

## Portrait Of Psychological Wellbeing and Financial Satisfaction of Life Insurance Agents



Pwee Leng<sup>1</sup>, Grace Febiola Susanto<sup>2</sup>

<sup>1</sup>Finance and Investment Program, School of Business & Management, Petra Christian University & Jl. Siwalankerto 121-131, Surabaya

<sup>2</sup>Apartemen Puncak Permai Tower a, Dukuh Pakis, Surabaya

**ABSTRACT:** This study aims to provide a detailed picture of psychological wellbeing from life insurance agents with financial satisfaction as a mediating variable. In addition, this study also wants to prove the influence of financial management which is strengthened by financial satisfaction to be able to achieve psychological wellbeing conditions. The study was conducted on 400 life insurance agents based in Surabaya. The results showed that 62.5% of insurance agents have achieved psychological wellbeing with the condition of having no debt and not facing difficulties when making decisions related to finance. Insurance agents who are disciplined in managing their finances are less likely to experience financial-related problems. This condition is then more likely to achieve financial satisfaction, which in turn will strengthen the process towards achieving financial wellbeing. Other facts found that financial knowledge and financial attitude also contribute to the creation of financial satisfaction. Crosstab analysis results show that of the 74.5% of life insurance agents who stated to achieve financial satisfaction, 69% of them had a high level of financial knowledge and 67.5% of them had a good financial attitude. Further research can be developed on life insurance agents in the main city in Indonesia by cross tabulating the origin of each respondent's insurance company to be a comprehensive input for the insurance company.

**KEYWORDS:** psychological wellbeing, financial satisfaction, financial management, financial knowledge, financial attitude, life insurance agents

### I. INTRODUCTION

The penetration and density of the insurance industry in Indonesia according to the Indonesian General Insurance Association (AAUI) is relatively low in terms of the population of 260 million people and the growth of the middle class (Databoks, 2022). Investor Daily statistical data (2022) shows that insurance penetration is currently still below 4%, while insurance density or per-capita premium spending is only around IDR 1.8 million. Meanwhile, the contribution of insurance industry assets to Gross Domestic Product (GDP) is around 5.8%. In addition, insurance assets contribute only 12% to the overall assets of the financial sector. The low penetration and density of the insurance industry opens opportunities for insurance companies to develop. The development of the insurance industry cannot be separated from the important role of insurance agents as the frontline that can bridge the needs of the community with insurance companies.

In terms of time, insurance agents have the flexibility of working time and earning income through commissions from the sale of insurance products. Insurance agents can also generate passive income, which is first with repeat income. Insurance agent commissions are given periodically depending on the method of premium payment by the customer. Second from royalties or overriding of the network. Almost all insurance companies today implement a network business system (network business). With a network business, insurance agents who have reached leadership positions (such as managers, directors) can recruit agents under them and get a share of commissions (overriding) from sales. The more agent networks that are formed and the more turnover, the greater the passive income obtained. There are several insurance companies that also offer bonuses such as rewards in the form of free trips abroad or additional bonuses in the form of money for insurance agents who achieve targets within a certain period.

On the other hand, insurance agents tend to adopt a lifestyle that prioritizes materialistic things. Insurance agents often show off their impulsive lifestyles due to the need to demonstrate a promising insurance agent career. In addition, it can also be a

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motivation for the network under it and can make the network interested in joining and will affect the income of the insurance agent. Insurance agents must also achieve a certain turnover from the company and often this is precisely the target of insurance agents because of the reward in the form of trips abroad in addition to affecting the income generated. Therefore, to achieve financial satisfaction, insurance agents must improve lifestyle and standard of living which are often not yet able or not needed.

Nine out of 10 insurance agents deliberately interviewed at the beginning of the study stated that they experienced an increase in income after becoming an insurance agent and 8 of them admitted to using income from insurance agents as a source of basic living expenses. On the other hand, despite the increase in income, 7 out of 10 insurance agents stated that they had not achieved financial satisfaction, especially in meeting future needs such as children's education funds and pensions. This is mainly because there are still obligations or credits so that they do not feel they have reached psychological wellbeing.

According to the World Health Organization (2011), the definition of psychological wellbeing is a condition where everyone can realize his potential, can overcome pressures and problems in life, can work productively and fruitfully and is able to contribute to himself and the surrounding community. Individuals who achieve psychological wellbeing feel happiness, positivity, and satisfaction with things in life. Psychological wellbeing also reflects the life satisfaction and happiness of an individual (Carmeli et al., 2009). This factor of individual financial satisfaction with his life can affect the psychological wellbeing condition of the individual concerned. According to Zimmerman (1995), financial satisfaction describes a state of freedom from financial problems. A person can be said to be financially satisfied if the individual is satisfied with the financial situation owned, can meet daily needs, has money left to save or has sufficient funds when facing a difficult situation (Van & Ferrer-I-Carbonell, 2002). Financial satisfaction is a key element to overall individual well-being (Wan & Zhao, 2018).

In the previously discovered study concept Owusu (2021), individual financial satisfaction is influenced by financial management. Financial Management is an individual's skill in planning, budgeting, managing, and exercising control over their finances (Kholilah & Iramani, 2013). Financial management can be seen from how an individual conducts his daily financial management (Bapat, 2020). To be able to achieve financial satisfaction in life depends on the ability of individuals to make financial decisions through financial management practices. Thus, to achieve financial satisfaction in life, individuals must be responsible for managing their daily finances such as saving, investing, and preparing retirement funds for the future. This is in line with previous research (Baryła- Matejczuk et al., 2020; Cliff A. Robb Ann Woodyard, 2022) who states that good individual financial management behaviour will reduce an individual's risk of financial problems, improve financial status, and help the individual achieve financial satisfaction.

Owusu's research (2021), found that individuals who achieve financial satisfaction are more likely to achieve psychological wellbeing. Individuals who achieve financial satisfaction are more likely to experience positive effects such as happiness and less likely to experience negative effects such as lack of energy, lack of concentration and being temperamental. This means that individuals who achieve financial satisfaction have a greater chance of achieving psychological wellbeing. Supported by (Lester et al., 1983) who found the higher the level of individual satisfaction with meeting needs, the more prosperous the psychological condition. Empirical studies (Creed & Watson, 2003; Kahneman & Deaton, 2010) support that individuals who feel satisfaction with their financial condition affect their psychological wellbeing. Therefore, in this study financial satisfaction can mediate the influence of financial management on psychological wellbeing. With someone feeling financial satisfaction will be more encouraging to achieve psychological wellbeing.

## II. PSYCHOLOGICAL WELLBEING

Psychological wellbeing is defined as a condition in which individuals could make life decisions independently, are able to master the surrounding environment, are able to establish positive relationships with others, determine the direction and purpose of life, are able to accept themselves positively, and develop their potential continuously over time (Ryff, 1995). In general, psychological wellbeing describes individuals whose lives are going well. It represents a combination of feeling good and functioning effectively. Good feelings include life satisfaction, physical health, psychological health, education, and life goals.

Basically, all human beings want to be happy, and this becomes the goal of human desire. Individuals believe that happiness comes when a person feels satisfied and fulfilled (Owusu, 2021). Peaceful thoughts associated with financial satisfaction can have a positive impact on an individual's psychology. Factors that are considered to affect psychological wellbeing according to (Ryff, 1995) include demographic factors, age, gender, socioeconomic status, culture, and social support. Psychological wellbeing is not only important in personality and individual development but also helps individuals to face challenges and achieve goals in life.

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### **III. FINANCIAL SATISFACTION**

Financial satisfaction is achieved by individuals if the desire to obtain something is achieved from financial conditions and surrounding conditions that support the action. Financial satisfaction according to Vera-Toscano et al., (2006) is a person's satisfaction with his personal financial condition. Financial satisfaction is an evaluation of everyone's satisfaction with his personal financial condition (Hira & Mugenda, 1998). Financial satisfaction is described as well-being that describes a state of health, happiness, and freedom from financial worries (Campbell & Madrian, 2011 [16]). Financial satisfaction is a condition of individual satisfaction with the finances they already have, when individuals can meet the needs of life with the money they have (Hasibuan et al., 2018). Financial satisfaction can be achieved when a person has the financial resources to meet his needs. The achievement or non-achievement of individual financial satisfaction is determined by how a person manages his finances in everyday life.

According to (Sahi, 2013) financial satisfaction is a subjective measure of financial well-being and shows the level of satisfaction felt by individuals with aspects of their financial related conditions. The more satisfied the individual is with his financial condition (financial satisfaction), the happier the individual will be. Financial satisfaction can be measured through individual satisfaction from income received, ability to overcome financial problems, ability to meet basic needs, ability to pay the amount of debt owned, amount of savings, availability of funds for future needs and life goals. The financial satisfaction of everyone must have different levels and achievements. Individuals who have less income are not necessarily dissatisfied with their financial condition and vice versa. Financial satisfaction (Hira & Mugenda, 1998) is an individual's satisfaction with his personal financial condition. According to (Hira & Mugenda, 1998), financial satisfaction can be measured from satisfaction with the ability to meet basic needs, knowledge of the concept of loans, knowledge of the concept of savings & investment, knowledge of the concept of risk management.

### **IV. FINANCIAL MANAGEMENT**

Financial management is the skill of an individual in planning, making budgets, managing, and exercising control over his financial condition (Kholilah & Iramani, 2013). According to Ramadhan & Asandimitra (2019), financial management is related to the process of money management and mastery in the productive use of financial assets and other assets. Research Dew & Xiao (2013) explains that financial management is related to cash flow, credit, savings, and investment management. Individuals with good financial management manage their finances wisely, namely planning and budgeting finances, not using money consumptively, saving, investing, controlling expenses, and paying debts before maturity. While poor management includes the absence of financial planning, low saving habits, relying on loans and credit cards and not preparing financial needs such as preparing emergency funds and retirement. Good financial management behaviour can improve individual financial well-being and avoid financial problems (Joo & Grable, 2004). Financial management is very influential on the state and financial management of individuals in the future. According to Dew & Xiao (2013) a person's financial management can be measured by looking at 4 indicators, namely cash management, credit management, savings and investment, insurance, and the ability of individuals to manage risk.

### **V. HYPOTHESIS DEVELOPMENT**

Financial management can help individuals set priorities and realize short and long-term financial goals (Manulife, 2017). Financial management is defined by how well individuals manage financial resources which include financial planning, savings planning as well as insurance and investment. Financial management can also be seen from how well individuals manage money, savings, debt, and other expenses (Hasibuan et al., 2018). Individuals who have good financial management tend to manage, control, and make money effectively. While poor financial management such as not having financial planning and bad financial situation such as not having enough funds make individuals unable to achieve financial satisfaction. To be able to achieve financial satisfaction, individuals must be responsible for their financial management such as saving, investing, and planning retirement funds to be able to achieve their financial goals. The results of the study (Owusu, 2021) found a positive and significant influence of financial management on financial satisfaction. To be able to feel financial satisfaction also depends on an individual in making financial decisions, including in his financial management practices. Research (Baryła-Matejczuk et al., 2020) found that good financial management affects financial satisfaction. The results of the study (Hasibuan et al., 2018) found a significant influence of financial management on financial satisfaction. Individuals who have good financial management show a high level of financial satisfaction with their financial condition. Individuals who have good financial management show that they can achieve financial satisfaction because these individuals manage finances well. Consistent with the arguments above, the hypothesis in this study is that the way finances are managed affects financial satisfaction for the individual concerned.

H1: financial management affects financial satisfaction.

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Financial satisfaction is related to the overall psychological wellbeing of individuals (Norvilitis & MacLean, 2010). Financial satisfaction is generally measured by the level of individual satisfaction with their financial condition. Life insurance agents who feel financial satisfaction and can meet the needs of the income generated from working as an agent can be said to have achieved financial satisfaction. Pompian (2006) explained that satisfaction is more associated with a comparison between the expectations of the financial ability possessed to be able to meet all his needs now and in the future. Seligman's (2002) research suggests psychological wellbeing as a form of fulfillment of needs and happiness. Therefore, the hypothesis proposed that financial satisfaction affects psychological wellbeing.

H2: financial satisfaction affects psychological wellbeing.

Financial management is a person's ability to manage their daily financial funds (Alexander & Pamungkas, 2019). According to Xiao (2008), financial management deals with individual money management. Individuals who have good financial management behaviour tend to be effective in using their money such as managing, controlling expenses, investing, and paying bills on time (Hasibuan et al., 2018). Individuals who have good financial management practices are less likely to experience financial problems because these individuals control spending and exhibit financial behaviours such as saving for the future and planning for retirement. Good financial management will help individuals to achieve their financial goals and can make it possible to achieve psychological wellbeing.

H3: financial management affects psychological wellbeing.

In Owusu's research (2021), it was found that there was a significant effect of financial satisfaction on psychological wellbeing. Individuals who achieve financial satisfaction tend to achieve psychological wellbeing by experiencing positive affective such as happiness, a sense of security and are less likely to experience negative affective such as lack of concentration, temperament, and lack of energy. Financial satisfaction is influenced by financial knowledge, financial attitude, and financial management. Individuals who have achieved financial satisfaction tend to have good psychological wellbeing. Supported by Andalib & Shaheen (2022) research, individuals who feel satisfaction with their finances, the more prosperous their psychological condition is. This shows that individuals who achieve financial satisfaction have a greater chance of achieving psychological wellbeing.

H4: Financial Satisfaction mediates the effect of financial management on the psychological wellbeing of life insurance agents.

## VI. RESEARCH METHOD

### A. Sample

Sample The sample in this study is a life insurance agent who is based in Surabaya and has no other income other than as a life insurance agent. Data collection was carried out by distributing questionnaires totalling 411 questionnaires through google forms with social media such as WhatsApp, Instagram Message, LinkedIn Message and distributed at the life insurance agent office in Surabaya. After the process of eliminating data in accordance with the sample criteria, the final number of respondents who are eligible to be used in this study is 400 respondents.

**Table 1. Number of Research Respondents**

Description	Amount
Filled questionnaire data	411
Ineligible questionnaire data	11
Number of questionnaires used	400

### B. Operationalization of Variables

Psychological wellbeing is a psychological feeling about well-being due to the financial satisfaction factor of life insurance agents (financial satisfaction). According to (Derogatis et al., 1974), psychological wellbeing can be measured by 5 indicators which are The Hopkins Symptom Checklist (HSCL) statement scale of 10 statements.

Conditions where life insurance agents can meet their financial needs without worry and free from financial problems are financial satisfaction. According to empirical indicators (Hira & Mugenda, 1998), financial satisfaction can be measured by 6 indicators, namely:

- Satisfaction with the ability to meet basic needs,
- Satisfaction with the ability to manage finances,
- Satisfaction with the amount of savings owned,
- Satisfaction with the ability to pay the amount of debt owned,
- Satisfaction in the ability to provide emergency fund needs,
- Satisfaction in the ability to provide funds for future needs.

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The management of life insurance agents on their finances according to (Dew & Xiao, 2013) can be measured by 4 management indicators of savings & investment, cash management, credit management, and insurance.

### VII. RESULT AND DISCUSSION

#### A. Research Variables

Table 2 until 4 shows data related to the assessment given by respondents to each statement representing indicators of each financial management, financial satisfaction and psychological wellbeing research variable measured using the Likert scale.

**Table 2. Financial Management**

	Pernyataan	Skala Likert					Mean
		1	2	3	4	5	
<b>FM1</b>	Saya menyisihkan uang dari penghasilan untuk ditabung	45	62	61	104	128	4,38
<b>FM2</b>	Saya menabung untuk tujuan jangka panjang seperti dana pendidikan dan rumah	55	68	59	98	120	4,20
<b>FM3</b>	Saya menyisihkan pendapatan untuk dimasukkan dana pensiun	58	74	66	93	109	4,05
<b>FM4</b>	Saya menginvestasikan uang saya ke instrumen seperti reksadana/obligasi/saham/emas	60	70	65	97	108	4,13
<b>FM5</b>	Saya menempatkan seluruh uang saya di bank	62	76	58	97	107	4,09
<b>FM6</b>	Saya membayar tagihan tepat waktu	43	64	65	100	128	4,07
<b>FM7</b>	Saya mencatat pengeluaran dan pemasukan setiap bulan	76	80	54	93	97	4,01
<b>FM8</b>	Saya melunasi tagihan kredit setiap bulannya	76	74	54	93	103	4,04
<b>FM9</b>	Saya melunasi tagihan kartu kredit tepat waktu	60	76	55	90	119	4,07
<b>FM10</b>	Saya memiliki polis asuransi jiwa yang memadai	62	76	58	97	107	4,15
	<b>Rata-rata Mean</b>						4,11

Table 2 shows the average or mean of descriptive financial attitude variables that indicate that the financial management of life insurance agents can be categorized as good. Of the 10 financial management indicators, the most common life insurance agent behavior is to set aside a portion of income for savings (4.38) and record income and expenses every month (4.01).

**Table 3. Financial Satisfaction**

	Pernyataan	Skala Likert					Mean
		1	2	3	4	5	
<b>FS1</b>	Saya merasa puas dengan kemampuan keuangan saya untuk memenuhi kebutuhan saat ini	43	64	65	100	128	4,38
<b>FS2</b>	Saya merasa puas dengan kemampuan saya dalam mengelola keuangan saya	58	74	74	93	109	4,35
<b>FS3</b>	Saya merasa puas dengan jumlah tabungan yang saya miliki	78	78	78	92	108	4,31
<b>FS4</b>	Saya merasa puas dengan kemampuan saya membayar utang yang saya miliki	60	76	76	90	119	4,22
<b>FS5</b>	Saya merasa puas dengan kemampuan saya untuk menyediakan dana darurat	76	74	74	90	112	4,08
	Saya merasa puas dengan kemampuan saya memenuhi kebutuhan di masa yang akan datang	62	76	76	97	107	4,04
	<b>Rata-rata Mean</b>						4,23

Table 3 shows that the average or mean of the descriptive financial satisfaction variable is 4.23 which is equivalent to a score (25). This shows that life insurance agents are satisfied with their financial condition. Of the 6 financial satisfaction indicators,

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life insurance agent satisfaction with their finances is mainly in their financial ability to meet current needs (4.38) and the lowest satisfaction related to their financial ability to meet future needs (4.04).

**Table 4. Psychological Wellbeing**

Pernyataan	Skala Likert				Mean
	1	2	3	4	
<b>PW1</b> Saya sering merasakan sakit kepala ketika memikirkan utang	54	60	112	174	3,02
<b>PW2</b> Saya merasa kesulitan mengambil keputusan yang berkaitan dengan keputusan keuangan	80	68	104	148	2,82
<b>PW3</b> Saya merasa pikiran menjadi kalut ketika memikirkan dana darurat	65	60	115	160	2,94
<b>PW4</b> Saya merasa sulit untuk berkonsentrasi ketika tidak memiliki sisa uang di rekening bank	60	62	104	148	2,98
<b>PW5</b> Saya merasa mudah sakit hati ketika tidak memiliki tabungan	60	65	108	167	2,96
<b>PW6</b> Saya merasa tidak dapat mengendalikan emosi ketika tidak memiliki uang untuk diinvestasikan	70	70	110	150	2,87
<b>PW7</b> Saya merasa ketakutan tanpa alasan ketika tidak memiliki dana pensiun	65	60	120	155	2,92
<b>PW8</b> Saya merasa tegang ketika memikirkan tagihan kartu kredit	65	60	115	160	2,94
<b>PW9</b> Saya ingin menangis ketika tidak bisa menyisihkan uang untuk dana darurat	60	65	110	165	2,95
<b>PW10</b> Saya tidak memiliki nafsu makan ketika memikirkan biaya yang dikeluarkan untuk keperluan sehari-hari	58	60	117	165	2,97
<b>Rata-rata Mean</b>					2,93

Table 4 shows the mean of the descriptive psychological wellbeing variable is 2.93 which is equivalent to a score (25). This shows that life insurance agents have achieved psychological wellbeing. Of the 10 indicators of psychological wellbeing, life insurance agents do not often feel headaches when thinking about debt (3.02) and life insurance agents do not find it difficult to make decisions related to finances (2.82).

### B. Cross-Tabulation Analysis

**Table 5. Crosstab Financial Management and Financial Satisfaction**

		Financial Management		Total
		Bad	Good	
Financial Satisfaction	No	84	18	102
	%	21%	4.5%	25.5%
	Yes	24	274	298
	%	6%	68.5%	74.5%
Total	Total	108	292	400
	%	27%	73%	100.0%

From the results of cross-tabulation analysis (crosstab) shows 74.5% of life insurance agent respondents achieve financial satisfaction, 68.5% of them apply good financial management.

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**Table 6. Crosstab Financial Satisfaction & Psychological Wellbeing**

		Financial Satisfaction		Total
		No	Yes	
Psychological Wellbeing	No	84	28	112
	%	21%	7%	28%
	Yes	20	268	288
	%	5%	67%	72%
Total	Total	104	296	400
	%	26%	74%	100.0%

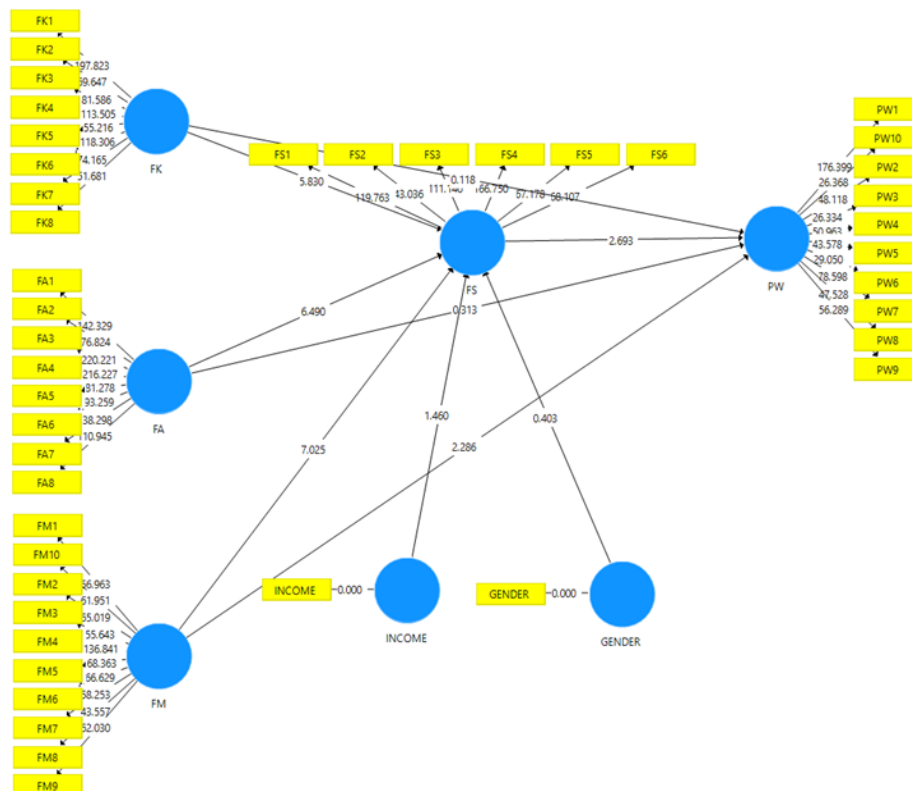
The results of cross-tabulation analysis (crosstab) show 72% of life insurance agent respondents achieve psychological wellbeing, 67% of whom have achieved financial satisfaction. This shows that respondents of life insurance agents who have achieved financial satisfaction have a greater chance of achieving psychological wellbeing.

**Table 7. Crosstab Financial Management dan Psychological Wellbeing**

		Financial Management		Total
		Bad	Good	
Psychological Wellbeing	No	88	24	112
	%	22%	6%	28%
	Yes	22	266	288
	%	5.5%	66.5%	72%
Total	Total	110	290	400
	%	27.5%	72.5%	100.0%

From the results of cross-tabulation analysis (crosstab) shows 72% of respondents of life insurance agents achieve psychological wellbeing, 66.5% of whom apply good financial management.

### C. Diagram Path



**Figure 1. Diagram Path Result**

**Table 8. R-square dan Adjusted R-square**

	R-square	Adjusted R-square
<b>Financial Satisfaction</b>	0,571	0,565
<b>Psychological Wellbeing</b>	0,157	0,148

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Based on table 8, the R-square value of the psychological wellbeing variable in this study was 0.157. This shows that the ability of financial knowledge, financial attitude, and financial management variables (independent variables) affects 15.7%. For the financial satisfaction variable, it has an R-square value of 0.571. This shows that financial knowledge, financial attitude, and financial management affect financial satisfaction by 57.1%.

### D. Hypothesis Test

**Table 10. Hypothesis Test Results**

	<i>Original Sample</i>	<i>t-statistics</i>	Kesimpulan
<i>Financial Knowledge</i> -> Financial Satisfaction	0,259	6,047	Signifikan
<i>Financial Attitude</i> -> Financial Satisfaction	0,290	7,305	Signifikan
<i>Financial Management</i> -> Financial Satisfaction	0,377	7,323	Signifikan
<i>Financial Satisfaction</i> -> Psychological Wellbeing	0,253	2,824	Signifikan
<i>Financial Management</i> -> Psychological Wellbeing	0,174	2,290	Signifikan
<i>Financial Knowledge</i> -> Financial Satisfaction -> Psychological Wellbeing	0,065	2,319	Signifikan

### D. Discussion

#### *The Effect of Financial Management on Financial Satisfaction*

The results showed that financial management has a significant effect on financial satisfaction. The better the financial management, the greater the opportunity for financial satisfaction to be achieved. This is supported by crosstab analysis which shows that 74.5% of respondents stated to achieve financial satisfaction, 68.5% of them have good financial management. In this study, life insurance agents who have good financial management will apply good management in their financial management. Individuals with good financial management behaviour will avoid individuals from finance-related problems and provide a sense of security for their financial condition.

In addition, judging from respondent data on the FM1 indicator which has the highest mean value, it shows that respondents set aside money from income for savings. Then the respondents' results on the FS1 indicator have the highest mean value, indicating that respondents are satisfied with their ability to meet current needs. With respondents setting aside money from income to save, it can help to allocate funds for needs so that they can be met properly. This result is in line with research (Jessica et al., 2022) which states that financial management has a significant effect on financial satisfaction. Individuals who have good financial management behaviour make it possible to achieve financial satisfaction.

#### *The Effect of Financial Satisfaction on Psychological Wellbeing*

The results showed that financial satisfaction had a significant effect on psychological wellbeing. If the individual has achieved financial satisfaction, the individual has a greater chance of achieving psychological wellbeing. This is supported by crosstab analysis which shows that 72% of respondents who stated achieved psychological wellbeing, 67% of whom are insurance agents who have achieved financial satisfaction. In this study, life insurance agents who achieve financial satisfaction tend to experience positive effects such as happiness, a sense of security that can contribute to the achievement of psychological wellbeing.

In addition, judging from respondent data on the FS1 indicator, it has the highest mean value, which shows respondents are satisfied with the ability to meet current needs. Then the respondents' results on the PW2 indicator have the highest mean value, indicating that respondents do not feel headaches when thinking about debt. With respondents feeling satisfaction to meet their current needs, it can help respondents make financial decisions more wisely and can understand the concept of debt management. This result is in accordance with research (Owusu, 2021) which states that financial satisfaction has a significant effect on psychological wellbeing.

#### *The Effect of Financial Management on Psychological Wellbeing*

The results showed that financial management has a significant effect on financial psychological wellbeing. This can be explained through crosstab analysis which shows that 72% of respondents of life insurance agents who achieve psychological wellbeing, 66.5% of whom apply good financial management. Individuals with good financial management practices can have an impact on stable financial conditions. In addition, judging from respondent data on the FM1 indicator which has the highest mean value, it shows that respondents set aside money from income for savings. Then the respondents' results on the PW1 indicator have the highest mean value, indicating that respondents do not feel headaches when thinking about debt. With respondents setting aside money from income to save, it can provide a sense of security and stabilize financial conditions so that respondents can



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understand and utilize the concept of debt management. This can provide a sense of security for individuals and can have a greater chance of achieving psychological wellbeing.

### *The Effect of Financial Satisfaction as a Mediation Variable of Financial Management on Psychological Wellbeing*

The results in this study show that financial satisfaction mediates the influence of financial management on psychological wellbeing. This can be explained through the crosstab results which show 74.5% of life insurance agent respondents achieve financial satisfaction, 68.5% of whom have good financial management. This is because individuals with good financial management will apply good financial management behaviours such as setting aside income for savings, investing money in mutual funds / stocks / gold / bonds, and paying off bills on time. From the results of financial management research on psychological wellbeing has a significant effect, this means that financial management can increase the chances of achieving psychological wellbeing. Respondents of life insurance agents who achieve financial satisfaction by implementing good financial management then the chances of achieving psychological wellbeing are even greater.

Based on the descriptive results of financial management variables, the FM1 indicator has the highest mean value, namely setting aside money from income for savings, showing respondents set aside some money from their income for savings. In the financial satisfaction variable, the FS1 indicator has the highest mean value, which is satisfied with my financial ability to meet current needs, which means that respondents are satisfied with their financial ability to meet current needs. And for the psychological wellbeing variable, the PW1 indicator has the highest mean value, which is not feeling a headache when thinking about debt, indicating that respondents do not feel a headache when thinking about debt. This means that respondents feel satisfaction with their ability to meet their current needs, reflecting that respondents have set aside some money from their income to save and do not feel headaches when thinking about debt. Respondents manage their finances well and support achieving psychological wellbeing.

### **E. Conclusion**

The results showed that financial management has a significant effect on psychological wellbeing. If the life insurance agent is satisfied with his financial condition, it is more likely to achieve psychological wellbeing. Further research can be developed on life insurance agents in the main city in Indonesia by cross tabulating the origin of each respondent's insurance company to be a comprehensive input for the insurance company. Also, the number of samples can be developed and treat the financial satisfaction variable as a variable that might strengthen the influence on financial management.

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