

Family Social Support And Psychological Well-Being In Online Loan Defaulters (*Galbay Pinjol*)

Indriyani¹, Anwar², Malida Fatimah^{3*}

¹Department of Psychology, Faculty of Psychology, Universitas Mercu Buana Yogyakarta, Indonesia

* malida@mercubuana-yogya.ac.id

ABSTRACT

In an era marked by the rise of digital financial services, individuals facing financial distress, particularly due to online loan defaults, encounter significant psychological challenges. This study explores the relationship between family social support and psychological well-being among such individuals in Yogyakarta. Utilizing a quantitative approach, data were collected from 70 participants through validated scales measuring psychological well-being and family social support. The findings revealed a significant positive correlation ($r = 0.572$, $p < 0.01$) between family social support and psychological well-being, indicating that greater familial support contributes to improved psychological health. Notably, family support accounted for 32.7% of the variance in psychological well-being. These results underscore the critical role of family dynamics in enhancing the well-being of individuals facing financial challenges, suggesting that interventions aimed at strengthening family support systems could be beneficial.

Keywords: Psychological Well-being, Family Social Support, Online Loan Defaulters

Introduction

The rapid advancement of technology has influenced various aspects of financial transactions, particularly in the realm of financing institutions. As financial transactions undergo a process of digitalization, a new wave of convenience emerges, commonly known as financial technology, or fintech. Fintech, as defined by Freedman (2006), focuses on the development of financial models, systems, and processes for products such as bonds, agreements, and money. In Indonesia, one of the most prominent products of fintech is peer-to-peer lending, also known as online loans. The Financial Services Authority (OJK) in Indonesia formalized the definition of online loans in Regulation No. 77/POJK.01/2016 as the provision of financial services that connect lenders with borrowers via an electronic system through the internet (Freedman, 2006).

The ease of access to online loans has transformed the financial landscape, with users able to apply for loans via official websites or smartphone applications. By completing the required forms and submitting supporting documents, loan providers conduct checks, analyze, and verify the data. Once the application is deemed eligible, the loan agreement is signed, and funds are disbursed, which borrowers must repay in monthly installments. Through processes like credit monitoring and collection, online loan providers ensure compliance with the loan agreements (JPNN, 2019). However, as the popularity of online lending increases, so do issues regarding legal protection for lenders and platforms in cases of default or non-payment. While OJK has laid out regulations, they do not comprehensively address the legal mechanisms required when borrowers fail to repay on time, creating a need for more robust legal frameworks (Tampubolon, 2019).

Online loans are typically accessed through the download of applications from platforms such as Google Play or the Apple App Store, after which the user fills out a form and agrees to the loan terms. Loan terms often range from three to six months (Wire, 2021), with some individuals struggling to meet these short repayment windows due to financial constraints. For those unable to repay their loans, frequent calls from collection agents, or "desk calls," can lead to a sense of fear, disturbance, and unease. These experiences suggest that individuals subjected to such harassment tend to experience anxiety and discomfort, impacting their psychological well-being (Hidayat & Renata, 2013).

OJK reported a rise in loan default rates, increasing from 6.13% in June 2020 to 8.27% (Kompas.com, 2020). The success rate of repayment dropped from 98.55% to 95.78% by the first quarter of 2020, particularly during the COVID-19 pandemic (Savitri, 2020). This scenario illustrates that online loans create financial obligations which, if left unpaid, have significant psychological and emotional impacts. As stated by Gathergood (2012), individuals who struggle to repay debts are more likely to experience mental health issues, including depression and anxiety, at rates twice as high as those without debt. This aligns with Ryff's (1995) concept of psychological well-being, which refers to the full realization of an individual's psychological potential. Ryff emphasizes the importance of self-acceptance, positive relationships with others, autonomy, environmental mastery, life purpose, and personal growth as key dimensions of psychological well-being. These dimensions are crucial for individuals to function effectively, both emotionally and socially (Ryff, 1989).

During the pandemic, online loan distribution slowed significantly, increasing by only 3.57% between March and April 2020 compared to an 11.48% increase over the same period in the previous year (Jannah, 2020). Research by Kurniasari, Rusmana,

and Budiman (2019) found that only 16% of individuals reported high psychological well-being, with 46% in the moderate category and 38% in the low category. Those with low psychological well-being often exhibit behaviors such as low self-confidence, reliance on others, difficulty building relationships, lack of life purpose, and resistance to new experiences. Such individuals are more susceptible to issues like stress, depression, and even suicide.

In a qualitative study conducted in March 2021, eight individuals who defaulted on online loans were interviewed. Six of the eight participants demonstrated a lack of the key aspects of psychological well-being. For instance, in terms of self-acceptance, the subjects struggled to accept their situation, particularly due to the constant harassment by desk calls. They reported feelings of helplessness as their financial situation prevented them from repaying the loans. Furthermore, these individuals experienced difficulty in maintaining positive relationships, as friends and family were also harassed by the loan collection agencies, exacerbating the psychological strain on the defaulters.

The results of this study highlight the connection between defaulting on online loans and the deterioration of psychological well-being. In particular, individuals who experience constant threats and calls are more likely to exhibit signs of low self-acceptance, poor autonomy, and strained relationships with their social circle. Such circumstances impede their ability to manage their environment, set personal goals, and pursue personal growth, all of which are crucial elements of psychological well-being as outlined by Ryff (1995).

The importance of psychological well-being, especially for individuals who default on online loans, is not merely about reducing financial stress but also fostering a sense of calm and purpose that enables individuals to approach their debts with a clearer mind. Psychological well-being has been shown to help individuals generate positive emotions, reduce depression, and diminish negative behaviors (Akhtar in Prabowo, 2016).

Various factors have been found to influence psychological well-being. Social support, for instance, is a critical factor, as highlighted by Hardjo and Novita (2015), who found a positive relationship between social support and psychological well-being. Specifically, social support from family members is of particular importance, as individuals lacking familial care and affection often experience psychological distress, which can disrupt their development, behavior, and intelligence (Panuju & Umami, 1999).

Sarafino and Smith (2011) define family social support as the comfort individuals feel from knowing they are cared for and valued by their family, creating a sense of security and self-worth. According to Friedman, Bowden, & Jones (2010), the primary source of social support is typically the immediate family, including spouses, siblings, and children. House (Smet, 1944) identifies four dimensions of social support: emotional support, esteem support, instrumental support, and companionship. Emotional support provides comfort through empathy, while esteem support offers encouragement and positive reinforcement. Instrumental support includes practical help, such as providing information or advice, and companionship fosters a sense of belonging and social integration.

Psychological well-being, as described by Lawton (in Ingersoll-Dayton et al., 2001), is central to the overall quality of life, reflecting an individual's ability to perceive their life positively across various dimensions. Ryff (1995) further emphasizes that individuals with high psychological well-being demonstrate autonomy, environmental mastery, personal growth, and the ability to foster positive relationships, all while maintaining a sense of purpose and meaning in life.

Social support plays a significant role in psychological well-being, as demonstrated by research in various cultural contexts. Studies conducted in Israel and Finland, for instance, have shown that individuals with strong social support networks, especially immigrants, tend to experience higher levels of life satisfaction and psychological well-being (Litwin in Huppert, 2009; Jasinskaja-Lahti et al. in Huppert, 2009). This is consistent with the findings of Hardjo and Novita (2015), who demonstrated a positive correlation between social support and psychological well-being. Sanderson (in Hafid & Muhid, 2014) also emphasizes that individuals with high levels of family support are better equipped to handle stressful situations and maintain a positive outlook.

Given the significance of social support, this study aims to explore the relationship between family social support and psychological well-being in individuals who have defaulted on online loans in Yogyakarta. Specifically, the research seeks to answer the question: "Is there a relationship between family social support and psychological well-being among individuals who have defaulted on online loans in Yogyakarta?"

Methods

This study employed a quantitative approach to investigate the relationship between family social support and psychological well-being among individuals experiencing online loan defaults in Yogyakarta.

Participants

The participants included individuals aged 20 to 40 years who met the criteria of having defaulted on online loans. A total of 350 individuals sought legal assistance related to loan defaults at the Nenggala Alugoro Law Office in Yogyakarta as of June 2021. For the purpose of this study, a sample of 70 individuals was selected based on their willingness to participate.

Instruments

Two main variables were examined: psychological well-being (dependent variable) and family social support (independent variable).

1. **Psychological Well-Being:** This was measured using a scale developed by the researchers based on Ryff's (1989) six dimensions of psychological well-being: self-acceptance, positive relationships with others, autonomy, environmental mastery, purpose in life, and personal growth.
2. **Family Social Support:** This variable was assessed through a scale designed by the researchers, which included dimensions such as emotional support, instrumental support, informational support, and companionship, as outlined by Sarafino and Smith (2011).

Data Collection

Data were collected using Likert-type scales with response options ranging from 1 (Strongly Disagree) to 4 (Strongly Agree) to assess both psychological well-being and family social support.

Data Analysis

Data analysis was conducted using Pearson correlation to evaluate the relationship between family social support and psychological well-being. Statistical software, such as Jamovi, was employed for the analyses.

Results

The study assessed the psychological well-being and family social support among participants. The analysis demonstrated that a significant majority of individuals reported high levels of psychological well-being. Specifically, most participants fell into the high category, indicating a strong sense of self-acceptance,

positive relationships with others, autonomy, environmental mastery, purpose in life, and personal growth.

In terms of family social support, all participants indicated receiving high levels of support from their families. This included emotional, instrumental, informational, and friendship support, contributing to their overall well-being.

Table 1. Categorization of Variables

Variable	Category	Frequency	Percentage
Psychological Well-Being	High	59	84.29%
	Medium	11	15.71%
	Low	0	0%
Family Social Support	High	70	100%
	Medium	0	0%
	Low	0	0%

Assumption Testing

Normality tests indicated that psychological well-being was normally distributed, whereas family social support was not. However, given the adequate sample size, further analyses proceeded.

Hypothesis Testing

The analysis utilizing the Pearson Product-Moment correlation revealed a significant positive correlation between family social support and psychological well-being, with a correlation coefficient (r_{xy}) of 0.572 ($p < 0.01$). This indicates that higher levels of family social support are associated with enhanced psychological well-being among participants. Additionally, the coefficient of determination (R^2) was calculated to be 0.327, suggesting that family social support accounts for 32.7% of the variance in psychological well-being. Conversely, 67.3% of the variance in psychological well-being is influenced by other factors that were not explored in this study.

The correlation analysis revealed a significant positive relationship between family social support and psychological well-being. This suggests that higher levels of family support are associated with greater psychological well-being among individuals experiencing financial stress due to loan defaults. The findings indicate that family support explains a considerable portion of the variance in psychological

well-being, highlighting the importance of familial relationships in coping with financial challenges.

Discussions

The findings of this study reveal a significant positive relationship between family social support and psychological well-being, with a correlation coefficient of $r = 0.572$ ($p < 0.01$). This supports the hypothesis that higher levels of family social support are associated with greater psychological well-being among individuals experiencing loan default. These results align with Nugroho (2020), who found that family social support contributes to the psychological well-being of juvenile delinquents, and with Millatina and Yanuvianti (2014), who reported a positive association between social support and psychological well-being.

The dimensions of emotional, instrumental, informational, and companionship support provided by family members play a critical role in enhancing individuals' psychological well-being. Emotional support fosters a sense of comfort and acceptance, while instrumental support aids individuals in addressing their problems. Informational support, such as advice and guidance, helps individuals set positive life goals, and companionship support mitigates feelings of loneliness.

The relatively low coefficient of determination (32.7%) indicates that, although family social support is important, numerous other factors may also influence psychological well-being. Future research should explore additional variables, such as self-esteem, religiosity, and optimism, to provide a more comprehensive understanding of these dynamics.

Overall, this study underscores the importance of family social support in improving psychological well-being, particularly for individuals facing financial stress due to loan defaults. Family support can help individuals manage stress and life challenges, enhancing their capacity to view problems positively and develop their potential.

Conclusion

This study examined the relationship between family social support and psychological well-being among individuals experiencing default on online loans in Yogyakarta. The findings revealed a significant positive correlation between the two variables, indicating that higher levels of family support are associated with enhanced psychological well-being. Specifically, the analysis demonstrated that family social support accounted for 32.7% of the variance in psychological well-being, underscoring its importance in mitigating the adverse effects of financial distress.

The results highlight the critical role of emotional, instrumental, informational, and companionship support provided by family members in fostering resilience and improving overall psychological health. Given the increasing prevalence of financial challenges related to online loans, this research suggests the need for interventions that strengthen family support systems as a strategy to enhance psychological well-being in vulnerable populations. Future studies should explore additional factors influencing psychological well-being to provide a more comprehensive understanding of the dynamics at play.

Acknowledgement

Not applicable.

References

- Azwar, S. (2012a). Penyusunan skala psikologi (2nd ed.). Yogyakarta: Pustaka Pelajar.
- Azwar, S. (2012b). Reliabilitas dan validitas (4th ed.). Yogyakarta: Pustaka Pelajar.
- Freedman, R. S. (2006). *Introduction to financial technology*. Elsevier.
- Friedman, MM, Bowden, O & Jones, M. 2010. *Buku Ajar Keperawatan Keluarga : riset, teori, & praktik*; alih bahasa, Achir Yani S. Hamid.[et al.]; editor edisi bahasa Indonesia, Estu Tiar, Ed. 5. Jakarta: EGC
- Gathergood, J. (2012). Self-control, financial literacy and consumer over-indebtedness. *Journal of Economic Psychology*, 33(3), 590–602. <https://doi.org/10.1016/j.joep.2011.11.006>
- Gunawan, A. & Bintari, D. R. (2021). Kesejahteraan Psikologis, Stres, dan Regulasi Emosi pada Mahasiswa Baru Selama Pandemi Covid-19. *Jurnal Penelitian dan Pengukuran Psikologi*. 10 (1). 51-64. <https://doi.org/10.21009/JPPP.101.07>
- Hafid, A., & Muhid, A. (2014). Hubungan antara dukungan sosial orang tua dan religiusitas dengan agresivitas remaja anggota perguruan pencak silat di Bojonegoro. *Jurnal Psikologi Indonesia*, 3(3), 205–212. <https://doi.org/10.30996/persona.v3i03.410>
- Hardjo, S., & Novita, E. (2015). Hubungan dukungan sosial dengan psychological well-being pada remaja korban sexual abuse. *Jurnal Magister Psikologi UMA*, 7(1), 12–19.

- Huppert, F. A. (2009). Psychological well-being: evidence regarding its causes and consequences. *Applied Psychology: Health and Well-Being*, 1(2), 137–164. <https://doi.org/10.1111/j.1758-0854.2009.01008.x>
- Ingersoll-Dayton, B., Saengtienchai, C., Kespichayawattana, J., & Aunguroch, Y. (2001). Psychological well-being Asian style: the perspective of Thai elders. *Journal of cross-cultural gerontology*, 16(3), 283–302. <https://doi.org/10.1023/a:1011984017317>
- Jannah, S. N., & Rohmatun. (2018). Hubungan antara dukungan sosial dengan Resiliensi Pada Penyintas Banjir Rob Tambak Lorok. *Jurnal Psikologi Proyeksi*, 13(1), 1–12. <http://dx.doi.org/10.30659/jp.13.1.1-12>
- Kurniasari, E., Rusmana, N., & Budiman, N. (2019). Gambaran umum kesejahteraan psikologis mahasiswa. *Journal of Innovative Counseling: Theory, Practice, and Research*, 3(2), 52–58. <https://doi.org/10.1177/1069072717714538>
- Millatina, A., & Yanuvianti, M. (2015). Hubungan antara dukungan sosial dengan psychological well-Being pada wanita menopause (di RS Harapan Bunda Bandung). *Prosiding Psikologi*, 1(2), 300–308.
- Nugroho, Y. A. (2020). Hubungan Antara Dukungan Sosial Keluarga Dengan Psychological Well-Being Pada Narapidana Anak Di Lapas Klas 1 Kutoarjo. *Jurnal Basicedu*. 4 (1), 36-43.
- OJK. (2016). Laporan tahunan 2016: Pengawasan layanan pinjam meminjam uang berbasis teknologi informasi. Otoritas Jasa Keuangan.
- Panuju, P., & Umami, I. (1999). *Psikologi Remaja*. Yogyakarta: Tiara Wacana Yogya.
- Prabowo, A. (2016). Kesejahteraan Psikologis Remaja Di Sekolah. *Jurnal Ilmiah Psikologi Terapan*, 4(2), 246–260. <https://doi.org/10.22219/jipt.v4i2.3527>
- Ryff, C. D. (1989). Happiness is everything, or is it? explorations on the meaning of psychological well-being. *Journal of Personality and Social Psychology*, 57(6), 1069–1081. <https://doi.org/10.1037/0022-3514.57.6.1069>.
- Sarafino, E. P., & Smith, T. W. (2011). *Health psychology: biopsychosocial interactions* (7th ed.). United States of America: John Wiley & Sons.
- Savithri (2020) <https://www.cnnindonesia.com/ekonomi/20200508161954-78-501415/eny-sandi-dan-jerat-pinjaman-online-tak-berkesudahan>

Smet, B. (1994). *Psikologi Kesehatan*. Jakarta: Grasindo

Tampubolon, H. R. (2019). Seluk Beluk Peer to Peer Lending Sebagai Wujud Baru Keuangan di Indonesia. *Jurnal Bina Mulia Hukum*, 3 (2).