

DO WOMEN'S EMPLOYMENT INFLUENCE FINANCIAL DECISION-MAKING WITHIN HOUSEHOLDS? EVIDENCE FROM INDONESIA

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ABSTRACT

This research examines the effect of disparities in women's working hours, which serves as a measure of employment, on household financial decision-making in Indonesia. The role of women in the workforce has endured transformations throughout the years. In a large portion of Indonesian households, traditional gender roles and stereotypes are firmly entrenched. Despite the increase in women's labor force in Indonesia, traditional gender roles continue to influence the distribution of household responsibilities, including financial decision-making. By utilizing an extensive dataset from the fifth wave of the Indonesian Family Life Survey (IFLS), this study implements a *Multinomial Logistic Regression with Average Marginal Effects* to analyze the effect between women's working hours on household financial decision-making. The findings of this study will contribute to the ongoing discussion on the importance of gender equality and women's economic empowerment in developing nations such as Indonesia, as well as provide policymakers and households with the perception they seek to promote greater gender equity and financial inclusion.

Keywords: Women's Employment Status, Women's Economic Empowerment, Household Financial Decision-Making, Gender Equality, Labor Economics, IFLS, *Multinomial Logistic Regression, Average Marginal Effects*

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INTISARI

Penelitian ini mengkaji pengaruh disparitas dalam jam kerja perempuan, yang berfungsi sebagai ukuran pekerjaan, terhadap pengambilan keputusan keuangan rumah tangga di Indonesia. Peran perempuan dalam dunia kerja telah mengalami transformasi selama bertahun-tahun. Di sebagian besar rumah tangga Indonesia, peran gender tradisional dan stereotip masih kuat. Meskipun jumlah perempuan yang bekerja di Indonesia meningkat, peran gender tradisional masih memengaruhi pembagian tanggung jawab rumah tangga, termasuk pengambilan keputusan keuangan. Dengan menggunakan dataset yang luas dari gelombang kelima the *Indonesian Family Life Survey* (IFLS), penelitian ini menerapkan *Multinomial Logistic Regression*, dengan *Average Marginal Effects* untuk menganalisis pengaruh antara jam kerja perempuan terhadap pengambilan keputusan keuangan rumah tangga. Temuan dari penelitian ini akan memberikan kontribusi pada diskusi yang sedang berlangsung mengenai pentingnya kesetaraan gender dan pemberdayaan ekonomi perempuan di negara berkembang seperti Indonesia. Penelitian ini akan memberikan wawasan bagi pembuat kebijakan dan rumah tangga untuk mempromosikan kesetaraan gender yang lebih besar dan inklusi keuangan.

Kata Kunci: Women's Employment Status, Women's Economic Empowerment, Household Financial Decision-Making, Gender Equality, Labor Economics, IFLS, *Multinomial Logistic Regression*, *Average Marginal Effects*