JOURNAL OF DIGITAINABILITY, REALISM & MASTERY (DREAM)
e-ISSN: *2948-4383*
Volume 03, Issue 04,
April 2024
Article DOI: *10.56982/dream.v3i04.230*

The Influence of Financial Literacy on Family Financial Management: Case Study of Vocational School Teachers

Henrique de F. Marques*[a], Ni Luh P. Wiagustini[b], Augusto da Conceição Soares[c]
[a]*Institute of Business (IOB), Dili, Timor-Leste, henrique_marquescmm@yahoo.com*
[b]*Universitas Udayana (UNUD), Bali, Indonesia, wiagustini@yahoo.com*
[c]*Institute of Business (IOB), Dili, Timor -Leste, asoares27@yahoo.com*
**Corresponding author*

ABSTRACT

This research aims to analyze the influence of financial attitude on financial management, (2) to analyze the influence of financial behavior on financial management, and (3) to analyze the influence of financial knowledge on financial management. The sample in this study used 62 respondents. The sampling technique in this research used the Proportional Random Sampling technique by lottery. The results are based on the hypothesis test results that (1) Financial attitudes have a positive and significant effect on financial management among vocational school teachers in Ermera Municipality which cannot be accepted or rejected, (2) Financial behavior has a positive and significant effect on financial management for Vocational School Teachers in Ermera Municipality can be accepted, and (3) Financial knowledge has a positive and significant effect on financial management for Vocational School Teachers in Ermera Municipality cannot be accepted or rejected.

Keywords: financial attitude, financial behavior, financial knowledge, and financial management

I. INTRODUCTION

Managing family finances and knowing numbers is one of the things a married couple or family must do. It is imperative to know about running finances, but apart from that, an individual's ability to make decisions about personal finances is an economic behavior, which is also useful for managing finances. It is possible to achieve various homework assignments, such as reducing poverty rates, by understanding good financial management (Soetione, June 2015). Some families are complicated in managing finances, so there are few frustrated people. Managing family finances requires knowledge (Financial Literacy). Financial literacy can be defined as financial knowledge, to achieve prosperity (Lusardi & Mitchell, 2007). Increasing financial literacy is work that needs to be done continuously. A higher level of financial literacy will impact our welfare (OJK Magazine, March 2015).

Women and men naturally have differences regarding financial knowledge. Women have more knowledge about money than men. Women are more dominant in knowing more about money than men. Financial knowledge is an inseparable thing in life because it is a useful tool for making financial decisions. However, experiences in various countries still show that people's financial knowledge is relatively low. The results of a survey conducted by VISA in early 2012 showed the public's weak understanding of financial management. Ramasawmy, et al., (2020) states four (4) fundamental aspects of financial literacy, including (1) the level and importance of financial literacy; (2) the definition and theory of financial literacy; (3) financial literacy obstacles; and (4) efforts to increase the level of financial literacy.

This is in line with research conducted by Damanik, et al (2016) which shows that *Financial Attitude* influences Financial Management Behavior, while Financial Knowledge and Parental Income do not influence Financial Management Behavior. This research has two implications, (1) Attitude is an important factor in supporting financial behavior, where attitudes are generally influenced by the environment and social interactions and (2) financial knowledge does not affect financial behavior because financial education is less effective in low-income countries or regions.

Money is a primary need that can influence a person's behavior and can make an individual think irrationally. This is because each individual's attitude towards money is different. The financial management process is an important activity to carry out in family life. Family financial managers should be able to manage the funds they have by setting them aside by saving and investing. However, quite a few families still cannot set aside funds for saving or investing.

How much income a family has, should be managed as carefully and well as possible so that expenses are in line with the income received, so that all important needs in the family can be met according to each individual's abilities. Fulfilling the wants and needs of each family and its members is part of every family. Thus, to achieve optimum utilization of limited cash resources, good and effective financial management efforts are required.

Managing personal finances is not easy to apply because several systematic steps must be followed. However, knowing personal financial management is the first step to proper application when managing personal money. Personal financial management requires a lifestyle that has priorities. The power principle of priority also influences a person's level of discipline when managing.

Senduk (2016) strengthens this by stating that personal financial management includes decisions about: First, buying and owning as many productive assets as possible. What this means is to determine the productive assets you want to have, write down the productive assets you want in the productive asset column, as soon as you get your salary, and prioritize having productive assets before paying for other expenses by studying the ins and outs of each -each of these productive assets. Second, manage your expenses. The rationale is that, if necessary, try to be a little harder on yourself not to experience a deficit because a deficit is the source of all the big problems that may arise in the future. Prioritize debt installment payments, then insurance premiums, and living expenses. Learn how to spend money wisely for each expense item. Third, be careful with debt. The explanation is how to know when to owe and when not to owe. Master the necessary tips if you want to take out debt or buy goods on credit. Master the tips you need if you currently have debt.

Based on the results of previous research, this research took the object, namely the Ermera Municipio Vocational School teachers. In the Municipio (Regency) of Ermera there are six vocational schools established by the government including the private sector. Considering that the existing teachers, apart from their lack of knowledge of managing finances in the family, salaries are small/low because according to initial observations (interviews), it is known that the salaries of contract teachers are around $ 175-$200 and volunteer teachers are around $80-$120, family needs increasing (increasing number of children, traditional demands) is an obstacle in managing family finances. The objectives to be achieved in this research are; to analyze the influence *of Financial Attitude* on financial management, to analyze the influence of *Financial Behavior* on financial management, and to analyze the impact of *Financial Knowledge* on financial management.

II. LITERATURE REVIEW

A. Definition of Financial Management

According to Elsye (2016:2) stated that financial management is all the rights and obligations of an agency in the context of managing income which can be assessed from all activities which include planning, implementation, administration, reporting, accountability, and financial supervision. It can be concluded that financial governance is a system that processes financial data into a form that is more useful and more meaningful for recipients with a simple approach but provides great benefits for consumers/employees. Financial management is a subject that investigates the financial management of a company, including funding sources, cash distribution, and income distribution (Anwar, 2019:5). Whereas Purba et al. (2021:114) define financial management as planning, organizing, directing, and controlling financial activities such as the acquisition and use of company funds.

It can be concluded that financial management is part of financial management, which means a field of management that is related to efforts/methods to obtain the necessary funds and managing/regulating how these funds are used to achieve goals.

According to Warsono (2010) in Yushita (2017:20), managing personal finances can be seen from four (4) domains, namely: 1). Use of Funds: Whatever source of funds you have, the problem is how to allocate the funds (use of funds) to meet needs appropriately. Fund allocation must be based on priorities. The priority scale is made based on your needs, but you must pay attention to the presentation so that the funds are not used up for daily consumption, 2). Determining Sources of Funds: A person must be able to know and determine the source of funds. Sources of funds can come from parents, donors, or scholarships. Apart from that, someone can also determine their source of funds. Sources of funds can also be created from various businesses. By being able to determine the source of funds, a person knows and looks for other alternative sources of funds as a source of financial income to be managed, 3), Risk Management; What is meant by risk management is the management of possible risks that will be faced, 4). Future Planning; The future is something that everyone will be aiming for, for this reason, a mature financial plan is needed to meet that moment. By planning for the future, you also analyze future needs, so you can prepare investments from now on.

B. Financial Literacy

The definition of financial literacy has been put forward by many experts, including the following: Huston (2018) defines financial literacy as the skills possessed by individuals with the ability to manage their income to achieve increased financial well-being. Meanwhile, Anggraeni (2015) stated that financial literacy is a basic thing that must be understood and mastered by every individual because it influences a person's financial condition and has an impact on making good and appropriate economic decisions.

Amagir et al. (2017:2) financial literacy can be seen as human investment capital that can help each individual make decisions about savings, credit, and retirement in the future. The concept of financial literacy, includes knowledge of financial concepts, the ability to understand communication regarding financial concepts, skills in managing personal/company finances, and the ability to make financial decisions in certain situations (Aribawa, 2016:3). According to Huston (2018) Personal financial is the ability to read, analyze, manage and communicate about the personal financial condition that affect material well-being. It includes the ability to discern financial choices, discuss money and financial issues without (or despite) discomfort, plan for the future, and respond competently to life events that affect every-day financial decisions, including even in the general economy".

Chen & Volpe (1998) in Mendari & Kewal (2014) divide financial literacy into 4 (four) aspects in understanding personal financial management which include:

1. *General Personal Finance,* namely the ability to understand something related to basic knowledge of personal finance.
2. *Saving and borrowing,* namely the ability to understand matters relating to savings and loans.
3. *Insurance,* individual understanding of basic insurance knowledge and insurance products such as education insurance and life insurance.
4. *Investment,* namely the basic ability to understand something related to interest rates, investment risk, capital markets, mutual funds, and deposits.

C. Financial Attitude

According to Garlan (2016:59), Financial attitude is a disciplined pattern of how someone manages their money. Financial attitudes can be a determinant of an individual's success or failure in financial matters. A person must have discipline in taking an attitude towards money so that mistakes do not occur. Sohib (2015), individual attitudes toward money are influenced by many factors including experience, financial education, social status, socio-economic environment, and family. Understanding people's attitudes towards money is important because it can determine an individual's money behavior. Zulfiqar & Bilal (2016) a positive financial attitude is the result of financial literacy and ultimately results in financial well-being and individual economic empowerment.

Financial attitude indicators (*financial attitude*) in the opinion of Anthony (2017), namely:

1. Attitude towards daily financial behavior is related to a person's positive attitude in making good use of money in everyday life.
2. Attitudes towards savings plans are related to positive attitudes in carrying out savings plans, such as setting aside money for savings.
3. Attitude towards financial management, a positive attitude towards financial management such as keeping financial records, writing financial goals that help determine priorities in spending, and writing a budget.
4. Attitudes towards future financial capabilities are related to a person's positive attitude towards being responsible in managing finances to achieve personal financial prosperity.

Meanwhile, Mien & Thao (2015) revealed financial attitude indicators are measured by four indicators, namely (1) how people spend, (2) save, (3) hoard, and (4) waste money.

D. Financial Behavior

Zemtsov & Osipova (2015) define financial behavior as the result of financial knowledge and literacy, financial attitudes, and financial management. Financial behavior, as defined by Suryanto (2017), is the method by which each treats, manages, and utilizes the financial resources they have.

Hogan (in Laily, 2016) claims that effective financial planning, management, and control activities are signs of healthy financial behavior. A person's way or attitude in managing money going in and out, credit management, and investment savings can be used as indicators of good financial behavior. Qamar et al. (2016) stated that financial behavior is any human behavior that is relevant to financial management. Mohamed (2017) states that financial behavior (*financial behavior*) is a process for managing financial resources to achieve financial success in the areas of money management, credit management, retirement planning and financial planning, implementation, and financial evaluation.

Indicators of variable financial behavior based on Muir et al. (2017) include:

1. Saving, active savings behavior such as starting to save, and passive actions such as being frugal or investing.
2. Planning and budgeting, actions both for now and the future. Budgeting behavior is a deliberate lifestyle. While future-related actions include having a financial plan for the future and having financial goals, seeking knowledge and information is also considered an investment in the future.
3. Credit, actions related to decreasing or effectively managing finances.
4. Purchasing behavior, namely active actions to manage spending, including cutting living expenses, being careful when spending money, and avoiding compulsive buying.

III. CONCEPTUAL FRAMEWORK AND HYPOTHESIS

The conceptual framework is a synthesis of the relationships between variables which are compiled from various theories that have been described, and then analyzed critically and systematically, resulting in a synthesis of the relationships between these variables which is then used to formulate hypotheses (Sugiyono, 2018). The conceptual framework in this research is a research concept that is logically connected to the theoretical basis and empirical studies that have been explained previously. Based on the problem formulation and conceptual framework in this research, the independent variable (X) is *financial attitude, financial behavior,* and *financial knowledge* and the dependent variable (Y) is financial management.

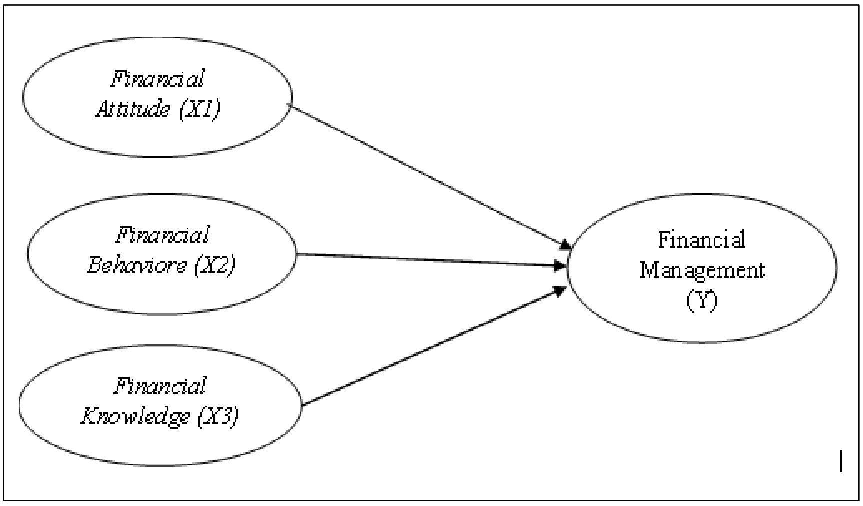

Figure 1. Conceptual Framework

IV. RESEARCH METHODS

This type of research is quantitative research with causality research methods which are designed to examine the possibility of a cause-and-effect relationship between variables (Sanusi, 2017:14). This research was conducted on vocational school teachers, Ermera, Timor Leste. The population in this study was 163 teachers and the sample members in this study were 62 teachers using the proportional random sampling method. The data collection method in this research uses a questionnaire with a Likert scale (5 scales). This research tests instrument validity and reliability and uses variance-based structural equation analysis (SEM) which can simultaneously test measurement models as well as test structural models.

V. RESULTS

A. Respondent Characteristic Description

The results of respondent characteristics as shown in the table below:

Table 1. Respondent Characteristics

Respondent Characteristics	Total	Percentage (%)
Sex		
Male	38	59.4
Female	26	40.6
Ages		
17 – 25 age	6	9.4
26 – 35 age	42	65.6
36 – 45 age	11	17.2
46 – 55 age	4	63
> 55 age	1	1.6
Social Status		
Single	18	28.1
Married	45	70.3
Widow/	1	1.6
Education Level		
Senior High School	6	9.4
Diploma	9	14.1
Bachelor (S1)	48	75.0
Master (S2)	1	1.6
Income		
< $100.00	18	28.1
$101.00–200.00	17	26.6
$201.00 - 300.00	26	40.6
$301.00 - 500.00	2	3.1
> $500.00	1	1.6
Duration of Work		

< 5 ages	36	56.3
6–10 ages	21	32.8
11–15 ages	4	6.3
16–20 ages	2	3.1
> 20 ages	1	1.6

Based on the table above, shows that of the 64 respondents in this study, there were 38 male respondents with a percentage of 59.4% and 26 female respondents with a percentage of 40.6%. It can be concluded that most respondents in the study were 38 men, or 58.3%. Meanwhile, characteristics based on age are divided into five groups, which represent the respondent's age group. The largest number of respondents were in the age group 26–35 years. This data illustrates that the age group 26–35 years is productive in performing learning activities at school.

From the Table above it can also be seen that the number of respondents with unmarried marital status was 18 people or 28.1%, respondents with married status were 45 people or 70.3% and respondents with widower status were 1 person or 1.6%. Meanwhile, characteristics based on education level are divided into four groups, which represent the respondent's education level. The highest number of respondents were in the Bachelor (S1) education level group, 48 people or 75.0%. This data illustrates that the Bachelor (S1) education level group is the minimum level of education that must be obtained from an education worker (teacher).

The data shows that the largest number of respondents were respondents who had a monthly income of $201.00 - $300.00, as many as 26 people (40.6%). Meanwhile, 18 respondents had the lowest income, namely < $100.00, or 28.1%.

In the table above the results show that the number of respondents who worked for less than 5 years was 36 people or 56.3%, the number of respondents who worked from 6 to 10 years was 21 people or 32.8%, the number of respondents who worked from 11 to 15 years was 4 people or 6.3%, the number of respondents who worked from 16 to 20 years was 2 people or 3.1% and the number of respondents who worked from > 20 years was 1 or 1.6%.

B. Outer Loadings

Outer Loadings is used to measure the correlation between item scores and construct scores. The higher the correlation, the better the item reliability (Ningsih & Hermawan, 2019). The results of item reliability can be seen in the table below:

Table 2. Outer Loadings

Variable	Indicator/Item	*Outer loading*
Financial Attitude (X1)	Setting future goals ($X_{1.1}$),	0.740
	Financial planning ($X_{1.2}$)	0.429
	Saving ($X_{1.3}$)	0.756
	Make financial decisions ($X_{1.4}$)	0.485
	Spending money on useful goods ($X_{1.5}$)	0.765
	Believe financial management influences the future ($X_{1.6}$)	0.524
	The future is influenced by financial arrangements ($X1_{.7}$)	0.590
	Shopping for useful items is more fun than saving for the future ($X_{1.8}$)	0.320
Financial Behavior (X2)	Records control personal finances ($X2_{.1}$)	0.792
	Comparing prices($X2_{.2}$)	0.682
	Saving for future needs ($X2_{.3}$)	0.842
	Expenditure plan, ($X2_{.4}$),	0.616
	Directing financial decisions ($X2_{.5}$),	0.776
	Discuss with family ($X2_{.6}$)	0.623
	Paying bills ($X2_{.7}$)	0.418
	Save every month ($X2_{.8}$)	0.785
	Shop before getting money ($X2_{.9}$)	-0.251
	Asking family or friends to lend money ($X2_{.10}$)	-0.522
	Save regularly ($X2_{.11}$)	0.599
	Save more when salary increases ($X2_{.12}$)	0.728
	Calculating finances every year ($X2_{.13}$)	0.750
	Check carefully before purchasing ($X2_{.14}$)	0.684
	Savings in the last 12 months ($X2_{.15}$).	0.586
	Have a savings account ($X3_{.1}$)	0.080
	Inheritance in 3 years ($X3_{.2}$)	0.578

Financial Knowledge (X3)	Shopping ability ($X3_{.3}$)	0.067
	Investment between different assets ($X3_{.4}$)	0.240
	Money loan ($X3_{.5}$)	0.477
	Loan interest rate ($X3_{.6}$)	-0.089
	Discount ($X3_{.7}$)	0.199
	Divide donations evenly ($X3_{.8}$)	-0.557
	Inflation increases ($X3_{.9}$).	-0.113
Financial Management (Y)	Buy daily necessities (Y_1),	0.708
	The funds received are sufficient (Y_2),	0.758
	Source of funds from own business (Y_3)	0.741
	Source of funds from other people (Y_4)	0.291
	Knowing the risks in managing finances (Y_5)	0.489
	Insurance (Y_6)	0.742
	Investing is not detrimental (Y_7)	0.200
	Set aside income (Y_8).	0.655

From the results of data processing with Smart-pls shown in the table above, most indicators for each variable in this study have a value *loading factor* that is greater than 0.50 and is said to be valid. However, there are three statement items in the financial attitude variable (X_1) namely financial planning indicators ($X_{1.2}$) indicators for making financial decisions ($X_{1.4}$), and indicators that Shopping for useful goods is more enjoyable than saving for the future ($X_{1.8}$) which has value *loading factor* < 0.50. On variables *Financial Behavior* (X_2) there are three (3) indicators paying bills ($X_{2.7}$), Shop before getting money ($X_{2.9}$), and Asking family or friends to lend money ($X_{2.10}$) which has a value *outer loading* < 0.50.

In the financial knowledge variable (X3), of the nine statement items, only one statement item has a value *factor loading* > 0.50, namely on the Legacy indicator in 3 years ($X_{3.2}$). Furthermore, in the Financial Management variable (Y), there are three indicators, namely the indicators Source of funds from other people (Y4), Knowing the risks in managing (Y5), and investing without harm (Y7) which has a value *outer loading* < 0.50. Therefore, indicators from these variables need to be eliminated or removed from the model.

C. Convergent Validity

Convergent validity namely testing construct validity by predicting the indicator size of each block (Ningsih & Hermawan, 2019). One way of convergent validity can be seen by comparing the AVE value with the correlation between other constructs in the model. If the AVE root value is > 0.50, it means that convergent validity is achieved. The results of convergent validity testing can be seen in the table below:

Table 3. AVE

Variable	Average Variance Extracted
Financial Attitude (X_1)	0.600
Financial Behavior (X_2)	0. 510
Financial Knowledge (X_3)	1.000
Financial Management (Y)	0.537

Based on the table above, the AVE value of the latent variable Financial *Attitude* (0.600), *Financial Behavior* (0.510), *Financial Knowledge* (1.000), and the Financial Management variable (0.537). So it can be said that the measurement model is valid.

D. Construct Reliability

According to Kowanda, (2016), reliability requirements are a measure of the stability and consistency of results (data) at different times. To test the reliability of constructs in research, values are used for *composite reliability*. A variable is said to meet construct reliability if it has a value *composite reliability* > 0.70 and value *Cronbach alpha* a value > 0.70 has a good level of reliability for a variable (Assegaff, 2015). Mark *composite reliability* of each indicator can be seen in the following table:

Table 4. Construct Reliability

Variable	Cronbach's Alpha	Composite Reliability	Observation
Financial Attitude (X_1)	0.776	0.856	Reliable
Financial Behavior (X_2)	0.911	0.925	Reliable
Financial Knowledge (X_3)	1.000	1.000	Reliable
Financial Management (Y)	0.784	0.852	Reliable

In the table above, the results of the reliability test analysis using the SmartPLS tool, state that all values of composite *reliability are* greater than 0.70, which means all variables are reliable and have met the test criteria.

The Cronbach's alpha value also shows that all values of *Cronbach's alpha* are over 0.60 and this shows that the level of variable reliability also meets the criteria.

E. Structural Model Evaluation (Inner Model)

The structural model (*inner model*) is a pattern of relationship between research variables. Evaluation of the structural model is by looking at the coefficients between variables and the value of the coefficient of determination (R_2). A value close to 1 means that the independent variables provide almost all the information needed to predict variations in the dependent variable (Munisih, 2015). The test results can be seen in the image below:

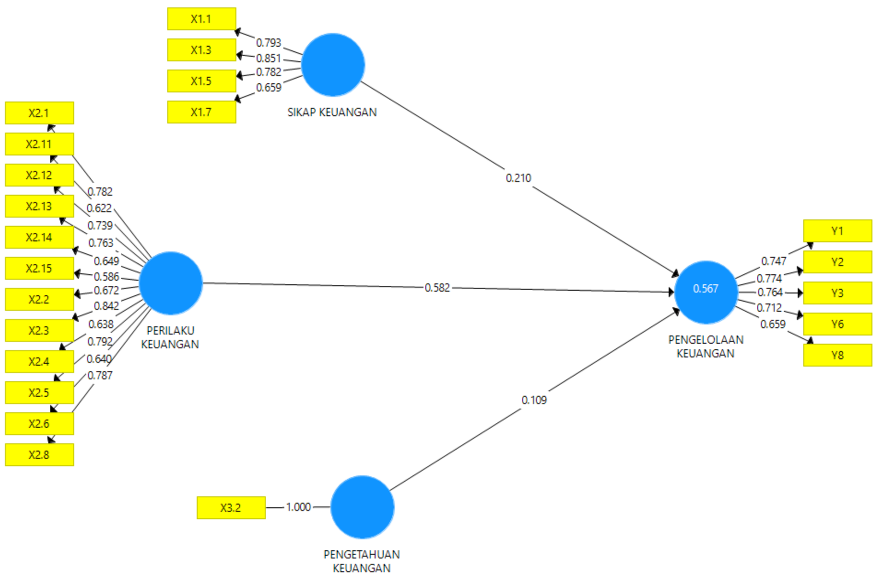

Figure 2. SEM Model

Based on the picture above, it is explained that the R–Square value of the independent variables financial attitude, financial behavior, and financial knowledge on the dependent variable financial management is 0.567. This value is categorized as moderate, so it can be concluded that the three independent variables have a moderate influence and level on the dependent variable. In addition, the results that 56.7% of the information in the data can be explained by the model, while the remaining 43.3% is explained by errors and other variables that are not discussed by this research model.

F. Hypothesis Testing

In this research, 3 hypotheses will be developed. To perform a hypothesis test, 2 criteria are used, namely value *path coefficient* and value-statistic. Natalia & Tarigan, (2014) Value criteria *path coefficient* is that if the value is positive, then the influence of a variable on the variable it influences is in the same direction. If the value *path* *coefficient* is negative, then the influence of one variable on another variable is in the opposite direction. The research hypothesis can be accepted if the t value is calculated (*t-statistic*) > t table at an error rate (α) of 5%, namely 1.96.

Table 5. Hypothesis Results

Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Observation
Financial Attitude -> Financial Management	0.210	0.184	0.146	1.445	0.149	Rejected
Financial Behavior -> Financial management	0.582	0.617	0.120	4.858	0.000	Accepted
Financial Knowledge -> Financial Management	0.109	0.113	0.076	1.438	0.151	Rejected

Based on the table above, information regarding the results of direct effect testing can be obtained:

1. *Financial Attitude* (X1) is proven to have no positive and significant effect on Financial Management (Y). This result is shown by a t-statistic value of 0.149 < 1.96 and a p-value > 0.05. Thus, the first hypothesis, namely *Financial Attitude,* has a positive and significant effect on Financial Management for Vocational School Teachers in Ermera Municipality cannot be accepted or rejected.
2. *Financial Behavior* (X2) is proven to have a positive and significant effect on Financial Management (Y). This result is shown by the t-statistic value of 4,858 > 1.96 and the p-value < 0.05. Thus, the second hypothesis, namely *Financial Behavior* has a positive and significant effect on Financial Management for Vocational School Teachers in the Municipality of Ermera can be accepted.
3. *Financial Knowledge* (X1) is proven to have a positive but not significant effect on Financial Management (Y). This result is shown by the t-statistic value of 1,438 < 1.96 and the p-value > 0.05. Thus, the third hypothesis, namely *Financial Knowledge* has a positive and significant effect on Financial Management for Vocational School Teachers in Ermera Municipality cannot be accepted or rejected.

VI. DISCUSSION

A. Financial Attitude towards Financial Management

Variable *Financial Attitude* (X1) is proven to have no positive and significant effect on Financial Management (Y). It is known from the t-statistic value of 0.149 < 1.96 and the p-value > 0.05. Thus, the first hypothesis, namely *financial attitude* has a positive and significant effect on Financial Management for Vocational School Teachers in Ermera Municipality cannot be accepted or rejected.

According to Muhammad and Nadia (2018:317), Financial Attitude is a view of money seen from the psychological aspect which is demonstrated by the ability to control oneself over financial spending, making financial plans, making budgets, as well as actions in making appropriate financial decisions. Financial attitude Good financial management behavior will also result in good financial management behavior.

Empirically, the results of this study are not consistent with research from Damanik et al. (2016) and Hadiansah, et al. (2016) which found that *Financial Attitude* has a positive effect on financial management behavior. In addition, this research strengthens the results of research from (Anggraini,et al., 2022) that there is no influence from financial attitude on *financial management behavior.*

B. Financial Behavior towards Financial Management

This research found that variables *Financial Behavior* has a positive and significant effect on Financial Management. It is known from the t-statistic value of 4.858 > 1.96 and the p-value < 0.05. Thus, the second hypothesis, namely *Financial Behavior* has a positive and significant effect on Financial Management for Vocational School Teachers in the Municipality of Ermera can be accepted.

In theory, financial behavior is the result of financial knowledge and literacy, financial attitudes, and financial management. Mohamed (2017) states that financial behavior is a process for managing financial resources to achieve financial success in the areas of money management, credit management, retirement planning and financial planning, implementation, and financial evaluation.

Empirically, the results of this research support research conducted by Pratiwi (2019) which found variables of *financial behavior* positive influence on *financial satisfaction.* Furthermore, Robb and Woodyard (2011) found that *financial behavior* positive and significant effect on *financial satisfaction.*

C. Financial Knowledge towards Financial Management

Financial knowledge refers to what a person knows about personal financial matters which can be measured by their level of knowledge about various personal financial concepts. Based on the results obtained in this research, shows that the variable *Financial Knowledge* (X3) does not affect Financial Management. It is known from the t-statistic value of .438 < 1.96 and the p-value > 0.05.

Thus, the third hypothesis, namely that financial knowledge has a positive and significant effect on financial management among vocational school teachers in the Municipality of Ermera, cannot be accepted or rejected. These results indicate that a high level of financial knowledge is not yet a basis for someone having good financial management. Because knowledge of finance must be accompanied by an attitude towards finance itself.

Empirically, the results of this research support research conducted by Damanik et al. (2016) who found variables of *Financial Knowledge* and *Parental Income* do not affect *Financial Management Behavior*. Apart from that, research results (Kurniawati & Lestari, 2017) show that attitudes toward money and financial knowledge do not affect family financial management behavior.

VII. CONCLUSION

A. Conclusion

Based on the results of the data analysis and discussion described in the previous chapter regarding the influence of Financial Literacy on Family Financial Management, the following conclusions can be drawn:

1. *Financial attitude* does not affect financial management because the teachers at Ermera Vocational School as reflected in indicators of daily financial behavior, savings plans, financial management, and financial capabilities are not able to improve their financial management. Apart from the low salary (income) for vocational school teachers, there are also quite high social demands, customs, and traditions that need to be met. So, in financial management specifically, the section *Attitude* regarding financial management itself is becoming less, it is also explained that because the minimum wage in Timor Leste is ± $ 115, to meet social and traditional demands is quite high so that savings and future investments have never been planned.
2. *Financial behavior* has a positive effect on the financial management of teachers at Ermera Vocational School as reflected in the indicators of saving, planning and budgeting, credit and purchasing behavior which can improve financial management. *Financial Behavior* from Vocational School Teacher, the significance of the meaning of finance was explained, that, the Teacher knows financial attitudes well, and the function and objectives of financial management are good/clear. His financial behavior is correct *Financial Behavior* has a positive effect on financial management.
3. *Financial Knowledge* does not affect the financial management of teachers at Ermera Vocational School because the indicators reflect *general knowledge* unable to improve financial management. Apart from that, the traditions or culture of the local community do not yet have a positive attitude towards healthy financial management. Always place a high value on tradition or culture *(belis)*, which causes them to waste money on cultural events. Additionally, they lack the information necessary to save money or invest it in the long term.

B. Suggestion

Several suggestions need to be considered in this research, including the following:

1. It is hoped that this research can be used as material for teachers to consider in financial management. It is hoped that if teachers have high financial literacy, good financial attitudes, and good financial knowledge, they will create wise and effective financial management behavior.
2. For vocational school teachers in the Municipality of Ermera, researchers recommend that they take various forms of education regarding financial management so that they can manage their finances well and wisely.
3. For *Financial Attitude* It is hoped that vocational school teachers in the Municipality of Ermera will follow the news or watch YouTube about financial knowledge, especially to set their financial goals. So that it can shape savings and investment management behavior in more depth, including by trying to invest personal funds either through shares or other instruments and acting more economically to create strong financial resilience.
4. For *financial knowledge* It is hoped that vocational school teachers in Ermera Municipality will further develop their basic knowledge about finance through formal and non-formal education. Methods that can be done include reading books about financial literacy, participating in various workshops, volunteering, financial institutions, beginner stock investments, etc., and various activities. Through this knowledge, vocational school teachers in the Municipality of Ermera can predict risks that might arise if they do not control their personal financial expenses and income.
5. It is hoped that future research can expand the population and sample size in research so that we can better understand the financial behavior of teachers as a whole. Apart from that, further research can use other variables as independent variables either from internal or external factors to know more about the variables that can influence the dependent variable.

REFERENCES

Anggraeni, B. D. 2015. Pengaruh Tingkat Literasi Keuangan Pemilik Usaha Terhadap Pengelolaan Keuangan. Studi Kasus: UMKM Depok. Jurnal Vokasi Indonesia, Vol.3 No.1, 22-30.

Anwar, Mokhamad. 2019. Dasar-dasar Manajemen Keuangan Perusahaan. Edisi 1, Jakarta: PRENADAMEDIA GROUP.

Elsye, Rosmery, S.H,.M.Si. 2016. Dasar-Dasar Akuntansi Akrual Pemerintah Daerah. Cetakan Pertama. Bogor. Ghalia Indonesia.

Laily, N. 2016. Pengaruh Literasi Keuangan Terhadap Perilaku Mahasiswa Dalam Mengelola Keuangan. Journal of Accounting and Business Education, 1(4).

Lusardi., & Mitchell, O. 2007. Financial Literacy and Retirement Planning: New Evidence from the Rand American Life Panerl, MRRC Working Paper 157, pp. 1-33

Mendari, A.S., & Suramaya, S.K. 2014. Tingkat Literasi Keuangan di Kalangan Mahasiswa STIE MUSI. Hal. 130-140.

Mien., & Thao. 2015. Factors Affecting Personal Financial Management Behaviors: Evidence from Vietnam, Proceedings of the Second Asia-Pacific Conference on Global Business, Economics, Finance and Social Sciences, Danang Vietnam, 10-12 July: 1-16.

Purba et al. 2021. The Effect of Cash Turnover and Accounts Receivable Turnover on Return On Asset. Indonesian College of Economics. STEI. Jakarta

Qamar, M.A.J., Khemta, M.A.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 Science, 5(2), 296–308.

Sanusi, Anwar. 2017. Metodologi Penelitian Bisnis.Jakarta.

Senduk, Safir. 2016. Seri Perencanaan Keuangan Keluarga: Mencari Penghasilan Tambahan. Jakarta: Elex Media Komputindo.

Sugiyono. 2018. Metode Penelitian Pendidikan Pendekatan Kuantitatif, kualitatif, dan R&D. Bandung: Alfabeta.

Suryanto. 2017. Pola Perilaku Keuangan Mahasiswa Di Perguruan Tinggi. Jurnal Ilmu Politik Dan Komunikasi, VII(1), 11–20.

Yushita, A.N. 2017. Pentingnya Literasi Keuangan Bagi Pengelolaan Keuangan Pribadi.