

Fintech Influence Financial Management?

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Abstract

The background of this research journal is the development of the era where technology has changed human life behavior which has positive and negative impacts. So that the development of this era changes the behavior or habits of financial management that never existed in human civilization before. The purpose of this study was to determine the effect of fintech on the financial management of Entrepreneurship Study Program students at the Universitas Pendidikan Indonesia. This study uses a quantitative research method. The technique used in this research is a data collection technique in the form of a questionnaire (questionnaire). The hypothesis in this study is that there is a significant influence between Fintech (x) and financial management (y). This study's results can help students increase fintech awareness about financial management. And the results of this research can be used as learning material for academics, students, the community, and other parties. This research was conducted based on data-based research found on college entrepreneurship students at the Universitas Pendidikan Indonesia so this research has research originality and paper type is Research paper.

Keyword : College student, Entrepreneurship, Financial Management, Fintech

1. INTRODUCTION

Previous research was conducted by Yudha & Astrie (2015) in their research entitled "The Influence of Fintech Payments on Student Financial Management Behavior". This type of research is descriptive, using a quantitative approach method. Therefore the author has the motivation to conduct research similar to the title "Fintech Influence Financial Management?" with the hope that it

can help readers find out the results of this study and help further research.

Financial management behavior is the acquisition, allocation, and use of financial resources that are oriented toward several goals Topa et al (2018). According to Amanah et. al (2016), financial management behavior is a science that explains a person's behavior in managing their finances from a psychological point of view and the

individual's habits. While Xiao (2008) defines financial management behavior as various human behaviors related to financial management including money, credit, and saving behavior. Dew and Xiao (2011) researched financial management behavior scales. In his research, there are five indicators used, namely, consumption, cash flow, credit, savings and investment, and insurance.

The results of previous studies indicate that a payment method can affect the behavior of its users. Research results from Runnemark et al. (2015) show that people are willing to pay more for the same goods using a debit card than with cash. See-To and Ngai (2019) also state that payment mechanisms significantly influence consumer decisions and consumption patterns. George Becker (2017) researched to determine the effect of fintech on saving behavior. The results of his research show that the number of customer savings using fintech has increased from before.

The questions that the author wants to ask for this research are:

- 1 Does fintech affect financial management?
- 2 How influential is fintech on financial management?

The purpose of this research is to:

1. To determine the effect of fintech on financial management.
2. To find out how influential fintech is on financial management.

2. THEORETICAL FRAMEWORK AND HYPOTHESIS DEVELOPMENT

Najmudin (2011) argues that financial management is all decisions and activities related to efforts to obtain funds and allocate these funds based on planning, analysis, and control following the management principle that efforts to obtain and allocate funds must consider efficiency (effectiveness) and effectiveness (yield). Meanwhile, Sudana (2011: 1) defines financial management as one of the areas of functional management that applies financial principles in making long-term investment decisions to manage a company's working capital in investment and short-term funding.

Financial management behavior is the acquisition, allocation, and use of financial resources that are oriented toward several goals (Topa et al, 2018). According to Amanah et. al (2016), financial management

behavior is a science that explains a person's behavior in managing their finances from a psychological point of view and the individual's habits. While Xiao (2008) defines financial management behavior as various human behaviors related to financial management including money, credit, and saving behavior. Nurdiansyah and Rahman (2019: 74) state that the functions of financial management (financial management) are: Financial and Budgeting Planning (Budgeting), Controlling, Auditing, and Reporting.

One of the most important skills an individual must have is the ability to manage finances (Neni Erawati, 2013). The ability to manage finances needs to be owned by individual students as one of the skills used in student life by using or applying fintech. Dew and Xiao (2011) state that there are five indicators to measure a person's financial management behavior, namely consumption, cash flow, credit, savings and investment, and insurance. Financial management behavior can be influenced by several factors including financial knowledge, financial experience, financial attitude, and level of education (Perry and Morris, 2005). Now, fintech provider companies have provided services in these fields.

According to Carney, fintech can be broadly defined as a technologically-enabled financial innovation that can generate new business models, applications, processes, or products with associated material effects on financial markets, financial institutions, and the provision of financial services (FSB, 2017). Meanwhile, according to the International Trade Administration (2016), financial technology is a "revolution" for combining financial services with information technology that has improved the quality of financial services and created financial stability. (Mufli, 2017: 303).

Bank Indonesia also defines Financial Technology. Fintech is regulated in Article 1 Number 1 of Bank Indonesia Regulation Number 19/12/PBI/2017 concerning the implementation of Financial Technology. Financial Technology is a technology user in the financial system that produces new service products, technology, and/or business models and can have an impact on monetary stability, financial system stability and/or efficiency,

smoothness, security, and reliability of the payment system.

Becker (2017), shows that fintech can increase household savings where savings are included in financial management behavior. Payment trends using fintech will potentially affect a person's behavior patterns in managing finances, payments significantly influence consumer decisions and consumption patterns (See-To and Ngai, 2019). This is supported by the results of research from Runnemark et al. (2015) which shows that people are willing to pay more for the same goods by using a debit card than by cash. This is because the representation or form of money affects consumers. In addition, findings in another study conducted by Becker (2017) show that people who use financial management fintech applications significantly increase their savings balance.

H1 : Fintech (x) has a significant effect on financial management (y).

3. METHOD

This study uses a quantitative research method. This quantitative method is a research method that is based on positivistic (concrete data), research data in the form of numbers that will be measured using statistics as a counting test tool, related to the problem being studied to produce a conclusion (Sugiyono, 2018; 13). This research is quantitative descriptive. Descriptive research is used to describe or describe the data that has been collected as it is with a deductive flow.

The paradigm used in this study uses a simple paradigm in which there is one independent variable and one dependent variable. Meanwhile, to determine the size or number of samples with a relatively large population, the authors use the slovin method, where the slovin method is a formula for calculating the minimum number of samples if the behavior of a population is not known with certainty. this slovin test uses the formula $n = N / (1 + N e^2)$ where n is the patch size, N is the population size, and e is a 5% allowance for research inaccuracy. The tests carried out include a validity test, reliability test, normality test, classic multicollinearity assumption test, heteroscedasticity classic assumption test, and simple regression test.

The object of this study was entrepreneurial students who had a population of 186 active students college with a sample

of 127 active students on college obtained from the slovin test results. The focus of this research is related to the analysis of the effect of fintech on financial management. Then the data source used was in the form of a questionnaire where in this study, the researcher distributed questionnaires online using the Google form platform. Therefore the data used in this study are in the form of questionnaires that have been distributed plus other sources from literature books, journals or articles, documents from previous research results, and photos that are following the focus of writing.

4. FINDINGS AND DISCUSSION

Based on the results of the questionnaire, the following is the profile of the respondents in this study. Based on table 1 it is known that the majority of respondents were women with a proportion of 70 percent or 89 people and the proportion of male respondents was 30 percent or 38 people. It is also possible that all students who filled out this questionnaire were in the age range of 18-22 years. And it is also known that students of the 2022 class filled out a questionnaire of 37 percent, students of the 2021 class filled out a questionnaire of 33 percent, and students of the 2020 class filled out a questionnaire of 30 percent.

Table 1 : Respondent Profile

Profile	Classification	Number of Respondent	Percent (%)
Gender	Female	89	70
	Male	38	30
Age Batch	18 – 22	127	100
	2022	47	37
	2021	42	33
	2020	38	30

Source: Data processed by researchers (2022)

Normality Test

The normality test was carried out to find out whether the variables carried out in the study were normally distributed or not. A good regression model has variables that are normally distributed. The normality test was carried out using the Kolmogorov-Smirnov test. If the significance test results have a value of more than 0.05, the data tested is normally distributed.

The Kolmogorov-Smirnov test results in table 5 below show a significance value of 0.200. This value is greater than 0.05, meaning that the data in this study are normally distributed.

Table 2 : Test Results of Kolmogorov-Smirnov

		Unstandardized Residual
N		127
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	5.43132772
Most Extreme Differences	Absolute	.059
	Positive	.040
	Negative	-.059
Test Statistic		.059
Asymp. Sig.(2-tailed)		.200 ^{c,d}

Source: Data processed by researchers (2022)
Descriptive Analysis

The following are the results of a questionnaire on the Fintech and Financial Management research variables. Table 3 shows the results of the questionnaire on the fintech variable with an average score of 74.87 percent while on the financial management variable with an average score of 78.38%. The data on the fintech and financial management variables show that the respondents' responses as a whole are included in the good category. The following is the position of fintech and financial management variables on a continuum line.

Table 3 : Analysis Descriptive Variable Fintech and Financial Management

Variable	Dimensions	Skor Presentation	Category
Fintech	Benefits of use	79,60	Good
	Easy to use	80,86	Good
	Digital payment system	78,58	Good
	System availability	79,84	Good
	Privacy	77,00	Good
	Security	79,37	Good
	Online loan	56,27	Netral
TOTAL		74,87	Good
Financial Management	Financial Management	78,50	Good
	Technology utilization	75,90	Good
	Preparation of financial plans	77,40	Good
	Bill payment	79,84	Good
	Savings allowance	81,96	Good
	Cost control	80,07	Good
	Fulfillment	74,96	Good
TOTAL		78,38	Good

Source: Data processed by researchers (2022)

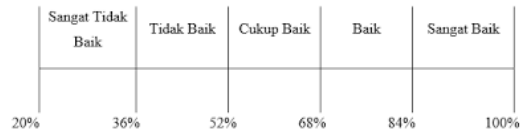


Figure 1. Variable Continuum Line
Contents: Variable Continuum Line
Simple Linear Regression Analysis

Simple linear analysis is used to see the relationship between one independent variable and one dependent variable. This study aims to see the relationship between fintech and financial management.

Table 4.1 : Results of Simple Linear Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.510 a	.260	.254	5.45301

Source: Data processed by researchers (2022)

Table 4. : Results of Simple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error			
(Constant)	26.573	4.300		6.180	.000
Fintech Payment	.472	.071	.510	6.622	.000

Source: Data processed by researchers (2022)

From table 3 it can be seen that fintech has an influence of 25.4% on financial management and the remaining 74.6% of financial management is influenced by other factors, including financial knowledge, financial experience, financial attitude, and level of education. The significance level is 0.000. This figure is smaller than 0.05 so the regression model can be used to predict financial management in other words, fintech has a significant effect on financial management in entrepreneurial students at the Universitas Pendidikan Indonesia. Based on the results of the regression analysis, it can be concluded that the coefficient value of the fintech variable is positive.

Based on simple linear regression analysis, the t-count value is 6.622 which is greater than

the T-table of 1.97912. This means that the fintech variable has a positive effect on financial management. That is, the more often entrepreneurial students use fintech, the better their financial management will be.

Hypothesis testing was carried out to determine the significance of the effect of the independent variables on the dependent variable. In this study the independent variable is fintech and the dependent variable is financial management with the following hypothesis. The results of the study show that Fintech has a significant influence on the financial management of entrepreneurial students.

5. CONCLUSION

Based on the results of the descriptive analysis, the fintech payment variable gets a good category with an average score of 74.87 percent. Almost reached the very good category at 84 percent. This shows that fintech payments have developed rapidly and entrepreneurship students at the Indonesian Universitas Pendidikan Indonesia already know this technology as a medium of payment for their daily needs. The results of the descriptive analysis show that financial management variables are in the good category with an average score of 78.38 percent. Almost close to the good category at a score of 84 percent. Fintech has an influence of 25.4% on financial management and the remaining 74.6% of financial management is influenced by other factors, including financial knowledge, financial experience, financial attitude, and level of education in simple linear regression analysis also obtained a t value of 6.622 which is greater than the T table of 1.97912. This shows that entrepreneurial financial management at the Indonesian Universitas Pendidikan Indonesia tends to be good. The results of simple linear regression analysis show that fintech payments have a positive influence on the financial management behavior of entrepreneurial students at the Universitas Pendidikan Indonesia.

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