



CHAPTER I

INTRODUCTION

1.1 Background

In order to close this gap and help people manage a variety of financial portfolios in the digital era, the project will create an Android application that is centered around the needs of the user. Drawing from the dynamic field of mobile technology, the application aims to provide users with a smooth and user-friendly interface, promoting a change in perspective on how people handle financial planning and budgeting. Identify and list essential fixed expenses that remain relatively constant each month, such as rent/mortgage, utilities, insurance, and loan payments. (Kobliner, 2017).

Personal budgeting has always been a problematic issue faced every day. The purpose of this project is to develop an android-based application that will be used to manage personal budget. Personal budget management is a finance plan that allocates personal income towards expenses, saving and debt repayment. The application will remind the user for any pending bills, expense limit exceeding mentioned in a budget well before time. The app will remind users of any pending bills and spending limits that have been exceeded ahead of time.

In the current digitalized world, one most optimum tool should also be injected with technology in the term of effectiveness and efficiency. Considering a mobility in purchasing goods or services, a mobile application is determined as the most optimal information technology to be used, more specifically a smartphone. A more optimum smartphone to be used is Android based smartphone, considering it's has the biggest market share in Indonesia.

Application is the use or application of a concept that is the subject of discussion. (Deslianti & Muttaqin, 2016). Software applications designed for specific practitioner use, this broad classification can be divided into two, namely:



- a. Application package, a program with integrated documentation that is designed for certain types of problems
- b. Specialist software applications, program with incorporated documentation designed to perform a specific task.

1.2 Problem Statement

The problem statement in this project is:

1. Difficult to track and manage expenses.
2. Ineffective saving planning.
3. Lack of financial education.

1.3 Objectives of The Study

The objectives of the study in this project is:

1. To allow users to input their daily expenses, enabling them to effectively track and manage their expenditures.
2. To integrate savings functionally, allowing users to set work toward specific financial goals.
3. To provide a library of educational recourses, granting users access to journals, readings, and videos to enhance their financial literacy.

1.4 Project Scope

A. User Scope

1. User can track their money and limit their monthly.
2. User can learn how to manage money well based on existing reading.
3. User can identify their budget where to reduce their spending.

B. System Scope

1. The system will be created using android studio
 2. The system will provide features for users in the application to learn and understand financial literacy through journals, reading and videos.
 3. The system will make users reach their goal.
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1.5 Significant

Personal budget android application needed to help manage finance every day. Especially for migrants, such as not enough money to fill their needs, with monthly expenses that exceed income limits and expensive living costs. Conventionally, many people often record manually, this is also less efficient because we need to carry notes wherever we are and also cannot quickly record the expenses made. Along with increasing mobility and the development of increasingly sophisticated. Smart phones, it can make it easier for people to access any information, anytime and anywhere. Personal Budget Android Application can help Android users manage their cash flow more effectively, this application is important. The app can help users in keeping track on their earnings and spending, and will also help in setting up and keeping to a budget. Likewise, the application can help users discover areas where they can save money and offer insights into their spending habits.