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Financial Management Within Young Workers in East Medan: The Role of Lifestyle, Job Position, and Financial Literacy with Income as a Mediator

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ABSTRACT

This study aims to examine how individual and socioeconomic factors, namely Lifestyle, Position, and Financial Literacy influence a person’s ability to manage their finances, with a particular focus on the mediating role of Income. Employing a quantitative and explanatory research approach, the study gathered data from 100 respondents and utilized path analysis through the PLS (Partial Least Squares) software to evaluate the relationships among the variables. The analysis reveals that Lifestyle, Position, Financial Literacy, and Income all have a direct and statistically significant effect on Financial Management. Furthermore, Lifestyle, Position, and Financial Literacy each have a notable impact on Income, suggesting their importance in shaping one’s earning potential. Income, in turn, functions as an effective mediator, strengthening the indirect effects of the three independent variables on Financial Management. These findings underscore the importance of financial awareness and personal development, especially for young workers in East Medan City. By enhancing their financial literacy, recognizing the influence of their social and occupational status, and applying intentional strategies in planning, budgeting, monitoring, and securing their finances, they can achieve better financial outcomes and long-term stability.

Keywords: Financial Literacy; Financial Management; Job Position; Lifestyle; Young Workers

INTRODUCTION

Every human being must deal with money management daily. To balance income and expenses, satisfy necessities, and avoid financial troubles, one must manage money effectively. Consequently, in today's contemporary world, financial intelligence is something that must be taken into account. Financial intelligence means the capacity to manage one's financial resources aimed at achieving economic well-being (Village et al., 2019). Indonesians lack a comprehensive understanding of how to maximize money for productive purposes. It is essential for the public to be informed he financial services sector encompasses a range of components, including banking, insurance, capital markets, pension funds, financial institutions, mortgages, and other related fields. It is essential for every community to comprehend the functions of the financial services sector to promote financial literacy. Additionally, community members should be educated on how to appropriately utilize or potentially misuse the current financial products and services available to the public. The general understanding of these offerings by the public is the financial services business was 99.8% in banks, 60.3% in insurance, 22.4% in pension funds, 49.8% in financial institutions, 58.2% in mortgages, and 15.7% in the capital market, according to the poll results (Otoritas Jasa Keuangan, 2017). Financial education serves as a strategic approach to address the challenges associated with an inadequate understanding of the complexities inherent in public financial management. However, it remained a significant challenge to execute in Indonesia. Financial education is an extended procedure that motivates individuals to create a financial plan for the future to achieve success (Gunawan et al., 2020). In addition, to promote financial education, the government has worked to create and distribute a Financial Knowledge book to give information to people in general and school-aged students. The book launched is a series of books on Financial Knowledge at the higher education level made by the OJK which can help the wider community in providing knowledge about finance, especially students, this knowledge is also inherent in daily life (Otoritas Jasa Keuangan, 2017).

Several factors affect financial management, including lifestyle, position, financial literacy, and income. According to research conducted by Putri & Lestari (2019) lifestyle and financial literacy exert a partial influence on financial management. The results of the F-test indicate that lifestyle and financial literacy, when considered simultaneously, have a significant effect on financial management. Furthermore, an individual's lifestyle plays a crucial role in determining their ability to effectively manage finances. If a person adopts a positive lifestyle that includes careful planning of their income and expenditures, they are more likely to achieve proficient financial management. Furthermore, an important factor influencing financial management is financial literacy (Soetiono & Setiawan, 2018) Financial literacy is generally understood as the practice of interpersonal relationships that integrates knowledge, language, and cultural considerations, especially about an individual’s communication within society. An individual possessing strong financial literacy will be equipped to perceive monetary matters from a distinct vantage point, thereby exercising greater control over their financial situation. Such an individual will possess the knowledge to effectively manage their available funds and will be adept in their utilization. Furthermore, a critical element in this analysis that influences financial management is incomeIncome is defined as the total earnings accrued from the sale of goods or services by a company within a designated time frame. In addition to sales revenue, a company's income may also be derived from interest earned on its assets. Research results (Lestari & Izzah, 2024) indicate that age, education level, income, and financial literacy all impact private employees' financial behavior, but individual income has little impact on behavior. High-income private employees have to maintain financial control, minimize expenditures, and

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handle their financial resources effectively. This study concentrated on young workers in East Medan District, specifically people under the age of 30, to find out when the young workforce performed well in terms of financial management based on the factors that affect them. The author distributed an initial questionnaire to observe the first workforce behavior in East Medan regarding financial management.

Based on initial observations through a questionnaire distributed to 20 young workers in East Medan, it was found that their financial behavior is generally poor. Only 32% engage in financial planning (short, medium, and long term), and 45% agree that financial behavior influences their life. Most do not make specific plans for their monthly income and tend to spend more on consumption than saving. Although they are aware that good financial management is important, their knowledge is still lacking. Additionally, their interest in financial literacy materials is low due to limited access to proper financial education or resources.

LITERATURE REVIEW

Financial Management

Financial management is a strategic process of managing financial resources to achieve life goals. It involves planning, organizing, directing, coordinating, and controlling financial activities, as well as income, straying, investment, savings, and debt. The goal is to improve personal and family financial well-being, as well as to prepare for safer and more secure future finances (Garman & Forgue, 2018). Van Horne & Wachowics (2009) emphasized that financial management focuses on investment and funding decision-making. While Garman & Forgue (2018) It is paramount to recognize that financial management includes both risk management and long-term financial planning. Therefore, the implementation of effective financial management practices is crucial for the attainment of financial objectives, which encompass both short-term and long-term financial goals.

Lifestyle

Lifestyle is defined as a person's "whole self" and the way he interacts with the people around him. Lifestyle pertains to the manner in which an individual allocates their time, finances, and energy, in addition to their consumption habits, leisure activities, and interpersonal relationships with others who share similar interests. Regarding finance, lifestyle can impact a person's spending, saving, and investing preferences. A lifestyle refers to the manner in which an individual elects to conduct their life, encompassing various elements such as activities, interests, attitudes, consumption patterns, and expectations. The better it is to regulate an acceptable and correct lifestyle, the better financial decisions make themselves. Schiffman et al. (2010) define lifestyle as a way of life represented using a person's activities, interests, and behaviors. Meanwhile, according to Engel et al. (1995), Lifestyle is indicative of an individual's choices regarding the allocation of their time and financial resources. Excessive consumption, rushing to follow existing trends, and social pressure are the drivers for uncontrolled spending, thus interfering with unhealthy financial management. Research from Lestari & Izzah (2024) demonstrated that lifestyle significantly influences financial management. The results obtained were consistent with those from the research conducted by Medina & Gunawan (2024) who showed that lifestyle influences financial management.

Job Position

Position or job analysis is the process of collecting information about a job done by an employee, which is carried out by observing or conducting interviews with employees, with correct evidence from supervisors. This job description analysis will result in a list of job descriptions in the form of a written statement of the employee's responsibilities and may also include qualification standards, detailing the minimum education and experience required for an employee to satisfactorily carry out the duties of his or her position. According to Robbins & Judge (2017), Individuals occupying higher positions typically receive greater incomes, thereby enabling them to manage their finances more effectively. A person's job title or job position is often correlated with their income level and financial responsibilities. The position or job position held by a person can affect financial management through two main channels, namely the level of income and the level of responsibility. Higher positions generally offer greater compensation, which allows individuals to have more resources to manage and invest in. However, high positions also have higher work pressures/responsibilities, and also high lifestyle demands, thus affecting spending patterns and financial priorities. According to Lusardi & Mitchell (2014), Individuals with higher positions tend to have better financial knowledge so that they can manage finances for life after retirement.

Financial Literacy

An individual with a high level of financial literacy will possess the ability to understand financial matters from a different perspective and will be capable of exercising control over their financial circumstances. The individual in question is going to understand what to do with his money and how to spend it. According to Otoritas Jasa Keuangan (2017), Financial literacy encompasses a series of procedures and operations designed to enhance the knowledge, skills, and confidence of customers and the general population in managing their financial resources. Financial literacy, encompassing the acquisition of information, comprehension, skills, and the confidence necessary for the effective management of personal finances, constitutes a crucial element of sound financial management. A solid understanding of financial literacy may help individuals make the appropriate financial decisions, such as saving, investing, and managing their debts. Research conducted by (Lestari & Anggi, 2024; and Lestari & Ariska, 2023) The findings indicate that financial literacy exerts a significant influence on financial management practices. Similar results were reported in research conducted by Gunawan & Aini (2024), Sufyati & Lestari (2022), and Wahyuni et al. (2022) that financial literacy affects financial management.

Income

Income plays a key role in financial management, as it affects an individual's ability to meet needs, save, invest, and manage finances effectively. A consumptive lifestyle can reduce income’s impact, leading to poor financial planning. Higher job positions generally provide higher income, supporting better financial decisions. Additionally, strong financial literacy helps individuals use their income wisely, improving both current and future financial well-being.

RESEARCH METHOD

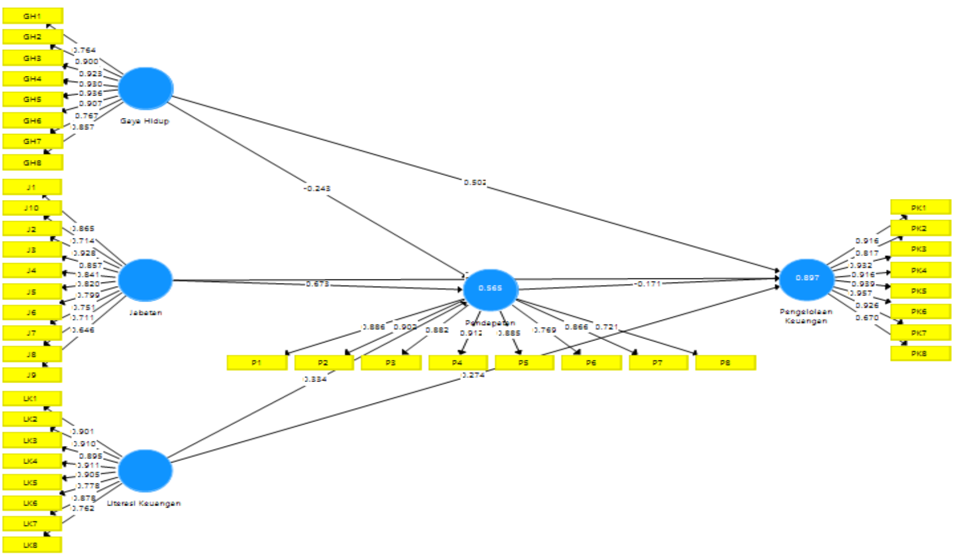
This study utilizes an explanatory research methodology to clarify the causal relationship between the research variables and the hypotheses being tested (Nasution et al., 2020). In this study, the author applied qualitative and associative methods. The research adopts a quantitative methodology for data collection, while an associative approach is employed for data interpretation. Quantitative research involves the testing and evaluation of data through numerical calculations and the derivation of inferences based on the results of these tests (Sugiyono, 2018). Associative research looks to identify the relationship between two or more variables (Sugiyono, 2018). This study seeks to assess the impact of lifestyle, occupational position, and financial literacy on financial management among young workers, with income serving as a mediating variable. The data will undergo quantitative analysis through statistical examination, specifically utilizing the Partial Least Squares Structural Equation Modeling (PLS-SEM) technique. This method is designed for pathway analysis involving latent variables and is widely acknowledged as part of the second generation of multivariate analysis (Ghozali & Latan 2015). Variation-based structural equation modeling (SEM) facilitates the simultaneous evaluation of multiple measurement and structural models. Validity and reliability assessments are conducted on measurement models, while causality tests are performed using structural models, encompassing hypothesis testing with forecasting models.

RESULTS

Measurement Model Analysis (Outer Model)

The research investigation concerning the measurement model, specifically the outer model, aims to assess the construct variables under examination, as well as the validity and reliability of these variables.

Figure 1. PLS Algorithm



Convergent Validity

Convergent validity assesses how well an indicator correlates with other indicators of the same construct. According to Hair et al. (2017), an indicator is considered valid if its outer loading value is 0.40 or higher, indicating a sufficient level of correlation within the construct.

Table 1. Convergent Validity

	Lifestyle	Job Position	Financial Literacy	Income	Financial Management
LS.1	0.764				
LS.2	0.900				
LS.3	0.923				
LS.4	0.930				
LS.5	0.936				
LS.6	0.907				
LS.7	0.767				
LS.8	0.857				
JP.1		0.865			

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JP.2		0.714			
JP.3		0.928			
JP.4		0.856			
JP.5		0.841			
JP.6		0.820			
JP.7		0.799			
JP.8		0.751			
JP.9		0.711			
JP.10		0.646			
FL.1			0.901		
FL.2			0.910		
FL.3			0.895		
FL.4			0.911		
FL.5			0.905		
FL.6			0.778		
FL.7			0.878		
FL.8			0.762		
FM.1					0.915
FM.2					0.817
FM.3					0.932
FM.4					0.915
FM.5					0.939
FM.6					0.957
FM.7					0.926
FM.8					0.671
IC.1				0.884	
IC.2				0.901	
IC.3				0.883	
IC.4				0.912	
IC.5				0.886	
IC.6				0.768	
IC.7				0.864	
IC.8				0.724	

Source: Processed Data (2025)

Based on the results shown in Table 1, it can be concluded that all indicators used for each variable are valid. This is because the outer loading values for all five variables—Lifestyle, Job Position, Financial Literacy, Financial Management, and Income—exceed the minimum threshold of 0.4. When an indicator has a loading value greater than 0.4, it means that it has a strong enough relationship with the variable it represents. Therefore, each indicator in this study is considered valid and reliable for further analysis. This ensures that the measurement model used in the study is appropriate and meets the validity criteria.

Construct Reliability and Validity

Internal consistency is a key part of reliability testing, measuring how consistently indicators reflect the same construct. According to Hair et al. (2017), a construct is considered reliable if its composite reliability exceeds 0.600, indicating that the items consistently measure the intended concept.

Table 2. Construct Reliability and Validity

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Lifestyle	0.956	0.960	0.963	0.767
Job Position	0.935	0.941	0.945	0.636
Financial Literacy	0.953	0.958	0.961	0.756
Income	0.947	0.953	0.956	0.732
Financial Management	0.960	0.963	0.967	0.789

Source: Processed Data (2025)

Table 2 shows that all five constructs—Lifestyle, Job Position, Financial Literacy, Income, and Financial Management—meet the reliability criteria. Each construct has a composite reliability above 0.945, well exceeding the minimum threshold of 0.600 (Hair et al., 2017), indicating strong internal consistency. These high values confirm that the indicators reliably measure their respective constructs, ensuring the model's quality and credibility for further analysis.

Discriminant Validity

A Heterotrait-Monotrait Ratio of Correlation (HTMT) value below 0.90 signifies that the variable in question exhibits robust discriminant validity (Hair et al., 2017).

Table 3. Discriminant Validity

	Lifestyle	Job Position	Financial Literacy	Income	Financial Management
Lifestyle					
Job Position	0.814				
Financial Literacy	0.783	0.857			
Income	0.750	0.788	0.748		
Financial Management	0.776	0.761	0.744	0.641	

Source: Processed Data (2025)

Table 3 presents the HTMT values, used to assess discriminant validity. According to Hair et al. (2017), discriminant validity is acceptable if HTMT values are below 0.900. All variable pairs in this study meet that criterion. For example, Lifestyle's HTMT values with Job Position (0.814), Financial Literacy (0.783), Income (0.750), and Financial Management (0.776) are all below the threshold. Similarly, all other pairs—such as Job Position with Financial Literacy (0.857), and Income with Financial Management (0.641)—also fall within acceptable limits. These results confirm that each construct is clearly distinct, supporting the reliability and validity of the model.

Structural Model Analysis (Inner Model)

Colinierity (Colinierity/Variance Inflation Factor/VIF)

Collinearity testing assesses the strength of the relationship between latent variables to ensure there are no conceptual issues in the model. According to Hair et al. (2017), a VIF value above 5.00 indicates a collinearity problem, while a VIF below 5.00 suggests that multicollinearity is not a concern and the model is statistically reliable.

Table 4. Colinierity

	Lifestyle	Job Position	Financial Literacy	Income	Financial Management

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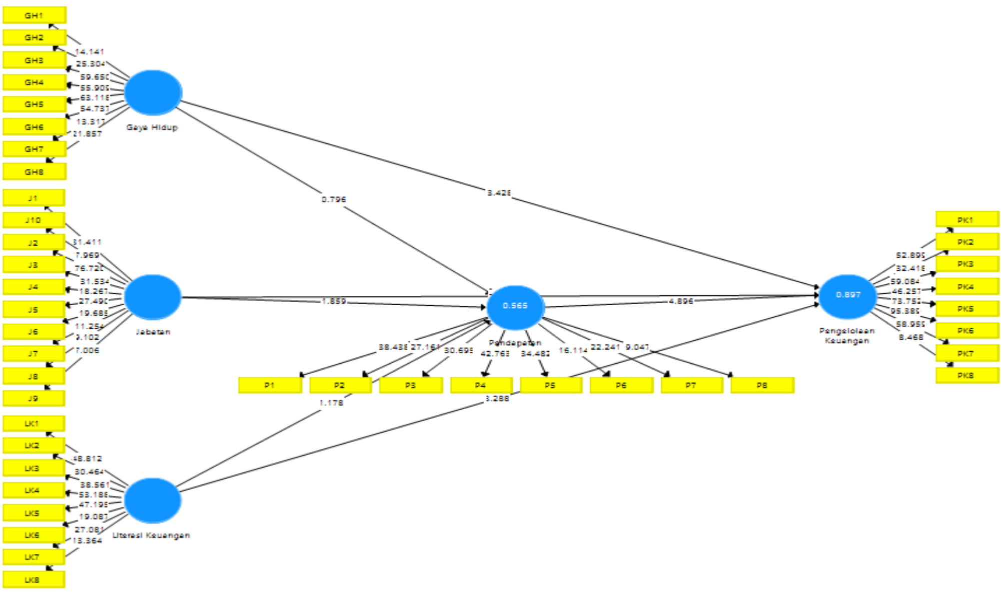
Lifestyle				3.846	3.846
Job Position				3.184	3.184
Financial Literacy				3.175	3.175
Income					
Financial Management					

Source: Processed Data (2025)

Table 4 shows that all VIF values are below 5.00, indicating no multicollinearity issues in the model. Lifestyle, Job Position, and Financial Literacy each have VIF values ranging from 3.175 to 3.846 in relation to both Income and Financial Management. This means all independent variables contribute uniquely without significant overlap, ensuring the model's reliability and accuracy.

Structural Model Path Coefficient Significance Testing
This examination comprises two phases: the analysis of the direct influence hypothesis and the assessment of the indirect influence hypothesis. The coefficients relevant to the hypothesis testing pathway are illustrated in the figure provided below:

Figure 2. PLS Bootstrapping



Direct Impact Testing
Direct effect testing aims to assess whether one variable directly influences another. A positive path coefficient indicates that as one variable increases, so does the other (Hair et al., 2017). If the P-value is less than 0.05, the effect is considered significant; if it exceeds 0.05, the effect is not significant (Hair et al., 2017).

Table 5. Hypothesis Direct Impact

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Lifestyle -> Income	0.443	0.442	0.319	3.763	0.008
Lifestyle -> Financial Management	0.545	0.535	0.154	3.532	0.000

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Job Position -> Income	0.673	0.651	0.369	3.824	0.001
Job Position -> Financial Management	0.495	0.405	0.145	3.345	0.001
Financial Literacy -> Income	0.533	0.553	0.265	4.257	0.000
Financial Literacy -> Financial Management	0.418	0.416	0.091	2.384	0.018
Income -> Financial Management	0.318	0.516	0.211	3.284	0.008

Source: Processed Data (2025)

Based on the results in Table 5, it can be concluded that lifestyle, job position, financial literacy, and income all have significant direct effects on financial management. Lifestyle shows a strong positive influence, indicating that better personal habits lead to improved financial behavior. Job position and financial literacy also enhance financial management, suggesting that higher job roles and financial knowledge support better money handling. In addition, lifestyle, job position, and financial literacy significantly increase income, with job position having the strongest effect. Income itself also positively affects financial management. These findings highlight that structured habits, career level, and financial knowledge play a vital role in improving both income and financial decision-making among young workers.

Testing of Indirect Influence Hypothesis

The indirect effect hypothesis examines whether a variable influences another through a mediating variable. If the indirect effect is lower than the direct effect, it indicates mediation by the intervening variable. However, if the indirect effect is higher, the mediating variable is considered to have no significant role in the relationship (Hair et al., 2017).

Table 6. Indirect Effect Hypothesis

	P-Value
Lifestyle -> Income -> Financial Management	0,005
Job Position -> Income -> Financial Management	0,038
Financial Literacy -> Income -> Financial Management	0,012

Source: Processed Data (2025)

The results in Table 6 confirm that Income significantly mediates the relationship between Lifestyle, Job Position, and Financial Literacy with Financial Management. Lifestyle, Job Position, and Financial Literacy all show significant indirect effects through Income, with P-values of 0.005, 0.038, and 0.012 respectively. This means that better lifestyle habits, higher job positions, and stronger financial knowledge contribute to higher income, which then leads to better financial management. These findings highlight the crucial role of Income in strengthening the influence of these factors.

Coefficient of Determination (R Square)

The Coefficient of Determination (R-squared) functions as a statistical metric for evaluating the precision of predictions concerning a dependent variable. Specifically, within the context of a regression model, it quantifies the degree to which variations in the independent variable impact the value of the dependent variable (Hair et.al, 2017). An R-squared value of 0. 75 suggests a robust Partial Least Squares (PLS) model, whereas an R-squared value of 0. 50 reflects a moderate PLS model. Additionally, an R-squared value of 0. 25 signifies a subpar PLS model (Ghozali & Latan, 2015).

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Table 7. Coefficient of Determination

	R Square	R Square Adjusted
Income	0.564	0.551
Financial Management	0.885	0.881

Source: Processed Data (2025)

Table 7 presents the results indicating that the combined effect of Lifestyle, Job Position, and Financial Literacy on Financial Management is 0.564. This signifies an influence level of 56.4%, reflecting a moderate partial least squares (PLS) relationship. Furthermore, the combined effect of Lifestyle, Job Position, and Financial Literacy on Income is 0.885, indicating that the impact of Lifestyle and Job Position on Income is 88.4%, which demonstrates a strong PLS relationship.

DISCUSSION

The Influence of Lifestyle on Financial Management

Lifestyle, which embodies an individual's habits, preferences, and behavioral tendencies in managing time and spending income, emerged as a significant determinant of financial management in this study. With a path coefficient of 0.545 and a p-value of 0.000, the findings confirm that individuals who demonstrate disciplined and mindful lifestyle choices are more likely to manage their finances effectively. A structured lifestyle tends to reduce impulsive consumption and promotes long-term financial planning.

These results reinforce the conclusions drawn in earlier works by Nurlelasari (2022), Putri & Lestari (2019), Sugiharti & Maula (2019), Pradinaningsih & Wafiroh (2022), (Lestari & Izzah, 2024) and Gunawan et al. (2020), who collectively emphasize that financial behavior is inseparable from one's daily routines and consumption culture.

The Influence of Job Position on Financial Management

Job position, typically indicative of an individual's level of responsibility, authority, and career trajectory, also shows a strong positive influence on financial management (β = 0.495; p = 0.001). A higher or more strategic position within an organization often correlates with better access to information, stronger financial awareness, and greater economic stability

This finding corroborates prior research by Nurlelasari (2022), Putri & Lestari (2019), Sugiharti & Maula (2019), Pradinaningsih & Wafiroh (2022), and Gunawan et al. (2020), where occupational roles were identified as factors that shape financial competence due to their influence on income and accountability.

The Effect of Financial Literacy on Financial Management

Financial literacy, as explained by Soetiono & Setiawan (2018), encompasses not only knowledge but also the attitudes that shape interpersonal interactions, including communication styles and cultural awareness. Individuals who exhibit a high level of financial literacy tend to approach financial issues from a broader and more strategic perspective, allowing them to exercise greater control over their financial circumstances. These individuals are capable of making well-informed decisions regarding the utilization and allocation of their financial resources. Gunawan & Aini (2024) further emphasizes that a lack of financial literacy can significantly hinder effective financial management. The results of this study demonstrate that financial literacy exerts a direct positive influence on financial management, as indicated by a path coefficient of 0.418. This suggests that as individuals improve their financial literacy, their financial management capabilities are also enhanced. The relationship is statistically significant, with a p-value of 0.018.

These findings are supported by previous studies conducted by Gahagho et al., (2021), Gunawan et al., (2019), Sugiharti & Maula (2019), Pradinaningsih & Wafiroh (2022), Pusporini (2020) and Arianti (2020), all of which confirm the positive influence of financial literacy on financial management.

The Influence of Lifestyle on Income

An individual's lifestyle is shaped by daily routines, environmental perceptions, and personal values, including how they perceive and manage their time and money. Lifestyle reflects one's interests and attitudes toward consumption and financial planning. A well-managed lifestyle generally aligns with productive financial behavior. The study's findings reveal that lifestyle has a positive direct effect on income, with a path coefficient of 0.443. This indicates that individuals with a more structured and intentional lifestyle tend to have higher incomes. The effect is statistically significant, as indicated by a p-value of 0.008.

This conclusion is in accordance with research by Nurlelasari (2022), Putri & Lestari (2019), Sugiharti & Maula (2019), Pradinaningsih & Wafiroh (2022), and Gunawan et al., (2020), who also affirm that lifestyle plays a crucial role in influencing income.

The Influence of Job Position on Income

Marwansyah (2016) defines job position as a systematically organized framework that identifies duties, responsibilities, and requirements associated with a particular role. Job analysis provides vital information that informs decisions related to task assignment, performance expectations, and employee qualifications. This study shows that job position significantly and positively influences income, demonstrated by a path coefficient of 0.673 and a p-value of 0.001. This means that individuals in higher or more strategic job positions tend to earn greater income levels.

This result is in line with previous research conducted by (Romadoni, 2015), (Wungow et al., 2016) (Sugiharti & Maula, 2019), (Pradinaningsih & Wafiroh, 2022), who found a similar positive relationship between job position and income.

The Effect of Financial Literacy on Income

The Financial Services Authority (OJK), following OECD standards, underscores financial literacy as encompassing the knowledge, attitudes, and skills essential for sound financial decision-making. These competencies enable individuals to plan strategically, evaluate financial alternatives, and respond effectively to economic challenges. The research findings indicate a direct positive relationship between financial literacy and income, with a path coefficient of 0.533 and a highly significant p-value of 0.000. This implies that improving financial literacy can lead to increased income levels.

This result is in line with previous research conducted by (Arianti, 2020), (Wahyuni et al., 2022), (Sugiharti & Maula, 2019), (Pradinaningsih & Wafiroh, 2022), all of which concluded that financial literacy contributes positively to income generation.

The Effect of Income on Financial Management

Alexander & Pamungkas (2019) note that income comprises not only salaries or wages but also additional sources such as bonuses, allowances, social benefits, investments, and asset sales. Medina & Gunawan (2024) highlight financial issues commonly faced by individuals, particularly among millennials, such as premature income depletion, low saving habits, and impulsive spending. This study confirms that income positively influences financial management, with a path coefficient of 0.318 and a statistically significant p-value of 0.008. Therefore, an increase in income correlates with improved financial management practices.

This result is in line with previous research conducted by (Gahagho et al., 2021), (Sugiharti & Maula, 2019) and (Pradinaningsih & Wafiroh, 2022), who also found income to be a key determinant of financial management behavior.

Income Mediates the Influence of Lifestyle on Financial Management

Income is multifaceted, extending beyond regular earnings to include dividends, bonuses, and other financial gains. Lifestyle reflects the totality of an individual's values, activities, and financial behaviors, which are closely tied to social influences. According to Susanto (2013), lifestyle encompasses decisions about spending time and money. A lifestyle aligned with one's financial capacity can enhance financial performance, whereas an incompatible lifestyle may lead to financial strain. This study finds that income significantly mediates the relationship between lifestyle and financial management, supported by a p-value of 0.005 (< 0.05).

Income Mediates The Influence of The Position on Financial Management

Purwidianti & Mudjiyanti, (2016) define personal income as the total gross income derived from employment, business, and investments. Meanwhile, job analysis reveals the responsibilities and qualifications needed for each position, which in turn affect income levels. Yushita (2017) argues that effective financial management involves planning for both short- and long-term goals. The findings indicate that income significantly mediates the effect of job position on financial management, with a p-value of 0.038 (< 0.05), confirming a meaningful indirect influence.

Income Mediates The Influence of Financial Literacy on Financial Management

Income is the result of an individual's labor and productivity. According to Sigo et al. (2018), financial management includes planning, budgeting, and control functions. They further note that financial literacy influences an individual's understanding of financial rules and behavior. The findings of this study indicate that income mediates the relationship between financial literacy and financial management, as evidenced by a p-value of 0.012 (< 0.05). This suggests that higher financial literacy can enhance financial management both directly and indirectly through its impact on income.

CONCLUSION

This study concludes that the financial behavior of young workers in East Medan City is significantly influenced by lifestyle, job position, financial literacy, and income. A well-managed lifestyle positively impacts financial management and income, reflecting that organized habits and effective time use enhance both earning capacity and financial discipline. Job position also has a significant positive effect on both income and financial management, indicating that higher roles often come with better financial handling. Furthermore, financial literacy directly improves income and financial management by enabling informed decision-making and future financial planning. Income, in turn, not only directly enhances financial management but also mediates the effects of lifestyle, job position, and financial literacy. Thus, young workers with structured lifestyles, strategic job roles, and strong financial knowledge are more likely to earn better and manage their finances effectively.

LIMITATION
Based on the results of the research conducted, it is explained that the limitations of this research are that this study still uses only three variables that affect Financial Management, namely Lifestyle, Job Position, Financial Literacy, and Income while there are still many other variables that can affect Financial Management.

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