

The Role of Lifestyle as a Mediator of The Influence of Financial Knowledge on Career Women's Financial Behavior

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ABSTRACT

Women's financial knowledge is lower than men's paying attention because women control 80% of financial management. How well behaved in managing finances is determined by the level of financial knowledge. This study aims to understand how financial behavior is influenced by the level of financial knowledge and the role of lifestyle. The study focused on career women. Methods of quantitative approach and primary data were used in the study—data collection techniques by distributing questionnaires. A purposive sampling technique determined the total sample of 120 career women in Surabaya. Data analysis test with Structural Equation Modelling (SEM) technique using Smart PLS analyst tool Version 3.0. After the data analysis test was carried out, the results proved that financial knowledge affects financial behavior, lifestyle affects financial behavior and the existence of intermediaries from the lifestyle on the influence of financial knowledge on financial behavior. This research implies that the higher the financial knowledge career women have, the better their financial behavior, and they can improve their lifestyles to form appropriate and directed financial behaviors.

Keywords: *Financial Behavior, Financial Knowledge, Lifestyle.*

INTRODUCTION

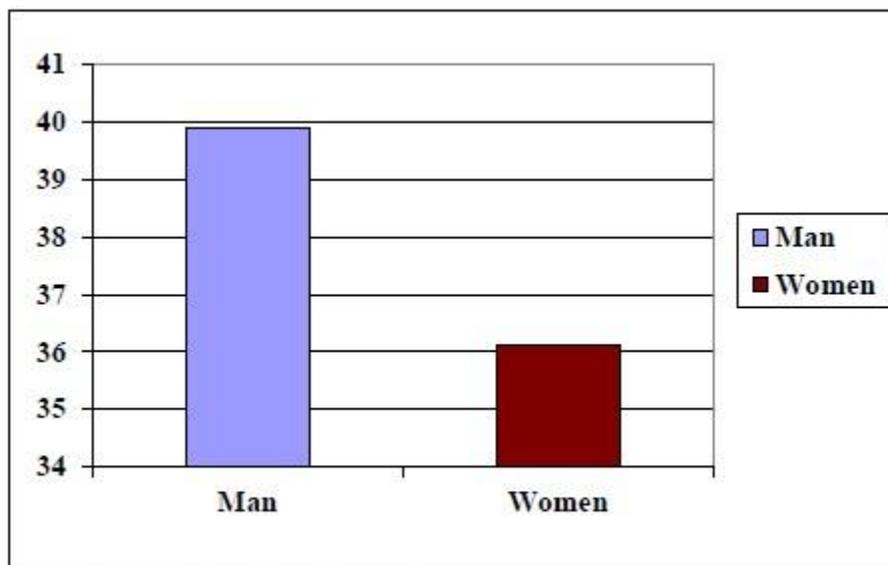
The presence of such technologies is increasingly sophisticated and continues to develop rapidly, bringing changes to the order and system of life. These changes are marked by human life, which is now close to digital technology, so various aspects of life have also undergone digitalization. For example, changes in human activities regarding shopping through the use of advanced technology, such as Smartphones, tablets, and computers connected to the internet, make purchase transactions able to be completed efficiently, quickly, and practically without any obstacles to time and space. This activity encourages the digitalization of the payment system, which certainly increases the rapid pace of digital purchase transactions. From year to year, it is estimated that the projection of digital buyers continues to grow as in 2019, around 35.1 million buyers; in 2020, it was 39.2 million buyers; in 2021, it was 42.1; and in 2022, it is estimated to increase to 44 million digital buyers (databoks, 2019). The high number of digital purchases makes people more consumptive. If it is not balanced with the ability to manage finances intelligently, it will experience economic difficulties in the future. Financial problems occur regarding how individuals manage their finances.

Financial behavior explains the responsibility of individuals to manage money by estimating short-term, and long-term living needs through decisions made today as a financial goal in the future to keep economic conditions stable. Financial behavior relates to managing and spending on such income [1]. In Indonesia, people tend to spend more than their income because of spending money on short-term needs without considering long-term needs. This behavior describes financial irresponsibility, such as reduced interest in saving, investing, and doing various financial planning [2]. It was also revealed in the Survey by BPS that in the third quarter of 2021, spending money on public consumption increased by almost 53% (bps, 2020). In line with the results of Bank Indonesia, the survey reported that people's income set aside for savings was only 14.1%, while the level of public consumption was up to 75.0% (bisnis.com, 2021).

Considering the increasing social and economic life, the development of the modern era requires all circles of society to find solutions. No exception for women in today's era makes the gender perspective no longer valid and starts to shift. A survey reveals that 83% of women in Indonesia already have their income, where 54% of these women work and 46% of women own businesses (mrbfinance, 2021). It proves that a woman's role is no longer just as a homemaker who depends on the couple's income. But she is required to actualize herself to earn her income to support the family economy. However, when women have their income, many of their ways of making ends meet are driven by desire, not need. This motive is based on lifestyle demands on women who have a career, so they are prone to

have consumptive behavior. Women are the main targets of high lifestyle demands because they view lifestyle as an identity and self-existence over social status [3].

One of the efforts so that people are not trapped in high-will behavior is to carry out financial management [4]. How well individuals manage their finances can be measured by their financial knowledge level. Financial knowledge is the primary basis for proper financial knowledge. Financial Knowledge is an integral dimension of financial literacy and one of the elements of increasing financial literacy through education in the field of finance. The third national survey related to financial literacy and inclusion by the Financial Services Authority (OJK) showed that in 2019, financial literacy was 38.03%, and the financial inclusion index was 76.19%. There was an increase from the previous survey in 2013 of only 21.84% and 2016 of 29.7%, with a financial inclusion index of 67.8% (OJK, 2020). When viewed in terms of gender, the three periods of survey results are still generally dominated by men.



Source: www.ojk.go.id (in percentage)

Figure 1. Grafic of Financial Literasi By Gender

Figure 1. above shows that women's knowledge, beliefs, skills, attitudes, and financial behaviors are 36.13% lower than men's by 39.94% (OJK 2020). Referring to the survey results, OJK revealed that of the 36.13% of women's financial literacy, there was 30.46% for homemakers (OJK, 2020). This data means that out of every 100 women in Indonesia, there are about 30 women who are well-literate, and these women are homemakers. It means that only about six women other than homemakers are included in the well-literate, and there are still 64 other women who are not well-literate or do not have good knowledge, beliefs, skills, attitudes, and financial behavior. Regarding digital economic readiness, 56% of men are better prepared for digital financial services than women, which is only 50%

(povertyactionlab.org), as it has been known that a woman is the highest holder of control in the daily management of finances compared to a man. If women's financial literacy is low, of course, the financial knowledge that women have is also insufficient. It is an issue that is quite worrying, which will make it difficult for women to manage their finances in the right and appropriate way, risking poor financial decision-making. The inherent view that career women are women with higher education and a broader mindset than homemakers should have better skills and responsibilities for their financial behavior. Regarding lifestyle, the behavior of career women is often irrational and always follows the developing fashion trends; as a result, the behavior in the financial decisions formed is unhealthy and ineffective. The turmoil of lifestyle changes are caused by a desire that must be fulfilled, causing problems inability to manage finances properly. In this case, we can say that modernization has shifted a woman's attitudes and mentality, influencing changes in his financial behavior.

This research is based on the theory of planned behavior by adding constructs of perceived behavioral control to predict behavior, specifically referring to a person's perception of a condition to predict planned behavior in attitude and considering its impact [5]. Also, some factors influence a person's behavior, namely personal, social, and informational factors. Financial knowledge is one of the essential information factors in forming good financial behavior. Financial knowledge is defined as individual skills regarding finance, or it can be said to be a situation that describes how individuals understand the financial design that is the basis for managing and making decisions regarding, How good an individual's financial behavior is determined by how much financial knowledge they have. When individuals have sound financial knowledge, they can form behaviors based on the goals to be achieved, namely financial well-being in the future. In line with the research, there is an influence formed by financial knowledge on financial behavior [6]. However, other studies found different results; namely, financial knowledge did not significantly affect financial behavior [7]. It was also revealed in the research, there was no relationship between financial knowledge and financial behavior [8]. The research gap explains that one of the causes is the different backgrounds of respondents, so not everyone has good financial knowledge.

In addition to financial knowledge, other psychological factors influence financial behavior, namely lifestyle. Lifestyle is a picture of a person's self-expression related to life patterns with their interaction with the surrounding environment. From the economic side, lifestyle is related to how a person spends the money he has—supported by research, which revealed the positive influence of lifestyle on financial behavior, where the lifestyle that appears tends to be ordinary and still tries to do good financial management [6]. In this case, if the individual has a reasonable and appropriate lifestyle pattern, he can apply financial behavior wisely and purposefully. Regarding the relationship between lifestyle and financial behavior, revealed lifestyle factors do not influence financial behavior. In the findings of these

gaps, this study considers that the good and bad financial behavior formed is not directly caused by each person's high or low financial knowledge level. Still, other factors arise when financial knowledge shapes financial behavior. Therefore, this study raises the role of mediation, a lifestyle that acts as a mediator when financial knowledge affects financial behavior.

Departing the background described, including phenomena, problems, and previous research that produced research gaps, the purpose of this study is to determine the influence of financial knowledge directly on financial behavior and the direct result of lifestyle on financial behavior, as well as the role of lifestyle as a mediator of the influence of financial knowledge on economic behavior, especially in career women in Surabaya.

Formulation of The Problem

Based on the previous explanation of the background above, the formulation of the research problem can be made, namely:

1. Does financial knowledge affect financial behavior in career women in Surabaya?
2. Does lifestyle affect financial behavior in career women in the city of Surabaya?
3. Does lifestyle mediate the influence of financial knowledge on financial behavior in career women in Surabaya?

Writing Purpose

As the formulation of the problem above is made, this research aims as follows:

1. To determine and analyze the effect of financial knowledge on financial behavior in career women in Surabaya.
2. To determine and analyze the influence of lifestyle on financial behavior in career women in Surabaya.
3. To determine and analyze the role of lifestyle as a mediator of the influence of financial knowledge on financial behavior in career women in Surabaya.

Also, this research is expected to contribute ideas supporting the study of the relationship between financial knowledge and financial behavior.

LITERATURE REVIEW

Theory of Planned Behavior

The Theory of Planned Behavior is a development of the Theory of Reasoned Action; it assumes that individual behavior is not only based on self-controlled reasons (complete control of the individual) but that there is a control that is considered capable of influencing intentions and behaviors. The Theory

of Planned Behavior emphasizes the rationality of behavior based on preferences and beliefs under perceived self-control. This theory also explains that there is always a reason underlying the intention to behave and consider the goals and results to be obtained, so that perceived behavioral control is added. Thus, there are three components in the Theory of Planned Behavior, namely (1) Attitude Toward Behavior; (2) Subjective Norm; and (3) Perceived Behavioral Control to predict more specific behaviors. [9] Of the three components, some factors influence it, namely: 1) personal factors (general traits, personality, life values, emotions, and intelligence); 2) social factors (gender, age, place of residence, income, and religion); 3) information factors (work experience, knowledge, academic ability; and, media exposure) [5].

Financial Behavior

In the 1990s, behavioral finance was recognized, studied, and developed as a new theory as the business and academic world developed, which began to respond to elements of individual behavior in the financial decision-making process [10]. Financial behavior is related to how individuals are responsible for their financial management. There are several stages in responsible financial management: planning, budgeting, and controlling funds on income, expenditure, loans, savings, and protection [11]. The financial behavior that everyone has varies depending on how the psychological effects it has, such as the nature and character of everyone [4]. Financial behavior can grow well in each individual if followed by knowledge and understanding of sound finances [12]. If an individual's understanding or financial knowledge is high, in this case, it can lead to good financial behavior. Good financial behavior reflects the success of individuals in applying financial knowledge to various financial decisions that can improve the quality and well-being of life now and in the future [13].

Financial Knowledge

Financial knowledge can be interpreted as a condition where individuals understand the concepts needed to manage personal financial decisions about finances. On the other hand, financial knowledge is related to intimate knowledge of the products and services of formal financial service institutions related to delivery channels and their characteristics. In its sense, financial knowledge is a person's mastery of how far financial skills and financial tools he has [14]. That a person can have good financial knowledge through formal and informal education. The more a person gets an education, the greater their financial knowledge level [10] [15].

Lifestyle

Lifestyle is a person's living pattern expressed in his activities, interests, and opinions. That reflects individuals' behavior in obtaining or using goods and services, where there are internal and

external factors that influence them [16]. It can call a reflection of a person who follows the changing times, or can say that a person's desire to change his lifestyle is developing behaviors [17]. Thus, lifestyle describes a person's "whole self" in interacting with his environment. The interaction is inseparable from other people's influence and the surrounding environment's conditions.

Hypothesis

The Influence of Financial Knowledge on Financial Behavior

The effect of financial knowledge on financial behavior is based on the theory of planned behavior, which states that behavioral changes based on intentions and beliefs are under conscious control. One of the three influencing components is perceived behavioral control, where behavior is based on perceived power. Also, there are three factors behind changes in a person's behavior, 1) personal factors, 2) social factors, and 3) information factors [9]. Furthermore, that one of the information factors that influence changes in a person's financial behavior is financial knowledge [7]. When making decisions about finances, financial knowledge acts as a control of self-control in determining behavior through a lot of financial information related to finance. It has been believed that the greater the level of financial knowledge a person has, the greater the level of financial behavior, and the more it will lead to good financial behavior. The research results revealed that the greater the level of personal financial knowledge, the better their financial behavior will be [6].

Meanwhile, analysis demonstrated that the positive influence given by financial knowledge did not significantly affect changes in individual behavior [8]. It is possible because not everyone has a good financial understanding. From this description, we can make a hypothesis:

H1: Financial Knowledge Affects Financial Behavior.

The Influence of Lifestyle on Financial Behavior

Changes in behavior regarding a person's finances can also depend on his lifestyle. The Theory of Planned Behavior says that three factors can change a person's behavior, including personal factors [9]. Lifestyle is an individual factor that includes general traits, personality, life values, emotions, and intelligence. In his sense, a lifestyle is a self-image of a person spending time and money on his pleasures in the world, expressed through his activities, interests, and opinions. Conscious interest is exercised in behaving. All aspects of personal factors can explain changes in a person's financial behavior caused by a lifestyle. One is that lifestyle changes in the community environment cause changes in individual behavior [18]. It is related to the lifetime value of a person who studies changes in the surrounding environment. If, personally, a person has a good personality, life values, emotions, and intelligence, then his lifestyle in using money is appropriate and appropriate. However, if the person is in an environment

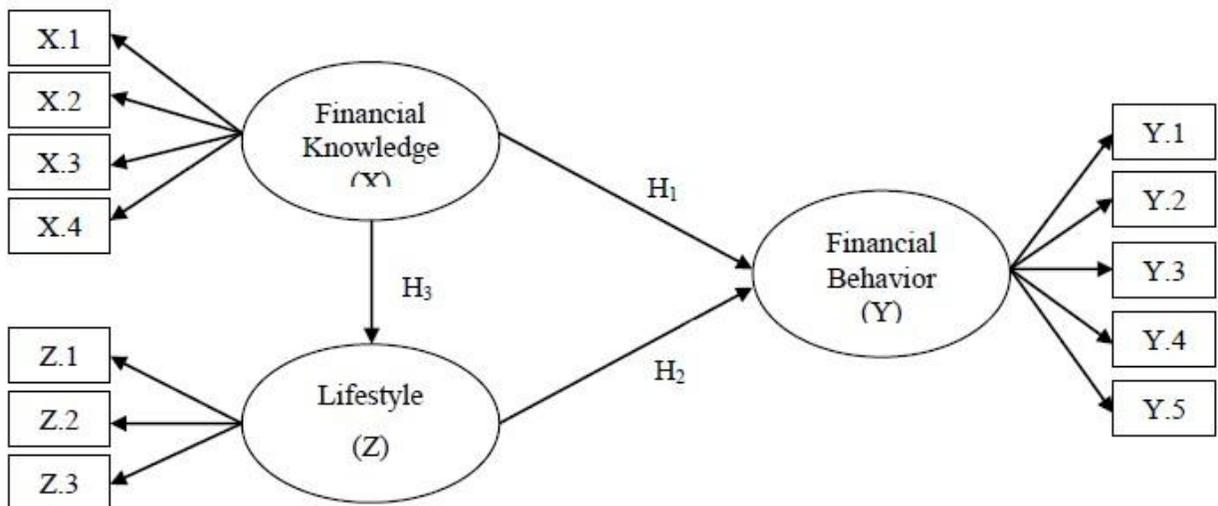
that holds prestige, it will form a consumptive lifestyle pattern to influence changes in bad financial behavior. Research proves that lifestyle positively affects a person's economic behavior. That is a lifestyle that appears to be ordinary and still tries to manage finances well [6][3].

H2: Lifestyle Affects Financial Behavior

The Role of Lifestyle Mediating the Influence of Financial Knowledge on Financial Behavior

So far, many studies have given rise to the role of mediation in influencing change. Therefore, this study also raised lifestyle as a mediator when financial knowledge affects financial behavior. The role of lifestyle as a mediator is based on the theory of planned behavior, which explains the existence of three components that influence behavior change, namely 1) Attitude Toward the Behavior; 2) Subjective Norm; and 3) Perceived Behavioral Control. Meanwhile, several factors affect the individual lifestyle, namely, 1) internal factors; and 2) external factors [16]. These factors include three components of the Theory of Planned Behavior to consider changes in affected behavior against the impact obtained. If individuals already have the good financial knowledge and internal factors that affect their lifestyle are correct, they can become good intermediaries in properly shaping financial behavior. However, if they have high financial knowledge but their lifestyle is not suitable due to external factors that affect it badly or is categorized as wasteful, it can form individuals with bad economic behavior to experience errors in financial decisions.

H3: Lifestyle mediates the Influence of Financial Knowledge on Financial Behavior.



Source: data processed, 2022.

Figure 2. Conceptual Framework

RESEARCH METHODS

Research Design

This research includes research with quantitative approach methods using primary data types. Preliminary data are obtained from measurements directly by researchers based on their sources (research subjects) in the field. The data collection method uses a questionnaire with a Likert scale technique. The study population is career women in Surabaya. The sample selected was 120 respondents to this study. The unknown size of the population data caused researchers to choose models based on criteria. Structural Equation Modeling (SEM) is used as a data analysis technique with Smart PLS version 3.0.

Research Limitations

This study uses many sources, so in conducting research, there are research limitations. In this study, there are several research limitations, including:

1. Financial behavior as the dependent variable
2. Financial knowledge as the independent variable
3. Lifestyle as mediating variable
4. The object of the research is the career of women in Surabaya.

Variable Identification

In this study, several variables were used, including:

1. The dependent variable used is financial behavior (Y)
2. The independent variable used is financial knowledge (X)
3. The mediating variable used is a lifestyle (Z)

Operational Definition & Measurement of Variables

Financial Behavior

Financial behavior is a way for everyone to treat, manage, and use the financial resources he has to meet the needs of life. The five indicators used to measure economic behavior variables are:

1. Recording expenses
2. Timely bill payments
3. Provision of money for personal and family
4. Allowance of money for savings and investments; and
5. Financial Evaluation.

Financial Knowledge

Financial Knowledge focuses on personal knowledge related to financial management aspects that involve a combination of intelligence, resources, and insight to make decisions. There are four indicators to measure the financial knowledge variable,

1. Knowledge of savings and investments
2. Knowledge of risk management and insurance
3. Knowledge of credit and debt management, and
4. Knowledge of personal finance applications.

Lifestyle

Lifestyle is the pattern of human life in interacting with the environment expressed through activities, interests, and opinions. The three indicators used to measure lifestyle variables are:

1. Activity
2. Interest, and
3. Opinion.

Participants & Setting

The population of this study is career women in Surabaya. However, because the researchers did not know the exact data on the people in the form of sampling, they chose samples based on criteria. The purposive sampling method is used to select models based on the requirements. These criteria include career women who live and work in the city of Surabaya with a minimum fixed income equivalent to regional wage and who are 20-25 years old and productive. The number of samples refers to the measurement guidelines as follows:

1. The number of parameters is ten times the most enormous scale of formative (casual) indicators (the scale for constructs designed with indicator reflection is negligible).
2. The number of parameters used in this study is ten from the sample measurement guidelines, which is 5-10 times the number of indicators.

Referring to the sample measurement guidelines, the number of samples in this study was 120 respondents from the total number of indicators of each variable multiplied by 10, namely (12 x 10 = 120). Thus, as many as 120 career women in Surabaya were selected as a research sample; then, the questionnaires were distributed to as many as 120. The distribution of questionnaires was carried out online using Google Form Media. The questionnaire was broadcast from 14-19 April 2022 to Career

Women in Surabaya as respondents. The questionnaire contains several points of statements related to research variables and the identity of each respondent.

Measurement

Data Collection

This study uses primary data types. The questionnaire distribution technique was used to collect preliminary data from the results of direct filling by the informants (career women in Surabaya) to obtain immediate answers related to the questions or statements posed. The data were grouped, tabulated, and analyzed.

Data Analysis

Data analysis in quantitative research is an activity carried out after the data obtained from all respondents are collected. These activities include grouping, tabulating, and presenting data based on studied variables. The data analysis technique uses component-based Structural Equation Modeling (SEM) analysis with the Partial Least Square (PLS) method through the Smart PLS 3.0 tool. PLS is one of the Structural Equation Modeling (SEM) methods to overcome relationship problems because it is not based on many assumptions. The data obtained and collected is then analyzed with the Partial Least Square (PLS) technique and using SmartPLS tools. Through the help of PLS software, the research model used is Structural Equation Modelling (SEM). Structural Equation Modeling (SEM) is part of a combination of econometric perspectives focused on prediction and psychometry, which describes a latent variable model (measurement of variables through indicators).

RESULTS

Characteristics of Respondents

The characteristics of the respondents is to find out an overview of the diversity of the respondents' conditions. The data shows that as many as 58 respondents are in the young and productive age range, namely 20-25 years, with 48.3%. Regarding education, it shows the educational background of the respondents, the most of respondents are Bachelors (S1), with a proportion of 58 people or 48.3%. It can be categorized as a higher education level, so it is hoped that respondents will understand the statements related to finances submitted in the questionnaire well. Meanwhile, the respondents' status was mainly unmarried, with 56 people or 46.7%. Based on their work, private employees dominated with a proportion of 59 respondents, or 49.2%, followed by elements of private work agencies, as many as 87 respondents, or 72.5%. This condition occurs considering that questionnaires are distributed widely in private institutions because there are many private companies in Surabaya.

Furthermore, regarding income, most respondents are still in the range of the Surabaya minimum wage, IDR 4,300,000 – 4,999,000, with a frequency of 64 respondents or 53.3%. This condition allows respondents to pay attention to their financial behavior wisely and purposefully. Based on their work, private employees dominated with a proportion of 59 respondents, or 49.2%, followed by elements of private work agencies, as many as 87 respondents, or 72.5%. This condition occurs considering that questionnaires are distributed widely in private institutions because there are many private companies in Surabaya. Furthermore, regarding income, most respondents are still in the range of the Surabaya minimum wage, IDR 4,300,000 – 4,999,000, with a frequency of 64 respondents or 53.3%. This condition allows respondents to pay attention to their financial behavior wisely and purposefully.

Table 1. Characteristics of Respondents

Characteristic	Number of Respondents	Percentage (%)
Age		
• 20 – 25 years old	58	48,3
• 26 – 35 years old	18	15
• 36 – 45 years old	26	21,7
• 46 – 55 years old	18	15
Education		
• SMA / Sederajat	28	23,3
• Diploma (D1/D2/D3/D4)	12	10
• Sarjana (S1)	58	48,3
• Magister (S2)	4	3,3
• Doktor (S3)	18	15
Marital Status		
• Unmarried	56	46,7
• Marriage/Divorce	30	25
• Marriage/Divorce, Child	34	28,3
Work		
• PNS/TNI/POLRI	16	13,3
• Karyawan Swasta	59	49,2
• Wirausaha	26	21,7
• Tanpa Kategori	19	15,8
Institution Work		
• Swasta	87	72,5
• Pemerintah	25	20,8
• Tanpa Kategori	8	6,7
Income		
• Rp 4.300.000 – 4.999.000	64	53,3
• Rp 5.000.000 – 5.999.000	11	9,2
• Rp 6.000.000 – 6.999.000	10	8,3
• Rp 7.000.000 – 8.999.000	6	5
• >Rp 9.000.000	20	16,7

Source: data processed, 2022

Assessing the Outer Model

The outer model ensures indicators in measuring variables can be declared reliable and valid by conducting an assessment through validity and reliability testing. The validity test is a stage of testing to determine the value between the construct and the construct-forming indicator showing a strong correlation. There are two types of validity tests, namely convergent validity as a testing stage to determine the correlation between score items and constructs by assessing the loading factor or outer loading weights produced by each indicator to measure each construct [19]. A loading factor with a value between 0.5 to 0.6 can be said to be enough and adequate. In addition to observing the outer loading value, it can also be assessed through the Average Variance Extracted (AVE) value. A model with an AVE value of more than 0.50 can explain that it has a construct of more than half of its indicator variance [20].

Table 2. Convergent Validity Test Results

Variable	Indicator	Outer Loading Value	AVE	Category
Financial Knowledge (X)	X.1	0,883	0,806	Valid
	X.2	0,901		Valid
	X.3	0,899		Valid
	X.4	0,908		Valid
Lifestyle (Z)	Z.1	0,564	0,634	Valid
	Z.2	0,82		Valid
	Z.3	0,955		Valid
Financial Behavior (Y)	Y.1	0,786	0,745	Valid
	Y.2	0,837		Valid
	Y.3	0,919		Valid
	Y.4	0,92		Valid
	Y.5	0,845		Valid

Source: data processed, 2022

Based on the data presented in table 2. all indicators in each variable produce a loading factor value and $AVE > 0.50$. Thus, the construct for each of the variables has been met. Thus, the measurement results of each indicator of each variable have met the criteria of good convergent validity and are declared ideal.

Furthermore, in the validity test, a discriminant validity test is also carried out by looking at the cross-loading value to understand the extent to which the construct is different from other constructs, where the loading value of the construct in question must be greater than the other constructs. The following shows the cross-loading value generated for the discriminant validity test.

Table 3. Cross Loading

	X_Financial Knowledge	Z_Lifestyle	Y_Financial Behavior
X.1	0,883	-0,243	0,786
X.2	0,901	-0,067	0,791
X.3	0,899	-0,162	0,829
X.4	0,908	-0,109	0,844
Z.1	-0,023	0,564	-0,051
Z.2	-0,084	0,820	-0,124
Z.3	-0,188	0,955	-0,278
Y.1	0,639	-0,095	0,786
Y.2	0,782	-0,277	0,837
Y.3	0,858	-0,292	0,919
Y.4	0,879	-0,224	0,920
Y.5	0,715	-0,120	0,845

Sumber: data processed, 2022

Table 3. above presents the cross-loading value formed from each indicator on each variable of financial knowledge, lifestyle, and financial behavior, with other variables having a more excellent value. Thus, all instruments can be declared to have good discriminants.

Furthermore, at the test stage, reliability is measured in composite reliability values and reinforced by Cronbach's alpha of the indicators that measure the construct. Reliability tests are carried out to determine whether each hand of all variables is a good construct in forming a latent variable. If a construct has Cronbach's alpha and composite reliability > 0.70 , then it is declared reliable, as will be presented in the reliability test results in table 4 below:

Table 4. Reliability Test Results

	Composite Reliability	Cronbach Alpha's	Category
Financial Knowledge (X1)	0,943	0,920	Reliable
Lifestyle (Z)	0,833	0,759	Reliable
Financial Behavior (Y)	0,936	0,914	Reliable

Source: data processed, 2022.

The test results presented in table 4. above show that the coefficient value of all variables' Cronbach's Alpha and Composite Reliability is above 0.70. That is, each instrument is declared to have high reliability

Inner Model Test

After evaluating the model (Outer Model) and obtaining the results according to the criteria, we can continue the structural model testing phase (inner model). The aim is to determine whether exogenous and endogenous constructs have provided answers to statements about the relationship between latent variables that have been previously hypothesized.

R-Square (R²)

The quality criteria of the R-Square value are categorized as vital when the value is more than 0.63; organized as moderate with a value of 0.55; and classified as weak with a value of 0.29.

Table 5. R-Square Value

	R- Square	Adjusted R-Square
Z_Lifestyle	0,026	0,018
Y_Financial Behavior	0,829	0,826

Source: data processed, 2022.

Table 5. shows the results of R² (R-Square) lifestyle variables is 0.026, which can be interpreted as a weak model. In contrast, financial behavior variables show an R² (R-square) value of 0.829, which can be interpreted as a robust model. The value indicates that the financial knowledge variable can explain lifestyle variables by 26%, and then 74% is influenced by other variables that are not contained in the study. Likewise, 82.9% of financial behavior variables were affected by financial knowledge and lifestyle variables, and 17.1% were influenced by other variables that did not found in the study.

Predictive Relevant (Q^2)

Furthermore, the Prediction Relevance (Q^2) or Stone-Geisser's test was carried out with a blindfolding test procedure on smartPLS to validate the model's predictive ability. In evaluating the inner model, Q-Square is intended to observe how well can measure the observation value generated by the model, and its parameter estimates can be measured through the value of Q-Square (Q^2). If the value of $Q^2 > 0$ indicates the model has a predictive relevance value, while if the value of $Q^2 < 0$, then the model is declared to have no predictive relevance.

Table 6. Q-Square Value

	Q- Square
Z_Lifestyle	0,009
Y_Financial Behavior	0,605

Source: data processed 2022.

Based on the results of the Q^2 test, table 6. shows the Q^2 value for the lifestyle variable of 0.009 and the Q^2 value for the financial behavior variable of 0.605, so that the predictive ability of the dependent variable model and mediation is declared appropriate and reasonable.

Uji Fit Model

Standardized Root Mean Square (SRMR) looks at the exact model fit index to avoid model specification errors. It is considered suitable if the SRMR result through the bootstrapping procedure shows a value of < 0.10 or 0.08 . In addition to going through the SRMR criteria, we can also observe the model match at the Normal Fit Index (NFI) value with a value criterion between 0 and 1; if the size of the NFI value is closer to the number 1, the better the match.

Table 7. Fit Model Value

	Model Saturated	Model Estimated
SRMR	0,075	0,075
d_ ULS	0,440	0,440
d_ G	0,302	0,302
Chi-Square	208,434	208,434
NFI	0,830	0,830

Source: data processed, 2022.

Table 7. shows the SRMR value of $0.075 < 0.10$ or 0.08 . So it is said that the applied model obtained a match between the correlations and indicated an NFI value of 0.830 or close to 1 , so the model is acceptable and has been appropriate.

Hypothesis Test Analysis

A hypothesis test is performed to find out whether all variables statistically have an influence or may reject the previously proposed hypothesis. There are two hypothesis tests in this study: direct testing and indirect testing. The direct testing stage is intended to determine the immediate effect of financial knowledge and lifestyle as independent variables on financial behavior as the dependent variable. Meanwhile, the role of the mediating variable, namely lifestyle, is known in the indirect testing stage. The stages of hypothesis testing were carried out using the SmartPLS version 3.0 tool using the Structural Equation Modeling (SEM) method, and the calculation results were obtained as follows:

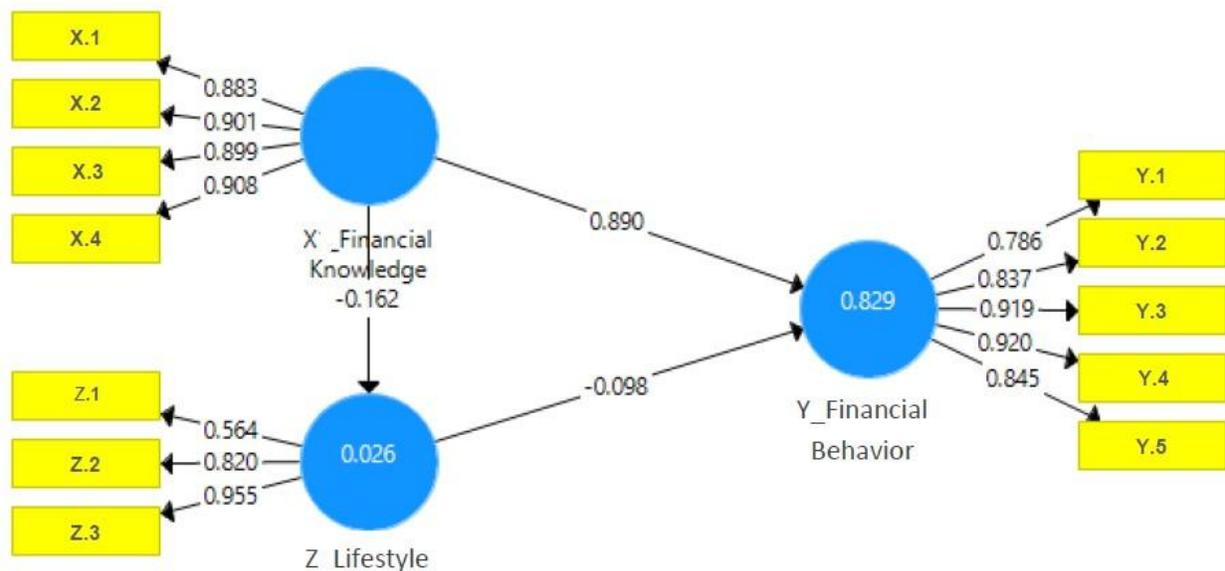


Figure 3. PLS Model Test Results

Meanwhile, the calculation results can be seen based on the output in the direct and indirect influence testing table as follows:

Direct Testing

Based on the calculation of the direct test produced by the Smart PLS output, we can analyze that each variable relationship states as follows:

Table 8. Direct Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Values
X_Financial Knowledge -> Y_Financial Behavior	0,890	0,887	0,019	45,635	0,000
Z_Lifestyle -> Y_Financial Behavior	-0,098	-0,096	0,047	2,097	0,036

Source: output smartPLS result, 2022.

The results of the direct test calculations are presented in table 8. above; when viewed from the original value of the first hypothesis sample, it shows that financial knowledge affects financial behavior (X -> Y) with a positive value of 0.890 and a p-values value indicating a value of 0.000 t-table of 1.65. At the same time, the second hypothesis shows that lifestyle affects financial behavior (Z -> Y) with a negative value of -0.098 and p-values of 0.036, a t-table value (critical value) in α (0.10) = 1.65. Thus, it can conclude that financial knowledge (X) affects financial behavior (Y) by producing a positive value, meaning that the higher the level of financial knowledge, it can form good financial behavior. On the other hand, the influence given by the lifestyle variable (Z) is negative, meaning that the lifestyle that appears in this study forms terrible financial behavior. While the results of the indirect effect test will be shown in the table below as follows:

Table 9. Indirect Test Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Values
X_Financial Knowledge -> Z_Lifestyle -> Y_Financial Behavior	0,016	0,017	0,009	1,683	0,093

Source: output smartPLS result, 2022.

Based on the results of indirect test calculations presented in table 9. above, it shows that the path coefficient of Financial Knowledge (X) to Financial Behavior (Y) through Lifestyle (Z) is 0.016 with a p-values of $0.093 < 0.10$, statistical t-values of $1.683 > 1.65$. It means that lifestyle can act as a mediator on the influence of financial knowledge on Financial Behavior.

DISCUSSION

The Effect of Financial Knowledge on Financial Behavior

Based on the results of the first hypothesis test, it is known that financial knowledge has a direct effect on financial behavior. The results support the first hypothesis to be acceptable. From the presence of such influences produces positive and significant values. The presence of such effects has positive and significant values. It means that the higher the financial knowledge career women earn in Surabaya, the better their financial behavior will be. In line, which proves that financial behavior is influenced by financial knowledge, research reveals a positive influence of financial knowledge on financial behavior [6][8]. The positive results illustrate that the level of financial knowledge of career women in Surabaya is relatively high, so the financial behavior formed is good. The results of this study explain that career women's answers related to financial aspects have a high value, so the financial knowledge that appears is also high, meaning that knowledge and understanding of finance can be said to be good. Thus, the financial behavior of career women in Surabaya leads them to the behavior of managing, organize, and use money appropriately.

The results of testing the PLS model, as presented in Figure 3 are, known the indicator with the most significant outer loading value is the X.4 indicator, which is about personal financial application knowledge, so we can interpret that the indicator is the main factor measuring the level of financial knowledge in forming good financial behavior. It means that when career women in the city of Surabaya play a role in managing, managing, and using financial resources while being able to have their income, of course, the experience gained is more so that it is used as knowledge to be able to control their financial behavior towards income and expenses so that they can be set aside for savings and investments for the needs of life in the future. Suppose the knowledge and understanding of finances possessed by career women in the city of Surabaya are good, of course. In that case, they can use personal finance applications appropriately and wisely.

The Effect of Lifestyle on Financial Behavior

The following hypothesis test showed results that proved lifestyle variables had a direct effect on financial behavior. Such results support the acceptance of the second hypothesis. The influence obtained produces negative and significant values. It means that the lifestyle of career women in Surabaya affects terrible financial behavior. It is because the demands of a high lifestyle in Surabaya, especially in the work environment, make the lifestyle of career women in Surabaya high and consumptive, thus influencing them to change bad financial behavior. In line with research, that the existence of a lifestyle

affects changes in individual financial behavior [6]. However, it differs from the research, which reveals the influence of a positive lifestyle on financial behavior [3].

In addition to financial knowledge that can influence financial behavior, lifestyle also affects financial behavior. The demands of career women who are required to follow fashion development make it impossible to distinguish between needs and desires alone. A negative result on the influence of lifestyle on financial behavior indicates that the changes lead to poor financial behavior. It is because career women in Surabaya describe a lifestyle pattern of liking to spend money instead of setting it aside. In other words, lifestyle is still a priority for career women in Surabaya.

When viewed from the model test results shown in figure 3. the Z.3 indicator has the most considerable external loadings value of 0.955. This indicator describes the lifestyle pattern of Surabaya city career women as primarily caused by their opinion that using branded or expensive goods can support their appearance. Of course, this indicator is the main factor for career women in Surabaya to have a high lifestyle because they also consume high-value goods. Thus, the influence exerted is negative, where his financial behavior leads to irrational behavior because his lifestyle is driven by the desire to get attention is no longer a necessity.

Lifestyle Mediates the Influence of Financial Knowledge on Financial Behavior

The last part of the hypothesis testing stage proves that the role of lifestyle can be an intermediary in the influence of financial knowledge on financial behavior. Such results support the acceptance of the third hypothesis. The resulting mediation effect is positive and significant, meaning that the higher the individual's financial knowledge will lead to a better lifestyle and ability to suppress high lifestyles, the formation of directed financial behavior. Research supported, that financial knowledge and lifestyle variables positively and significantly influence financial behavior [6]. Study also states that lifestyle positively affects financial behavior [3].

After the mediation effect on this research model, the existence of lifestyle variables can mediate or be an intermediary in the relationship of financial knowledge to financial behavior. It means that the higher the financial knowledge the individual has, the higher the financial knowledge will lead him to a better lifestyle, so with a reasonable and appropriate lifestyle, he will be able to form directed financial behavior. High financial knowledge of career women in the city of Surabaya certainly makes her know and understand the processes of managing and managing finances, both personally and thoroughly, thus encouraging her to have a suitable lifestyle between her needs and existing financial conditions; thus, will carry out behavior toward financial decisions consistently in the future.

CONCLUSION

At several stages of testing that have been carried out and then explained in the discussion, conclusions can be drawn as follows: (1) Directly, financial knowledge affects the financial behavior of career women in Surabaya by producing positive and significant values. (2) Directly, lifestyle affects career women's financial behavior in Surabaya by generating negative and significant values. And (3) Indirectly, lifestyle mediates the influence of financial knowledge on the financial behavior of career women in the city of Surabaya by generating positive and significant values. The results of this study prove a positive impact when a person has a good level of financial knowledge because it can lead him to good financial behavior as well. Not only that, high financial knowledge can control fluctuations in behavior change in individuals, one of which is high lifestyle demands. Although the individual's lifestyle is categorized as high, if they have good financial knowledge, they will be able to direct them to directed financial behavior. Meanwhile, if the lifestyle is high but lacks knowledge and understanding related to finance, it can impact changes in bad financial behavior. Therefore, financial knowledge becomes the primary basis for determining a person's behavior.

SUGGESION

The suggestions put forward by researchers to be considered or used as reference material for the development or perfection of further research are (1) carried out only on career women in the city of Surabaya, further researchers should expand the range of research focus, and area coverage so that research results can generalized more wholly and accurately, (2) Departing this study as a reference, it is better for further researchers to modify the research model by adding other research models. Variable outside the last variable.

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