

UNIVERSITAS INTERNASIONAL BATAM

Faculty of Economy
Undergraduate Thesis of Management
Odd Semester 2019/2020

ANALYSIS OF THE EFFECT OF FAMILY INFLUENCE, FINANCIAL ATTITUDE, FINANCIAL BEHAVIOR, FINANCIAL KNOWLEDGE AND SAVINGS ON FINANCIAL LITERACY FOR MILLENNIAL GENERATIONS IN BATAM

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ABSTRACT

Financial literacy is an individual ownership or skill in managing finance to be more effective and efficient and also plays a significant role in the community. The purpose of this research is to determine how the impact of the family, financial attitude, financial behavior, financial knowledge, and saving attitude affect financial literacy in millennial communities in Batam.

The method used to collect data in this study is a survey method, which is distributing questionnaires through social media applications to 400 respondents who are millennials of Batam and have successfully collected 379 data and 18 outliers. The technique used to collect data in this study is a purposive sampling technique, which is a sampling technique that is done without randomizing and has adapted to specific characteristics following the objectives of the study. This study uses the SPSS version 21 statistical program.

The results showed all the variables had met the premises of the data quality test, the classic assumption test, and the hypothesis test. Based on the results of the study, the results of the statistical t-test revealed that financial knowledge variables and financial attitude variables had a significant positive relationship to financial literacy, while the influence variables from family, financial behavior, and saving attitude did not show a significant relationship to financial literacy. The results of the determination coefficient showed that 28.8% of the regression model could be explained by the variables used in the study, and as many as 71.2% were factors outside the study that could explain their effects on financial literacy.

Keywords: *Financial attitude, financial knowledge, saving attitude, influence from family, financial behavior, financial literacy.*