

Socio-Economic Behavior of Marginalized Communities in Financial Management in Makassar, Indonesia

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Abstract:

Qualitative Research Type through a phenomenological approach, The results of the study indicate that the socio-economic behavior of marginalized communities in managing family finances in Makassar City is influenced by low and irregular income, limited financial knowledge, and limited access to formal financial institutions. They tend to manage their finances in a consumptive manner, focus on meeting daily needs, and rely on informal loans with high interest rates. The culture of mutual cooperation helps, but can also make things worse if debts are not paid. To improve financial management, financial education that teaches budgeting and savings and access to microfinance institutions with low loans is very important. With the right intervention, they can improve family welfare and overcome economic difficulties.

Keywords: Social, Community, Management, Behavior, . Finance

Introduction:

The background of the socio-economic behaviour of marginalised communities in family financial management in Makassar City is very important to understand, given the significant number of marginalised groups in the city. Marginalised communities are groups that generally have limited access to various economic and social resources, such as education, decent work, health services, and formal financial facilities. This condition often causes them to face low and uncertain income, which in turn has an impact on the way they manage their family finances.

In Makassar City, the capital of South Sulawesi Province and a growing economic centre, marginalised communities are often trapped in a cycle of poverty that is difficult to break without effective interventions. Structural factors, such as

low education levels, limited access to good labour markets, and low ability to access formal financial services, play a major role in shaping their socio-economic conditions. Many of them rely on informal work or non-structural economic sectors to fulfil their daily needs. Such work often does not provide stable income or social security, making family financial management more difficult and vulnerable to financial crises.

Furthermore, family financial management patterns among marginalised communities usually tend to be consumptive rather than productive. This is triggered by a lack of understanding about the importance of long-term financial planning and limited access to financial education. In many cases, marginalised communities tend to use the money they receive immediately to fulfil their

daily needs, without thinking about the importance of saving or investing for the future. Therefore, although their income is often insufficient, inefficient financial management habits and absence of planning can worsen their economic condition.

The financial behaviour of marginalised communities is heavily influenced by social factors. Very often, social and cultural pressures influence the way they manage their finances. For example, Makassar's gotong royong culture tends to help each other financially, either through loans between family members or neighbourhoods. Although the aim is to ease the burden, this system often worsens the family's financial situation, especially if the loan cannot be repaid on time, which can increase the financial burden and cause social problems in the future.

In addition, marginalised communities often use informal financial institutions such as moneylenders and high-interest lending institutions to manage their finances. While these services can provide quick funds, their use exacerbates their financial problems due to high interest rates and uncertain repayments. This shows that there is a discrepancy between the need and the ability to obtain more formalised and cheaper financial services.

Proper financial education is very important for marginalised communities in Makassar City. Marginalised communities can have the opportunity to better manage their family finances by learning about good financial management, such as budget planning, savings, and wise investment. Financial training programmes held by the government or non-governmental organisations (NGOs) can help people better understand how to utilise the limited resources they have. In addition, microfinance institutions or cooperatives, which offer financial services with lighter terms and lower interest rates, can be another option for marginalised communities to gain access to financial resources without engaging in loan sharking practices.

On the other hand, the government is also responsible for making economic policies that

support marginalised communities in financial inclusion. It is expected that socio-economic inequality will be reduced through more targeted social assistance programmes, job skills training, and easy access to formal financial facilities. For example, marginalised communities can take advantage of the government's Kredit Usaha Rakyat (KUR) programme to open small businesses that can increase their income.

Overall, marginalised communities in Makassar City still face many problems in managing family finances. However, by taking extensive measures, such as improving financial capability, getting financial education, and getting assistance from formal financial institutions and the government, it is expected that the financial behaviour of marginalised communities will become better. As a result, they have the opportunity to sustainably improve their quality of life and become more financially independent.

B. Problem formulation:

1. how is the socio-economic behaviour of marginalised communities in family financial management in Makassar city
2. how are the strengths and weaknesses of the socio-economic behaviour of marginalised communities in family
3. financial management in Makassar city how are the financial management strategies on the income of marginalised communities to be effective and efficient in Makassar city

Literature Review:

A. Socio-Economic

According to the Kamus Besar Bahasa Indonesia (KBBI), "social" refers to things related to society or the generally recognised characteristics of society. So, social can be defined as the behaviour of humans who relate and cooperate with each other in social life with the aim of fulfilling their needs and desires, such as clothing, shelter, and food. Meanwhile, economics can be defined as human behaviour in seeking tools to meet their needs for welfare and happiness.

According to Soerjono Soekanto (2007:89), socioeconomic position is a person's position in

society in relation to other people in terms of their social environment, achievements, and rights and obligations to resources. Soekanto (2001:237) states that measures of wealth, power, honour and knowledge are the main components of socioeconomic position.

Economic conditions are very important for children's education, according to Gerungan (2009: 196). If the family has adequate financial resources, the material environment faced by the child is clearly wider. Thus, the child will have a greater opportunity to grow in skills that cannot be developed without such resources.

There are several things that can be said about socioeconomic conditions, namely the position, position, position, and ownership that a person or group has. These socioeconomic conditions relate to the level of education, income, ownership of household assets, and fulfilment of family and work needs. This condition will greatly affect the social status of a person, group, or family in their community. According to Gerungan (2009:199), the following social factors can affect children's growth:

- 1) Family unity: Family wholeness consists of the family structure consisting of father, mother, and children. The family structure is not intact if any of the above elements are missing. Family disintegration affects children's social development. This negative influence can impact the student's ability in school. Children from intact families have better psychological scores than children from broken families in terms of flexibility, adaptation, self-control, and understanding of people and situations outside them.
- 2) Parental attitudes and habits: Parents usually educate children in an authoritarian and overprotective manner. They may also reject or reject their child.
- 3) Child status: Only child, firstborn, or youngest child. Step-child status also affects family social interactions.

If a student cannot control the desire to learn and parents are unable to provide greater motivation to

learn, parental social factors can affect the school environment.

Classification of socio-economic status according to Coleman and Cressey in Sumardi (2004: 76) include the following:

- 1) Upper socioeconomic status is the uppermost social class and consists of very wealthy people, such as conglomerates, who often have power. generally and have the ability to fulfil their needs well
- 2) Lower socioeconomic status is a person's position in society defined by classification according to wealth and social status. This includes people who have less wealth and social status than the average and are unable to fulfil their basic needs.

According to Arifin Noor in Sunarto (2004:88), there are three categories of social classes based on their socioeconomic status, namely:

- 1) The upper class is a group of wealthy people, such as conglomerates and executives.
- 2) On the other hand, the middle class is often identified with professionals as well as shop and small business owners.
- 3) Meanwhile, the lower class are those who have much lower incomes that do not fulfil their basic needs.

Every family in a society has a diverse socioeconomic status. Factors such as property ownership, position held, type of work, and level of education characterise the socio-economic status of each family.

In the eyes of God Almighty, every human being has the same status. However, in community life, socioeconomic conditions are not uniform; some individuals are fortunate with good economic status, while others may face greater challenges. According to Nasution (2004: 25), a family's socioeconomic status can be measured through several indicators, including parents' occupation and income, education level, living conditions, location, and social activities.

In this study, the socioeconomic factors analysed include parents' income level, their type of

employment, education level, ownership of family assets, and ability to meet daily living needs. The following is a further explanation of each of these factors:

1) Education Level

According to Indonesian Law Number 20 of 2003, education is a conscious and planned effort to create a learning atmosphere and learning process so that students actively develop their potential to have religious spiritual strength, self-control, personality, intelligence, noble character, and skills needed by themselves, society, nation and state.

Education is very important in a person's life because it helps them discover who they are and find ways to help others and know what they want.

Everyone knows that the purpose of national education is to improve the lives of the Indonesian people and develop their human resources. Education is provided through various channels, both formal and non-formal, to achieve these national education goals. Preschool education, primary education, secondary education and higher education are some of the levels in the formal education system.

2) Parents' Income

Income, according to Sukirno in Anwar (2011:47), is the amount of money received by a person or household for their work during a certain period, be it daily, weekly, monthly, or yearly. According to Reksoprayitno (2009:79), income or revenue is the amount of money received by a person or company in the form of salaries, wages, interest rents, and profits.

There are 3 categories of income, namely:

- a) Income in the form of money is all income in the form of money that is regular in nature and which is received usually as a reward or counter merit.
- b) In-kind income is any income that is regular and ordinary, but always in the form of a reward and is received in the form of goods and services.

c) Non-income is any receipt that is a redistributive transfer and usually makes a change in household finances.

3) Family asset ownership

Every family must have assets, both fixed and current, such as gold, land, buildings, companies, savings, investments, etc. Family assets vary in society depending on how wealthy they are. How much assets a family has will affect the family's socioeconomic status. A family that owns their own spacious and high-quality house can have a high socioeconomic status, but a family that rents a more modest house will have a low socioeconomic status.

4) The level of fulfilment or expenditure of life's necessities: In reality, every human being on Earth has needs that must be fulfilled for them to live safely and peacefully in society. The economy is basically responsible for all human needs and wants. The more human needs are fulfilled, the more money is spent, and conversely, if human needs are less, less money is spent.

5) Everyone must have a job to earn money to live. Everyone has a different job. There are simple jobs, medium jobs, and very high jobs with varying incomes. According to ISCO guidelines, occupations can be classified into six categories: technical professionals and specialists, leadership and management, administrative and similar, services, agriculture, process, and conveyance operators.

B. Marginalised Communities

People who live in cities and have irregular income or economic problems are referred to as marginalised people. The concept of social stratification can help us understand marginalised communities. The multi-layered social structure of society is known as stratification, or social strata. These layers indicate that society has strata, ranging from the lowest to the highest. Functionally, these social strata are formed due to society's need for a production system created by people in each stratum, which supports each stratum functionally.

According to Pitirim Sororkim, quoted from Soekanto, social stratification is the division of society and population into various social classes, including low and high classes (Soekanto, 2002: 228). Depending on the technology mastered, every society has layers, ranging from simple to complex. Differences in positions and roles are also very complex in complex societies. In general, social strata in society produce three social classes: Upper Class, Middle Class, and Lower Class. In society, the upper class is a limited elite group. The middle class consists of professionals, workers, entrepreneurs, traders, and other functional groups. Meanwhile, the lower class consists of manual labourers, day labourers, casual labourers, and other groups.

In particular, these social classes emerge in certain neighbourhoods, so the content of social strata variants is very specific to those neighbourhoods. Content variation has more to do with the variation of strata in one neighbourhood that distinguishes it from other neighbourhoods. Therefore, although social class is at the highest level in a particular social structure, it is not necessarily the same social class that occurs in other social environments. From the above definitions, it can be understood that marginalised people are the lower class, or underclass, who live below the poverty line.

C. Financial Management

Acquisition, funding, and processing activities are all part of financial management. As an activity carried out by superiors, financial management gives orders to subordinates to perform administrative tasks. Financial reports, according to Fahmi, are a collection of information that explains the financial condition of a company and can be used to provide an overview of the company's financial performance. According to Farid and Siswanto, financial statements are a type of information that is expected to help users make financial decisions.

Furthermore, Munawir said that financial statements are a very important tool for obtaining information about the financial position and

results of the company concerned. Therefore, financial statements are expected to help users make financial economic decisions.

To ensure that the company uses working capital funding as optimally as possible to achieve its main objectives, financial reports are intended to oversee and regulate administrative financial processes. Analyses provide an overview of the company's current and past financial health, so that managers can use them to make decisions:

1. Recording financial transactions chronologically and systematically is called record-keeping. To show that a transaction has occurred within a certain period of time, its own records are used. Financial recording begins with the collection of documents, which have a direct impact on the transaction. Examples are invoices, notes, receipts, etc. from the collection of data supporting the transaction. The next step is to publish the transaction in the journal and then posted into the ledger.
2. SAK-EMKM (Standart Akuntansi Keuangan Entitas Mikro Kecil dan Menengah) is a reporting designed specifically for MSMEs. Issued in 2009 by the Financial Accounting Standards Board (DSAK) of the Indonesian Institute of Accountants (IAI), SAK-EMKM is intended to help MSME players prepare financial statements and help them understand the funding process.

In SAK EMKM, financial statement elements are measured using historical cost. The historical cost of an asset is the amount of cash or cash equivalents paid to acquire the asset at the time of purchase. The historical cost of a liability is the amount of cash or cash equivalents received or the amount of cash expected to be paid to fulfil the liability in ordinary operations. Relevant is relevant to the users of the data. At the end of each reporting period, the entity presents complete financial statements using the following reporting methods:

The reporting technique according to SAK-EMKM has 2 writing formats:

1. Report form (stafel), which is the identification of reading the report from top to bottom according to the SAK-EMKM SOP
2. report Account form (skontro), which is the identification of reading the report from matching the right to left suitability according to the SAK-EMKM SOP report.

In accordance with SAK-EMKM. The following 3 components of the financial statements that researchers examine are in accordance with SAK-EMKM:

1. Statement of financial position According to SAK-EMKM, the statement of financial position is a report that describes assets (possessions), liabilities (debts or obligations), and equity (capital). In statement form, assets are reported first at the top, and liabilities and equity are reported at the bottom. In account form, assets are reported on the left, and liabilities and equity are reported on the right, with liabilities reported first before equity and equity
2. Income statement: A statement that contains income and expenses during a given period. According to IAI in SAK-EMKM, an entity may present an income statement as the entity's financials over a specific period. The income statement may include the following accounts: 1) Revenue; 2) Financial expenses; and 3) Tax expenses.
3. Notes to the Financial Statements: The notes to the financial statements include assumptions, explanations, and explanations of the statements of financial position, profit or loss, and changes in equity. where relevant data exists within each account.

Financial planning and control is part of the financial management process, which consists of three stages: planning, execution, and financial control.

a. Planning Theory: Planning is very important for an organisation. According to Brantas, planning is the basic or main function of management because organising, implementing, and supervising and

controlling only carry out decisions rather than planning.

However, according to Siswanto's book, planning is the basic process used to select goals and determine the scope of their achievement. Planning means trying to achieve goals by utilising human resources, natural resources, and other resources. According to Kadar Nurzaman, planning is an activity related to efforts to formulate a programme. This programme includes policies, determination of goals, the path to be taken, procedures, and methods that will be used to achieve these goals.

Based on some of the above definitions, it can be concluded that planning is the main function and main process of management used to formulate goals and determine the scope of achievement. Planning includes everything that will be done, including policies, the path to be taken, procedures, and methods that will be used to achieve these goals.

b. Implementation Theory: Implementation is an activity that encourages all employees to carry out their duties and obligations. To achieve the set goals, employees carry out the plan in certain activities according to their expertise and proportions. They continuously communicate, motivate, carry out orders and instructions, and supervise. All these improve the attitude and morale of the employees. According to George R. Terry, implementation is making a group of people willing to work sincerely and willing to work together to achieve planned and organised goals.

Based on the above understanding, it can be concluded that implementation is motivating and encouraging a group to work in accordance with the duties and responsibilities assigned to each of them, working together to achieve the goals that have been set in a way that is in accordance with planning and organisation, always providing motivation and communicating well, and continuing to conduct reviews related to improving employee attitudes and morale.

c. Supervision/Control Theory

Supervision is the most important management function, because without it any work done cannot be considered successful. Supervision is related to actions or efforts rather than keeping the company running towards the planned goals.

Supervision, according to Earl P. Strong, is the process of regulating various factors in an enterprise so that implementation is in accordance with the plan. According to James AF. Stoner and R. Edward Freeman, supervision is a process that ensures that activities that occur are in accordance with what was planned. In addition, supervision is defined as the manager's task of ensuring that work is carried out in accordance with the established plan and achieves the desired results. The supervisory process consists of (1) checking, (2) checking, (3) matching, (4) inspecting, (5) controlling, (6), organising, and (7) preventing failure.

Based on the above understanding, it can be concluded that supervision, also known as control, is an important function that must be carried out. Supervision involves carrying out activities in accordance with the plan by checking, inspecting, or correcting as well as supervising to prevent errors that can cause the business to fail.

Research Methods:

Types of Qualitative Research through Phenomenological Approach

Discussion:

A. Socio-economic behaviour of marginalised communities in family financial management in Makassar city

The discussion on the socio-economic behaviour of marginalised communities in family financial management in Makassar City must be seen from various perspectives. This is important given the interaction between social, economic, and cultural factors that influence their condition. Marginalised communities, which generally consist of individuals or families with low incomes, often experience difficulties in accessing economic and social resources, which has a direct impact on their family financial management.

Makassar City, as the economic and trading centre of South Sulawesi, faces a significant level of socioeconomic inequality. On the one hand, the city holds tremendous economic potential, but on the other hand, there are still many people who are classified as marginalised, especially in peripheral or densely populated areas. Most of the marginalised communities in Makassar work in the informal sector, such as street vendors, motorcycle taxi drivers, day labourers, or other odd jobs whose income is irregular and, often, highly dependent on the market situation and the weather.

This uncertainty of income is a major challenge in family financial management. Many families do not have enough income to fulfil basic living needs consistently. As a result, family financial management becomes crucial, although it is often done automatically and is more oriented towards meeting short-term needs.

One of the characteristics of financial management among marginalised communities is the tendency to focus on daily consumption needs, such as food, clothing, and children's education costs. Their limited income makes it difficult for them to set aside funds for long-term savings or investment. This consumptive financial management is often triggered by immediate needs without considering future needs.

Limited knowledge of financial management also affects the way marginalised communities manage their finances. Many of them do not have the knowledge or skills to budget, record expenses, or plan their finances effectively. Without adequate financial education, they tend to spend the money they earn without considering spending priorities. This further worsens the family's economic condition as there are no measures to prepare an emergency fund or deal with unexpected situations.

One of the reasons why family financial management among marginalised communities is often ineffective is the limited access to formal financial institutions. Many marginalised communities in Makassar City do not have bank

accounts or access to formal credit due to various factors, such as inability to fulfil bank requirements or lack of understanding of financial products. As a result, they often rely on informal financial systems, such as loans from moneylenders or borrowing money from relatives and neighbours.

This informal financial system often carries higher risks, mainly due to inflated interest rates and unclear payment terms. Loan sharks, for example, offer quick loans at very high interest rates that can burden borrowers in the long run. However, many marginalized communities are forced to take advantage of this service because they have no other option to meet their urgent financial needs.

The strong culture of mutual cooperation in the people of Makassar has an effect on the way families manage their finances. Among marginalized communities, economic solidarity is often seen in the form of mutual borrowing between families and contributing to joint activities. Although the purpose of this practice is to ease the financial burden, in reality, this system can make things worse, especially if debts are not paid on time or when there is social pressure to meet those obligations. On the other hand, this culture of mutual cooperation also builds a sense of solidarity that can help families in facing financial difficulties when the situation is urgent.

To improve financial management among marginalized communities, it is important to introduce more effective financial management strategies. One approach that can be applied is to provide financial education that is tailored to their context. A training program that teaches how to budget, save, and understand the importance of long-term investments will be very beneficial. With this knowledge, people can better plan their finances and reduce harmful consumptive habits.

In addition, giving access to microfinance institutions or cooperatives that offer loans with low interest rates and more flexible terms can be a better solution than relying on loan sharks. These institutions are able to help marginalized

communities in managing their finances in a more structured and secure manner. The government and non-governmental organizations also play an important role in providing support to create more inclusive financial access for marginalized communities in Makassar City.

Family financial management among marginalized communities in Makassar City still faces various challenges, both related to limited income and knowledge and access to formal financial services. However, with the right interventions, such as financial education and increased access to microfinance institutions, marginalized communities are expected to improve their financial management. This step is expected to help them overcome economic difficulties, improve family welfare, and break the existing cycle of poverty.

B. Advantages and disadvantages of socio-economic behavior of marginalized communities in family financial management in the city of Makassar

Discussion on the strengths and weaknesses of socioeconomic behavior of marginalized communities in family financial management in Makassar City is very important to understand how their social and economic conditions affect the way they manage family finances. Marginalized communities are groups that have low incomes, limited access to economic resources, and lack of adequate education on financial management. In the context of Makassar City, which is the economic center in South Sulawesi, the socio-economic behavior of marginalized communities in family financial management can be seen from various aspects, both from the positive and negative sides.

Advantages of Socio-Economic Behavior of Marginal Communities in Family Financial Management

- 1. Ability to Manage Finances with Limited Income** Marginalized communities are often accustomed to managing irregular incomes, such as street vendors or day laborers, and must prioritize spending for the most urgent

needs, which is one of the main advantages of financial management of marginalized communities. They typically have the ability to adjust their budgets to uncertain economic circumstances. This shows how flexible they are despite their limitations.

2. **Strong Culture of Gotong Royong** Although not directly related to formal financial practices, the strong culture of mutual cooperation in Makassar has a positive impact on family financial management. In emergency situations, people usually help each other in meeting their financial needs through loans between families or groups. Despite not having access to formal financial institutions, the culture fosters a strong sense of social solidarity, which can help strengthen economic resilience in the short term.
3. **Creativity in Managing Finances** When it comes to financial management, marginalized societies usually rely on their innovations, taking advantage of various opportunities to make more money. Many people work odd jobs or run small businesses to earn extra income. Their advantage is the ability to adapt to different types of jobs, both informal and small businesses, which helps them survive despite facing financial constraints.
4. **Ability to Survive in Crisis Conditions** Economic crises often have no impact on the socio-economic behavior of marginalized communities. They are used to living with financial uncertainty and are more flexible in responding to changing economic conditions. This challenging life experience often teaches them to be wiser in dealing with financial difficulties even though they don't have many resources to rely on.

Weaknesses of Socio-Economic Behavior of Marginalized Communities in Family Financial Management

1. **Unstructured Financial Management** Lack of structured planning and management is one of the biggest weaknesses in managing family finances among marginalized communities.

Inefficient and consumptive spending occurs because these communities often do not have a clear budget or a good expenditure recording system. They are more likely to spend money on daily necessities without thinking about savings or long-term planning. This prevents them from planning or coping with emergencies.

2. **Dependence on Informal Loans** Often, marginalized communities rely on informal financial systems, such as loans from loan sharks or from family and neighbors. This reliance on informal loans carries high risks, mainly due to high interest rates and uncertainty of loan repayment. Loan sharks, for example, often provide loans with high interest, which can worsen the family's finances in the long run. In addition, uncertainty in meeting loan obligations can add to the psychological burden and create social tension in your family or the environment in which you live.
3. **Limited Access to Formal Financial Services** One of the main drawbacks of marginalized communities is that they cannot access formal financial institutions such as banks or cooperatives. Many of them are unable to access bank accounts or formal credit services due to difficult requirements, such as administrative requirements or lack of guarantees. As a result, they are trapped in an informal economic system that often does not generate long-term profits.
4. **Inability to Set Aside Savings or Investments** Due to the low income they earn, which is mostly spent on basic consumption, most marginalized people do not have the ability to set aside money for savings or investments, so they find it difficult to deal with emergencies or plan for the future, making them vulnerable to unforeseen financial situations.
5. **Lack of Financial Education** One of the main factors that prevent marginalized communities from having good financial

management is the lack of knowledge about financial management. They often do not have access to adequate financial education, such as how to budget, save, or invest. Without adequate financial knowledge, they are more likely to make unwise financial decisions, such as spending money on unimportant things or relying on unprofitable loans.

In managing family finances in Makassar City, the socio-economic behavior of marginalized communities has interrelated strengths and weaknesses. Their ability to survive in limited financial conditions, creativity in financial management, and a sense of social solidarity are their strengths; However, the disadvantages are unstructured management, reliance on informal loans, and limited access to formal financial services. To address this problem, financial education and increased access to cheaper and inclusive financial institutions are needed.

C. Financial management strategies on the income of marginalized communities to be effective and efficient in the city of Makassar

Given the often unstable economic conditions and limited access to formal financial services, financial management strategies on the incomes of marginalized people in Makassar City are essential to improve their welfare. Marginalized communities, especially those with low and irregular incomes, face many challenges in managing their family finances effectively and efficiently. Therefore, the right approach is needed so that they can manage their income more intelligently, save, and prepare for the future despite their current limitations.

1. Creating the Right Family Financial Budget

Creating a clear and organized family financial budget is a very important first strategy in managing finances. Many marginalized communities do not have a systematic budget. Therefore, the first thing that can be done is to collect all the family's income and expenses. Families can more easily prioritize urgent expenses and reduce waste by dividing their budget between basic needs (such as food,

clothing, and education) and secondary needs (such as entertainment).

One can reduce the tendency to spend too much money by managing their budget well. For example, if families know how much money they can set aside for savings or an emergency fund, they are more likely to cut back on non-essential expenses. Marginalized communities can benefit greatly from finance courses that teach them how to make a simple budget.

2. Prioritize Expenses for Basic Needs

Marginalized communities often face problems planning expenses due to the uncertainty of their income. In a situation like this, it is very important to give priority to basic needs. Families can reduce financial stress caused by a lack of funds for basic needs by ensuring that basic needs such as food, shelter, and children's education are met.

They can also reduce the purchase of consumptive and non-urgent items, such as electronics or luxury clothing, by managing their expenses wisely. Providing clear priorities for financial management will help marginalized communities survive better amid economic difficulties.

3. Building Savings and Emergency Funds

Building savings and emergency funds is the next important approach to financial management. Often, people in marginalized societies spend their entire income on their daily needs without setting aside money for the future. Nonetheless, having savings and an emergency fund is essential for dealing with unexpected circumstances such as getting sick or losing your job. One way to start saving is to determine how much money you will set aside each month.

It's important to inform people about the importance of an emergency fund and encourage them to save, even a little. Because the terms and conditions are often lighter and more affordable, micro savings programs offered by cooperatives or microfinance institutions can be a great option to start saving habits.

4. Access to Microfinance Institutions and Affordable Financing

Marginalized communities often do not have access to formal financial institutions. As a result,

getting easier access to microfinance institution facilities and providing low-interest loans is one of the important approaches in financial management. Marginalized communities can avoid high-interest debt from loan sharks or other informal financial institutions

By getting access to cheaper loans from institutions such as cooperatives or government-backed microfinance institutions. These institutions can offer opportunities for them to start a small business, improve their financial condition, or meet their urgent needs. Additionally, microfinance institutions typically offer financial training, which can help people better understand how to manage their finances well.

5. Diversification of Revenue Sources:

Many marginalized communities depend on a single source of income, such as a day job or small business, so diversifying their sources of income is a strategy that can be used by them to increase income. Dependence on a single source of income can make it more vulnerable to financial risks in unstable economic circumstances. With little initial capital,

You can develop a side business or sell your goods online. In addition, people in the community can also utilize their skills or expertise to work as a service handyman, tailor, or cleaning provider. They can reduce their dependence on one job and improve the family's financial well-being by having multiple sources of income.

6. Financial Education for Marginalized Communities:

One of the crucial steps in effective and efficient financial management is through financial education. Many marginalized people are not used to good financial management, such as making a budget, managing debt, or investing. Therefore, training on financial literacy can provide very important knowledge for them in managing income and expenses wisely.

Financial education provided through government programs or non-governmental organizations is

very important to expand public understanding of the importance of sound financial management. Through this education, they can make better decisions regarding debt management, investment, and long-term planning.

Financial management strategies for marginalized communities in Makassar City need to prioritize a practical approach that is easy to reach. Creating a structured budget, prioritizing spending on basic needs, building savings and emergency funds, and utilizing microfinance institutions are steps that can increase the effectiveness and efficiency of their financial management. In addition, financial education and diversification of income sources are also important keys in increasing family economic resilience. By implementing these strategies, it is hoped that marginalized communities can improve their quality of life, even with limited income.

Cover:

A. Conclusion:

The socio-economic behavior of marginalized communities in family financial management in Makassar City is influenced by a number of factors, including low and irregular income, limited knowledge about finance, and limited access to formal financial institutions. Most of them tend to manage their finances in a consumptive way, focus more on meeting daily needs, and often rely on informal loans that charge high interest. While a culture of mutual cooperation can provide support, it also has the potential to make things worse if the debt taken cannot be repaid. To improve their financial management, financial education that teaches them how to budget and save, as well as access to microfinance institutions that offer low-interest loans, is indispensable. With the right intervention, they are expected to improve the welfare of their families and overcome the economic difficulties they face.

The socio-economic behavior of marginalized communities in family financial management in Makassar City has positive and negative sides. Among the advantages are the ability to survive

even though their income is limited, flexibility in managing finances, a culture of mutual cooperation that strengthens solidarity, and creativity in seeking additional income. In addition, they also show resilience when facing crises. However, there are also some disadvantages, such as poorly structured financial management, dependence on high-interest informal loans, limited access to formal financial services, difficulties in setting aside savings or investments, and lack of financial education. To address these various weaknesses, interventions are needed, including financial education and access to more inclusive financial institutions.

The financial management strategy for marginalized communities in Makassar City includes important steps to improve welfare even with limited income. First, a clear and structured budget can help them prioritize basic needs and reduce waste. Furthermore, prioritizing spending on basic needs is vital to maintaining financial stability. Third, building savings and emergency funds to deal with unexpected situations, as well as utilizing microfinance institutions to obtain low-interest loans are also very important. In addition, diversification of income sources and improvement of financial education can strengthen family economic resilience. With the implementation of this strategy, marginalized communities are expected to be able to manage their finances more effectively and efficiently.

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