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FINANCIAL WELL-BEING OF CIVIL SERVANT IN INDONESIA: THE ROLE OF FINANCIAL BEHAVIOR

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Abstract

Financial well-being is an important part that individuals must achieve to improve the quality of life and performance in the organization. For organizations, financial well-being can increase a positive brand image and create trust and then at the macro level, financial well-being is very important for sustainable development goals. However, achieving financial well-being is still a challenge for both the government and organizational leaders. The aim of this research is to analyze the factors that influence financial well-being through financial behavior of civil servants in one organizational unit in Indonesia. This research examined 240 civil servants in one organizational unit in Indonesia who were selected using Proportionate Stratified Random Sampling techniques and tested using the PLS SEM statistical analysis method. This research uses a confidence level of 95%, α = 5%. The research results show that financial literacy factors and attitudes towards money have a positive and significant impact on financial well-being. Meanwhile, internal locus of control has an insignificant positive impact on financial well-being and financial socialization has an insignificant negative impact on financial well-being. The factors of financial literacy, internal locus of control, and financial socialization have a positive and significant effect on financial behavior. Meanwhile, attitudes towards money have an insignificant positive impact on financial behavior. Financial behavior successfully mediates the influence of financial literacy, internal locus of control, and financial socialization on financial well-being. However, financial behavior did not succeed in mediating the influence of attitudes towards money on financial well-being.

Keywords: ***financial well-being, financial behavior, financial literacy, attitude towards money, internal locus of control, financial socialization***

1. INTRODUCTION

Financial well-being is an important part of an individual's life as a whole, both now and in the future, regardless of how much the individual is willing or unwilling to be involved in financial matters (Barrafrem et al., 2020a). Research shows that the importance of financial well-being is not just financial matters, but financial well-being also influences mental health, relationship quality and life satisfaction (Garcia-Mata & Zeron-Felix, 2022, Kaur et al., 2021). Meanwhile, at the organizational or work unit level, financial well-being can increase a positive reputation (brand image) and create trust (benevolence) towards the organization or work unit (Brüggen et al., 2017). Furthermore, at the macro level, efforts to achieve financial well-being are very important for sustainable development goals (Bashir & Qureshi, 2022). Financial well-being has become a topic that has been widely discussed and researched in recent years, both by practitioners and academic researchers, in line with the development of the global economy in facing a post-pandemic situation which is filled with uncertainty and is very volatile (Lim, 2021; 2022). One of the determinants of creating prosperity in a country is individual financial behavior (Coskun & Dalziel, 2020). Individual financial management reflects the individual's capacity to fulfill demands and obligations related to his or her welfare (Riitsalu & Murakas, 2019). Manifesting good financial behavior for each individual is a long-term process so planned programs are needed by understanding what factors can accelerate financial behavior.

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The low level of public financial literacy has had a negative impact, one of which is a factor that has triggered widespread decisions regarding fraudulent investments and online loans which have become widespread in recent years and have become conflicts that have not been resolved until now (Tambunan & Hendarsih, 2022). Research also finds the importance of including financial attitudes (attitude towards money) in designing financial behavior development programs to achieve financial prosperity (Shim et al., 2009; Fernandes et al., 2014; Greenberg & Hershfield, 2019; Carpena et al., 2019; Castro-Gonzales 2020). This statement is supported by Pandey & Utkarsh (2023) who in their research found that Attitude towards Money (ATM) has a positive impact on financial behavior. The higher the ATM an individual has, the better the financial behavior that individual will produce. Goyal et al., (2022) in their research found that in developing countries, internal Locus of Control is a factor that has a positive and significant influence on personal financial management behavior. This means that the higher an individual's internal Locus of Control, the better their financial behavior will be. Research also shows the important role of family, education, friends (peers) and the media as financial socialization agents in providing education for individuals regarding the formation of financial behavior. Setiyani and Solichatun (2019) in their research show that financial socialization has a positive and significant impact on financial well-being.

Furthermore, previous research found that financial behavior was able to strengthen the relationship between financial literacy, attitude towards money, internal locus of control, and financial socialization on financial well-being (Kumar et al., 2023; Fachrudin & Silalahi, 2022; She et al., 2023;; Cera et al., 2021; Gonzalez et al., 2020; The results of this research are in line with the Theory of Planned Behavior proposed by Ajzen (1991). This theory explains that behavior is a combination of the results of attitudes, subjective norms, and perceived behavioral control. In this research, the attitude referred to is attitude towards money, subjective norm is financial socialization and financial literacy, and perceived behavioral control is internal Locus of Control. This research analyzes the influence of financial literacy, attitude towards money, internal locus of control, and financial socialization on financial well-being with financial behavior as an intervening variable. Research is useful for encouraging financial educational programs and creating an environment that is able to accelerate financial well-being in the workplace so that individuals are better able to understand personal finances and develop financial attitudes that have a positive impact as a result of these programs.

2. LITERATURE REVIEW

2.1 The theory of planned behavior

The Theory of Planned Behavior (Ajzen, 2006) explains that behavior is the result of a combination of attitudes, subjective norms, and perceived behavioral control. So, action is the result of one's own intention to act which is influenced by internal and external factors. In general, the better a person's attitudes and subjective norms and the greater the perceived behavioral control, the stronger the person's intention to execute the behavior in question. Attitude towards behavior is considered the first variable that influences behavioral intention. In this research, the attitude used is attitude towards money (Sabri et al., 2020; Abdullah et al., 2019). Subjective norms are beliefs about the agreement or disagreement of a person or group that influence individuals to behave. The main social influence in shaping behavior originates from family, spouse, relatives, co-workers and other references related to a behavior (Ajzen, 2006). Subjective norms in research are financial socialization and financial literacy (Utkarsh et al., 2020; Setiyani & Solichatun, 2019; Abdullah et al., 2019). Perceived behavioral control is a measure of an individual's beliefs about how simple or complex it is to carry out a behavior. Individuals who have attitudes and subjective norms that support them in carrying out certain behavior will be very dependent on the support of their perceived behavioral control. In this research, perceived behavioral control is internal Locus of Control (Mahdzan, et. al, 2022; Goyal et al., 2022; She et al., 2021).

2.2 Theory of Lifespan Development

The theory of lifespan development involves the study of behavior throughout the human life course (Baltes, 1987). Human development is also plastic, meaning that human traits can be molded or changed. The process of developing human nature is influenced by contextual and socio-cultural influences. Baltes (1987) also states that human development is multidirectional, meaning that the changes experienced by a person tend to be influenced by certain situations and conditions.

2.3 The Transtheoretical Model or Stage of Change Model

The concept of The Transtheoretical Model was introduced by James Prochaska & Carlo DiClemente (1983). This concept states that intervention can change a person's behavior. A person will change his behavior if the individual believes that the benefits he obtains will outweigh the losses. The Transtheoretical Model is a behavior change method that is based on an individual's readiness to take healthier actions. The basic premise of The Transtheoretical Model is that individuals cannot change their behavior quickly, especially when the action becomes a habit.

2.4 Financial Well-being

Financial well-being is the condition of an individual who does not experience financial stress and feels comfortable/satisfied with his current situation and has the ability to fulfill his life needs and is able to survive financial difficulties that may occur (Prawitz et al., 2006). Bruggen et al., (2017) stated a new concept where financial well-being is the ability to maintain the standard of living and financial freedom that is desired now and that will be anticipated in the future. This definition explains that financial well-being is subjective because it is based on how individuals perceive themselves.

2.5 Financial Behavior

Financial behavior is defined as any behavior that is relevant to financial management and planning, such as borrowing, saving, investing, insuring and spending financial funds (Xiao, 2008; Hilgert & Hogarth, 2003). Individuals with positive financial behavior demonstrate behavior in a financially responsible manner, such as controlled spending, having financial goals, saving, and paying bills on time (Dew & Xiao, 2011). Behavioral financial theory is not a new theory or approach, but the roots of this theory have been explored since the 1950s, along with the formulation of financial portfolio theory by Markowitz. At that time, Burrell (1951) and continued by Bauman (1967) tried to incorporate psychological elements into financial research (in Alteza & Harsono, 2021). Financial behavioral theory is a theory that involves psychological and sociological factors in influencing the financial decision-making process of entities, groups and individuals (Sisbintari, 2017).

2.6 Financial literacy

The Presidents Advisory Council on Financial Literacy (PACFL, 2008) defines financial literacy as the ability to use knowledge and skills to manage financial resources effectively to achieve financial well-being. This definition is in line with the concept of financial literacy put forward by Hung et al., (2009) which states financial literacy as basic economic knowledge and financial concepts, such as the ability to use financial knowledge and skills. Financial literacy is defined in various ways, but financial literacy is believed to be an important variable that influences financial decisions and financial well-being (Karakurum-Ozdemir et.al., 2019; Bongini & Cucinelli, 2019; Aydin & Akben Selcuk, 2019). Philippas and Avdoulas (2020) explain financial literacy as "the ability to understand and analyze financial options, plan for the future, and respond according to events."

2.7 Attitude towards Money

Attitude reflects an individual's attitude towards an object which then leads to positive or negative actions towards that object. Studies show the importance of attitude towards money in determining future financial behavior (Greenberg and Hershfield, 2019; Carpena et al., 2019; Castro-Gonzalez et al., 2020). Because financial well-being is related to the availability of money, it is very important to understand how individuals view their finances. Two important aspects of attitudes towards money are the individual's ability to control spending rather than making impulsive spending choices and the tendency to make long-term plans (Greenberg and Hershfield, 2019).

2.8 Internal Locus of Control

Locus of Control (LoC) was first proposed by Rotter in 1966 who was a social learning theorist. LoC orientation is divided into 2 (two), namely internal Locus of Control and external Locus of Control (Robbins et al., 2008). Different types of LoC should be researched separately (Brewin & Shapiro, 1984). Individuals with an internal Locus of Control tend to think that skills, abilities and efforts determine what they obtain in life. In addition, previous studies suggest that when examining financial behavior and financial well-being, internal LoC is more relevant to use (Jorgensen et al., 2017; Ullah & Yusheng, 2020).

2.9 Financial Socialization

Ward (1974) stated that a process by which individuals acquire the skills, information, and attitudes needed to maximize their abilities in financial markets is called financial socialization. Meanwhile, Danes (1994) states that financial socialization is a process of acquiring and developing values, attitudes, standards, norms, knowledge and behavior which will later contribute to financial viability and individual welfare. Furthermore, Gudmunson & Danes (2011) stated that outcomes from financial socialization include financial attitudes, knowledge and capabilities, financial behaviors and financial well-being. Financial socialization intermediaries/agents include interactions with parents, friends, schools, and the media (Sohn et al., 2012).

2.10 DEVELOPMENT HYPOTHESIS

Financial Literacy is defined as a combination of awareness, knowledge, skills, attitudes and behavior related to finance that are needed to make good financial decisions and ultimately achieve individual financial well-being. Financial well-being can be achieved if individuals have good financial literacy to make the right financial decisions (Atkinson & Messy, 2012). Several previous studies have shown a positive relationship between financial literacy and financial well-being (Kumar et al., 2023; Setiyani & Solichatun, 2019; Utkarsh et al., 2020).

H_1: Financial literacy has a significant positive effect on financial well-being.

Attitude toward money is believed to influence financial well-being because this attitude influences individuals to adopt savings and spending patterns (Sim & Shuang, 2004). Yamauci & Templer (1982) designed attitudes towards money, where "time retention" means "behavior/attitude aimed at the future, which requires planned preparation". Based on this understanding, attitude towards money is related to an individual's tendency towards planned financial conditions in the future to achieve financial well-being, such as the tendency to save money and manage expenses. Several studies show a positive relationship between Attitude towards Money and financial well-being (Abdullah et al., 2019; Utkarsh et al., 2020).

H_2: Attitude towards money has a significant positive effect on financial well-being.

A number of studies state that individuals with higher internal LoC have lower levels of financial stress and higher levels of financial well-being (Mahdzan et al., 2019; Mokhtar & Rahim, 2016; Prawitz & Cohart, 2016). Individuals with high internal LoC believe that what happens to themselves and their families is determined by their actions, not due to coincidence or external circumstances (Grable et al., 2009). Several studies show a positive relationship between internal

locus of control and financial well-being (She et al., 2021; Mahdzan et al., 2022; Goyal, et.al., 2022).
H_3: Internal locus of control has a significant positive effect on financial well-being.

Financial socialization is a practice that creates opportunities for individuals to adopt financial behavior, values, knowledge and attitudes towards financial management, which will ultimately influence financial well-being (Lanz et al., 2020). Financial socialization is important for young adults and has long-term positive effects on financial behavior (Anthony et al., 2022). Research shows a positive relationship between financial socialization and financial well-being (Kumar et al., 2023; Pandey et al., 2020).
H_4: Financial socialization has a significant positive effect on financial well-being

Awareness of the importance of making the right financial decisions has made all countries in the world focus on various ways to improve financial behavior (Lahiri & Biswas, 2021). Financial literacy in financial education is one way to improve people's financial behavior. Several studies show a positive relationship between Financial Literacy and financial behavior (Kumar et al., (2023); Setiyani & Solichatun, 2019; Hanna et al., 2022; Pandey & Utkarsh, 2023; Lahiri & Biswas, 2021; Cera et al. , 2021).
H_5: Financial literacy has a significant positive effect on financial behavior.

Abdullah et. al. (2019) stated that a positive attitude towards money will encourage someone to manage their finances more wisely. Thus, individuals who are not wise about their financial matters are likely to have poor financial behavior. Several previous studies stated that Attitude towards Money is one of the determinants that shapes a person's financial behavior (Shih et al., 2022; Dwiastanti, 2017). Research also shows a positive relationship between Attitude towards Money and financial behavior (Pandey & Utkarsh, 2023; Cera et al., 2021; Gonzales et al., 2020).
H_6: Attitude towards money has a significant positive effect on financial behavior.

Individuals who have a high internal Locus of Control will try to make the best financial behavior decisions because these people have the view that their success is due to their own efforts. Rotter (1966) and Rum (2013) stated that the higher an individual's internal Locus of Control, the higher the performance they will show. Several studies show a positive relationship between internal Locus of Control and financial behavior (Goyal et al., 2022; She et al., 2021).
H_7: Internal locus of control has a significant positive effect on financial behavior.

The process by which individuals acquire the necessary skills, information and attitudes to maximize their abilities in financial markets is called financial socialization (Ward, 1974). The higher the financial socialization an individual obtains, the higher the financial behavior they will produce. Several studies show a positive relationship between Financial Socialization and financial behavior (Kumar et al., 2023; Zhao & Zhang, 2020; Setiyani & Solichatun, 2019).
H_8: Financial socialization has a significant positive effect on financial behavior

The theory of lifespan development put forward by Baltes (1987) states that the behavior implemented by individuals determines the welfare that will be achieved. Several studies show a positive relationship between financial behavior and financial well-being (Kumar et al., 2023; Mahdzan, et.al., 2022; Fachrudin & Silalahi, 2022; She et al., 2021; Cera et al., 2021; Setiyani & Solichatun, 2019).
H_9: Financial behavior has a significant positive effect on financial well-being

Financial literacy is one of the interventions that is expected to improve a person's financial behavior to produce the financial well-being that one wants to achieve. Research shows that financial behavior is able to positively and significantly mediate the influence of financial literacy on financial well-being (Kumar et al., (2023); Cera et al., 2021; Setiyani & Solichatun, 2019). In line with this research, Fachrudin & Silalahi (2022) also stated in their research that through investment and debt behavior, financial literacy has a positive impact on financial well-being. This means that the probability of the relationship between financial literacy and financial well-being can be strengthened by financial behavior.

H_10: Financial literacy has a significant positive effect on financial well-being through financial behavior

The Theory of Planned Behavior states that attitude is one of the factors that creates behavior. Meanwhile, behavior will determine an individual's well-being. Financial well-being will be high when individuals have a positive attitude towards money and healthy financial behavior (Gutter & Copput, 2011). Research finds that attitude towards money is a strong predictor of achieving financial well-being (Utkarsh et al., 2020; Gonzales et al., (2020); Abdullah et al., 2019). Meanwhile, Gonzales et al., (2020) and Setiyani & Solichatun (2019), in their research, stated that financial behavior is a good mediator to link attitude towards money with financial well-being. This research also found that respondents with an attitude towards money had high financial behavior scores. This means that the probability of the relationship between attitude towards money and financial well-being can increase through financial behavior.

H_11: Attitude towards money has a significant positive effect on financial well-being through financial behavior

Hackman & Oldham (1976) consider the center of human autonomy, namely the internal locus of control, as the main cause of creating job satisfaction and positive adjustment to work. In the demands-control model of stress proposed by Karasek (1979) he has proven his hypothesis that control at work protects the impact of stress at work on well-being. Spector et al., (2002) stated that internal locus of control is the main component of well-being, but there is still little research that explores the relationship between internal locus of control and well-being (Cobb-Clark et al., 2016; Mokhtar & Husniyah, 2017). Research finds that financial behavior significantly mediates the influence of Locus of Control on financial well-being (She et al., 2021; Sabri et al., 2023).

H_12: Internal locus of control has a significant positive effect on financial well-being through financial behavior

This behavior is influenced by internal and external factors that occur throughout an individual's life, thereby forming habits in behavior (Baltes, 1987). Financial Socialization is one of the factors that influences financial behavior (Zhao & Zhang, 2020). Previous research also found that financial behavior significantly mediates the influence of financial socialization on financial well-being (Kumar et al., (2023); Setiyani & Solichatun, 2019).

H_13: Financial socialization has a significant positive effect on financial well-being through financial behavior.

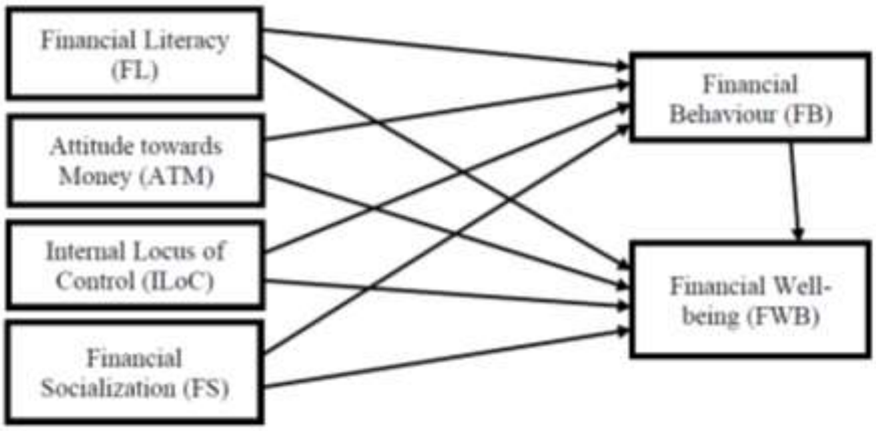

Figure 1 Conceptual Framework

3. RESEARCH METHOD

The research uses a quantitative approach. The quantitative approach emphasizes theory testing through measuring research variables with numbers and statistical analysis. The population in this research is state civil servants in one of the Ministry's organizational units with vertical offices spread throughout Indonesia. Determining the sample in this study used probability sampling with the Proportionate Stratified Random Sampling technique. The Proportionate Stratified Random Sampling technique is used if the population has members/elements that are not homogeneous and proportionally stratified (Sugiyono, 2022). Because these organizational units are spread across all provinces in Indonesia, this sampling method makes it possible to draw more reliable and informed conclusions by ensuring that each subclass (each province) is adequately represented in the selected sample. Hair et al., (2017) stated that the minimum number of samples that should be used is 10 times the number of all indicators. So the number of samples in this study is 24 indicators multiplied by the Respondent Sample Distribution of 10, resulting in 240 sample respondents. The data processing technique uses the Structural equation Modeling (SEM) method based on Partial Least Square (PLS).

4. RESULTS AND DISCUSSION

4.1 Outer Model Evaluation (Measurement Model): Validity and Reliability Testing

The measurement model or outer model is carried out to ensure that the measurements used are suitable for measurement, meaning they are valid and reliable (Hair et al., 2017).

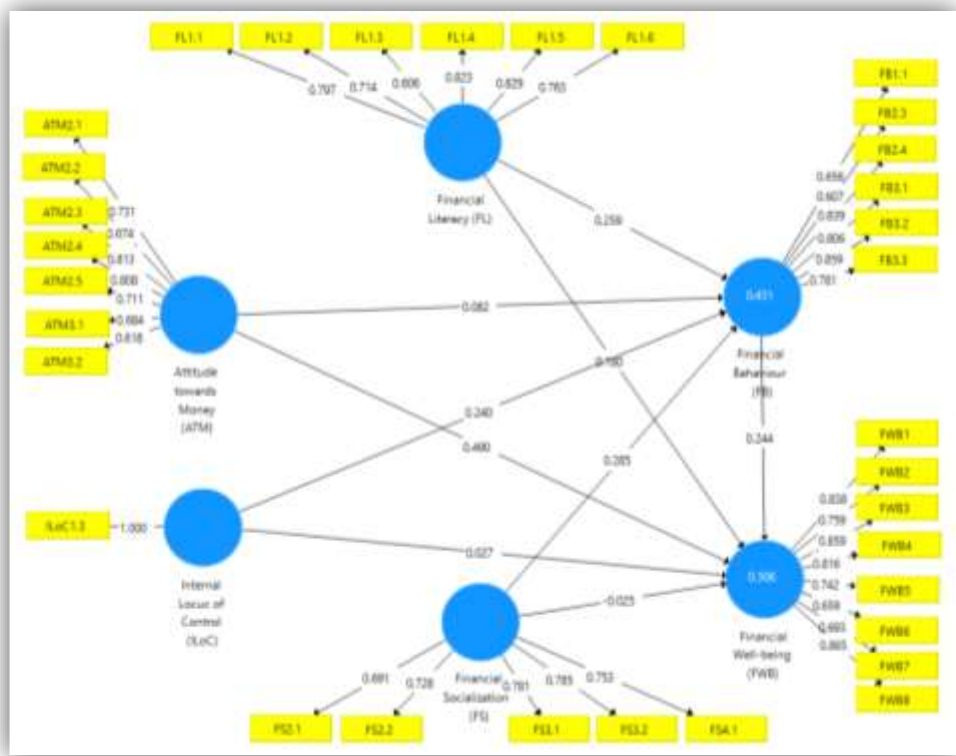

Figure 2 Validity Testing based on Loading Factor

Information:
X1 = Financial Literacy; X2 = Attitude towards Money; X3 = Internal Locus of Control; X4 = Financial Socialization; Z = Financial Behavior; Y = Financial Well-being.

Figure 2 shows the loading factor value for each indicator of the variables studied. Table 1 shows that the composite reliability and AVE values have met good composite reliability values and the AVE value is greater than 0.50.

Table 1 Composite Reliability and Average Variance Extracted (AVE)

Variable	Composite Reliability	Average Variance Extracted (AVE)
FL	0.890	0.576
ATM	0.884	0.522
ILoC	1,000	1,000
F.S	0.864	0.560
FB	0.892	0.584
FWB	0.926	0.612

An AVE value equal to or higher than 0.50 indicates that on average the construct can explain more than half of the variance of the indicator (Hair et al., 2017). The data shows the composite reliability and AVE values after the second modification and have met good composite reliability values and the AVE value is greater than 0.50. Therefore, it can be concluded that the model has met convergent validity.

Table 3 Reliability Testing on Cronbach's Alpha (CA)

Variable	Cronbach's Alpha
FL	0.859
ATM	0.846
ILoC	1,000
F.S	0.807
FB	0.853
FWB	0.907

The Cronbach's Alpha value for all constructs must be ≥ 0.7 so that it can be concluded that the indicators are consistent in measuring the construct. Table 3 shows the reliability test values with the Cronbach's Alpha value having a value of ≥ 0.7 and it is concluded that the model has met the reliability requirements.

Table 4 Discriminant Validity Test

	ATM	FB	FL	F.S	FWB	ILoC
ATM						
FB	0.298					
FL	0.346	0.540				
F.S	0.140	0.610	0.466			
FWB	0.692	0.519	0.503	0.261		
ILoC	0.250	0.571	0.484	0.553	0.359	

Next, to assess discriminant validity, it will be seen from the Heterotrait-Monotrait Ratio (HTMT) value, namely if the HTMT value is <0.9 then it is considered to have very good discriminant validity. Table 4 shows the HTMT values. The table shows that all variables have a value <0.9 so it can be said that the model has met discriminant validity.

4.2 Coefficient of Determination Test (R^2)

The coefficient of determination measures the accuracy of a model's predictions. The coefficient of determination measures the cumulative influence or contribution of exogenous variables to endogenous variables. Table 5 shows the results of the coefficient of determination.

Table 5 Coefficient of Determination (R-Square)

Variable	R-Square
FB	0.431
FWB	0.506

Based on the data in Table 5, the following research data can be produced:

- The FB Coefficient of Determination (R-Square) value is 0.431. This means that the influence of FL, ATM, ILoC, and FS on FB is 43.1% while the remaining 56.9% is explained by other variables outside this research.
- The FWB Coefficient of Determination (R-Square) value is 0.506. This means that the influence of FL, ATM, ILoC, FS, and FB on FWB is 50.6%, while the remaining 49.4% is explained by other variables outside this research.

4.3 Effect Significance Test (bootstrapping)

After knowing the R-square value, then you will look at the path coefficients and t-statistics values through bootstrapping.

Table 6 Significance Test of Effect

Hypothesis	Path	Original sample (O)	T Statistics (|O/STDEV|)	P Values	Results
H1	FL→FWB	0.180	2,887	0.004	Accepted
H2	ATM→FWB	0.490	9,914	0,000	Accepted
H3	ILoC→FWB	0.027	0.463	0.643	Rejected
H4	FS→FWB	-0.025	0.406	0.685	Rejected
H5	FL→FB	0.259	3,674	0,000	Accepted
H6	ATM→FB	0.082	1,474	0.141	Rejected
H7	ILoC→FB	0.240	2,874	0.004	Accepted
H8	FS→FB	0.285	3,627	0,000	Accepted
H9	FB→FWB	0.244	3,511	0,000	Accepted

Table 7 Mediation Test

Hypothesis	Path	Original sample (O)	T Statistics (|O/STDEV|)	P Values	Results
H10	FL→FB→FWB	0.063	2,486	0.013	Accepted
H11	ATM→FB→FWB	0.020	1,313	0.190	Rejected
H12	ILoC→FB→FWB	0.059	2,194	0.029	Accepted
H13	FS→FB→FWB	0.070	2,365	0.018	Accepted

The results of research with α = 5% are as follows:

1. Financial literacy has a positive and significant effect on financial well-being.
2. Attitude towards Money has a positive and significant effect on financial well-being.
3. InternalLocus of Control has a positive but not significant effect on financial well-being.
4. Financial Socialization has a negative and insignificant effect on financial well-being.
5. Financial literacy has a positive and significant effect on financial behavior.
6. Attitude towards Money has a positive but not significant effect on financial behavior.
7. Internal Locus of Control has a positive and significant effect on financial behavior.

8. Financial Socialization has a positive and significant effect on employee financial behavior.
9. Financial behavior has a positive and significant effect on employee financial well-being.
10. Financial behavior significantly mediates the influence of financial literacy on financial well-being.
11. Financial behavior not significantly mediating the influence of Attitude towards Money on financial well-being.
12. Financial behavior significantly mediates the influence of Internal Locus of Control on financial well-being.
13. Financial behavior significantly mediates the influence of financial socialization on financial well-being.

5. DISCUSSION

Financial literacy (FL) has a positive and significant influence on FWB. This means that every increase in financial literacy will significantly increase financial well-being. People who have high financial literacy are better able to have better financial well-being. The results of this research are in line with previous research conducted by Kumar et al., (2023) which found that financial literacy had a positive and significant effect on financial well-being. Likewise, research conducted by Pandey et al., (2020) stated that financial literacy has a positive and significant influence on financial well-being. Attribution towards Money (ATM) has a positive and significant influence on FWB. The results of this research are in line with research by Gonzales (2021) which found that a positive increase in ATMs will also increase individual financial well-being. The research results are also in line with the Theory of Planned Behavior (Ajzen, 2006), where attitudes towards money can motivate individuals to determine their financial planning for the future. The reason is because individuals have perceptions about money and these perceptions influence their intentions to set short-term and long-term plans for saving or investing it.

Internal locus of control (ILoC) has a positive but not significant influence on FWB. This means that every increase in internal locus of control will not necessarily increase financial well-being significantly. The results of this research indicate that individuals with high ILoC, who consider themselves responsible and in control of events in their lives, are unable to provide direct improvements in financial well-being. *Financial socialization* (FS) has a negative and insignificant effect on FWB. These results indicate that an increase in financial socialization will reduce a person's level of financial well-being. This may be related to the quality of financial socialization the individual receives. Based on the distribution analysis of respondents' answers, it shows that the source of financial information comes from digital media. Meanwhile, there is a lot of unreliable and unaccountable information regarding finances, so correct financial socialization screening is needed.

Financial literacy (FL) has a positive and significant influence on FB. Research observes that better financial literacy will generate more wealth in society as well as increase economic growth. These results are in line with research by Prakash et al., (2022) which found that financial literacy and financial behavior have a positive relationship. This means that efforts to increase individual financial literacy will also improve their financial behavior. *Attitude towards money* (ATM) has a positive but not significant influence on FB. This research proves that attitude is not necessarily able to influence good financial behavior. The results of this study are in contrast to previous studies which have documented the importance of attitudes in determining future financial behavior (Greenberg & Hershfiled, 2019; Carpena et al., 2019; Castro-Gonzales et al., 2020).

Internal locus of control (ILoC) has a positive and significant influence on FB. someone who has ILoC is able to manage their finances with their own skills and abilities. These individuals assume that the results of their actions can be predicted based on effort, skill and motivation. In other words, individuals with an ILoC perspective tend to be goal-oriented and tend to demonstrate responsible financial decision making (Grable et al., 2015). *Financial socialization* (FS) has a positive and significant influence on FB. This means that every increase in financial socialization will increase financial behavior significantly. The results of this research are in line with Kumar et al., (2023) who found that financial socialization has a positive and significant influence on financial behavior. Setiyani & Solichatun (2019) also stated that socialization through parents, education, friends and the media are good indicators in improving a person's behavior. Thus, providing correct education and information to individuals will shape good financial behavior. *Financial behavior*(FB) has a positive and significant influence on FWB. Positive behavior as a combination of attitudes, subjective norms, and perceived behavioral control (Theory of Planned Behavior) is able to produce a better quality of life. This means that a person's behavior can be shaped by providing the necessary interventions. This is also in line with the concept of the Theory of lifespan Development put forward by Baltes (1987) which states that human traits can be forged or changed.

The role of financial behavior (FB) in mediating the influence of financial literacy (FL) on financial well-being (FWB) is positive and significant. financial behavior (FB) mediates the influence of financial literacy (FL) on financial well-being (FWB). Therefore, individual financial well-being can be achieved by seeking positive financial behavior from the individual, one of which is by providing good financial literacy education. Kumar et al., (2023) in their research also found that financial behavior was able to mediate well the influence of financial literacy on financial well-being. This means that every increase in financial behavior will also increase the relationship between financial literacy and financial well-being. The role of financial behavior (FB) in mediating the influence of attitude towards money (ATM) on financial well-being (FWB) is positive but not significant. Next, a comparison was made of whether financial behavior as a mediating role was better used than if ATM was connected directly to FWB. It can be concluded that ATM is better connected directly to FWB.

The role of financial behavior (FB) in mediating the influence of internal locus of control (ILoC) on financial well-being (FWB) is positive and significant. Based on the test results, the role of financial behavior is better in connecting ILoC to FWB than if it were connected directly. ILoC is not able to influence FWB positively and significantly if connected directly. Meanwhile, if connected through financial behavior, FL is able to have a positive and significant impact on FWB. It can be concluded that financial behavior as an intervening variable has a full mediating effect. This is because ILoC is a person's internal control over attitudes and decisions and in this case has not yet resulted in financial decisions. However, financial decisions are influenced by this self-control. So, the impact on financial well-being will occur when financial decisions occur that have a negative or positive impact on an individual's life. So that self-control or ILoC will be visible in the form of resulting financial behavior. The role of financial behavior (FB) mediates the influence of financial socialization (FS) on financial well-being (FWB). Based on the results of data processing, it was found that the role of financial behavior is better in connecting FS to FWB than if it were connected directly. FS is not able to influence FWB positively and significantly if it is connected directly. Meanwhile, if connected through financial behavior, FS is able to have a positive and significant impact on FWB. It can be concluded that financial behavior as an intervening variable has a full mediating effect. This means that FS is only able to have a positive and significant influence on FWB through financial behavior.

5. CONCLUSION

Based on the results of the research and discussion, it can be concluded as follows:

- Financial literacy has a positive and significant effect on financial well-being.
- Attitude towards Money has a positive and significant effect on financial well-being.
- Internal Locus of Control has a positive but not significant effect on financial well-being.
- Financial Socialization has a negative and insignificant effect on financial well-being.
- Financial literacy has a positive and significant effect on financial behavior.
- Attitude towards Money has a positive but not significant effect on financial behavior.
- Internal Locus of Control has a positive and significant effect on financial behavior.

- Financial Socialization has a positive and significant effect on financial behavior.
- Financial behavior has a positive and significant effect on financial well-being.
- Financial behavior significantly mediates the influence of financial literacy on financial well-being.
- Financial behavior does not significantly mediate the influence of Attitude towards Money on financial well-being.
- Financial behavior significantly mediates the influence of Internal Locus of Control on financial well-being.
- Financial behavior significantly mediates the influence of financial socialization on financial well-being.

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