International Journal of Application on Economics and Business (IJAEB)
Volume 2, Issue 4, 2024. ISSN: 2987-1972

ANALYSIS OF FACTORS THAT INFLUENCE THE FINANCIAL SATISFACTION OF WORKERS IN JAKARTA

Khairina Natsir[1*], Agus Zainul Arifin[2], Devy[3]

[1,2,3] Faculty of Economics and Business, Universitas Tarumanagara, Indonesia
Email: khairinan@fe.untar.ac.id

*Corresponding Author

Submitted: 09-10-2024, Revised: 14-10-2024, Accepted: 17-11-2024

ABSTRACT

This research aims to examine the influence of Financial Knowledge and Income on Financial Satisfaction where Financial Behavior acts as an intervening variable. This research was conducted on the workers who are still actively working in Jakarta. The sampling method is purposive sampling. The sample in this study amounted to 400 respondents who were obtained through distributing questionnaires to workers directly, and online via Google questionnaire. Data is analyzed using the structural equation modeling technique. The tests carried out include testing the outer model and inner model. The research results show that Financial Knowledge has a significant influence on Financial Behavior. Meanwhile, income does not have a significant influence on financial behavior. Furthermore, Financial Behavior, Financial Knowledge, and Income have a significant influence on Financial Satisfaction. Financial Behavior mediates the relationship between Financial Knowledge on Financial Satisfaction, but Financial Behavior does not mediate the relationship between Income and Financial Satisfaction. The results of this research are following with the predictions of Planned Behavior Theory, Behavioral Finance Theory, and telic theory.

Keywords: *Financial Knowledge, Income, Financial Behavior. Financial Satisfaction*

1. INTRODUCTION

Financial behavior is a topic that is widely discussed in Indonesia. Indonesia's improving economic growth conditions have had a positive impact on increasing income so individual consumption and expenditure have also increased. Individuals who have a high level of income but cannot manage their finances well will face problems in managing finances, such as not being able to pay bills on time, not being able to pay credit, not having a retirement plan, and not having savings.

According to a survey conducted by the Manulife Investor Sentiment Index (Manulife Indonesia, 2016) [1], investors in Indonesia tend to focus on short-term financial planning and do not have a clear strategy for the long term. The survey results revealed that investors do not manage their daily expenses effectively and do not have clear financial goals. The results show that the majority (70%) of Indonesian people do not have a target amount of savings funds within a certain period, more than half of investors (53%) spend 70% or more of their income every month, one in 10 investors spend more than 90% of their monthly income, One in four investors will borrow money within 3 months if the investor loses their main source of income, and 40% of investors do not monitor expenses at all.
These findings show that the majority of Indonesian people fail to save funds for long-term needs, rely heavily on their monthly income, and focus on savings funds for various short-term expenses, where children's education or marriage costs and health costs occupy the two priority financial goals. Meanwhile, savings for pension funds only rank fourth.

Financial Behavior relates to a person's behavior regarding how to manage finances. Individuals manage finances differently, such as planning investments, savings, pension funds, insurance, credit, and so on. Xiao in [2] said that financial behavior can be defined as human behavior related to financial management. Generally, financial behavior includes money management, credit and savings. Worthy in [3]and Xiao in [4] stated that developing positive Financial Behavior since college allows individuals to obtain a better quality of life in the future. Hilgert in [5] stated that healthy financial behavior can be demonstrated by good financial planning, management, and control activities. Good financial behavior can be seen from a person's attitude in managing money coming in and out, credit management, savings, and investment.

Every individual wants to achieve satisfaction and happiness in life. One way that can be done to achieve satisfaction is through achieving financial satisfaction. Individuals will achieve financial satisfaction if individuals can meet their short-term and long-term needs. Rusadi in [6] stated that financial satisfaction shows a person's financial condition is good and the person feels happy and free from worry about their financial condition.

Financial behavior is thought to influence financial satisfaction. Individuals who can manage their finances well, such as paying bills on time, being free from debt, having savings, investments, and insurance, tend to feel satisfied with their financial condition compared to individuals who cannot manage their finances well [7].

To develop financial behavior, someone must have financial knowledge. Financial knowledge is the ability to understand, analyze, and manage finances to make the right financial decisions to avoid financial problems. Agustine and Widjaya ini [8] [8]states that financial knowledge is an understanding of financial keys and the ideas needed that are useful for society. The financial knowledge in question is banking and savings, insurance, credit use, taxes, and investments. Every individual has financial knowledge depending on how deep the knowledge they have. Subaida in [9] state that if an individual's financial knowledge increases, financial-decision making will be more effective. While Braunstein and Wech in [10] say that evidence shows the relationship between financial behavior is more complicated so increasing knowledge cannot automatically improve financial behavior [11]

It is thought that apart from influencing financial behavior, financial knowledge can also influence financial satisfaction. Individuals with high financial knowledge tend to increase their financial satisfaction because they tend to be less satisfied with their financial situation, while individuals with low knowledge are not aware of their relatively weak financial situation so they feel satisfied with their financial situation [12]. Individuals with high financial knowledge know which investments produce finances so they can increase financial satisfaction.

Individuals in managing finances must have income. Law No. 36 of 2008 Article 4 paragraph (1) concerning income tax, states that income is any additional economic capability received or acquired by the Taxpayer, whether originating from Indonesia or outside Indonesia, which can be used for consumption or to increase the Taxpayer's wealth. relevant taxes.

Income is very important for employees because currently, employees are responsible for retirement plans, how much money to invest, and when and how to invest their funds. Employees with low incomes may enter retirement with little or no savings because they usually have difficulty saving for retirement [13]. Natsir et al, in [15] stated that respondents with lower incomes are more likely to pay bills less on time than those with higher incomes. Harianto and Isbanah in [16] suggest that individuals with low incomes lack the financial knowledge needed to make financial decisions. While employees with high incomes tend to have savings and usually have retirement plans, they also tend to pay bills on time and have

investments. Employees with high incomes are likely to show more responsible financial management behavior because the available funds provide the opportunity to act responsibly.
It is thought that apart from influencing financial behavior, income also influences financial satisfaction. Individuals with high income tend to be satisfied with their financial condition, while individuals with low income tend to be less satisfied with their financial condition. Tasya and Asandimitra [17] explain that individual income is not a significant factor in determining financial satisfaction. Household income is a significant factor in determining financial satisfaction. The more members in the household the lower the financial satisfaction.

Worthy [3] explains several factors influence financial behavior, including sensation-seeking, risk-taking, and problematic financial behavior. Meanwhile Andriyani and Cipta [18] state that the factors that influence financial behavior are locus of control, financial knowledge, and income.

There are many factors with varying results that can influence financial behavior. Research conducted by Sandi et al. (2020) states that financial knowledge influences financial behavior. Meanwhile, research conducted by and Aditya and Azmansyah in [19] states that financial knowledge does not effect on financial behavior. Research conducted by and Aditya and Azmansyah in [19] also states that income influences financial behavior. Meanwhile Elicia and Wijaya in [20] states that income does not effect on financial behavior.

Joo and Grable in [21] explain that many factors influence financial satisfaction, including financial behavior, financial knowledge, financial solvency, financial stressors, financial stress levels, financial behavior, financial risk tolerance, and education. Xiao in [4] stated that the factors that influence financial satisfaction are financial behavior, financial capability, financial literacy, and financial knowledge. According to Delaney et al. [22] household income has a greater influence on financial satisfaction than individual income (personal income).

Research conducted by Coskuner in [23], and Halim and Astuti [24] stated that financial behavior influences financial satisfaction.

Research conducted by Coskuner [23], Xiao [4], and Halim and Astuti [24] state that financial knowledge influences financial satisfaction.

Research conducted by Coskuner in [23], states that household income influences financial satisfaction, while Chandra and Memarista [25] stated that income influences financial satisfaction.
Research on financial behavior and financial satisfaction in Indonesia is still very rare, as evidenced by the limited research references. Financial behavior and financial satisfaction are interrelated things. Therefore, researchers combine research on financial behavior and financial satisfaction in 1 model with financial behavior as an intervening variable.
Based on this description, this research aims is to try to prove whether there is a significant influence of financial knowledge and income on financial satisfaction and financial behavior as intervening variables.

Theory of Planned Behavior (TPB)
The Theory of Planned Behavior (TPB) is a theory developed by Ajzen in 1991. The TPB theory is a development of the theory of reasoned action. The reasoned action theory aims is to predict and understand human behavior [2].

Nguyen et al, [26] said that in simple terms the theory of reasoned action states that an individual will act if he views the action as positive and if the individual believes that other people want the individual to act. According to Ajzen in [27] this theory states that a person's intention to carry out a behavior determines whether or not the behavior will be carried out. The intention to carry out or not carry out a certain behavior is influenced by two basic determinants, namely relating to attitudes originating from beliefs about behavior and relating to subjective norms originating from normative beliefs. Then, the theory of reasoned behavior was developed into the Theory of Planned Behavior, where the theory added one construct, namely perceived behavioral control. The Theory of Planned Behavior says three factors influence behavioral intentions, namely attitude, subjective norms, and perceived behavioral control. The attitude of the target behavior (attitude) is an individual's positive or negative evaluation of something favorable or unfavorable. Subjective norms are individual perceptions regarding the thoughts of other individuals who will support or reject the behavior. Meanwhile, perceived behavioral control describes the level of difficulty or ease perceived in carrying out the behavior.

Behavioral Finance Theory

Investors in making investments not only use estimates of the prospects of investment instruments, but psychological factors also determine the investment. One interesting example is the existence of bounded rationality in investing. An example of bounded rationality is that investors always take irrational actions. There are psychological factors that influence investors to invest and the results they will achieve. Therefore, investment analysis that uses psychology and financial science is known as behavior or Behavioral Finance [28].

Telic Theory

The theory in financial satisfaction research is the Telic Theory. Ngabab et al in [29] stated that financial satisfaction is considered to be closely related to subjective well-being. The satisfaction domain relates to an individual's satisfaction with different areas of life satisfaction such as health, financial situation, and work. Diener et al.[30] stated that subjective well-being shows feelings of happiness, life satisfaction and evaluation of important life domains such as work, health ,and relationships. Telic theory states that individuals achieve happiness when goals or needs have been achieved. When individuals can fulfill certain goals, in telic theory the individual is seen to have high well-being.

Diener [31] say some goals focus on intrinsic needs and goals that focus on extrinsic needs. Goals that focus on intrinsic needs such as autonomy, togetherness, and competence are positive predictors of subjective well-being. Meanwhile, goals that focus on extrinsic needs such as financial success and physical beauty are negative predictors of subjective well-being.

Financial Behavior

Xiao [2] said that financial behavior can be defined as human behavior related to financial management. Generally, financial behavior includes money management, credit, and savings. According to Arianti [32] financial behavior is a person's ability to manage (planning, budgeting, auditing, managing, controlling, searching, and storing) daily financial funds. Financial management behavior can also be interpreted as the process of making financial decisions, harmonizing individual motives, and company goals.

Ida and Dwinta [33] explain that financial behavior is related to a person's responsibility regarding how to manage finances. Financial responsibility is the process of managing money and other assets in a way that is considered productive. Money management is the process of mastering the use of financial assets. Effective financial management such as setting a budget, and assessing the need to purchase debt and pension debt within a reasonable time frame. The main task of money management is the budgeting process. A budget aims to ensure that individuals can manage financial obligations promptly using income received within the same period.

Hira and Mugenda in [12]say that financial behavior is a person's attitude and behavior in managing their finances. Spending and saving behavior are used as benchmarks in this research. Gultom [34] stated that financial behavior is related to how a person treats, manages, and uses existing financial resources. Individuals who have responsible financial behavior tend to be effective in using the money they have, such as making a budget, saving, and controlling finances.

Based on these definitions, it can be concluded that financial behavior is an individual's attitudes and behavior in managing finances, managing cash flow, credit, savings, investment, budgeting, spending, and controlling finances.

Financial Satisfaction.

Natsir et al states that financial satisfaction involves being healthy, happy**,** and not worried about financial conditions [35]. While Joo states that financial satisfaction shows that a person's financial condition is good and that person feels happy and free from worry about their financial condition [21]. Hira and Mugenda stated that financial satisfaction is an evaluation of each individual's satisfaction with their personal financial condition [12]. Ali et al. stated that financial satisfaction is an individual's perception of their current financial situation [36]. Lown and Ju explain that financial satisfaction is a measure of the difference between desires and actual financial conditions [37]. The smaller the difference between desires and financial conditions, the more financial desires are achieved, ***and*** the higher financial satisfaction. Plagnol in [38] argues that financial satisfaction is related to objective financial conditions (income and wealth) and perceived financial needs. Hira and Mugenda (1998) in Owusu [39] explain that financial satisfaction is defined as the subjective evaluation of the extent to which one's financial resources are adequate or inadequate to meet both current and future financial obligations

Based on this description, it can be concluded that financial satisfaction is an individual's feeling of satisfaction with a good, healthy financial condition, being able to meet life's needs, and beeing free from worry about the individual's financial condition.

Financial Knowledge

Halim and Astuti state that financial knowledge is the ability to understand, analyze, manage finances to make the right financial decisions to avoid financial problems [24]. Ida and Dwinta stated that to have financial knowledge, it is necessary to develop financial skills and learn to use financial tools [33]. Financial skills are a technique for making decisions in personal financial management. Preparing a budget, choosing investments, choosing an insurance plan, and using credit are examples of financial skills. Financial tools are forms and charts used in making personal financial management decisions (such as checks, credit cards, and debit cards).

Based on this description, it can be concluded that financial knowledge is individual knowledge obtained from formal and non-formal education regarding banking, savings, insurance, use of credit, taxes and investment to understand, analyze, and manage finances.

Income

Law No. 36 of 2008 Article 4 paragraph (1) concerning income tax, states that income is any additional economic capability received or obtained by the Taxpayer, whether originating from Indonesia or outside Indonesia, which can be used for consumption or to increase mandatory wealth. relevant taxes. Halim and Astuti state that income is a center of responsibility whose input and output are measured by calculating the difference between income and costs [24]. Scott et al state that individual and household income is the sum of all wages, salaries, profits, interest payments, rent, and other forms of income received in a certain period [40]. Based on this definition, it can be concluded that income is the amount of funds generated by individuals during a certain period which are used for consumption and savings.

The Influence of Financial Knowledge on Financial Behavior.

Financial behavior can be defined as human behavior related to financial management. Generally, financial behavior includes money management, credit, and savings[2]. One factor that can increase financial knowledge is increasing education. The more individuals receive education, the more their financial knowledge will increase. This is because educated people will choose various financial tools (credit cards, debit, paychecks, bonds, shares, etc.) that make it easier for them to carry out transactions or investments. People who have higher education will also be more alert about their future. So they will find out more about ways to save their assets. Individuals with a high level of financial knowledge tend to have a responsibility in managing finances (responsible financial behavior) compared to individuals with low financial knowledge. The responsibility referred to in managing finances is paying bills on time, and having reserve funds and pension funds [41]. Individuals with high financial knowledge tend to have responsible financial behavior in saving and investing. Low knowledge regarding financial knowledge causes bankruptcy problems, credit problems, and low savings levels [42]. High financial knowledge can increase individuals' intentions towards more responsible financial behavior, but individuals do not always act in accordance with their intentions in managing finances.

The Influence of Income on Financial Behavior.

Gonyea et.al.[13] says that individuals with low income tend to have little or no pension funds compared to those with high income. This happens because individuals with low income can only finance their current needs so that individuals do not have savings and do not have pension funds. Hilgerth et.al. [41] stated that individuals with low and high incomes influence financial behavior. Individuals with low income are less likely to be able to pay bills on time compared to individuals with high incomes. Rand [43] states that individuals with low income tend to have low financial knowledge and skills needed to make financial decisions.

The Influence of Financial Behavior on Financial Satisfaction.

Financial satisfaction shows a person's financial condition is good and the person feels happy and free from worry about their financial condition. Positive financial behavior in managing finances can increase financial satisfaction. Mugenda et al. said that to assess the causal relationship that influences money management (money management practices), net worth, savings, debt payments, and the absence of financial difficulties are the main determinants of individual financial satisfaction [12].

Achieving the desired level of financial satisfaction requires positive financial management behavior. Positive financial behavior such as paying bills on time, being free from debt, and having savings, investments, and insurance contribute to financial satisfaction [44].

Economists suggest that rational budget management and a tendency to save are currently desired financial behaviors, that can increase overall financial satisfaction [45].

The Influence of Financial Knowledge on Financial Satisfaction.
Individuals with high financial knowledge have a better awareness of increasing their financial satisfaction by thinking long-term so that future life needs can be met, while individuals with low knowledge are not aware of future financial needs so individuals tend to use their funds for short-term needs and are impulsive [12].

Individuals in managing finances must have a certain level of financial knowledge. As a combination of individual understanding of financial products and concepts, individual ability, and self-confidence to evaluate financial risks and opportunities to demonstrate desired financial behavior and increase financial satisfaction. Individuals who have high financial knowledge are better able to manage income, use credit and debt effectively, and choose financial products with lower costs and better credit conditions to meet individual needs and desires so that individuals feel satisfied with their financial condition [46].

The Influence of Income on Financial Satisfaction.
Individuals with different incomes have different effects on financial satisfaction. Individuals with high levels of income tend to feel satisfied with their financial condition because these individuals have savings that can meet short and long-term living needs. Individuals with large needs tend to be less satisfied with their income level because the income earned is used up to meet their needs so that their income cannot be set aside for saving [47].

The higher the income an individual receives, the greater the individual will feel satisfied with their financial condition (financial satisfaction). Individual income can be used to buy goods that are necessities of life or desired goods [25].

Delaney et.al. [48] explained that individuals with high incomes tend to feel more satisfied with their financial condition, but individual income is not a significant factor in determining financial satisfaction. Household income is a significant factor in determining financial satisfaction. The more members in a household with low income, the lower the satisfaction with their financial condition.

The Influence of Financial Knowledge on Financial Satisfaction with Financial Behavior as an Intervening Variable.
Individuals with high financial knowledge tend to have better financial behavior, individuals will set aside part of their income in the form of savings and investments [42]. Good financial behavior, such as paying bills on time, being free from debt, and having savings, investments, and insurance, will guarantee one's financial future, thereby providing higher financial satisfaction [44]. Individuals with high financial knowledge have better awareness of increasing their financial satisfaction by thinking long-term so that future life needs can be met, while individuals with low knowledge are not aware of future financial needs so individuals tend to use their funds for short-term and short-term needs. Impulsive [12]. From this statement, it can be concluded that financial knowledge influences financial behavior. Furthermore, financial behavior influences financial satisfaction. This means that financial behavior is an intervening variable in the relationship between financial knowledge and financial satisfaction.

The Effect of Income on Financial Satisfaction with Financial Behavior as an Intervening Variable.

Individuals with high income tend to be able to manage their finances, generally, individuals with high income think about funds for retirement compared to individuals with low income [13]. Individuals with high incomes tend to be able to pay bills on time compared to individuals with low incomes [5]. Individuals will feel financial satisfaction if individuals have good financial behavior, such as paying bills on time, being free from debt, a having savings, investments, and insurance [44]. Individuals with high incomes tend to feel more satisfied with their financial condition because individuals can meet short-term and long-term needs [47]. From this statement, it can be concluded that income influences financial behavior. Furthermore, financial behavior influences financial satisfaction. This means that financial behavior is an intervening variable in the relationship between income and financial satisfaction.

Based on the theoretical basis, and the results of previous research as well as the problems that have been raised, this research focuses on financial knowledge and income which will be tested for their influence on financial satisfaction with financial behavior as an intervening variable in the workforce group in Jakarta.

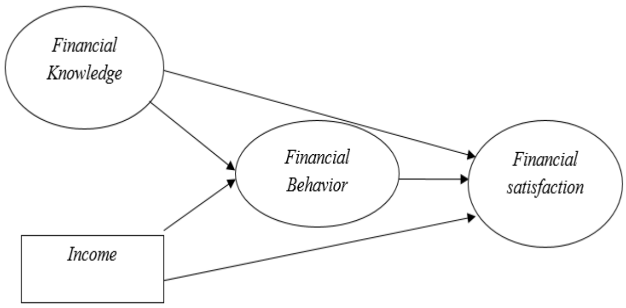

Figure 1. Research Model

Based on the framework of thought and research conducted by previous researchers, the hypothesis can be formulated as follows:

Hypothesis 1: Financial knowledge has a positive effect on financial behavior .
Hypothesis 2: Income has a positive effect on financial behavior
Hypothesis 3: Financial behavior has a positive effect on financial satisfaction .
Hypothesis 4: Financial knowledge has a positive effect on financial satisfaction.
Hypothesis 5: Income has a positive effect on financial satisfaction .
Hypothesis 6: Financial behavior mediates financial knowledge on financial satisfaction.
Hypothesis 7: Financial behavior mediates income on financial satisfaction.

2. RESEARCH METHODS

The subjects in this research are all individuals who fall into the labor force category and live in the Jakarta area. The objects in this research are financial knowledge, income, financial behavior, and financial satisfaction. The variable measurement uses a 1-5 Likert scale.

The type of design used in this research is descriptive and verification. Sugiyono [49] explains that descriptive research is research conducted to determine the value of independent variables, either one or more variables (independent) without making comparisons or connecting one variable with another. Arikunto [50] explains that verification research is a method that tests the truth of a hypothesis which is carried out through data collection in the field. In this case, the researcher aims to verify the relationship and nature of the relationship between the variables studied.

The data collected in this research was selected non-randomly (non-probability sampling) based on the criteria for selecting respondents by the researcher so that the sample could represent the problem to be studied. The non-probability sampling technique chosen was the judgmental (purposive) technique. Purposive sampling is a sampling technique that is based on certain considerations such as the characteristics or nature of the population. The number of samples that will be used in this research is 400 individuals. The data collection method used is through distributing questionnaires via online media, namely Google Chrome, WhatsApp, Facebook, and email. The sampling criteria are individuals who have worked and have a fixed monthly income, are professionals, entrepreneurs, work and live in Jakarta.

In this research, the variables used consist of exogenous and endogenous variables. Exogenous variables are financial knowledge and income. Endogenous variables are financial behavior and financial satisfaction. In this research, financial behavior variables are used as intervening variables and endogenous variables.

Financial Behavior. Measurement indicators consist of controlling finances, paying bills, planning finances, meeting family needs, saving, pension funds, setting aside funds for sudden situations, and making a budget [42]. Financial Satisfaction. Measurement indicators consist of income satisfaction, ability to buy goods, spending habits, savings, investment, meeting short-term finances, meeting long-term finances, and ability to pay bills [12]. Financial Knowledge. Financial knowledge is measured by indicators of interest rates, credit fines, credit, credit card bills, managing finances, and investments [42]. Income. The measurer uses a nominal scale with dummy variables. Dummy=1 if income is above 5 million. Dummy = 0 if income is below 5 million.

The analysis carried out consists of outer model analysis and inner model analysis. In the inner model, validity and reliability tests are carried out. Meanwhile, for the outer model, the Goodness of Fit Test, and coefficient of determination test (R^2) were carried out. Hypothesis Testing (Path Coefficient Estimation), and Testing the Mediation Effect (Intervening).
Validity testing uses discriminant validity [51]. Instrument reliability testing was carried out using Composite Reliability and Cronbach's Alpha values > 0.70 [51].

3. RESULTS AND DISCUSSIONS

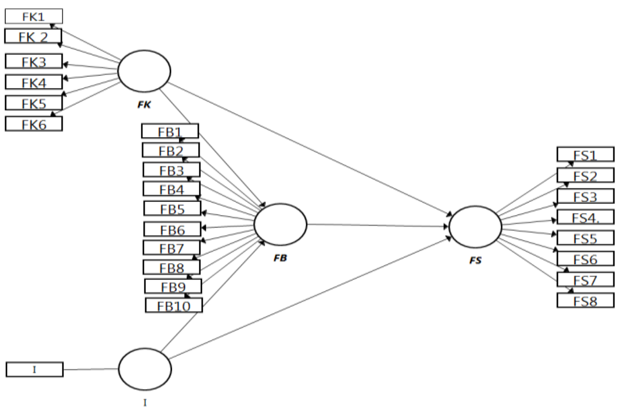

Figure 2. Structural Model

Validity testing is carried out using the discriminant validity test. Decisions regarding discriminant validity test results can be seen from the values of average variance extracted (AVE). The recommended value is > 0.5. The test results are shown in the following table.

Table 1. Validity Test Results

Variables	Average Variance Extracted (AVE)
FB	0.554
FK	0.636
F.S	0.568
I	1,000

Based on Table 1, which is the result of AVE testing for the variables FB, FK, FS and I, it is known that the AVE value for all variables is > 0.5. Thus it can be concluded that the variables FB, FK, FS, and I are valid.
Reliability Test

Reliability testing was carried out by determining the Composite Reliability and Cronbach's Alpha values. Decisions about reliability testing by looking at the composite reliability value. The results of composite reliability and Cronbach's alpha will show a satisfactory value if it is above 0.7.

Table 2. Composite Reliability Test Results

Variables	Composite Reliability	Cronbach's Alpha	Description
FB	0.925	0.910	reliable
FK	0.913	0.885	reliable
F.S	0.913	0.894	reliable
I	1,000	1,000	reliable

Table 2 shows that the composite reliability value for all constructs is above 0.7. Thus it can be concluded that all constructs have good reliability.

Inner model testing was carried out using the bootstrapping test to find the relationship between exogenous and endogenous variables, testing R^2, goodness of fit, and evaluating the position of intervening variables in the model.

After completing the outer model evaluation, the inner model will then be evaluated by looking at the R-square of each endogenous latent variable.

Table 3. R Square Test Results

Variable	R Square
FB	0.233
F.S	0.242

Table 3 shows that the results of testing the coefficient of determination (R square) state that the FB variable can be explained by the FK and I variables at 23.20%, the rest will be explained by other variables. Meanwhile, the FS variable can be explained by the variables FK, I, and FS amounting to 24.20%, the rest will be explained by other variables.

The goodness of fit test is carried out using the NFI value. The NFI value ranges from 0-1. If it gets closer to 1 then the model is said to be fit. The results of testing the goodness of fit model in this study obtained an NFI value of 0.774 and close to 1. Thus it can be concluded that the model in this study can be said to be good.

Path coefficient and mediating variable test. Exogenous variables are declared to have a significant effect on endogenous variables if the t-statistic result is greater than 1.96 or P_Values is smaller than 0.05 (at the 5% significance level). The original sample value is used to see the direction of hypothesis testing. If the original sample shows a positive value, it means that the direction of the influence of the exogenous variable on the endogenous variable is positive, and if the original sample value is negative, it means that the direction of the influence of the exogenous variable on the endogenous variable is negative. The results of the t-statistic test and P-Values for each variable can be seen in Table 4.

Table 4. Path Coefficient Test Results

Direct Effects			
	Original Sample	**t-Statistics**	**P Values**
FK -> FB	0.470	9,748	0,000
I -> FB	0.041	0.835	0.404
FB -> FS	0.341	4,739	0,000
FK -> FS	0.181	3,056	0.002
I -> FS	0.105	2,206	0.028
Indirect Effects			
FK -> FB -> FS	0.160	4,605	0,000
I -> FB -> FS	0.014	0.821	0.412

From the direct influence in Table 4, the results of all relationships between exogenous and endogenous variables are significantly positive because the t-statistic value is > 1.960 and the original sample value is positive, except for the direct influence of variable I (Income) on FB, where the t-statistic value is < 1.960. FB (financial behavior) can mediate the influence of FK (financial knowledge) on FS (financial satisfaction) significantly and positively. This is proven by the t-statistic value which is greater than 1.960 and the original sample value is positive. Meanwhile, the FB variable which mediates the influence of I (Income) on FS has an insignificant relationship because the t-statistic is <1.960 and the P Values are greater than 0.050.

This research used 400 individuals who fall into the labor force category who live in the Jakarta area. The results of testing the exogenous variable that has a significant influence on the intervening variable (financial behavior) is financial knowledge. Meanwhile, the exogenous variable does not effect on the intervening variable (financial behavior) is income. The results of testing exogenous variables that have a significant influence on endogenous variables (financial satisfaction) are financial knowledge, income and financial behavior. Meanwhile, financial behavior is able to mediate financial knowledge on financial satisfaction, but financial behavior is not able to mediate income on financial satisfaction.

The influence of financial knowledge on financial behavior

The research results show that financial knowledge has a positive effect on financial behavior. Individuals who have financial knowledge (interest rates, credit fines, credit, credit card bills, how to manage finances, and investments) will result in individuals having good financial behavior in controlling finances, paying bills on time, planning finances, meeting needs, setting aside funds for savings and insurance. High financial knowledge is caused by a person's high level of education. This is shown by the majority of respondents (82.7%) having a bachelor's degree (D3, S1, S2, S3).

These results can be explained by the Theory of Planned Behavior. Ramdhani (2008) states that the theoretical model of Planned Behavior Theory contains various variables, one of which is background consisting of age, gender, ethnicity, socio-economic status, mood, personality traits, and knowledge that influence an individual's attitudes and behavior towards something. matter. The results of this research are following the research by Perry and Morris [42], Grable et.al. [52], Ida and Dwinta [33]. However, the results of this study do not match the research of Kholilah and Irmani [53].

The influence of income on financial behavior

The research results show that income doest not effect on financial behavior. Individuals with high incomes may not necessarily be able to manage their finances well and individuals with low incomes will not necessarily be able to manage their finances well, meaning that the size of income does not affect a person's financial behavior. This shows that individuals in managing finances are less responsible and individuals tend to think short term and are synonymous with impulsive shopping practices, so that often individuals with large enough incomes still experience financial problems.

This can be explained by the behavioral finance theory which states that humans do not always behave rationally because there are psychological and financial factors that influence investment decision making. In this research, individuals who have high incomes do not necessarily have their income invested in the form of savings, pension funds, or insurance but rather their income is used for consumption. The results of this research are also supported by research by Manulife [1] which found that Indonesian people tend to be consumptive and think short-term. The results of this research are following the research results of Grable et.al. [54], Ida and Dwinta [33], Kholilah and Irmani [53]. However, the results of this study are not are following the research by Perry and Morris [42].

The Influence of Financial Behavior on Financial Satisfaction

The research results show that financial behavior has a positive effect on financial satisfaction. This means that the better a person's financial behavior, the better the individual's satisfaction with his financial condition. Individuals who have better financial behavior (using indicators: controlling finances, paying bills on time, planning finances, meeting family needs, saving, investing, pension funds and insurance) will get higher satisfaction in using their finances. High financial satisfaction is shown by indicators of satisfaction with the results of managing finances, being able to buy goods according to what you want, and setting aside part of your income for long-term needs. The most dominant indicator that influences financial satisfaction is trying to save. Individuals will feel satisfied if they have savings.

This can be explained by Telic Theory. Pavot and Diener in [55] state that the Telic Theory is that a person will achieve happiness and satisfaction if goals or needs are achieved. Individual satisfaction is increasingly achieved because he can control finances, pay bills on time, plan finances, meet family needs, save, invest, pension funds, and insurance. By achieving good financial behavior, individuals will feel satisfied with their financial condition. The results of this research are following the results of research from Coskuner [23], Xiao et.al. [4], Halim and Astuti [24].

The Influence of Financial Knowledge on Financial Satisfaction

The research results show that financial knowledge has a positive effect on financial satisfaction. This means that individuals who have financial knowledge (interest rates, credit fines, credit, credit card bills, how to manage finances, and investments) can use credit and debt effectively, and choose financial products with lower costs and better credit conditions. to meet individual needs and desires. So that individuals feel satisfied with their overall financial condition (satisfied with income, being able to buy the things they want, impulsive shopping habits, having savings and investments for long-term financial goals, and the ability to pay bills).

This can be explained by Telic Theory. Pavot and Diener in [55] state that the Telic Theory is that a person will achieve happiness and satisfaction if goals or needs are achieved. In this research, the individual goals and needs achieved were good financial knowledge (interest rates, credit fines, credit, credit card bills, how to manage finances, and investment). Good financial knowledge is caused by a person's high level of education. This is shown by the majority of respondents (82.7%) having a bachelor's degree (D3, S1, S2, S3). By achieving good financial knowledge, the individual feels satisfied with his financial condition. The results of this research are following the results of research from Coskuner [23], Chandra [25].

The Influence of Income on Financial Satisfaction

The research results show that income has a positive effect on financial satisfaction. Individuals who have a higher income will also have a higher level of satisfaction with their financial condition. Individuals feel satisfied with their financial condition because they can fulfill short and long-term financial goals, invest, save, and have the ability to buy the desired goods.

This can be explained by telic theory. Pavot and Diener in [55] state that the Telic Theory is that a person will achieve happiness and satisfaction if the goals or needs are achieved. In this study, the individual goals and needs achieved are high income. This is shown by respondents in this study having incomes above five million by 68%. By achieving a high income, the individual feels satisfied with his financial condition.

Apart from telic theory, this can also be explained by the use value theory. Sugiarto et.al.[56] states that the theory of use value (utility) is the satisfaction or enjoyment that a person gets from consuming goods, the greater the satisfaction obtained, and the higher utility value. Individuals who have income will try to meet their needs in the form of consumption, savings, etc. If their needs are met, the person will feel satisfied. The greater the satisfaction obtained, the higher the utility value. The results of this research are following the results of research from Coskuner [23], Chandra [25]).

The Influence of Financial Knowledge on Financial Satisfaction with Financial Behavior as an intervening variable

The research results show that in this research model financial behavior mediates the relationship between financial knowledge and financial satisfaction. This is because individuals who have financial knowledge (interest rates, credit fines, credit, credit card bills, how to manage finances, and investments) think long-term so that life's needs in the future can be met, use credit and debt effectively, choose financial products with lower costs and better credit conditions to meet individual needs and desires so that individuals feel satisfied with their financial condition without needing to have good financial behavior. This research is not a unified model as a whole but rather two models that are not interconnected. The first model is the financial knowledge and income variables influence financial behavior. The second model, namely the variables financial knowledge, income, and financial behavior, influence financial satisfaction.

The Influence of Income on Financial Satisfaction with Financial Behavior as an intervening variable.

The research results show that in this research model financial behavior does not mediate the relationship between income and financial satisfaction. This is because individuals who have high incomes can buy the goods they want, have savings, investments, and the ability to meet short and long-term financial goals, the ability to pay bills by thinking long term so that life's needs in the future can be met, so that individuals feel satisfied with their financial condition without needing to have good financial behavior. This research is not an overall unitary model but rather two unrelated models. The first model is the financial knowledge and income variables influence financial behavior. The second model, namely the variables financial knowledge, income, and financial behavior, influence financial satisfaction.

4. CONCLUSIONS AND SUGGESTIONS

Based on the description contained in the analysis and discussion section, the conclusions that can be drawn from the following research are as follows :

a) Financial knowledge has a positive effect on financial behavior in the workforce group in Jakarta.
b) Income has no influence on financial behavior in the workforce group in Jakarta.
c) Financial behavior has a positive effect on financial satisfaction in the workforce group in Jakarta.
d) Financial knowledge has a positive effect on financial satisfaction in the workforce group in Jakarta.
e) Income has a positive effect on financial satisfaction in the workforce group in Jakarta.
f) Financial behavior mediates the relationship between financial knowledge and financial satisfaction in the workforce group in Jakarta.
g) Financial behavior does not mediate the relationship between income and financial satisfaction in the workforce group in Jakarta.

Suggestions that the author can give through this research include :

1) For further research, it is hoped that we will be able to use other factors that can influence financial behavior and financial satisfaction.
2) For further research, it is necessary to increase the number of respondents so that they can represent the population of Indonesian society as a whole
3) For further research, it is necessary to map the location of the respondents.

REFERENCES

Manulife.co.id, Manulife Investor Sentiment Index, *manulife.co.id*, 2016. https://www.manulife.co.id/id/tentang-kami/pusat-informasi/manulife-investor-sentiment-index-misi.html (accessed Dec. 10, 2022).

Xiao, J. J., Applying Behavior Theories to Financial Behavior, in *Handbook of Consumer Finance Research*, Springer, 2008, pp. 69–81.

Worthy, S. L., J. Jonkman, and L. B. Pike, Sensation-Seeking, Risk-Taking, and Problematic Financial Behaviors of College Students, 2010.

Xiao, J. J., C. Chen, and F. Chen, Consumer Financial Capability and Financial Satisfaction, *Social Indicators Research*, no. Augustus 2013, pp. 415–432, 2013.

Hilgert, M. A., J. M. Hogarth, and S. G. Beverly, Household Financial Management: The Connection Between Knowledge and Behavior, 2003.

Rusadi, N. W. P., N. W. D. Irmayani, and N. K. S. Mirayani, Financial Literacy Bagi Generasi

Millenial, *Joong-Ki: Jurnal Pengabdian Masyarakat*, vol. 1, no. 2, 2022.

Armilia, N. and Y. Isbanah, Faktor Yang Memengaruhi Kepuasan Keuangan Pengguna Financial Technology Di Surabaya, *Jurnal Ilmu Manajemen*, vol. 8, no. 1, pp. 39–50, 2020.

Agustine, L. and I. Widjaja, Pengaruh: Financial Attitude, Financial Knowledge Locus Of Control Terhadap Perilaku Manajemen Keuangan, *Jurnal Manajerial Dan Kewirausahaan*, vol. 3, no. 4, p. 1087, 2021, doi: 10.24912/jmk.v3i4.13504.

Subaida, I. and F. N. Hakiki, Pengaruh Pengetahuan Keuangan Dan Pengalaman Keuangan Terhadap Perilaku Perencanaan Investasi Dengan Kontrol Diri Sebagai Variabel Moderasi, *Jurnal Ilmu Keluarga dan Konsumen*, vol. 14, no. 2, pp. 152–163, 2021, doi: 10.24156/jikk.2021.14.2.152.

Braunstein, S. and C. Welch, Financial Literacy: An Overview of Practice, Research, and Policy, *Federal Reserve Bulletin*, vol. 88, no. 11, pp. 0–0, 2002, doi: 10.17016/bulletin.2002.88-11.

Sandi, K., S. Worokinasih, and A. Darmawan, Pengaruh Financial Knowledge Dan Financial Attitude Terhadap Financial Behavior Pada Youth Entrepreneur Kota Malang, *Jurnal Administrasi Bisnis*, p. 140, 2020.

Hira, T. K. and O. M. Mugenda, The Relationships between Self-Worth and Financial Beliefs, Behavior, and Satisfaction, *Journal of Family and Consumer Sciences*, vol. 91, pp. 76–82, 1999.

Gonyea, J. G., Improving the Retirement Prospects of Low-Wage Workers in a Defined Contribution Word, *The journal of Contemporary Social Services*, vol. 88, pp. 453–462, 2007.

Natsir, K., M. Setini, and A. Z. Arifin3, The Influence of Income and Financial Literacy on Financial Satisfaction Through Financial Behavior as Mediation Variable, in *Urban Development and Life style*, New York., P. . Wayan Suparta, Ed. Nova Science Publishers Inc, New York, 2020, pp. 105–115.

Natsir, K., M. Setini, and A. Z. Arifin, The Influence of Income and Financial Literacy on Financial Satisfaction through Financial Behavior as a Mediating Variable, in *Urban Development and Life style*, New York: Nova Science Publishers Inc, New York, 2020, pp. 105–115.

Harianto, S. and Y. Isbanah, Peran Financial Knowledge , Pendapatan, Locus of Control , Financial Attitude , Financial Self-Efficacy , Dan Parental Financial Socialization Terhadap Financial Management Behavior Masyarakat Di Kabupaten Sidoarjo, *Jurnal Ilmu Manajemen*, vol. 9, no. 1, pp. 241–252, 2021.

Tasya, S. A. and N. Asandimitra, Pengaruh Pendapatan, Hutang, Financial Strain, Financial Attitude, Dan Financial Literacy Terhadap Financial Satisfaction: Financial Management Behaviour Sebagai Mediasi, *Jurnal Ilmu Manajemen*, vol. 10, no. September 2021, pp. 312–328, 2022.

Andriyani, L. I. R. and W. Cipta, Pengaruh Income Dan Financial Knowledge Serta Locus of Control Terhadap Financial Management Behavior, *E-Jurnal Ekonomi dan Bisnis Universitas Udayana*, vol. 13, no. 1, p. 1141, 2022, doi: 10.24843/eeb.2022.v11.i09.p11.

Aditya, D. and Azmansyah, Pengaruh Financial Knowledge, Financial Attitude, Dan Income Terhadap Financial Behavior Pada Usaha Mikro Kecil Dan Menengah Di Kecamatan Marpoyan Damai Pekanbaru, *Jurnal Ekonomi KIAT*, vol. 32, no. 2, 2021.

Elicia, P. and I. Wijaya, Faktor-Faktor Yang Mempengaruhi Financial Behavior, *Malaysian Palm Oil Council (MPOC)*, vol. 5, no. 5, pp. 494–499, 2021, [Online]. Available: http://journal.um-surabaya.ac.id/index.php/JKM/article/view/2203%0Ahttp://mpoc.org.my/malaysian-palm-oil-industry/.

Joo, S. H. and J. E. Grable, An Exploratory Framework of the Determinants of Financial Satisfaction, *Journal of Family and Economic Issues*, vol. 25, no. 1, pp. 25–50, 2004.

Delaney, L., C. Newman, and B. Nolan, Reference Dependent Financial Satisfaction over the Course of the Celtic Tiger: A Panel Analysis Utilising the Living in Ireland Survey 1994–2001, Dublin, 2006.

Coskuner, S., Understanding Factors Affecting Financial Satisfaction: The Influence of Financial Behavior, Financial Knowledge and Demographics, *Imperial Journal of Interdisciplinary Research (IJIR)*, vol. 2, no. 5, 2016.

Halim, Y. K. E. and D. Astuti, Financial Stressors, Financial Behavior, Risk Tolerance, Financial Solvency, Financial Knowledge, Dan Kepuasan Finansial, *Jurnal Finesta*, vol. 3, no. 1, pp. 19–23, 2015, doi: 10.1109/EDOC.2009.26.

Chandra, J. and G. Memarista, Faktor-Faktor Yang Mempengaruhi Financial Satisfaction Pada Mahasiswa Universitas Kristen Petra, *FINESTA*, vol. 3, no. 2, pp. 1–6, 2015.

Nguyen, Q. A. *et al.*, Theory of Reasoned Action as a Framework for Communicating Climate Risk: A Case Study of Schoolchildren in the Mekong Delta in Vietnam, *Sustainability (Switzerland)*, vol. 10, no. 6, pp. 1–14, 2018, doi: 10.3390/su10062019.

Icek, A., The Theory of Planned Behavior, *Organizational Behavior and Human Decision Processes*, vol. 50, pp. 179–211, 1991.

Manurung, A. H., *Reksadana investasiku*. Jakarta: Kompas Media Nusantara, 2012.

Ngamaba, K. H., C. Armitage, M. Panagioti, and A. Hodkinson, How Closely Related Are Financial Satisfaction and Subjective Well-Being? Systematic Review and Meta-Analysis, *Journal of Behavioral and Experimental Economics* , vol. 85, no. January, 2020, doi: 10.1016/j.socec.2020.101522.

Diener, E. and R. Biswas-Diener, Will Money Increase Subjective Well-Being?: A Literature Review and Guide to Needed Research, in *The Science of Well-Being*, Champaign, USA: Springer, 2009, pp. 119–154.

Diener, E., Ng, W., Harter, J., & Arora, R., Wealth and Happiness across the World: Material Prosperity Predicts Life Evaluation, Whereas Psychosocial Prosperity Predicts Positive Feeling., *Journal of Personality and Social Psychology*, vol. 99, no. 1, 2010.

Arianti, B. F., Pengaruh Pendapatan Dan Perilaku Keuangan Terhadap Literasi Keuangan Melalui Keputusan Berinvestasi Sebagai Variabel Intervening, *Jurnal Akuntansi*, vol. 10, no. 1, pp. 13–36, 2020, doi: 10.33369/j.akuntansi.10.1.13-36.

Ida and C. Y. Dwinta, Pengaruh Locus of Control, Financial Knowledge, Income Terhadap Financial Management Behavior, *Jurnal Bisnis dan Akuntansi,* vol. 12, no. 3, pp. 131–141, 2010.

Gultom B.T, HS Renol S, and Siagian L, Dampak Literasi Keuangan Terhadap Perilaku Keuangan Mahasiswa (Studi Kasus Di Universitas Hkbp Nommensen Pematang Siantar), *Jurnal Pendidikan Ekonomi Undiksha*, vol. 14, no. 1, pp. 134–144, 2022, [Online]. Available: https://ejournal.undiksha.ac.id/index.php/JJPE/article/view/46896.

Natsir, K., M. Setini, and A. Z. Arifin, The Influence of Income and Financial Literacy on Financial Satisfaction through Financial Behavior as a Mediating Variable, in *Urban Development and*

Ali, A., M. A. Rahman, and A. Bakar, Financial Satisfaction and the Influence of Financial Literacy in Malaysia., *Social Indicators Research*, vol. 120, no. 1, pp. 137–156, 2015.

Lown, J. and I. Ju, A Model of Credit Use and Financial Satisfaction., *International Journal of Consumer Counseling and Planning*, pp. 105–125, 1992.

Plagnol, A. C., Subjective Well-Being over the Life Course: Conceptualizations and Evaluations. Social Research: An International Quarterly of the Social Sciences, *Social Research: An International Quarterly.*, vol. 77, no. 2, pp. 749–768, 2010, [Online]. Available: http://openaccess.city.ac.uk/1189/.

Owusu, G. M. Y., Predictors of Financial Satisfaction and Its Impact on Psychological Wellbeing of Individuals, *Journal of Humanities and Applied Social Sciences*, vol. 5, no. 1, pp. 59–76, 2021, doi: 10.1108/jhass-05-2021-0101.

SCOTT, M. P., J. BERRY-JOHNSON, and S. KVILHAUG, Income Definition: Types, Examples, and Taxes, *investopedia.com*, 2023. https://www.investopedia.com/terms/i/income.asp (accessed Oct. 10, 2023).

Hogarth, J. M., S. G. Beverly, and M. Hilgert, Patterns of Financial Behaviors : Implications for Community Educators and Policy Makers Discussion Draft – February, 2003, in *Federal Reserve System Community Affairs Research Conference*, 2003, pp. 1–28.

Perry, V. G. and M. D. Morris, Who Is in Control? The Role of Self-Perception, Knowledge, and Income in Explaining Consumer Financial Behavior, *Journal of Consumer Affairs*, vol. 39, no. 2, pp. 299–313, 2005.

Rand, D., Financial Education and Asset Building Programs for Welfare Recipients and Low Income Workers: The Illinois Experience, 2004.

Xiao, J. J., B. Sorhaindo, and E. T. Garman, Financial Behaviours of Consumers in Credit Counselling, *International Journal of Consumer Studies*, vol. 30, no. 2, pp. 108–121, 2006.

Ünal, S. and Y. S. DÜGER, An Empirical Analysis on the Relation Between Academics ' Financial Well-Being and Financial Behavior, *The International Journal of Economic and Social Research*, vol. 11, no. 1, pp. 213–226, 2015.

Eklof, J., O. Podkorytova, and A. Malova, Linking Customer Satisfaction with Financial Performance: An Empirical Study of Scandinavian Banks, *Total Quality Management and Business Excellence*, vol. 31, no. 15–16, pp. 1684–1702, 2018, doi: 10.1080/14783363.2018.1504621.

Toscano, E. V., V. Amestoy, Amestoy, and R. S. Rosal, Building Financial Satisfaction, *Social Indicators Research*, vol. 77, no. 2, pp. 211–243, 2006.

Delaney, Newman, and Nolan, Reference Dependent Financial Satisfaction over the Course of the Celtic Tiger: A Panel Analysis Utilising the Living in Ireland Survey 1994-2001, Dublin, 2006.

Sugiyono, P., *Metode Penelitian Bisnis: Pendekatan Kuantitatif, Kualitatif, Kombinasi, dan R&D*, 3rd ed. Bandung: Alfabeta, 2017.

Arikunto, S., *Prosedur Penelitian Suatu pendekatan Praktik.* Jakarta: PT.Rineka Cipta., 2010.

Ghozali, I., *Aplikasi Analisis Multivariate dengan Program IBM SPSS 25*, Edisi Semb. Semarang: Universitas Diponegoro, 2018.

Roszkowski, M., G. Davey, and J. E. Grable, Insights from Psychology and Psychometrics on Measuring Risk Tolerance, *The Journal of Financial Planning*, vol. 18, no. 4, pp. 66–75, 2005.

Kholilah, N. Al and R. Iramani, Studi Financial Management Behavior Pada Masyarakat Surabaya, *Journal of Business and Banking*, vol. 3, no. 1, p. 69, 2013.

Grable, J. E., J. Park, and S. Joo, Explaining Financial Management Behavior for Koreans Living in the United States, *The Journal of Consumer Affairs*, vol. 43, no. 1, pp. 80–107, 2009.

Pavot, W. and E. Diener, The Satisfaction With Life Scale and the Emerging Construct of Life Satisfaction, *The Journal of Positive Psychology*, vol. 3, no. 2, pp. 137–152, 2008.

Sugiarto, E., Teori Kesejahteraan Sosial Ekonomi Dan Pengukurannya, *Jurnal Eksekutif*, vol. IV, no. 2, 2007.