude (Ahillah, 2019). Financial attitude is closely related to a person's psychological tendencies, expressed when evaluating recommended financial management practices with varying degrees of agreement and disagreement. Furthermore, Ariyanto and Dewi (2019) emphasize the importance of budget planning, which provides a structure for managing expenses for greater control. Ratnadi et al. (2020) also stated that knowledge about investment is crucial for helping to utilize financial surpluses and achieve long-term financial stability. However, as highlighted by Murti (2020), most students often fail to capitalize on investment potential and manage their expenses wisely due to limited understanding. Short-term thinking and a lack of willingness to save are attitudes that can lead to financial problems (Dasman et al., 2021). Sari (2021) added that good personal financial management requires a holistic understanding, including proper budgeting, knowledge of safe investment instruments, and adequate financial literacy.

This gap is important to explore, given that financial literacy, budget planning, and investment knowledge are interrelated and can significantly contribute to more effective financial management. However, most previous studies have only examined one aspect separately, without considering the interaction of the three in the context of college students. Therefore, this study aims to examine the simultaneous influence of these three variables on the financial management of

college students in Kediri City. With this goal, this research is expected to provide deeper insights into the importance of financial literacy and support the development of more effective financial education programs in higher education environments. Based on the phenomena and issues surrounding the personal financial management behavior of college students, students in Bali, researchers are interested in conducting research with the title "Personal Financial Management Behavior of Students in Bali".

METHODS

This study uses a quantitative approach with a phenomenological method to understand how Balinese students interpret financial literacy, financial knowledge, financial attitudes, and budget planning and apply them to personal financial management. The phenomenological approach allows for the exploration of students' subjective experiences regarding the challenges and benefits they perceive from understanding financial literacy, financial knowledge, financial attitudes, and budget planning.

Data collection methods involve primary and secondary data. Primary data were obtained through semi-structured interviews and questionnaires. Interviews were used to explore students' experiences, perceptions, and understanding of financial literacy, financial knowledge, financial attitudes, budget planning, and the challenges they face in managing their personal finances. The questionnaire was designed to measure students' levels of financial literacy, financial knowledge, financial attitudes, budget planning, and personal financial management using a 1–5 Likert scale. Secondary data were obtained from official statistics from the Financial Services Authority (OJK), Bank Indonesia (BI), and the Central Statistics Agency (BPS), as well as previous studies on financial literacy, financial knowledge, financial attitudes, budget planning, and personal financial management.

The study population included all active students at various universities in Bali, encompassing tens of thousands of students across several public and private universities. The sample was selected using a purposive sampling technique, with the criteria of being active students in at least their second semester who have knowledge or experience in financial literacy, financial attitudes, budget planning, and managing their finances independently. The sample size of 200 respondents was considered representative enough to produce statistically significant results.

The variables measured in this study were financial literacy, financial knowledge, financial attitudes, budget planning, and personal financial management. The primary analytical tool used was multiple linear regression to

examine the effect of investment financial literacy on personal financial management. The regression model tested the simultaneous and partial effects of financial literacy, financial knowledge, financial attitudes, and budget planning on personal financial management. Classical assumption tests were conducted to ensure the validity of the regression model, while hypothesis tests were used to examine the influence of independent and partial variables on the dependent variable. Analysis was conducted using statistical software such as SPSS to interpret the results of the relationship between financial literacy, financial knowledge, financial attitudes, budget planning, and personal financial management of students.

FINDINGS AND DISCUSSION (Palatino Linotype 12, Space 1.15, Justify)

Results

This study aims to analyze the influence of financial literacy, financial knowledge, financial attitudes, and budget planning on the personal financial management of college students in Bali. The research data was statistically processed using descriptive and inferential analysis, with the results presented in tables for ease of understanding.

Descriptive statistics are used to describe the data characteristics of research variables.

Table 1. Descriptive Statistics of Research Variables

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Standard Deviation
Financial Literacy	200	3.00	5.00	4,395	.633
Financial Knowledge	200	1.00	5.00	3,850	1,177
Financial Attitude	200	1.00	5.00	4,345	.754
Budget Planning	200	1.00	5.00	4,150	.861
Personal Financial Management	200	1.00	5.00	4,075	.967

Valid N (listwise)	200				
--------------------	-----	--	--	--	--

The table above provides information regarding variable X1, namely financial literacy, the results of the study of 200 respondents can be obtained results, the average (mean) of 4.395, standard deviation of 0.633, minimum score from the data (minimum) of 3, and maximum (maximum) of 5. Variable X2, namely financial knowledge, can be obtained results, the average (mean) of 3.850, standard deviation of 1.177, minimum score from the data (minimum) of 1, and maximum (maximum) of 5.

The X3 variable, namely financial attitudes, can obtain results, an average (mean) of 4.345, a standard deviation of 0.754, a minimum score from the data (minimum) of 1, and a maximum (maximum) of 5. The X4 variable, namely budget planning, can obtain results, an average (mean) of 4.150, a standard deviation of 0.861, a minimum score from the data (minimum) of 1, and a maximum (maximum) of 5. While the Y variable, namely personal financial management behavior, can obtain results, an average (mean) of 4.075, a standard deviation of 0.967, a minimum score from the data (minimum) of 1, and a maximum (maximum) of 5.

Table 2. Results of Regression Analysis

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3,694	.638		5,793	.000
Financial Literacy	.261	.102	.171	2,546	.012
Financial Knowledge	.153	.056	.186	2,740	.007

Financial Attitude	.211	.086	.165	2,464	.015
Budget Planning	.289	.076	.257	3,806	.000

a. Dependent Variable: Personal Financial Management

Based on the analysis results, the following regression equation was obtained:

$$Y = 3.694 + 0.261 FL + 0.153 FK + 0.211 FA + 0.289 BP + \varepsilon$$

Based on the regression equation above, the influence of financial literacy, financial knowledge, financial attitude, and budget planning on personal financial management behavior can be seen from the direction of the sign and the level of significance. The results of the partial test (t-test) between the variables are as follows:

1. Variables *financial literacy* to *personal financial management behavior* shows a t-value of 2.546 and a regression coefficient of 0.261 with a significance of $0.012 < 0.05$. Therefore, H1 is accepted, which means that the variable *financial literacy* has a positive and significant effect on *personal financial management behavior*.
2. Variables *financial knowledge* to *personal financial management behavior* shows a calculated t value of 2.740 and a regression coefficient of 0.153 with a significance of $0.007 < 0.05$, then the variable *financial knowledge* has a positive and significant effect on *personal financial management behavior*.
3. Variables *financial attitude* to *personal financial management behavior* shows a calculated t value of 2.464 and a regression coefficient of 0.211 with a significance of $0.015 < 0.05$, then the variable *financial attitude* has a positive and significant effect on *personal financial management behavior*.
4. Variables *budget planning* to *personal financial management behavior* shows a calculated t value of 3.806 and a regression coefficient of 0.289 with a significance of $0.000 < 0.05$, then the variable *budget planning* has a positive and significant effect on *personal financial management behavior*.

Table 3. Simultaneous Test

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	28,194	4	7,048	8,717	.000b
	Residual	157,681	195	.809		
	Total	185,875	199			

a. Dependent Variable: Personal Financial Management

b. Predictors: (Constant), Budget Planning, Financial Attitude, Financial Literacy, Financial Knowledge

Based on the data analysis presented in Table 3, the probability value (F-value) is 8.717 with a significance level of 0.000. Since the significance level is less than 0.05, H_0 is rejected and H_a is accepted. This means that financial literacy, financial knowledge, financial attitudes, and budget planning simultaneously have a significant effect on personal financial management behavior.

Table 4. Results of the Determination Coefficient Test

Model Summary				
Model	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	.389a	.152	.134	.89923

a. Predictors: (Constant), Budget Planning, Financial Attitude, Financial Literacy, Financial Knowledge

Based on the data analysis presented in Table 4, the Adjusted R Square (R^2) value is 0.134, meaning that 13.4% of the variation in personal financial management behavior can be explained by the dependent variables of financial literacy, financial

knowledge, financial attitudes, and budget planning. The remainder (100% - 13.4% = 86.6%) is explained by other factors not included in the model.

DISCUSSION

Descriptively, all research variables showed relatively high average values, particularly for financial literacy (4.395), financial attitudes (4.345), and budget planning (4.150). This indicates that students in Bali generally have a fairly good understanding and tendency towards financial behavior. The high average value for the personal financial management behavior variable (4.075) also indicates that most respondents have been able to manage their personal finances quite effectively. However, the relatively large standard deviation value for the financial knowledge variable (1.177) indicates a fairly wide variation in understanding among respondents, so that there are still groups of students with low levels of financial knowledge. This finding can be analyzed through financial literacy theory, which states that an individual's level of understanding of financial concepts will influence the quality of their financial decisions (Lusardi & Mitchell, 2014). (Sugiyono, 2019; Lusardi & Mitchell, 2014)

Based on the results of the regression analysis, the equation $Y = 3.694 + 0.261 FL + 0.153 FK + 0.211 FA + 0.289 BP + \epsilon$ was obtained, indicating that all independent variables have a positive influence on personal financial management behavior. This positive coefficient indicates that an increase in each variable will be followed by an increase in students' personal financial management behavior. This is in line with consumer behavior theory which states that cognitive and affective factors influence individual actions in economic decision-making (Kotler & Keller, 2016). (Ghozali, 2021; Kotler & Keller, 2016)

Partially, financial literacy has been shown to have a positive and significant impact on personal financial management behavior. This indicates that the higher students' ability to understand financial concepts, such as money management, investment, and savings, the better their financial management behavior. This finding aligns with the theory that financial literacy is the primary foundation for rational financial decision-making. This analysis is reinforced by financial literacy theory, which emphasizes the importance of understanding financial information in improving individual well-being (Remund, 2010). (Lusardi & Mitchell, 2014; Remund, 2010)

Financial knowledge also has a positive and significant impact. This means that students with broader information and insight regarding financial products and instruments tend to be more able to manage their finances effectively. This

knowledge helps individuals avoid financial mistakes and improves their ability to make sound financial decisions. This can be explained through human capital theory, which states that individual knowledge and skills are important assets in improving the quality of economic decisions (Becker, 1993). (Becker, 1993; Ghozali, 2021)

Furthermore, financial attitudes have also been shown to significantly influence financial management behavior. Positive attitudes toward financial management, such as saving habits, careful spending, and a future orientation, encourage students to be more disciplined in managing their finances. This confirms that psychological aspects play a significant role in shaping individual financial behavior. This analysis aligns with the Theory of Planned Behavior (TPB), which states that attitudes influence a person's intentions and behavior (Ajzen, 1991). (Ajzen, 1991; Kotler & Keller, 2016)

The budget planning variable showed the most dominant influence compared to other variables, with the largest regression coefficient (0.289) and the highest t-value. This indicates that the ability to prepare and manage a budget is a key factor in improving personal financial management behavior. Students who are accustomed to budgeting tend to be more controlled in their spending and are better able to achieve their financial goals. This can be explained by financial planning theory, which emphasizes the importance of planning in achieving financial stability (Gitman et al., 2015; Ghozali, 2021).

Simultaneously, the F-test results show that all four independent variables significantly influence personal financial management behavior. This indicates that financial management behavior is not influenced by a single factor, but rather by a combination of literacy, knowledge, attitudes, and budgeting skills. This aligns with the integrative theory of financial behavior, which states that financial behavior is the result of the interaction of various internal and external factors (Xiao, 2008). (Xiao, 2008; Sugiyono, 2019)

However, the Adjusted R Square value of 0.134 indicates that this research model can only explain 13.4% of the variation in personal financial management behavior. This means that other factors still influence the remaining 86.6%, such as income, social environment, lifestyle, family influence, and advances in financial technology. This indicates that financial behavior is a complex phenomenon influenced by various multidimensional aspects. This analysis is supported by behavioral finance theory, which emphasizes that financial decisions are influenced by psychological and social factors (Thaler, 2016). (Thaler, 2016; Ghozali, 2021)

Overall, the results of this study emphasize the importance of improving financial literacy, knowledge, attitudes, and budget planning skills in shaping students' personal financial management behavior. Therefore, educational institutions are expected to integrate financial education into their curricula to improve the quality of financial management among the younger generation. This aligns with financial education theory, which emphasizes the importance of early education in shaping healthy financial behavior (OECD, 2016; Lusardi & Mitchell, 2014).

CONCLUSION

Based on the research results, it can be concluded that financial literacy, financial knowledge, financial attitudes, and budget planning have a positive and significant influence on the personal financial management behavior of students in Bali, both partially and simultaneously. The budget planning variable is the most dominant factor in influencing personal financial management behavior, followed by financial literacy, financial knowledge, and financial attitudes. In general, students have shown a fairly good level of financial understanding and behavior, but there are still variations, especially in the aspect of financial knowledge. However, the model's ability to explain the dependent variable is still limited, as indicated by the Adjusted R Square value of 13.4%. This suggests that other factors outside the research also influence financial behavior. Therefore, improving education and integrated financial management practices are important in shaping more optimal financial behavior in students.

REFERENCES

- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Becker, G.S. (1993). *Human capital: A theoretical and empirical analysis with special reference to education* (3rd ed.). University of Chicago Press.
- Ghozali, I. (2021). *Multivariate analysis application with IBM SPSS 26 program* (10th ed.). Diponegoro University Publishing Agency.
- Gitman, L. J., Joehnk, M. D., & Billingsley, R. S. (2015). *Personal financial planning* (14th ed.). Cengage Learning.
- Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Pearson Education Limited.
- Lusardi, A., & Mitchell, O. S. (2014). *The economic importance of financial literacy:*

- Theory and Evidence. *Journal of Economic Literature*, 52(1), 5–44.
<https://doi.org/10.1257/jel.52.1.5>
- OECD. (2016). OECD/INFE international survey of adult financial literacy competencies. OECD Publishing. <https://doi.org/10.1787/9789264254855-en>
- Remund, D.L. (2010). Financial literacy explicated: The case for a clearer definition in an increasingly complex economy. *Journal of Consumer Affairs*, 44(2), 276–295.
<https://doi.org/10.1111/j.1745-6606.2010.01169.x>
- Sugiyono. (2019). Quantitative, qualitative, and R&D research methods. Alfabeta.
- Thaler, R.H. (2016). *Misbehaving: The making of behavioral economics*. WW Norton & Company.
- Xiao, J. J. (2008). Applying behavior theories to financial behavior. In JJ Xiao (Ed.), *Handbook of consumer finance research* (pp. 69–81). Springer..