THE INFLUENCE OF FAMILY SOCIO-ECONOMIC CONDITIONS AND LEVEL OF EDUCATION ON CHILDREN'S SUCCESS AT WORK IN MATARAM CITY

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ABSTRACT

The purpose of this research is to find out what the impact is if the socio-economic conditions of the family have a lot of expenses, and the level of education completed by the child starts from elementary school, middle school, high school and university. So researchers want to see whether there are influences that can encourage children to be successful at work.

The research method used is a quantitative descriptive method using the Eviews 12 application software tool, using secondary data from BPS for the last 5 years so that researchers use panel data (time series-cross section), the analysis used is the Classical Assumption Test then continues with the Hypothesis.

The results of this research are using the Lagrange Multiplier Test which shows the prob value. $0.1514 > 0.05$ The model used is the Common Effect Model. The t test results on variable X1 are $0.082176 <$ t table and the sig value. $0.9355 > 0.05$ means that family socio-economic conditions have no effect on children's success in working. The t test results on variable X2 are $0.285095 <$ t table and the sig value. $0.7790 > 0.05$ means that the level of education has no effect on children's success at work. Based on the results of the f test, the calculated f value is $0.046288 <$ f table and the sig value. $0.954887 > 0.05$ so that family socio-economic conditions and education level have an influence on children's success in working. The R square coefficient of determination test is 0.111594, so that the influence of family socio-economic conditions and education level on children's success in working is only 11.84%, while the remaining 88.84% means that children's success in working can be achieved without support in terms of economics and even educational level.

KEYWORDS: Socio-Economic Conditions, Level Of Education, Children's Succes At Work

INTRODUCTION

Education is a crucial element in human life, knowing no bounds in achievement and enhancement (Setiawan et al., 2024). As a primary instrument, education plays a pivotal role in developing the abilities and potentials of individuals and communities, aiming to realize optimal human resource quality. The development of educational institutions, ranging from elementary to higher levels, whether organized by the government or private entities, becomes imperative. Through the Constitution of the Republic of Indonesia 1945 Article 31 paragraph one, the government mandates the population's participation in basic education and ensures its financing. The objective of national education, as outlined in the Republic of Indonesia Law Number 20 of 2003 concerning the National Education System, is to cultivate the potential of learners to achieve maturity as individuals who are faithful and devoted to the One Almighty God, possess noble character, are healthy, knowledgeable, competent, creative, independent, and become democratic and responsible citizens (Putri et al., 2024).

The success in the realm of education is a collective obligation that involves contributions from families (parents), society, and the government. Therefore, the government and society have a responsibility to provide adequate learning facilities so that opportunities to acquire knowledge can be expanded as much as possible. To achieve success in the field of education, the role of the family is crucial in overseeing the continuation of their children's education, including their decision to pursue higher education. However, there are still many families facing difficulties in providing support to their children to pursue education up to the higher education level, which is caused by the socio-economic constraints they face.

Socioeconomic conditions refer to factors related to fulfilling societal needs, and more broadly, are associated with social welfare. This aspect encompasses the financial position of individuals or families within the social structure, as well as efforts to create and access goods and services needed to meet physical and psychological needs (Makalag et al., 2023). As a result, many children realize that their family's financially limited socioeconomic conditions can hinder their continuation of education. However, there are also many who persistently pursue higher education as an effort to change their family's fortunes.

Parental education has a significant impact on children's educational orientation, as the most fundamental early education typically begins within the family environment. The level of parental education influences the continuity of children's education, where parents with higher educational backgrounds tend to provide positive role models for their children, especially in terms of education (Pramaswari, 2018). Meanwhile, the low level of parental education creates different mindsets, where parents with limited educational backgrounds tend to prioritize the family's economic needs over their children's education. As a result, many children lose focus in completing their education, and some may not even complete primary or secondary education.

According to data from the Badan Pusat Statistik (BPS) Indonesia over the past three years, there are indications regarding the level of education. Analysis of BPS Indonesia's Education Indicator Data for the years 2021-2023 indicates that there are still significant individuals and communities who chose to pursue Package A in 2022. Thus, the role of parents in determining the direction and motivation of their children's education becomes very important, including in their encouragement to pursue education to higher levels. However, over time, there are still several challenges faced by some children when continuing their education to higher education institutions. Higher education also presents its own challenges for students, one of which is difficulty in completing studies on time. This is reinforced by BPS Indonesia data showing the percentage of the population aged 15 years and over based on the highest level of education attained in 2023.

The success of students within the higher education environment can be assessed through academic achievements and the suitability of the jobs obtained after graduation. However, based on

information provided by the Minister of Education and Culture (KEMENDIKBUD) Nadiem Makarim, approximately 20% of total students in Indonesia secure employment aligned with their field of study, while the remaining 80% end up in jobs unrelated to their academic background. This situation poses challenges for prospective employees or newly graduated students in determining their next steps after graduation. Many graduates or fresh graduates encounter various obstacles, one of which is difficulty in finding employment matching their skills, leading to a high unemployment rate. Data from the Indonesian Central Statistics Agency (BPS) illustrates this situation.

Based on the data from BPS Indonesia regarding Open Unemployment by Highest Education Attainment, it is elucidated that the unemployment rate among university graduates has remained high over the past 3 years. In 2021, it amounted to 1,848,200 individuals, then decreased to 1,558,254 in 2022, and in 2023, Indonesia experienced a further decrease in the unemployment rate to 1,541,705. Therefore, this can be construed as an increase in employment opportunities for the community, particularly for those in higher education or fresh graduates.

There is a need for changes to enhance the Human Development Index (HDI) in West Nusa Tenggara. However, significant changes have been observed in the HDI, particularly in Kota Mataram as evidenced by data from BPS Kota Mataram, indicating significant development in the HDI conditions in Kota Mataram over the past three years. This is attributed to Kota Mataram being a center for education, commerce, and having a dense population. Thus, it can be concluded that Kota Mataram has experienced rapid development. Nevertheless, the level of job success among the community, especially for university graduates as recorded in BPS Kota Mataram data over the past three years, remains very low.

There is a necessity to enact alterations aimed at augmenting the Human Development Index (HDI) in West Nusa Tenggara. Nevertheless, noteworthy alterations have been detected in the HDI, particularly in Kota Mataram, as illustrated by data sourced from BPS Kota Mataram. This suggests notable advancements in the HDI status within Kota Mataram over the preceding three years. Consequently, it is inferable that Kota Mataram has undergone rapid progress. However, the degree of employment attainment within the populace, notably among university graduates, as delineated in BPS Kota Mataram's records spanning the past three years, remains considerably low.

Kota Mataram, as the administrative center of West Nusa Tenggara Province, has demonstrated significant development in various aspects such as economy, tourism, and education. However, there remains a portion of the population who have not experienced overall well-being, particularly in terms of socio-economic status, education, and the career prospects of young adults in higher education institutions. Therefore, researchers are interested in conducting further research focusing on the Influence of Socio-Economic Conditions and Educational Attainment on the Success of Children in Entering the Workforce in Kota Mataram.

METHOD

The method employed in this research comprises quantitative and descriptive approaches. Quantitative approach refers to research focused on testing measurable hypotheses, thereby yielding generalizable conclusions. Meanwhile, descriptive approach involves further analysis of research findings in the form of quantitative analysis, which is then used to draw conclusions. This quantitative research collects data using secondary data sources. The study utilizes the Eviews 12 software to conduct Panel Data Regression analysis (time series-cross section). The research utilizes secondary data from BPS Kota Mataram Dalam Angka over the past 5 years.

In analyzing data using the Eviews 12 software to evaluate the impact of Socio-Economic Conditions and Level of Education on the Success of Children in Kota Mataram in finding employment, a series of steps are taken. This includes selecting the testing model, followed by

checking for Normality, Multicollinearity, and Heteroskedasticity. Afterward, hypothesis testing is conducted using Multiple Regression, t-test, F-test, and Coefficient of Determination (R) tests.

RESULT AND DISCUSSION

The Influence Of Socioeconomic Conditions And Level Of Education On The Success Of Children In The Workforce In The City of Mataram can be analyzed through the method of Multiple Regression Analysis using the Eviews12 software. This approach is chosen due to the availability of data derived from the Mataram City BPS Data In Figures for the last five years. To assess the magnitude of this influence on an annual basis, a data panel approach (time series-cross section) is employed with the assistance of Eviews12. In conducting the analysis, three panel data regression models need to be applied to examine the relationship among these variables.

Panel data regression analysis is a regression analysis utilizing panel data structure (time series-cross section), with the same objective as regression analysis, which is to determine the presence or absence of influence of independent variables on dependent variables. Panel data is a combination of cross-sectional data and time series data. In panel data regression, there are three models: Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM). Prior to selecting the model, three statistical tests need to be conducted: Chow Test, Hausman Test, and Lagrange Multiplier Test (LM test).

Tabel 1. Model Selection

Test	Result	Decision
Chow Test	Prob. > 0,05	CEM
	Prob. < 0,05	FEM
Hausman Test	Prob. > 0,05	REM
	Prob. < 0,05	FEM
Lagrange Multiplier Test	Prob. > 0,05	CEM
	Prob. < 0,05	REM

Result Chow Test

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	0.215471	(3,14)	0.8840
Cross-section Chi-square	0.902763	3	0.8248

Figure 1. Chow Test

From the Chow Test results, the value of Prob. If it is 0.8248 (>0.05), then the selected model is the Common Effect Model (CEM), so you can proceed to the Hausman Test

Result Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	0.538955	2	0.7638

Figure 2. Hausman Test

From the Hausman Test results, the value of Prob. If it is 0.7638 (>0.05), then the selected model is the Random Effect Model (REM), then you can proceed to the Lagrange Multiplier

Result Legrange Multiplier Test

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided
    (all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	2.057877 (0.1514)	21.94016 (0.0000)	23.99804 (0.0000)
Honda	-1.434530 (0.9243)	4.684032 (0.0000)	2.297745 (0.0108)
King-Wu	-1.434530 (0.9243)	4.684032 (0.0000)	1.982016 (0.0237)
Standardized Honda	-0.851404 (0.8027)	4.941205 (0.0000)	0.827891 (0.2039)
Standardized King-Wu	-0.851404 (0.8027)	4.941205 (0.0000)	0.502457 (0.3077)
Gourieroux, et al.	--	--	21.94016 (0.0000)

Figure 3. Lagrange Multiplier Test

From the Hausman Test results, the value of Prob. Amounting to 0.1514 (>0.05), the selected model is the Common Effect Model (CEM). Based on the results of the Chow Test, Hausman Test, and LM Test, the best model in this research is CEM. The selected model is CEM, therefore the classical assumption test must be carried out. The classical assumption tests used are normality, multicollinearity and heteroscedasticity (Basuki & Yuliadi, 2014).

Normality Test

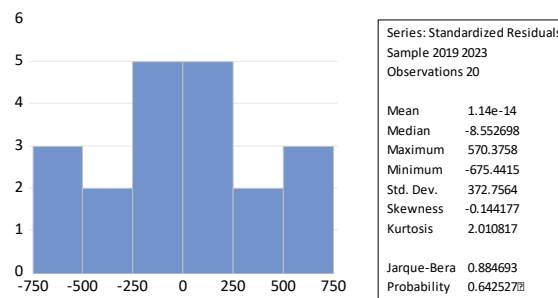| Series: Standardized Residuals	
Sample 2019 2023	
Observations 20	
Mean	1.14e-14
Median	-8.552698
Maximum	570.3758
Minimum	-675.4415
Std. Dev.	372.7564
Skewness	-0.144177
Kurtosis	2.010817
Jarque-Bera	0.884693
Probability	0.642527

Figure 4. Normality Test

Known prob value. 0.642527 > 0.05, then the residual normality assumption is accepted Check the assumption that there is no multicollinearity and check the VIF value < 10 (Centered VIF)

Multikoliniearity Test

	X1	X2
X1	1	0.08326182...
X2	0.08326182...	1

Figure 5. Multikolinearity Test

The correlation coefficient X1 and X2 is 0.083262 <0.85. So it can be concluded that it is free from multicollinearity or passes the multicollinearity test (Napitupulu et al, 2021)
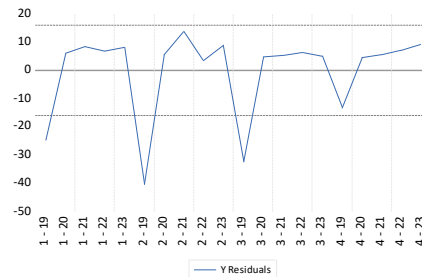
Heteroskedastisity Test

Figure 6. Heteroskedastisity Test

From the residual graph (blue) it can be seen that it does not cross the limits (500 and -500), meaning that the residual variance is the same. Therefore, there are no symptoms of heteroscedasticity or passing the heteroscedasticity test (Napitupulu, 2021)

Result Test Classical Assumptions

Dependent Variable: Y
Method: Panel Least Squares
Date: 05/29/24   Time: 09:35
Sample: 2019 2023
Periods included: 5
Cross-sections included: 4
Total panel (balanced) observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	83.41103	14.18566	5.879954	0.0000
X1	0.020255	0.246482	0.082176	0.9355
X2	0.000588	0.002063	0.285095	0.7790

R-squared	0.005416	Mean dependent var		87.58100
Adjusted R-squared	-0.111594	S.D. dependent var		15.10630
S.E. of regression	15.92689	Akaike info criterion		8.511376
Sum squared resid	4312.320	Schwarz criterion		8.660736
Log likelihood	-82.11376	Hannan-Quinn criter.		8.540533
F-statistic	0.046288	Durbin-Watson stat		1.361219
Prob(F-statistic)	0.954887			

Figure 7. Test Classical Assumptions

Panel Data Regression Equation

Y = 83.4110302383 + 0.0202548281417*X1 + 0.000588184828162*X2

The explanation is as follows

a. The constant value is 83.4110, meaning that without variables X1 and X2, variable Y will increase by 83.4%

b. The beta coefficient value of variable X1 is 0.0202, if the values of other variables are constant and variable X1 has increased by 2%. Likewise, if the value of the other variables is constant with variable X2 experiencing a decrease of 2% then variable Y will experience a decrease of 2%

c. The beta coefficient value of variable X2 is 0.0005, if the values of other variables are constant and variable Likewise, if the value of the other variables is constant and variable X2 decreases by 1%, then variable Y will experience a decrease of 0.05%.

Result T-Test

Dependent Variable: Y
Method: Panel Least Squares
Date: 05/29/24   Time: 11:00
Sample: 2019 2023
Periods included: 5
Cross-sections included: 4
Total panel (balanced) observations: 20

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	83.41103	14.18566	5.879954	0.0000
X1	0.020255	0.246482	0.082176	0.9355
X2	0.000588	0.002063	0.285095	0.7790

Figure 8. T-Test

The influence of the independent variable on the dependent variable partially is as follows:

a. The results of the t test on variable X1 obtained a calculated t value of 0.082176 < t table, namely 2.100922 and a sig. 0.9355 > 0.05, then Ha is rejected and H0 is accepted, meaning that the socio-economic conditions of the family have no effect on children's success in working.
b. The results of the t test on variable X2 obtained a calculated t value of 0.285095 < t table, namely 2.100922 and a sig value. 0.7790>0.05, then Ha is rejected and H0 is accepted, meaning that the level of education has no effect on children's success in college.

Result F-Test, and Coefficient of Determination Test (R^2)

R-squared	0.005416
Adjusted R-squared	-0.111594
S.E. of regression	15.92689
Sum squared resid	4312.320
Log likelihood	-82.11376
F-statistic	0.046288
Prob(F-statistic)	0.954887

Figure 9. F-Test and Coefficient of Determination Test (R^2)

The calculated F value is 0.046288 < F table, namely 2.242891 and the sig value. 0.954887>0.05, then Ha is rejected and H0 is accepted, meaning that the variables of family socio-economic conditions and parental education level influence children's success in working in Mataram City.

The adjusted R square value is 0.111594 or 11.1594%. The coefficient of determination value shows that the independent variables consisting of Family Socioeconomic Conditions and Parental Education Level are able to explain the variable Children's Success in Higher Education in Indonesia by 11.1594%, while the remaining 88.8406% (100-adjusted R square value) explained by other variables not included in this research model.

The results of this research are using the Lagrange Multiplier Test which shows the prob value. 0.1514 > 0.05 The model used is the Common Effect Model. The t test results on variable X1 are 0.082176 <t table and the sig value. 0.9355 > 0.05 means that family socio-economic conditions have no effect on children's success in working. The t test results on variable X2 are 0.285095 < t table and the sig value. 0.7790 > 0.05 means that the level of education has no effect on children's success at work. Based on the results of the f test, the calculated f value is 0.046288 < f table and the sig value. 0.954887 > 0.05 so that family socio-economic conditions and education level have an influence on children's success in working. The R square coefficient of determination test is 0.111594, so that the influence of family socio-economic conditions and education level on children's success in working is only 11.84%, while the remaining 88.16% means that children's success in working can be obtained without support in terms of economics and even educational level.

CONCLUSION

The conclusion in this research is that family socio-economic conditions do not influence children's success in working, nor does education level have an influence because it is in accordance with Mangkunegara's theory which states that a worker must have high work motivation if he or she has serious abilities and needs in get a job. However, if simultaneously the socio-economic conditions of the family and the level of education influence children's success in working only by 11.84%, while the remaining 88.16% means that children's success in working can be achieved without any support in terms of economics or educational level.

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AUTHOR CONTRIBUTIONS

For the first author, they serve as the source and essence of the writing in this research, while the second author is responsible for examining and validating the data and answers obtained.

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