**Financial management behavior of Indonesian banking customer based on individual literacy level**

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ABSTRACT

The purpose of this study is to examine the relationship between financial literacy, educational attainment, and income level and financial management behavior. Individuals must demonstrate excellent financial management abilities in order to avoid financial difficulties. The level of financial literacy can be used to assess financial management behavior. Along with financial literacy, there are educational and income levels to consider. As a result, the researchers included variables for education level and income level. Customers of the BRI bank branch in Madiun City were included in this study. The sample consisted of 205 respondents who were chosen through a process known as purposive sampling.  The study gathered data from primary and secondary sources. Primary data were collected from respondents through a questionnaire, while secondary data were gathered from the literature. Structural Equation Modeling (SEM) was used to process the data in this study, along with the SmartPLS application program. This study found that financial literacy positively impacts financial management behavior. On the other hand, neither education nor income has an effect.

Keywords: financial literacy; level of education; income level; financial management behavior

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**INTRODUCTION**

Every individual has a primary objective of self-prosperity. Individuals are defined as prosperous in a variety of ways, including their position in society, their level of education, and the amount of wealth they possess. To accomplish the goals of self-prosperity on an individual level, the individual must practice prudent financial management. This is done to enable individuals to consider their expenses in relation to their income. As a result, they will avoid conflicts caused by financial difficulties that could jeopardize their welfare. According to Humaidi et al. (2020), financial management behavior refers to an individual's ability to manage, which includes compiling, checking, budgeting, managing, locating, organizing, and storing their income on a daily basis.

Numerous variables affect the behavioral variables associated with personal financial management; one of these variables is financial literacy. Individual financial literacy is defined as individuals' knowledge of financial concepts as well as their ability to apply those concepts in their daily lives through financial decisions (Gilenko & Chernova, 2021). Enhancing financial literacy benefits individuals by increasing dividends and the balance of their financial assets (Sekita et al., 2022). Individuals must acquire financial knowledge, skills, and attitudes in order to make sound financial decisions (Cossa et al., 2021).

According to Yap et al. (2016), Bhargava et al. (2017), and Kholilah & Iramani (2013), financial literacy has no effect on financial management behavior. However, these findings contradicted those of Ameliawati and Setiyani (2018), who discovered a significant positive relationship between financial literacy and financial management behavior. This statement is backed up by research conducted by Ansar et al. (2019) and Humaidi et al. (2020), which demonstrates a significant positive relationship between financial literacy and personal financial management practices.

Rey-Ares et al. (2021) state that financial instruments are constantly evolving, forcing individuals to become more proficient at managing increasingly complex financial markets. According to Yoshino et al. (2017), financial literacy is a priority in a number of countries. According to the Financial Services Authority (OJK, 2017), increasing the financial literacy of the Indonesian people is one of the government's priorities for ensuring the stability of the financial system and facilitating the achievement of inclusive development that benefits the Indonesian people's welfare. According to another survey conducted by OJK in 2019, the people's financial literacy index in Indonesia reached 38.03%, which is higher than the figure in 2016, as well as in East Java (OJK, 2020).

Apart from financial literacy, there are additional factors that can influence a person's management behavior, most notably his or her level of education. Generally, a low level of education results in an individual's management behavior being low as well. According to Karadag (2017), an increase in educational attainment results in an increase in managerial ability. This is supported by research by Paramita et al. (2020) and Gray et al. (2021), which demonstrates the significant relationship between educational attainment and financial management behavior. This statement, however, contradicts research conducted by Ansar et al. (2019) and Devi et al. (2021), which found that an individual's level of education has no effect on their management behavior.

Currently, the level of education among Indonesians is quite disparate. Indonesia has the world's largest population, but only 8.5 percent of its citizens complete higher education (Caesaria, 2021). According to the Central Statistics Agency, the high school graduation rate was only 63.95 percent in 2020, junior high school graduation rate was 87.89 percent, and elementary school graduation rate was 96 percent (Rizaty, 2021).

After determining one's level of education, one can determine whether the behavior of financial management is influenced by one's level of income or not. In general, individuals with a high income can pay their bills on time if their financial management is reasonable. However, it is possible for individuals with high incomes to engage in excessive consumption, resulting in poor financial management. According to Nano & Llukani (2015), Alexander & Pamungkas (2019), and Rahman & Risman (2021), income has no effect on one's management behavior. However, the findings of Herlindawati (2015), Paramita et al. (2020), and Khaddafi et al. (2021), show that there is an effect of income levels on financial management behavior.

According to the Central Statistics Agency, Indonesia's per capita income reached Rp.59.1 million, or US$4,174.9 per year, in 2019, an increase over the previous years of 2018 and 2017 (Victoria, 2020). However, in 2020, the average income of Indonesians decreased to US$3,870. Indonesia also lost its status as an "upper middle income country" and became a "lower middle income country" (Pink, 2021). This occurred as a result of the Covid-19 Pandemic.

Researchers conducted a survey of customers at a Bank BRI branch in Madiun city for this study. Bank BRI is Indonesia's oldest state-owned banking institution. Bank BRI recorded the highest asset value among other banks in the third quarter of 2021, totaling Rp. 1,538.51 trillion (Rini, 2021). Bank BRI has the most customers in comparison to other state-owned banks. According to BPS, Bank BRI customers number 89 million, or 43% of Indonesia's total population (Intan, 2021).

Madiun is a small city in East Java Province, close to the border with Central Java Province. Madiun city has only three districts but is known by a variety of pseudonyms. One of its pseudonyms is "Kota Gadis," which is an acronym for commerce, education, and industry (Liputan 6, 2021). Madiun City has 200 educational institutions, and there may be more (Sholikhah, 2020). In the field of education, one such institution is the Indonesian Railway Academy (API). While the city of Madiun has numerous developing industries, including Gudang Garam, Sampoerna, INKA (PT. Railway Industry), and the Rejo Agung Sugar Factory, which has been in operation since 1894. Additionally, there are numerous MSMEs operating in a variety of fields, one of which is Madiun's specialty food. The trade aspect in Madiun is included in the industrial aspects and other supporting parts . Not only that, Madiun city ranks third in the Human Development Index, and has the lowest poverty rate of the three cities in East Java (Madiun Today, 2021).

According to the description above, the study's objective is to determine whether financial literacy, education level, and income level have an effect on financial management behavior. Thus, this research was conducted to ascertain the effect of financial literacy, education level, and income level on financial management behavior among customers of Bank BRI branch in Madiun city.

**LITERATURE REVIEW**

**Financial Management Behavior**

Financial management is the process of managing one's own finances in order to meet daily needs through activities that regulate sources of financial funds in a systematic and structured manner (Putri & Lestari, 2019). Financial management behavior refers to an individual's ability to manage funds in their daily lives, which includes searching for, managing, monitoring, budgeting, storing, and planning (Kholilah & Iramani, 2013). Financial management behavior is inextricably linked to an individual's financial responsibility in terms of managing their finances. Finance obligations are a method of managing money and other assets according to established rules (Humaidi et al., 2020). Minibas-Poussard et al. (2018) discovered that poor management has consequences for students' finances, mental and physical health, academic performance, and even their ability to find work. According to Dasman & Maulani (2021), success in managing people's finances is largely determined by a person's ability to control his expenses.

According to Yap et al. (2016), prudent financial management results in the fulfillment of one's desires through the successful achievement of one's financial goals one by one. If individuals manage their finances well, they will be able to exercise self-control and avoid succumbing to the nature of having unlimited desires.

Numerous factors can have an effect on financial management behavior. According to Xiao and Dew (2011), financial management behavior can be evaluated in four areas: Consumption; Cash-flow Management; Savings and Investments; and Credit or Debt Management.

**Financial Literacy**

Financial literacy refers to an individual's understanding of financial concepts and their application in daily life, as well as their ability to make decisions and be aware of the risks associated with those decisions (Humaidi et al., 2020). According to Bhargava et al. (2017), financial literacy is bolstered by financial education, which equips individuals with the knowledge necessary to make informed investment decisions and ensures financial security. Financial literacy teaches individuals how to apply their knowledge of finance in their daily lives with the goal of achieving future success and satisfaction (Yap et al., 2016). Financial literacy is a multidimensional concept, as it encompasses not only knowledge but also actual abilities, attitudes, and behavior (Morgan & Long, 2020). According to Kawamura et al. (2021), younger generations are less financially literate than older generations. According to Chen and Volpe (1998), financial literacy is comprised of four components that influence individual financial behavior: insight into personal finances in general; savings and loans; insurance; and investment.

Financial literacy is required for managing one's personal finances. A person's success or failure in managing his finances is contingent upon his or her level of financial literacy. The more knowledge an individual has about finances, the more prudent his or her financial management will be. This also holds true in reverse; if an individual's financial literacy is lacking, his or her ability to manage personal finances is also lacking. According to Robb and Woodyard (2011), Ameliawati and Setiyani (2018), Ansar et al. (2019), Humaidi et al. (2020), and Wahyudi et al. (2020), financial literacy has a significant positive effect on financial management behavior. According to the description, the study's first hypothesis is as follows:

**H1: Financial literacy has a direct and positive effect on the financial management behavior of Bank BRI Madiun City Branch customers.**

**Educational Background**

Education is the process by which a person acquires knowledge about something that they have never studied before (Devi et al., 2021). The individual is expected to gain new knowledge and insights through the process of learning new things. According to Paramita et al. (2020), education is a deliberate effort by an individual to raise and improve the degree and status of an individual in an enticing, enjoyable, and also delighted manner.

Education is a process of learning through a systematic and organized procedure over an extended period of time. Devi et al. (2021) define level of education as a technique for improving students' education based on their commitment to continuing their education. According to Fauziyah (2021), a person's level of education is determined by the most recent education he or she has received.

Educational background also has an effect on financial management in terms of comprehending financial management behavior, as financial management requires both comprehension and knowledge. In general, education level has an effect on an individual's ability to be financially literate. Individuals with a higher education level are expected to have a positive attitude toward financial management, as the more education they receive, the more knowledge they acquire, particularly in finance. The more financial knowledge they possess, the better equipped they are to make prudent financial management decisions while taking into account potential risks. This statement is consistent with the findings of Karadag (2017), Paramita et al. (2020), and Gray et al. (2021), which demonstrate that there is a relationship between education level and financial management behavior. The second hypothesis in this research is as follows:

**H2: Education level has a direct and significant positive effect on the financial management behavior of Bank BRI Madiun City Branch customers.**

**Income Level**

According to Paramita et al. (2020), personal income is a financial or in-kind reward paid to an individual by a company, an office, or an employer. Devi et al. (2021) defined income level as the sum of a person's gross income from wages, various investments, and business enterprises over a period of time. According to Kholilah & Iramani (2013), income or individual income levels can be calculated using a person's total income from all sources of income. Thus, the level of income can be determined by the total amount of income earned by a person or individual over a specified period of time. According to Herawati & Dewi (2020), income is an acceptable economic capacity for consumption activities and the acquisition of additional assets.

The emergence of financial behavior, such as financial management, is due to a person's or individual's strong desire to meet their needs regardless of their level of income. Individuals with high income levels will be able to manage their finances prudently. This is because the income they receive is excessive, and thus a portion of it can be saved or invested in an asset that will generate future profits. According to Duesenberry, it is explained that individuals with relatively high incomes have more to save, in contrast to individuals who have low incomes who often use credit to satisfy themselves (in Minibas-Poussard et al., 2018). Aizcorbe, Kennickell, and Moore (in Brilianti & Lutfi, 2020) stated that low-income families have few opportunities to save or invest their money. Lown et al. (2015) argue that individuals will borrow when their income is low and save when their income is high. This statement is consistent with Herlindawati's (2015) research; Paramita et al.’s (2020); Khaddafi et al.’s (2021); Wahyudi et al.’s (2020); and Purwidianti & Mudjiyanti's (2016). This leads to a third hypothesis in this research, which is as follows:

**H3: Income level has a direct and positive effect on the financial management behavior of Bank BRI Madiun City Branch customers.**

**METHODOLOGY**

This type of research was descriptive quantitative research. Where quantitative research in research is used as a calculation of testing the theories of the relationship between variables, descriptive research is used to describe and explain how the relationship between variables. This research employed the Structural Equation Modeling-Partial Least Square (SEM-PLS) analysis method to examine the relationship between variables. To clarify related to this research, the following is an illustration of the research design.



Figure 1: Conceptual Model

Source: author’s work

Primary and secondary data were used to gather information for this study. The researchers collected primary data directly from respondents through a Google Form. Secondary data for this study was gathered in an indirect manner from a variety of related literature.

The population studied in this study consists of all customers of the Madiun City BRI bank branch, the population of which is unknown. Purposive sampling was used to collect data. Purposive Sampling is also referred to as "Aimed Sample." Bentler and Chou (in Devi et al., 2021) suggest that if the population is unknown, the total sample size should be at least five times the total number of statements available in the questionnaire for that research. The questionnaire for this study contained 37 items or statements, implying that the total number of samples for this study was at least 37 x 5 = 185. To avoid data entry errors, the researchers took a sample of 205 surveys in this study. The researchers sampled customers of Bank BRI in Madiun City who have their own income, both fixed and variable in a month, who are between the ages of 21 and 60, and who are currently or have used the service both credit or loan at Bank BRI Madiun Branch.

**DISCUSSION**

The data for this study were gathered by distributing questionnaires online in a google form format and through social media. Questionnaires were distributed to 205 customers of Bank BRI's Madiun City branch who made loans or applied for loans. The sample for this study was determined using the "Purposive Sampling Method." Purposive Sampling is also referred to as "Aimed Sample."

According to the results of the questionnaire data that was distributed online, the respondents exhibit a variety of characteristics. The data obtained indicates that 42.9 percent of respondents were male, equating to 88 respondents, and 57.1 percent were female, equating to 117 respondents. Ages 21-30 years represented 32.7 percent of respondents, or 67 respondents, 31-40 years represented 18 percent, or 37 respondents, 41-50 years represented 20 percent, or 41 respondents, and 51-60 years represented 29.3 percent, or 60 respondents. Employees made up 20 percent or 41 respondents, civil servants/Armed Force/Police Forces made up 21 percent or 43 respondents, entrepreneurs made up 28.3 percent or 58 respondents, students made up 15.6 percent or 32 respondents, and other occupations made up 15.1 percent or 31 respondents.

**DOUBTFUL**

**DON’T AGREE**

**STRONGLY AGREE**

**STRONGLY DISAGREE**

**AGREE**

Figure 2: Percentage of Respondent’s Answer

Source: author’s work

The graph above depicts the percentage of respondents who responded to the questionnaire in terms of Financial Literacy and each statement item. As can be seen from the graph, 23 statement items have an average response of "Strongly Agree" from 205 respondents. The response "Strongly Agree" has the highest percentage of respondents in comparison to other responses and the highest percentage on questionnaire item number 7, which is 66.83 percent. The lowest percentage was in item number 18, which had nearly the same percentage as the responses "Agree" and "Uncertain," which were both 32.2 percent.

Figure 3: Percentage of Education Level

Source: author’s work

The graph above depicts the percentage of respondents who responded to the questionnaire regarding their education level. The level of education is determined using a Likert scale, with one denoting "Not yet graduated from elementary school" by 0% or 0 respondents, two denoting "Graduated elementary school" by 5.9 percent or 12 respondents, three denoting "graduated junior high school" by 9.3 percent or 19 respondents, four denoting "Graduated high school" by 34.6 percent or 71 respondents, and five denoting "Graduated Higher Education" by 50.2 percent or 103 respondents.

Figure 4: Percentage of Income Level

Source: author’s work

The graph above illustrates the percentage of respondents who answered the questionnaire from the Income Level variable. The income level of respondents was measured by a Likert scale where number 1 shows "Less than Rp. 500,000" by 21.9 percent or 45 respondents, number 2 shows the range income of "Rp. 500,001-Rp. 2,500,000" by 33.2 percent or 68 respondents, number 3 shows the range income of "Rp.2,500,001-Rp.4,500,000" by 21.5 percent or 44 respondents, number 4 shows the range income "Rp.4,500,001-Rp.6,500,000" by 16.6 percent or 34 respondents, number 5 shows the range income of "More than Rp. 6,500,000" by 6.8 percent or 14 respondents.

**DON’T AGREE**

**AGREE**

**STRONGLY DISAGREE**

**DOUBTFUL**

**STRONGLY AGREE**

Figure 5: Percentage of Financial Management Behavior

Source: author’s work

The graph above depicts the percentage of respondents who responded to the questionnaire for each item on the Financial Management Behavior variable. As can be seen from the graph, 12 statement items have an average response of "Strongly Agree" from 205 respondents. The response "Strongly Agree" has the highest score when compared to the other responses, except for item number 5. The highest percentage is 57.07 percent in questionnaire item number three. While the lowest percentage was found in item 5, at 29.27 percent, the highest percentage was found in those who responded "Agree," at 31.22 percent.

**Figure 6:** Validity Test

Source: author’s work

According to Henseler et al. (2009), an indicator can be removed or omitted from a study if the indicator's loading factor calculation is less than 0.4, and the indicator is considered good if the loading factor calculation is 0.7 or greater. According to Ghozali & Latan (2015), if the loading is between 0.50-0.60, it is still acceptable in research. According to this research, each indicator in each variable has a value of at least 0.7. Thus, this situation demonstrates that the indicators in each variable performed in accordance with the standards for validity test analysis.

Hypothesis testing was done by using Estimate for Path Coefficients. This test addressed whether or not the influence between research variables is significant by paying attention to the coefficient number and the T statistic, by using the bootstrapping method (Ghozali & Latan, 2015). The conditions used in testing a hypothesis are if the coefficient or Original Sample (O) number is positive, then it can be considered to have a positive influence and if the t-statistic is above 1.96 and the p value is below 0.05, it indicates a significant effect of the independent variable. or independent of the dependent variable. The following are the results of hypothesis testing.

Table 1. Hypothesis Test

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Variable** | **Original Sample (O)** | **Sample Mean (M)** | **Standard Deviation (STDEV)** | **T Statistics (|O/STDEV|)** | **P Values** |
| **Financial Literacy -> Financial Management Behavior** | 0.681 | 0.685 | 0.047 | 14.591 | 0.000 |
| **Education Level -> Financial Management Behavior** | 0.114 | 0.117 | 0.063 | 1.823 | 0.069 |
| **Income Levels -> Financial Management Behavior** | -0.042 | -0.043 | 0.059 | 0.715 | 0.475 |

Source: author’s work

Based on the results of the analysis of the hypothesis testing that has been carried out and shown in Table 1, it can be considered that hypothesis 1 is accepted. It can be proven that the Financial Literacy variable has a significant positive effect on Financial Management Behavior. It is known that based on table 1, the results of the original sample have a positive value of 0.681, the results of the t-statistic show 14.591 which means above 1.96, and the p-value is 0.000 which means less than 0.05.

Furthermore, based on the results of the analysis of hypothesis testing that has been carried out and shown in Table 1, it can be stated that hypothesis 2 is rejected. It can be proven that the Education Level variable does not affect Financial Management Behavior. It is known that based on table 1, the results of the original sample have a positive value of 0.681, the results of the t-statistic show 14.591 which means above 1.96, and the p-value is 0.000 which means less than 0.05.

Based on the results of the analysis of hypothesis testing that has been carried out and shown in Table 1, it can be stated that hypothesis 3 is rejected. This can be proven that the variable income level does not affect the behavior of financial management. Based on this table, it is known that the original sample has a negative value of -0.042, the t-statistic results show 0.715, meaning less than 1.96, and a p-value of more than 0.475, meaning more than 0.05.

According to Figure 2, respondents have a greater understanding of deposits based on the numbers displayed. The respondent's knowledge of bond interest rates, on the other hand, is limited. If the aggregate of all indicators is taken, respondents had a higher level of knowledge about basic personal finance but a lower level of knowledge about investment.

According to Figure 5, a graph of financial management behavior, the highest scores show that respondents think twice before making purchases that exceed their needs. However, the lowest graphic number suggests that they are not consistently recording their income and expenses. Respondents tend to save money, according to the average value of all indicator items on the financial management behavior graph. They are more likely to save or lay aside money for future requirements or an unexpected emergency. However, based on the data, they rarely invest.

As previously demonstrated, Table 1 indicates that the first hypothesis is correct. Financial literacy has a positive and significant effect on financial management behavior. A positive indicator is that the more financial literacy a person possesses, the more prudent his or her financial management behavior will be. According to Cao-Alvira et al. (2019), financial literacy is viewed as the foundation for sound decision making. On the other hand, someone with a low level of financial literacy will struggle to manage their personal finances. As French & McKillop (2016) have stated, a lack of financial literacy is associated with the emergence of loan arrears, increased costs, and an increased debt burden. Individuals with a high level of financial literacy find it easier to budget, pay bills, save, and invest.

The findings of this study corroborate those of Robb and Woodyard (2011), Ameliawati and Setiyani (2018), Ansar et al. (2019), Humaidi et al. (2020), and Wahyudi et al. (2020), who all assert that financial literacy has a positive and significant effect on financial management behavior. This research contradicts the findings of Yap et al. (2016), Bhargava et al. (2017), and Kholilah & Iramani (2013), who all concluded that financial literacy variables have no effect on financial management behavior.

As illustrated in Figure 3, the majority of respondents to this questionnaire were graduates of Diploma/S1/S2/S3 tertiary institutions. Despite the fact that more respondents responded to the questionnaire, graduating from Diploma/S1/S2/S3 universities does not automatically improve a person's management behavior. As demonstrated previously, Table 1 indicates that the second hypothesis is rejected. Education has no effect on financial management behavior. According to these findings, an educated individual cannot always be said to be capable of prudent financial management. And vice versa, a low level of education does not always imply poor management behavior. It is presumed that someone with a high education will have a wealth of information and will be wiser later in managing finances. However, it has been discovered that the information or knowledge they acquire is not applied in their daily lives.

This issue can arise because education does not have to be formal; it can also be non-formal, as in the case of surrounding culture or family education. According to Grinstein-Weiss et al. (2011), effective direct learning about financial skills comes from parents. According to Amagir et al. (2020), parents are widely recognized as the primary agents of socialization for their children. Additionally, Ansar et al. (2019) state that people with a high level of education and those with a low level of education exhibit the same financial management behaviors when confronted with financial problems.

The findings of this study corroborate those of Ansar et al. (2019) and Devi et al. (2021), who found no correlation between education level and financial management behavior. Thus, this research contradicts the findings of Karadag (2017), Paramita et al. (2020), and Gray et al. (2021), who assert that education has a positive and significant effect on financial management behavior.

According to Figure 4, the majority of respondents to this questionnaire earned between Rp. 500,001 and Rp. 2,500,000. Their income is modest, but this does not predispose them to poor management behavior. As previously demonstrated, Table 1 indicates that the third hypothesis is ruled out. Income level has no effect on financial management behavior. This is true if a person's low income level does not automatically result in poor financial management behavior. Individuals with a moderate level of income also face financial difficulties. On the other hand, not everyone with a low income will exhibit effective management behavior. One could argue that it is not only a person's income level that influences his or her management behavior; there are numerous other variables.

In accordance with behavioral finance theory, Alexander & Pamungkas (2019) established that income has no effect on financial management behavior. Behavioral finance theory holds that individuals are paradoxical in their conduct as a result of psychological influences. As a result, individuals exhibit a variety of behaviors. If an individual's income rises, their requirements rise with it, according to Kholilah and Iramani (2013). In some cases, an individual's expenses may outstrip their income. On the other hand, individuals with relatively low salaries can demonstrate responsible financial management behavior if they save and plan ahead of time before making purchases, and they set aside a portion of their earnings for future savings.

According to the findings of this study, income levels have no effect on financial management behavior. These findings are consistent with those of Nano & Llukani (2015), Alexander & Pamungkas (2019), and Rahman & Risman (2021), who have all concluded that income levels have no effect on financial management behavior. In this way, the findings of Herlindawati (2015), Paramita et al. (2020), Gaddafi et al. (2021), Wahyudi et al. (2020), and Purwidianti & Mudjiyanti (2016) are in direct conflict with the findings of other researchers who have concluded that income level has a positive and significant effect on financial management behavior.

**CONCLUSION AND RECOMMENDATION**

Each individual must practice excellent money management behaviors in order to avoid financial troubles and interference with the individual's personal and professional lives.  The goal of this study was to determine the relationship between financial literacy, educational achievement, and socioeconomic level and financial management behavior in the general population. A positive and significant link exists between financial literacy features and financial management behavior among customers of the Bank BRI Madiun City Branch, according to the findings of the hypothesis testing. One aspect that has contributed to this improvement is an increase in financial literacy; the individual is more aware of the risks connected with each financial decision he makes. Aside from that, according to the results of the second hypothesis test, education has no effect on the financial management behavior of Bank BRI Madiun Branch customers. This is feasible due to the fact that education is learned not just intellectually, but also informally, through exposure to the culture of one's immediate surroundings and family. Finally, the findings of the final hypothesis test show that the individual income level variable has no effect on the financial management behavior variable for customers of the Bank BRI Madiun Branch. This is due to the fact that not only does income influence management conduct, but it also influences how an individual behaves.

Following the completion of the researcher's research, a number of recommendations might be offered to the succeeding researcher, including the following: First and foremost, it is expected that the succeeding researcher will include other variables in addition to those already investigated in order to better refine this research. Second, more researchers are projected to increase the number of study samples or respondents, which will help to improve the accuracy and quality of the findings. To conclude, it is expected that the subsequent researcher will aid the respondent in filling out the questionnaire in order to reduce the number of filling errors.

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