LIFESTYLE AND INCOME: DETERMINANTS OF GENERATION Z'S FINANCIAL MANAGEMENT

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ABSTRACT

Financial management is important to overcome financial problems. Generation Z is a generation that is responsive to technological developments, so it has a consumerist lifestyle and has an impact on behavior that is less wise in managing finances. Apart from that, the greater income generation Z gets from parents' pocket money, scholarships and work wages has an impact on financial management. Therefore, generation Z has responsible behavior in spending so they avoid debt. The determinant of financial management which is the research objective is the influence of lifestyle and income on the financial management of generation Z students of the Management Study Program at Sanata Dharma University (USD). The research sample was active students of the USD Management Study Program class of 2021 and had taken Financial Management courses, totaling 89 respondents. Multiple linear regression with the SPSS 25 application as a data analysis technique. The research results show that lifestyle and income have a positive effect on financial management of Generation Z students of the USD Management Study Program. The implication is that Generation Z has a frugal lifestyle and is responsible for their income, so they have wise behavior in managing finances.
Keywords: Lifestyle; Income; Financial Management; Generation Z.

1. Introduction

Generation Z is the generation born from 1997 to 2012 and is able to utilize technology better than previous generations (Hernandez-de-Menendez, Escobar Díaz and Morales-Menendez, 2020). Generation Z grew up in the digital era with easier accessibility of information and financial services. However, the tendency to use Buy Now Pay Later (BNPL) digital financial services carries its own risks (Kenney, Firth and Gathergood, 2023). BNPL is a financial facility with a type of short-term financing that allows consumers to make purchases and pay for them over time (Johnson, Rodwell and Hendry, 2021). The Financial Services Authority noted that Non-Performing Loans (NPL) for BNPL services reached 9.7% or above the safe limit of 5% and Gen Z contributed 47.78% to this ratio (Aji, 2023). NPL describes a condition where the debtor is unable to pay ongoing installments on time (Manz, 2019). This consumption occurs in practical and small purchases such as clothing, food and restaurants. High levels of consumerism will then result in suboptimal financial behavior, such as a lack of understanding about managing personal finances and a lack of savings habits (Rahayu and Rahmawati, 2019).

Financial management is a way to manage finances by utilizing money optimally to meet current needs and desires and to prepare for future needs (Pangestu, Karnadi and Foroudi, 2020). Financial management can be done through several steps including recording assets, recording all income and expenses, finding monthly and annual expenses, making a budget, saving regularly, and planning future actions (Rahayu and Rahmawati, 2021). Financial management can create prosperity and overcome financial problems, especially for generation Z (Sconti, 2022).

Generation Z, who have a consumerist attitude and prioritize instant comfort, will be at risk of not being able to manage their finances well. This becomes worse when BNPL is used, which although practical can have a negative impact on financial management if used unwisely (Seyfi, Sharifi-Tehrani, Hall and Vo-Thanh, 2023). Apart from that, the increasing income earned by generation Z from parents' pocket money, scholarships and work wages has an impact on financial management (Amirul, Che Azmi and Jaafar, 2022). Therefore, generation Z has responsible behavior in shopping so as to avoid from debt. The determinant of financial management which is the aim of the research is the influence of lifestyle and income on the financial management of generation Z students of the Sanata Dharma University (USD) Management Study Program. Meanwhile, USD is a private university in Yogyakarta which has one study program, namely the Management Study Program with a total of 1,138 active students belonging to generation Z (Sanata Dharma University, 2023).

One of the determinants of financial management in this research is lifestyle. According to Hazari and Sethna (2023), lifestyle is a person's pattern of managing time and money which is expressed through their activities, interests and opinions. Generation Z, as a generation that is able to utilize technology better than previous generations, tends to have consumerist behavior and spend a lot of money, which carries the risk of not being able to manage finances well. A lifestyle that prioritizes instant convenience, such as the use of BNPL can lead to impulsive spending and poor financial management. Therefore, generation Z, with a lifestyle that tends to lead to a hedonic lifestyle, namely a lifestyle whose activities are to seek pleasure in life, should have an understanding of appropriate financial management so that it can improve welfare. This is in line with the Theory of Planned Behavior (TPB) which states that an individual's intention to do something is an important component in the theory of planned behavior (Ajzen, 2020). Intention is a tool used to determine whether someone has attempted to carry out a behavior (Miller, 2017). Lifestyle is a reflection of subjective norms related to attitudes towards behavior and is a component included in the TPB (Kamalian, Didarloo, Khalkhali and Maheri, 2023). Someone who has a good lifestyle tends to save and manage finances well (Zhu, 2021). This is also in line with the research results of Zhu (2021); Hazari and Sethna (2023) which show that lifestyle has a positive effect on financial management. However, this is not in line with the results of Bapat's research (2022); O'Neill, Dias, Patuleia and Pereira (2022) which shows that lifestyle does not have a positive effect on financial management.

One of the determinants of financial management besides lifestyle in this research is income. According to Kurniasari and Utomo (2023), income is a person's source of income to meet their daily needs. Generation Z's biggest income comes from pocket money given by their parents, scholarships they get every period, and working part time for companies (Katusiime, 2021). The increasing income obtained by generation Z from parents' pocket money, scholarships and work wages has an impact on financial management (Ozili, 2017). Therefore, generation Z has responsible behavior in shopping so they avoid debt. This is in line with the TPB which states that a person carries out certain behaviors because they have an intention or purpose in doing so, motivated by several factors, one of which is social factors, namely income. Someone who has a higher income is more likely to show more responsible financial behavior considering that the funds they have will give them the opportunity to take action with a sense of responsibility (Wang, Weng and Huo, 2023). This is also in line with the results of Ozili's (2017) research; Kurniasari and Utomo (2023); Wang, Weng and Huo (2023) show that income has a positive effect on financial management. However, this is not in line with the research results of Nguyen, Vu, Vo and Ha (2019); Tee (2020) shows that income has no positive effect on financial management.

Based on the phenomenon and the inconsistencies in the results of previous research, the researcher will conduct research with the title "Lifestyle and Income: Determinants of

Generation Z's Financial Management". The implication of this research is that it is hoped that generation Z will have a frugal lifestyle and be responsible for their income, so that they will have wise behavior in managing finances.

2. Literature Review

2.1 Theory of Planned Behavior (TPB)

TPB is a development of the Theory of Reasoned Action (TRA) by adding behavioral control as a determinant of a person's intentions (Sussman and Gifford, 2019). TPB explains that apart from itself, the availability of certain resources and opportunities also influences a person's behavior and attitudes are an important basis in forming behavior (Rizzo and Columna, 2020). According to Oztekin, Teksöz, Pamuk, Sahin and Kilic (2017), there are 2 aspects in relation to attitudes towards behavior, namely (1) the individual's belief that whether or not displaying certain behavior will bring certain consequences or results; and (2) aspects of individual knowledge of the attitude object can be in the form of individual opinions, so they do not necessarily correspond to reality. According to Strydom (2018), individual beliefs have a positive influence on the resulting attitudes. The more positive an individual's beliefs are, the more positive the attitude shown by the individual will be towards the object of that attitude.

2.2 Financial Management

Financial management is a way to manage finances by utilizing money optimally to meet current needs and desires and to prepare for future needs (Pangestu, Karnadi and Foroudi, 2020). Financial management can be done through several steps including recording assets, recording all income and expenses, finding monthly and annual expenses, making a budget, saving regularly, and planning future actions (Rahayu and Rahmawati, 2021). Financial management can create prosperity and overcome financial problems, especially for generation Z (Sconti, 2022). This is in line with the TPB, where there is an influence between financial knowledge and behavior on financial management (Rizzo and Columna, 2020). Someone who has more knowledge and good behavior regarding finances will carry out more focused and efficient financial management. The determinant of financial management which is the aim of the research is the influence of lifestyle and income on the financial management of generation Z students of the Sanata Dharma University (USD) Management Study Program. This research uses indicators in financial management including preparing a financial budget; record all expenses and income; manage expenses according to budget; avoid impulsive spending; have an emergency fund; and start investing with a small nominal amount (Rai, Dua and Yadav, 2019).

2.3 Generation Z

Generation Z is a generation that has the characteristics of being proficient in the digital world and the youngest generation that is currently just starting to enter the workforce and letting go of financial dependence on their parents (Amirul, Che Azmi and Jaafar, 2022). This generation was born from 1997 to 2012 and is in the age range of 12-27 years. Based on the 2023 Central Statistics Agency (BPS) census, it shows that Indonesia is being dominated by Generation Z with the number of individuals reaching 74.93 million people (Jayani, 2021). Generation Z is a generation characterized by being fluent in technology, interacting with social media, being expressive and multitasking. Therefore, with various existing technological developments, generation Z is required to have good financial behavior so that they can take positive benefits from all existing developments and can filter out the negative impacts that are also present (Seyfi, Sharifi-Tehrani, Hall and Vo-Thanh, 2023). Easy access to information regarding good financial behavior is also a supporting factor for good financial behavior in generation Z (Squires and Ho, 2023). Good financial behavior is important to implement in the

lives of generation Z in their financial transition period. Generation Z during their financial transition period will certainly begin to determine the lifestyle they will choose according to their existing income. Generation Z, who have a consumerist attitude and prioritize instant comfort, will be at risk of not being able to manage their finances well. Apart from that, the increasing income earned by generation Z from parents' pocket money, scholarships and work wages has an impact on financial management (Amirul, Che Azmi and Jaafar, 2022). Therefore, generation Z has responsible behavior in shopping so as to avoid from debt.

2.4 Lifestyle

Lifestyle is a person's pattern of managing time and money which is expressed through their activities, interests and opinions (Hazari and Sethna, 2023). A person's lifestyle often indicates their attitudes, principles, and perspective on life. Apart from that, lifestyle can also show priorities and preferences in meeting daily needs and desires. Generation Z, as a generation that is able to utilize technology better than previous generations, tends to have consumerist behavior and spend a lot of money, which carries the risk of not being able to manage finances well. Therefore, generation Z, with a lifestyle that tends to lead to a hedonic lifestyle, namely a lifestyle whose activities are to seek pleasure in life, should have an understanding of appropriate financial management so that it can improve welfare. This is in line with the Theory of Planned Behavior (TPB) which states that an individual's intention to do something is an important component in the theory of planned behavior (Ajzen, 2020). Intention is a tool used to determine whether someone has attempted to carry out a behavior (Miller, 2017). Lifestyle is a reflection of subjective norms related to attitudes towards behavior and is a component included in the TPB (Kamalian, Didarloo, Khalkhali and Maheri, 2023). Someone who has a good lifestyle tends to save and manage finances well (Zhu, 2021). This is also in line with the research results of Zhu (2021); Hazari and Sethna (2023) who show that lifestyle has a positive effect on financial management. This research uses lifestyle indicators including the activity of purchasing new goods; interest or fascination with entertainment, clothing, and gadgets; as well as impulsiveness and being easily tempted (Hazari and Sethna, 2023). Therefore, the formulation of this research hypothesis is:

Ha1: Lifestyle has a positive effect on financial management of Generation Z students of the USD Management Study Program

2.5 Income

Income is a person's source of income to meet their daily needs and is one of the determinants of financial management (Kurniasari and Utomo, 2023). Generation Z's biggest income comes from pocket money given by their parents, scholarships they get every period, and working part time for companies (Katusiime, 2021). The increasing income obtained by generation Z from parents' pocket money, scholarships and work wages has an impact on financial management (Ozili, 2017). Therefore, generation Z has responsible behavior in shopping so they avoid debt. This is in line with the TPB which states that a person carries out certain behaviors because they have an intention or purpose in doing so, motivated by several factors, one of which is social factors, namely income. Someone who has a higher income is more likely to show more responsible financial behavior considering that the funds they have will give them the opportunity to take action with a sense of responsibility (Wang, Weng and Huo, 2023). This is also in line with the results of Ozili's (2017) research; Kurniasari and Utomo (2023); Wang, Weng and Huo (2023) show that income has a positive effect on financial management. This research uses income indicators including average monthly income (pocket money); basic needs (food, shelter, transportation); difficulty in meeting needs; and the need to seek additional income (Wang, Weng and Huo, 2023). Therefore, the formulation of this research hypothesis is:

Ha2:   Income has a positive effect on financial management of Generation Z students of the USD Management Study Program

3.   Research Methods

This research uses quantitative descriptive research methodology. The population of this research is active students of the 2021 Management Study Program at Sanata Dharma University, totaling 222 students. The sample for this research is active students from the 2021 Management Study Program at Sanata Dharma University, using sampling criteria in the form of purposive sampling in the form of students who have taken Financial Management and Portfolio and Investment Management courses. According to Sugiyono (2018:91), the sample for research is suggested as follows: the number of appropriate samples for research ranges between thirty and five hundred, and the number of samples must be divided into groups with a minimum of thirty members in each group. If the appropriate sample size for research is between thirty and five hundred, then the sample must be divided into groups with a minimum of thirty members in each group. Research that uses multivariate analysis, such as correlation or multiple regression, must have at least ten times the number of variables studied. For example, if the research variable is 3 (independent + dependent variable), then the number of participants is 20 x 3 = 60. Therefore, the sample for this research uses 89 active students of the 2021 Management Study Program at Sanata Dharma University who have taken Management courses. Finance and Portfolio and Investment Management.

This research uses independent variables in the form of lifestyle and income variables, as well as a dependent variable in the form of financial management. Indicators of lifestyle variables include purchasing new goods; interest or fascination with entertainment, clothing, and gadgets; as well as impulsiveness and being easily tempted (Hazari and Sethna, 2023). Indicators for the income variable include average monthly income (pocket money); basic needs (food, shelter, transportation); difficulty in meeting needs; and the need to seek additional income (Wang, Weng and Huo, 2023). Meanwhile, indicators for financial management include preparing a financial budget; record all expenses and income; manage expenses according to budget; avoid impulsive spending; have an emergency fund; and start investing with a small nominal amount (Rai, Dua and Yadav, 2019).

The data collection technique used in this research used an online questionnaire using Google Form as media. The research instrument was tested using validity and reliability tests. Analysis of this research data is in the form of (1) descriptive analysis of respondents including name, age, gender, and income or pocket money of respondents; and (2) descriptive analysis of variables. The data analysis technique used in this research uses multiple linear regression analysis with the SPSS 25 application, where previously classical assumption tests were carried out including normality, multicollinearity and heteroscedasticity tests. After carrying out multiple linear regression analysis, then carry out hypothesis testing including (1) F test to see the simultaneous influence of lifestyle and income on financial management of Generation Z students of the USD Management Study Program; and (2) t test to see the partial influence of lifestyle on the financial management of Generation Z students of the USD Management Study Program and the partial influence of income on the financial management of Generation Z students of the USD Management Study Program. Next, carry out the Coefficient of Determination test to measure the magnitude of the influence of the independent variable on the dependent.

4. Research Findings and Discussion
4.1 Instrument Testing Techniques
4.1.1 Validity Test

This research uses a validity test by comparing r_{count} and r_{table} with a sig value of 0.05. If r_{count} is greater than r_{table} then the instrument is significantly correlated with the total score or declared valid. Conversely, if r_{count} is smaller than r_{table} then the instrument does not correlate significantly with the total score or is declared invalid. Based on Table 1, it can be seen that each question item above has a calculated r_{count} of more than r_{table}, and both sides are also no more than a sig value of 0.05. So it can be said that the question items on the variables lifestyle (X1), income (X2), and financial management (Y) are declared valid.

Table 1. Validity Test Result

Items	r_{count}	r_{table}	Sig.	Information
X1.1	0.672	0.208	< 0.001	
X1.2	0.606	0.208	< 0.001	
X1.3	0.467	0.208	< 0.001	
X1.4	0.554	0.208	< 0.001	
X1.5	0.723	0.208	< 0.001	Valid
X1.6	0.716	0.208	< 0.001	
X1.7	0.639	0.208	< 0.001	
X1.8	0.402	0.208	< 0.001	
X1.9	0.561	0.208	< 0.001	
X1.10	0.475	0.208	< 0.001	
X2.1	0.672	0.208	< 0,001	
X2.2	0.508	0.208	< 0,001	
X2.3	0.209	0.208	< 0.049	Valid
X2.4	0.585	0.208	< 0.001	
X2.5	0.728	0.208	< 0.001	
X2.6	0.693	0.208	< 0.001	
Y.1	0.802	0.208	< 0.001	
Y.2	0.760	0.208	< 0.001	
Y.3	0.729	0.208	< 0.001	
Y.4	0.660	0.208	< 0.001	
Y.5	0.715	0.208	< 0.001	
Y.6	0.709	0.208	< 0.001	Valid
Y.7	0.699	0.208	< 0.001	
Y.8	0.702	0.208	< 0.001	
Y.9	0.605	0.208	< 0.001	
Y.10	0.722	0.208	< 0.001	
Y.11	0.495	0.208	< 0.001	

Source: Primary Data Processing Results (2024)

4.1.2 Reliability Test

Reliability testing was carried out to determine whether the questionnaire tool could be used consistently. According to Sugiyono (2018:220), an instrument is considered reliable if it has a reliability coefficient of at least 0.6. All variables examined in Table 2 show a Cronbach Alpha value > 0.6. Therefore, it can be said that the lifestyle, income and financial management variables are declared reliable.

Table 2. Reliability Test Result

Variable	Number of Items	Cronbach Alpha	Information
Lifestyle (X1)	10	0.842	
Income (X2)	6	0.606	Reliable
Financial Management (Y)	11	0,889	

Source: Primary Data Processing Results (2024)

4.2 Descriptive Analysis of Respondents

This research uses descriptive analysis of respondents to clearly determine the number of respondents who have been divided according to predetermined characteristics. The demographic characteristics of this research include age, gender, and income or pocket money of respondents in Generation Z, active students of the 2021 Management Studies Study Program at Sanata Dharma University. Characteristics of respondents based on age showed that there were 69 respondents in this study in the age range of 20-23 years; Based on gender, there were 26 male respondents and 43 female respondents; and based on the respondents' income or pocket money, it was found that the range of income or pocket money with a nominal value of IDR500,000.00 to IDR1,500,000.00 dominated 34 respondents.

4.3 Classical Assumption Tests
4.3.1 Normality Test

The residual value resulting from regression can be determined using a normality test, one of which uses the One Sample Kolmogorov Smirnov test (Sugiyono, 2018:235). The results of the One sample Kolmogorov Smirnov test, shown in Table 3, obtained a sig value. 0.090. This value is more than 0.05 so it can be interpreted that the data is normally distributed.

Table 3. Normality Test Result

Unstandaedized Residual	N	Kolmogrov Sminrov Z	Asymp. Sig (2-tailed)	Sig. *Critical	Information
Model	89	0.087	0.090	0.05	Normal

Source: Processing Results using SPSS 25 (2024)

4.3.2 Multicollinearity Test

This research uses a multicollinearity test to find out whether there is a correlation between the independent variables in the regression model, namely by looking at the tolerance value and the Variance Inflation Factor or VIF value (Sugiyono, 2018:242). If the tolerance value is more than 0.10 and the VIF value is less than 10.00, then the data does not have multicollinearity. Conversely, if the tolerance value is less than 0.10 and the VIF value is more than 10.00, then the data has multicollinearity. Based on Table 4, it shows that there is no multicollinearity in the data, where the tolerance value is 0.967 and the VIF value is 1.034.

Table 4. Multicollinearity Test Result

Variable Independent	Variable Dependent	Tolerance Value	Tolerance	VIF Value	VIF *Critical	Information
Lifestyle (X1)	Financial Management (Y)	0.967	0.10	1.034	10.0	Multicollinearity does not occur
Income (X2)		0.967	0.10	1.034	10.0	

Source: Processing Results using SPSS 25 (2024)

4.3.3 Heteroscedasticity Test

The heteroscedasticity test aims to determine whether there are differences in variables and residuals from one observation to another in the regression model (Sugiyono, 2018:256). If the sig value is more than 0.05 then heteroscedasticity does not occur. Conversely, if the sig value is less than 0.05 then heteroscedasticity occurs. Based on Table 5, it shows that there is no heteroscedasticity in the data, where the sig value for the lifestyle and income variables is more than 0.05.

Table 5. Heteroscedasticity Test Result

Variable	Sig.	Information
Lifestyle (X1)	0.518 > 0.05	Heteroscedasticity
Income (X2)	0.863 > 0.05	does not occur

Source: Processing Results using SPSS 25 (2024)

4.4 Multiple Linear Regression Analysis

The data analysis technique used in this research is multiple linear regression analysis. The dependent variable of this research is financial management (Y) and the independent variables of this research include lifestyle (X1) and income (X2). Based on Table 6, the multiple linear regression equation is as follows:

Y = 25.678 – 0.239 X1 + 0.787 X2

Table 6. Multiple Linear Regression Analysis

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistic	
		B	Std. Error	Beta	T	Sig.	Tolerance	VIF
1	(Constant)	25.678	4.365		5.885	<0.001		
	Lifestyle (X1)	0.239	0.108	0.213	2.206	0.030	0.967	1.034
	Income (X2)	0.787	0.194	0.390	4.047	<0.001	0.967	1.034

a. Dependent Variabel: Financial Management (Y)

Source: Processing Results using SPSS 25 (2024)

4.5 Hypothesis testing

Hypothesis testing is divided into two, namely (1) F test to see the simultaneous influence of lifestyle and income on financial management of Generation Z students of the USD Management Study Program; and (2) t test to see the partial influence of lifestyle on the financial management of Generation Z students of the USD Management Study Program and the partial influence of income on the financial management of Generation Z students of the USD Management Study Program. Table 7 shows that the sig value is smaller than 0.05, so it can be interpreted that lifestyle and income simultaneously influence the financial management of Generation Z students at the USD Management Study Program. Furthermore, Table 8 shows that (1) lifestyle has a positive effect on financial management of Generation Z students of the USD Management Study Program; and (2) income has a positive effect on financial management of Generation Z students of the USD Management Study Program.

Table 7. F Test Results

Anova						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	750.459	2	375.230	12.662	<0.001
	Residual	2548.485	86	29.634		
	Total	3298.944	88			

a. Dependent Variable: Financial Management (Y)

b. Predictors: (Constant), Lifestyle (X1), Income (X2)

Source: Processing Results using SPSS 25 (2024)

Table 8. t Test Results

Coefficients						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	25.678	4.365		5.885	<0.001
	Lifestyle (X1)	0.239	0.108	0.213	2.206	0.030
	Income (X2)	0.787	0.194	0.390	4.047	<0.001

a. Dependent Variabel : Financial Management (Y)

Source: Processing Results using SPSS 25 (2024)

4.5.1 Lifestyle has a positive influence on financial management of Generation Z students of the USD Management Study Program

Hypothesis 1 of this research is accepted, where lifestyle has a positive effect on financial management of Generation Z students of the USD Management Study Program. This can be seen in Table 8 where the sig value of the lifestyle variable is smaller than 0.05. Therefore, it can be interpreted that the increasing lifestyle will improve the financial management of

generation Z students of the USD Management Study Program. Generation Z, with a lifestyle that tends to lead to a hedonic lifestyle, namely a lifestyle whose activities are to seek pleasure in life, should have an understanding of appropriate financial management so that it can improve welfare. This is in line with the Theory of Planned Behavior (TPB) which states that an individual's intention to do something is an important component in the theory of planned behavior (Ajzen, 2020). Lifestyle is a reflection of subjective norms related to attitudes towards behavior and is a component included in the TPB (Kamalian, Didarloo, Khalkhali and Maheri, 2023). A person who has a positive perception of how they use their money can act wisely and responsibly in terms of their finances. How well students manage their money and pay attention to other expenses will show their financial behavior. This is also in line with the research results of Zhu (2021); Hazari and Sethna (2023) who show that lifestyle has a positive effect on financial management.

4.5.2 Income has a positive effect on financial management of Generation Z students of the USD Management Study Program

Hypothesis 2 of this research is accepted, where income has a positive effect on financial management of Generation Z students at the USD Management Study Program. This can be seen in Table 8 where the sig value of the income variable is smaller than 0.05. Therefore, it can be interpreted that increasing income will improve the financial management of generation Z students of the USD Management Study Program. Generation Z's biggest income comes from pocket money given by their parents, scholarships they get every period, and working part time for companies (Katusiime, 2021). The increasing income obtained by generation Z from parents' pocket money, scholarships and work wages has an impact on financial management (Ozili, 2017). Therefore, generation Z has responsible behavior in shopping so as to avoid debt. This is in line with the TPB which states that a person carries out certain behaviors because they have an intention or purpose in doing so, motivated by several factors, one of which is social factors, namely income. Student expenses will be higher if they have a larger income, so it is important for students to understand finances so they can manage their income to avoid debt. The higher a person's income level, the easier it is to meet their needs and they tend to be more responsible for that income (Wang, Weng and Huo, 2023). This is also in line with the results of Ozili's (2017) research; Kurniasari and Utomo (2023); Wang, Weng and Huo (2023) show that income has a positive effect on financial management.

4.6 Coefficient of Determination Test

The coefficient of determination test is used to measure the magnitude of the influence of the independent variable on the dependent. Based on Table 9, it shows that the R Square value is 0.227 (22.7%). This can be interpreted as lifestyle and income variables simultaneously influencing financial management variables by 22.7%. Meanwhile, the remainder (100% - 22.7% = 77.3%) is influenced by other variables outside this regression equation or variables that were not studied.

Table 9. Coefficient of Determination Results

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.270[a]	.227	.245	6.180

a. Predictors: (Constant), Lifestyle, Income
b. Dependent Variable: Financial Management

Source: Processing Results using SPSS 25 (2024)

5. Conclusion

Based on the research results, it can be concluded that lifestyle has a positive influence on the financial management of Generation Z Students of the Sanata Dharma University Management Study Program. This can be interpreted that the more the lifestyle improves, the more students' financial management will improve. Apart from that, the conclusion of this research is that income has a positive effect on the financial management of Generation Z Students of the Sanata Dharma University Management Study Program. This can be interpreted that the more existing income increases, the greater the financial management carried out by students.

The implication of this research is that it is hoped that generation Z will have a frugal lifestyle and be responsible for their income, so that they will have wise behavior in managing finances. Apart from that, generation Z can evaluate their financial management so that generation Z can align their lifestyle and income in the context of good financial management. It is hoped that this will have an impact on reducing the NPL ratio of BNPL services which is dominated by Generation Z.

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