

DEVELOPING FINANCIAL LITERACY AMONG STUDENTS OF SMK TELKOM JAKARTA

*¹Rahmadi, ²Yus Natali, ³Nanang Cahyadi, ⁴Lia Hafiza, ⁵Alva Nuvina Sularso

^{*1,2,3,4,5}Universitas Telkom

Email: ^{*1}rahmadizallum@telkomuniversity.ac.id, ²yusnatali@telkomuniversity.ac.id,
³nanangcahyadi@telkomuniversity.ac.id, ⁴liahfza@telkomuniversity.ac.id,
⁵alvans@telkomuniversity.ac.id

Abstract

This community service aims to provide an understanding of effective financial management for students of SMK Telkom Jakarta. Students who are now included in the so-called Generation Z face considerable challenges. Starting from labor market competition to financial problems. So students must be equipped with additional skills for their financial management from an early age. In this activity, we apply the Workshop and Practical Training method. Workshop by providing basic knowledge about financial management. And practical training with the Kakeibo method (traditional Japanese method for managing finances). The results of this activity have an impact on students to care more about their finances, namely increasing financial awareness, and adopting good habits such as recording personal income and expenses.

Keywords: Financial management, kakeibo, generation z

Abstrak

Pengabdian kepada Masyarakat ini bertujuan untuk memberikan pemahaman terkait pengelolaan keuangan yang efektif untuk Siswa-siswi SMK Telkom Jakarta. Para pelajar yang sekarang ini termasuk dalam yang disebut sebagai Generasi Z menghadapi tantangan yang cukup besar. Mulai dari persaingan pasar tenaga kerja hingga masalah keuangan. Maka perlu para siswa dibekali keterampilan tambahan untuk manajemen keuangan pribadi mereka sejak dini. Dalam kegiatan ini, kami menerapkan metode Workshop dan Pelatihan praktis. Workshop dengan memberikan pengetahuan dasar tentang pengelolaan keuangan. Dan pelatihan praktisnya dengan metode Kakeibo (metode tradisional jepang untuk mengelola keuangan). Hasil dari kegiatan ini memberikan dampak kepada para siswa untuk lebih peduli akan keuangan mereka yaitu peningkatan kesadaran finansial, dan mengadopsi kebiasaan baik seperti mencatat pemasukan dan pengeluaran pribadi.

Kata kunci: Manajemen keuangan, kakeibo, generasi z

Introduction

Indonesia's current economic condition is not expected to improve. Challenge after challenge must still be overcome. The Minister of Finance of the Republic of Indonesia, Sri Mulyani, said that the challenges and risks of the global economy will be faced. She estimates that economic conditions will remain bleak until next year in 2025 (Abu Tapanjeh & AlTarawneh, 2020). Starting from spikes in inflation, anxiety of economic actors, layoffs to unemployment. Of course, this is a "warning" especially for Generation Z (Gen Z) who are currently facing this challenge. This generation was born from 1995 to 2010 (Aboud & Robinson, 2020). Their population level is also increasing every year.

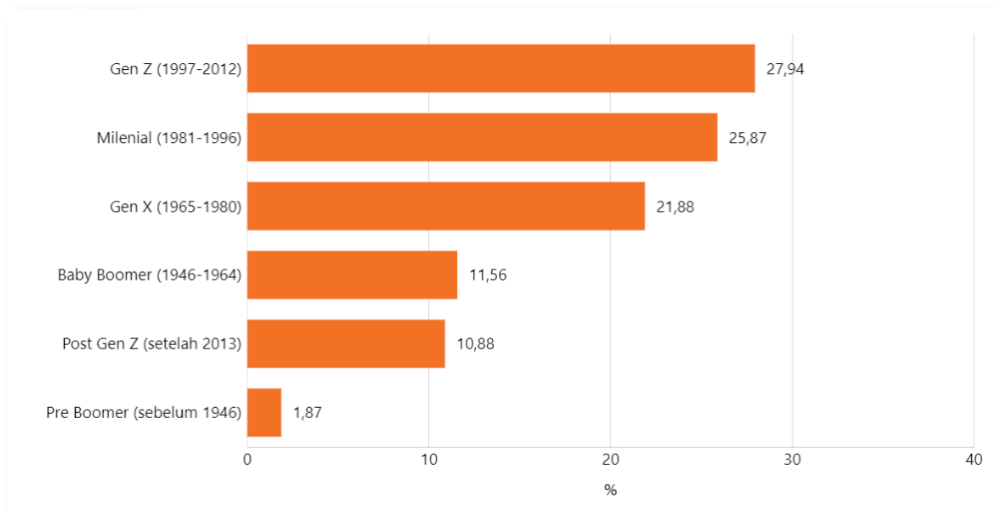


Image. Generational population proportions of Indonesia's population (Jayani, 2021)

The data in Figure 1 shows that Gen Z dominates the percentage of Indonesia's population with 74.93 million or 27.94% of the total population. Of course, this illustrates that in the next few years, their numbers will increase. They have an important role in today's global economy due to their significant population. The large number of Gen Z means that they will be the majority in the global labor force and consumer market, so their economic conditions also have an impact on the country (Prasetyo dkk., 2024). However, this huge potential if not mitigated from now on will become a huge risk as well. There are several problems and challenges that they will face. According to BPS data in 2023 around 9.89 million Gen Zs in Indonesia were unemployed (Gentzkow dkk., 2024). Gen Z struggles to get a job because they face distrust of employers (Alawiyah & Harared, 2024; Buthelezi, 2023). Some of the problem factors for Generation Z now include the following. First, lack of skills. High school graduates are often unprepared for work. Many graduates lack the skills required by the industry. Curricula that are too theory-centered but do not provide practical work skills cause graduates to be unprepared for work. Therefore, graduates from vocational schools (SMK) provide more skills than those from public schools. However, the skills possessed are very specific depending on the major. Second, the a lack of knowledge of financial literacy. Specifically, financial literacy is a basic ability that everyone needs to have. Financial literacy is the ability to understand and use various financial skills effectively, including personal financial management, budget planning, and investment. So the ability to literacy in the field of finance will greatly affect the personality (attitude and behavior) of a person on how he manages his life (Buthelezi, 2023; Daud dkk., 2021).

We look at the data again that the financial literacy level of Generation Z is still low, which is 44.04 percent, less than 3.94 percent of the millennial generation (Saputri, 2024; Sutono & Noorzeha, 2022). This means that there is a strong correlation between the low level of financial literacy and the financial problems experienced by Generation Z. Their lack of knowledge and skills in managing their finances makes them more vulnerable to economic hardship. The challenges they face are also diverse, ranging from the rapid flow of investment information but not being accompanied by sufficient knowledge (Hastalona dkk., 2021; Ikhlasih dkk., 2024). Another challenge is labor market competition, which is not only local but also international. Therefore, the Community Service (PkM) program at SMK Telkom Jakarta is very relevant and important. The purpose of this program is to provide students of SMK Telkom Jakarta with an understanding of how to manage finances and practical steps so that they can be more confident in facing financial problems in this modern era.

Research Method

The methods used in this Community Service activity at SMK Telkom are as follows:

1. **Material Preparation.** Materials on financial management are developed concerning the needs of SMK students. The lecturer team made presentations, and learning videos that were easy to understand.
2. **Socialization and Introduction.** A socialization session was held to introduce the purpose of the activity and the importance of financial literacy to students. This includes an introduction to the material to be covered and how this activity is relevant to students' daily lives. In addition, in the early stage of the activity, an initial discussion session was held to identify students' pre-workshop understanding of financial literacy. Students were allowed to share their experiences and views.
3. **Workshop.** The material on "Financial Management for Students" was delivered through an interactive presentation. Students were invited to discuss expense management, the importance of saving, and the basics of investment.
4. **Hands-on Practice.** Students do hands-on practice based on the material that has been delivered. This practice aims to apply the knowledge that has been obtained in real situations.
5. **Evaluation.** Evaluation sessions are conducted to measure student understanding and the effectiveness of the activities. Group discussions are held to discuss student experiences and provide feedback.

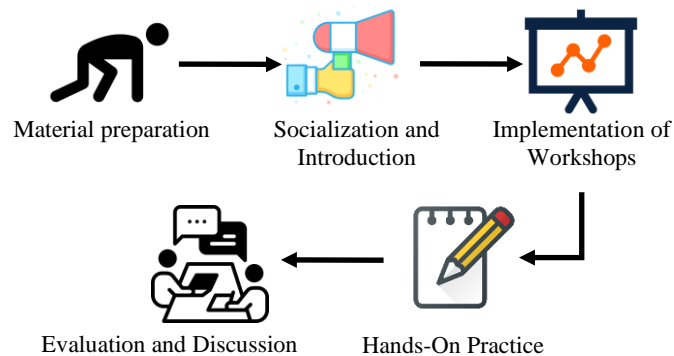


Image. PkM Implementation Method

Results and Discussion

The implementation of community service is carried out by the planned method. In this chapter, we will discuss the results of the Community Service activities that have been carried out at SMK Telkom Jakarta, focusing on the application of the Kakeibo method in improving students' financial literacy. The lecturer team in charge of this activity is as follows:

Table. Community Service Resource Persons Team

No	Source	Description	Study Program Jakarta Campus
1	Rahmadi, SE., M.Ak., CLA	Chief Executive Officer	D3 Teknik Telekomunikasi
2	Dr. Yus Natali, ST., MT	Member	D3 Teknik Telekomunikasi
3	Nanang Cahyadi, ST., MT	Member	S1 Teknik Telekomunikasi
4	Lia Hafiza, ST., MT	Member	S1 Teknik Telekomunikasi
5	Alva Nurvina Sularso, S.Sos., M.Hum	Member	D3 Teknik Telekomunikasi

The activity began by gauging the extent to which the students had managed their finances by being asked a few short questions.



Image. Students' Financial Literacy Perception Survey results

From the results of this initial survey, it can be seen that out of 25 student respondents (participants), only four students recorded their finances. These four students with their financial records mean that they already know the basics of financial management. However, most of them do not care about personal finance. So almost all participants have not carried out financial management. The next question is about how their finances are stored, whether using an application on a device or taking notes manually, the answers are balanced by two people each who record expenses / financial input. Then the question of the level of how often to record finances. The answers were 15 students answered rarely and four students answered always taking notes. And the last question about their opinion is whether financial records are needed or not. The answer is that the students are quite enthusiastic that recording finances is important and necessary.

Workshop implementation

The workshop started with an interactive presentation on the basic concepts of financial literacy. Students were given an overview of the importance of managing finances well, especially in adolescence when they start to have their financial responsibilities.



Image. Resource person giving a workshop

The subject matter presented is four discussions, namely.

- a) Making a list of needs. Students are taught to make a list of needs at the beginning of the month or when they get money from their parents. By making this list, they can plan their spending and avoid unnecessary impulse purchases. This list of needs makes students focus on what they need instead of what they want.
- b) The right way to save money. Students are introduced to various effective saving methods. They are taught to set short-term and long-term savings goals and the importance of setting aside a portion of their income or pocket money regularly. Emphasis is given to the familiar method of saving precious gold. The goal is to preserve the value of the money they save. Indeed, on this occasion, it has not been conveyed in detail how to invest in the stock market through mutual funds, for example. Because of course, this requires more serious additional knowledge.
- c) Creating a Priority Scale. This material aims to provide a way to prioritize their spending. Students learn to differentiate between needs and wants, and how to prioritize the most important expenses first. By prioritizing, students can manage their finances more carefully and ensure that their basic needs are met before spending money on less important things.
- d) Consistency. Students are taught the importance of consistency in doing the previous three things. They learn that good financial management requires habits and commitments that are done regularly and consistently. Consistency in recording expenses, saving, and adhering to a prioritized scale will help achieve long-term financial goals later on.

Practical training

Practical training means that students try to directly practice the knowledge that has been delivered. Practice through several steps guided by a team of lecturers. The students practiced by writing down their expenses on paper using a pen, by the Kakeibo method. Kakeibo (家計簿) is a traditional Japanese method for managing personal finances that translates literally as "household book". The method is designed to help individuals record, monitor, and manage spending and savings more effectively. Kakeibo was first introduced by Hani Motoko, Japan's first female journalist, in the early 20th century (AE, 2020). In this practical training, students are invited to write down their financial plans in a simple way.

Steps in using Kakeibo:

- a) Step one: Write down the financial plan. The needs plan is written manually (physically) into a financial list on sheets of paper or notebooks respectively. All income and expenditure plans are written as they are.
- b) Step two: Providing stimulation. Then after everyone finished taking notes, the resource person provided a stimulus to the students by taking the basic principles of the Kakeibo method. The stimulus is a philosophy that invites users to be more aware of finances. Starting with asking again whether the plan is a necessity. In the next question, students are asked to imagine how they will feel after the item/product is obtained/purchased. Do I have a place for the item? And other questions to absorb what has been written down.
- c) Step three: Review the results of the financial plan. After answering the stimulus questions, students are allowed to cross out or add from the initial list that has been compiled. By comparing the initial plan with the realization and analyzing the differences that occur. This reflection helps students to understand their spending habits and find ways to improve their financial management next time.



Image. Documentation of PkM activities

Conclusion

Community Service activities were held in June 2024 at the SMK Telkom Jakarta building. Through this workshop and training on financial management, it resulted in several positive things that reflect an increase related to financial awareness, and adopting savings habits. This means that the objectives of the PkM activities have been achieved. Students showed increased understanding and skills in managing personal finances with the Kakeibo method.

Sustainability plan

- a) The lecturer team plans to continue this program with more in-depth follow-up training on financial literacy. This training will cover topics such as investment, and long-term financial planning.
- b) Build collaborations with financial institutions to provide additional insights into the world of finance and investment. Financial institutions can provide guest sessions or additional materials for future activities.

References

- Aboud, A., & Robinson, B. (2020). Fraudulent financial reporting and data analytics: An explanatory study from Ireland. *Accounting Research Journal*, 35(1), 21–36. <https://doi.org/10.1108/ARJ-04-2020-0079>
- Abu Tapanjeh, A. M., & AlTarawneh, A. R. (2020). Applicability of Forensic Accounting to Reduce Fraud and its Effects on Financial Statement of Jordanian Shareholding Companies From the Perspective of Judiciary and Certified Public Accountant. *International Journal of Financial Research*, 11(2), 436. <https://doi.org/10.5430/ijfr.v11n2p436>
- Alawiyah, S. T., & Harared, N. (2024). 4C Skills, Must Have untuk Generasi “Gen Z” di Kampar, Provinsi Riau. *Indonesian Journal of Society Engagement*, 4(3), Article 3. <https://doi.org/10.33753/ijse.v4i3.139>
- Buthelezi, E. M. (2023). Impact of government expenditure on economic growth in different states in South Africa. *Cogent Economics & Finance*, 11(1), 2209959. <https://doi.org/10.1080/23322039.2023.2209959>
- Daud, I., Nurjannahe, D., Mohyi, A., Ambarwati, T., Cahyono, Y., Haryoko, A. E., Handoko, A. L., Putra, R. S., Wijoyo, H., Ariyanto, A., & Jihadi, M. (2021). *The Effect of Digital Marketing, Digital Finance and Digital Payment on Finance Performance of Indonesian SMEs* (SSRN Scholarly Paper 3965339). <https://papers.ssrn.com/abstract=3965339>

- Gentzkow, M., Shapiro, J. M., Yang, F., & Yurukoglu, A. (2024). Pricing Power in Advertising Markets: Theory and Evidence. *American Economic Review*, 114(2), 500–533. <https://doi.org/10.1257/aer.20220943>
- Hastalona, D., Asih, A. J., Ulpah, U., Ridwan, R., & Mellyoni, M. (2021). PKM PENTINGNYA PENGUASAAN SOFT SKILL BAGI GENERASI Z DI KALANGAN SISWA-SISWI SMA INTI NUSANTARA TEBING TINGGI. *Indonesian Collaboration Journal of Community Services*, 1(4), Article 4. <https://doi.org/10.53067/icjcs.v1i4.22>
- Ikhlasiah, M., Mutmainnah, I., & Hajar, B. S. (2024). EDUCATION THROUGH HEALTH PROGRAMMES: EFFORTS TO STRENGTHEN COMMUNITY HEALTH IN SUKMAJAYA VILLAGE, JOMBANG DISTRICT, CILEGON CITY. *TOPLAMA*, 1(2 Januari), Article 2 Januari. <https://doi.org/10.61397/tla.v1i2.95>
- Prasetyo, R. H., Asbari, M., & Putri, S. A. (2024). Mendidik Generasi Z: Tantangan dan Strategi di Era Digital. *Journal of Information Systems and Management (JISMA)*, 3(1), Article 1. <https://doi.org/10.4444/jisma.v3i1.743>
- Saputri, R. N. (2024). Analysis Convergence of Income Per Capita Among Regions in West Java 2017-2021. *Efficient: Indonesian Journal of Development Economics*, 7(1), Article 1. <https://doi.org/10.15294/knx0e250>
- Sutono, A., & Noorzeha, F. (2022). Abed Al-Jabiri's Epistemology of Intelligence: A Case Study of Interfaith Marriage In Indonesia. *Religia*, 25(2), Article 2. <https://doi.org/10.28918/religia.v25i2.814>