

# THE INFLUENCE OF MENTAL ACCOUNTING ON FEELINGS OF HAPPINESS SANDWICH GENERATION WOMEN IN SANUR KAJA VILLAGE

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**Abstract:** The sandwich generation is produced due to the failure of the previous generation in managing and planning its finances. Financial-related behavior plays an important role in managing personal finances because financial-related decisions are often influenced by psychological biases such as mental accounting. Mental accounting is able to assist individuals and households in organizing, evaluating, and tracking their financial activities. This study aims to determine the effect of mental accounting on feelings of happiness in sandwich generation women in Sanur Kaja Village. The population in this study was the Sanur Kaja society who were female aged 41-56 years and the sample in this study was 287. The data analysis technique used in this study were Validity Test, Reliability Test, Normality Test, Descriptive Statistical Test, Simple Linear Regression Analysis and t Test using the IBM SPSS Statistics 25. The results of this study show that mental accounting has a positive and significant effect on feelings of happiness in sandwich generation women in Sanur Kaja Village. This shows that the better the mental accounting of a sandwich generation woman in Sanur Kaja Village, the happier the woman will be. The results of this study are expected to increase awareness regarding the importance of having mental accounting in order to make better financial decisions so as to increase the happiness of a woman

**Keywords:** Mental Accounting, Feelings of Happiness, Women and the Sandwich Generation

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## Introduction

The number of people of productive age in Indonesia in 2020 reached 186 million people (BPS, 2021). The high number of people of productive age causes responsibility in the form of dependents on household financing. (BPS, 2021) stated that 78.27% of elderly household financing sources are financed by working household members. Similar to a survey distributed to 1,000 respondents which stated that 75% of people of productive age in Indonesia hope that by the time of retirement age their children will be supported by their children (HSBC, 2019). This causes many people of productive age in Indonesia at the time of retirement age to require their children or the next generation to bear the cost of living, causing a sandwich generation in Indonesia. A survey conducted on 1,828 respondents stated that 48.7% of Indonesia's productive age people are included in the Sandwich generation A survey conducted on 1,828 respondents stated that 48.7% of Indonesia's productive age people are included in the Sandwich generation (Astra Life, 2021). Not much different from the survey conducted nationally, researchers also conducted a survey related to the sandwich generation in Sanur Kaja Village and obtained data stating that 52% of the people in Sanur Kaja Village are included in the sandwich generation. People who are in the sandwich generation tend to feel depressed and cannot focus on pursuing their goals as a result of their responsibilities. (Salmon, 2017) states that "there are negative impacts as a sandwich generation in the form of physical, emotional demands, financial burdens and lack of time for themselves". Solberg et al (2014) dalam (Ferlistya & et al., 2021) state "status as a sandwich generation can have a negative impact on marital conditions, health, causing stress, anxiety, and sadness". However (Khadijah & et al., 2015) states that "half of the respondents who are in the sandwich generation feel happy and unencumbered living with their parents". The term sandwich generation comes from western culture where a child if already 18 years old and above is obliged to be responsible for himself and not in the same house with parents, which causes if a child still lives with parents it is not normal. Meanwhile, in eastern culture, especially in Indonesia, where caring for and caring for parents is an obligation as a child, especially as a daughter so that living with parents when they are 18 years old and above is normal.

(Budi Rahardjo, 2019) stated that the sandwich generation was produced due to the failure of the previous generation in managing and planning its finances. In addition, financial-related behavior plays an important role in managing personal finances because financial-related decisions are often influenced by psychological biases such as mental accounting. Organizing, evaluating, and tracking the financial activities of each individual and family well can be done by having mental accounting. In a household, the finances of a family are usually managed by a woman so that a woman is expected to have mental accounting so that family finances can be managed and planned properly. The influence of mental accounting on feelings of happiness was chosen to be studied because mental accounting can help a person in managing, evaluating and tracking financial activities so that they can have good finances and can bear the living expenses of a dependent family. In addition, there has been no research related to the influence of mental accounting on feelings of happiness, so this study has a renewal and can be useful.

**Method**

This research is a quantitative study with a descriptive approach. The research was conducted in Sanur Kaja Village which focused on Sanur Beach and residents homes which was carried out for 5 months from March to July 2022. The population studied was the Sanur Kaja community who were female and aged 41-56 years, as many as 1,012 people. The determination of the sample uses the purposive sampling technique with the provision that they have income, are married and are bearing the living expenses of children who have completed formal education and bear the living expenses of parents as many as 287 people. This study used normality tests, descriptive statistical tests, simple linear regression analysis and t-tests using IBM SPSS Statistics 25.

**Result and Discussion**

1. Result

a. Normality tests (kolmogorov-smirnov)

<b>One-Sample Kolmogorov-Smirnov Test</b>		
		Unstandardized Residual
N		287
Normal Parameters <sup>a,b</sup>	Mean	,0000000
	Std. Deviation	2,26720906
	Most Extreme Differences	
	Absolute	,105
	Positive	,105
	Negative	-,096
Test Statistic		,105
Asymp. Sig. (2-tailed)		,000 <sup>c</sup>

*a. Test distribution is Normal.*  
*b. Calculated from data.*  
*c. Lilliefors Significance Correction.*

**Figure 1.** Normality tests

The normality test result of (kormogorov-smirnov) obtained a value of 0.105 which is greater than 0.05 which means that the data is normally distributed.

b. Descriptive Statistical Tests

	N	Minimum	Maximum	Mean	Std. Deviation
Mental Accounting	287	13,00	40,00	26,5993	7,9638
Perasaan Bahagia	287	24,00	43,00	32,6864	5,7066
Valid N (listwise)	287				

**Figure 2.** Descriptive Statistical Tests

The results of the descriptive statistical test are that the mental accounting variable has an N of 287, a minimum value of 13 and a maximum value of 40, a mean of 26.59 and a standard deviation of 7.963.

While the happy feeling variable has an N of 287, a minimum value of 24 and a maximum value of 43, a mean of 32.69 and a standard deviation of 5.706.

c. Simple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15,195	,468		32,457	,000
Mental Accounting	,658	,017	,918	38,995	,000

**Figure 3.** Simple Linear Regression Analysis

The results of a simple linear regression analysis obtained a Constant value (a) of 15.195 while the accounting mental value (b / regression coefficient) was 0.658. A constant of 15.195 means that the consistent value of the Happy feeling variable is 15.195. While the regression coefficient X of 0.658 states that every addition of 1% of the mental accounting value, the value of feeling happy increases by 0.658. The regression coefficient is positive so it can be said that the direction of influence of variable X on variable Y is positive.

d. t-Test

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	15,195	,468		32,457	,000
Mental Accounting	,658	,017	,918	38,995	,000

**Figure 4.** t-Test

The results of the t test showed that the mental accounting variable (X) had an effect on the feelings of happiness variable (Y) because a significance value of  $0.000 < 0.05$ . Based on the value of t, it was known that the calculated t value was  $38.995 > t$  table  $0.0000877$  so that it can be concluded that the mental accounting variable (X) has a positive effect on the feelings of happiness variable (Y), so that an alternative hypothesis is accepted.

2. Discussion

The discussion of this research began with the distribution of 287 questionnaires to the community in Sanur Kaja Village, who are married women and aged 41-56 years and are bearing the living expenses of children who have completed formal education and bear the living expenses of their parents or are in the sandwich generation. The distribution of this questionnaire was carried out online through google forms and directly such as to residents' homes, merchants where the research subjects carried out shopping activities for basic necessities, sanur beaches, banjar and the research subjects' workplaces. After all the respondents' answer results were collected, the researcher then processed the collected data using IBM SPSS Statistics 25.

The results of the study of 287 respondents showed that based on the level of happiness as many as 141 people had feelings of happiness, 65 people felt less happy and 81 people felt neutral. Based on the mental accounting tendency of 174 people to have mental accounting, 61 people do not have mental accounting and 52 people are neutral. The findings of this study were that as many as 141 respondents had feelings of happiness, 137 people or 97.2% of them had mental accounting, while of the 65 respondents who felt less happy, 54 people or 83.1% of them did not have mental accounting. This shows that many people in Sanur Kaja Village are married women and aged 41-56 years are in the sandwich generation who have mental accounting tend to be happier than women who do not have mental accounting

Based on the results of the hypothesis test, it shows that mental accounting has a positive and significant effect on feelings of happiness, where a positive regression coefficient value of 0.658 and a significance value of  $0.000 < 0.05$  is obtained so that hypothesis 0 is rejected and an alternative hypothesis is accepted. This is evidenced by the results of the questionnaire which stated that of the 217 people who had high scores in the question items related to the habit of recording income and expenses and allocating income into certain posts every month, as many as 141 people or 64.9% had feelings of happiness. Meanwhile, of the 70 people who

had low scores in question items related to habits of recording income and expenses and allocating income into certain posts every month, as many as 65 people or 92% felt unhappy. This means that mental accounting can positively affect feelings of happiness in women in Sanur Kaja Village aged 41-56 years who are married and are in the sandwich generation. Therefore, the better the mental accounting of a sandwich generation woman in Sanur Kaja Village, the happier the woman will be.

Mental accounting can help individuals and households to organize, evaluate, and track financial activities so that a person can make good financial decisions and avoid financial problems in the future. Women who are in the sandwich generation in Sanur Kaja Village if they have mental accounting, they do not feel pressured if they have to bear the living expenses of their children and parents because they are able to manage and track their financial activities well, so that they have better finances and the responsibility of being in the sandwich generation is not a burden that can affect the happiness of women aged 41-56 years who are married in Sanur Kaja Village.

## Conclusion

Based on the results of previous research and discussions, several conclusions were obtained, namely:

1. Mental accounting has a positive and significant effect on feelings of happiness in women of the sandwich generation in Sanur Kaja Village. This shows that the better the mental accounting of a sandwich generation woman in Sanur Kaja Village, the happier the woman will be. So hypothesis 0 is rejected and alternative hypotheses are accepted.
2. Many people in Sanur Kaja Village are married women aged 41-56 years in the sandwich generation who have mental accounting tend to be happier than women who do not have mental accounting.
3. Women who have mental accounting do not feel pressured to be in the sandwich generation because they are able to manage and track their financial activities well, so that they have better finances and the responsibility of paying for the living expenses of children and parents is not a burden that can affect the happiness of married women aged 41-56 years in Sanur Kaja Village.
4. Mental accounting can help individuals and households to organize, evaluate, and track financial activities, so that someone who has mental accounting can make good financial decisions and avoid financial problems in the future.

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