

The Role of Financial Literacy, Financial Planning on Financial Management Behavior to Improve the Performance of Car Free Day Traders in Colomadu Karanganyar

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ABSTRAK

This research was conducted with the aim of finding out the role of financial literacy, financial planning on financial management behavior to improve the financial performance of Car Free Day traders in Colomadu Karanganyar as mediation. The method applied is using quantitative methods through primary data. Data was collected through offline surveys which were distributed to respondents and then used for statistical tests. The sample for this research is Micro, Small and Medium Enterprises that trade at Car Free Day Colomadu, Karanganyar Regency, with sampling using random sampling techniques with the number of samples used in this research being 150 respondents from traders at Car Free Day Colomadu. In this research, the tool used for analysis is the Structural Equation Model Partial Least Square (SEM-PLS) with the help of SMART PLS 3.0 software. The results of the analysis show: The results of the research show that the role of literacy has a positive and significant effect on financial behavior to improve the performance of traders in Colomadu. Financial management has a positive and significant effect on financial behavior to improve the performance of traders in Colomadu Karanganyar. Financial planning has a positive and significant effect on financial behavior to improve the performance of traders in Colomadu Karanganyar.

Kata Kunci : : Financial Literacy, Financial Planning, Financial Management Behavior, Trader Performance

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) have an important function in creating jobs to improve the community's economy, therefore encouragement is needed from all parties to build for the better. Monitoring of developing traders can be done by the existence of financial reports that are made because some traders do not understand the importance of financial reports that will have a positive impact on the progress of their business. Increasing financial literacy will affect traders' activities, especially in terms of funding, both in the production and marketing departments because those who do not have financial literacy will be constrained in terms of applying for loans.

The problems faced by traders at Car Free Day Colomadu are in addition to capital problems as well as understanding financial management including managing finances. This happens because many do not understand managing finances so that many of their businesses lose money. With a lack of knowledge of financial management, traders are able to explore this knowledge in order to get the benefits that will be obtained. Therefore, the problem of conflict is a natural thing due to limitations or lack of knowledge about Financial Planning to prepare financial reports according to standards.

In the Car Free Day problem, the committee and traders at Car Free Day Colomadu do not understand financial reports. Where the problem arises due to the lack of recording income and expenses in each trader unit. The traders still have difficulty in how the income from sales can later increase the profit of the traders. The achievement of the results of sales by traders can be a lesson for Colomadu

Car Free Day traders that income and expenses must be balanced or can actually further increase profits. It is necessary to have socialization and training regarding recording income and expenses of traders and committees from the government. The government actually plays a very important role in developing or advancing the activities organized in Colomadu Karangnyar, maybe because there is no government support for these traders it is also natural that they have minimal understanding.

In this case, the level of trust of the Colomadu Car Free Day traders towards the committee and other administrators is still a lot of misunderstanding about financial management, where the traders really don't believe in the bookkeeping of one of the Car Free Day treasurer committees in Colomadu. Meanwhile, the committee management was not the slightest to cheat on the financial records that existed in every activity that was carried out. Therefore, the committee strives to make traders trust so that sales continue to run properly. Traders must increase sales by improving the financial planning aspects of traders. In order to gain this trust, the committee must provide financial transparency to traders. In addition to making transparency to traders, and the committee.

According to observations and interviews with the committee in terms of funding at Car Free Day Colomadu, there is no support or encouragement from the government. So that the committee also finds it difficult to deal with the problem of poor funding in terms of the government. Not only from the government, but the problems of each zone on Car Free Day in Colomadu also exist. So far, Car Free Day Colomadu is still running individually from the committee. That way, maybe the traders feel distrust of the financial management by the Car Free Day committee in

Colomadu. Therefore, the government must conduct direct understanding of traders as a form of support. In accordance with the duties and authority of the government in the welfare of the community. If the government can take part in organizing Car Free Day in Colomadu, the problems that the traders are concerned about can get the best solution. Therefore, the traders also feel that they are not satisfied with the committee and organizational structure that has not been intervened by the government.

That way, the explanation above can be concluded that the Colomadu Car Free Day traders lack understanding in terms of Financial Literacy which the traders are concerned about. Financial Literacy itself is a process for conducting Financial Planning in order to improve the quality and increase the effectiveness of the financial aspects of the Colomadu Car Free Day traders. Financial Literacy is very necessary for business actors so that traders are able to make choices and utilize existing financial products and services according to their needs, have the ability to do better Financial Planning, in order to avoid investment activities offered by others whose intentions and objectives are unclear. Financial Literacy is also very necessary for traders to understand related Financial Management Behavior so that they can know the financial actions that need to be taken according to the conditions of the traders they experience. Where behavior plays an important role in developing the merchants' selling business. Financial behavior can also provide an assessment for other traders where someone can be able to estimate managing their finances properly so that the financial statements that will be found also produce good reports as well.

Therefore, at this time if the traders must learn more about Financial Literacy so that the financial management, they run is better. According to (Anggraeni, 2015). Financial Literacy which is the basic thing that must be understood and mastered by every individual because it affects the financial condition of a business actor and has an impact on making good and appropriate economic decisions. According to Lusardi & Mitchell (Yushita 2017), "Financial Literacy can be defined as financial knowledge that has the aim of achieving prosperity". Palameta et al. (2016) state that the financial knowledge possessed by a person then develops into financial skills, where financial skills themselves are defined as the ability to apply financial knowledge, Financial Planning and Financial Management Behavior they have in their daily lives. Financial skills allow a person to be able to make good and effective decisions related to their finances and economic resources.

A person with good and responsible Financial Literacy skills and knowledge is able to see money from a different perspective and has the ability to control his/her financial condition, not just following the lust for consumptive or following the times. Without having adequate Financial Literacy, individuals cannot choose savings or investment products that are suitable for them and are potentially exposed to the risk of fraud. Therefore, those who understand financial literacy have solutions and are responsive if there are problems that occur. Businesses if they already have the best solution can be able to find a way out without asking for help from others. Financial risk is

very important for traders to know in a sale to be ready to face losses in a trade. therefore, skills in making or predicting budgets in trade are very necessary to learn. Good financial management behavior can also have a positive impact on the national economy. If people have healthy financial management behavior, it can reduce the risk of financial crisis and increase economic growth. In addition, good financial management behavior can also help people manage debt well and improve their ability to develop business or investment. Where these trading activities must be considered in terms of Financial Planning, Financial Management Behavior towards sales to meet consumer demand, achievement of planned targets and they traders can evaluate their sales targets so that in the future it is much better.

Financial Planning it self is a budget plan that is carried out before setting up a business or other activities. Financial Planning is the art of financial management carried out by individuals or families to achieve effective, efficient, and useful goals, so that the family becomes a prosperous family. (Reinaldo, 2017, pp. 26-29). This Financial Planning must be applied by the traders and the Car Free Day Colomadu committee in enlivening the activities therein. However, in this activity the organizers and traders of Car Free Day Colomadu have not fully implemented Financial Planning first. The lack of applying Financial Planning is mostly on the side of the traders.

It is time for Car Free Day traders to start thinking about the right way of financial management, because good Financial Literacy will be able to increase income. Proper financial management which is certainly supported by good Financial Literacy is able to improve living standards and income levels. This literacy greatly affects a person's Financial Management Behavior. Financial Management Behavior itself is a process where traders are able to manage these finances neatly.

According to Suryanto (2017: 14) Financial behavior is a way that everyone does to treat, manage, and use their financial resources. In our interview with the Colomadu Car Free Day committee, we got information that the behavior of traders in managing their finances was still not neat and transparent. The transparency in question is that the committee per zone has not carried out transparency regarding the retribution fees that have been collected from traders which will then be reported to the Colomadu Car Free Day committee along with the zone 1 to zone 4 traders.

Behind the development of these traders, there are a number of problems that have the same character, namely in Financial Literacy where traders still do not know the importance of managing a sale in order to improve the quality of the traders and get a sense of comfort by their consumers. However, the amount of motivation of Car Free Day Colomadu traders, especially in the area, is not proportional to the conditions that occur in the field. Because business actors often face several problems such as business competition, access to financing, infrastructure, marketing and financial technology (Sanistasya, 2019). These problems include problems related to processes or activities to increase knowledge, skills and confidence of consumers and the wider community so that Car Free Day

Colomadu traders are able to manage personal finances better. The next problem is with the Financial Management Behavior of the traders, how these traders can balance with all trading activities or activities, for example in terms of good financial funding, Financial Planning on Car Free Day trader sales that increase and can (Financial Planning, budgeting, inspection, management, control, search, and storage) daily financial funds.

The problems faced by traders, especially Car Free Day traders in Surakarta related to Financial Management Behavior on Financial Literacy and Financial Planning in financial management are sufficient in making financial decisions. For this reason, this study aims to examine the effect of the Financial Literacy of traders and Financial Planning on the finances of Colomadu Car Free Day traders. The combination of awareness, knowledge, attitude and skill behavior in making financial decisions can be considered as a community effort where business people have Financial Literacy to be able to create healthy financial decisions and ultimately aim to achieve the development of their business.

LITERATURE REVIEW

(1) Financial Literacy

Financial literacy plays an important role in the financial decision-making process. The right financial decisions can improve people's welfare in the future. In addition, a low level of public financial literacy will lead to limited investment options that can be made, so that the potential risks faced increase. According to Lusardi & Mitchell (Yushita 2017), "Financial Literacy can be defined as financial knowledge that has the aim of achieving welfare". The definition of Financial Literacy according to Mason & Wilson (Krisna, 2010) "A person's ability to obtain, understand, and evaluate information that is relevant for decision making by understanding the financial consequences.". Consumers, financial service providers, and governments all depend on financial stability and growth to function effectively.

The higher the level of financial literacy of business owners, the higher the performance of the business itself. A business person must be able to plan, implement and supervise the implementation of financial management in his business. Business people must also be able to make decisions effectively and efficiently so that their business generates maximum profit. To make effective and efficient financial decisions, a business person must have good knowledge of financial management, this ability is known as financial literacy.

This awareness may not fully understand this, with Financial Literacy in sales every week must focus on consumers who want to buy so that Car Free Day traders will produce knowledge, beliefs that will influence attitudes and behavior to further improve the quality of sales and financial management in order to achieve comfort for the surrounding community. In the explanation above, Financial Literacy refers to financial attitudes not only directly affecting the financial management behavior of Colomadu Car Free Day traders, but also plays a role in mediating the effect of Financial Literacy on the financial

management behavior of Colomadu Car Free Day traders. Quality-focused purchasing decisions will result from strong Financial Literacy, which also reduces the likelihood of making poor choices about economic and financial matters (Iko Putri Yanti, 2019).

(2) Financial Planning

In general, people know the importance of financial management in their personal lives. Financial Planning is the art of financial management carried out by individuals or families to achieve effective, efficient, and useful goals, so that the family becomes a prosperous family (Reinaldo, 2017, pp. 26-29). Financial Planning Personal finance is an important thing, because it is an independent learning process where each individual must be able to manage their finances in the present and in the future.

According to Astuty (2019) explains that financial management is an activity in obtaining and spending existing budgets in a wise manner in all lines of activity, whether carried out by companies, entrepreneurs, or individuals. The unfavorable economic conditions in Indonesia can be a barrier for individuals in meeting their financial goals. In planning finances to achieve the desired goals, it is necessary to pay attention to matters such as investment Financial Planning, risk Financial Planning or insurance, personal tax Financial Planning, old age Financial Planning, inheritance Financial Planning.

Financial Planning aims to increase personal wealth, for example in the form of allocating funds into investment instruments or capital investments such as bank savings, mutual funds, life insurance policies, stocks and property. Financial Planning is a process by which a person will meet the needs of life as a financial goal through a comprehensive implementation of good finance so as to be able to show one's finances. Optimal financial planning will get results where from the plan can already estimate which finances are needed and which financial plans are not yet needed. Basically, good financial planning must be based on existing needs.

According to Edi Pranyoto, 2018. This improvement and harmony can be developed by using known knowledge to predict the risks that will arise and manage all expenses and income for some of the benefits obtained. In Financial Planning, business people really think about how the results of sales will get a lot of profit and for consumers also feel comfortable with the Financial Planning of these Car Free Day traders. Financial Planning according to the Financial Planning Standards Board Indonesia is "The process of achieving one's life goals through integrated and planned financial management." (Financial Planning Standards Board, 2020). This Financial Planning will certainly have a positive impact on Colomadu Car Free Day traders because with a plan that has been prepared sales will continue to increase with good Financial Planning. Another source states that personal financial planning is developing and implementing a total and coordinated financial plan for a person to achieve their overall financial goals.



(3) Financial Management Behavior

Financial knowledge is needed by every individual in managing their personal finances. Financial management is a process that intends to manage the functions of finance effectively and efficiently. According to Suryanto (2017: 14) "Financial behavior is a way that everyone does to treat, manage, and use their financial resources". Financial behavior can affect a person's financial well-being because in the process of making decisions until the final decision with consideration and seeing certain conditions, with wise and good steps will affect a person's financial condition in the present and future.

Knowledge of finance is not only by limiting expenses that are not too urgent or issued, but how we apply that financial knowledge so that it can benefit the economy. The emergence of Financial Management Behavior is the impact of a person's activities to meet their needs in accordance with the level of income earned (Al-Kholilah and Irmamani 2013). According to Herdjiono and Damanik (2016), a person's Financial Management Behavior can be seen from 4 (four) things, namely consumption, cash flow, savings, and debt management.

Financial management behavior is the influence of a person's desire to meet their needs in accordance with their income level. Financial management behavior is related to individual financial responsibility in financial management. Responsibility in financial matters is the process of managing finances and controlling the productive use of financial assets and other assets. Good financial behavior can be recognized through good financial management and management plans (Anggrani, 2020). The emergence of money management behavior is the impact of a person's desire to meet his life needs according to the level of income obtained from Car Free Day traders in Colomadu. Financial Management Behavior has become a problem that is too often overlooked by business actors, more specifically related to implementing good and correct financial management requirements. This problem usually often occurs because the knowledge and background of the roles carried out by traders also affect the knowledge of these business actors (Risnarningsih, 2017).

Financial Management Behavior is often considered the main concept in a business venture because financial management can be interpreted in order to plan income and expenses that can be useful and will get profits for business people that business people want later. Meanwhile, research (Esiebugie et al., 2018) shows that financial behavior is one of the main factors contributing to business financial performance. In some of these explanations, this Financial Management Behavior is based on the behavior of business people in undergoing their business to create and maintain financial value through appropriate decision making and resource management. This Financial Management Behavior can also help time discipline and knowledge that studies the financial management of Car Free Day traders both in terms of finding sources of funds, allocating funds, sharing profits and being able to be responsible for the

implementation of an activity in the Car Free Day in Colomadu..

(4) Financial Performance

Financial performance is a form of manifestation of the results achieved by the company and evaluates performance in realizing the company generates the expected profit or profit, so that the company also gets a good predicate by looking at the results. While Financial Performance according to Hery (2016: 13), Financial Performance is a formal effort to evaluate the efficiency and effectiveness of a company in generating profits and a certain cash position. With the measurement of Financial Performance, it can be seen the prospect of the company's financial growth and development from relying on its resources. The company is said to be successful if the company has achieved a certain predetermined performance. Financial performance is a description of the financial condition of a company that shows the good or bad financial condition of a company in a certain period (Anggraeni, 2020, p. 164).

According to Fahmi (2017: 2), company performance is an analysis carried out to determine the extent to which the company has implemented predetermined rules related to the proper and correct use of finance. Such as by making a report that meets the standards and provisions in SAK (Financial Accounting Standards) or GAAP (General Accepted Accounting Principle), and others. In this case, performance is needed in order to know the ability of these traders to run and maintain their business to remain stable and to know the achievement of the Financial Performance of Car Free Day traders in running the desired sales according to market targets. Good financial performance can measure the condition of the business being run, can predict how far this business can compete with other business actors, and is able to evaluate the business being carried out.

Factors that affect financial performance are lack of capital, length of business, and provision of credit. Providing credit to business actors is expected to be the right goal so that it can be a solution to realize capital for Car Free Day. The traders can improve their business capabilities. With this factor, especially traders who are in the Colomadu Car Free Day will increase rapidly, the benefits that will be obtained will also be more than expected by the Colomadu Car Free Day traders in Karanganyar.

The factors that influence this Financial Performance are :

- a. Employees, related to the ability and progress obtained in working in order to get the desired target.
- b. Work, concerning a sales target at work, the execution of work and the resources to carry out work.
- c. Work mechanisms, including systems, procedures or long-established regulations, controls, and organizational structures.
- d. The work environment includes factors such as location and working conditions, organizational climate and communication.

Based on the several definitions above, it can be



concluded that all drivers of the running of a business will be able to improve with an understanding of Financial Literacy, Financial Planning, Financial Management Behavior, and Financial Performance so that the economy that will be obtained will get better profits than before. A good economy will encourage the success of every business actor who runs according to existing standards. Therefore, as a business actor, we must learn a lot of knowledge so that our business can benefit, especially in Car Free Day in Colomadu Karanganyar.

METHODOLOGY

This study uses a quantitative research method that aims to examine the Role of Financial Literacy, Financial Planning on Financial Management Behavior to Improve the Performance of Colomadu Car Free Day Traders in Karanganyar. The sample of this research is Colomadu Car Free Day traders in Karanganyar, totaling 150 Colomadu Car Free Day traders using probability sampling technique.

(1) Data

The data collection technique used in this study was an online survey method using a questionnaire using the Google form and an offline survey through the interview stage.

(2) Model Development

The dependent variable in this study is financial performance, which is a formal attempt to evaluate the efficiency and effectiveness of a company in generating profits and a certain cash position. Financial performance indicators are adopted from Hery (2016). Independent variables in this study are financial planning, financial literacy. Financial Planning Standards Board Indonesia is the process of achieving one's life goals through integrated and planned financial management (Andoko & Martok, 2020). Financial planning indicators are adopted from the Financial Planning Standards Board (2020). Financial Literacy can be interpreted as financial knowledge that aims to achieve prosperity. Financial literacy indicators are adopted from (Novi Yushita, 2017). The mediating variable in this study is financial management behavior by adopting research (Dewanti et al., 2023).

(3) Method

The data analysis technique in this study uses Partial Least Square (PLS) with the help of SMARTPLS Software. This study uses the PLS analysis technique, which is divided into 2 stages, namely the measurement model test and the structural model test.

RESULTS AND DISCUSSIONS

(1) Results

Outer Model

The result know that participants were dominated by male sex and dominated by the age of 20- 35 years.

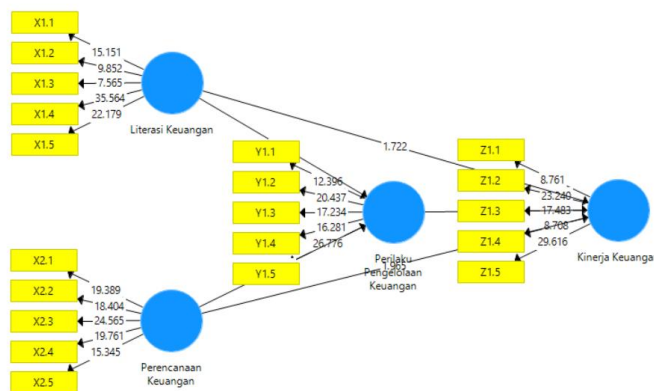


Figure 1. Outer Model

1. Characteristic

Tabel 1. Characteristic Car Free Day Traders in Colomadu Karanganyar

No	Karakteristik	Indikator	Frekuensi	Presentase
1	Gender	Man	46,9	46,9%
		Woman	53,1	53,1%
2	Age	21-30	37,5	37,5%
		31-40	23,8	23,8%
		41-50	25,6	25,6%
		>50	13,1	13,1%
3	Education	SD	3,8	3,8%
		SMP	8,2	8,2%
		SMA	44,6	44,6%
		Sarjana / S2	43,4	43,4%
4	Long business	<3 year	54,4	54,4%
		3-5 year	24,4	24,4%
		>5 year	21,3	21,3%
5	Type business	Food	49,7	49,7%
		Drink	16,1	16,1%
6	Omset/day	Cloth	21,7	21,7%
		Art	11,8	11,8%
		IDR 250.000	38,2	38,2%
7	capital/day	IDR 500.000	36,9	36,9%
		IDR 200.000- IDR 500.000	24,8	24,8%
		IDR 500.000- IDR 1.000.000	9,7	9,7%
8	profit/day	IDR <200.000	71,6	71,6%
		IDR 200.000- IDR 500.000	18,7	18,7%
		IDR 500.000- IDR 1.000.000	9,7	9,7%
8	profit/day	IDR <200.000	32,9	32,9%
		IDR 200.000- IDR 500.000	45,8	45,8%
		IDR >500.000	21,3	21,3%

Source : primer data, 2023

Based on table 1, it shows that the number of respondent participants was dominated by female sex by 53.1%, aged 21 30 years by 37.5%, almost half of them graduated from high school by 44.6%, traders who had a length of business of <3 years by 54.4%, almost half of the traders were food traders. The number of sales turnover/day of the respondents was dominated by the total sales turnover/day of IDR 250,000 or 38.2%. Most of the business capital is around Rp. 250,000, which is 71.6%, the number of sales profits/day of the respondents is dominated by around Rp. 250,000-Rp. 500,000, which is 45.8%.

(2) Analisis PLS

Outer Model Test

Tabel 2. Outer Loading test

Latent Variable 1	Latent Variable 2	Latent Variable 3	Latent Variable 4
X1.1	0,835		
X1.2	0,738		
X1.3	0,657		
X1.4	0,885		
X1.5	0,851		
X2.1	0,797		
X2.2	0,781		
X2.3	0,859		
X2.4	0,795		
X2.5	0,780		
Y1.1		0,738	
Y1.2		0,800	
Y1.3		0,816	
Y1.4		0,787	
Y1.5		0,819	
Z1.1			0,720
Z1.2			0,846
Z1.3			0,790
Z1.4			0,711
Z1.5			0,856

Source : SmartPLS, 2023.

There are 10 Variable indicators that have an outer loading value pressure > 0.7 , and there are 15 Variable indicators that have an outer loading value > 0.6 . However, according to Ghozali and Latan, (2015) a loading scale of 0.5-0.6 is considered sufficient to meet the requirements for convergent validity. The data above shows that there is no Variable indicator whose outer loading value is less than 0.5, so that all indicators are considered suitable or valid for research purposes and can be used for further analysis.

In addition to examining the outer loading value, convergence validity can also be assessed by examining the AVE (Average Variance Extracted) value.

Tabel 3. Average Variance Extracted test

Variable	AVE	Conclusion
Financial literacy	0,636	Valid
Financial planning	0,645	Valid
Financial Management Behavior	0,628	Valid
Financial performance	0,619	Valid

Source : SmartPLS, 2023.

Each variable shows an Average Variance Extracted (AVE) value of > 0.5 with Financial Literacy of 0.636, a Financial Planning Variable value of 0.645, a Financial Management Behavior Variable value of 0.628, a Financial Performance Variable value of 0.619. This shows that each variable in this study can be said to be valid with Discriminant Validity.

The reliability test was carried out by measuring the correlation between the answers to the questions. A variable is declared reliable if it gives a Composite reliability value of > 0.70 . The output of SmartPLS for composite reliability values can be seen in this table:

Tabel 4. Composite Reliability

Variable	Composite Reliability Value	Conclusion
Financial literacy	0,896	Reliable
Financial planning	0,901	Reliable
Financial Management Behavior	0,901	Reliable
Financial performance	0,890	Reliable

All results of Cronbach's alpha have a value greater than 0.60 which means that Cronbach's alpha fulfills the requirements of all constructs to be considered reliable.

Inner Model

Table 5. Inner Model Result

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Decision
Financial literacy-> financial performance	0,320	0,319	0,116	2,754	0,006	Supported
Financial literacy -> Financial Management Behavior	0,571	0,569	0,080	7,174	0,000	Supported
Financial planning-> financial performance	0,022	0,038	0,110	0,196	0,845	Supported
Financial planning -> Financial Management Behavior	0,203	0,218	0,084	2,423	0,016	Supported
Financial Management Behavior -> financial performance	0,359	0,359	0,122	2,952	0,003	Supported

(3) Discussions

• Financial Literacy Has a Significant Influence on Financial Performance

There is a significant relationship between financial literacy and performance experienced by entrepreneurs. This relationship is logically applied to companies that with good financial literacy will be able to strategically identify and respond to changes or increases in traders in their economy, economy and finance so that the decisions taken will create innovative and well-directed solutions to improve the financial performance of traders and the sustainability of the Car Free Day trader business.

• Financial Planning Has a Significant Influence on Financial Performance

Financial planning is very helpful in increasing the income of the Colomadu Car Free Day traders in Karanganyar on their financial performance. If Financial Planning is in accordance with the plan that has been set, Financial Performance can also follow in its improvement. Successful financial planning will provide innovative products traded and provide eligibility for employees if the Car Free Day traders use additional employees. Because if the MSME financial management does not go well, it will hinder and also have an impact on the Financial Performance of the Car Free Day traders and automatically the profitability or income of business actors will decrease.

• Financial Management Behavior has a significant effect on Financial Performance

Financial Management Behaviors such as budget preparation, transaction recording, stock control, workable business plans, reconciliation, savings, and personal finance influence business success.

• Financial Literacy has a significant effect on Financial Planning in improving Financial Performance

Understanding financial literacy is very important for business actors, especially for each individual trader. However, in practice, many traders fail because they are unable to manage their business successfully due to a lack of financial literacy. Financial management must be considered when running a business. In this case the researcher can draw the conclusion that Colomadu's Car Free Day in Karanganyar can have a good effect on the



ability to manage their business, on the one hand, balanced with the existence of good financial planning that can provide valid information to buyers or consumers to improve the financial performance of traders.

- **Financial Literacy has a significant effect on Financial Management Behavior**

The overall research results in this study indicate that financial literacy has a significant effect on financial management behavior. That the higher financial knowledge and one's ability to implement financial aspects will result in wise financial behavior and effective financial management behavior. This means that even if a person has a high level of financial literacy but does not have a positive intention (desire) to behave, he cannot create good financial management behavior on Colomadu's Car Free Day in Karanganyar. Because the magnitude of the intention to behave in financial management is very influential on the implementation of good financial management activities.

CONCLUSION AND RECOMMENDATION

(1) Conclusion

Financial Literacy owned by Car Free Day traders in Colomadu has a positive and significant effect on financial behavior which has an impact on performance. Financial planning owned by Car Free Day traders in Colomadu has a positive and significant effect on financial behavior that has an impact on performance. Financial Management Behavior has a positive and significant effect on financial behavior that has an impact on performance.

(2) Recommendation

For future researchers, it is better if research on Colomadu's Car Free Day in Karanganyar can be examined up to zone 4 and contact in advance the committee coordinator per Colomadu Car Free Day zone in Karanganyar.

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