

Managing Family Finances During the COVID-19 Pandemic

by Yusuf Rombe

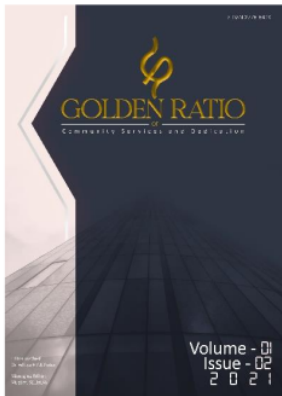
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COMMUNITY SERVICE | REPORT

Managing Family Finances During the COVID-19 Pandemic

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Abstract: This community service activity (PPM) aims to increase the understanding of the Methodist Indonesia Sungai Yordan Church congregation in managing business finances/side businesses to develop well and manage family finances to achieve specific funding targets in the future. To protect and increase the wealth owned; to manage cash flow (incoming and spending money); to carry out risk management and manage risks appropriately, and to manage accounts payable correctly and adequately. The method used is by conducting counseling and distributing online questionnaires to determine financial conditions during the pandemic. Based on the questionnaire results, most of the church members who attended stated that they could overcome financial difficulties during the pandemic with the income they received every month. The chosen investment method is savings and gold to be quickly withdrawn/sold during a pandemic.

Keywords: Family Financial Management, Investment, Saving, Gold

1. INTRODUCTION

Based on the results of the questionnaire circulated during the PKM implementation with the theme "Strategies for Managing Business Finances and Tips for Facing Crisis Periods," which was held on November 8, 2020, at the Methodist Indonesia Sungai Yordan Church Congregation. Especially in the Indonesian Methodist Women's Association, it was found that 62.2% of members are currently unemployed and want to have a side business. As many as 33.8% already have a side business. All participants who attended as many as 97.1% stated that they had a strong desire to separate family and business finances. The desire to separate business and family finances often fails because there are often urgent family needs that make participants have to use business money for household needs. Sometimes the money used is not recorded and returned. This women's association has realized that financial management plays a critical role in the family economy. The level of family economic prosperity is strongly influenced by how the head of the family and wife can manage finances well. Good planning will discipline household expenses so that the family's economic condition becomes good, and one way is by controlling debt. Debt control is one form of control in family finances. Homemakers play an essential role in financial management and controlling debt on the family's economic condition. Even though she already has an awareness that family management is vital, this housewife member of the Methodist Indonesia Sungai Yordan church women's association still faces problems in managing family finances, including:

1. Lack of knowledge of managing family finances so that there are frequent occurrences of more expenses than income (big stakes than poles).
2. Do not know how to do early detection if the family's financial health condition decreases
3. The need for understanding how to manage cash flow (income and expenditure of money) and perform risk management and manage risk properly.



4. The need for knowledge of how to manage accounts payable

So that the purpose of carrying out this community service activity (PPM) is to increase the understanding of the methodist Indonesia Sungai Yordan Church congregation in managing business finances/side businesses, so that they can develop well and manage family finances to achieve specific funding targets in the future, protect and increase the wealth owned, manage cash flow (incoming and spending money), carry out risk management, measure risk appropriately, and manage accounts payable correctly and adequately.

2. Theoretical Framework

Family financial management or family financial planning plays a significant role in determining the level of economic prosperity. Good financial planning can usually only start if a family is disciplined in recording detailed income and expenses. The role of women in the family is very decisive. Homemakers' ability to manage family finances effectively, timely, right place, price, and good quality will realize family welfare (Budi Gautama Siregar, 2019). There are eight ways that homemakers must take in managing family finances, namely:

- a. Understanding the family's financial portfolio
- b. Prepare a family financial plan consisting of income, routine and non-routine expenses, and unexpected expenses
- c. Able to distinguish between the needs and desires of the family
- d. Able to avoid debt for consumptive and excessive lifestyle
- e. Minimizing consumer spending
- f. Set short, medium, and long term financial goals or goals
- g. Strive to save
- h. Make investments to increase family income (Handayani, 2013).

Women as housewives must manage whatever amount they receive from their husbands to meet the family's needs to survive. Survival strategies to overcome economic problems can be done in various ways. Suharno, Edi (2013) stated that there are three categories to overcome these problems, namely:

- a. Active strategy, which is a strategy that optimizes all its potential. Such as extending working hours, utilizing resources or plants in the surrounding environment, selling property, and so on.
- b. Passive strategy, which is a strategy that is carried out by reducing expenses. Such as reducing the cost of shopping, education, and so on.
- c. The network strategy is to take advantage of the social network owned. For example, we are borrowing money from neighbors, borrowing from a shop, or borrowing from money lenders or banks.

Seeing the situation mentioned above, it can be concluded that the women of the Sungai Jordan GMI congregation need the knowledge to manage family finances after previously gaining knowledge on how to manage business finances. Learning to manage family finances is necessary so that family finances can be carried out properly without disturbing business finances. Without managing family finances, it won't be easy to separate family finances and business finances. Based on the results of the questionnaires distributed during the PKM in November 2020 to the association of church women under the name of the Indonesian Methodist Women's Association (PWMI). It is known that most of the members of this association wish to maintain and develop their business and have a strong desire to separate business finances. And family finances, Partners in community service here are the GMI Sungai Jordan congregation, which has dramatically impacted the family economy due to the prolonged Covid 19 pandemic. The GMI Sungai Jordan congregation consists of fathers and mothers so that as husband and wife couples can work together to manage family finances by supporting business activities/businesses of mothers/wives so that they can develop well and can separate between family finances and business finances. And can manage and build family finances.

3. Activity Implementation Method

Implementing community service activities in the congregations of the Methodist Indonesia Sungai Jordan Church, which are mainly working for age congregations, will explain solutions to manage and separate business finances and family finances. The approach method used is counseling and education online and distributing questionnaires online. The stages of implementation are as follows: stages of implementation are as follows:

1. Distribute flyers to all members of the Indonesian Methodist Church association via Whatsapp Group
2. Inviting all members of the Indonesian Methodist Church women association officially through church administrators
3. Conducting online education and socialization with material topics outlined in the Managing Family Financial Health title, which Riwandari Juniasti presented, S.Pd., MM., CRBD., CRBC, and Ir. Yusuf Rome. SE., MM. The moderator for this activity is Dr. Lis Sintha, SE., MM
4. On this occasion, a physiotherapist was also presented to provide additional knowledge in dealing with pain in the neck and waist due to the many activities carried out online. The physiotherapists presented were Lucky Anggiat Panjaitan, S.Tr.Ft., M.Physio, and Beriman Rahmansyah, Sst.Ft., M.Pd. The moderator of this activity is Dr. Ir, Edison Siregar, MM.

3.1 How to Select Respondents, Performance and Productivity

Respondents were all participants who came from members of the Indonesian Methodist Church women's association. During the implementation of financial counseling and education on May 23, 2021, a link was given to be filled out by respondents, namely members of the Indonesian Methodist Church women's association. The number of respondents is 50 people. This research is qualitative research with data collected through a questionnaire instrument. Questionnaires were given after financial counseling and education were carried out. Measurement of research variables is done by calculating the percentage of respondents' answers to each question.

3.2 Data analysis

All data has been collected, checked, and then validated as clean data. Data analysis techniques in this study are based on research objectives, research formulations, and problem limitations. Descriptive analysis is used for data analysis by describing the collected data without intending to make generally accepted conclusions.

4. RESULTS AND DISCUSSION

Based on the answers to the distributed questionnaires, a univariate analysis was carried out to determine the distribution of research subjects by calculating the frequency and percentage of each research variable. The variables in this study, namely Soekdem variables (Social, Economic, and Demographic) such as age, current job/business, length of work/business, monthly income and income variables that have met family needs, income that has met family needs during the COVID pandemic, excel financial management, types of financial management, types of investment. Based on the results of the study, the following results were obtained:

Table 1: Frequency Distribution of Respondents by Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20 - 30 year	4	8.0	8.0
	31 - 40 year	6	12.0	20.0
	41 - 50 year	19	38.0	58.0
	≥ 50 year	21	42.0	100.0
	Total	50	100.0	100.0



The results of the descriptive analysis showed that the age group of respondents with the highest percentage was in the age group > 50 years (42 percent), and the lowest rate was in the 20-30 year age group (8 percent).

Table 2: Frequency Distribution of Respondents by Occupation/Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Does not work	15	30.0	30.0	30.0
	Work/Entrepreneur	35	70.0	70.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show that the proportion of respondents who are working/entrepreneurial is 70% higher than respondents who are not working/entrepreneurial by 30%, meaning that the majority of respondents already have a job/entrepreneurship to earn income for their family needs and perform good financial management.

Table 3: Frequency Distribution of Respondents by Length of Work/Business

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 5 Year	10	20.0	20.0	20.0
	5 - 10 Year	6	12.0	12.0	32.0
	10 - 15 Year	10	20.0	20.0	52.0
	> 15 Year	24	48.0	48.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show the length of work/business of the respondents with the highest percentage found in the length of work/business more than 15 years (48 percent) and the lowest percentage in the length of work/business between 5-10 years (6 percent). This is in line with most age group > 50 years having a more extended average work/business experience.

Table 4: Frequency Distribution of Respondents by Monthly Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< Rp 5 Million	34	68.0	68.0	68.0
	Rp 5 - 10 Million	8	16.0	16.0	84.0
	Rp 10 -15 Million	1	2.0	2.0	86.0
	> Rp 15 Million	7	14.0	14.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show that respondents' monthly income with the highest percentage of income is < 5 million per month (68 percent), and the lowest percentage is income of Rp. 10 -15 million per month (6 percent). This indicates that most respondents work with monthly income still below the DKI Jakarta Provincial Minimum Wage.

Table 5: Frequency Distribution of Respondents According to Income That has Fulfilled Family Needs

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	14	28.0	28.0	28.0
	Yes	36	72.0	72.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show the percentage of respondents who feel that the income earned has met the family's needs by 72 percent. Meanwhile, respondents who think that the income earned has not met the requirements of their family by 28 percent, with the most problems because their income is used consumptively. This illustrates that the majority of respondents have sufficient income to meet the daily needs of their families.

Table 6: Frequency Distribution of Respondents by Income who have Fulfilled the Family's Needs During the COVID-19 Pandemic

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	17	34.0	34.0	34.0
	Yes	33	66.0	66.0	100.0



Total	50	100.0	100.0
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The results of the descriptive analysis show the percentage of respondents who feel that the income earned has met the needs of the family during the COVID-19 pandemic by 66 percent. Meanwhile, respondents who think that the income earned has not met the requirements of their family during the COVID-19 pandemic, 34 percent with the most problems because their income is used consumptively. This illustrates that during the COVID-19 pandemic, there was an increase in the percentage of respondents who felt that their income had not met the needs of their families.

Table 7: Distribution of Respondents Frequency According to Good financial management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	15	30.0	30.0	30.0
	Yes	35	70.0	70.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show that the percentage of respondents who apply good financial management to their monthly income is 70 percent. Meanwhile, the percentage of respondents who do not apply good financial management to their monthly income is 30 percent. This means that the majority of respondents have been good at implementing financial management in the family.

Table 8: Frequency Distribution of Respondents by Type of Financial Management

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Other	10	20.0	20.0	20.0
	Savings	28	56.0	56.0	76.0
	Investment	12	24.0	24.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show that the percentage of respondents who implement financial management through savings is 56 percent, through investment is 24 percent and through others is 20 percent. This means that the majority of respondents have implemented financial management through savings as savings for the future needs of the family.

Table 9: Distribution of Respondents Frequency by Investment Type

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Share	3	6.0	6.0	6.0
	Property	12	24.0	24.0	30.0
	Deposit	10	20.0	20.0	50.0
	Gold	25	50.0	50.0	100.0
	Total	50	100.0	100.0	

The results of the descriptive analysis show that the percentage of respondents who have used this type of investment in the form of gold is 50 percent, in the form of property by 24 percent, in the form of deposits by 20 percent and in the form of shares by 6 percent. This means that the majority of respondents have used this type of investment in the form of gold, because they understand that the trend of gold selling prices is increasing and also stable.

5. Result study

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Based on the results of the analysis of the participants' answers, the following were found:

- a. 42% of respondents are over 50 years old
- b. 70% of respondents have a job/entrepreneur
- c. 48% of respondents have a working period of more than 15 years
- d. 68% of respondents have income of less than 5 million rupiah
- e. 72% of respondents feel that their income is sufficient to meet family needs



- f. 66% of respondents stated that during COVID-19 their income could meet family needs.
- g. 70% of respondents stated that they had carried out good family management, this was also evidenced by the respondent's statement that despite the Covid-19 condition, the income could meet the family's needs.
- h. 56% use savings to manage family finances
- i. 50% of respondents prefer investing in gold over other investments

This is following the results of Handayani's research that the method taken by housewives in managing family finances is to be able to prepare a family financial plan consisting of income, routine and non-routine expenses as well as unexpected expenses, so that in a pandemic condition as it is today, it can still be done Fulfilled. The choice of saving by homemakers in managing their family finances also follows Handayani's opinion that the way to manage family finances is by trying to save. To increase family income, homemakers can make investments, and the chosen investment is gold.

6. Findings

From the implementation of community service and the results of the analysis of the questionnaire given to all participants, the following are known:

1. Most of the family financial management is carried out by housewives compared to the head of the family
2. The majority of Indonesian Methodist women's association members have understood and managed family finances and were able to overcome financial problems during the pandemic by trying to open a small business at home.
3. Family financial management is done by saving and investing by buying gold
4. To increase knowledge, the next thing that needs to be given is to manage savings so that apart from functioning as an emergency fund, it can also be used for safe investments. So it is necessary to introduce safe types of investments other than gold and introduce savings products in banks other than savings.

Housewives mainly do the management of family finances in the household. Apart from relying on their husbands' income, the women members of this association also run small businesses at home. Most of the members of this association earn under 5 million, but they can handle financial problems during this pandemic well. The investment that has been made is by saving and buying gold. Knowledge of how to invest outside of gold and other bank products needs to be given.

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3. Mr. Fery Tobing, SE., MM as Head of Banking and Finance Study Program
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5. Mr. Beriman Rahmansyah, SStFt., M.Pd.

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