

Financial Behavior in Embroidery MSMEs in the Embroidery Center, Kawalu, Tasikmalaya City

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Abstract. The aim of this research is to provide the effect of financial knowledge and financial attitude on ofinancial behavioro both simultaneously and partially in Micro, Small and Medium Embroidery Enterprises in the Embroidery Center Area in Kawalu District, Tasikmalaya City. Data collection techniques using questionnaires, observation, literature study. This research use 100 SMEs Embroidery at the Embroidery Center, Kawalu in the City of Tasikmalaya as a sample. This reasearch shows that both partially and simultaneously financial knowledge and financial attitude have a positive and significant effect on financial behavior with an R Square value of 56.3%.

Keywords: : Financial knowledge; Financial attitude; Financial behavior; SMEs

1 Introduction

Embroidery iso one of the typical handicrafts from the City of Tasikmalaya and is the pride of its people because the products of this community's creativity have been sold to several cities in Indonesia and even to foreign countries. The Embroidery Center in Tasikmalaya City itself is in Kawalu District [1] because the area in Kawalu District is well known as the area with the largest number of embroidery businesses in Tasikmalaya City.

This embroidery product, which is the pride of Tasikmalaya residents, is able to support the people's economy for generations because the ability to create embroidery has been passed down from generation to generation. In addition, some embroidery businesses are carried out under the family system or involve family members and the surrounding community. So that its existence is able too create jobs and improve the economy of the surrounding community.

The importance of the existence of embroidery in the City of Tasikmalaya makes financial decisions regarding the embroidery business carried out by the owner very important, especially since these financial decisions have an impact on the business and its workers. This is related to how they carry out financial habits or financial behavior. So, the factors that affect financial behavior of embroidery business actors should be known because their decisions are very important for the continuity of the embroidery business and the sustainability of the community's economic welfare.

Financial behavior is a someone's ability to manages and budget finances so that they can make the right decisions about their financial condition. A person's financial behavior can shows how the person manages the finances and also the financial budgeting for both the long and short term [2]. Some of factors that affect it are financial knowledge and financial attitude. Financial knowledge is a person's ability to understand, analyze, and manage finances to make decisions related to finance [3].The higher a person's level of financial knowledge, the more

likely that person will be able to manage finances well [4]. Financial attitude is a condition when individuals apply thoughts, opinions and judgments about finances in an action [5]. When the person has good financial knowledge, the person will also have good ability in dealing with financial problems because he has enough knowledge about it. [6]

According to the background, the hypotheses in this study are as follows :

H1 : Financial Knowledge has a positive and significant partially effect on Financial Behavior

H2 : Financial Attitude has a positive and significant partially effect on Financial Behavior

H3 : Financial Knowledge and Financial Attitude has a positive and significant simultaneously effect on Financial Behavior.

2 Methods

This study use quantitative methods which were analyzed by Multiple Regression Analysis Test using SPSS Ver 25 . The primary data that being used in this research are questionnaires, interviews and secondary data in the form of literature studies to obtain additional information to complement the information presented in the research this. Because the population size is unknown, Roscoe's theory is used to determine the number of samples. According to Roscoe theory an appropriate sample size in research is 30 to 500. Based on these points, the samples in this research is 116 and is in the safe range of Roscoe's theory [7].

3 Results and Discussion

3.1. Validity Test

The table 1 shows that each question item in this research have r count $>$ r table value of 0.1824 obtained from r table at a level of 0.05 (5%). Based on the results of the validity test all statements in this study, totaling 28 statement items, were declared valid.

Table 1. Validity Test

Variable	Indicators	R count	Rtable	Conclusion
Financial Knowledge(X1)	FK-1	0.676	0.1824	Valid
	FK-2	0.589	0.1824	
	FK-3	0.640	0.1824	
	FK-4	0.611	0.1824	
	FK-5	0.553	0.1824	
	FK-6	0.503	0.1824	
	FK-7	0.418	0.1824	
	FK-8	0.199	0.1824	
	FK-9	0.537	0.1824	
	FK-10	0.659	0.1824	
	FK-11	0.396	0.1824	
Financial Attitude(X2)	FATD-1	0.634	0.1824	
	FATD-2	0.701	0.1824	
	FATD-3	0.451	0.1824	
	FATD-4	0.454	0.1824	

	FATD-5	0.500	0.1824
	FATD-6	0.376	0.1824
	FATD-7	0.467	0.1824
	FATD-8	0.337	0.1824
	FATD-9	0.360	0.1824
Financial Behavior(Y)	FBV-1	0.506	0.1824
	FBV-2	0.243	0.1824
	FBV-3	0.502	0.1824
	FBV-4	0.665	0.1824
	FBV-5	0.619	0.1824
	FBV-6	0.499	0.1824
	FBV-7	0.287	0.1824
	FBV-8	0.338	0.1824

3.2 Reliability Test

The reliability test's results in this research are:

Table 2. Reliability Test

Variables	Reliability Statistics		Result
	Cronbach's α	N	
Financial Knowledge (X1)	.830	11	Reliable
Financial Attitude (X2)	.777	9	Reliable
Financial Behavior (Y)	.741	8	Reliable

All variable are realible if have a value of Cronbach alpha (α) > 0.6. [10]. From the table above, all the variables have values more than 0.6 so, the variables in this research are realible.

3.3 Classical Assumption Test

Table 3. Classical Assumption Test

Variables	Asymp Value Sig	VIF
F.Knowledge	0.200	1.444
F.Attitude		1.444
F.Behavior		-

3.3.1 Normality Test

The results of the normality test shows that the data is normally distributed because from Asymp value. Sig. which has a value of 0.200. This value is greater than 0.05 (> 0.05).

3.3.2 Multicollinearity Test

The results of othe multicollinearity test show that there is no multicollinearity problem in this study because othe tolerance value for oeach independent variable is >0.10 and the Variance Inflation Value (VIF) value for each independent variable is <10.

3.3.3 Heteroscedasticity Test

The basis of the heteroscedasticity test shows that the Scatter Plot graph does not have dots forming clear patterns such as wavy, widened, then narrowed. As well as these points spread

above and below zero on the Y axis. These results can be concluded that there is no heteroscedasticity of the regression model.

3.4 Multiple Regression Analysis Test

Table 4. Multiple Regression Result

Hypotesis	Relationship	B	T Statistics	T Table	Sig. Values	Conclusion
-	Constanst	10.968	5.303	-	0.000	-
H1	<i>Financial Knowledge</i>	0.326	6.896	1.98118	0.000	Hypothesis accepted
H2	<i>Financial Attitude</i>	0.249	4.404	1.98118	0.000	Hypothesis accepted

The multiple linear regression equation based on SPSS Ver.25 calculations in this study is as follows:

$$Y = 10.968 + 0.326X_1 + 0.249X_2 + e$$

The equation can be interpreted that if the equation has a constant value of 10.968 or if the value of the financial knowledge and financial attitude variables is 0 (zero), then the value of financial behavior is 10.968. And if financial knowledge increase by 1 unit than financial attitude will increase by 0.326 unit. And if financial attitude increase by 1 unit than financial attitude will increase by 0.249 unit.

3.5 Partial Test

The partial test table (Table 4) shows that the tcount value of financial knowledge (X1) is +6.896 which is larger than the ttable 1.98118, also the value of Sig.X1 is $0.00 < 0.05$. So, the variable (X1) has a significant positive effect on variable (Y). These results are in accordance with previous research by Herleni and Rahman (2019). So, it can be conclude that the better the financial knowledge of MSME actor have, the better of the financial behavior will be, because to carry out good financial behavior requires adequate and good financial knowledge [8].

Then, the tcount value for financial attitude (X2) is +4.404 which is greater than the ttable 1.98118 and also the X2 sig.value is $0.000 < 0.05$. So, the variable (X2) has a significant positive effect on variable (Y). These results are in accordance with previous research by Aditya and Azmansyah (2021) that partially financial knowledge has an influence significant positive effect on financial behavior so that the better a person's financial behavior, the better a person's behavior will be, this is reflected in how wise and responsible a person is towards his finances [9].

3.5 Simultaneous Test

Table 5. Simultaneous Hypothesis Testing

Hypotesis	Relationship	F table	F Statistics	Sig Values	Conclusion
H3	<i>F. Knowledge and F. Attitude – F.Behavior</i>	3.08	72.679	0.000	Hypothesis accepted

In the results, the Fcount value is 72.679 which is greater than the Ftable of 3.08 and also a sig.value of $0.00 < 0.05$. So, that simultaneously the F. Knowledge (X1) and F. Attitude (X2) variables have a significant positive effect on F. Behavior (Y). This is in same with the result of research by Assaf and Rahmayani (2019). Basically, someone who has a good financial attitude,

can outlook on finances for the future and mindset of financial, not only oriented towards buying current desires but also thinking about the needs that are really needed because they are thinking about the future. Thus, someone who has lot of financial knowledge will have adequate understanding and knowledge of various matters related to the financial world and correlate with their daily financial behavior.[10].

Table 6.The Coefficient of Determination

Variable	(R)	R-Square	Adjusted R-Square
<i>Financial Knowledge and Financial Attitude – Financial Behavior</i>	0.750 ^a	0.563	0.555

Based on the Table 6, the value (R Square) is 0.563. So, the effect of financial knowledge (X1) and financial attitude (X2) on financial behavior (Y) is 56.3%, and 43.7% is influenced by other factors that's not include in this study.

4 Conclusion

From the result of this study, the conclusions are as follows : 1) Based on the partial test and simultaneously test it was found that partially and simultaneously financial knowledge and financial attitude have a significant positive effect on financial behavior in Embroidery MSMEs in the Kawalu Embroidery Center, Tasikmalaya City with coefficient of determination 56.3%; and 2) From the study, it was found that some majority of Embroidery MSME's owner will use their profit of the business to make their business bigger rather than only saving it.

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