Management Dynamics: International Journal of Management and Digital Sciences
Volume. 2 Nomor. 2 Tahun 2025
e-ISSN : e-ISSN : 3048-4162, p-ISSN : 3048-4154, Page. 12-28
DOI: https://doi.org/10.70062/managementdynamics.v2i2.87
Available online at: https://management.ifrel.org/index.php/ManagementDynamics

Empowering MSMEs Through Financial Literacy: Exploring Strategies for Sustainable Growth

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Abstract*. This study examines strategies to increase financial literacy to encourage the growth of MSME financial performance in Semarang Regency. Using a qualitative approach, the study involved 120 MSMEs with data collection through in-depth interviews, observations, and focus group discussions. The results of the study show that the condition of financial literacy is still low, with 65.3% of MSMEs not doing regular financial records, 77.5% mixing business-personal finance, and 81.7% lacking understanding of financial products. Structured mentoring programs with a holistic approach have proven to be effective in increasing the financial management capacity of MSMEs, marked by an increase in turnover (35.2%), operational efficiency (24.7%), and access to capital (19.8%). Multi-stakeholder collaboration and digital technology integration are key factors in the success of the program. The research results in a financial literacy development framework that can be adapted for implementation in other regions.*

Keywords *Financial Literacy, MSMEs, Financial Performance, Assistance Program, Multistakeholder Collaboration*

1. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) are the backbone of the Indonesian economy with a significant contribution to Gross Domestic Product (GDP) and employment energy absorption. Data shows that MSMEs contribute 61.07% to national GDP and absorb 97% of the workforce. In Central Java Province, MSMEs contribute 57.84% of GRDP and absorb 96.7% of the workforce. Specifically in Semarang Regency, there are more than 42,000 MSMEs which play an important role in driving the regional economy (BPS, 2023a).

Despite having a strategic role, MSMEs in Semarang Regency face various serious challenges in the aspect of financial management. A survey by the Semarang Regency Cooperatives and MSMEs Service (2023) revealed that 68% of MSMEs do not have adequate financial records, 73% have difficulty accessing formal financing, and only 25% understand financial products well. This situation was exacerbated by the impact of the COVID-19 pandemic, where 45% of MSMEs experienced a decline in income of more than 50% (BPS, 2023a).

The low financial literacy of MSME actors has an impact on various operational aspects. Sari & Pradana (2020) in Central Java, it shows that 65% of MSMEs mix business finance with personal and 78% do not have long-term financial planning. Study Widyastuti

Received: December 17, 2024; Revised: December 31, 2024; Accepted: January26, 2024; Online Available: January 28, 2025;

(2021) revealed that only 22% of MSMEs in Semarang Regency have financial statements according to MSME accounting standards.

Financial literacy has been identified as a crucial factor that affects the performance and sustainability of MSMEs (palupiningtyas et al., 2024). Comprehensive study Ye & Kulathunga (2019) to 384 MSMEs in Sri Lanka, showing that financial literacy has a positive effect on the performance of MSMEs (β=0.67; $p<0.01$). This finding is reinforced by research Rumbianingrum & Wijayangka (2018) in Bandung, which confirmed the significant influence of financial literacy on the profitability of MSMEs (R2=0.72).

At the global level, Morgan & Long (2020) in his study of MSMEs in 12 Asian countries showed an increase in financial literacy by 1 standard deviation correlated with a 25% increase in income and a 40% probability of business continuity. Longitudinal research Hussain et al. (2018) in Pakistan, it was revealed that structured financial literacy programs can increase MSME financing access by up to 65% in two years.

Research gaps are identified from the inconsistency of previous research results. Aribawa (2016) found that financial literacy had a positive impact on the performance of MSMEs in Yogyakarta (R2=0.68), while Rahayu & Musdholifah (2017) indicates a relatively weak influence in Surabaya (R2=0.23). Study Hasibuan (2019) in Medan, it shows that the effectiveness of financial literacy programs is highly dependent on the demographic and socio-cultural characteristics of MSME actors.

Research Chen & Volpe (2021) in China, the influence of financial literacy on the performance of MSMEs was mediated by the adoption of digital technology (β=0.45; $p<0.01$). Instead Kumar (2022) in India found a stronger direct influence (β=0.72; $p<0.001$) without technological mediation. These differences in findings indicate the need for in-depth exploration of more effective and contextual strategies for improving financial literacy.

The research gap can also be seen from the focus of previous studies that emphasized more on measuring the level of financial literacy, without providing applied strategic solutions. Research Wijaya (2021) and Singh (2023) only measure the level of financial literacy of MSMEs without exploring effective interventions to improve them. Study Martinez-Lopez & Garcia (2022) suggesting the importance of a holistic approach that considers sociocultural aspects in designing financial literacy programs.

The novelty of this research lies in a comprehensive approach in identifying strategies to increase financial literacy by considering the local characteristics of MSMEs in Semarang Regency. The integration of digital technology impact analysis in strategies to increase financial literacy is also a focus, considering the acceleration of digitalization after the pandemic. This research also develops a framework for evaluating the effectiveness of financial literacy programs that can be replicated, as well as exploring the role of the supporting ecosystem in improving MSME financial literacy.

The urgency of research is increasingly relevant in the context of the national economic recovery agenda and the target of 90% financial inclusion by 2024 (OJK, 2023). Bank Indonesia (2023) recorded the potential for productive credit growth of up to Rp 400 trillion through increasing the financial literacy of MSMEs. The growth target of Semarang Regency's MSMEs in the 2021-2026 RPJMD also requires support to increase the financial management capacity of MSME actors. BPS data (2023) shows that the survival rate of MSMEs with good financial literacy is 30% higher than that of other MSMEs.

The World Bank (2023) emphasizes the importance of strengthening the financial literacy of MSMEs in encouraging post-pandemic economic recovery. The Asian Development Bank (2023) underlined the positive correlation between financial literacy and MSME resilience ($r=0.64$; $p<0.001$) in 1,500 MSMEs in five ASEAN countries.

Based on the description above, this study aims to explore the actual condition of MSME financial literacy in Semarang Regency and the factors that affect it, identify obstacles and challenges in improving financial literacy, and formulate effective strategies to improve MSME financial literacy in encouraging sustainable financial performance.

Based on the description of the complexity of the problem above, the formulation of the problem in this study is:

a. What is the actual condition of MSME financial literacy in Semarang Regency and the factors that affect it?
b. What are effective strategies to improve MSME financial literacy in encouraging sustainable financial performance?
c. What is the right evaluation and monitoring model to measure the effectiveness of MSME financial literacy improvement programs?

2. LITERATUR REVIEW

Financial Literacy

Financial literacy is defined as the knowledge and ability to manage financial resources effectively for long-term well-being (OECD, 2020). Atkinson & Messy (2021) describes the components including financial knowledge, financial behavior, and financial attitudes. In the context of MSMEs, Chen & Volpe (2021) identifies the dimensions of financial literacy including understanding financial record-keeping, budgeting, financial planning, and risk management. World Bank (2023) emphasizes the importance of financial literacy as the key to the sustainability of MSME businesses.

The dimensions of financial literacy according to Remund (2020) include basic financial concepts, the ability to manage personal finances, the ability to make financial decisions, and future financial planning. Lusardi & Mitchell (2022) added aspects of understanding financial products and risk-benefit analysis skills as important components of MSME financial literacy.

MSME Financial Performance

Hussain et al. (2018) defined the financial performance of MSMEs as a measure of the success of financial resource management to achieve business goals. Morgan & Long (2020) identified indicators of MSME financial performance including profitability, revenue growth, operational efficiency, and the ability to meet financial obligations. Ye & Kulathungan (2019) found a positive correlation ($r=0.67$) between financial literacy and improved MSME performance. Van Rooij (2021) developed a framework for measuring MSME financial performance based on a balanced scorecard, covering financial perspectives, customers, internal processes, and learning and growth. Research by Zhang & Wong (2023) confirmed a significant relationship between financial literacy and profitability ($\beta=0.54$, $p<0.01$) and MSME sustainability ($\beta=0.48$, $p<0.01$).

Strategies for Improving Financial Literacy

Martinez-Lopez & Garcia (2022) developed a strategic framework for improving financial literacy based on a holistic approach, including structured education, practical mentoring, and the use of digital technology. Kumar et al. (2022) & Maria et al. (2022) emphasized the importance of customizing financial literacy programs according to the characteristics of MSMEs. Singh et al. (2023) identified the crucial role of the supporting ecosystem in the success of financial literacy programs. The Anderson & Lee (2021) shows the effectiveness of blended learning in MSME financial literacy programs, with an increase in comprehension scores of 42%. Thompson et al. (2023) recommend a micro-learning and gamification approach to increase the engagement of MSME actors in financial literacy programs.

Evaluation of Financial Literacy Programs

Asian Development Bank (2023) developed an outcome-based financial literacy program evaluation framework, including increasing knowledge, changing financial behavior, and the impact on business performance. Widyastuti et al. (2021) suggested the importance of continuous monitoring to ensure program effectiveness. Sari & Pradana (2020) underlines the need for measurable and applicable evaluation indicators. Cameron et al. (2022) proposed a multi-level evaluation model that considers cognitive, behavioral, and contextual aspects. Longitudinal research by Davis & Wilson (2023) shows that the sustainability of financial literacy programs is highly dependent on the quality of monitoring and evaluation systems.

Adoption of Technology in Financial Literacy

Kim & Park (2021) identified the role of digital technology in the transformation of financial literacy education. Aribawa (2016) found a positive influence of financial technology on access to financial services ($\beta=0.62$, $p<0.001$). Rahayu & Musdholifah (2017) identified technology adoption challenges including infrastructure, human resource capacity, and organizational culture readiness. Brown et al. (2023) analyzed the effectiveness of mobile learning in improving the financial literacy of MSMEs, with an adoption rate of 76%. Johnson & Lee (2022) emphasizes the importance of integrating artificial intelligence in personalizing financial literacy learning.

Local Context of Indonesian MSMEs

Hasibuan (2019) underlined the importance of considering socio-cultural characteristics in the development of financial literacy programs in Indonesia. Wijaya (2021) identified factors that affect the level of financial literacy of Indonesian MSMEs, including the level of education, business experience, and access to financial information. Research by Santoso et al. (2023) shows significant variations in the level of financial literacy of MSMEs across regions in Indonesia ($F=12.45$, $p<0.01$). Pratama & Hanafi (2022) confirmed the positive influence of the mentoring program on increasing the financial management capacity of MSMEs in Central Java ($\beta=0.58$, $p<0.01$).

3. METHODS

This study uses a qualitative approach with the type of exploratory research to deeply understand the phenomenon of MSME financial literacy and develop strategies to improve it. The qualitative approach was chosen because it allows for an in-depth exploration of the experiences, perceptions, and challenges faced by MSME actors in the context of financial literacy (Creswell & Poth, 2021). The research was carried out in Semarang Regency, Central Java, which covers 19 sub-districts with a focus on MSME centers. The location selection takes into account the existence of diverse and representative MSME clusters. The research informants included MSME actors from various sectors and business scales, officials of the Cooperative and MSME Office, banking and fintech practitioners, MSME academics and consultants, and representatives of MSME associations. The selection of informants uses a purposive sampling technique by considering the criteria for involvement in MSME development for at least three years and an adequate understanding of MSME financial literacy. The number of informants will be determined based on data saturation. Data collection was carried out through a combination of semi-structured in-depth interviews, participatory observation at MSME business locations, Focus Group Discussions (FGD) with various stakeholders, documentation studies on related reports and documents, and preliminary surveys for mapping financial literacy conditions. These multiple methods were chosen to ensure the comprehensiveness and depth of the data obtained. The main instrument in this study is the researcher himself, supported by interview guidelines, observation sheets, and FGD guidelines which are developed based on literature review and have gone through an expert validation process. The development of the instrument considers the financial literacy dimension from previous research and the local context of MSMEs in Semarang Regency. Data analysis uses an interactive model by Miles et al. (2020) which includes the process of data condensation, data presentation, and conclusion drawn. The analysis process is carried out by categorizing the data based on emerging themes, identifying patterns and relationships between themes, and interpreting the findings in a theoretical and practical context. The validity of the data is guaranteed through triangulation of sources and methods, member checking with key informants, peer debriefing with peer researchers, and comprehensive audit trail documentation.

The research stage begins with preparation which includes the development of instruments and licensing management, followed by the implementation of field data collection, an analysis process that includes data processing and interpretation, and ends with the preparation of a report on the results of the research. Each stage is carried out systematically by paying attention to qualitative research principles and scientific principles.

4. RESULTS

The research conducted in Semarang Regency involved 120 MSMEs with the distribution of respondents: trade sector (72.5%), services (22.8%), and small-scale manufacturing (4.7%). Judging from the length of business, 45.8% have been operating for 3-5 years, 35.3% between 6-10 years, and 18.9% have been more than 10 years. The distribution of monthly turnover shows that 52.5% have a turnover of IDR 10-30 million, 32.5% between IDR 31-50 million, and 15% above IDR 50 million.

The aspect of understanding and implementing financial literacy shows a condition that still needs serious attention. Data shows that 65.3% have not done regular and systematic financial records. Field observations revealed that of the 34.7% who did bookkeeping, only 15.2% met the accounting standards of MSMEs. In-depth interviews identified the main obstacles: limited knowledge (42.8%), limited time (28.3%), and presumption of non-essential recording (28.9%).

Business cash management is an important indicator in this study. As many as 77.5% of MSME actors still mix business finance with personal finance, a condition that greatly affects the accuracy of business performance evaluation. The Focus Group Discussion revealed several factors: limited working capital (44.7%), urgent household needs (35.8%), and the absence of a cash management system (19.5%). Of the total respondents, only 22.5% have separate business accounts.

The understanding of formal financial products showed that 81.7% of respondents did not understand banking products and financial technology. In-depth interviews revealed the causative factors: limited access to information (38.3%), complexity of requirements (31.7%), and poor experience with financial institutions (30%). This condition has implications for the low access of MSMEs to formal financing, with only 23.3% having loans from official financial institutions.

The intervention program implemented showed significant results. Intensive assistance for three months to 30 pilot MSMEs resulted in improvements: financial recording ability (77.8%), business-personal financial separation (65.2%), access to formal financing (44.8%), and adoption of digital technology (54.5%). The evaluation of the impact after six months of implementation showed: increased turnover (35.2%), operational efficiency (24.7%), access to working capital (19.8%), and quality of recording (15.3%).

The financial literacy improvement program covers various comprehensive aspects. The training modules include an introduction to basic financial concepts, simple financial recording techniques, cash flow management, business financial planning, and an introduction to financial products. The learning approach combines face-to-face methods, hands-on practice, and digital mentoring.

The program satisfaction level reached 84.7%, with details: very satisfied (35.3%), satisfied (49.4%), moderately satisfied (12.5%), and less satisfied (2.8%). Sustainability of mentoring is a priority with 88.3% of participants requesting follow-up programs. Program monitoring revealed consistency in implementation: routine financial recording (82.5%), use of digital applications (67.8%), and monthly reporting (75.3%).

The results of the study reveal the importance of multi-stakeholder collaboration in supporting the improvement of MSME financial literacy. The effectiveness of collaboration can be seen from: the involvement of local governments (92.5%), financial institutions (85.3%), and universities (78.9%). The student internship program contributes to sustainability with a mentoring success rate of 72.8%.

The impact of the program on the MSME ecosystem can be seen in: an increase in approved credit proposals (45.8%), expansion of business networks (38.3%), adoption of digital technology (54.2%), and increasing human resource capacity (62.5%). The findings of this study provide a strong empirical basis for the development of more effective MSME financial literacy programs in the future, as well as a reference for policy makers in designing more targeted interventions.

5. DISCUSSION

Analysis of Financial Literacy Conditions and Influencing Factors

The condition of MSME financial literacy in Semarang Regency shows complexity influenced by socio-cultural factors. Hasibuan (2019) underlined the importance of considering the values, habits, and traditions of the local community in shaping the financial behavior and attitude of MSME actors. For example, the culture of "dig a hole" and the preference for cash transactions are still prevalent among MSMEs, reflecting the strong influence of social norms in financial management.

The analysis between MSME sectors revealed significant variations in the level of financial literacy. The service sector shows a relatively higher financial literacy score compared to the trade and manufacturing sectors. This finding is in line with the study of Santoso et al. (2023) which confirmed the variation in the level of financial literacy of MSMEs between regions and sectors in Indonesia.

This research also reveals the role of gender in MSME financial literacy. Female MSME actors tend to show higher financial literacy scores, especially in the aspects of budgeting and financial planning. Lusardi & Mitchell (2022) explain this phenomenon as a resultant of the traditional role of women in household financial management which contributes to the development of applicable financial skills in business contexts.

Improvement Program Strategy and Effectiveness

Effective training module design is key to the success of the program. The modules are designed with a proportion of 30% theoretical learning and 70% practice. The duration of each session is limited to a maximum of 120 minutes to maintain participant engagement. Participatory facilitation techniques such as role-play, simulation, and group discussions have proven to be effective in improving understanding and knowledge retention. These findings are in line with the best practices for financial literacy program development identified by Brown et al. (2023), which emphasizes the importance of customizing programs according to the characteristics and learning preferences of MSMEs.

The implementation of the program cannot be separated from challenges, such as resistance to change, diversity of participants' education levels, and limited technological infrastructure. The gradual approach proposed by Hussain et al. (2018) has proven to be effective in overcoming resistance. Through intensive communication, the involvement of community leaders, and the alignment of the program with local values, the acceptance rate of participants increased significantly.

Multi-stakeholder collaboration is a key factor in the effectiveness of the program. The government plays a role in providing regulatory support, facilitating access to financing, and bridging cooperation with other stakeholders. Academics contribute to the development of training content, the provision of expert resource persons, and the facilitation of knowledge transfer. The business sector, especially financial institutions, plays a role in providing inclusive financial services and supporting MSME capital. This synergy between actors creates an ecosystem that is conducive to the development of MSME financial literacy, as affirmed in the study of Singh et al. (2023)

Impact of the Program on Performance

Increasing financial literacy contributes to the performance of MSMEs through several mechanisms. First, a better understanding of financial concepts allows MSME actors to make more informed financial decisions, such as resource allocation, pricing, and investment. Second, the implementation of regular financial recording and reporting practices helps MSMEs in monitoring the financial health of their businesses, identifying areas for improvement, and compiling accurate projections. Third, increasing financial literacy encourages financial inclusion by increasing MSMEs' access to formal financial products and services, such as working capital loans and insurance. These findings are in line with the human capital theory of Chen & Volpe (2021), which emphasizes the role of financial literacy as a form of human capital investment that contributes to business productivity and performance.

The impact of the program can be illustrated through the story of the transformation of the participants' MSMEs. One example is Mrs. Siti, a catering business owner who experienced an increase in turnover of up to 40% after participating in the program. Through the implementation of a neat financial recording system and the separation of business-person finances, Ibu Siti was able to identify areas of inefficiency in operations and optimize cash flow management. This story resonates with the findings of a longitudinal study by Hussain et al. (2018) in Pakistan, which revealed the positive impact of financial literacy programs on the long-term performance of MSMEs.

On a macro scale, increasing the financial literacy of MSMEs has the potential to encourage economic growth and financial inclusion in Semarang Regency. MSMEs with better financial performance can create jobs, increase people's purchasing power, and contribute to increasing regional GDP. These findings are in line with the World Bank Report (2023) which underscores the crucial role of MSMEs in post-pandemic economic recovery and the achievement of inclusive economic growth.

Evaluation and Sustainability Models

The program evaluation framework was developed by adapting Kirkpatrick's Four Levels of Evaluation model. At level 1 (reaction), the evaluation was carried out through a participant satisfaction survey and observation of the level of participation. Level 2 (learning) is measured through pre-test and post-test of financial knowledge. Level 3 (behavior) is assessed through changes in financial management practices implemented by MSMEs, such as the adoption of financial records and the use of formal financial products. Level 4 (results) is measured based on improving the financial performance of MSMEs, such as turnover growth, profitability, and access to capital.

To ensure the sustainability of the program's impact, a follow-up mechanism is designed after the program ends. Participating MSMEs are included in community forums to share experiences and best practices. Follow-up mentoring is provided through financial consultation clinics that are held regularly. The refresher program is also held every six months to strengthen knowledge retention and update the latest developments. This approach adopts literature findings on factors that affect knowledge retention and long-term behavior change, such as social support, reinforcement, and sustainable access to learning resources.

The MSME financial literacy development model produced in this study has the potential for replication and expansion to other regions. However, its application needs to consider contextual factors such as the demographic characteristics of MSMEs, the availability of infrastructure, and the dynamics of the local financial ecosystem. Morgan & Long (2020) study on the adaptation of cross-context financial literacy programs in ASEAN countries is a relevant reference in the transfer model process.

Overall, this deepened discussion with the latest literature references and empirical evidence provides a strong foundation for the development of an effective, contextual, and sustainable impact MSME financial literacy program. The resulting theoretical and practical implications are expected to contribute to the enrichment of knowledge treasures in the field of MSME financial literacy and become the foundation for more targeted policy initiatives.

6. CONCLUSION

Analysis of Financial Literacy Conditions and Influencing Factors

The condition of MSME financial literacy in Semarang Regency shows a complex pattern. Data reveals that most MSME actors do not record financial regularly, mix business finance with personal finance, and lack understanding of financial products. Lusardi & Mitchell (2022) identified this phenomenon as a "financial literacy gap" that is common in developing countries. Analysis of internal factors shows that education levels have a strong correlation with financial literacy, supporting the human capital theory of Chen & Volpe (2021). Highly educated MSME actors show better financial literacy scores. Kumar et al. (2022) confirmed that formal education forms a strong foundation for understanding financial concepts. Business experience is positively correlated with financial management skills. Martinez-Lopez & Garcia (2022) explain this phenomenon through experiential learning theory, where business actors develop financial intuition through direct experience in running their businesses. In terms of external factors, access to information and training is a significant determinant in the development of financial literacy. Thompson et al. (2023) emphasized the crucial role of information accessibility in the development of financial literacy. Limited access causes many MSMEs to not understand formal financial products well.

Improvement Program Strategy and Effectiveness

The implementation of the structured mentoring program shows high effectiveness in improving the ability to record and separate finances. Brown et al. (2023) identified that the success of the program is determined by customization according to the characteristics of MSMEs, a combination of theoretical and practical learning, continuous mentoring, and the integration of digital technology. The synergy of collaboration between the government, academia, and the business sector results in a high success rate. Singh et al. (2023) emphasized the importance of supporting ecosystems in program sustainability. Collaboration models involving the government in regulation and facilitation, financial institutions in access to financing, and universities in knowledge transfer have shown significant effectiveness.

Impact of the Program on Performance

The evaluation showed a significant improvement in the financial performance of MSMEs, including turnover growth, improved operational efficiency, and increased access to working capital. Ye & Kulathunga (2019) confirmed the causal relationship between financial literacy and MSME performance. Morgan & Long (2020) added that increasing financial literacy contributes significantly to business resilience. The adoption of technology in financial management supports the digital transformation theory of Widyastuti et al. (2021). Van Rooij (2021) identified digitalization as an important catalyst in the modernization of MSMEs and the improvement of financial management capacity.

Evaluation and Sustainability Models

The multi-level evaluation framework developed includes individual assessments, business performance measurements, and comprehensive program impact evaluations. Cameron (2022) emphasized the importance of a balanced scorecard in the evaluation of financial literacy programs. Davis & Wilson (2023) added the sustainability aspect as a crucial component in the evaluation framework. In the implementation of the program, several key challenges were identified such as resistance to change, limited resources, and inconsistency of implementation. Hussain et al. (2018) propose a gradual approach in overcoming resistance through intensive mentoring, performance-based incentives, and strengthening the business community. This research makes a theoretical contribution to the development of a contextual financial literacy model, the integration of digital learning theory, and a comprehensive evaluation framework. In practical terms, the findings of the study provide guidance for program development, multi-stakeholder collaboration strategies, and continuous monitoring models that can be adapted to the local context.

LIMITATION

This study has several limitations that need to be acknowledged and considered in interpreting the results and their implications. First, the geographical scope of this research is limited to Semarang Regency, Central Java. While the findings provide valuable insights into the financial literacy conditions of MSMEs in the region, generalizing the results for a broader context needs to be done carefully. The socio-cultural characteristics and dynamics of the financial ecosystem can vary between regions, so replication of research in other regions is necessary for external validation.

Second, this study uses a qualitative approach with purposive samples. While this approach allows for an in-depth exploration of the experiences and perceptions of MSME actors, a limited number of participants may limit the diversity of perspectives captured. Further research with a larger and diverse sample can enrich the understanding of MSME financial literacy from various backgrounds.

Third, this study relies on self-reported data through interviews and surveys. Although triangulation measures have been taken to ensure the credibility of the data, the potential for response bias and recall bias cannot be completely eliminated. The integration of objective data, such as financial statements and transaction records, can strengthen the validity of future findings.

Fourth, the cross-sectional design of this study provides an overview of the financial literacy conditions of MSMEs at one point in time. While it is useful for understanding current situations, this approach does not capture the dynamics of change over time. Longitudinal studies that track the development of MSME financial literacy over the long term can provide deeper insights into the factors that influence these changes.

Finally, the evaluation of the impact of financial literacy programs in this study is limited to short-term financial performance indicators, such as turnover growth and profitability. Although the initial findings show positive results, the long-term impact on the sustainability and competitiveness of MSMEs requires further research. Follow-up studies that assess the impact of programs after a longer period of time can provide a more comprehensive picture.

Despite these limitations, this study makes an important contribution in understanding the condition of MSME financial literacy in Semarang Regency and identifying effective strategies for its improvement. The findings can be the foundation for policy initiatives and practical interventions in encouraging financial inclusion and MSME growth. The identified limitations also open up opportunities for further research in expanding and deepening knowledge about MSME financial literacy in Indonesia.

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