

SUMMARY

The study titled "The Influence Of Religiosity In The Relationship Of Wages And Mental Accounting" focuses on the Millennial (M) and Generation Z (Z) workers in Karangtalun. This quantitative research explores the growing trend of agnosticism and atheism among these generations, which coincides with lavish and impulsive financial behaviors. This trend is particularly noteworthy as the MZ generation is highly active on the internet, leveraging it for information and daily needs, and consequently, they are exposed to rapidly evolving lifestyle trends.

The purpose of this research is to investigate how wages influence mental accounting and to examine the moderating effect of religiosity on this relationship. Mental accounting refers to the cognitive process wherein individuals categorize and treat money differently based on subjective criteria, which often leads to irrational financial decisions.

The study population comprises all MZ generation workers in Karangtalun, with a sample size of 97 respondents selected through purposive sampling. This method ensures that the sample is representative of the population's specific characteristics relevant to the study by calculation from Slovin formula

Data analysis was conducted using Simple Linear Regression Test and Moderated Regression Analysis. The findings reveal two key insights: (1) Wages Affect Mental Accounting (2) Religiosity Weakens the Relationship Between Wages and Mental Accounting. The level of wages are associated with distinct patterns in mental accounting. High levels of religiosity weaken the effect of wages on how individuals categorize and treat money, leading to more rational and deliberate financial behaviors.

The study's implications are multifaceted. Firstly, the research contributes to the field of behavioral economics by providing insights into how wages and religiosity interplay to influence financial behavior. This understanding can help in developing strategies to improve financial decision-making among the MZ generation reducing mental accounting biases. The study also emphasizes the need for further research in this area. Future studies could explore additional factors that influence the relationship between wages and mental accounting. In conclusion, the research highlights the significant role of wages in shaping mental accounting practices and the moderating effect of religiosity in this relationship.

Keywords : Wages, Mental Accounting, Religiosity, Financial Behavior. Financial Perception, Labours