

Original article

# The Effect of Socio-Economic and Demographic on Financial Literacy (Study of Udayana University Graduate Students)

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**Abstract** - In Indonesia, in a view years financial literacy has a one focus of government policy, the financial literacy starting become a focus because, in the future, the government wants to create an Indonesia has a broad perspective and views the future in managing finances. The purpose of this study is to analyze the influence of demographics and socio-economic on financial literacy. The population in this study of all Udayana University master student, who has a work and income. The technique sampling on this study is a nonprobability method sampling using purposive sampling, and based on the number of indicators in this study, the number of samples used is 68 data samples. The research data is primary data obtained using research instruments in the form of a questionnaire, which is filled by students via a google form. The analysis technique used is the PLS (partial least analysis square). The result of this study is that the measured socio-economic factors through the working period and income rates and demographic factors through gender, marriage, and age are influence college student financial literacy as measured through finance behavior, financial attitude, and financial knowledge.

**Keywords** - Financial Literacy, Socio-economic, Demographic

## I. INTRODUCTION

In Indonesia, in recent years, the focus of government policies has been on people's financial literacy. Financial literacy is starting to become a focus because, in the future, the government wants to create an Indonesia that is broad-minded and looks at the future in financial management. Indonesia has appreciated the importance of financial literacy by initiating the National Literacy Movement conducted by the Ministry of Education and Culture. The country's economic growth can limit access to existing financial institutions so that people will be less familiar with the products of existing service institutions. The Financial Services Authority (OJK), under the auspices of Bank

Indonesia (BI) and involving the industry in financial services, is committed to expanding knowledge and understanding of financial literacy to the public to improve consumer protection and services in the financial sector (bi.go.id, 2019). In 2019 the Financial Services Authority (OJK) held the National Survey of Indonesian Financial Literacy and Inclusion. Financial literacy is the combination of the skills, financial knowledge, attitude, and behavior that is necessary to make a financial decision (Ravichandran & Ragupathi, 2017).

The National Survey of Financial Literacy and Inclusion in 2019 showed that financial literacy in Indonesia increased compared to 2016, which was at the financial literacy index of 38.03% and the financial inclusion index of 76.19%. Indonesia's level of financial inclusion has reached the target following Presidential Regulation No. 82 of 2016 concerning the National Strategy for Financial Inclusion in 2019, setting the target of an inclusion index of 75%. With Indonesia's financial inclusion index of 76.19%. However, the financial literacy rate, especially in Bali Province, according to a 2019 survey in Bali Province, only reached 38%, which means that only 38% of the people in Bali Province have a good understanding of finance.

Liebowitz & Morrison (2016) define financial literacy as an understanding of financial concepts, risk, ability, trust, and a motivation in applying understanding and knowledge in making effective decisions in financial matters aimed at improving the welfare of individuals and society. Mien & Thao (2015) stated that today's young generation needs to be given education about finance to foster financial attitudes (financial attitudes), financial behavior (financial behavior), and financial knowledge (financial knowledge). The link between financial knowledge and financial literacy is widespread in the literature (Lusardi and Mitchell, 2014; Lusardi et al., 2013). In an advanced era like this, many millennials are starting to get to know how to manage their finances well; technology-based financial services or better known as fintech, are ways that can be used in choosing and simplifying financial planning for millennials. Financial



intelligence is an asset that must be owned by every individual in this modern era. Financial intelligence is an intelligence possessed by individuals in managing their finances. Students have a lot to learn about financial concepts. Students generally have the freedom to manage their finances, because they have started the stage or are economic agents.

Research conducted by Douissa (2019) found that postgraduate students have a higher level than undergraduates in terms of financial literacy. Research that discusses financial literacy was also investigated by Ansong, et al., (2012). Lantara & Kartini (2015) This study found that work experience and age were positively related to financial literacy. Another study that discusses financial literacy is the research of Yashica and Kartini (2017) and Lusardi et al., (2014). This study shows the difference between the level of financial literacy as measured by gender, year of class, age, and GPA. Potrich et al., (2015) and Agrawal et al., (2015) stated that socio-economic variables affect financial literacy; therefore, this study takes the title "Socio-Economic and Demographic Influence on Financial Literacy in Students" study of Postgraduate students at Udayana University.

## II. LITERATURE REVIEW AND HYPOTHESIS

Theory of Planned Behavior is based on humans are creatures who think rationally and use information systematically (Achmat, 2010). This theory is a theory that discusses human behavior, regarding the reasons and impacts on human decision making, which is influenced by attitudes, norms, and other reasons. Human behavior can be caused by several reasons or circumstances; this means that everyone has beliefs about what the consequences of attitudes and behavior are, beliefs about different expectations of others, and the existence of factors that may hinder such behavior (Sommer, 2011).

According to Giltman (Yushita, 2017), personal financial management is an art and science that studies techniques for managing an individual's financial resources. Personal financial planning is an individual process in managing his finances to achieve his financial satisfaction. Every person, family, or household has a unique situation; therefore, financial decisions must be planned to meet specific needs and goals (Kapoor et al., 2016). How to plan finances according to Kapoor, et al., (2016) are as follows: (1) Determine financial conditions, (2) Develop financial goals, (3) Prepare alternative financial actions, (4) Evaluate alternative financial actions, (5) Create and implement financial plans, (6) Review and revise financial plans.

According to the OECD (2013), financial literacy is an understanding of concepts related to finance, the ability to motivate and trust related to understanding and knowledge in making decisions regarding finances related to the financial welfare of the community. In calculating the level of financial literacy, the score determined by the OJK based on the 2013 survey was used, namely: Sufficient literate (75.69%), Well literate (21.84%), Less literate (2.06%), and

Notliterate (0.41%). Robb et al., (2012) and Mireku (2015) said that financial literacy is an ability to understand financial information and also an understanding in making an effective decision by looking at the financial information, but financial education means financial knowledge. In short, the main focus of financial education is knowledge, one's behavior, and financial attitude. This statement is also in line with McCormeck (2009), and Huston (2010), namely financial literacy has a broader meaning or definition than financial education.

According to Soerjono Soekanto (2013), socio-economics can be interpreted as a person's position in the community that can be associated with other individuals, which is seen based on association, achievements, rights, and obligations. Potrich et al., (2015) give a review of relevant literature, which shows that several factors that can be used as socio-economic measurement tools such as education, employment, and income are associated with financial literacy.

The Indonesian National Strategy for Financial Literacy (2013) states that a person's occupation, age, education level, gender, geographic distribution, and income can be used as a demographic reference to assess an individual's level of financial literacy. Demographics here are seen from age, gender, marital status, education level, and others. Research conducted by Potrich, et al., (2014), uses demographic indicators as the main variable in his research. The indicators used in this study were gender, age, marital status, and the number of children.

Krishna et al., (2010) and research by Mandala & Wiagustini (2017), this study found that the length of a person's working period could significantly affect financial literacy. Calamato (2010) states that a person's income level will affect individual financial literacy, Luksander & Beres (2014) and Potrich et al., (2014) support this statement. However, other studies state otherwise, namely the study of Monticone (2010). Based on the description, it is concluded that the hypothesis is as follows:

### H<sub>1</sub>: Socio-economy affects financial literacy.

Research by Yashica & Kartini (2017) states that the level of financial literacy of men is better than women; this result is supported by research by Potrich, et al., (2014); Jeyaram & Mustapha (2015); research by Krishna et al (2010). Salleh (2015) describe, it concludes that demographic factors in the form of marital status are one of the driving factors for a person in making financial decisions. The research of Potrich, et al., (2014) and the research of Natoli (2018) state the opposite. Ansong et al., (2012) , Michael A (2012), Yashica & Kartini (2017), Shaari et al. (2013), and Sobhes (2013), this study found that age and work experience can affect financial literacy. Based on the description above, it can be concluded that the hypothesis

**H<sub>2</sub>: Demographics affect financial literacy.**

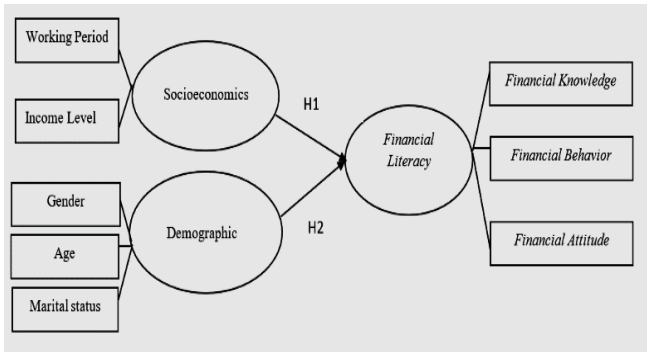


Fig. 1 Diagram Concepts

**III. METHODOLOGY OF RESEARCH**

The population in this study are active students of the Udayana University post-graduate program and have worked and have income. The study used a sample selection technique with a non-probability sampling technique. To obtain valid results from the questionnaire, the sample in this study used the slovin sample determination formula with an error rate of 12%; the following is the calculation of the slovin formula (Ghozali, 2017):

$$n = \frac{N}{1+N(e)^2}$$

Description:

n = sample size

N = population size

e = error tolerance limit (error tolerance)

Based on the Slovin formula, the sample measurements in this study are:

$$n = \frac{3.070}{1+3.070(0,12)^2} = 67.90 \text{ (rounded to 68 people)}$$

The financial literacy variable in this study was measured using indicators according to the OECD (2016), three components used in assessing financial literacy, namely: (1) Financial knowledge This indicator is seen through the basics of finance, financial management, savings, and investment, credit and debt, risk and insurance; (2) Financial behavior indicators are seen through individual knowledge in terms of financial budgeting, financial control, savings, payment of obligations and future investments; (3) Financial attitude Indicator of financial attitude is seen from future financial planning and individual attitudes towards money. Furthermore, to calculate the level of financial literacy, the score determined by OJK based on the 2013 survey is used, namely: Sufficient literate (>75.69%), Well literate (21.84% - 75.69%), Less literate (2.06% - 21.84%) and Notliterate (2.06% - 0%).

Socio-economic variables in this study were measured through 2 (two) indicators used, namely: income level and years of service.

The level of income is measured using an interval scale, with an interval level of (1) < Rp.2,500,000; (2) Rp.2,500,001-Rp.5,000,000; (3)Rp.5,000,001-Rp10,000,000; (4)>Rp.10,000,001. Working period with indicators based on the Manpower Act (2003), namely (1) Less than 1 year; (2) Above 1 year to 3 years; (3) Above 3 years to 5 years and (4) Above 5 years.

Demographic variables include gender, marital status, and age using a nominal scale for gender and marital status and intervals for age indicators.

1. Gender: Female (1) and Male (2)
2. Marital status: Single (1) and married (2)
3. Age: < 24 years old; 25-30 years; 31- 45 years; > 46 years old

The results in this study were obtained using a questionnaire which will be tested first using validity and reliability tests, then will use data analysis techniques, namely Structural Equation Modeling (SEM) with the help of smart pls software.

**IV. RESULT**

**A. Research Instrument Test**

**a) Validity Test of the Research Instrument**

Table 1. Test of validity

Variable	Indicator	Pearson Correlation	Description
Socioeconomics	X.1.1	0,910	Valid
	X.1.2	0,906	Valid
Demographic	X.2.1	0,824	Valid
	X.2.2	0,888	Valid
	X.2.3	0,731	Valid
Financial Literacy	Y.1	0,850	Valid
	Y.2	0,898	Valid
	Y.3	0,828	Valid

Source: Research Data Processing (2021)

Based on table 1, it can be said that the validity test of the research instrument in this study is valid, because the value using the Pearson Product Moment correlation with the correlation coefficient is 0.3 or more than 0.3.

**b) Research Instrument Reliability Test**

This reliability test uses the Cronbach Alpha statistical test. Items in the research instrument statement can be said to be reliable if it has a Cronbach Alpha value greater than 0.60 (Vinzi et al. 2010).

Table 2. Result Cronbach's Alpha

	Cronbach's Alpha
Financial literacy	0,767
Socioeconomics	0,847
Demographic	0,715

Source: SmartPLS Output (2021)

Based on table 2, the results of Cronbach's alpha value for the financial literacy variable (Y) are 0.767, the socio-economic variable (X1) is 0.847, and the demographic variable (X2) is 0.715. All variables in this study Y, X1, and X2 have Cronbach's alpha values that are more than 0.6, so the variables used in this study can be declared reliable according to the conditions.

**B. Description of Socio-Economic Variables**

The socio-economic variable (X1) in this study uses 2 (two) indicators, namely, the level of student income and the student's working period. The results of the descriptive analysis of socio-economic variables can be seen in the following table;

**Table 3. Description of Socio-Economic Variables**

Variable	Indicator	Classification	Respondent	Percentage
Socio-economic	Income Value	< Rp. 2.500.000	9	13,2%
		Rp. 2.500.001 - Rp. 5.000.000	15	22%
		Rp. 5.000.001 - Rp. 10.000.000	26	38,3%
		>Rp. 10.000.001	18	26,5%
		Total	68	100%
	Working Period	< 1 years	8	11,8%
		1 – 3 years	14	20,6%
		3 – 5 years	26	38,2%
		> 5 years	20	29,4%
		Total	68	100%

Source: SmartPLS Output (2021)

According to the results of the data, respondents in this study have a fairly good average level of income and can be said to be able to finance their economy, making it possible for each individual to understand in managing their finances or enough years of service that they must have good knowledge of their work or finances, which will influence the way they behave in finances.

**C. Description of Demographic Variables**

The demographic variable (X2) in this study uses 3 (three) main indicators, namely, gender, marital status, and student age. The results of the descriptive analysis of socio-economic variables can be seen in table 4:

**Table 4. Description Demographic Variable**

Variable	Indicator	Classification	Respondent	Percentage
Demographic	Gender	Female	31	45,6%
		Male	37	54,4%
		Total	68	100%
	Marital Status	Married	29	42,7%
		Single	39	57,3%
		Total	68	100%
	Status	< 24 year	27	39,7%
		25-30 year	29	42,6 %
		31-45 year	11	16,2%
		>46 year	1	1,5%
Total		68	100%	

Based on Table 4, the respondents of this study were dominated by men, namely 37 respondents or 54.4% and 31 or 45.6% female respondents. This study does not describe the gender inequality of UNUD master program students because it can be seen from the results of the filled-out questionnaires.

In the marital status indicator, it is seen that the respondents are more dominantly unmarried, namely 39 respondents or 57.3%, and the remaining 29 respondents are married. This is supported by the results of age data, namely the average age of respondents is in the age of 25-30 years as many as 29 respondents and 27 respondents aged under 24 years. The remaining 11 respondents aged 31-45 years and 1 respondent aged over 46 years, supports the results of the data on the marital status indicator.

**D. Financial Literacy**

The score for each indicator in Table 5 is determined based on the score set by OJK, which is as follows:

**Table 5. Financial Literacy Score Measurement**

Score	Financial Literacy's Score Scale	Description
1	0% s/d 2,06%	Not literate
2	2,06% s/d 21,84 %	Less literate
3	21,84% s/d 75,69%	Well literate
4	>75,69 %	Sufficient literate

Source: Financial Services Authority (OJK)

**Table 6. Description Financial Literacy Variable**

Dimension	Score Value	Maximum Value	Percentage
Financial Attitude	1728	2720	63,5%
Financial Behaviour	4172	6528	63,9%
Financial Knowledge	486	884	54,9%
Financial Literacy			60,7%

Source: research data processing (2021)

Based on table 6 the results of the processed data of this study found that the respondents in this study had a financial literacy level of 60.7%, which could be categorized in the "well literate" level, which means that the respondents had good confidence and knowledge about financial service institutions and their products. , including features, benefits, and risks, also regarding rights and obligations related to financial service products, as well as having good skills in using financial products and services. Respondents have a fairly good knowledge of their finances. If viewed by percentage, financial knowledge has a low percentage of 54.9% when compared to financial attitude, which is 63.5%, and financial behavior, which is 63.9%.

**E. Outer Model Evaluation**

**a) Validation Assessment**

The validation assessment is seen from the indicator value of a variable, and the indicator can be said to be valid if the outer loading coefficient is above 0.5 and the significance is at an alpha level of 0.05. The results of the SmartPLS output on the loading factor are shown in Table 7.

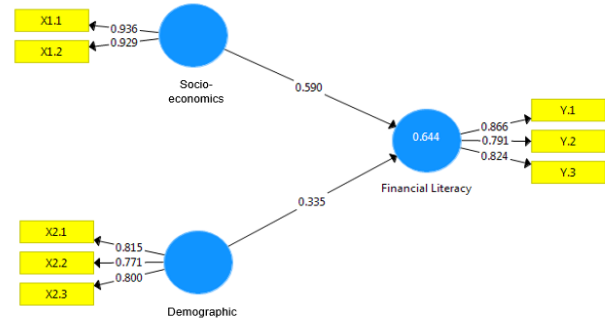
**Table 7. Outer Loading Result**

	Demographic	Financial Literacy	Socio-economic
Working Period			0,935
Income Level			0,927
Gender	0,818		
Age	0,769		
Marital Status	0,802		
Financial knowledge		0,868	
Financial behavior		0,780	
Financial attitude		0,828	

Source: Output SmartPLS (2020)

As seen from table 7, the value of the outer loading indicator for each variable is above 0.5, which means this value is feasible to be used as a measurement in this study. The largest number, namely 0.935, is for the period of service indicator, then 0.927 for the income level indicator,

which is used as a measurement for the respondent's socioeconomic variables. Then for the lowest value on the value of the outer loading indicator, namely the age indicator, which is 0.769, but it is still said to be feasible because it is already above 0.5. The following is a diagram of the outer loading value of each indicator.



**Fig. 2 Outer Loading Diagram**

**b) Discriminant Validity**

Indicator is higher than the other loading factors of each indicator, the SmartPLS output results in the output value of the cross-loading indicator, namely:

**Table 8. Cross Loading Result**

	Demographic	Financial Literacy	Socio-economic
Working Period	0,482	0,717	0,935
Income Level	0,394	0,676	0,927
Gender	0,818	0,491	0,336
Age	0,769	0,409	0,297
Marital Status	0,802	0,552	0,471
Financial knowledge	0,442	0,868	0,744
Financial behavior	0,592	0,780	0,484
Financial attitude	0,500	0,828	0,606

Source: Output SmartPLS (2020)

Table 8 for indicators of future work (0.935) and income level (0.927) has a higher value when compared to other indicators of the socio-economic variables (X1) in comparison with indicators of gender (0.336), age (0.297), marital status (0.471), financial knowledge (0.744), financial behavior (0.484), and financial attitude (0.606).

Discriminant validity is measured using the value of the square root of average variance extracted (AVE). The value used is more than 0.5 (Vinzi et al, 2010). Table 9 describes the SmartPLS output results in the square root of average variance extracted (AVE) value:

**Table 9. AVE Discriminant Validity Results**

	AVE	$\sqrt{AVE}$
Financial Literacy	0,683	0,827
Socioeconomic	0,867	0,931
Demographic	0,635	0,797

Source: Output SmartPLS (2020)

Based on table 9, it can be stated that all variables in this study Y, X1, and X2 have  $\sqrt{AVE}$  Values greater than or above 0.5, so all variables in this study can be declared valid.

**F. Reliability Assessment**

The value of composite reliability is used to assess reliability in research; if the value of composite reliability is above 0.7 then this value means that a constructor variable is considered reliable. Another reinforcing method is to look at the value of Cronbach's Alpha. The recommended value to pass this reliability test is if the value is above 0.6 (Vinzi et al, 2010). The SmartPLS output results in the composite reliability value can be seen in table 8:

**Table 10. Composite Reliability**

	Composite reliability
Financial Literacy	0,866
Socioeconomic	0,929
Demographic	0,839

Source: Output SmartPLS (2021)

Based on table 10 the composite reliability values of all variables in this study Y, X1, and X2 are above 0.7, then all variables in this study can be declared reliable.

**Inner model evaluation**

The evaluation of this inner model is evaluated by comparing its R-square value; the R-Square value (R2) above 0.50 can be categorized as a strong model (Vinzi et al, 2010). The Q-square value is defined as the value or level of predictive relevance of a variable, so if the Q-Square predictive relevance value is above 0, it means that the tested model has predictive relevance, but otherwise, it means that the tested model has no predictive relevance (Ghozali). ,2006). SmartPLS output results in an R-square value.

**Table 11. Nilai R-square**

	R-square
Literasi keuangan	0,638

Source: Output SmartPLS (2021)

Based on table 11, it can be seen that the R2 value of 0.638, it can be said that 63.8% of the financial literacy variable (Y) is influenced by socio-economic variables (X1) and demographics (X2), and the remaining 36.2% is influenced by variables outside the test.

Furthermore, in measuring the level of observation values obtained by a model and also its parameters, the Q-square value can be calculated by:

$$Q^2 = 1 - (1 - R^2) \dots\dots\dots 1) \\ = 1 - (1 - 0,638) \\ = 0,638$$

The results of the calculation of Q-square in this study obtained a value of 0.638, so it can be concluded that Q-square in this study has a value of 0 < 0.638 good predictive relevance.

**V. DISCUSSION**

In testing the direct effect using the results from SmartPLS seen from the Path Coefficients value, which describes the relationship between the dependent and independent variables and compares t-count and t-table. In this study, the T-table value corresponds to the t-distribution table, which is 1.99656. The relationship between variables can also be seen through the probability value with a p-value of 5% alpha (<0.05). SmartPLS output results in path coefficients as follows:

**Table 12. Path coefficients**

	Original sample estimate	t- value	p-values
<b>Socio-Economic</b> -> <b>Financial Literacy</b>	0,590	5,464	0,000
<b>Demographic</b> -> <b>Financial Literacy</b>	0,337	3,249	0,001

Source: Output SmartPLS (2021)

The results of table 11 the relationship between socioeconomic variables (X1) and financial literacy (Y) is significant when viewed from the t-count value (5.464) > t-table (1.99656) and the original sample estimate value of 0.590, which has a value This positive means that the relationship between socioeconomic variables (X1) and financial literacy (Y) is positive. When viewed from the p-values, the socio-economic variable (X1) has a significant value of 0.000, which is less than 0.05.

The relationship between demographic variables (X2) and financial literacy (Y) is significant when viewed from the t-count value (3.249) > t-table (1.99656) and the original sample estimate value of 3.37, which has a positive value. Between demographic variables (X2) and financial literacy (Y) is positive; when viewed from the p-values, the demographic variable (X2) has a significant value of 0.001, and this value is smaller than 0.05.

**A. Financial Literacy**

Based on the results of the analysis, socio-economic variables and demographic variables affect the financial literacy variable. This can be seen through the correlation value on each of the financial literacy indicators which have a higher correlation value, namely the financial knowledge indicator (0.868), financial behavior (0.780), and financial attitude (0.828), which have a higher loading factor value



when compared to indicators from other variables. This indicates that these three indicators are very important to measure the financial literacy of UNUD Postgraduate students. According to the categories determined by the OJK, namely sufficient literate (75.69%), well literate (21.84%), less literate (2.06%), and not literate (0.41%), it can be concluded that the financial literacy of UNUD Postgraduate students is classified as in the "well literate" category because it has an average score generated in the three measurements of financial literacy, namely financial attitude, financial behavior and financial knowledge, which is at 60.7% or has a scale of 21.84% to 75.69%. These results mean that UNUD Postgraduate students have confidence in financial service institutions and have fairly good knowledge, both in terms of services and products. UNUD Postgraduate students are also considered to have knowledge related to the benefits and risks, rights and obligations related to financial products and services, as well as having skills in the use of financial products and services so that it is said that UNUD Postgraduate Students have quite good knowledge of their finances.

### **B. Socio-economic Influence on Financial Literacy**

Judging from the results of the description above, it can be concluded that the socio-economic variables of postgraduate students at Unud affect the level of financial literacy of students. So it can be interpreted that the longer the working period and the higher the income of the United postgraduate students, the better the financial literacy of students who are proxies with financial knowledge, financial behavior, and financial attitude. When viewed from the loading factor value of working period (0.935) and income level (0.927), it can be said that the working period indicator is more able to influence financial literacy, but both indicators can support the socio-economic influence on financial literacy significantly or can be used as a benchmark in measuring the level of financial literacy of UNUD Postgraduate Students.

Based on Table 11, H1 socio-economic as measured by indicators of income level and years of service have an effect on financial literacy in Unud Postgraduate Students and concluded in the direction of previous research. The results of this study also support previous research on indicators of tenure, Calamato (2010), research by Mandala & Wiagustini (2017) and Krishna, Rofaida, & Sari (2010), which found that the level of financial literacy is better if it is owned by individuals who have a longer working period, this is because their attitudes and insights about their finances will be better. Compared to someone who has not worked. The results of this study support previous research on income level indicators, Calamato (2010), Potrich, et al., (2014) Luksander & Beres (2014), because individuals who already have income will have more spending plans and will be more sensitive to issues finance.

### **C. The Effect of Demographics on Financial Literacy**

The results of the analysis in the study concluded that the demographic variables of UNUD Postgraduate Students affected the financial literacy variable. So it can be interpreted that the better the demographics in terms of gender, age, and marital status of UNUD Postgraduate Students, the better the financial literacy of students as measured by financial knowledge, financial behavior, and financial attitude. When viewed from the loading factor value of gender (0.815), age (0.771), and marital status (0.800), it can be said that the gender indicator has a higher influence on financial literacy, but the three indicators in this study can both support the influence demographics on financial literacy significantly.

Based on Table 11, shows that H2 demographics that use indicators of gender, marital status, and age in this study affect the financial literacy of Unud Postgraduate Students and these results support previous research, in terms of gender indicators, the results of this study support the Yashica & Kartini Research (2017). ) which states that the level of financial literacy of men is better than women as well as research, Potrich, et al., (2014), Jeyaram and Mustapha (2015), research of Krishna et al (2010). Then in terms of age indicators, the results of this study support previous research, namely the research of Ansong, Abraham and Gyesare, Michael A (2012), Yashica & Kartini (2017), Shaari et al. (2013), which states that a person's age can affect his or her level of financial literacy because by entering a productive age, a person will also enter the world of work and have more experience. The marital status indicator in this study has the results of marital status indicators supporting demographic variables in influencing individual financial literacy; this supports previous research by Salleh (2015) and Calamato (2010) this is because if an individual is married, he will have more dependents than those who have not married.

## **VI. CONCLUSION**

Based on the results of the previous discussion, this research can be concluded as follows: UNUD Postgraduate Students have financial literacy classified as "Well literate" which means UNUD Postgraduate students have confidence in financial service institutions and have fairly good knowledge, both in terms of services and products. UNUD Postgraduate students are also considered to have knowledge of the benefits and risks, rights, and obligations related to financial products and services, and have skills in the use of financial products and services. So that it is said that UNUD Postgraduate Students have quite good knowledge of their finances; Socio-economic has a positive effect on financial literacy. This means that the better the socio-economic level of students seen through the level of income and years of service, the better the level of financial literacy of Udayana University students., Demographic variables have a positive effect on financial literacy. This means that the better the student demographics as measured by marital status, age, and

gender, the better the level of financial literacy of Udayana University students.

Suggestions based on the results of research conducted for subsequent research can conduct research among the general public or outside the campus because it will further expand the scope of research and will see the real views of the community regarding financial literacy itself., Further research can add variables that will be used in research on financial literacy because, in this study, only 63.8% of socio-economic and demographic variables can describe the level of financial literacy of postgraduate students, and the remaining 36.2% can be associated with other variables. Outside of this research, for financial institutions that will market their products, can determine their target market by looking at the level of financial literacy. With the right picture of financial literacy, it will be able to describe the condition of a person's financial level, which will make it easier for financial institutions to offer services or products that are by existing conditions.

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