

ABSTRACT

The level of public financial literacy in Denpasar is still relatively low, so it needs improvement. The background can be seen from the increasing use of credit cards in society, the high rate of consumption expenditures, and the decrease in the percentage of social security ownership. The fact that the public has not utilized financial products carefully is evidence that the lack of understanding of financial literacy. Meanwhile, a qualified financial education will provide financial satisfaction and various other benefits that can be felt to improve well-being in the future. When financial education in the community with a productive age is relatively low, the role of financial ability as a mediator of financial education and financial satisfaction needs to be considered in this study.

This research aims to look at the role of financial capabilities as a mediator of financial education and financial satisfaction at a productive age in Denpasar. The aspects studied are financial ability and financial education and its effect on financial satisfaction. The phenomenon in this study was done by the causal method. Data retrieval technique is by distributing questionnaires to 400 respondents and primary data collection. The respondent chosen is the productive age in Denpasar City. This study adopted and used Sobel tests to test financial ability mediators' influence on financial education and financial satisfaction.

This study indicates that in the descriptive analysis of financial education variable, the majority of respondents answered with a “yes” answer, the results of descriptive analysis of financial satisfaction variable had an average percentage score of 83,56% that belonged to a good category, and the results of descriptive analysis of financial capability had an average percentage score of 78,21% that belonged to a good category. The result of mediation analysis, financial capability exhibits partial form of mediation in the relationship between financial education and financial satisfaction.

Keywords: Financial Capability, Financial Education, Financial Satisfaction, and Productive Age