Governors
Volume: 05 | Number 01 | April 2026 |
E-ISSN: 2962-5505 | DOI: doi.org/10.47709/governors.v5i1.9327

Financial Socialization, Social Comparison, and Financial Behavior: The Mediating Role of Self-Efficacy

Sri Ayu Devista[1*], Ahmad Wira[2], Romi Iskandar[3]
[1,2,3]*Universitas Islam Negeri Imam Bonjol, Indonesia*
*sriayudevista2019@gmail.com
Corresponding Author

ABSTRACT

Financial management behavior is essential for the sustainability of Micro, Small, and Medium Enterprises (MSMEs), yet many MSME actors still struggle to manage business finances effectively. While prior research has examined financial socialization and social comparison orientation as external drivers of financial behavior, little is known about how these factors operate through financial self-efficacy as a psychological mechanism, particularly among MSME actors in emerging urban economies such as Padang City, Indonesia. This study addresses this gap by testing financial self-efficacy as a mediator between financial socialization, social comparison orientation, and financial management behavior, using SEM-PLS on survey data from 100 MSME actors selected through purposive sampling. The findings show that financial socialization, not social comparison, is the determinant that meaningfully shapes financial management behavior, both directly and through financial self-efficacy. This distinction represents the study's key contribution: it demonstrates that internalized confidence built through social learning, rather than competitive self-evaluation, is the psychological pathway that translates external financial influence into sound financial behavior among MSME actors. Practically, this finding suggests that financial literacy interventions for MSMEs should be designed around mentorship and socialization-based learning to build financial self-efficacy, rather than relying on competitor-benchmarking approaches that this study finds ineffective in changing financial behavior.

Keywords: Financial management behavior, Financial self-efficacy, Financial socialization, MSMEs, Social comparison orientation

INTRODUCTION

Financial management behavior is one of the important aspects in supporting business sustainability and growth, especially in Micro, Small, and Medium Enterprises (MSMEs). Good financial management behavior is reflected in the expertise of business actors in carrying out financial planning, cash flow recording, expenditure control, and proper financial decision-making. Good financial management does not only function in protecting business stability and supporting long-term business development. On the contrary, a weak financial management attitude can result in disruption of cash flow and business continuity (Gunawan, 2024).

Empirical evidence shows that financial management in Micro, Small, and Medium Enterprises (MSMEs) in Indonesia is not optimal. Statistics from the Ministry of Cooperatives and MSMEs reveal that around 60% of MSMEs face challenges in managing their business finances. Furthermore, more than 70% of MSMEs lack regular bookkeeping practices and have not separated personal finances from business finances (Caroline et al., 2025). The Indonesian Chamber of Commerce and Industry (Kadin) Indonesia also reported that around 74% of MSMEs in Indonesia are unable to prepare financial statements, indicating a lack of financial management competence of MSME actors. This highlights significant problems in MSME financial management, which is still suboptimal despite the number of companies continuing to increase.

Padang City is one of the regions with a fairly rapid development of MSMEs and has an important role in supporting the regional economy. This development is not only seen from the increase in business activities, but also from the distribution of MSMEs in various sub-districts and the diversity of business types which include packaging, catering, retail, services, and handicrafts businesses. However, the increase in the number of MSMEs has not been followed by optimal financial management skills, as seen from the high percentage of business actors who experience difficulties in financial recording (Caroline et al., 2025). This condition shows that there is a gap between the growth of the number of MSMEs and the quality of financial management of business actors, so further studies are needed to understand the factors that affect it.

Financial Management Behavior is an individual's behavior in managing financial resources owned through planning, budgeting, controlling, recording, and financial decision-making activities. Good financial management behavior is an important factor for MSME actors in facing various increasingly complex business challenges. However, various studies show that there are still many MSME actors who have difficulties in implementing effective financial management so that it has an impact on the development of their businesses (June, 2021).

Theory of Planned Behavior (TPB) proposed by Ajzen (1991) explains that individual behavior is influenced by attitudes, subjective norms, and perceived behavioral control. This theory frames financial socialization and social comparison orientation as external, socially rooted antecedents of financial behavior, while Social Cognitive Theory (Bandura, 1991) frames financial self-efficacy as the internal psychological mechanism through which such social influences are translated into actual behavior. Read together, these two theories suggest a two-stage process: social exposure shapes belief, and belief, in turn, shapes action.

However, the empirical literature applying this two-stage logic remains fragmented and inconclusive. Studie son financial socialization have consistently reported a positive effect on financial management behavior (Lebaron-black et al., 2023; Paradise & Kadarningsih, 2023), suggesting that social learning reliably translates into better financial conduct. In contrast, findings on social comparison orientation are considerably less consistent: Ahamed & Limbu (2024) reported a positive direct effect on both financial management behavior and financial self-efficacy, whereas Nurhayati & Aeni (2025) found no direct effect, with the relationship only emerging indirectly through financial self-efficacy as a mediator. This inconsistency points to an unresolved theoretical question: unlike financial socialization, which operates as a stable normative influence, social comparison may be a more volatile psychological trigger whose effect on behavior depends heavily on whether it first builds, or instead undermines, an individual's financial self-efficacy. This distinction constitutes the empirical gap this study addresses, while prior studies have tested financial self-efficacy as a mediator in isolated cases, none have directly compared its mediating role across a socialization based pathway and a comparison based pathway within a single model, particularly among MSME actors in an emerging urban economy such as Padang City.

Addressing this gap, the present study contributes to the literature in two ways. First, it provides a comparative test of two theoretically distinct antecedents, social norm-based (financial socialization) and comparison-based (social comparison orientation), within a single mediation model, clarifying which pathway more reliably operates through financial self-efficacy. Second, it extends TPB and Social Cognitive Theory to the underexamined context of urban MSME actors in Indonesia, offering evidence on whether psychological self-efficacy, rather than external social exposure alone, is the more decisive determinant of sound financial behavior in this population. Accordingly, this study aims to analyze the influence of Financial Socialization and Social Comparison Orientation on Financial Management Behavior, with Financial Self-Efficacy as a mediating variable, among MSME actors in Padang City.

LITERATURE STUDY

Theoretical Framework

This study is grounded in two complementary theories that together explain how external social influences translate into individual financial behavior. Theory of Planned Behavior (Ajzen, 1991) positions social influence, expressed through subjective norms, as a key antecedent of behavioral intention, suggesting that financial socialization and social comparison orientation shape financial behavior by embedding socially derived norms into individual decision-making. However, TPB alone does not explain why the strength of this social influence varies across individuals. Social Cognitive Theory (Bandura, 1991) addresses this gap by introducing self-efficacy, an individual's belief in their capacity to execute a given behavior, as the psychological mechanism that determines whether social influence is actually converted into action. Integrating these two theories, this study conceptualizes financial socialization and social comparison orientation as external, socially rooted antecedents (per TPB), and financial self-efficacy as the internal psychological mechanism (per Social Cognitive Theory) through which these external influences are translated into financial management behavior.

.

Antecedents of Financial Management Behavior

Financial socialization is the process by which people gain financial knowledge and attitudes through interaction with family and social environment (Khawar & Sarwar, 2021), shaping financial skills through key socialization agents, namely parents, peers, media, and the work environment (Fletcher & Wright, 2024; Naufalia et al., 2022, adapted from Hira, 2013). Social comparison orientation, by contrast, reflects individuals' tendency to evaluate themselves relative to others (Festinger, 1954), operationalized through ability comparison and opinion comparison (Bram et al., 1999), and further distinguished into upward comparison and downward comparison (Laker & Waller, 2022). Although both constructs originate from the individual's social environment, they operate through distinct mechanisms: financial socialization functions as a stable, normative learning process, whereas social comparison functions as an evaluative, and potentially volatile, psychological trigger.

The Mediating Mechanism: Financial Self-Efficacy

Financial self-efficacy refers to an individual's confidence in their capacity to manage finances effectively, encompassing financial planning, expense control, decision-making, and risk management (Ratnawati, 2023), grounded in Bandura (1977) broader concept of self-efficacy.

Financial Management Behavior as thr Outcome Variable

Financial management behavior is the outcome variable of interest, defined as the rational and systematic management of finances through planning, budgeting, monitoring, and decision-making (Irawati & Kasemetan, 2023), comprising two dimensions, financial planning (goal-setting, budgeting, recording) and financial execution (implementing decisions and adjusting to circumstances) (Nurfauziah & Mulyati, 2024), and measured through four indicators: consumption, cash-flow management, saving and investment, and credit management (Wardiansyah & Indrawati, 2021).

Hypotheses Development

Direct Effect on Financial Management Behavior

Financial socialization equips individuals with financial knowledge absorbed through family interaction, peer association, and media exposure, gradually building their understanding of the importance of planning, organizing, and controlling their own finances. Empirical studies consistently support this link (Lebaron-black et al., 2023; Paradise & Kadarningsih, 2023; Gunawan et al., 2023)

H1: Financial Socialization has a positive effect on Financial Management Behavior.

Social comparison may similarly encourage individuals to improve their financial management behavior by using others' financial condition and success as a benchmark. Ahamed & Limbu (2024) found a positive effect of social comparison orientation on financial management behavior, although other studies report inconsistent results, warranting further testing in this context.

H2: Social Comparison Orientation has a positive effect on Financial Management Behavior.

Consistent with Bandura's (1991) view that belief in one's own capacity is a principal driver of behavior, individuals with higher financial self-efficacy are better able to prepare financial plans,

limit expenditure, and make targeted financial decisions. This is supported by Goddess (2023) and Chandra & Satria (2023), both reporting a positive effect of financial self-efficacy on financial management behavior.
H3: Financial Self-Efficacy has a positive effect on Financial Management Behavior.

Direct Effect of Financial Socialization on Financial Self-Efficacy

Beyond shaping behavior directly, financial socialization also strengthens an individual's confidence in their own financial capacity: exposure to financial knowledge through family, peers, and media deepens understanding and, in turn, increases confidence in financial decision-making, a relationship confirmed by Kaur & Singh (2025).
H4: Financial Socialization has a positive effect on Financial Self-Efficacy.

Social comparison may also function as a learning mechanism that strengthens financial self-efficacy, as individuals calibrate their self-assessment against others. Ahamed & Limbu (2024) and Nurhayati & Aeni (2025) both report a positive effect of social comparison orientation on financial self-efficacy.
H5: Social Comparison Orientation has a positive effect on Financial Self-Efficacy.

Mediating Role of Financial Self-Efficacy

Per Social Cognitive Theory, environmental conditions shape behavior primarily by strengthening self-belief; accordingly, financial socialization is expected to enhance financial management behavior not only directly, but also indirectly by first strengthening financial self-efficacy, consistent with prior mediation evidence (Dewi, 2023).
H6: Financial Self-Efficacy mediates the influence of Financial Socialization on Financial Management Behavior.

Similarly, comparing one's financial condition with others may strengthen financial self-efficacy among individuals who process such comparisons constructively, which in turn drives better financial management behavior, as evidenced by Nurhayati & Aeni (2025).
H7: Financial Self-Efficacy mediates the influence of Social Comparison Orientation on Financial Management Behavior.

Based on the theoretical foundation and background studies that have been described, the conceptual framework of this research is as follows:

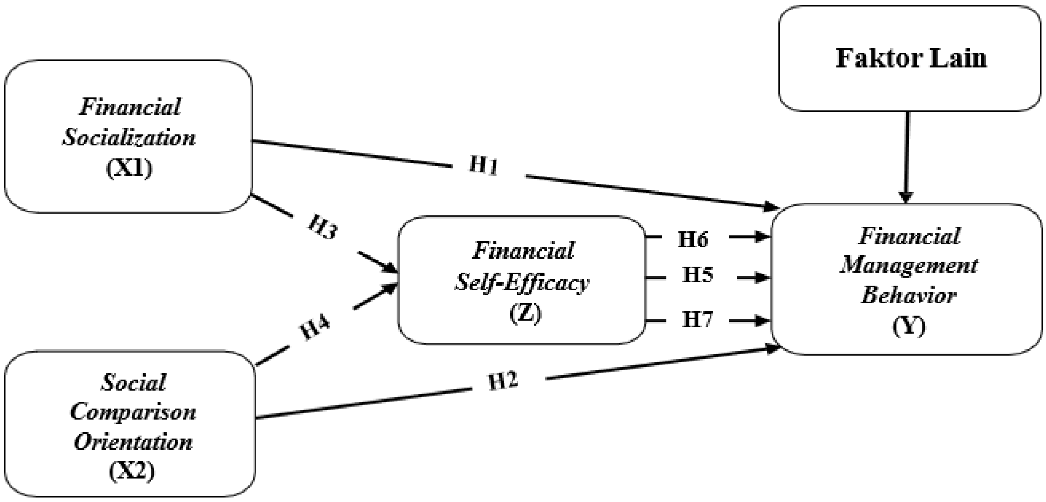

Figure 1. Conceptual Framework

Governors
Volume: 05 | Number 01 | April 2026 |
E-ISSN: 2962-5505 | DOI: doi.org/10.47709/governors.v5i1.9327

METHOD

This study employs a quantitative approach with a causal-associative design to examine the causal relationships between financial socialization, social comparison orientation, financial self-efficacy, and financial management behavior among Micro, Small, and Medium Enterprises (MSMEs) in Padang City. The population of this study comprises all MSME actors in Padang City, totaling 48,274 business units as of 2025. Given the impracticality of surveying the entire population, the sample size was determined using the Slovin formula with a 10% margin of error, yielding a required sample of 100 respondents. Respondents were selected using purposive sampling, chosen over probability-based techniques because the study requires respondents who directly manage business finances and possess sufficient tenure to meaningfully report on financial management behavior, criteria that random sampling cannot guarantee. Accordingly, respondents were required to meet three criteria: (1) domiciled in Padang City, (2) directly responsible for managing their business finances, and (3) having operated their business for at least one year

Data were collected as primary data through the direct distribution of structured questionnaires to MSME actors. The instrument was adapted from previously validated scales and further verified through a pilot test involving 30 respondents prior to full-scale data collection, ensuring adequate validity and reliability before administration to the main sample. All items were measured using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Specifically, financial socialization was measured using eight items across four indicators, namely parental influence, peer influence, media influence, and environmental influence, adapted from Naufalia et al. (2022). Social comparison orientation was measured using six items across two indicators, ability comparison and opinion comparison, adapted from Bram et al. (1999). Financial self-efficacy was measured using eight items reflecting confidence in financial planning, decision-making, financial management, and problem-solving, adapted from Ratnawati (2023). Financial management behavior was measured using six items across two indicators, consumption and cash-flow management, adapted from Wardiansyah & Indrawati (2021). Data were analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS software. The analysis proceeded in two stages: evaluation of the measurement model (outer model), comprising tests of convergent validity, discriminant validity, Composite Reliability, and Cronbach's Alpha, followed by evaluation of the structural model (inner model) through the coefficient of determination (R^2), predictive relevance (Q^2), effect size (f^2), path coefficients, and hypothesis testing via bootstrapping.

RESULTS AND DISCUSSION

Evaluation of Measurement Model (Outer Model)

As for the measurement model for validity and reliability tests can be seen in the following Figure 2:

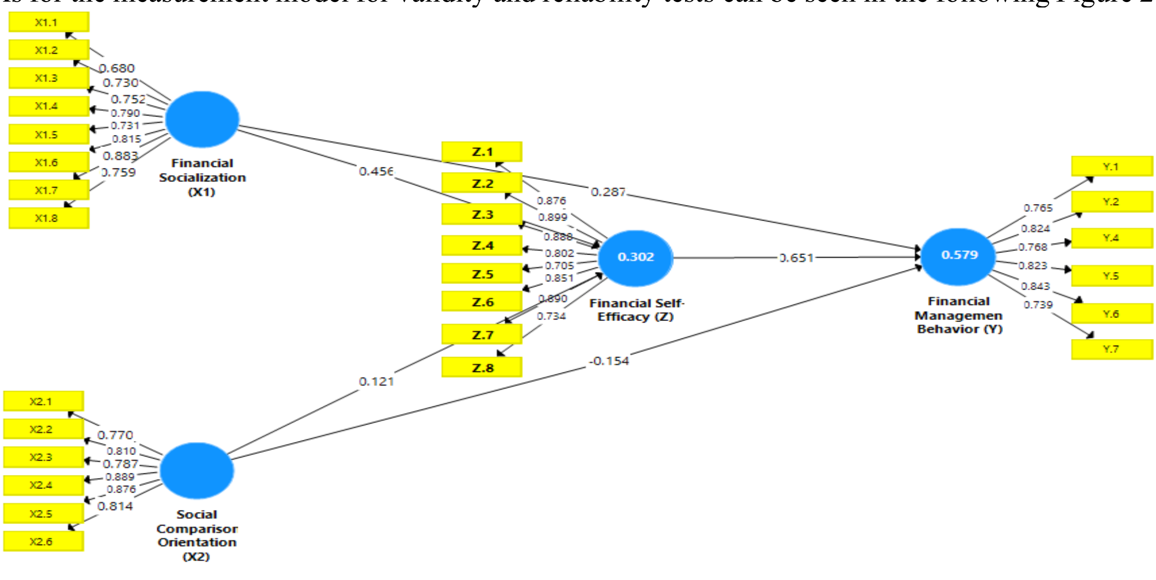

Figure 2. Measurement Model (Outer Model) PLS Algorithm Results

Governors
Volume: 05 | Number 01 | April 2026 |
E-ISSN: 2962-5505 | DOI: doi.org/10.47709/governors.v5i1.9327

Meanwhile, a summary of the results of the validity test and the results of the reliability test can be seen in Table 1 below:

Table 1. Validity Test Results

Measurement Model	Results		Critical Values	Model Evaluation
Outer Model				
	Variable	**AVE**		
Discriminant Validity	Financial Socialization	0.593	> 0.50	Valid
	Social Comparison Orientation	0.682		Valid
	Financial Management Behavior	0.631		Valid
	Financial Self-Efficacy	0.695		Valid
Convergent Validity	**Indicator**	**Outer Loading**		
	X1.1	0.680	> 0.60	Valid
	X1.2	0.730		Valid
	X1.3	0.752		Valid
	X1.4	0.790		Valid
	X1.5	0.731		Valid
	X1.6	0.815		Valid
	X1.7	0.883		Valid
	X1.8	0.759		Valid
	X2.1	0.770		Valid
	X2.2	0.810		Valid
	X2.3	0.787		Valid
	X2.4	0.889		Valid
	X2.5	0.876		Valid
	X2.6	0.814		Valid
	Y.1	0.765		Valid
	Y.2	0.824		Valid
	Y.4	0.768		Valid
	Y.5	0.823		Valid
	Y.6	0.843		Valid
	Y.7	0.739		Valid
	Z.1	0.876		Valid
	Z.2	0.899		Valid
	Z.3	0.888		Valid
	Z.4	0.802		Valid
	Z.5	0.705		Valid
	Z.6	0.851		Valid
	Z.7	0.890		Valid
	Z.8	0.734		Valid

Source: Processed Results SEM PLS 3.0 (2026)

Based on Table 1, it is known that the AVE value for all research variables is financial socialization, social comparison orientation, financial management behavior, and Financial self-efficacy is above the 0.50 threshold. This condition indicates that each variable has met the criteria Discriminant validity adequate (Wibowo, 2024). As for the convergent validity, the results in the same table show that all indicators of each variable have an outer loading value above 0.60, so it can be concluded that all indicators are declared valid and suitable for use for the next stage of testing and analysis (Hair et al., 2022).

E-ISSN: 2962-5505 | DOI: doi.org/10.47709/governors.v5i1.9327

Reliability Test

Cronbach's Alpha and Composite Reliability are indicators used in measuring a construct to measure the internal consistency of the measuring instrument. Reliability refers to the accuracy, consistency, and accuracy of a measuring instrument in using measurements.

Table 2. Reliability Test Results

<table>
<tr><th>Variable</th><th>Cronbach Alpha</th><th>Critical Values</th><th>Composite Reliability</th><th>Critical Values</th><th>Description</th></tr>
<tr><td>Financial Socialization</td><td>0.901</td><td rowspan="4">> 0.70</td><td>0.920</td><td rowspan="4">> 0.70</td><td>Reliable</td></tr>
<tr><td>Social Comparison Orientation</td><td>0.907</td><td>0.928</td><td>Reliable</td></tr>
<tr><td>Financial Management Behavior</td><td>0.883</td><td>0.911</td><td>Reliable</td></tr>
<tr><td>Financial Self-Efficacy</td><td>0.936</td><td>0.948</td><td>Reliable</td></tr>
</table>

Source: Processed Results SEM PLS 3.0 (2026)

The results presented in Table 2 show that the value of Cronbach's Alpha and Composite Reliability in all research variables exceeds 0.70. This achievement confirms that each construct has met the expected reliability requirements. Therefore, it can be stated that all instruments used in this study have a fairly high internal consistency, so they are suitable as a measuring tool in this study.

Structural Model (Inner Model)

The inner model measured can be measured using the R-Square (R2) criterion for both latent and endogenous variables

Table 3. Value R-Square

Variable	R-square	Description
Financial Management Behavior	0.579	Medium
Financial Self-Efficacy	0.302	Medium

Source: SEM PLS 3.0, R-Square in 2026

Table 3 presents the results of the calculation showing that the value of R-Square Financial Management Behavior (Y) by 0.579. This value shows that 57.9% of the variation Financial Management Behavior (Y) can be explained by the variables of the research model, while the side of 42.1% is explained by other factors outside the research model. based on criteria (Joseph F. Hair et al., 2022) This value is in the medium category.

Furthermore, the R-Square value for Financial Self-Efficacy (Z) is 0.302. This means that 30.2% of the variation in Financial Self-Efficacy (Z) can be explained by the variables contained in the study, while the remaining 69.8% is influenced by other factors outside the research model. The R^2 value of 0.302 is also included in the medium category.

Table 4. Results of Direct Influence Hypothesis Testing

Variable	Original Sample (O)	T- Statistics	P-Values	Description
X1 -> Y	0.287	2.724	**0.007**	H1 Accepted
X2 -> Y	-0.154	1.490	0.137	H2 Rejected
X1 -> Z	0.456	3.810	**0.000**	H3 Accepted
X2 -> Z	0.121	1.022	0.307	H4 Rejected
Z -> Y	0.651	6.731	**0.000**	H5 Accepted

Source: Processed Results SEM PLS 3.0 (2026)

E-ISSN: 2962-5505 | DOI: doi.org/10.47709/governors.v5i1.9327

Referring to the table of test results above, it can be seen that the Financial Socialization variable makes a significant contribution to Financial Management Behavior. This is reflected in the path coefficient of 0.287 which has a positive value, supported by a t-statistical value of 2.724 which has exceeded the threshold of 1.96, and a p-value of 0.007 which is below the significance level of 0.05. In other words, the more optimal the financial socialization process that a person experiences, the better the financial management. Based on these findings, the first hypothesis (H1) was declared accepted.

Different conditions can be seen in the Social Comparison Orientation variable, which does not make a significant contribution to Financial Management Behavior. The path coefficient of -0.154 shows the opposite direction of the relationship, while the t-statistic value of only 1.490 is still below the limit of 1.96 and the p-value is 0.137 which exceeds 0.05. This condition indicates that the relationship between the two variables is not statistically strong enough, so (H2) is unacceptable.

In addition to influencing Financial Management Behavior, Financial Socialization has also been shown to have a strong relationship with Financial Self-Efficacy, shown by a path coefficient of 0.456. The t-statistical value of 3.810 and the p-value of 0.000 confirm that the relationship is statistically significant, so it can be said that strengthening the financial socialization process also encourages an increase in individual confidence in managing finances. Thus, (H3) is declared accepted.

On the next track, Social Comparison Orientation showed no meaningful association with Financial Self-Efficacy. Although the coefficient is positive (0.121), the t-statistic value of only 1.022 and the p-value of 0.307 indicate that this relationship is not strong enough to be statistically significant. Therefore, (H4) is unacceptable.

As for the last track, Financial Self-Efficacy was proven to make a significant contribution to Financial Management Behavior, with a path coefficient of 0.651. Supported by a t-statistic value of 6.731 and a p-value of 0.000 which both meet the significance criteria, this finding confirms that a person's confidence in managing finances also determines the quality of their financial management. On this basis, (H5) is declared accepted.

Table 5. Indirect Influence Hypothesis Testing Results

Variable	**Original Sample (O)**	**T-Statistics**	**P-Values**	**Description**
X1 -> Z -> Y	0.297	2.924	**0.004**	H6 Accepted
X2 -> Z -> Y	0.079	1.036	**0.301**	H7 Rejected

Source: Processed Results SEM PLS 3.0 (2026)

In the table above, it can be seen that Financial Self-Efficacy plays a significant role as a mediator in bridging the influence of Financial Socialization on Financial Management Behavior. This is evidenced by a coefficient value of 0.297, a t-statistical value of 2.924 which has exceeded the threshold of 1.96, and a p-value of 0.004 which is below the significance level of 0.05. Based on these findings, H6 was declared accepted.

In contrast, Financial Self-Efficacy has not been proven to play a mediator role in the influence of Social Comparison Orientation on Financial Management Behavior. This condition is indicated by a coefficient value of 0.079, a t-statistical value of 1.036 which is below the critical value of 1.96, and a p-value of 0.301 which exceeds 0.05, so that the result is declared insignificant. Thus, H7 was declared rejected.

Discussion

Based on the results of the statistical test obtained, the influence of each variable was analyzed and the results of the research hypothesis test are summarized in Table 6.

Table 6 Summary of Hypothesis Testing Results

No.	Hypothesis	Remarks
1.	H1: the effect of Financial Socialization on Financial Management Behavior	Accepted
2.	H2: the effect of Social Comparison Orientation on Financial Management Behavior	Rejected
4.	H3: The Effect of Financial Socialization on Financial Self-Efficacy	Accepted
5.	H4: The Effect of Social Comparison Orientation on Financial Self-Efficacy	Rejected
3.	H5: The Effect of Financial Self-Efficacy on Financial Management Behavior	Accepted
6.	H6: the effect of Financial Socialization on Financial Management Behavior mediated by Financial Self-Efficacy	Accepted
7.	H7: the effect of Social Comparison Orientation on Financial Management Behavior mediated by Financial Self-Efficacy	Rejected

The findings reveal that Financial Socialization makes a positive and significant contribution to Financial Management Behavior (H1 accepted), indicating that the more optimal the financial learning process obtained by business business actors, the more directed their financial management practices become. This process equips business actors with an understanding of the importance of planning, cash flow management, expenses control, and sound financial decisión-making. These results reinforce the idea in Social cognitive theory, which views behavior as the outcome of reciprocal interaction between personal factors, environmental influence, and behavior itself, shaped through observational and experiential learning within one's social environment. This finding is consistent with LeBaron-Black et al. (2023) and Paradise & Kadarningsih (2023), both of whom affirm the role of financial socialization in building responsible financial behavior; the present study extends this literature by demonstrating that this effect holds not only directly, but also through a distinct mediated pathway (H6), which prior single-path studies have not jointly tested.

By contrast, Social Comparison Orientation does not significantly affect Financial Management Behavior (H2 rejected). These findings suggest that MSME actors' habit of comparing their financial situation or business achievements with others does not necessarily alter how they manage their finances; financial decisions instead appear to be shaped more by business conditions, personal experience, and individual financial management capacity than by comparative self-assessment. This pattern can be further explained through the distinctive character of Minangkabau entrepreneurs, the predominant ethnic group among MSME actors in Padang City, who uphold independent judgment in business dealings, consistent with the philosophy of raso jo pareso, a guiding wisdom in Minangkabau social interaction. Fatanti & Happy (2019)found that in traditional Minangkabau trading practices such as Marosok, traders deliberately conceal transaction details and prices to avoid offending fellow traders or triggering friction from open price comparison, suggesting that financial matters are culturally regarded as a private, protected domain among Minangkabau business actors. This finding is consistent with Nurhayati & Aeni (2025), who similarly found that the tendency toward social comparison does not automatically translate into improved financial behavior.

Financial Socialization has also proven to be able to strengthen financial self-efficacy (H3 accepted). This finding indicates that the experience of learning finance sourced from family, friends, media, and other social environments also strengthens the confidence of MSME actors in managing their business finances. The wider the exposure to financial information and experience that a person receives from his social environment, the greater the confidence formed in him to manage finances. This conclusion is consistent with the findings Kaur & Singh (2025), which suggests that the process of financial socialization can strengthen Financial self-efficacy through the accumulation of learning and financial experience.

In contrast, Social Comparison Orientation does not significantly affect Financial Self-Efficacy (H4 rejected). These findings indicate that comparing oneself with other business actors does not consistently increase self-confidence in financial management; social comparison can elicit divergent psychological responses, encouraging growth in some individuals while inducing psychological pressure that weakens confidence in others (Buunk & Gibbons, 2007), which may explain the absence of a consistent net effect at the aggregate level. This pattern is further reinforced by the philosophy of raso jo pareso, which serves as a philosophical foundation for decision-making among the Minangkabau people, including in financial matters. Ramadhan & Pratiwi (2024) explain that raso jo pareso emphasizes a deep balance between feeling (raso) and reasoning (pareso) prior to taking action, resulting in choices that are personal and internally grounded rather than externally driven, helping explain why financial self-efficacy among Minangkabau MSME actors is shaped primarily through personal deliberation rather than comparison with other business actors. This finding is consistent with Nurhayati & Aeni (2025), who likewise found no significant relationship between Social Comparison Orientation and Financial Self-Efficacy.

Meanwhile, Financial Self-Efficacy is shown to have a positive and significant effect on Financial Management Behavior (H5 accepted). This finding confirms that MSME actors' confidence in their financial management capability is a key determinant of sound financial behavior: business actors who feel confident in their abilities tend to be better prepared in budgeting, cash-flow management, expense control, and financial decision-making. This result reinforces Social Cognitive Theory, which positions self-belief as a central driver of individual action (Bandura, 1991), and aligns with Dewi (2023), who found a positive relationship between financial self-efficacy and financial management behavior.

The mediation test further shows that Financial Self-Efficacy successfully bridges the influence of Financial Socialization on Financial Management Behavior (H6 accepted), indicating that financial socialization not only equips MSME actors with financial knowledge but also builds the confidence that translates this knowledge into improved financial practice. The opposite pattern occurs for Social Comparison Orientation (H7 rejected), because social comparison does not significantly strengthen financial self-efficacy in the first place (H4), it correspondingly fails to operate indirectly through this mediator. Taken together, these results extend prior single-pathway studies by showing, within one comparative model, that financial self-efficacy functions as a genuine psychological bridge only for normative, socialization-based social influence, and not for evaluative, comparison-based social influence, a distinction that has not been directly tested in prior research on MSME financial behavior.

Research Limitations

This study has several limitations. First, the research was conducted only among MSME actors in Padang City, which may limit the generalizability of the findings to other regions with different characteristics. Second, this study uses a cross-sectional design, which restricts the ability to capture changes over time and limits causal inference between variables. Third, the data were collected using self-reported questionnaires, which may be subject to potential biases such as social desirability and individual interpretation. Fourth, this study focuses only on financial socialization and social comparison orientation as predictors of financial management behavior, with financial self-efficacy as a mediating variable, thus excluding other potentially relevant factors. Future research is recommended to expand the geographical scope, apply longitudinal approaches, include additional variables such as financial literacy, financial attitude, and locus of control, and employ more diverse data collection methods to enhance the robustness of findings.

CONCLUSION

This study demonstrates that not all social antecedents translate into financial behavior through the same psychological pathway. Financial Socialization significantly improves Financial Management Behavior both directly (H1) and indirectly through Financial Self-Efficacy (H6), and also significantly strengthens Financial Self-Efficacy itself (H3); Financial Self-Efficacy, in turn, significantly improves Financial Management Behavior (H5). In contrast, Social Comparison Orientation shows no significant effect on Financial Management Behavior (H2), does not significantly strengthen Financial Self-Efficacy (H4), and consequently fails to operate indirectly through this mediator (H7). This asymmetry constitutes the study's central finding and its principal novelty: among the two theoretically plausible social antecedents examined, only the normative, socialization-based pathway proves psychologically effective in shaping financial behavior, whereas the evaluative, comparison-based pathway does not, despite both being social in origin.

Theoretically, this study extends the integration of TPB and Social Cognitive Theory by showing that these frameworks do not apply uniformly across all social antecedents. Financial socialization aligns with TPB's normative influence pathway and successfully activates the self-efficacy mechanism predicted by Social Cognitive Theory, whereas social comparison orientation, despite originating from the same social environment, does not reliably trigger this mechanism. This finding suggests that future theoretical applications of TPB to financial behavior should distinguish between normative and evaluative forms of social influence rather than treating them as interchangeable antecedents, an important refinement given the current literature's inconsistent findings on social comparison effects. This study contributes to the empirical literature by providing a direct comparative test of these two pathways within a single mediation model, clarifying that financial self-efficacy operates as a genuine bridge only for socialization-based, not comparison-based, social influence.

Practically, these findings point to specific, actionable steps for three groups of stakeholders. The Padang City Cooperatives and MSME Agency (Dinas Koperasi dan UMKM Kota Padang) should prioritize structured financial socialization programs, such as mentorship pairing and peer-learning groups, over competitor-benchmarking initiatives, which this study finds ineffective in improving financial behavior. Financial institutions and microfinance providers serving MSMEs should incorporate experiential, confidence-building components into their financial literacy training rather than relying on comparative performance metrics. MSME owners themselves are encouraged to actively seek financial knowledge through family, peer networks, and formal training rather than benchmarking their financial decisions against competitors, given that such comparisons were not found to improve financial confidence or behavior in this study.

References

Ahamed, A. J., & Limbu, Y. B. (2024). Role of social comparison orientation on financial management behavior in a developing nation: examining the mediating role of financial self-efficacy and the moderating effect of financial socialization. Bottom Line. https://doi.org/10.1108/BL-06-2024-0080

Ajzen, I. (1991). The theory of planned behavior. Organizational Behavior and Human Decision Processes, 50(2), 179–211. https://doi.org/10.1016/0749-5978(91)90020-T

Bandura, A. (1977). Self-efficacy: Toward a unifying theory of behavioral change. Advances in Behaviour Research and Therapy, 84(2). https://doi.org/10.1016/0146-6402(78)90002-4

Bandura, A. (1991). Social Cognitive Theory of Self-Regulation. Organizational Behavior And Human Decision Processes, 38, 248–287.

Bram, A., Gibbons, F. X., & Buunk, B. P. (1999). Individual differences in social comparison Individual Differences in Social Comparison : Development of a Scale of Social Comparison Orientation. https://doi.org/10.1037//0022-3514.76.1.129

Buunk, A. P., & Gibbons, F. X. (2007). Social comparison : The end of a theory and the emergence of a W eld. 102. https://doi.org/10.1016/j.obhdp.2006.09.007

Caroline, N., Farida, Herminda, Mahanani, E., & Ruwaida. (2025). The Influence of Financial Literacy , Financial Inclusion and Financial Management on MSME Performance in The

East Canal Flood Area (BKT). 8(2), 192–202. https://doi.org/10.37817/Ikraith-Ekonomika
Chandra, W., & Satria, A. (2023). The Influence of Attitude Toward Money , Locus of Control , Financial Self-Efficacy and Self-Control on Financial Management Behavior. 1(1), 578–587.
Dewi, G. A. R. P. (2023). Financial Management Behavior dengan Financial Self - Efficacy Sebagai Variabel Mediasi. Wacana Ekonomi (Jurnal Ekonomi, Bisnis Dan Akuntansi), 22(2016), 30–41. https://ejournal.warmadewa.ac.id/index.php/wacana_ekonomi
Fatanti, M. N., & Happy, N. (2019). Makna Kultural Tradisi Marosok. Jurnal ILMU KOMUNIKASI VOLUME, 16(2), 161–174. https://doi.org/10.24002/jik.v16i2.1633
Festinger, L. (1954). A Theory of Social Comparison Processes Leon Festinger. Human Relations, 7(1954), 117–140.
Firdaus, A. F., & Kadarningsih, A. (2023). Peran Financial Sosialization, Financial Self-Efficacy Dan Financial Knowledge Terhadap Financial Management Behavior Generasi Z. Jurnal Akuntansi, Ekonomi Dan Manajemen Bisnis, 3(3). https://doi.org/10.55606/jaemb.v3i3.2285
Fletcher, M., & Wright, R. (2024). Sowing seeds : The impact of financial socialization on the financial understanding of young children and preschoolers. May, 763–793. https://doi.org/10.1111/joca.12593
Gunawan, A., Mukmin, Wahyuni, S. F., & Sari, M. (2023). Factors affecting financial management behavior of Paylater users in Indonesia: Examining the moderating role of locus of control. Investment Management and Financial Innovations, 20(4), 171–181. https://doi.org/10.21511/imfi.20(4).2023.15
Gunawan, P. (2024). Internal And External Environment Affecting Micro, Small, And Medium Enterprises Business Growth. 17(2017), 15–27. https://doi.org/10.48108/jurnalbppk.v17i1.781
Irawati, R., & Kasemetan, S. L. E. (2023). Pengaruh Literasi Keuangan, Gaya Hidup, Sikap Keuangan Terhadap Perilaku Pengelolaan Keuangan Mahasiswa. Jurnal EMA, 8(1). https://doi.org/10.51213/ema.v8i1.312
Joseph F. Hair, J., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2022). A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM) Third Edition. SAGE Publications, Inc.
Junita, N. (2021). Identifying Financial Management Behavior in Millenial Generation. 7(2), 217–230. https://doi.org/10.34203/jimfe.v7i2.3881
Kaur, R., & Singh, M. (2025). Influence of family financial socialization on emerging adults ' financial well-being. October. https://doi.org/10.1108/LBSJMR-04-2024-0024
Khawar, S., & Sarwar, A. (2021). Financial literacy and financial behavior with the mediating effect of family financial socialization in the financial institutions of Lahore, Pakistan. Future Business Journal, 7(1). https://doi.org/10.1186/s43093-021-00064-x Future
Laker, V., & Waller, G. (2022). Does comparison of self with others influence body image among adult women? An experimental study in naturalistic settings. Eating and Weight Disorders, 27(2), 597–604. https://doi.org/10.1007/s40519-021-01196-3
Lebaron-black, A. B., Kelley, H. H., Hill, E. J., Jorgensen, B. L., & Jensen, J. F. (2023). Financial Socialization Agents and Spending Behavior of Emerging Adults: Do Parents, Peers, Employment, and Media Matter? 34(1), 1–13. http://dx.doi.org/10.1891/JFCP-2021-0036
Naufalia, V., Wilandari, A., Windasari, V., & Helmy, M. S. (2022). Pengaruh Financial Socialization dan Financial Experience terhadap Financial Management Behavior (Studi Kasus pada Generasi Milenial di Kota Bekasi). Jurnal Ekonomi & Manajemen Universitas Bina Sarana Informatika Volume, 20(2), 142–149. https://doi.org/10.31294/jp.v20i2.13183
Nurfauziah, & Mulyati, S. (2024). Faktor yang Mempengaruhi Pengelolaan Keuangan. 2. https://doi.org/https://doi.org/10.47747/snfmi.v2i1.2359
Nurhayati, U. S., & Aeni, I. N. (2025). Determinants Of Student Financial Management Behavior : A Moderated Mediation Model. 8(1), 127–150. https://doi.org/10.29303/akurasi.v8i1.685
Padang Ekspres Digital Media. (2026). Dinas Koperasi dan UKM Rilis Data Terbaru UMKM Padang Capai 47.289 Unit. https://padek.jawapos.com/padang/2505060019/dinas-koperasi-dan-

ukm-rilis-data-terbaru-umkm-padang-capai-47289-unit

Ramadhan, P. R., & Pratiwi, S. (2024). Construction of Digital Village Financial Management from The Perspective of Minangkabau Raso Jo Pareso Tradition. International Journal of Economic, Technology and Social Sciences, 5(2), 176–183. https://jurnal.ceredindonesia.or.id/index.php/injects

Ratnawati. (2023). Financial Behavior Of Smes As A Mediation Of Financial Self-Efficiency On Financial Attitudes. International Journal of Social Sciences and Management Review, 06(02), 149–156. https://doi.org/https://doi.org/10.37602/IJSSMR.2023.6210

Sugiyono, P. D. (2023). Metode Penelitian Kuantitatif, Kualitatif Dan R&D (M. Dr. Ir. Sutopo. S.Pd (ed.)). Penerbit Alfabeta Bandung.

Wardiansyah, D. R., & Indrawati, N. K. (2021). The Influence of Financial Knowledge, Financial Attitude, and Personality on Financial Management Behavior on XYZ Islamic Boarding School Ponorogo. Review of Integrative Business and Economics Research, 25(2), 251–269. https://doi.org/10.24002/kinerja.v25i2.4772

Wibowo, A. (2024). SmartPLS 101 Panduan Lengkap Analisis SEM-PLS untuk Pemula. PT. Penamuda Media.