

Financial planner for Z generation lifestyle towards financial freedom

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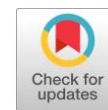
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Received 07 February 2024; accepted 29 December 2024; published 29 December 2024

ABSTRACT

The Z generation has high purchasing power and tends to be consumptive. Apart from that z generation also has the characteristic of FOMO (Fear of Missing Out) where they feel they have to follow various existing trends including fashion trends, gadgets and so on which of course will empty their pockets. Fulfillment of consumer behavior and the characteristics of FOMO will certainly have an impact on the increasing number of loans or credit applied for by z generation such as the use of pay later. If done continuously and for a long time, the use of pay later will cause the z generation to experience financial difficulties. Thus, this shows the importance of the knowledge and skills that z generation should have regarding financial management using applications that are easy to use and can be applied independently, namely Excel for Financial Planners. This is facilitated by the existence of training activities related to financial management and also the practice of making a financial planner for each student using Excel for Financial Planners. The results of this training are that every student knows the importance of planning and students can create and design personal finances with the help of the Excel for Financial Planners System.



KEYWORDS

Excel for financial planners
Financial freedom
Financial planners
Z generation



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1. Introduction

The z generation is the generation born from 1997 to 2012 . Based on census data from the Badan Pusat Statistik in 2020 [1], which can be seen in Fig. 1, it shows that the Z generation has the largest number spread throughout Indonesia than any other generation.

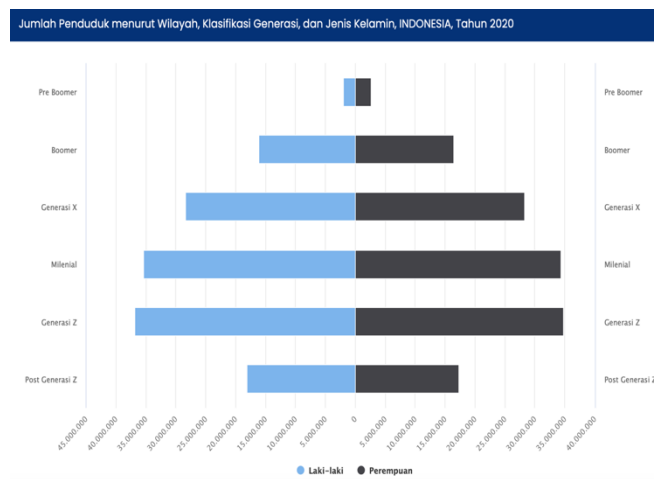


Fig. 1. Population Distribution in Indonesia by Generation

The high number of people belonging to the z generation shows that the z generation is a demographic group that has great potential in various aspects [2]–[4], including economic aspects [5]–[9]. The z generation also has high purchasing power and tends to be consumptive [10]–[12]. The z generation's consumptive behavior is often not accompanied by a commensurate amount of financial resources they have because the z generation tends to have characteristic FOMO (Fear of Missing Out) [13], where they feel they have to follow various existing trends including fashion trends, gadgets and so on which of course will drain them pocket if followed [14].

This fulfillment of consumer behavior and FOMO characteristics certainly has an impact on increasing the number of loans or credits submitted by the z generation, such as the use of pay later [15]–[18]. If done continuously and for a long time, the use of pay later will cause the z generation to experience financial difficulties [19]–[22]. Problems like this happen to students at SMK Barunawati, SMK Diponegoro, SMK YPPI, and SMK Kawung 1 in Surabaya.

2. Method

The implementation of this community service program uses training and discussion methods with partner SMA/SMK/MA students in Surabaya consisting of SMK Barunawati, SMK Diponegoro, SMK YPPI, and SMK Kawung 1 as show in Fig. 2.

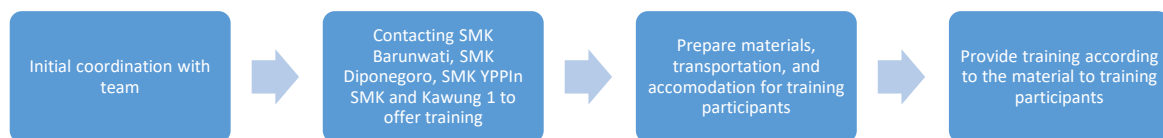


Fig. 2. Activity Flow

Based on the activity flow in Fig. 2, the following are indicators of the achievement of implementing the activity flow as show in Table 1.

Table 1. Indicator of the Achievement

No.	Activities	Informations	Achievement Indicators
1	Coordination	Coordinating with the internal PkM activity implementation team	There is a team agreement on the activities to be carried out
2	Partner Negotiations	Offering training activities to SMK Barunawati, SMK Diponegoro, SMK YPPI, and SMK Kawung 1	SMK Barunawati, SMK Diponegoro, SMK YPPI, and SMK Kawung 1 agreed and registered their students for training activities
3	Material and Accommodation Preparation	Making materials and preparing all facilities that will be used on campus, from food preparation to borrowing campus rooms that will be used for training	The material is ready in PPT form and space and food are available
4	Training	The training was carried out at the Universitas Hayam Wuruk Perbanas campus by providing material related to the z generation financial management	All registered students can attend and take part in the training until completion

3. Results and Discussion

In general, the activities that have been designed have been implemented well in the form of financial planner training and practice in making plans and managing independent finance through the Excel for Financial Planners System. The following are details of the results of the activities carried out

3.1. Financial Planner Training

The results of this training showed that the majority of students belonging to the z generation do not yet know what is meant by planning and managing personal finances. Students also don't know the importance of financial planning and management. Based on the results of discussions in the training, show that students tend to have FOMO characteristics and follow the latest trends such as those in the characteristics of the z generation. The following is a Fig. 3 of one of the students explaining their desire and characteristics in general.



Fig. 3. Discussion between Students and Speaker

This training lets students know that to fulfill their desire to follow the latest trends without having to get caught up in financial problems, they need to do financial planning from an early age so that in the future will be free from debt and financially free or what is often called financial freedom in future. The following is Fig. 4 an overview of the financial planning that students should do to achieve financial freedom in the future.



Fig. 4. The Z Generation Financial Planning

The financial planning required by students is to map out the percentage of each individual's needs compared to the income they have so that the income can be absorbed properly. In this training, the speaker conveyed tips on the proportion 60-20-10-10 which should be used by students in managing finances between income and expenses which are reflected in the Fig. 5.

tips planning mudah untukmu GEN Z.....



Fig. 5. Tips for the Z Generation Financial Planning Proportions

The Fig. 5 shows that the ideal proportion of each expenditure item from the income earned by students is as follows:

- As much as 60% of income is allocated to fulfill routine needs.
- As much as 20% of income is allocated to fulfill lifestyle needs.
- As much as 10% of income is allocated to saving/investment.
- As much as 10% of income is allocated for emergency funds

Apart from that, another tip that is important to apply is that students are asked to first set aside 10% of their income to save while the rest is allocated for other needs.

3.2. Practice Financial Planning and Management through Excel for Financial Planner

The practice of planning and managing finances through Excel for Financial Planners is carried out by every student who takes part in the training. The students carried out practice in the accounting laboratory room at Universitas Hayam Wuruk Perbanas which was divided into two classes where each class was guided by two lecturers and one accompanying student to help with the process when practicing using Excel for Financial Planners System. The following is an overview of the Excel for Financial Planners System designed by the team as show in Fig. 6.



Fig. 6. The Overview of Excel for Financial Planners System

The Excel for Financial Planners System consists of a simple system designed by a team using Microsoft excel. This system consists of three main sheets, namely cover, game rules, and EFP as can be seen from Fig. 6 and Fig. 7. In the rules of the game, there are operational steps or manuals for using the system, starting from filling in income to determining whether the use of the money you have is favorable or unfavorable from the planning or budget that has been made previously.

The EFP sheet contains a financial planner program where students can choose one of three periods that can be selected in planning, namely daily, weekly, and monthly. After selecting the desired period, students can then enter the amount of income earned in the pink cell with the amount corresponding to the selected period. For example, in Fig. 7, the period chosen is monthly with a monthly income of IDR2.000.000. By entering the amount of income, the proportion 60-20-10-10 is automatically filled in, namely 60% for routine needs, namely IDR1.200.000; 20% for lifestyle, namely IDR400.000; 10% for saving/investment, namely IDR200.000; and 10% for emergency funds, namely IDR200.000.

Kebutuhan Rutin:		Kebutuhan Non Rutin (Gaya Hidup):	
No	Deskripsi	Jumlah	
1.	Alokasi 60% dari pendapatan	Rp1.200.000	1.
	Biaya makan siang	Rp500.000	
	Biaya bensin	Rp500.000	
	Biaya pulsa	Rp300.000	
	Total	Rp1.300.000	Total
			Rp350.000

Tabungan dan Investasi		Dana Darurat	
No	Deskripsi	Jumlah	
1.	Alokasi 10% dari pendapatan	Rp200.000	1.
	Tabungan	Rp100.000	
	Total	Rp100.000	Total
			Rp300.000

No	Jenis Kebutuhan	Perencanaan	Realisasi	U/F	Selish
1.	Kebutuhan Rutin	Rp1.200.000	Rp1.300.000	U	(Rp100.000)
2.	Kebutuhan Non/Rutin	Rp400.000	Rp350.000	F	Rp50.000
3.	Tabungan dan Investasi	Rp200.000	Rp100.000	F	Rp100.000
4.	Dana Darurat	Rp200.000	Rp300.000	U	(Rp100.000)
	TOTAL	Rp2.000.000	Rp2.050.000		(Rp50.000)

Fig. 7. Excel for Financial Planners System

Based on this automatic filling, students can immediately find out how much IDR can be used for each need. After that, students can fill in their needs and that desired investment or savings in the cell section right below the auto-proportion amount section that has been filled in. After filling in this, students can see the conclusion section whether each need that has been created fulfills/benefits/favorable or does not fulfill/unprofitable/unfavorable. For need that are not fulfilled/unprofitable/unfavorable, it is necessary to get attention from students, where it is best that in the following period the expenditure on these needs to be minimized or reduce again until it shows that the expenditure on these needs is fulfilled/profitable/favorable.

4. Conclusion

This community service program has succeeded in running according to plan and has also had a good impact on partners, in this case, the students at SMK Diponegoro, SMK Barunawati, SMK YPPI, and

SMK Kawung 1. The problem of partners, namely students belonging to the z generation, is related to fulfilling life's needs which leads to following the latest trends and characteristics of the z generation, whose FOMO can be overcome with training and practice in making financial planners using the Excel for Financial Planners System created by the team. The next program can be carried out by providing similar training to students at other schools to provide knowledge and practice of making financial planners using the Excel for Financial Planner System so that the system can be used by a wider audience. Apart from that, partners, who in this case are students, can continue to practice making financial planners using the Excel for Financial Planners System in their daily lives so that later they can be free from financial problems and can achieve financial freedom in the future.

Declarations

Author contribution. All authors contributed equally to the main contributor to this paper. All authors read and approved the final paper.

Funding statement. None of the authors have received any funding or grants from any institution or funding body for the research.

Conflict of interest. The authors declare no conflict of interest.

Additional information. No additional information is available for this paper.

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