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Financial Freedom for Millennials: Smart Strategies in the Age of Innovation

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Abstract

This study explores the influence of financial literacy, financial inclusion, and lifestyle on financial management among millennials, with a case study of students from the Faculty of Economics and Business at Universitas Pelita Bangsa. Using a quantitative approach and purposive sampling technique, data were collected from 100 respondents through a questionnaire and analyzed using multiple linear regression. The results show that financial literacy, financial inclusion, and lifestyle positively and significantly impact student financial management, with significance values of 0.000 and 0.007 (< 0.05). These findings highlight the importance of these three factors in managing finances in the millennial era.

Abstrak

(Bahasa Indonesia) Penelitian ini bertujuan untuk mengeksplorasi pengaruh literasi keuangan, inklusi keuangan, dan gaya hidup terhadap pengelolaan keuangan generasi milenial, dengan studi kasus mahasiswa Fakultas Ekonomi dan Bisnis Universitas Pelita Bangsa. Menggunakan pendekatan kuantitatif dan teknik purposive sampling, data diperoleh dari 100 responden melalui kuesioner, dan dianalisis menggunakan regresi linier berganda. Hasilnya menunjukkan bahwa literasi keuangan, inklusi keuangan, dan gaya hidup memiliki pengaruh positif dan signifikan terhadap pengelolaan keuangan mahasiswa, dengan nilai signifikansi masing-masing 0,000 dan 0,007 (< 0,05). Temuan ini menegaskan pentingnya ketiga faktor tersebut dalam mengelola keuangan di era milenial.

Kata Kunci : Literasi Keuangan , Inklusi Keuangan , Gaya Hidup , Pengelolaan Keuangan

INTRODUCTION

Indonesia, as a country with a large population, faces the challenge of meeting the growing needs of its people. To address these needs, individuals must be able to manage their finances effectively. Money, being a crucial factor in daily life, often becomes a source of serious problems. Therefore, as individuals who rely on money, financial management skills are essential. Society, particularly students, must understand the importance of managing their finances wisely, considering that almost every human activity involves money (Pamella, 2022).

The current era of globalization has significantly impacted economic growth and improvement, including in Indonesia. This has influenced people's economic behavior in fulfilling their needs. As a result, individuals are required to manage their finances carefully to make the right and effective decisions regarding the use of their funds. This situation presents new challenges, especially in terms of consumerism and financial management among the younger generation. Students, as representatives of the millennial generation, must have the ability to manage and handle their income properly (Muntahanah , 2021).

Financial management is not only practical but also has a scientific foundation and historical development. Financial management began to be recognized and developed in the world of business and science in the early 20th century. The importance of human behavior in decision-making processes became the pioneer in the development of financial management. Good financial management should result in responsible financial behavior, both for individuals and families, so that all financial aspects can be well-managed (Fungky ,2019).

Knowledge of financial management is not just information but a tool that helps individuals utilize their finances properly according to their needs. A lack of financial literacy can lead to excessive consumer behavior without realizing it, which can potentially create a society that tends to be individualistic and materialistic. Therefore, the goal of financial literacy is to increase understanding of various aspects of financial management, including shopping, saving, investing, and comprehensive financial planning (Syaliha, 2022).

The first factor that affects one's ability to manage finances is financial literacy. Financial literacy is believed to ensure consumer empowerment, support the stability of the financial system, and improve community welfare. Knowledge of financial literacy plays an important role in shaping lifestyle patterns and is a life skill that every individual must have for long-term living (Azizah & Sutaatmadja, 2020).

Financial literacy is believed to guarantee consumer empowerment, support efforts to achieve financial system stability and promote more inclusive development and welfare. Public knowledge of financial literacy is crucial in shaping daily life, making it a vital life skill for long-term sustainability (Siregar & Simatupang, 2022).

Despite the importance of financial literacy, many people still do not fully understand the concept. Limited knowledge of financial literacy can lead to financial losses, especially for students and the general public, who face modern lifestyle trends that often follow the times (Sugiharti & Maula, 2019). Financial literacy has become a government focus to improve the welfare of Indonesian society. The government hopes that through financial literacy, the stability of the financial system, public welfare, and inclusive development can be more easily achieved (Novitasari, 2021).

The phenomenon of financial management behavior among students becomes more complex when they undergo identity exploration during adolescence and early adulthood. In adolescence, the tendency to be drawn to new and challenging things can significantly impact personal finances. Therefore, students need to understand and learn how to manage their finances early to form good habits when facing future financial challenges (Siregar & Simatupang, 2022).

The second factor that influences financial management is financial inclusion. To achieve optimal financial management, good financial inclusion is also necessary. Access to financial services has a significant impact, especially for the lower-middle-class population, as it allows them to save and invest (Theodora & Marti'ah, 2016).

The importance of financial inclusion, especially for the millennial generation and other younger generations, is also an aspect that needs attention. With easier access, this generation can more effectively access financial products. The availability of banks, ATMs, and cash deposit machines in the surrounding environment also facilitates millennials in conducting financial activities (Sufyati Hs & Alvi Lestari, 2022).

In addition to physical infrastructure, financial institutions also provide services through Internet Banking, M-banking, or SMS banking, making access easier for millennials. The utilization of banking services and products, such as savings, is key to enhancing financial inclusion (Gunawan, 2020).

As the industrial era progressed, Indonesians have been living alongside technological advancements. Advanced technology makes every aspect of life easier, including online shopping. Online shopping is no longer just a trend; it has become a norm, especially for millennials, who believe that shopping online is the best way to meet their needs (Ningtyas, 2019).

The millennial generation, which is predicted to become the largest demographic group in Indonesia in the coming years, has unique characteristics. They are highly digital-savvy, the largest users of social media, and highly consumptive, making them a prime target for marketing. Millennials' desires are often consumptive, encompassing shopping, vacations, purchasing concert tickets, and watching movies (Rahma , 2021).

The large number of millennials engaging in online shopping is driven by time efficiency, more affordable prices, and various shopping applications that make it easier, such as Shopee, Lazada, Bukalapak, and Blibli. With just a gadget and the convenience of having items delivered to their homes, millennials can meet their needs without leaving the house (Dewi et al., 2020).

In the era of global competition, the ability to control oneself becomes a key factor. Millennials, born into a time of easy access to financial institutions and growing up with technology, can easily access and invest through the Internet. However, many of them struggle with financial management, cannot prioritize their finances, and tend to be wasteful (Gunawan, 2020).

Millennials' financial behavior reflects a lifestyle full of demands. The ability to make decisions in managing finances determines whether a person will face difficulties in the future. Millennials tend to struggle with prioritizing their needs and wants (Sugiharti & Maula, 2019).

Millennials are often criticized for their wasteful tendencies, difficulty saving, love of travel, enthusiasm for buying gadgets, frequent visits to cafes, purchases of expensive branded goods, and even spending on overpriced coffee just to post on Instagram. These habits have become hallmarks of this generation's consumptive behavior. The idea that these habits contribute to national income has emerged as a misconception. Although it has economic impacts in the form of high spending, many millennials are seen as contributing to larger financial errors (Junaedi & Hartati, 2023).

In the context of a demanding lifestyle, millennial financial behavior reflects how they face financial decisions. The ability to make sound financial decisions is a key factor that distinguishes between future financial hardship and stability. Those who can prioritize their needs and desires and manage their finances responsibly are more likely to succeed in facing financial pressures (Sugiharti & Maula, 2019).

From a gender perspective, financial literacy among women was initially higher than among men, with the female financial literacy index reaching 50.33 percent, compared to 49.05 percent for men. The Financial Services Authority (OJK) took strategic steps by prioritizing women in its financial literacy programs from 2020 to 2022.

On the other hand, while women's financial literacy has improved, men's financial inclusion index is still higher, reaching 86.28 percent compared to 83.88 percent for women (OJK, 2020-2022). This highlights a significant difference in financial literacy and inclusion between the two genders, which may influence how each manages their finances.

Table 1
Financial Literacy and Financial Inclusion by Gender

	Gender	2019	2022
Financial Literacy	Male	39,94%	49,05%
	Female	36,13%	50,33%
Financial Inclusion	Male	77,24%	86,28%
	Female	75,15%	83,88%

(Source: Ojk.go.id)

Based on the presented data, financial literacy, and financial inclusion are identified as a combination of awareness, knowledge, skills, attitudes, and behaviors necessary to make proper, consistent, and sound financial decisions, with the ultimate goal of achieving personal financial well-being. However, this study also highlights another influencing factor: lifestyle.

Lifestyle, as explained by (Azizah & Sutaatmadja, 2020), can be reflected in one's daily life, interests, or opinions. It is also considered a personal attitude encompassing life management, money management, time and opportunity optimization, as well as interactions with the environment and others. In the context of globalization, society's ability to maintain self-control amidst global competition can directly affect millennials, serving as a clear example of globalization's impact (Azizah & Sutaatmadja, 2020).

Significant changes in lifestyle habits have occurred, especially with the rise of technology, including smartphones, social media, and modern fashion trends. These are viewed as excessive acts to fulfill a lifestyle, contributing to wasteful behavior (Theodora & Marti'ah, 2016).

In this modern era, millennials increasingly dominate the world of technology and the internet. Information about high-end lifestyles constantly influences this generation, pushing them to adopt habits they should avoid (Muntahanah, 2021).

As a result, many millennials focus on enjoying life in the present without considering the future. This is evident in their decision to spend extravagantly on luxurious vacations rather than setting aside money for the future. Excessive online shopping also becomes a common behavioral pattern, as does communication through social media that highlights a high-end lifestyle while neglecting face-to-face interaction. While social media is often utilized by artists, influencers, and public figures for promotional purposes, it can negatively affect millennials' financial decisions (Ningtyas, 2019).

Changes in the millennial lifestyle, both directly and indirectly, can shape their habits in handling various aspects of life, from secondary to primary and tertiary needs. In this context, the rise of social status pressure becomes a significant consequence if they do not follow or buy products or trends that are currently popular. (Junaedi & Hartati, 2023)point out that the ability to control needs can shape consumption behavior; however, the inability to do so may lead to excessive consumerism. This consumerism refers to individuals or groups engaging in the consumption of products, services, brands, or companies with an excessive use of money, either consciously or unconsciously. (Dewi et al., 2020) highlights that this behavior can be sustained, forming a pattern of consumerism that may continue.

The issue faced by today's youth, including millennials, stems from their lack of concern for sound financial management and their tendency to follow every lifestyle trend. According to (Ningtyas, 2019), the "trendy" mindset or the desire to follow trends is a major trigger for this problem. Students, as part of the youth growing up, are not immune to this influence. They tend to place greater value on themselves when they can purchase and use luxury items from well-known brands (Walgito,2013). Moreover, this issue deepens when students prioritize shopping and adopt a high-end lifestyle. Lifestyle, as a person's living habits reflected in activities, interests, and opinions, essentially mirrors how one manages time and money. (Sugiharti & Maula, 2019)emphasize that modern lifestyle trends evolve, and everyone will gradually follow these changes. Thus, millennials' lifestyles can be a key factor influencing their financial decisions and consumer behavior, with potentially significant impacts on personal financial well-being.

Pelita Bangsa University, with its motto "high morality, entrepreneurship, persistence in creativity, and hope of the nation," is located in West Java, Bekasi Regency, close to shopping centers like Lipo Cikarang Mall, Living Plaza, Sentra Grosir Cikarang, and others. This proximity encourages students to struggle with financial management, as they often buy expensive goods to keep up with the times.

Based on situational analysis, it is deemed necessary for students of the Faculty of Economics and Business at Pelita Bangsa University to study financial literacy, financial inclusion, lifestyle, and their impact on financial management in the millennial era.

This research aims to describe financial literacy, financial inclusion, and lifestyle of financial management in the millennial era, as well as the influence of financial literacy, financial inclusion, and lifestyle on financial management for students of the Faculty of Economics and Business, particularly those at Pelita Bangsa University.

Hypothesis of Research

The Influence of Financial Literacy on Financial Management

Financial literacy is one of the fundamental elements in managing personal and household finances effectively. It involves understanding various financial concepts, such as savings, insurance, debt, and investment, which are crucial for making informed financial decisions. When individuals have a high level of financial literacy, they are better equipped to manage their money, avoid unnecessary debt, and make sound investment decisions. Financial literacy empowers individuals to plan for both short-term needs and long-term goals, contributing to greater financial stability and security (Kamela et al., 2022)

According to Dikria and Mintari (2016), financial literacy encompasses knowledge that directly influences how individuals manage their finances. This includes awareness and understanding of financial products, and services, and the ability to apply financial knowledge in everyday decision-making. For instance, financially literate individuals are more likely to set budgets, save for emergencies, and invest in opportunities that can generate long-term returns. As a result, their financial management practices are more structured, and they are less likely to fall into financial distress due to poor decision-making.

Kusmaningtyas (2017) also highlights that financial literacy is not just about acquiring knowledge; it involves developing confidence and skills in managing finances effectively. With increased financial literacy, individuals can make more prudent decisions about their expenditures, savings, and investments, which ultimately leads to better financial outcomes. In the context of millennials, financial literacy is especially important, given that this generation is more prone to impulsive spending and may lack financial discipline. By improving their financial literacy, millennials can become more mindful of their financial habits and take control of their financial future.

Several studies have demonstrated the positive impact of financial literacy on financial management. For example, Chintania Defa Pamella (2022) found that higher levels of financial literacy among millennials led to improved financial management, including better budgeting practices and increased savings. Similarly, Amila Syaliha (2022) observed that individuals with higher financial literacy were more likely to engage in responsible borrowing and were less susceptible to financial risks. These studies consistently show that financial literacy plays a key role in shaping financial behavior and promoting responsible financial management.

Nurul Huda (2022) further supports this argument by demonstrating that financial literacy significantly affects personal financial management. Her study found that individuals with a better understanding of financial concepts were more likely to plan for the future, make investments, and avoid unnecessary debt. This underscores the importance of financial education in fostering responsible financial behavior, particularly among younger generations.

H1: Financial Literacy influences Financial Management.

The Influence of Financial Inclusion on Financial Management

Financial inclusion is a vital component in reducing economic disparities by providing individuals with access to formal financial services that are safe, efficient, timely, and affordable. It enables people, particularly those in marginalized communities, to participate in the formal economy and manage their financial resources more effectively. As access to financial services improves, individuals can save, invest, and borrow more efficiently, which in turn enhances their financial management capabilities.

Financial inclusion can significantly impact how individuals manage their finances. Access to formal banking services, for instance, allows individuals to deposit and withdraw money securely, manage their savings, and access credit when necessary. According to Allen et al. (2016), financial inclusion is more than just owning a bank account—it involves using financial services effectively for everyday activities like saving, borrowing, and transferring money. This is especially relevant in economies with a growing digital presence, where mobile banking and digital wallets have made financial services more accessible than ever before.

Yanti (2019) emphasizes that financial inclusion is essential in removing barriers—both price and non-price-related—that prevent individuals from accessing financial services. These barriers often limit people's ability to manage their finances efficiently. With better access to affordable financial services, people can not only increase their savings but also improve their financial literacy. Financial literacy, in combination with financial inclusion, creates a balanced approach to financial management, leading to more informed and responsible financial behavior.

Previous research has consistently shown a positive relationship between financial inclusion and improved financial management practices. A study by Sufyati (2022) found that individuals with access to formal financial services were more likely to save regularly and less likely to resort to informal borrowing sources, which often have high interest rates. This shift to formal financial systems helps individuals manage their debts better and make sound financial decisions.

Jaenudin (2023) supported these findings, noting that financial inclusion not only improves financial security but also empowers individuals to make more strategic financial decisions. People with better access to financial services can invest in education, start small businesses, or secure insurance, all of which contribute to better financial management outcomes.

H2: Financial Inclusion influences Financial Management.

The Influence of Lifestyle on Financial Management

Lifestyle plays a pivotal role in shaping an individual's financial behavior and decisions. Defined as a pattern of living that reflects one's activities, interests, and opinions, lifestyle influences how individuals allocate their financial resources, especially in today's consumer-driven society. The choices people make about spending, saving, and investing are often tied to their lifestyle preferences, which in turn can significantly affect their financial management.

According to Setiadi (2015), lifestyle involves how people spend their time, what they prioritize, and their general outlook on life. These elements have a direct impact on financial decisions. Individuals who prioritize leisure and luxury goods, for instance, might allocate more of their income to non-essential expenditures, potentially compromising their long-term financial security. In contrast, those with a more conservative or frugal lifestyle might save more and manage their finances with an eye toward future stability.

Lifestyle choices can also influence how individuals approach saving and investing. People with a high-consumption lifestyle may focus on immediate gratification, which could lead to lower savings rates and difficulty in managing expenses, especially during economic downturns. On the other hand, individuals with a moderate or minimalist lifestyle may be better at financial planning, including budgeting, saving for emergencies, and investing in long-term assets.

Research has demonstrated a clear link between lifestyle and financial management practices. Dewi Novitasari (2021) found that individuals with a more hedonistic lifestyle, which emphasizes pleasure and material wealth, were more likely to engage in impulsive spending. This often results in financial strain, making it harder to manage debt and save for the future. Such a lifestyle, while rewarding in the short term, can negatively impact long-term financial stability, leading to poor financial outcomes.

Amila Syaliha (2022) also highlighted how lifestyle affects financial management, particularly among younger generations like millennials. The study emphasized that millennials are highly influenced by social trends, technology, and media, leading to a desire for frequent consumption of luxury goods and experiences. This behavior is often facilitated by easy access to credit and online shopping, which can result in increased debt and financial mismanagement if not handled properly.

H3: Lifestyle influences Financial Management.

The Influence of Financial Literacy, Financial Inclusion, and Lifestyle on Financial Management

Financial literacy, financial inclusion, and lifestyle are three critical factors that significantly impact an individual's ability to manage their finances effectively. These elements interplay to shape how people make decisions about their money, access financial services, and balance spending with saving. Research consistently shows that higher levels of financial literacy, better access to financial services, and a balanced lifestyle lead to more responsible and effective financial management, especially among younger generations such as millennials.

Financial literacy refers to the understanding of key financial concepts, such as savings, investments, debt management, and budgeting, which empowers individuals to make informed financial decisions. People with higher financial literacy are better equipped to manage their finances, avoid debt traps, and plan for the future. As Dikria and Mintari (2016) explain, financial literacy encompasses knowledge of various financial products, such as savings accounts, insurance, and loans, all of which are crucial for sound financial management.

A study by Kusmaningtyas (2017) found that individuals with high levels of financial literacy were more likely to make prudent financial decisions, such as saving regularly, investing in diversified portfolios, and minimizing unnecessary expenditures. This suggests that financial literacy enables individuals to plan for both short-term and long-term financial goals, improving their overall financial health. Moreover, financial literacy equips individuals with the tools to respond to unexpected financial shocks, such as medical emergencies or economic downturns, by maintaining a buffer through savings or insurance.

Financial inclusion, defined as the availability and accessibility of formal financial services for all segments of society, plays a vital role in enabling effective financial management. Financial inclusion ensures that individuals have access to services such as savings accounts, credit, insurance, and investment opportunities, which can significantly improve their financial well-being. As Ummah et al. (2015) describe, financial inclusion aims to provide affordable and convenient access to financial services, particularly for underserved communities, to help them manage their finances more effectively.

According to research by Allen et al. (2016), financial inclusion is not only about having access to financial services but also about how effectively individuals use these services to manage their finances. Those who utilize formal banking services are more likely to engage in regular saving and investment activities, which contribute to their financial stability. Additionally, financial inclusion helps reduce reliance on informal, high-cost credit options, such as payday loans, which often trap individuals in cycles of debt.

Furthermore, Yanti (2019) emphasizes that financial inclusion removes barriers—both economic and non-economic—that prevent individuals from accessing financial services. By increasing access to affordable and secure financial products, individuals are empowered to manage their income and expenses more efficiently, leading to better financial management outcomes.

Lifestyle is another crucial factor that significantly influences financial management. As Setiadi (2015) explains, lifestyle is reflected in how individuals spend their time, resources, and money, shaping their financial behaviors. A person's lifestyle choices—whether frugal or lavish—can directly impact their ability to manage their finances. For instance, individuals with a high-consumption lifestyle, characterized by frequent spending on luxury goods and non-essential services, may struggle to save or manage debt effectively.

Research by Dewi Novitasari (2021) shows that millennials with a hedonistic lifestyle tend to prioritize short-term gratification over long-term financial stability, which often leads to financial mismanagement. Similarly, Syaliha (2022) highlights how social influences and lifestyle trends have led to increased spending among younger generations, often resulting in higher levels of debt and lower savings rates. On the other hand, individuals who adopt a more balanced and moderate lifestyle are more likely to manage their finances responsibly, saving for future needs and avoiding unnecessary debt.

A balanced lifestyle contributes positively to financial management by promoting habits such as budgeting, regular saving, and careful financial planning. It encourages individuals to prioritize their financial well-being over keeping up with societal trends or external pressures, leading to more sustainable financial behavior.

H4: Financial Literacy, Financial Inclusion, and Lifestyle significantly influence Financial Management.

METODE

This study adopts a quantitative descriptive approach to examine the relationship between financial literacy, financial inclusion, lifestyle, and financial management among millennial students. The population consists of students from the Faculty of Economics and Business at Pelita Bangsa University, and a purposive sampling method is used to select a sample of 100 respondents. Data will be collected using structured questionnaires, with questions designed to measure financial literacy, financial inclusion, lifestyle, and financial management behaviors. The research will also utilize secondary data from credible sources such as OJK and relevant literature.

The variables in this study will be operationalized as follows: financial literacy will measure knowledge, awareness, and skills in financial decision-making; financial inclusion will assess access to and use of financial services; lifestyle will capture spending habits, time management, and consumer behavior; and financial management will evaluate the ability to manage income, expenses, and savings. Descriptive statistics will summarize the data, and multiple linear regression analysis will be employed to determine the influence of financial literacy, financial inclusion, and lifestyle on financial management. The study will also perform classic assumption tests like normality, multicollinearity, and heteroscedasticity tests to ensure data validity.

Hypothesis testing will include T-tests and F-tests to determine the significance of individual and collective variables, while the coefficient of determination (R^2) will show how much of the variation in financial management can be explained by the independent variables. Despite the strengths of this method, limitations such as the focus on a single university and the potential bias from self-reported data will be acknowledged. The study aims to provide insights into the financial behaviors of millennial students and the factors influencing their financial management.

RESULT AND DISSCUSION

RESULT

Multiple Linear Regression Analysis

Table 2. Multiple Linear Regression Analysis Results

Model	Unstandarized Coeficient		Standardized Coeficients	t	Sig
	B	Std.Error	Beta		
(Constant)	-1,539	4,193		-,367	,714
Financial Literacy	,654	,102	,508	6,435	,000
Financial Inclusion	,402	,088	,372	4,539	,000
Lifestyle	,078	,073	,080	1,066	,007

Based on Table 2 above, it can be described in the following multiple linear regression equation:

Y =

Y = (-1.539) + 0.654 + 0.402 + 0.078 +

From the above multiple linear regression equation, the explanations are as follows:

1. **Constant Value (a) = -1.539**
   This indicates that if the independent variables, which consist of Financial Literacy, Financial Inclusion, and Lifestyle, are zero (X = 0), then Financial Management would be -1.539.
2. **Regression Coefficient of Financial Literacy Variable (X1) = 0.654**
   This value means that an increase of one unit in the financial literacy variable will affect an increase in financial management by 0.654, holding other variables (Financial Inclusion and Lifestyle) constant.
3. **Regression Coefficient of Financial Inclusion Variable (X2) = 0.402**
   This value indicates that an increase of one unit in the financial inclusion variable will lead to an increase in financial management by 0.402, with the other variables (Financial Literacy and Lifestyle) held constant.
4. **Regression Coefficient of Lifestyle Variable (X3) = 0.078**
   This value means that an increase of one unit in the lifestyle variable will affect an increase in financial management by 0.078, with the other variables (Financial Literacy and Financial Inclusion) held constant.

Hypothesis Test

Hypothesis testing is done by analyzing regression through the coefficient of determination test, simultaneous effect test (F test), and partial test (t-test).

Coefficient of Determination (R^2)

The coefficient of determination (R^2) test is used to see the effect of the value between the dependent variable and the independent variable. It can be seen from the adjusted R square in the following table:

Table 3: Test Results of the Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,731[a]	,534	,519	4,398

The influence of the four variables accounts for 73.1% of the variance in financial management, indicating a strong relationship. Specifically, the impact of Financial Literacy, Financial Inclusion, and Lifestyle on Financial Management is quantified at 51.9%. This suggests that these three factors significantly contribute to how individuals manage their finances. Conversely, the remaining 48.1% of the variance can be attributed to other unexamined variables that were not included in this study. This highlights the complexity of financial management, indicating that additional factors may also play a crucial role in influencing financial behavior and decision-making.

Partial Test Results (t statistical test)

Table 4. Multiple Linear Regression Analysis Results

Model	Unstandarized Coeficient		Standardized Coeficients	t	Sig
	B	Std.Error	Beta		
(Constant)	-1,539	4,193		-,367	,714
Financial Literacy	,654	,102	,508	6,435	,000
Financial Inclusion	,402	,088	,372	4,539	,000
Lifestyle	,078	,073	,080	1,066	,007

A. Hypothesis Testing (H1)

The significance value for the influence of Financial Literacy (X1) on Financial Management (Y) is 0.000, which is less than 0.05, and the calculated T value is 6.435, which is greater than the T table value of 0.000263. Thus, it can be concluded that H1 is accepted, indicating that there is an influence of Financial Literacy on Financial Management.

B. Hypothesis Testing (H2)

The significance value for the influence of Financial Inclusion (X2) on Financial Management (Y) is 0.000, which is less than 0.05, and the calculated T value is 4.539, which is greater than the T table value of 0.000263. Therefore, it can be concluded that H2 is accepted, meaning there is an influence of Financial Inclusion on Financial Management.

C. Hypothesis Testing (H3)

The significance value for the influence of Lifestyle (X3) on Financial Management (Y) is 0.007, which is less than 0.05, and the calculated T value is 1.066, which is greater than the T table value of 0.000263. Hence, it can be concluded that H3 is accepted, indicating that there is an influence of Lifestyle on Financial Management.

Simultaneous Test Results (F Test):

Table 5: Simultaneous Test Results (F)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1985,569	3	661,856	37,075	,000[b]
	Residual	1713,791	96	17,852		
	Total	3699,360	99			

The computed results in the provided table reveal an F value of 37.075 with a corresponding significance value of 0.000. Given that the significance value is less than the specified confidence level of 5%, it indicates a significant influence. Consequently, the independent variables possess sufficient strength to predict the dependent variable effectively. This underscores the existence of a simultaneous impact on Financial Literacy, Financial Inclusion, and Lifestyle significantly influence Financial Management.Consequently, the research model is deemed suitable as a predictive tool. Hence, it can be concluded that H4 is accepted, indicating that there are an influence of on Financial Literacy, Financial Inclusion, and Lifestyle on Financial Management.

DISCUSSIONS

The Influence of Financial Literacy on Financial Management

The results of the study indicate that financial literacy has a positive and significant impact on financial management, consistent with findings from previous research. According to Chintania Defa Pamella (2022) and Amila Syaliha (2022), higher financial literacy contributes to individuals' ability to make wise financial decisions, positively affecting personal financial management. These studies show that individuals with a better understanding of financial concepts, such as saving, investing, and debt management, tend to be more effective in managing their finances.

Additionally, Kusmaningtyas (2017) emphasizes that financial literacy is not only related to knowledge but also involves skills and confidence in financial management. This indicates that enhancing financial literacy can help individuals feel more confident in making financial decisions, which in turn can improve their financial health. Therefore, efforts to improve financial literacy among the public, especially among millennials, become increasingly important so that they can better face existing financial challenges.

Thus, the findings of this study reaffirm the significance of financial literacy as a key factor in effective financial management. Individuals with a high level of financial literacy are not only better equipped to make wise decisions but also more prepared to face various financial risks in the future.

The Influence of Financial Inclusion on Financial Management

The results of the study indicate that financial inclusion has a positive and significant effect on financial management, aligning with previous research findings. According to research conducted by Sufyati (2022) and Rudi Jaenudin (2023), improved financial inclusion enhances individuals' access to formal financial services, which in turn positively impacts their financial management abilities. When people can easily access services such as savings accounts, credit facilities, and insurance, they are better positioned to manage their financial resources efficiently.

Financial inclusion reduces economic inequality by providing equitable access to financial services across various social strata. Allen et al. (2016) argue that access to formal financial institutions helps individuals not only save and manage their income but also better plan for the future and respond to financial emergencies. This demonstrates that financial inclusion plays a crucial role in promoting responsible financial behavior and enhancing overall financial well-being.

Moreover, Yanti (2019) supports the view that financial inclusion significantly influences financial behavior by enabling people to participate more actively in economic activities. The ease of access to financial services allows individuals to perform essential financial tasks such as savings, withdrawals, and credit usage, thus improving their financial management skills. Therefore, increased financial inclusion, combined with financial literacy, leads to more efficient financial decision-making and management.

The Influence of Lifestyle on Financial Management

The results of the study indicate that lifestyle has a positive and significant effect on financial management, consistent with previous research. The concept of lifestyle encompasses an individual's habits, interests, and values, which play a critical role in shaping their financial behaviors. According to Dewi Novitasari (2021) and Amila Syaliha (2022), a higher standard of living often correlates with better financial management practices, as individuals who prioritize responsible spending tend to make more informed financial decisions.

A positive lifestyle can promote financial discipline, encouraging individuals to set financial goals and manage their resources effectively. For instance, those who adopt a lifestyle focused on savings and investments are likely to exhibit better financial management skills compared to those who engage in impulsive or extravagant spending. This aligns with the idea that lifestyle choices influence one's approach to budgeting, saving, and investing.

Furthermore, lifestyle factors, such as social interactions and environmental influences, can significantly impact financial behavior. As noted by Sudarsih (2011), a hedonistic lifestyle, which seeks immediate gratification through material possessions, can lead to poor financial management if individuals do not balance their spending with long-term financial planning. Conversely, individuals who adopt a more restrained lifestyle, focusing on sustainable spending and mindful consumption, are better equipped to manage their finances effectively. Overall, the interplay between lifestyle choices and financial management underscores the importance of cultivating a responsible and informed approach to personal finance.

The Influence of Financial Literacy, Financial Inclusion, and Lifestyle on Financial Management

The study's findings demonstrate that financial literacy, financial inclusion, and lifestyle all positively and significantly impact financial management. These three factors interact to shape an individual's financial behavior and decision-making processes.

Financial Literacy is foundational in understanding and managing personal finances. Research by Chintania Defa Pamella (2022) and Nurul Huda (2022) shows that individuals with higher levels of financial literacy are better equipped to make informed financial decisions, leading to effective budgeting, saving, and investing. Financial literacy empowers individuals to understand financial products, assess risks, and evaluate the long-term implications of their financial choices, which in turn enhances their ability to manage their finances responsibly.

Financial Inclusion refers to the accessibility of quality financial services for all individuals, particularly those in underserved communities. As highlighted by Wira Iko Putri Yanti (2019), greater financial inclusion facilitates easier access to banking, credit, and other financial services. This accessibility allows individuals to engage more fully in the financial system, making it easier for them to save, invest, and plan for their financial futures. When individuals have access to appropriate financial services, they are more likely to adopt sound financial management practices, which contribute positively to their overall financial health.

Lifestyle also plays a crucial role in influencing financial management. The research indicates that lifestyle choices can significantly affect spending habits and savings behavior. Those who cultivate a lifestyle centered around financial responsibility tend to prioritize savings and prudent spending, which leads to better financial management outcomes. Conversely, a hedonistic lifestyle that prioritizes immediate gratification can hinder effective financial management, as individuals may engage in impulsive spending without considering long-term financial goals.

In summary, the positive influence of financial literacy, financial inclusion, and lifestyle on financial management highlights the interconnectedness of these factors. Enhancing financial literacy provides the knowledge needed for effective decision-making, while financial inclusion ensures access to the necessary tools and services. Meanwhile, a responsible lifestyle promotes habits that support sound financial practices, collectively contributing to improved financial management and well-being.

CONCLUSION

In conclusion, the research findings underscore the significant and positive influences of financial literacy, financial inclusion, and lifestyle on financial management. Financial literacy equips individuals with essential knowledge and skills to make informed financial decisions, ultimately leading to more effective budgeting, saving, and investing practices. Studies show that higher levels of financial literacy correlate with greater financial responsibility and better outcomes in managing personal finances.

Financial inclusion plays a crucial role in ensuring that all individuals, especially those in underserved communities, have access to quality financial services. This access facilitates participation in the financial system, allowing individuals to save, invest, and plan for their futures effectively. Research indicates that individuals who benefit from financial inclusion are more likely to adopt sound financial management practices, contributing positively to their overall financial health.

Lifestyle choices also significantly impact financial management. Individuals who prioritize financial responsibility within their lifestyles tend to engage in prudent spending and saving habits, while those who adopt a more hedonistic approach may struggle with impulsive spending. The interplay of these three factors—financial literacy, financial inclusion, and lifestyle—highlights the importance of a holistic approach to improving financial management.

Overall, enhancing financial literacy, promoting financial inclusion, and encouraging responsible lifestyle choices are essential steps toward fostering better financial management practices. Together, these elements contribute to improved financial well-being, particularly among millennials and future generations, equipping them to navigate the complexities of personal finance in an increasingly competitive and globalized environment.

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