



Managing Finances for Family Education amidst the COVID-19 Pandemic and its Consequences

Syaifullah M. Syam, Zaifullah

Universitas Islam Negeri Datokarama Palu, Indonesia

e-mail: syaifullah@iainpalu.ac.id, zaifullah@uindatokarama.ac.id


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ABSTRACT. This study investigates the management of family education expenses in the context of the COVID-19 epidemic and assesses the subsequent social and economic implications. The study was conducted in the Central Sulawesi village of Pasigala using a qualitative research approach and a factual exposure standpoint. The data collection process used methods like observation, interviews, and documentation. Subsequently, the gathered data underwent analysis using the Miles and Huberman model, encompassing data reduction, presentation, and verification. The research outcomes underscore the significance of effective financial management in meeting familial, educational, and financial obligations during the COVID-19 pandemic. Additionally, the pandemic has notably affected social dynamics and economic conditions. Socially, there has been a shift in values and behaviors among the population, while economically, there has been a decline in individuals' income. These findings lead to the conclusion that the COVID-19 pandemic has indeed influenced the financial management of family education. Consequently, the study recommends implementing robust financial management practices in family education to ensure resilience in facing unforeseen challenges.

Keywords: *Economic implications, family education, financial management*

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INTRODUCTION

The world, including Indonesia, has been affected by the COVID-19 pandemic (Olivia et al., 2020; Rulandari, 2020). Its existence significantly affects many facets of life, including family education (Carrión-Martínez et al., 2021). A person's family is integral to their existence and holds great significance. The family is the primary educational institution that has the most significant impact on the future of family life since it is the first setting in which a kid is born and receives his or her initial education. However, several issues that affect the family's financial stability have surfaced in the context of family education due to the COVID-19 pandemic (Verma & Prakash, 2020; Feinberg et al., 2022).

Numerous earlier investigations identified several issues brought on by the COVID-19 pandemic. For instance, the family's financial schooling budget is firstly impacted by income loss and job instability. It is becoming increasingly more work for parents to pay for living expenses, including textbooks, school fees, internet networks, and technology required for distance learning. Many parents have lost their jobs or had their working hours cut. Second, families now face tremendous financial strain due to the transition from offline to online learning since they must spend money on computers, internet access, and other technology to support online learning.



Families will undoubtedly have more financial strain, particularly those who need more preparation for the learning shift.

Furthermore, the COVID-19 epidemic has caused disruptions to daily routines and increased the burden on parents to support their children's education. In order to attain the designated learning outcomes, parents who work outside the home must devote more time to their children's education. In actuality, though, some families prioritize their kids' homework and ignore how well their kids learn. Despite all of their shortcomings, parents place a higher priority on family health than on their kids' education. Long-term effects of this disease may include depriving their kids of the chance to grow as individuals via extracurricular school activities.

In the regions of Palu, Sigi, and Donggala in the Central Sulawesi Province, the financial stability of the family education environment suffered a severe blow due to the earthquake tragedy in 2018. A year later, they were hit again, this time by the COVID-19 outbreak, exacerbating their existing challenges. The global impact of the COVID-19 pandemic, including the Pasigala region, has been profound. Government directives to work from home have curtailed social interactions, significantly affecting people's livelihoods. The heightened need for essentials during these times adds to the economic strain, compounding the difficulties the affected families face.

Allocating family income and expenses is a crucial component of family financial management. The household uses this money for leisure, social activities, primary and secondary necessities, and other needs. Furthermore, a portion of the income is set aside for investments or savings, with the savings being applied to pressing necessities. There are three categories for household expenses: daily, monthly, and annual. Monthly and annual expenses are incurred once a month or yearly, whereas daily expenses are related to daily necessities. Based on this issue, researchers are interested in studying financial management in family education, focusing on the Central Sulawesi regions of Palu, Sigi, and Donggala (Pasigala). Thus, the purpose of this study is to assess how families managed their finances for their children's education during the COVID-19 pandemic and to examine the resulting social and economic effects.

METHOD

This study employs a qualitative methodology. The author altered neither the research topic nor the research environment. Phenomenological research is the methodology employed. This research reveals the phenomena of family education in financial management during the COVID-19 epidemic. The research focuses on how planning, organizing, mobilizing, and controlling are the first steps in teaching a family how to manage their resources. Techniques such as observation, interviews, and documentation were used to gather the data for this study. For three months, open-ended, unstructured interviews were held with Palu, Sigi, and Donggala (Pasigala) residents in the Central Sulawesi Province to gather data. The author conducted interviews utilizing free-form (unstructured) interviewing techniques, guided by an overview of the research theme. In addition, the author responds to inquiries from sources during interviews by drawing on observations or conclusions made on the ground. It was done to gather information that would help explain what the author saw or learned.

Additionally, the author observes family education financial management practices using observational methods. In the meantime, the author gathers information about financial management in family education through documentation. After that, the gathered data's validity was examined using data source triangulation methods. The Miles and Huberman model data analysis technique comprises data reduction, data display, and verification stages, which are then used to examine the acquired and valid data.

RESULT AND DISCUSSION

Result

People are reluctant to conduct unimportant and non-urgent communications due to the Covid-19 epidemic. One homemaker informant gave the following example: *"...different from before, now the conditions have changed. Just talking; please maintain our distance. It has become uncommon to shake hands even before the epidemic. As though disobeying these official directives will earn us no respect"* (I1). New social customs brought about by this pandemic include keeping one's distance from others, using masks, avoiding crowds, limiting mobility, and avoiding close physical contact with others. Many people must prepare to deal with this abrupt transition, which demands greater flexibility. Activities as usual continue, but adhering to health precautions is crucial to preventing the infection from spreading.

Unexpected changes have been brought about by the ongoing pandemic, impacting people's social interactions and self-perceptions. People must modify their ingrained behaviors. Following health protocols in all activities is crucial, regardless of individual preferences. As the second informant, a worker in the private sector, put it, *"I work in the private sector, and sometimes I wear a mask, but not always. Some parties oppose this shift. Sincerely, I continue to have my doubts about this virus's existence. Mostly, I wear a mask to keep myself out of complex social situations. They might say anything if we do not wear masks"* (I2).

Nearly every economic area is impacted by the COVID-19 outbreak and government regulations restricting outdoor activities, including providing commodities, food, and services. It was different from what society had anticipated or desired. *"Yes, the impact is significant, clarified the third source, employed in the leasing industry. Some claim that although rent has no direct correlation to sales, we are nonetheless impacted when customers fail to make payments; as a result, we also have to bear the penalties of our monthly bonus"* (R3). The barber who served as the fourth informant expressed a similar sentiment: *"At first, it affected us since, in the past, officials used to come and check. When asked if it had an effect, the response was that it did, particularly in our business, where employees interact while working. Folks are terrified. It has been challenging, so come get a haircut"* (R4).

Families must thoroughly understand how to manage family finances during the COVID-19 pandemic. A lack of understanding can make it difficult to manage finances effectively. Sound financial management allows a family to maintain their livelihood during the pandemic. The following excerpt from an interview with a family regarding their understanding of financial management: The fifth informant, a housewife, stated: *"In my opinion, financial management means saving for important expenses"* (R5). The sixth informant, another housewife, said: *"...managing money for necessary expenses, not spending on things that are not important"* (R6). The importance of financial management during the COVID-19 pandemic cannot be overstated. Effective financial planning is essential to guide fund allocation. It involves financial planning, budgeting, financial control, auditing, and reporting.

Financial management must include financial planning for the future. In the uncertain conditions of the Covid-19 pandemic, additional planning is needed. Dealing with this pandemic does not only involve health considerations; Financial planning is also essential. Checking your finances, setting financial goals, and implementing sound financial planning are essential during these difficult times. The following interview highlights how people plan their finances during the pandemic. The seventh informant, a businessman, said: *"There is almost no difference between before and during the pandemic. The difference is, during the pandemic, we save more. Because income has decreased, we are more selective in shopping"* (R7).

Organization in financial management refers to how family members divide responsibilities in managing finances. Each family member has a role in achieving the financial goals that have been set. The following interview reveals how financial responsibilities are organized within the family. The eighth informant, a businessman, stated: *"We, small traders like us, my husband is the breadwinner, my*

role is the same as other housewives, cooking, cleaning, and so on. We need to be smarter in managing money, money for groceries, and our children's needs" (R8). Next, the ninth informant, the husband of a businessman, said: "Yes, as it should be. I am the breadwinner, and my wife does not work, so she handles the finances. Especially during the pandemic, I told him to be more careful in spending money because even though my income is constant, it changes. Needs cannot be predicted" (R9). The tenth informant, a trader, said: "It was agreed. We are told to save money because recent sales have not been good, and people seem more frugal. My role is managing finances, especially now with the pandemic; everything is uncertain" (R10). Based on the interview, the family has implemented financial management well. There was a direction from the head of the household to save money, which the wives carried out.

With actions related to financial planning implementation, effective financial planning and organization will be valuable. Finding out if financial planning is being correctly followed is crucial. Planning is only helpful if it is carried out. In family leadership, direction is a component of human connections, mainly regarding financial problems. Practical guidance combined with compassion is quite beneficial. Direction is complicated in family finance management since it involves people and various human behaviors.

The financial control function monitors the flow of incoming and outgoing funds. This stage ensures expenses are aligned with predetermined categories and amounts. If expenses exceed the budget, an evaluation identifies non-essential expenses that can be cut or eliminated. The eleventh informant, a PLN employee, expressed his thoughts: "It is difficult to explain financial control, especially to my wife, because thankfully, during this pandemic, we have never had a shortage to the point of asking for help. Nevertheless, it is more financially challenging due to reduced income. However, the lockdown implemented by the government also helps because we do not leave the house, which means we spend less" (R11). Control in financial management ensures that financial performance is in line with plans. If there are discrepancies with the initial financial planning, then the head of the household needs to make corrections to ensure that allocated financial objectives are achieved. This process includes assessing whether the original plan should be changed based on previous financial performance.

Discussion

According to study results, family education during the COVID-19 pandemic in the Sulawesi Province communities of Palu, Sigi, and Donggala (Pasigala) adheres to the principles of sound financial management, which include organizing, planning, mobilizing, and controlling procedures. It is consistent with Syaifullah (2021) and Mubarak (2021), who state that planning, organizing, directing, coordinating, and controlling are some of the processes in the financial management process for family education. To guarantee that financial resources are used effectively and efficiently to fulfill educational goals, the financial management process in family education entails several processes, including planning, organizing, directing, coordinating, and controlling (Muske & Winter, 2004; Mpolokeng, 2011).

Knowing the fundamentals of handling family money is crucial during the COVID-19 pandemic. Families need to know that managing their finances involves setting aside money for necessities and cutting back on frivolous spending. The cornerstone of efficient financial management is this knowledge. To manage finances effectively, the family must perform several tasks, including organizing, mobilizing, coordinating, managing, and planning. In support of this, Rohaniah and Rahmaini (2021) noted that teaching families how to manage their money responsibly is crucial to preserving their financial stability. Talks and counseling can be used to carry out socialization activities. People can retain family economic resilience and avoid panicking when faced with the epidemic by being aware of and comprehending proper family financial management (Megawati et al., 2020).

In order to preserve economic resilience during the COVID-19 pandemic, several studies emphasize the significance of teaching families about money management (Megawati et al., 2020;

Lazuardi & Puspitawati, 2022). Families that receive financial management education can better manage their money and preserve economic stability. Additionally, knowing the fundamentals of money management can support families in maintaining their economic resilience and assist in lessening worry and anxiety associated with the epidemic. According to Setyorini and Usman's research from 2022, spiritual intelligence, personality, and financial literacy are all necessary for managing a family's resources during a pandemic. In order to help families, manage their finances wisely and preserve their economic resilience during trying times, it is essential to educate them about financial management during the pandemic and to comprehend the elements that impact family financial management.

Effective financial planning is essential, especially during uncertain times. It involves setting financial goals, auditing current financial status, and adjusting to changing income levels. Due to reduced income, families must be more selective in spending their money during the pandemic (Syaifullah, 2021). Organization in managing family finances refers to distributing responsibilities among family members (Septiani, 2021). Each member plays a role in achieving financial goals, and it is imperative to adapt to continually evolving needs (Septiani, 2021). Communication and cooperation between family members is the key to successful organizing (Buza & Hysa, 2020).

In the mobilization process, families must implement their financial plans (Halpiah et al., 2021). It means putting those plans into action. The head of the household often provides direction to ensure the family sticks to the financial plan. Effective direction requires a humane approach, especially when family members have different opinions about spending. The financial control function ensures that expenditures are aligned with predetermined categories and amounts. Any differences require evaluation to identify non-essential expenses that can be cut or eliminated. Tracking financial performance and making corrections to achieve financial goals is essential. Thus, families must apply management principles in managing family finances during the COVID-19 pandemic because, in this pandemic era, many people have lost their jobs and lost their income due to the impact of decreased buying interest.

The COVID-19 pandemic has left a deep impression on people worldwide, including the Pasigala community in Central Sulawesi (Hardaningtyas et al., 2021; Tapi et al., 2021). This discussion explores the pandemic's profound social and economic implications for the region. We also examine the critical role of family financial management in facing these difficult times. The Pasigala community, like many other communities, has had to adapt to the significant social changes brought about by this pandemic. Government policies such as Large-Scale Social Restrictions (PSBB) aim to break the chain of transmission but inadvertently cause significant disruption in people's daily lives (Ilyas, 2021). These restrictions have caused fear and anxiety among the public due to extensive media coverage about the spread and dangers of this virus. One of the most apparent social changes is a shift in societal values and norms (Padmaja & Rajakumar, 2022).

The new normal includes avoiding crowds, wearing masks, keeping a physical distance from others, and minimizing physical contact. Careful behavior following health guidelines has long since supplanted the custom of shaking hands and intimate social connection. Personal habits must change in response to this pandemic. While some people have come to the new normal, others remain resistive or cynical. All individuals must adhere to health protocols in all activities in order to stop the virus from spreading.

Apart from that, the impact felt is in the economic sector (Orsi & Santos, 2009; Nicola et al., 2020; Susilawati et al., 2020; Rutkowska-Tomaszewska et al., 2022). The pandemic and government policies restricting outdoor activities have had a far-reaching impact, impacting almost all business sectors in the Pasigala community. Companies providing goods, food, and services must prepare for this sudden disruption. For example, the leasing business suffers because customers have difficulty paying their dues, impacting monthly bonuses. Likewise, barbershops are also

experiencing significant challenges due to restrictions on physical contact. Government inspections and fear of contracting the virus hinder their ability to serve customers, affecting their livelihoods. As a social impact, this pandemic requires maintaining physical distance and must comply with the rules implemented in Indonesia. There are also economic impacts, such as decreasing customer purchasing intentions because people have to lose their jobs. After all, companies need more funds to pay salaries and bonuses.

CONCLUSION

The Pasigala community in Central Sulawesi has seen significant social and economic transformation due to the COVID-19 outbreak. In addition to upending long-standing societal norms and habits, the epidemic has highlighted how crucial financial management is to family education. Families in the Pasigala region need to understand financial management and its activities, such as organizing, planning, implementing, and controlling, to get through these trying times. The ability of families to manage their money and bounce back from the economic effects of the pandemic will be crucial to their ability to create a safe future. These results suggest that family education should be used to its fullest potential when handling household finances.

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