

## **CHAPTER 4 CONCLUSION AND SUGGESTION**

### **4.1 Conclusion**

Based on the result of the research it can conclude that financial literacy has a positive and significant effect to financial management and hedonism lifestyle has a positive and significant effect to financial management as well. Financial literacy plays an important role in order to improving student financial management, the better student understand financial literacy the better the financial management will be. Financial literacy makes student financially literate in order to achieve financial prosperity in the future. Financial literacy makes student to manage finance wisely and full consideration before spending money.

On the other hands hedonism lifestyle impact a student financial management. The more hedonist a student the worse a student ability in managing finance. Student who has a tendency of hedonistic lifestyle tend to spend the money unwisely, such as prioritize wants over needs that sometimes cost a lot of money to spend. Making prioritize scale is important before we spend our money, in order to use the money wisely and avoid a wasteful lifestyle.

Financial literacy and hedonism lifestyle impact a student financial management simultaneously. To improve financial management of students, there needs to be an effort to improve financial literacy while controlling the negative impacts of a hedonism lifestyle. With a better understanding of financial literacy, students can make wiser financial decisions despite being influenced by a hedonism lifestyle.

### **4.2 Suggestion**

As a student, it is crucial to enrich knowledge, particularly in financial literacy and personal financial management, as this research indicates that financial literacy directly affects financial management. Regardless of how much money is earned, if it is not managed well, it can end up being wasted on unnecessary things. Therefore,

improving financial literacy can help individuals make better financial decisions and improve their financial well-being.

Furthermore, this research also highlights the significant role of a hedonistic lifestyle in influencing financial management behavior. A hedonistic lifestyle, which prioritizes immediate pleasure and consumerism, can lead to impulsive spending and an inability to control finances, ultimately harming long-term financial health. To mitigate these negative effects, it is important for students to develop a balanced perspective on consumption and prioritize financial stability over instant gratification. Encouraging students to reflect on their spending habits and fostering an awareness of the long-term consequences of impulsive behaviors could greatly help in improving financial management.

Not only understanding financial literacy can improve person financial management skills but also controlling the negative impact of hedonism lifestyle helps a person in managing the finance well. Spending money for pleasure is fine but if the spending is too excessive it is not good. Better understanding financial literacy can improve financial management despite having a hedonistic lifestyle tendency.

This study was limited to students from Universitas Diponegoro, due to constraints faced during the research. Future studies could explore a wider range of variables related to financial management, such as debt management and investment behavior, and include more diverse samples. It would also be valuable to examine the relationship between financial literacy, hedonism, and financial management across different demographic groups. Ultimately, this research aims to provide deeper insights into the importance of financial literacy, the impact of a hedonistic lifestyle on financial decisions, and how both factors together affect financial management practices.