

Financial Literacy Education in Improving Family Welfare in Wangel Village, Aru Islands Regency

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ABSTRACT

This community service activity was carried out in Wangel Village, Aru Islands Regency. The aim is to provide education for families (households) and the community in managing household finances more effectively, optimally, and responsibly to improve family welfare and maintain family harmony. This activity took place in a hybrid manner with 71 online participants and 15 offline participants. The education carried out in this activity was provided by 3 presenters. And the results of this community service activity are in the form of understanding and knowledge of the participants about planning, financial management, and regular family financial records so that they can improve family welfare.

Keywords: Finance, Family, Welfare



INTRODUCTION

In carrying out family financial planning, of course, cooperation and mutual communication between husband and wife are needed, so that every expense can be accounted for and can be known together. To be able to manage family finances requires abilities and skills, as well as knowledge. Knowledge can be obtained by taking formal education, can also be obtained from work experience and life experience. According to Mahdzan's research (2013) age, gender, education level, work experience affect financial literacy. Rasmini's research (2018) also states that the higher the level of formal education will affect a person's financial literacy. Therefore, financial education is closely related to the level of knowledge and education. And as is known, the level of education in the Aru Islands, especially on the Border Small Island, is still not very high. This is due to the family economy, facilities, facilities and infrastructure that are still minimal and so on. For this reason, it needs an active role from educators to provide education that has an impact on awareness of the importance of family financial management. Because low awareness of the importance of managing finances can result in an imbalance between family income and expenses. If expenses are greater than the income received, it can result in family debt. For this reason, financial education is very important so that expenses can match income and what is really needed.

Not all family members have the ability to manage finances due to various limitations and shortcomings including lack of education in this case financial education. In addition, there are many things that need to be educated including lifestyles that follow socialite trends and eye hunger that can lead to credit purchases that result in debt accumulation and so on. All of this requires awareness of the condition and importance of managing finances. Moreover, life in the Aru Islands, especially the small border islands, has a higher cost of living due to increased transport costs and the difficult distribution of goods. Because goods are more expensive in these small border islands, family financial management is very important. This relates to how to manage the income and expenditure earned so that all needs can be met. To be able to do this, it is necessary to have awareness and basic knowledge about family financial literacy. This community service aims to educate families (households) and communities in managing family finances more effectively, optimally and responsibly in order to improve family welfare and family harmony.

RESEARCH METHODS

This financial literacy education activity was carried out online and offline. Offline implementation took place in Wangel Village, Aru Islands Regency, Maluku Province. While online is done through zoom media. The stages in this activity include field

identification, PKM preparation, publication, PKM implementation, evaluation and reporting.

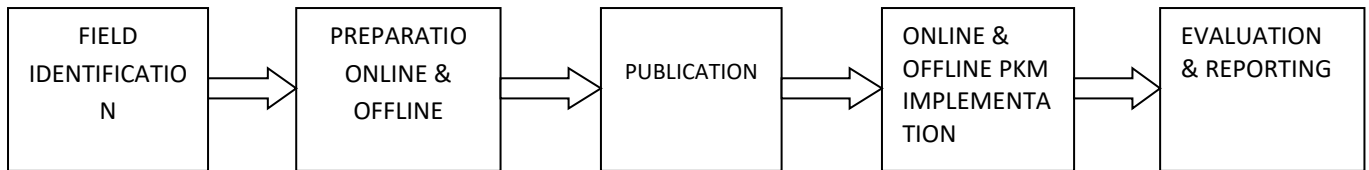


Figure 1: Stage of Community Service Activities

In its implementation, there were 2 teams working, the first team was in Aru Regency to carry out field preparations in Wangel Village and the second team was in Ambon City to prepare for online implementation and coordination with presenters. The material was delivered by 3 resource persons namely Dr Maria K. Tupamahu, M.Si, Fanny M Anakotta, M.Si, Trisna Sary Lewaru, M.Sc., Ak., CA. The material presented in this activity is in the form of:

- - Lecture on family financial planning during the covid 19 pandemic
- - Lecture on family financial management
- - Lecture on the benefits of family financial records

All presenters gave their talks through the Zoom Meeting media. For this reason, the location for the implementation of the previously selected activities has been confirmed to have an internet network. Given that not all areas in the Aru Islands have a stable internet network.

The participants in this activity are mothers/fathers of households as family caregivers and students as agents of reform who can convey their knowledge to families at home..

RESULTS AND DISCUSSION

This PKM activity was carried out on 1 December 2021, located in Wangel Village, Aru Islands Regency and was also carried out through zoom media.



Figure 1. Poster of Community Service Activities

The implementation of this activity is scheduled as follows (table 1):

Table 1. Schedule for the implementation of PKM activities

TIME	EVENT	DESCRIPTION
08.00	Persiapan Teknis	Panitia
09.00	Pembukaan	Mc
09.15	Penyampaian Pemateri 1	Pembicara 1
09.40	Penyampaian Pemateri 2	Pembicara 2
10.05	Penyampaian Pemateri 3	Pembicara 3
10.30	Sesi Tanya Jawab	Peserta & Pemateri
11.00	Doa dan Penutupan	Panita dan MC

In this activity, participants were given an understanding of family financial management, because the family is the smallest component of society consisting of fathers, mothers, and children but can have a big influence on the wider community. As conveyed by the speaker in this activity that if the family is financially healthy, it can be an indicator of the success of the economy and development of a country. For this reason, it is important to manage family finances.

Family financial management also requires skills because not everyone has the ability to manage finances. According to the speaker, family management is an art and skill in managing income (money in) and expenses (money out) obtained to be able to meet all family needs that are routine, planned in the future and unexpected or unplanned expenses.

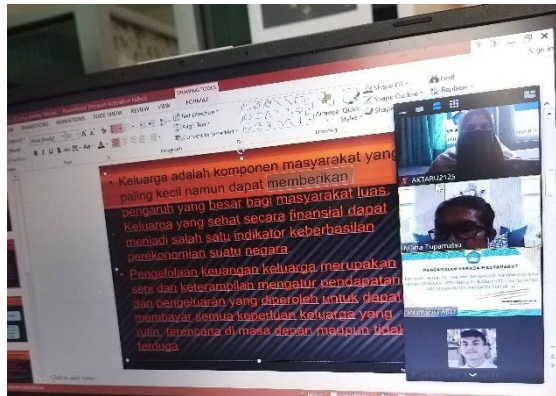


Figure 2. Submission of PKM Activity Materials

After the motivation and understanding of family financial management was given, participants were then given an explanation of how to manage family finances properly and how to keep regular records.



Figure 3. Implementation of PKM Activities

From the presentation given by the resource person, the participants gained additional knowledge about family financial management which turned out to be very influential on welfare. And it turns out that it is easy to do financial planning. According to OJK (2018), there are only 3 steps to make family finances more prosperous, namely, 1) set financial goals in the household, 2) conduct regular wallet checks, 3) compile a monthly household budget. Because the participants are mostly housewives, of course for them this education is very enlightening and additional knowledge, for that hope that activities like this are often carried out.

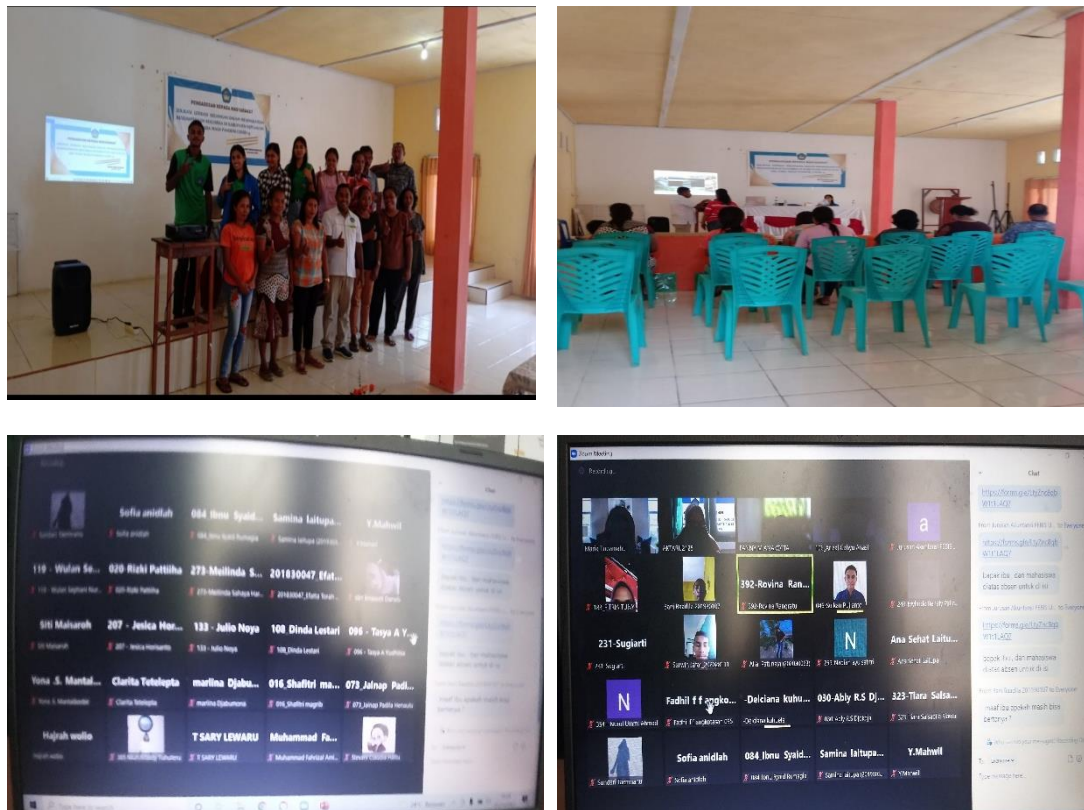


Figure 4. PKM Activity Participants

The inhibiting factor in this community service activity is an unstable internet network due to heavy rain in the Aru Islands area. However, the implementation of this activity continued according to plan and participants who attended via zoom were still able to listen to the presentation..

CONCLUSIONS AND SUGGESTIONS

The implementation of community service activities in Wangel Village provides benefits in opening up insights into the importance of family financial management literacy to improve welfare. Based on the evaluation results, it is suggested that similar educational activities need to be carried out in other villages and more comprehensive and sustainable efforts are needed in fostering the spirit of family love through good family financial management..

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