International Journal of Management and Business
https://irdhjournals.com/ijmb
Vol 2, No 4 (2025): October. E-ISSN: 3032-5059

The Influence of Financial Literacy, Lifestyle, and Social Environment on the Family Financial Planning Behavior in Rambangaru Village, Waingapu City, East Sumba (NTT) (Case Study of PKK Women of Rambangaru Village

Ricko Fredrik Rihi [1], Elly Lestari[2], and Fendiyatmi Kusufa [3]
* *Correspondence Author:* rickorihi856@gmail.com
[1,2,3] Management, Faculty of Economics, Tribhuwana Tunggadewi University Malang, Indonesia

INDEXING

Keywords:
Keyword 1; Financial Literacy
Keyword 2; Lifestyle
Keyword 3; Social Environment
Keyword 4; Financial Planning Behavior
Keyword 5; Family

ABSTRACT

The purpose of this study is to determine the influence of financial literacy, lifestyle and social environment on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT) partially and simultaneously. This study uses a quantitative method. The sample was determined by stratified random sampling technique so that the research sample was 35 families in Rambangaru Village, Waingapu City, East Sumba (NTT). The data collection technique used by the researcher is a questionnaire. The data analysis method used is multiple linear regression using the SPSS 25 program. The results of the study prove that financial literacy has a significant effect on financial planning behavior with a t-value of 4,039, lifestyle has a significant effect on financial planning behavior with a t-value of 4,134 and social environment has a significant effect on financial planning behavior with a t-value of 4,078. The results were simultaneously known that financial literacy, lifestyle and social environment had a significant effect on financial planning behavior with a value of Fcal (12,013) or 53,8%. The results of this study can be understood that the existence of good financial literacy, lifestyle control skills and a good social environment are able to support family financial planning behavior.

Article History
Received 24 March 2025; Revised 13 August 2025; Accepted 27 August 2025 : Publish 29 September 2025

INTRODUCTION

Family financial planning is one of the most important aspects of creating family economic well-being, as well as ensuring a more stable future for future generations (Adi & Fadila, 2023). In Indonesia, family financial planning still faces various challenges, especially in terms of financial literacy, lifestyle patterns, and the influence of the social environment (Addin et al., 2024).

Based on this background, this study aims to find out "the influence of financial literacy, lifestyle of PKK women, and social environment on family financial planning behavior in Rambangaru Village, Waingapu City, East Sumba (NTT)", which is expected to provide insights for policymakers, educational institutions, and the community to improve the quality of family financial planning.

By achieving these goals, this study is expected to provide a deeper insight into the factors that influence family financial planning behavior, as well as suggest solutions that can be applied to improve family financial management in Haharu District, Ramangaru Village, Waingapu City.

By examining these interconnected factors, the study not only highlights the importance of individual financial knowledge but also emphasizes the broader socio-cultural dynamics that shape financial behavior within households. The inclusion of PKK women as a focal group reflects the strategic role of women in managing family finances and transmitting financial values across generations. Furthermore, understanding the influence of the social environment—such as peer networks, community norms, and local institutions—can inform more culturally responsive and participatory approaches to financial education. These findings may serve as a foundation for designing targeted interventions, such as community-based financial literacy workshops, school curricula enhancements, and localized policy frameworks that support sustainable financial practices in rural and semi-urban settings.

LITERATURE REVIEW

Financial Literacy

Based on the Afriani and Yanti (2019), financial literacy is important for every individual, as it helps prevent financial difficulties. People often face situations where they must prioritize one need over another, leading to compromises. If such trade-offs become habitual, they can negatively impact a person's well-being, resulting in ongoing sacrifices to fulfill competing interests. Financial behavior as the habitual patterns and actions individuals exhibit when managing their personal finances. This suggests that everyone will encounter financial challenges, particularly in deciding how wisely they handle the money they earn and spend. Individuals with sound financial behavior tend to make more prudent decisions in managing their finances. Conversely, those who lack financial wisdom may struggle to control their spending and budgeting effectively. Financial literacy enables individuals to manage their finances effectively and pursue their personal financial goals. Even when financial resources are limited, those who understand and apply financial literacy principles are better equipped to achieve their life aspirations and maintain control over their financial decisions. This competency is especially vital for students, as a solid grasp of financial literacy can help them avoid common financial pitfalls and build a more secure future.

Lifestyle

Beyond financial literacy, lifestyle plays a crucial role in shaping how individuals manage their finances. It influences personal needs, desires, and behavioral patterns, particularly in spending habits. Lifestyle emerges from individual characteristics that evolve through interactions with one's environment. For example, someone who was once financially conservative may begin spending excessively after regularly engaging with peers who are prone to lavish consumption. Consequently, lifestyle choices directly affect purchasing behavior and, by extension, influence various financial decisions individuals make. Financial literacy enhances individuals' ability to make informed decisions and manage their finances effectively. Meanwhile, lifestyle choices have a direct impact on patterns of spending and saving. Income also plays a pivotal role generally, higher earnings support more consistent and stable financial behavior (Susanti and Pulungan, 2025)

Social Environment

the environment as the entirety of events, circumstances, and physical and social conditions that impact individuals. According to Tirtaraja Umar, environmental factors contribute significantly to entrepreneurial success by shaping personality and expanding experiential horizons, thereby fostering personal growth. The social environment—comprising the systems surrounding individuals or groups—plays a key role in influencing behavior and interpersonal interactions. Various environmental dimensions, including family settings, educational institutions such as schools and universities, and the broader community, exert a substantial influence on individual behavior. Collectively, environmental conditions, personal traits, and motivation each play a partial yet interconnected role in shaping entrepreneurial interest (Nurhadi and Jasmar, 2019).

RESEARCH METHOD

Research design is a research plan that is structured in such a way that researchers can get answers to research questions. Research design refers to the type or type of research chosen to achieve the research objectives, as well as acting as a tool and guideline to achieve these objectives. Research design helps researchers to get answers from research in a valid, objective, accurate and economical manner (Setiadi, 2013). The research method used in this study is a quantitative descriptive research method.

Research design refers to a structured plan that guides researchers in answering their research questions with validity and precision. It plays a critical role in determining the appropriate analytical methods needed to achieve reliable outcomes. The effectiveness of a research design is reflected in its ability to produce meaningful answers; a poorly constructed design often leads to unsatisfactory results. Fundamentally, research design serves as a framework that integrates various methodological components in a logical and coherent manner to address the research problem efficiently. It outlines the procedures for conducting research using a specific approach and helps clarify the steps required to investigate key questions. Researchers rely on this design to formulate a clear roadmap for their study, including the objectives, chosen methods, and techniques for data collection, measurement, and analysis. In essence, it functions as a blueprint that ensures the research process is systematic, focused, and aligned with its intended goals .

RESULT AND DISCUSSION

The results of the analysis that have been presented prove that financial literacy has a significant effect on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT), this means that the better financial literacy is able to improve good financial planning behavior in families. Financial literacy that affects financial planning behavior such as having a good knowledge of financial planning behavior, using money as needed, comparing the price of one product with another before shopping and making budget details for expenses. The results of the analysis that have been presented prove that financial literacy has a significant effect on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT). This finding underscores the critical role of financial education in shaping household decision-making, particularly in rural or semi-urban contexts where access to formal financial services may be limited. Families with higher levels of financial literacy tend to demonstrate more proactive budgeting, saving, and investment practices, which contribute to long-term financial resilience. Moreover, the influence of financial literacy extends beyond individual households, it can foster a culture of economic responsibility within the community, encouraging collective awareness around debt management, emergency preparedness, and goal-oriented financial behavior. These insights suggest that targeted financial literacy programs, especially those integrated into local education or community development initiatives, could serve as a strategic intervention to enhance economic empowerment and reduce vulnerability among families in similar socio-economic settings

The lifestyle of the family in Rambangaru Village, Waingapu City, East Sumba (NTT) is such as not buying products excessively, buying products according to needs and not following fashion trends. These results support the research conducted by Brounen et al, proving that lifestyle has a significant effect on financial planning behavior, where the existence of lifestyle control is able to increase the family's ability to properly plan financial planning behavior (Brounen et al., 2016). A lifestyle that influences consumptive behavior such as always being up to date with the latest fashion trends, following the latest fashion trends and considering appearance as an important part of life. Lifestyle is one of the determining factors for a person's consumptive behavior, the higher the lifestyle, the higher the consumptive behavior (Zahra & Anoraga, 2021).

The social environment In Rambangaru Village, Waingapu City, East Sumba (NTT) such as finansial management information from the social environment so that families can manage finances property. These results support the research conducted by Abdurrahman & Oktapiani explaining that the social environment has a positive and significant effect on financial planning behavior (Abdurrahman & Oktapiani, 2022). This means that a good social environment supports the ability to optimally manage financial planning behavior. The results of this study support the research conducted by Wiranti et al., (2022) explaining that financial literacy, lifestyle, and social environment have a positive and significant influence on financial planning behavior. Finansial planning behavior as a rejection of measures taken by families to meet their needs during college in one month (Jariah et al., 2004). Financial planning behavior as a process starts from planning, analyzing and controlling various financial activities carried out by the family so that it is able to meet the needs of the family.

Table 1. Reliability Statistics

Cronbach's Alpha	N of Items
.655	6

Source : Processed Data (2025)

Table 2. Item-Total Statistics

	Scale Mean Item Deleted	Scale Variance Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha Item Deleted
1.1	41.0571	6.879	.323	.633
1.2	41.1143	6.692	.487	.695
1.3	41.0857	6.610	.366	.620
1.4	40.9429	7.879	.116	.680
1.5	41.0000	7.353	.306	.642

Source : Processed Data (2025)

CONCLUSION

Based on the description that has been explained, it can be concluded that Financial literacy has a significant effect on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT), this means that the better financial literacy is able to improve good financial planning behavior. Financial literacy that affects financial planning behavior such as having good knowledge in financial planning behavior, using money as needed, comparing the price of one product with another before shopping and making budget details for expenses. Lifestyle has a significant effect on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT), this means that the existence of lifestyle control is able to improve the ability in family financial planning behavior. Lifestyle that affect family financial planning behaviors such as being able to control spending on shopping, not following the latest fashion trends and not buying products that are not needed.

The social environment has a significant effect on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT), this means that a good social environment can improve the family's ability to improve financial planning behavior. The social environment that influences financial planning behavior such as the social environment conducts discussions related to financial managers and the social environment has a social status. The results of the study are known that simultaneously financial literacy, lifestyle and social environment have a contribution to the influence on financial planning behavior in families in Rambangaru Village, Waingapu City, East Sumba (NTT) by 53.8%, meaning that good financial literacy, lifestyle control skills and a good social environment can support the improvement of family financial planning behavior.

REFERENCES

Journal Articles

Abdurrahman, S. W., & Oktapiani, S. (2020). Pengaruh literasi keuangan dan lingkungan sosial terhadap perilaku keuangan mahasiswa Universitas Teknologi Sumbawa. *Jurnal Ekonomi Dan Bisnis Indonesia*, *5*(2), 50-55.

Addin, S., Hidayat, A., Herawati, N., & Warpindyastuti, L. D. (2024). Pendidikan Keuangan Untuk Mahasiswa: Tantangan dan Dampaknya terhadap Pengelolaan Keuangan Pribadi. *JIIP-Jurnal Ilmiah Ilmu Pendidikan*, *7*(12), 14108-14114.

Adi, J., & Fadila, H. (2023). The Role Of Family In Improving Family Economic Stability. *Al-IHKAM Jurnal Hukum Keluarga Jurusan Ahwal al-Syakhshiyyah Fakultas Syariah IAIN Mataram*, *15*(2), 166-175.

Afriani, S., & Yanti, R. T. (2019). The effect of financial literacy on student financial behavior. *International Journal of Economics, Business and Accounting Research (IJEBAR)*, *4*(4), 1227-1236.

Brounen, D., Koedijk, K. G., & Pownall, R. A. (2016). Household financial planning and savings behavior. *Journal of International Money and Finance*, *69*, 95-107.

Jariah, M., Husniyah, A. R., Laily, P., & Britt, S. (2004). Financial behavior and problems among university students: Need for financial education. *Journal of Personal Finance*, *3*(1), 82-96.

Khanday, S. A., & Khanam, D. (2019). The research design. *Journal of critical reviews*, *6*(3), 367-376.

Nurhadi, N., & Jasmar, J. (2019). Personal climate and social environment in affecting the interest of business. *Al-Masharif: Jurnal Ilmu Ekonomi dan Keislaman*, *7*(2), 254-274.

Setiadi, H. (2016). Pelaksanaan penilaian pada Kurikulum 2013. *Jurnal penelitian dan evaluasi pendidikan*, *20*(2), 166-178.

Susanti, A. A., & Pulungan, N. A. F. (2025). The Influence of Financial Literacy, Lifestyle, Income and Locus of Control on Financial Behaviour of The Millenial Generation (Case Studies on Millenial Generation of Master of Management Students at Mercu Buana University). *Journal of Accounting and Finance Management*, *6*(2), 917-924.

Wiranti, Y., Goso, G., & Halim, M. (2023). The Influence Of Financial Literacy, Lifestyle, And Social Environment On Student Financial Behavior. *Scientific Journal Of Reflection: Economic, Accounting, Management And Business*, *6*(4), 898-909.

Zahra, D. R., & Anoraga, P. (2021). The influence of lifestyle, financial literacy, and social demographics on consumptive behavior. *The Journal of Asian Finance, Economics and Business*, *8*(2), 1033-1041.