



Introducing of Financial Literacy in Shaping Saving Behavior in Elementary School Students

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ABSTRACTS

The purpose of this study is to analyze the extent of understanding of financial literacy in improving saving behavior in elementary school students. The method used in this research is a descriptive quantitative method. The results showed that the average post-test score of students was 71% greater than the average pre-test score of 35%, so the difference was 36%. On the basis of school indicators, financial literacy training has never been carried out and there has been no application of financial literacy values in learning. Therefore, this financial literacy program is implemented in order to improve saving behavior and can even be taken into consideration for study so that it can provide solutions in managing and making appropriate financial decisions. Starting from the curriculum level which is the basis for teaching, appropriate materials and materials, competent and dedicated teaching staff are needed for smooth implementation of financial literacy education in schools.

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ARTICLE INFO

Article History:

Submitted/Received 26 Jul 2021

First revised 24 Jul 2021

Accepted 30 Aug 2021

First available online 04 Sep 2021

Publication date 01 Mar 2022

Keyword:

Elementary school students,
Financial literacy,
Saving.

1. INTRODUCTION

In general, financial literacy or financial intelligence is knowledge and skills in surviving by managing their financial assets, but the main weakness is that this knowledge is not given since school age so that sometimes problems are found when adults are unable to manage their personal assets (Yuwono, 2020). In supporting financial literacy education, the school is a formal educational institution that provides various teaching and experiences for students. Schools have a function to be able to shape students to have the understanding, skills and attitudes in accordance with the goals of national education. The curriculum of each subject is made with a specific purpose, the implementation of learning is carried out with the methods and materials used by the teacher with the aim of achieving the objectives of each learning implementation (Kuswianti & Ulfa, 2021). For example, by teaching saving behavior, by inculcating saving behavior in children from an early age, either by parents (family), teachers (schools) or by financial institutions such as banks.

The program to improve financial literacy skills aims to provide students with an understanding, especially the responsibility for managing their money (Laila & Hadi, 2019). However, financial literacy education in general has not been carried out optimally both at the family level and at school (Rapih, 2016), so that the implementation of financial literacy education is important to be accelerated and carried out as early as possible. The role of parents in forming a wise attitude in using finances is very important, furthermore (Sina, 2014) explains that the experience of managing money in childhood will be stored in the subconscious mind so that it becomes a habit that is carried into adulthood. Beverly and Clancy (2001) say that financial education in the family is needed to make individual children who are smart in money management, not wasteful and like to save. Saving in a psychological context is called a process and not spending money for the current period to be used in the future (Sirine & Utami, 2016). The pattern of communication between children and their parents is the basis for the successful implementation of financial parenting in early childhood. Children with good communication patterns will freely ask about their confusion in managing money, while children whose communication patterns are not harmonious will be awkward to ask their parents. When parents fail to build communication and set an example for children, there will be a tendency for children to not value money. This behavior will also become a habit of managing money until adulthood. So it is not surprising that children who from an early age do not get good knowledge about financial management will grow up with less expertise in managing finances and will have an impact on the possibility of experiencing financial difficulties in their old age or retirement later (Krisdayanthi, 2019).

The purpose of this study was to analyze the extent to which the level of financial literacy of elementary school students in shaping saving behavior in everyday life. The method used is descriptive qualitative, this research leads to the understanding of class V students. By using the instrument process in the form of pre-test and post-test which contains ten questions regarding financial literacy and saving on google form media (Yuwono, 2020).

2. THEORETICAL FRAMEWORK

2.1. Financial Literacy

Financial literacy is also associated with higher returns on investments in more complex assets such as stocks which usually offer higher returns (Lusardi *et al.*, 2017). Kholilah and Iramani, (2013) argue, financial knowledge is the expertise possessed by individuals to master financial information used in the decision-making process, if the financial knowledge

possessed by individuals is high, the individual will automatically be better at managing their finances (Laila *et al.*, 2019). the implementation of financial literacy can be done by teaching financial literacy education in accordance with the basic competencies that already exist in subjects, such as Mathematics and Social Sciences.

2.2. Saving Behavior

Saving behavior is strongly influenced by people's understanding of the use of money and its management or often called financial literacy (Sirine & Utami, 2016). Saving behavior plays an important role for individual survival, in the micro scope, savings can be used for current and future consumption, and in the macro scope, saving becomes an investment that is sufficient to increase the welfare of individuals throughout life (Yahaya *et al.*, 2012). When children become adults, they tend to become smart consumers, one of which is to be frugal or not wasteful (Bowen, 2002). What can affect a person's interest in saving and saving behavior is financial knowledge (financial literacy), financial attitude (financial attitude), and subjective norms according to opinion (Widyastuti *et al.*, 2016).

3. METHODS

The type of research method used is quantitative research using the pre-experimental design method (one group pretest-posttest). The data collection technique used in this research is to use the method of delivering material about literacy and storage using PPT and video, after distributing online questionnaires via google form to find out about the introduction of financial literacy in shaping saving behavior. The population in this study were 10 fifth grade students at one of the elementary school in Bandung, Indonesia. The number of fifth grade elementary school students recorded was 37 people. Then taken from a sample of the population of class V and obtained as many as 10 students with details of 5 male students and 5 female students. with a mean age of 11 years. This research was conducted in 2 stages which were divided into 2, namely the first pretest before the material was delivered and the second posttest after the material was delivered to determine the extent of understanding of the material. The instrument designed is a likert scale with two choices (yes and no).

4. RESULT AND DISCUSSION

4.1. Demographics

When we conducted a survey using the media zoom meeting with class teachers and students, it turned out that from 10 students, there were 7 students who already understood and 3 students who still did not understand because they were not fluent in reading. Therefore, we helps explain in more detail to students who are not yet fluent in reading to make it easier to fill out the goggleform which contains 10 questions about literacy and saving behavior. The subjects that have been studied are Social Sciences and Mathematics.

4.2 Phenomena in the learning process

The stages of learning carried out in the first session, students seemed less enthusiastic about the learning process. Also, students have a low level of understanding. in the second session, the methods used in the learning process about financial literacy and saving behavior were using PPT and videos. after providing understanding through PPT and video evaluation of the student's ability level is given through a post test using googleform.

4.3 Pre-test and post-test results

The focus of this research is the introduction of financial literacy in shaping students' daily saving behavior. Before providing assistance, we first distributed a *pre-test* which was filled out by 10 respondents. **Table 1** describes the questions posed by the pre-test and post-test.

Table 1. Students' pretest and posttest results.

| Number | Question | Pre-Test | Post-Test | Gain |
|--------|---|----------|-----------|------|
| 1. | Do you know what literacy is? | 30% | 80% | 50% |
| 2. | Do you know the difference between a need and a want? | 30% | 70% | 40% |
| 3. | Do you like shopping at school cooperatives? | 20% | 70% | 50% |
| 4. | Have you ever gone shopping to a traditional market or supermarket? | 50% | 80% | 30% |
| 5. | Do you know what payment methods are available in the market? | 50% | 70% | 20% |
| 6. | Did you record the items to be purchased in advance? | 40% | 80% | 40% |
| 7. | Do you know what saving is? | 40% | 70% | 30% |
| 8. | Do you know the benefits of saving? | 20% | 60% | 40% |
| 9. | Is saving your desired goal fulfilled? | 40% | 60% | 20% |
| 10. | Do you know any places that can be used to save money? | 30% | 70% | 40% |

The results show several discussion points:

- (i) For number one, the yield increases by 50% when PPT materials and literacy and storage videos are saved.
- (ii) For question number two, the results increased by 40% when given PPT material and literacy and savings videos.
- (iii) For question number three, the results increased by 50% when given PPT material and literacy and savings videos.
- (iv) For number four, the results increased by 30% when given PPT materials and literacy and savings videos.
- (v) For number five, the results increase by at least 20% when given PPT materials and literacy and savings videos.
- (vi) For question number six, the result is quite increased by 40% when given PPT material and literacy and savings videos.
- (vii) For question number seven, the results increased by 30% when given PPT material and literacy and savings videos.

- (viii) For question number eight the results increased by 40% when given PPT material and literacy and saving videos.
- (ix) For number nine, the results increased by 20% when given PPT materials and literacy and savings videos.
- (x) For number ten, the results increased by 40% when given PPT materials and literacy and savings videos.

In the pre-test results that have been carried out, the introduction of literacy and savings shows a fairly low percentage of 65%, it can be ascertained that the understanding of financial literacy and savings for most students is still not effective. To support understanding financial literacy online, learning materials using PowerPoint are also made on "What is Financial Literacy?" This PPT is equipped with illustrations and discussions. The results of the post-test of Introduction to Financial Literacy in Shaping Students' Saving Behavior at 024 Coblong Elementary School with a fairly high proportion of 71%.

The results showed that the average post-test score of students was 71% greater than the average pre-test score of 35%, so the difference was 36%. It can be concluded that the provision of material through PPT succeeded in making an understanding of financial literacy to shape saving behavior in students. Therefore, the delivery of material through PPT or the youtube application can be one of the teaching materials that can improve student understanding. In supporting this role, schools need to make curriculum adjustments to include elements of financial literacy education (Appleyard & Rowlingson, 2013), and the role of teachers in the classroom (Arifudin, 2015), as well as parental involvement at home (Pujianti, 2019). And collecting assignments through google form media can be an easy way to implement online learning programs.

5. CONCLUSION

Understanding of the application of financial literacy in children is quite varied. Literacy can be seen through budgeting, loans, savings, and also investments. This financial literacy program is implemented in order to improve saving behavior and can even be considered for study so that it can provide solutions in managing and making appropriate financial decisions. Starting from the curriculum level which is the basis for teaching, appropriate materials and materials, competent and dedicated teaching staff are needed for smooth implementation of financial literacy education in schools.

6. ACKNOWLEDGEMENTS

We acknowledged Bangdos, Universitas Pendidikan Indonesia. We also thank to Juna Gunawan S.Pd. from 024 Coblong Elementary School. This study is a part of community service (Program: community service program Tematik Literasi 2021 (26 August- 26 Sept 2021) kel 24) Lembaga Penelitian dan Pengabdian Masyarakat (LPPM), Universitas Pendidikan Indonesia. We also thank to Kantor Jurnal dan Publikasi, Directorate of International Affairs, Universitas Pendidikan Indonesia. We thank to Nissa Nur Azizah, Dwi Fitria Al Husaeni, Dr.Eng. Asep Bayu Dani Nandiyanto, S.T., M.Eng., Muktiarni, S.Pd., M.Pd., Rina Maryanti, S.Pd., M.Pd.

7. AUTHOR'S NOTES

The author declares that there is no conflict of interest regarding the publication of this article. The author confirms that the content in this paper is free from plagiarism.

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