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SELF-CONTROL AND SELF-CONCEPT ON INVESTMENT DECISIONS: MEDIATING ROLE OF FINANCIAL BEHAVIOR

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ABSTRACT

This study aims to determine and analyze the effect of self-control and self-concept on investment decisions through financial behavior in Medan Johor MSMEs. The method used in this research is the associative approach method. The population in this study were Medan Johor MSME players. The number of samples used in this study was 78 people. The data collection technique used in this study was a questionnaire. The data analysis technique in this study used descriptive statistical analysis and data analysis with partial least squares (PLS). The results of this study indicate that self-control has a positive and significant effect on investment decisions, and self-concept has a positive and significant effect on investment decisions. Financial Behaviour has a positive and significant influence on Investment Decisions. Self-control has a positive and significant influence on Financial Behaviour. Self-concept has a positive and significant influence on Financial Behaviour, and Self-Control has a positive and significant influence on Investment Decisions, which Financial Behaviour mediates in Medan Johor MSME Actors. Self-concept positively and significantly influences Investment Decisions mediated by Financial Behaviour in Medan Johor MSME Actors.

Keywords:* *Self-Control, Self-Concept, Financial Behavior, Investment Decision, MSMEs

INTRODUCTION

One activity that can support economic growth in the financial sector is investment. According to Hikmah et al., 2020 Investment is the act of investing capital directly or indirectly with the aim of generating profits or returns in the future. The more investment activities a country has, both national and international, the faster its economic growth will accelerate.

According to Putri & Hamidi, 2019 Investment is the placement of a number of funds at this time with the hope of obtaining future profits. Basically, the purpose of people making investments is to generate high returns. Meanwhile, the broader investment objective is to improve the welfare of investors.

Investment decisions involve decisions about allocating funds, both in terms of sources of funds (from within and outside) and users of funds for the short and long term. (Efni et al., 2012). The better self-control an individual has, the better the individual can control emotions in making decisions by making wise considerations so that the decisions taken are not wrong, and the better in doing financial planning.

Self-control refers to a person's ability to control impulses, manage emotions, and make wise decisions. This involves self-awareness and the ability to refrain from impulsive actions. In the context of self-control investment, MSME actors who have good self-control tend to make decisions more rationally, consider risks carefully, and maintain consistency in their MSME business strategies. Self-control training, either through experience or through a deliberate approach, can help optimize this skill in various aspects of life, including investment decisions. Self-control in terms of financial management is an activity that encourages a person to make savings by reducing spontaneous or unplanned purchases that arise because of a strong urge from within to buy immediately.

Self-concept refers to individuals' views and perceptions of themselves. It includes an understanding of identity, values, skills, and roles in the context of personal, social, or professional life. Self-concept can influence the way a person interacts with the surrounding world, makes decisions, and pursues goals. The more one understands money management and investment, the more courage one has to take risks in making investment decisions.

The way MSME actors manage their income and expenses includes the ability to create and follow a budget, prioritize expenses, and avoid debt. The ability of MSME actors to manage their finances effectively, including budget planning and resource allocation for investments that are in line with their chosen business plan. Based on initial observations made by the author regarding financial behavior in MSME players in the Medan Johor area. According to Hamdani (2018), someone who can make the right decisions about finance will not have financial problems in the future, show healthy financial behavior, and be able to determine the priority of needs, not wants. Healthy financial behavior is indicated by good financial planning and management and control activities. Indicators of good financial behavior can be seen in the way a person manages the entry and exit of money, credit management, savings, and investments.

Someone who has responsible financial behavior tends to be effective in using their money, such as making a budget, saving money and controlling spending, investing, and paying obligations on time. They are getting better at using money wisely and can set aside funds to invest.

Self-control is the ability to control oneself when the temptation to do otherwise is high. Individuals with low self-control tend to act impulsively when considering the negative consequences that must be faced in the future. Meanwhile, those with high self-control are able to reduce the level of aggressiveness and prioritize aspects of the rules and norms that apply. (Maria, 2022)

MSME actors who have self-control tend to have good learning and adaptation skills. They are able to evaluate their business performance. Self-control in an MSME environment not only covers financial aspects but also includes psychological and management dimensions that help create a stable and sustainable foundation for MSME businesses.

The self-concept of MSME actors is not only about their current self-perception. It is also about how they see the potential and future direction of their business. Developing a positive self-concept and focusing on business development can provide a strong basis for wise investment decisions. These investment decisions may be based on an evaluation of the risks, potential returns, and long-term goals of the business. MSME players need to conduct careful financial planning and consider the long-term impact of their investment decisions on the growth and sustainability of MSME businesses in Medan Johor.

LITERATURE REVIEW

Investment Decision

The investment decision is a decision to allocate or place a certain amount into a certain type of investment; it is also a method chosen by investors in investment activities based on their considerations and experience. Investment decisions have a long-term time dimension, so the decisions taken must be well considered. (Mandagie et al., 2020).

According to Putri (2021), Investment is a preparation made by someone to prepare everything for the future. This preparation can be done by investing (saving money, managing money to make a business, or participating in insurance that is useful in the future). An Investment Decision is a management policy of using existing company funds in an asset that is expected to provide benefits in the future. The process of making capital investment decisions is generally also often referred to as capital budgeting.

According to Maimunah & Hilal (2014), Investment is an asset that is owned now to get an asset in the future with a larger amount. Investment is an activity that is very important for an organization or individual economy. Investors or investors use investment as a tool to create a better standard of living in the future, including individual investors in Indonesia. (Pradhana, 2018). According to Putri & Hamidi, (2019) there are several indicators of investment decisions, namely *Return, Risk, The Timer Factor.* According to Eduardus Tandelilin (2010) investment decisions consist of several indicators of the expected level of return, the level of risk, and the relationship between return and risk as follows: *Return, Risk, and* the relationship between the level of risk and expected return.

Self-Control

According to Kurnia and Hakim (2021), Self-control is a form of self-regulation in behavior and attitude. Self-control is also defined as the ability to structure, guide, direct, and regulate forms of behavior that lead to positive consequences.

According to Tripambudi & Indrawati, (2020) Self-control can also be interpreted as an activity of controlling behavior. Behavioral control contains meaning, namely, taking into account considerations first before deciding something to act. In addition, self-control is the ability to control and manage behavior in accordance with the situation and conditions to present oneself in socializing to control behavior, attract attention, change behavior according to the social environment, please others, and cover up their feelings. Self-control is an individual's ability to control emotions, thoughts, pressures, or even individual behavior. (Kusmiati & Kurnianingsih, 2022)..

According to (Projo et al., 2022), indicators of self-control are divided into three aspects, namely:

- *Decisional Making* (Self-Control in Making Decisions). The ability to choose an action based on something that is believed or agreed upon. Decisional self-control works well when a person has the opportunity, freedom, and potential to determine various possible actions.
- Behavior Control The availability of responses can directly affect or change unpleasant situations. Behavior control is divided into two components, namely regulated administration and stimulus modifiability.

- Cognitive Control is the individual's ability to process unwanted information by interpreting, evaluating, or relating an event within a cognitive framework as a psychological adaptation and pressure reduction. So, indicators of self-control include the ability to control behavior, the ability to make decisions, and the ability to anticipate and interpret an event.

Self-Concept

Atwater states that self-concept is the whole picture of self, which includes a person's perception of self, feelings, beliefs, and values related to himself. Furthermore, Atwater identifies the self-concept into three forms. The first image is awareness about his bones, namely how a person himself. Second is the ideal self, which is how a person feels and expects about himself. This area is the social self, which is how other people see themselves. (Khosim & Hidayati, 2018)

Self-concept refers to one's perception of oneself. It includes one's understanding of identity, values, skills, and roles in personal, social, or professional life, as well as the extent to which a person accepts and values themselves. According to Kania Saraswatia et al. (201), self-concept is a self-schema, which is knowledge about oneself that affects the way a person processes information and takes action. Self-concept is formed through how others judge us and how we judge ourselves.

Self-concept describes a person's conception of himself and the characteristics that he considers to be part of himself. It also describes the view of the self in relation to its various roles in life and interpersonal relationships.

According to Erfita (2018), there are several indicators of Self-Concept, namely Ability, Virtue, self-esteem, hope, and self-awareness.

- Ability
  A person's understanding and perception of themselves, including the ability to recognize their strengths, weaknesses, values, interests, and personal identity.
- Policy
  A set of actions or strategies set out to help a person understand, develop, and strengthen understanding of oneself.
- Self-esteem
  It encompasses individuals' beliefs, attitudes, and feelings toward themselves, including assessments of their abilities, successes, and personal importance.
- Hope
  An individual's hopes or expectations of their future self.
- Self-awareness
  An individual's ability to understand and recognize their thoughts, emotions, and behaviors, as well as awareness of their influence on oneself.

Financial behavior

Financial behavior is the skill of each person in managing their finances (planning, budgeting, checking, managing, controlling, searching, and saving) their daily financial funds. Financial management behavior can be defined as a stage in determining financial provisions and harmonizing one's motives and organizational goals. Financial management behavior relates to the effectiveness of fund management, where the flow of funds must be directed according to a predetermined plan. (Suciyawati N.P & Sinarwati, 2021) .

Financial behavior relates to a person's financial responsibility to manage finances. Financial responsibility is the process of managing money and assets productively. Money management is the process of controlling and using financial assets (Apriliani, 2020)

According to (Putri, 2020), Financial behavior is a person's behavior in managing their finances from the point of view of individual psychology and habits. Financial management behavior can also be interpreted as a financial decision-making process, harmonizing individual motives and company goals. Financial behavior is related to the effectiveness of fund management, where the flow of funds must be directed under a predetermined plan.

How a person treats his money can show whether his financial behavior is good or not. Determining whether someone's financial behavior is good or not can be done based on several indicators of financial behavior assessment. People manage finances properly and realize that it is very important to manage finances personally in an effort to control financial problems that will be experienced in the future. (Gunawan & Arfilla, 2021).

Here are some indicators of financial behavior according to (Sugiarto, 2016) namely:

- Paying bills on time
- Create a budget for expenses and expenditures.
- Recording expenses and spending (daily, monthly, etc.)
- Provide funds for unexpected expenses
- Risk management

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RESEARCH METHOD

This research uses a quantitative methodology to provide a more detailed picture of the phenomenon being investigated. The quantitative explanatory technique aims to clarify the possible relationship between the factors that influence the proposed hypothesis. The main focus of this study is Medan Johor MSME players. To determine the appropriate sample size, the researcher utilized the Slovin method and concluded that 78 respondents were needed to achieve the desired level of confidence, with the criteria used being Medan Johor MSME players aged < 25 years - > 45 years, Medan Johor MSME players based on business type, Medan Johor MSME players who have income from Rp.500,000 - >Rp. 1,500,000.

In this research framework, the variables studied include self-control ($X1$), self-concept ($X2$), financial behavior (Z), and investment decisions (Y). Evaluation of self-control is carried out through three main aspects, namely self-control in making decisions, behavioral control, and cognitive control. Meanwhile, in the context of self-concept, five important metrics are used to assess its influence, namely ability, wisdom, self-esteem, expectations, and self-awareness. On the other hand, financial behavior is evaluated by considering five key indicators, such as paying bills on time, budgeting expenses and spending, and recording expenses and spending (Daily, Monthly, and others).

The data collected was collected through a survey using a Likert scale with five statements, which gave respondents a choice from "strongly agree" to "strongly disagree." Data analysis was conducted using SEM-PLS, which includes the *outer model* analysis, *inner model* analysis, and hypothesis testing stages. This methodology is expected to reveal the pattern and significance level of the interaction between variables in the context of this study.

RESULTS

Convergent Validity

The process of evaluating item dependency, known as indicator validity, is crucial in conceptual research as it ensures the reliability and validity of the construct under study. Using key metrics such as *loading factor* values, researchers can assess the extent to which each indicator contributes to the understanding of the construct being tested. While $loading\ factor$ > 0.7 are ideal, values above 0.5 are usually accepted in some cases, indicators with values below this threshold are usually excluded from the model because they are considered insignificant in understanding the construct under study.

Table 1. ***Outer Loading*** **Results**

Variables	Indicator	*Factor Loading*	Decision
Self-Control	KD1	0.545	Invalid
	KD2	0738	Valid
	KD3	0.747	Valid
	KD4	0.830	Valid
	KD5	0.812	Valid
	KD6	0.870	Valid
	KD7	0859	Valid
	KD8	0.853	Valid
	KD9	0.838	Valid
Self-Concept	KSPD1	0.800	Valid
	KSPD2	0.808	Valid
	KSPD3	0.824	Valid
	KSPD4	0.935	Valid
	KSPD5	0.980	Valid
	KSPD6	0.935	Valid
	KSPD7	0.886	Valid
	KSPD8	0.896	Valid
	KSPD8	0.797	Valid
	KSPD10	0.850	Valid
Financial Behavior	PK1	0.853	Valid
	PK2	0.916	Valid
	PK3	0.854	Valid
	PK4	0.880	Valid
	PK5	0.891	Valid
	PK6	0.935	Valid
	PK7	0.784	Valid
	PK8	0.862	Valid
	PK9	0.928	Valid
	PK10	0.848	Valid
Investment Decision	PK1	0.851	Valid
	PK2	0.868	Valid
	PK3	0.853	Valid
	PK4	0.843	Valid
	PK5	0.852	Valid
	PK6	0.810	Valid
	PK7	0.807	Valid
	PK8	0.659	Invalid
	KI 9	0.719	Valid

Source: Data processing results (2024).

The analysis findings illustrated in Table 1 above show that the *outer loading* value of each indicator exceeds the 0.50 threshold. The significant *outer loading* value indicates a strong relationship between the indicator and the construct being studied, strengthening the reliability of the data collected in this study.

Composite Reliability

In measuring the overall dependability of a construct, researchers often use statistical tools such as *Cronbach's alpha* and *DG rho* (*PCA*). *Cronbach's alpha* gives the lowest indication of a construct's reliability, while composite reliability gives a more accurate picture. In general, a good value is considered when both statistics exceed 0.6. Thus, if the measured reliability reaches a value above 0.60, the construct is reliable for further analysis. This approach ensures that the data obtained from the indicators are reliable and accurate in representing the construct being measured.

Table 2. *Composite Reliability* Results

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Investment Decision	0.934	0.945	0.944	0.656
Self-Concept	0.962	0.965	0.967	0.749
Self-Control	0.925	0.942	0.938	0.630
Financial Behavior	0.966	0.968	0.971	0.768

Source: data processing results (2024).

Referring to Table 2, it can be seen that the *composite reliability* values for Self-Control, Self-Concept, Financial Behavior, and Investment Decision are 0.938, 0.967, 0.971, and 0.944, respectively. Furthermore, *Cronbach's alpha* is 0.925, 0.962, 0.966, and 0.934, respectively. All these values indicate a high level of dependability in the measurement instrument, as they exceed the threshold set at 0.6. In addition, the *Average Variance Extracted* (*AVE*) values for Self-Control, Self-Concept, Financial Behavior, and Investment Decision were 0.630, 0.749, 0.768, and 0.656, respectively. The fact that each *AVE* value exceeds 0.5 confirms strong convergent validity, as the underlying variables are able to explain more than half of the variability in the indicators.

R-Square

R-square, as a measure of the proportion of variability in the dependent variable that the independent variables can explain, helps in evaluating the effectiveness of the model. With an *R-squared* value exceeding 0.75, a model shows solid *resilience*. This indicates that the external variables can explain most of the variation in the same variable. Data analysis using smartPLS 4.0 provides a more detailed understanding of the *R-squared* values. Below are the test results:

Table 3. *R-Square* Test Results

	R-Squared	*Adjusted R-Squared*
Investment Decision	0.873	0.868
Financial Behavior	0.889	0.886

Source: PLS 4.0.

Furthermore, the *R-square* value of 0.873 indicates that self-control, self-concept, and financial behavior greatly impact investment decisions, according to the data shown in Table 3 above. The three external variables considered can substantially explain 87.3% of the variation in consumer behavior, while other variables explain 12.7%. In addition, the *R-squared* value of 0.889 indicates that self-control and self-concept significantly affect financial literacy by 88.9%, while other variables influence 11.1%.

Hypothesis Testing

To assess the significance of each relationship or hypothesis, a path coefficient analysis of the structural model is required. In addition to providing deeper insight into the degree and relevance of interrelationships between variables in the research model, the findings of this hypothesis test provide additional understanding of the dynamics of existing relationships. The table below illustrates the *path coefficient of* each relationship:

Table 4. *Path Coefficient*

	Original Sample (O)	T-Statistics	p-Values	Decision
Self-Concept->Investment Decision	0.208	1.855	0.064	Not Accepted
Self-concept -> Financial Behavior	0.781	8.616	0.000	Accepted
Self-Control->Investment Decision	0.011	0.101	0.920	Not Accepted
Self-Control->Financial Behavior	0.178	1.868	0.062	Not

				Accepted
Financial Behavior->Investment Decision	0.727	6.275	0.000	Accepted
Indirect Effects				
Self-concept -> Financial Behavior -> Investment Decision	0.568	4.575	0.000	Accepted
Self-Control -> Financial Behavior->Investment Decision	0.129	1.948	0.051	Not Accepted

Source: PLS 4.0.

DISCUSSION

The Effect of Control on Investment Decisions

The influence between self-control on investment decisions with a TStatistic (|O/STDEV|) = 0.101 and p values of 0.920 shows a positive and insignificant relationship. Self-control is an important ability in various aspects of life, and in this context, it does not play a big role in investment decisions for MSME actors. This means that impulse control or emotion management has little impact on how they make investment decisions. MSME players tend to make investment decisions based on their judgment. They focus more on independent analysis and judgment rather than being influenced by the opinions or thoughts of others. This suggests that they have a high level of independence in the investment decision-making process. This can explain why individuals with low financial knowledge tend to fail to carry out investment activities properly. Investment failure or less-than-optimal investment can be caused by individuals with low financial knowledge not being able to suppress consumption activities optimally. (Subaida & Hakiki, 2021). The results of this study are in line with Dewi and Purbawangsa (2018), who, in their research, concluded that the self-control variable has an insignificant effect on investment decisions. Individuals who have good self-control tend to make investment decisions that are wiser and more effective in achieving their financial goals. This is in accordance with the answers from respondents that MSME actors can make investment decisions independently and rationally, without being overly influenced by emotional factors or external influences from others.

The Effect of Self-Concept on Investment Decisions

The influence between Self-Concept on Investment Decisions with a TStatistic value (|O/STDEV|) = 1.855 and p values of 0.064 shows a positive and insignificant relationship. Self-concept is an individual's point of view regarding investment and self-confidence in making these investment decisions. Self-confidence can also be interpreted as an attitude accompanied by an assessment of one's abilities based on achievements that have been successfully carried out so that one has more ability to assess one's strengths and weaknesses. A confident person is able to encourage himself to become a better person every day. (Chasanah et al., 2022). MSME actors rely more on rational analysis and objective data such as potential profits, risks, and market trends. Self-concept, which is more subjective and emotional, does not influence this decision-making process. MSME players tend to evaluate the return potential of various investment options by comparing the risks and benefits obtained. Investments with high potential returns but manageable risks are preferred. Expectation of return is the main criterion in decision-making. If an investment does not meet the return expectations set, MSME actors will refuse to invest. The expectation of high returns can increase the optimism and courage of MSME actors to invest despite the risks involved. Investment decisions driven by return expectations mainly focus on financial results and profits that can be obtained. MSME players pay more attention to financial aspects and objective analysis rather than considering how the investment reflects or affects their self-concept. This is in accordance with the respondents' answers that Medan Johor MSME players choose to invest mainly in the hope of obtaining financial *returns*. This shows that the main motivation of Medan Johor MSME players in investing is to expect *returns* and obtain better financial results. The way Medan Johor MSME players view themselves and how this view affects their behavior could lead to an insignificant relationship between self-concept and investment decisions. This is in line with research that says the self-concept variable does not affect the investment decision variable taken to achieve their business financial goals. Sari et al. . Thus, the expectation of *return* from investment can encourage Medan Johor MSME players to invest, but the self-concept of Medan Johor MSME players is independent of their investment.

The Effect of Self-Control on Financial Behavior

The effect of Self-Control on Financial Behavior with a TStatistic value (|O/STDEV|) = 1.868 and p values of 0.062 shows a positive and insignificant relationship. According to Zemtsov et al. (2015), financial well-being depends on financial behavior and the income stream generated by the assets owned. The Financial Services Authority supports this (OJK, 2017), which states that someone who has good financial well-being requires financial management skills, the ability to invest, and good financial resilience. Clearly, understanding how much money goes in and out each month is the first step in creating a realistic budget. This means that improving skills and knowledge about budgeting is an important step in achieving financial stability and well-being so that self-control is not significant to financial behavior. Based on the results of research that has been conducted explain that there is no significant effect of self-control on financial behavior. (Luis & MN, 2020).

The Effect of Self-Concept on Financial Behavior

The influence between Self-Concept on Financial Behavior with a TStatistic (|O/STDEV|) = 8.616 and p values of 0.000 shows a positive and significant relationship. Self-concept plays an important role in influencing specific aspects of financial behavior, such as saving, spending habits, and investment decisions. Psychological aspects such as self-concept play an important role in financial decision-making. This reinforces the view that financial health depends not only on technical knowledge and skills but also on psychological factors, namely self-concept. The results in this study are in line with Yusuf & Ningsih, (2022) stated that self-concept has a significant positive effect on financial behavior. Individuals who have a good self-concept are more likely to have better financial behavior, such as saving, managing expenses, and avoiding unnecessary expenses. In conclusion, the influence of self-concept on financial behavior has been examined in several studies, and the results show that self-concept has a positive and significant influence on financial behavior. Individuals who have a good self-concept are more likely to have better financial behavior and be more effective in achieving their financial goals.

The Effect of Financial Behavior on Investment Decisions

The influence between Financial Behavior on Investment Decisions with a TStatistic value (|O/STDEV|) = 6.275 and p values of 0.000 shows a positive and significant relationship. Before they start investing, of course, they first analyze to be sure to make decisions in investing. Investment decisions are made; often, they do not think rationally and only think about their emotions when making investments. Decision-making to invest is done by considering the risks that will occur. Assessment of the risks that may occur is necessary to know the losses or profits that might occur in investing (Wardiningsih, 2012). According to Siregar & Anggraeni, (2022)it can be concluded that Financial Behavior has a positive and significant influence on Investment Decision Making. The higher the financial behavior possessed by students, the higher the investment decisions of MSME actors. The results of this study are in line with Suciyawati & Sinarwati (2021) The results of this study are in line with Suciyawati N.P & Sinarwati N.K, (2021), which state that the financial behavior variable has an influence or is significant on investment decisions. So, the better the financial behavior is carried out for the community, the better the investment decisions can be made for the community.

The Effect of Self-Control on Investment Decisions through Financial Behavior

In this study, self-control affects investment decisions mediated by financial behavior in Medan Johor MSME players, and this is because the P-value is 0.051 <0.05. (insignificant), then financial behavior (Z) does not go through the influence of self-control (X1) on Investment Decisions (Y). This study shows that financial behavior cannot go through self-control in investment decisions. Because the effect of self-control on investment decisions directly is moderate, with a coefficient of 0.101, then the coefficient of self-control on investment decisions indirectly through financial behavior is 1.948. This means that the variable through (Financial Behavior) is not a mediator/intermediary between self-control and investment decisions. Self-control is a person's ability to control and manage behavioral factors to suit the situation. Self-control tends to have a strong enough direct influence on investment decisions so that this effect does not require mediation through financial behavior. Individuals with high self-control may directly make better investment decisions without having to require certain financial behavior steps. Other factors can influence investment decisions, such as financial knowledge, experience, risk tolerance, and market conditions. These factors may be more dominant than behavioral finance in explaining how self-control affects investment decisions. A person's financial behavior may change over time in different situations. These behaviors must be stable and consistent to identify a clear mediator between self-control and investment decisions.

The results of this study are supported by Putri and Andayani (2022), who stated that financial behavior variables cannot mediate the relationship between self-control and investment decisions. Some people assume that investment planning is only carried out by individuals with high incomes. However, there are still individuals with high incomes who still need investment plans in their financial affairs. Thus, although in this study, MSME actors already have good financial behavior, this does not affect the influence between self-control and investment decisions. This can occur because the financial goals of MSME actors are still more inclined to consumptive things and minimal risk, such as saving.

The Effect of Self-Concept on Investment Decisions through Financial Behavior

In this study, self-concept affects investment decisions mediated by financial behavior in Medan Johor MSME players, and this is because the P-value is 0.000 <0.05 (significant), so financial behavior (Z) through the influence of self-concept (X2) on investment decisions (Y).

Self-concept is a comprehensive understanding of oneself that includes various aspects such as personal identity, self-esteem, self-image, self-ideal, and social roles. Self-concept is also the point of view from which a person sees things so that they can immediately make decisions to act. Financial behavior includes a person's habits in managing finances, such as saving, spending money, managing debt, and investing. Investment decisions are choices made about how and where a person invests their money to achieve long-term financial goals.

A person with a positive and strong self-concept tends to have good financial behavior. They are confident in managing money, more disciplined in saving, wise in spending, and careful in managing debt. Healthy and well-planned financial behaviors positively influence investment decisions. Savings habits, good risk analysis, and careful debt management enhance one's ability to make wise and profitable investment decisions. Financial behavior acts as a link between self-concept and investment decisions. That is, the influence of self-concept on investment decisions is carried out through financial behavior. A person with a good self-concept will develop good financial behaviors, which in turn positively influence their investment decisions.

This is in accordance with the results of the answers from respondents of MSME actors who are mature enough to make decisions/actions in using money. With a strong self-concept and good financial behavior, a person feels more confident in making financial decisions, including investment decisions. They feel more confident in evaluating risks and choosing investment options that suit their financial goals. The results of this study are in line with Astuti et al. (2024), who stated that self-concept has a positive effect on investment decisions through financial behavior, directly or indirectly.

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CONCLUSION

The research findings confirm that self-control, self-concept, and financial behavior have a significant influence on investment decisions and financial behavior among Medan Johor MSME players. A good self-concept tends to lead to more positive financial behavior, which ultimately leads to wiser and more profitable investment decisions. Some suggestions that can be given include the advice of MSME actors to save more to anticipate very high consumption needs when future business income is low. Individual MSME actors who have good control tend to make wiser and more effective investment decisions in achieving their financial goals. MSME players are advised to take part in self-development programs so that they have a high level of confidence, which can help MSME owners make more confident and appropriate financial decisions. The importance of Medan Johor MSME players making cash-in and cash-out budget records every month so that their financial management is organized and neat in managing business finances. Medan Johor MSME players who have a good self-concept are more likely to have better financial behavior and be more effective in achieving their financial goals. Before MSME players are sure to make investment decisions, they first analyze what type of investment is suitable for their financial management. A person's financial behavior can change over time in different situations. If this behavior is stable and consistent, it is easier to identify it. MSME actors are mature enough to make decisions/actions using money. In making these decisions, MSME actors are not easily influenced by the opinions of others.

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