



## Financial Management Education for Boarding Students Through the Application of Digital-Based Investment

Tia RINJANI<sup>1</sup>, Sayidatul AQILAH<sup>1</sup>, Hendri Hermawan ADINUGRAHA<sup>1</sup> and Muhammad Aris SAFI'I<sup>1</sup>

<sup>1</sup>UIN K.H. Abdurrahman Wahid Pekalongan, Faculty of Islamic Economics and Business Sharia, Indonesia

### Article Info

Received: 02.12.2024

Accepted: 23.12.2024

Published:30.12.2024

### Keywords

Financial  
Investment  
Education  
Training



### ABSTRACT

Managing finances is often a problem for boarding students, mainly due to consumptive lifestyles and lack of financial management. Differences in living environment also often affect the pattern of one's life. Lifestyle differences play a big role in the management of each individual's needs. Good/effective financial planning allows a person to be able to understand how each financial decision will have an overall impact on their financial situation. This study provides instruction on financial planning and investment to Putra Tunggal boarding students. The purpose of this activity is to improve them on financial management and encourage them to make investments, with a special emphasis on stock-based digital investments. The education consisted of two sessions: explanation of basic investment theories and practice of using digital platforms. The results of the activity show that the education on finance can increase students' understanding to better manage their finances, by not only allocating to fulfill their basic needs, but also setting aside their money to invest through digital platforms. With this activity, it encourages them to start investing with small capital.

## 1. INTRODUCTION

Managing finances for boarding students is often difficult, as they have to be responsible for their own finances. Students who live in boarding houses have to divide their money each month to pay for food, transportation, and their academic needs with limited income, which usually comes from parental remittances, scholarships, or part-time jobs. Differences in living environment often affect the pattern of one's life. Lifestyle differences play a big role in the management of each individual's needs. In this situation, they need to be able to manage their finances well so that they do not face financial problems before the end of the month.

Through financial planning, people can form a self-image of their future status and become financially independent. Without a financial plan, the financial picture becomes blurred and deteriorates, and a person can fall into a consumptive lifestyle/ overspending and spending money beyond their needs and income. This often happens to someone, this is one of the negative consequences of not fulfilling their financial plan

[1]. However, there are still students who do not know how to manage their finances. some boarding students often experience financial problems due to consumptive lifestyles, lack of financial records, and lack of knowledge about prioritizing needs. In addition, the situation is exacerbated by a lack of financial knowledge, including an understanding of investment.

However, starting investing early can help students make good financial habits and prepare for the future. Along with the development of advanced technology, there are many platforms that provide a place to make digital-based investments that are certainly easily accessible anytime and anywhere by the wider community, including students. The existence of this growing technology, provides an opportunity for students to be able to start investing flexibly, even with small capital that suits their financial condition. However, the understanding of students who live in single male boarding houses is still relatively low regarding investment. Lack of information or education, fear of risk and even the assumption that investing requires large capital are factors.

\*Corresponding author

\*e-mail : tia.rinjani@mhs.uingusdur.ac.id  
ORCID ID: 0009-0002-7892-1291

How to cite this article

Rinjani, T., Aqilah, S., Adinugraha, H.H., and Safi'i, M.A. (2024). Financial Management Education for Boarding Students Through the Application of Digital-Based Investment. *Int. J. Act. Health Aging, 1(2),86-90*

According to study Kurniasih, people today often experience confusion in choosing between investment and meeting life needs. Due to the factor of needs that continue to increase day by day, some people believe that investment is very difficult to do. Then, Purnomo said that one of the factors that cause people to be uninterested in investing in various financial instruments is the lack of public financial knowledge. Sometimes when someone has money, they will choose to fulfill their desires rather than their needs. This is certainly a factor in the difficulty of a person to carry out financial management. Good/effective financial planning allows a person to be able to understand how each financial decision will have an overall impact on their financial situation [2].

Many service activities and articles related to financial education have been carried out by previous authors, such as the service activities carried out by [2] related to providing knowledge to the general public and young people, especially students, about financial literacy regarding needs and investments packaged through *talk show* activities. Through Financial *Talk Show* Activities, it shows that young people often lack understanding related to financial management, therefore increasing financial literacy among youth and the general public is needed to be able to manage their needs. With proper financial planning can prevent excessive spending and financial instability. Investment and fulfillment needs can be met simultaneously without sacrificing others. People can still make investments for the future without sacrificing current needs.

According to research conducted [3] The results show that conducting seminars can effectively increase knowledge about the concept of capital markets, can serve as an effective educational tool for proper financial decisions in the future. As well as an increase in interest in investing in the capital market. According to research conducted [4] . entitled Digital Literacy of Students: The Role of Fintech Education on Student Financial Awareness. Effective financial management is very important for the future, through fintech education can influence the increase in financial literacy and good financial awareness for students.

From the results of the service program carried out [5] aims to introduce students to investment and capital markets. With this service program can educate students about investment and capital markets, so that through knowledge about investment can influence good investment decision making and increase financial literacy for them. In a study conducted [6] highlighted that financial investment management planning is a process that aims to achieve personal life goals

through structured financial management. financial investment management planning serves as a tool to meet current and future financial needs. Effective financial planning should include two types of goals to ensure financial security and readiness for future needs.

This template explains how to design the manuscript. If the author (s) uses this template file, no settings change will be required since settings such as font and size, line spacing, spaces before paragraphs, indents, etc. are made in styles. If you want to avoid problems when copy and paste texts or with the text format, you can use “Applying styles to the article” section which is at the end of template.

## 2. MATERIALS AND METHODS

This research method uses qualitative research methods, according to Saryono, qualitative research is research conducted to analyze, describe, find and explain the quality or distinctiveness of social impacts that cannot be measured, explained or described using quantitative research [7]. Then the research approach used is a case study that aims to explore financial management education carried out by boarding students through digital-based investment. In this service activity, the education method is carried out by providing material and practice on the basis of investment to students.

## 3. RESULTS AND DISCUSSION

This educational activity is carried out to increase knowledge in financial management and introduce investment activities to students who do not have knowledge related to investment. Starting from the definition of investment, the purpose and benefits of investment to how to start and invest. The educational activities carried out consisted of two sessions, where in the first session, education was in the form of basic explanations related to investment. In the second session, it was in the form of practice in making investments using one of the investment applications. Before presenting the material, there were basic questions asked to the informants who occupied the single male boarding house regarding the financial management carried out by them. The questions were asked to find out about their financial management and understanding of investment.

### 3.1 Student financial management

Based on the results of the answers to several questions that have been asked, it is found that the financial management carried out by

students who live in the Putra Tunggal Boarding House shows a structured planning. In general, in their management they can prioritize basic needs and record the expenses they have made. However, there are still behaviors that sometimes make them have to make expenses outside of their basic needs, such as online shopping. This shows that they cannot be consistent or disciplined in financial management.



**Figure 1.** Financial management education and introduction to investment

### 3.2 Constraints in managing finances

In managing finances for students who live in boarding houses, they often experience obstacles that can sometimes change the financial plans that have been prepared. Such as the temptation to buy items just because they see discounts or promos, which are actually not so important. Then there are sudden expenses, which can interfere with financial allocation.

Effective financial management requires discipline and a good understanding of financial priorities. Education on financial management and the application of digital-based investment can be a solution to help students overcome this obstacle. With sufficient knowledge about investment, students can be wiser in setting aside some of their money to be invested, so that they can have a reserve fund for sudden expenses without having to sacrifice their savings.

### 3.3. Boarding School Students' Understanding of Investment

Prior to the education, the majority of Putra Tunggal boarding students had a limited understanding of stock investment. They generally only recognize investments as bank savings and gold. Most of them admitted that they only knew about stock investment in general without understanding the mechanism and how to get started. They tend to consider stock investment as a complicated activity that requires large capital. This

has led to low student interest in investing, where among all boarding students have never tried investing in stocks. As expressed by one of the informants, "I know that investing is just saving at the bank or buying gold, if the digital ones are still hesitant because they are afraid of fraud." This is in line with the financial literacy theory put forward by Chen and Volpe that the level of financial literacy of students is still relatively low, especially in the investment aspect. This theory is in line with research [8] which shows that low financial literacy can hinder students' interest in investing. Another informant also revealed "Fear of losing money if you invest digitally, because you often hear news of fraud." This supports the theory of Risk Perception put forward by [9], where risk perception affects a person's decision to invest. This lack of literacy is what causes them not to understand about stock investment and tend not to want to learn about it because of their perception of fear of fraud.

After being given education, they can understand the basics of investment. Students began to understand that stock investment can be started with small capital through digital platforms. shows that Putra Tunggal boarding students stated they had begun to understand about stock investment.

### 3.4. The Effect of Financial Management Education Through Investment

The education provided had a positive impact on Putra Tunggal boarding students. First, there was a change in mindset from previously considering pocket money only for consumption, to being more investment-oriented. Around 65% of students began to allocate some of their pocket money for investment, albeit in small amounts. Second, students became more structured in managing their finances. They began to make simple financial plans by allocating funds for basic needs, emergency funds, and savings and investments. The data shows that most students began to implement the allocation of funds after attending the education program. This positive change can be seen in students' financial management behavior. They began to apply budgeting and set aside funds regularly for investment. As the informant said "Now I always set aside 20% of my monthly money for stock investment, and more wisely manage expenses." In line with Thaler and Shefrin's Behavioral Finance theory on the importance of self-control in financial management [10]. This suggests that education not only improves understanding of investments, but also encourages better financial behavior change [11]. However, there are still some challenges faced

by students in implementing stock investment. Some students still have difficulty in controlling emotions when there are fluctuations in stock prices. There are also obstacles in investment consistency due to limited funds and unexpected needs.

The utilization of digital investment platforms provides easy access for students to start investing. Most of the students who participated in the education have opened securities accounts and started investing regularly through digital platforms. The challenges faced in this education process are technical obstacles such as understanding the use of applications and the account verification process. However, by providing assistance, students can overcome these obstacles. Some students stated that digital platforms make stock investment more accessible.

The effectiveness of education can be seen from the change in students' mindset towards digital investment. They no longer view stock investment as a speculative activity, but rather as a long-term investment instrument that requires analysis and patience. As one informant said, "After learning and practicing, I feel safe with digital investment because the system is monitored by OJK." The results of this study reinforce the Financial Behavior theory proposed by Shefrin that good education and understanding can change a person's financial behavior. Overall, the financial management education program through digital-based stock investment can improve the financial literacy of boarding students. They not only understand the concept of investment, but are also able to practice it. This change in mindset and financial behavior is expected to be a strong foundation for students in building their financial independence in the future.

#### 4. Conclusion

The results of the activities carried out show that financial literacy has an impact on the pattern of financial behavior carried out. Then some students began to understand the basics of stock investment and realized that investment can be started with small capital through digital platforms. Most students became more structured in allocating funds for basic needs, emergency funds, and investments. This change in mindset shows that financial education is able to improve financial literacy and encourage wiser financial behavior, while preparing students to face financial needs in the future.

#### Conflict of Interest

The authors declare no conflict of interest, and no financial or other support influenced the research, authorship, or publication of this article

#### Ethics Committee

This study was conducted in accordance with ethical standards. The research strictly adhered to the ethical principles of the Declaration of Helsinki, prioritizing participant's rights and well-being in design, procedures, and confidentiality measures.

#### Author Contributions

Study Design, TR, SA; Data Collection, TR, SA, HHA; Statistical Analysis, TR, MAS; Data Interpretation, AK; Manuscript Preparation, HHA, MAS; Literature Search, TR, SA, HHA, MAS. All authors have read and agreed to the published version of the manuscript.

#### REFERENCES

1. Sinarwati, N.K., & Herwati, N.T. (2021). Pendampingan Perencanaan Keuangan Dan Investasi Saham Penerapan Project Based Learning untuk Meningkatkan Untuk Organisasi Taruna-Taruni. *Aksiologi: Jurnal Pengabdian Kepada Masyarakat*, 5(2), 209–221. [[CrossRef](#)]
2. Alpiansah, R., Stevany Hanalya Dethan, Ika Yuliana, Putri Amalia Wardi, & Baiq Nadia Nirwana. (2024). Seminar Literasi Keuangan Mengenai Kebutuhan dan Investasi Melalui Kegiatan Talk Show Keuangan. *ABDISOSHUM: Jurnal Pengabdian Masyarakat Bidang Sosial dan Humaniora*, 3(2), 64–72. [[CrossRef](#)]
3. Hidayatullah, S., Saefullah, A., Kohar, A., & Syahreza, A. (2024). Pengenalan Investasi Pasar Modal Bagi Kalangan Mahasiswa dan Pelajar Melalui Seminar Edukasi. *jurnal Pengabdian Masyarakat*, 4(1), 298–310. [[CrossRef](#)]
4. Fandiyanto, R., Amilia, N., Mubarrizah, N., & Darmawan, M. B. (2023). Literasi Digital Mahasiswa : Peran Edukasi Fintech Terhadap Kesadaran Keuangan Mahasiswa. *Journal of Digital Business Research*, 1(1), 38–46.
5. Mychelia Champaca, M.N. (2024). Edukasi Pasar Modal Untuk Meningkatkan Minat Berinvestasi Bagi Mahasiswa. *JAPI (Jurnal Akses Pengabdian Indonesia)*, 9(April), 19–26. [[CrossRef](#)]
6. Dharmawan, D., Budiarto, B. W., Mentalita, H., Br, J. V., Ginting, & Faradiba, B. (2024). Sosialisasi Perencanaan Manajemen Investasi Keuangan pada Mahasiswa Perguruan Tinggi. *Jurnal Pengabdian Kepada Masyarakat*, 4(2), 479–484. [[CrossRef](#)]
7. Nasution, D. A. F. (2023). *Metode Penelitian Kualitatif*. (M. Dr. Hj. Meyniar Albina, Ed.) (I.). Bandung: CV. Harfa Creative.
8. Febrynanda, T., & Martono, S. (2023). The Effect of Financial Literacy Level and Demographic Factors on

- Investment Interest in Satya Wacana Christian University Students. *Jurnal Manajemen*, 14(3), 520–533. [[CrossRef](#)]
9. Ahmed, Z., Rasool, S., Saleem, Q., Khan, M.A., & Kanwal, S. (2022). Mediating Role of Risk Perception Between Behavioral Biases and Investor's Investment Decisions. *SAGE Open*, 12(2). [[CrossRef](#)]
  10. Liu, H. C., & Lin, J. S. (2021). Impact of Internet Integrated Financial Education on Students' Financial Awareness and Financial Behavior. *Frontiers in Psychology*, 12(September). [[CrossRef](#)]
  11. Mughni Al Hakim, I. S., Jihadi, M., & Warsono. (2023). The Effect of Financial Literacy and Financial Behavior on Religiosity Moderated by Investment Decisions. *Jamanika (Jurnal Manajemen Bisnis dan Kewirausahaan)*, 3(02), 186–195. [[CrossRef](#)]

