

Financial Literacy to Create a Bright Future

Peter¹, Bram Hadianto^{2*}, Yusuf Osman Raihin³, Agus Aribowo⁴, Tan Ming Kuang⁵

^{1,2,3,4,5} Universitas Kristen Maranatha, Bandung, Indonesia

*Corresponding Author: bram.hadianto@eco.maranatha.edu

Article History Received: 07/11/2023 Revised: 31/12/2023 Accepted: 02/01/2024

Abstract. This service to the community aims to prove the effectiveness of financial literacy substances delivered, i.e., financial, investment, and retirement planning, to the related people in Badan Pendidikan Kristen (BPK) Penabur Metro in Lampung Province. This is due to their inadequate knowledge, obtained after the Maranatha Christian University team interviewed the chief of BPK Penabur Metro. Furthermore, the questions of Chen and Volpe (1988) are utilized to evaluate the success of this event based on the precise answers (PA). Moreover, their percentage gets statistically compared after and before the material delivery (MD). To deliver materials, the presenters utilize the lecture technique. Besides, the discussion is utilized to answer participants' curiosity about the topics. Based on this statistical examination, the portion of PA after the MD is higher than that before the MD, where the level is 62.45% and 36.58%, respectively. In other words, this service to the community successfully elevates their ability to answer these questions.

Keywords: Bright future, Education, Financial literacy, The service to the community.

How to Cite: Peter, P., Hadianto, B., Raihin, Y. O., Aribowo, A., & Kuang, T. M. (2024). Financial Literacy to Create a Bright Future. *Prima Abdika: Jurnal Pengabdian Masyarakat*, 4(1), 10-18. <https://doi.org/10.37478/abdika.v4i1.3343>



Copyright (c) 2024 Peter, Bram Hadianto, Yusuf Osman Raihin, Agus Aribowo, Tan Ming Kuang. This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Introduction

The Indonesian financial literacy index in 2022 achieved 49.68%. It elevated from 38.03% in 2019 (The Indonesian Financial Services Authority, 2022). Despite increasing, it is still low based on Chen and Volpe's cut-off point below 60% (Chen & Volpe, 1998). People in this circumstance will not have enough skills, inspiration, and sureness to apply the related knowledge for better decisions (Lusardi, 2019). As a terrible consequence, they will get effortlessly tempted by irresponsible persons, offering the grand prize on WhatsApp (Widowati & Winarto, 2017).

The efforts to increase national financial literacy become the responsibility of all parties, including the government and higher education institutions (Agasisti et al., 2023). Through university, the lecturers equip their students with these literacy concepts based on financial planning subjects (Setiana & Hadianto, 2022). Besides, they can share their financial knowledge through the service to the community with various targets, such as households in Bekayang Regency (Ary et al., 2021), higher school students in Cirebon City (Herlina et al., 2023) and Jakarta (Zusryn et al., 2021), as well as the households and micro, small, and medium entrepreneurs in Organ Ilir Regency (Yuliani et al., 2023).

Provincially, the Financial Service Authority (FSA) declares the financial literacy index of Lampung of 41.30% in 2022, with a growth of 30.97%. This intensification takes the top three in Sumatra after Bangka Belitung and North Sumatra. At least this condition demonstrates the significant efforts of the provincial government, financial service institutions, and related stakeholders to educate people financially (Sukarta, 2022).

One of the cities in the Lampung province is Metro. With a 68.74 km square area, this city has numerous educational institutions (Basri, 2019). One of them belongs to *Badan Pendidikan Kristen (BPK) Penabur*. It organized kindergarten and elementary schools since its operational permit in 1967 (Suharto, 2017) and a junior high school since 2020 (Kementerian Pendidikan,

Kebudayaan, Riset, dan Teknologi, 2023). As the educational foundation, it gives attention to the knowledge of the teachers and the school staff members.

Based on a discussion with Dr. Peter, S.E., M.T., in the Zoom Meeting on April 25, 2023, the chairman of *BPK Penabur Metro*, Mr. Samuel Djoko Susilo, S.T., revealed that its affiliated persons do not understand the benefits of personal financial management and planning, investment instruments, and the preparation of pensions yet. Hence, the chairman demanded Dr. Peter, SE., M.T., to provide the related training by sending the invitation letter No. 032/BPK.P-Mtr/IV/2023 on April 28, 2023.

Implementation Method

The first step after the received invitation letter, Dr. Peter, S.E., M.T. created the service to the community committee involving the lecturers from three departments in the Business Faculty at Maranatha Christian University, Bandung. They are Herlina, S.E., M.T. Dini Iskandar, S.E., M.M., Dr. Bram Hadianto, S.E., M.Si., Tedy Wahyusaputra, S.E., M.M., CFP®, QFE®, QWP®, CIPM®, Martalena, S.E., M.M., CFP® from Undergraduate Management Department, Dr. Lina Anatan, S.E., M.Si., Dr. Agus Aribowo, S.E., M.M., and Dr. Yusuf Osman Raihin, M.M., from Graduate Management Department, and Tan Ming Kuang, S.E., M.Si., Ak., CA., Ph.D from Undergraduate Accounting Department. To straightforwardly coordinate, Dr. Peter, S.E., M.T., set each personal role of the committee member, as displayed in Table 1.

Table 1. *The role of the lecturers in the service to the community*

The Lecturer name	Role
Dr. Peter, S.E., M.T.	Chairman and contact person between the committee and <i>BPK Penabur Metro</i>
Herlina, S.E., M.T.	Treasurer
Dini Iskandar, S.E., M.M.	Secretary
Dr. Bram Hadianto, S.E., M.Si.	The committee member for designing the questionnaire and writing the paper to publish in the service to the community journal
Tedy Wahyusaputra, S.E., M.M., CFP®, QFE®, QWP®, CIPM®	The committee member for making substances
Martalena, S.E., M.M., CFP®	The committee member for making the substances
Dr. Yusuf Osman Raihin, M.M.	The committee member for making e-news
Dr. Agus Aribowo, S.E., M.M.	The committee member for supporting the writing of the book chapter
Tan Ming Kuang, S.E., M.Si., Ak., CA., Ph.D.	The committee member for advising the service to the community

Besides, this service to the community involved eight undergraduate students and two graduate students in the Business Faculty at Maranatha Christian University, and their roles are in Table 2.

Table 2. *The role of the students in the service to the community*

The student name	Status	The role
Amisiska Natalia Saragi	Undergraduate management student	The operator of the laptop computer during all sections
Fransisca Carolina	Undergraduate management student	Taking photoshoots and video shoots during all sections
Sharon Regina	Undergraduate management student	The master of the ceremony
Calvin Fatawijaya	Undergraduate accounting student	Making Google Forms and their link to document the responses of participants

The student name	Status	The role
Imelda Yunita	Undergraduate accounting student	Making Google Forms and their link to document the responses of participants
Eissel Refaya	Undergraduate management student	Helping to design the banner and the certificate
Isabella Monica Putri	Graduate management student	Assisting the committee member in making e-news
Arini Dewi Pangestu	Graduate management student	Assisting the committee member in writing the book chapter

The second step is the schedule arrangement for the event on June 17, 2023, covering some sections, i.e., the opening, the first, second, third, and fourth ones, and the closing section (see Table 3).

Table 3. *The schedule of the service to the community for BPK Penabur Metro*

Section	Time	Description	Person in charge
Opening	07.45-08.00	Opening prayer and Welcome speech	The master of the ceremony and the representative of <i>BPK Penabur Metro</i>
	08.00-08.15	Filling in the online inquiry form before the delivered substances	The master of the ceremony
One	08.15-09.15	The presentation of financial planning	Dr. Peter, S.E., M.T.
Two	09.15-10.15	The presentation of investment planning	Martalena, S.E., M.M., CFP®
Three	10.15-11.15	The presentation of retirement planning	Dr. Peter, S.E. M.T.
Four	11.15-12.00	Question and answer	Dr. Peter, S.E., M.T., and Martalena, S.E., M.M. CFP®
	12.00-12.15	Filling in the online inquiry form once the delivered substances	The master of the ceremony
	12.15-12.20	Closing speech	The representative of <i>BPK Penabur Metro</i>
Closing	12.20-12.30	Closing prayer	The representative of the community service committee

The third step is the determination of the technique to deliver the materials. In this step, this service to the community adopts the lecture-discussion technique. With this method, Kaur (2011) explains that the lecturer in charge inspires the audience to comment on the delivered topics; consequently, an active question-and-answer section will happen.

The last step is the evaluation of the success of this event. To do it, this service to the community utilizes the questions from Chen and Volpe (1998). Moreover, the list of questions gets shared twice, i.e., before and after the delivered substances (DS). Then, the percentage of precise responses (PPR) for two situations gets calculated and statistically compared. This event will succeed if the PPR after the DS is more significant than the PPR before the DS, shown by the probability (1-tailed) below the 5% significance level based on the paired sample t-test, as Ghozali (2021) explains.

Results and Discussion

Activity results

On June 17, 2023, this service to the community happened in the auditorium of *BPK Penabur Metro*, Lampung, followed by the participants. For

the introduction section, Pdt. Theo Paulus Situmorang, S.Th., as its representative, opened this event with a prayer (see Figure 1).



Figure 1. *The opening prayer by the representative of BPK Penabur Metro*

Before delivering the materials, Sharon Regina, the master of the ceremony, asked the participants to fill in the online questionnaire containing the questions of Chen and Volpe (1998). This situation is obtainable in Figure 2.



Figure 2. *Filling in the questionnaire before the delivered substances*

In the first section, Dr. Peter, S.E., M.T., started explaining the financial planning concepts, such as the definition, principles, goals, types, human lifecycle-based plans, reasons, classification, ways to plan, and management of monthly outflow in the family (see Figure 3).



Figure 3. *The Presentation of Financial Planning Substances*

In the second section, Martalena, S.E., M.M., CFP®, enlightened several investment planning concepts, such as the definition, the suitable investments, the steps to decide on investment, the type of investors based on the risk profile, and physical and financial assets, the considered factors of investing in the capital market instrument (see Figure 4). In the third section, Dr. Peter, S.E., M.T., elucidates several retirement planning concepts, like the

reasons, several vital matters for preparing for a pension, and strategies to get income when not working anymore. Also, he described the common mistakes when arranging retirement and the technique to calculate the capital needed when retired (see Figure 5).



Figure 4. *The Presentation of Investment Planning Substances*



Figure 5. *The Presentation of Pension Planning Substances*

After the pension planning materials, the master of the ceremony opened the question-and-answer section. Six participants took the opportunity to ask questions. Because of their excellent questions, the committee, symbolized by Dr. Yusuf Osman Raihin, M.M., and Dr. Agus Aribowo, S.E, M.M., gave them gifts. After that, they got pictured together, as Figure 6 exhibited (The left was Dr. Yusuf Osman Raihin, M.M., and the right was Dr. Agus Aribowo, S.E, M.M.). Next, the master of the ceremony asked the participants to fill in the questionnaire again. This section was crucial because it would determine the success of this meeting. If the percentage of correct responses in this section is higher than that in the beginning section, the substances delivered are successful, and vice versa (see Figure 7).



Figure 6. *The Participants with Gifts between two represented service to the community committee members*



Figure 7. *Filling in the questionnaire after the delivered substances*

In the closing section, Mr. Samuel Djoko Susilo, S.T., the chairman of *BPK Penabur Metro*, delivered a speech (see Figure 8): We are grateful for the sharing of the lecturers from Maranatha Christian University and believe that this sharing will equip us to prepare early investments toward a prosperous retirement in Metro, a comfortable city to live in. Also, we hope that this cooperation will continue in other chances.



Figure 8. *The Closing Speech*

Afterward, Dr. Agus Aribowo, S.E., M.M., prayed to close the event (see Table 9), followed by a photoshoot section involving the chairman and the participants from *BPK Penabur Metro* and the service to the community committee team from Maranatha Christian University (see Figure 10).



Figure 9. *The Closing Prayer*



Figure 10. *Taking picture together*

Statistical results

The number of people who consistently fill in the questionnaire before and after delivered substances is 28. Furthermore, they get classified based on gender, time of life, occupation, and education, as Table 4 describes. The dominant participants are males (67.86%) and people aged from 31 to 40 (32.14%) and 41 to 50 (32.14%). Their leading occupation and last formal education are a teacher (78.57%) and bachelor (85.71%).

Table 4. *The demographic features*

Feature	Sub-Feature	Total	Portion
Gender	Male	19	67.86%
	Female	9	32.14%
Time of life	From 18 to 20	1	3.57%
	From 21 to 30	7	25.00%
	From 31 to 40	9	32.14%
	From 41 to 50	9	32.14%
	From 51 to 54	2	7.14%
Occupation	The member of <i>BPK Penabur Metro</i>	1	3.57%
	The secretary staff of <i>BPK Penabur Metro</i>	1	3.57%
	The office head	1	3.57%
	School operator	1	3.57%
	Higher educational student	1	3.57%
	Librarian	1	3.57%
	Teacher	22	78.57%
Last formal schooling	Senior high school	3	10.71%
	Bachelor	24	85.71%
	Master	1	3.57%

The effectiveness of the substance delivery needs to be assessed statistically. Before examining the difference between the correct answers (CA) in percentage based on 33 modified questions from Chen and Volpe (1998) before and after the delivered material sections, we utilize Kolmogorov-Smirnov to detect the normality for the statistical parametric testing, as Ghozali (2021) and Hartono (2014) explain, and Table 5 presents the result. In Table 5, the asymptotic significance of Z-KS is 0.891 and 0.188 for the ratio of CA before and after the delivered substances. Because these values exceed the 5% significance level (α), these two conditions-based percentages of CA have a normal distribution.

Table 5. *The Kolmogorov-Smirnov Normality Testing Result*

Description	The ratio of CA before the substances delivered	The ratio of CA after the substance delivered
Total participants	28	28
Kolmogorov-Smirnov Z	0.579	1.088
Asymp. Sig. (2-tailed)	0.891	0.188

Next, we compare the correct answers in percentage by statistical testing, where the result is available in Table 6: 62.5% and 36.58% after and before the delivered substances, respectively, and confirmed by the probability (2-tailed) divided by two of 0.000. Therefore, the increasing percentage of correct responses happens and indicates the successful transfer of knowledge in financial, investment, and retirement planning.

Table 6. *The testing result of the difference between the correct answers before and after the delivered substances*

Description	Paired Differences		t	df	Sig. (2-tailed)
	Mean	Standard error of the mean			
Comparison between CA pre and post-DS	0.25871	0.01491	17.35	27	0.000
The percentage of correct answers after the delivered substances					62.45%
The percentage of correct answers before the delivered substances					36.58%

Discussion

By mentioning a statistical check, the proportion of the accurate answers of 28 participants rises from 36.58% to 62.45% before and after the delivered substance, respectively. It indicates the changes from low to middle literacy levels based on Chen and Volpe (1998). People with this literacy will know the interest rate, inflation, and risk diversification (Grohmann, 2018) and plan their future by placing their current money in banking time deposit accounts and purchasing mutual funds instruments managed by investment managers, bonds, and insurance (Chen & Volpe, 1998). Besides, they will financially behave, as the study by Nave et al. (2023) and Marbun et al. (2023) demonstrates.

Despite the different treatment and object, the service to the community in this Metro City confirms Herlina et al. (2023), descriptively declaring the student financial literacy level of Christian Senior High School 1 of *BPK Penabur* in Cirebon is higher than its cut-off level of 60%. In their mentoring event for households in Kawan Hamlet in Bengkayang Regency, Ary et al. (2021) claim that of 33 people, 23 participants dominantly have a 76 to 100% comprehension of the material (69.69%).

Additionally, the result of the service to the community in this Metro City is similar to Zusryn et al. (2021) training the students in Madrasa School with Shariah literacy. They evaluate the student's answer by asking questions of interest (I1), Gharar (I2), speculative actions (I3), the goal of Shariah finance

(I4), and profit sharing (I5) with the true-false answer. After training, the precise answer for I1, I2, I3, I4, and I5 is 96.55%, 65.52%, 68.97%, 93.10%, and 86.21%, respectively. This correct response is higher than that before training for I1, I2, I3, I4, and I5 of 93.10%, 41.38%, 31.03%, 58.62%, 65.52%, and 58.62%, individually.

Finally, the result of the service community in this Metro City supports Yuliani et al. (2023), declaring that the 33 participants in Rantau Panjang District of Organ Ilir Regency, consisting of households and micro, small, and medium entrepreneurs, can correctly answer all saving literacy questions after training.

Conclusion and Suggestion

Financial literacy is the national focus, proven by the survey of the Financial Service Authority in Indonesia. Therefore, the lecturers and students in the Business Faculty of Maranatha Christian University take part in increasing this level. On June 17, 2023, they had the opportunity to realize it through their service to the society in *BPK Penabur* Metro. This event was successful because the percentage of correct answers from participants in the post-presented materials (62.45%) was higher than that in the pre-presented ones (36.58%). Unfortunately, this achievement is not ideal because this level cannot attain 80% yet. Therefore, this paper formally suggests that motivated people join the online class of a certified financial planner held by the official team at the Maranatha Christian University. Informally, they can seek and watch YouTube content presenting financial literacy topics.

References

- Agasisti, T., Barucci, E., Cannistrà, M., Marazzina, D., & Soncin, M. (2023). Online or on-campus? Analyzing the effects of financial education on student knowledge gain. *Evaluation and Program Planning*, 98, 102273. <https://doi.org/10.1016/j.evalprogplan.2023.102273>
- Ary, W. W., Sugianto, H. A. T., & Kristianto, A. H. (2021). The financial literacy mentorship for the household in Kawan Hamlet, Bengkayang Regency. *ABDIMAS: Jurnal Pengabdian Masyarakat*, 4(1), 420–427. <https://doi.org/10.35568/abdimas.v4i1.1013>
- Basri, B. (2019). *Metro City: a city with exciting educational progress*. Metro State Asset Management and Auction Services Office. <https://www.djkn.kemenkeu.go.id/kpknl-metro/baca-artikel/12792/Kota-Metro-Kota-Dengan-Kemajuan-Pendidikan-yang-Menggembirakan.html>
- Chen, H., & Volpe, R. P. (1998). An analysis of personal financial literacy among college students. *Financial Services Review*, 7(2), 107–128. [https://doi.org/10.1016/s1057-0810\(99\)80006-7](https://doi.org/10.1016/s1057-0810(99)80006-7)
- Ghozali, I. (2021). *Multivariate Analysis Application by IBM SPSS 26* (10th ed.). Badan Penerbit Universitas Diponegoro.
- Grohmann, A. (2018). Financial literacy and financial behavior: Evidence from the emerging Asian middle class. *Pacific Basin Finance Journal*, 48, 129–143. <https://doi.org/10.1016/j.pacfin.2018.01.007>
- Hartono, J. (2014). *Business Research Methodology: Misunderstandings and Experiences* (6th ed.). Badan Penerbit Fakultas Ekonomi Universitas Gadjah Mada.
- Herlina, H., Hadianto, B., Gunawan, I., Peter, P., Martalena, M., & Iskandar, D. (2023). Financial literacy for the students in Christian Senior High School

- 1 of BPK Penabur in Cirebon to prepare them to be intelligent investors. *PengabdianMu: Jurnal Ilmiah Pengabdian Kepada Masyarakat*, 8(4), 523–528. <https://doi.org/10.33084/pengabdianmu.v8i4.4452>
- Kaur, G. (2011). Study and analysis of lecture model of teaching. *International Journal of Educational Planning & Administration*, 1(1), 9–13. https://www.ripublication.com/ijepa/ijepav1n1_001.pdf
- Kementerian Pendidikan, Kebudayaan, Riset, dan Teknologi. (2023). *The data reference of SMP Kristen BPK Penabur Metro*. Data Referensi. <https://referensi.data.kemdikbud.go.id/tabs.php?npsn=70006103>
- Lusardi, A. (2019). Financial literacy and the need for financial education: Evidence and implications. *Swiss Journal of Economics and Statistics*, 155(1), 1–8. <https://doi.org/10.1186/s41937-019-0027-5>
- Marbun, O., Hadianto, B., & Mariana, A. (2023). Financial literacy, attitude, internal control locus, and money-associated behavior of undergraduate students. *Ekonomi, Keuangan, Investasi, & Syariah (EKUITAS)*, 4(4), 1199–1206. <https://doi.org/10.47065/ekuitas.v4i4.3396>
- Nave, J. M., Oliva, L., & Toscano, D. (2023). Financial knowledge and financial behavior: The moderating role of home ownership. *Finance Research Letters*, 57, 104208. <https://doi.org/10.1016/j.frl.2023.104208>
- Setiana, S., & Hadianto, B. (2022). Financial knowledge, internal control locus, and personal money-related behavior: A survey on undergraduate accounting students. *Integrated Journal of Business and Economics*, 6(2), 172–184. <https://doi.org/10.33019/ijbe.v6i2.360>
- Suharto, T. (2017). The Profile of BPK PENABUR Metro. *Jurnal Pendidikan Penabur*, 29(16), 112–116. <https://bpkpenabur.or.id/media/nyijg1fv/halm-112-116-profil-metro.pdf>
- Sukarta, A. W. (2022). *The Financial Service Authority mentions that the financial literacy index in Lampung has risen to 41.30 percent*. Antara News. <https://lampung.antaranews.com/berita/665105/ojk-sebut-indeks-literasi-keuangan-di-lampung-naik-jadi-4130-persen>
- The Indonesian Financial Services Authority. (2022). *The 2022 national financial literacy and inclusion survey*. Press Release SP/82/DHMS/OJK/XI/2022. <https://www.ojk.go.id/iru/policy/detailpolicy/9625/press-release-2022-national-financial-literacy-and-inclusion-survey>
- Widowati, M., & Winarto. (2017). The financial literacy of the actors of the small and medium enterprises in Semarang. *Jurnal Ilmiah Akuntansi & Keuangan (INFAK)*, 3(2), 114–122. <http://jurnal.poliupg.ac.id/index.php/infak/article/view/176>
- Yuliani, Y., Isnurhadi, I., Taufik, T., & Maulana, M. (2023). Achieving financial goals through better savings literacy for the Kota Daro II Village Community in Rantau Panjang District, Ogan Ilir Regency, South Sumatera. *Abdimas Umtas: Jurnal Pengabdian Kepada Masyarakat*, 6(1), 3146–3152. <https://doi.org/10.35568/abdimas.v6i1.2930>
- Zusryn, A. S., Rofi'i, M., & Gani, A. N. (2021). Islamic financial literacy program in Generation Z Islamic senior high school students. *Abdimas: Jurnal Pengabdian Masyarakat Universitas Merdeka Malang*, 6(4), 541–551. <https://doi.org/10.26905/abdimas.v6i4.5365>