
The Role Of Financial Literacy, Digital Literacy, And The Influence Of Efficacy In Improving The Performance Of Msme Actors In Makassar City

Rezki Amggreni¹⁾, Muchriana Muchran²⁾,

^{1,2)}Accounting Study Program, Faculty of Economics and Business, Universitas Muhammadiyah Makassar, Indonesia

Corresponding Author

Email : rkysyah10@gmail.com

Abstract

This study aims to determine the influence of financial literacy, digital literacy, and the influence of MSME community efficacy on MSME performance. This research takes a quantitative approach with the data source used is primary data obtained from MSME business actors. The sample used in this study was 30 respondents to MSME business actors. The results of this study show that partial financial literacy does not have a significant positive effect on the performance of MSMEs. Digital literacy has a significant positive effect on the performance of MSMEs. Meanwhile, the effect of efficacy does not have a significant positive effect on the performance of MSMEs.

Keywords: *Financial literacy, digital literacy, and the influence of efficacy in improving the performance of MSME actors*

INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) have been recognized as one of the main drivers of economic growth in many countries. They are essential for economic development because they contribute to job creation, income generation, innovation, and technological advancement (Mubarak et al., 2019). The definition of MSMEs can vary from country to country, but in general, MSMEs refer to categories of businesses or small to medium-scale businesses that have certain criteria, such as the number of employees, total assets, or limited annual income. MSMEs in Indonesia have great potential to continue to grow and contribute to the country's economy. The government continues to provide support and facilities for MSMEs to be able to overcome challenges, adapt to the times, and improve their competitiveness and performance in facing global competition.

The quality of MSME performance can be positively influenced by financial and digital literacy. With good digital literacy, MSMEs can optimize the potential of digital technology to improve business quality and competitiveness. The application of the right technology and effective digital strategies will help MSMEs to adapt to market changes, achieve business goals, and create better growth opportunities in the ever-evolving digital era. And with good financial literacy, MSMEs can optimize their business financial management and achieve financial goals better. Business processing based on financial literacy will help MSMEs face economic uncertainty, improve financial efficiency, and create better growth opportunities.

Effect efficacy refers to the strength or impact of a person's beliefs on their ability to perform an action or achieve a particular goal. In this context, efficacy is often associated with an individual's beliefs about the extent to which they can succeed in performing an activity, overcoming a challenge, or achieving a desired outcome. Community efficacy in this case

refers to the level of confidence and ability of individuals or community groups, especially Micro, Small and Medium Enterprises (MSMEs), in carrying out certain tasks. Financial literacy refers to an individual's knowledge and understanding of financial concepts, including money management, investing, financial planning, and other financial products.

RESEARCH METHODS

Types of Research

This research method is quantitative which is carried out with primary data, namely questionnaires. Data collection is carried out through the distribution of questionnaires with WhatsApp Messenger in the form of google forms. Quantitative research is a type of research that combines relationships between variables involved in it to collect data about the facts and characteristics of the items studied, which are then analyzed using relevant theories and literature (Sari & Sugiyono, 2016). The constructs used in this study are financial and digital literacy on MSME performance, as well as interest in the use of financial and digital literacy for MSME communities. Each construct is measured using a likert scale of 1 to 5 which has the following meanings (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, and (5) strongly agree.

Location and Time of Research

This research was conducted on MSME actors in the city of Makassar and the research time lasted for 1 month, starting from June 2023 to July 2023

Population and Sample

The entire research population with MSME actors in the city of Makassar in 2023 is 30 people, with the selection of random sampling methods in the sampling technique by randomly selecting samples from the total population with the aim that all employees have an average chance of being selected as a sample obtained by 27 respondents.

Data Analysis Techniques

Data Processing and Analysis Techniques

Data analysis is a process of simplifying data by processing and analyzing collected data into information. The analytical methods used in this study are:

Descriptive Statistics

Descriptive statistics is a method that describes the condition of a data that has been owned by presenting it in the form of tables, graphs, and other forms presented in short and limited descriptions to provide useful information.

Test the hypothesis

Hypothesis testing is a decision-making method based on data analysis, both from controlled experiments, and from observation (uncontrolled). The purpose of hypothesis testing is to establish a basis so that it can collect evidence in the form of data in determining the decision whether to reject or accept the truth of the statements or assumptions that have been made. Hypothesis testing can also be given confidence in objective decision making. The hypothesis tests used in this study are multiple liner regression analysis, Moderate Regression Analysis (MRA), Determinant Coefficient Analysis (R2), Simultaneous Regression Test (F Test) and Partial Regression Test (t Test).

Multiple Liner Regression Test

Multiple linear regression analysis is used to examine the influence between two or more independent variables with one dependent variable. Multiple regression analysis aims to prove whether there is a functional relationship or causal relationship between two or more independent variables (X) to a dependent variable (Y).

$$Y: \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e \dots \dots \dots (1)$$

Information:

Y: MSME Performance

α : Constant

X_1 : Financial Literacy

X_2 : Digital Literacy

X_3 : Effect of Efficacy

$\beta_1 - \beta_3$:multiple regression coefficients

e: error

Moderated Regression Analysis Test

Regression moderation analysis aims to determine whether the relationship between the independent variable and the dependent variable can strengthen or weaken in the presence of the moderating variable. The method used in this study is the interaction test (MRA).

Validation and Reliability Test

Validity Test

Referring to the extent to which the research instrument actually measures what should be measured, this validation test is carried out whether the data obtained after the study is valid data or not using the measuring instrument used (kuesioner).

Reliability Test

Refers to the extent to which measuring instruments used in measuring what is measured, to measure the validity or validity of a questionnaire.

Partial Test (t)

The partial test aims to determine the significance of each independent variable in influencing the dependent variable, namely by a one-way test. To test the formulation of the hypothesis as for the test criteria, if the probability (significance) is greater than 0.05 then the independent variable individually has no effect if it is smaller than 0.05 then the independent variable individually has an effect.

Test coefficient of determination (R^2)

Coefficient of determination analysis is used to predict how much the influence of the independent variable contributes to the dependent variable. The value of the coefficient of determination is between zero and one. A value close to one identifies that the dependent variable gets almost all the information needed in predicting from the independent variables. Conversely, if the value of the coefficient of determination is close to zero, the ability of the model to explain the dependent variable is very limited.

Research Variables and Indicators

Financial Literacy with variable (X_1) Likert scale, Indicators: 1.Good Financial Management, 2.Wise decision making, 3.Access to capital sources, 4.Growth of MSMEs.

Digital Literacy with variable (X_2) Likert scale, Indicators: 1.Innovation and product development, 2.Access to resources and capital markets, 3.Future marketing and promotion.

Effect of Efficacy (X3) Likert scale, indicators: 1.Motivation and Perseverance in running MSMEs, 2.Initiative and innovation, 3.Collabaration and Support in improving MSMEs. MSME performance (Y) Likert scale, indicators: 1.Sales and revenue, 2.Innovation and New products 3.Access to markets and Expansion, 4.Human Resources and Product Quality, 5. Business growth.

RESULTS AND DISCUSSION

Results

Based on research conducted on MSME Actors in the city of Makassar in 2023 as many as 30 people. Of the number deployed, as many as 30 *Google Form* questionnaires were filled out. Thus, the number of questionnaires that can be processed is 30 questionnaires.

Table 1
Questionnaire Distribution

Information	Sum	Presentation %
Distributed questionnaires	30	100%
Returning questionnaires	30	100%
Questionnaires that don't return	0	0%
Processable questionnaires	30	100%

Source: Processed Data 2023

Table 2
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
X1 Financial Literacy	30	4.00	20.00	14.8333	3.85141
X2 Digital Literacy	30	3.00	15.00	11.2000	3.03315
X3 Effects of Efficacy	30	3.00	15.00	10.9667	2.88257
Y MSME Performance	30	6.00	30.00	21.8667	5.40583
Valid N (listwise)	30				

In table 2 above, it can be seen that the variable Referring to Financial Literacy has a minimum value of 4.00 and a maximum value of 20.00 with an average value of 14.83 and a standard deviation (level of data) of 3.85. The Digital Literacy variable has a minimum value of 3.00 and a maximum value of 15.00 with an average value of 11.200. Variables That Have an Effect on Efficacy with a minimum value of 3.00 and a maximum value of 15.00 with an average value of 10.97. While the MSME Performance variable has a maximum value of 6.00 and a maximum value of 30.00 and an average value of 21.87.

Table 3

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Man	15	50.0	50.0	50.0
	Woman	15	50.0	50.0	100.0
	Total	30	100.0	100.0	

Source: SPSS Output Data, 2023

In table 3, the percentage of clarification of respondents on the male gender is 50%, the presentation of clarification of respondents on the female gender is 50%. From the data above, it shows that the overall presentation of the respondent clarification is 100%.

Table 4

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Magister	2	6.7	6.7	6.7
	SMA	12	40.0	40.0	46.7
	Strata 1 (Sarjana)	16	53.3	53.3	100.0
	Total	30	100.0	100.0	

Source: SPSS 2023 Output Data

In table 4, the last education master who filled out the Google Form which was distributed as many as 2 respondents, SMA who filled out the Google Form which was distributed as many as 12 respondents, and Stara 1 (Bachelor) who filled out on the *Google Form* which was distributed as many as 16 respondents. The total number of respondents who filled out the *Google Form* was 30 respondents.

Validity and Reliability Test

Validity Test

In the validity test, if the correlation ($r_{\text{count}} > r_{\text{table}}$) with $n = 30$ at 5% significant in the distribution of r values of statistical tables, then the r value of the table is 0.349. If the probability of the correlation result is greater than 0.05 then the data is declared valid.

Table 5

Variable validity of educational background, interests, ability to use computers, user attitudes

Variable	Question Item	$r_{\text{calculate}}$	r_{table}	Information
Financial Literacy (X.1)	X1.1	0,906	0,349	Valid
	X1.2	0,956	0,349	Valid
	X1.3	0,894	0,349	Valid
	X1.4	0,898	0,349	Valid
Digital Literacy (X.2)	X2.1	0,891	0,349	Valid
	X2.2	0,912	0,349	Valid

Effects of Efficacy (X.3)	X2.3	0,929	0,349	Valid
	X3.1	0,940	0,349	Valid
	X3.2	0,971	0,349	Valid
	X3.3	0,940	0,349	Valid
MSME Performance (Y)	Y1	0,851	0,349	Valid
	Y2	0,937	0,349	Valid
	Y3	0,963	0,349	Valid
	Y4	0,963	0,349	Valid
	Y5	0,952	0,349	Valid
	Y6	0,851	0,349	Valid

Source : Processed Data 2023

Validation research for all variables with a sample number of 30 people samples can be declared significant, a_{calculated} r value of > 0.349 is needed to be declared valid.

Reliability Test

The variable is said to be reliable if the *Cronbach Alpha* value > 0.6. Here are Cronbach's Alpha reliability testing results in this study.

Table 6

Reliability Statistics

Cronbach's Alpha	N of Items
.922	4

Source: SPSS Output Data, 2023

In this study stated that this research has fulfilled the basic elements of reliability that are trusted. The *overall variable Cronbach Alpha* value of 0.922 > 0.6 can be concluded that this research instrument is reliable or reliable.

Test t

The t test aims to determine whether or not there is an influence of one independent variable on the dependent variable (partially) by assuming the other independent variable is constant. This test is performed by comparing the significant value of t indicated by the Sig of t. The confidence degree used is 0.05. If the Sig value of t < 0.05 then the independent variable has a partial effect on the dependent variable.

Table 7

ANOVA^a

Type		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	643.386	3	214.462	27.323	<,001 ^b
	Residuals	204.080	26	7.849		
	Total	847.467	29			

a. Dependent Variable: Y_Kinerja MSMEs

b. Predictors: (Constant), X3_Pengaruh_Efikasi, X1_Literasi _Keuangan, X2_Literasi Digital

Source: SPSS 2023 Output Data

In table 7 above, the probability (sig) < 0.05, which is 0.001 < 0.05. Therefore H_0 is rejected, meaning that there is a simultaneous significant influence (together) between (X1) Financial literacy, (X2) Digital Literacy, (X3) Efficacy effect to (Y) MSME performance.

Table 8

Test R²

Type		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.711	2.149		1.727	.096
	X1 Financial Literacy	.328	.262	.233	1.252	.222
	X2 Digital Literacy	1.229	.380	.689	3.237	.003
	X3 Effects of Efficacy	-.043	.412	-.023	-.103	.919

a. Dependent Variable: Y_Kinerja MSMEs

Source: SPSS 2023 Data

First Hypothesis Testing

It is known that the Sig value for the effect of X1 on Y is 0.222 > 0.05 and the calculated t value is 1,727 < t table 2,055, so it can be concluded that H1 Financial Literacy (X1) has no influence on MSME Performance (Y).

Second Hypothesis Testing

It is known that the Sig value for the effect of X2 on Y is 0.003 < 0.05 and the calculated t value is 1.125 < t table 2.055, so it can be concluded that H2 Digital Literacy (X2) has an influence on MSME Performance (Y).

Third Hypothesis Testing

It is known that the Sig value for the effect of X3 on Y is 0.919 > 0.05 and the calculated t value is -0.103 < t table 2.055, so it can be concluded that H3 Efficacy Effect (X3) has no influence on MSME Performance (Y).

The R² test aims to show how much the independent variable (exogenous) affects the dependent variable (endogenous).

Table 9

Model Summary

Type	R	R Square	Adjusted Square	Std. Error of the Estimate
1	.871 ^a	.759	.731	2.80165

a. Predictors: (Constant), X3_Pengaruh_Efikasi, Financial X1_Literasi, Digital X2_Literasi

Source: Output Data 2023

In the table above, the value R² = 0.759 is obtained, which means that Financial Literacy and Digital Literacy have an effect of 75.9% on MSME Performance and the remaining 24.1% are influenced by other factors that were not studied in this study.

Discussion

Financial Literacy Does Not Affect MSME Performance

Based on the results of research that has been conducted, it shows that financial literacy has no influence on MSME performance. This states that good Financial Literacy will not always have a positive influence in the sense that it plays a role in the continuity of the performance of existing MSMEs. In *reasoned action theory* / TRA, kConcepts that express behavioral desires that motivate individuals to engage in behaviors are defined by attitudes that influence behavior (Fishbein, Ajzen. 1975). Desirability indicates how much effort the individual wants to commit to performing a behavior with a higher commitment with a tendency for that behavior to be performed. The desire to behave is determined by subjective attitudes and norms (Fishbein, Ajzen. 1975; Ajzen, 1988).

Digital Literacy Affects Financial Performance

Based on the results of research that has been conducted shows that the application of Digital Literacy has an influence on financial performance. This states that when someone applies Digital Literacy to a job, the person is able to show their confidence in improving their performance.

The Effect of Efficacy on MSME Performance

Based on the results of research that has been done, it shows that efficacy has no influence on MSME performance. This states that even if someone has the ability to use the Efficacy Connection, it does not guarantee an increase in MSME Performance.

CONCLUSION

Based on the results of the study, it can be concluded that:

1. Financial Literacy does not have a positive effect on Financial Performance in the sense that Financial Literacy does not affect the running of MSMEs in terms of its application.
2. Digital Literacy has a positive effect on MSME Performance in the sense that someone when applying Digital Literacy to a job someone is able to show their confidence with the Use of Digital Literacy which can improve the performance of an MSME.
3. The effect of efficacy does not have a positive effect on the performance of an MSME, which is because there are other influencing factors, namely: First, a person's attitude towards MSME performance will largely be irrelevant if the system is not accessible. Second, the level of volunteerism of a person who chooses or does not choose the use of information technology in the workplace.

REFERENCES

- Rosa, Y. Del, Idwar, I., & Abdilla, M. (2022). *Literasi Keuangan dan Literasi Digital UMKM Kuliner Kota Padang Sebagai Penggerak Pemulihan Ekonomi Masa Pandemi Global Covid 19*. *Jurnal Ekonomi Dan Bisnis Dharma Andalas*, 24(1), 242–258. <https://doi.org/10.47233/jebd.v24i1.352>
- Pakidulan, U. S., Setiawan, T., Susetyo, D. P., & Pranajaya, E. (2021).

- Edukasi Literasi Digital: Pendampingan Transformasi Digital Pelaku UMKM Sukabumi Pakidulan. Jurnal Pengabdian Kepada Masyarakat, 1(7), 1599–1606.*
- Tahir, T., Ihsan Said Ahmad, M., Rijal, S., & Hasan, M. (2021). *Perilaku Berwirausaha UMKMSektor Kuliner dalam PerspektifLiterasi Digital. Proceeding Seminar Nasional Teknologi Pendidikan, 1 no 8, 144–154.*
- Islami, Novita Nurul. 2015. *Pengaruh Sikap Kewirausahaan, Norma Subjektif, dan Efikasi diri Terhadap Perilaku Berwirausaha melalui Intensi Berwirausaha Mahasiswa. Jurnal Eko Khalid, Billow, dkk. 2016. Entrepreneurial Behaviour, Institutional Context and Performance of Micro and Small Livestock Enterprises in North Eastern Region of Kenya. Global Journal of Management and Business Research: A Administration and Management, Vol.16, No.9, Hal. 46-54.nomi dan Kewirausahaan Vol.3, No.1, Hal.5-21 Wardani, Prayuningtyas Angger. 2015.*
- Efikasi Diri dan Pemahaman Konsep IPA Dengan Hasil Belajar Ilmu Pengetahuan Alam Siswa Sekolah Dasar Negeri Kota Bengkulu. Jurnal Pendidikan DasarVolume 6 Edisi 1 hal.58-67, Mei 2015.*
- Wijaya, Tony. 2008. *Kajian Model Empiris Perilaku Berwirausaha UKM DIY dan Jawa Tengah. Jurnal Manajemen dan Kewirausahaan Vol.10, No.2, Hal.93-104.*
- Zimmerer, Thomas W., Norman Scarborough. 2008. *Pengantar Kewirausahaan dan Manajemen Bisnis Kecil. Jakarta: Salemba Empat.*
- Ajzen, I. (1991). *The Theory of Planned Behavior. Organizational Behavior and Human Decision Processes, 50, 179–211.*
- Brace, I. (2008). *Questionnaire Design: How to Plan, Structure, and Write Survey Materials for Effective Market Research (Kogan Page Ltd (ed.); 2nd ed.)*
- Adha, Rossya. 2018. *Go Digital, Akar Permasalahan UMKM di Kota Malang. Diakses dari <https://indiekraf.com/go-digital-akar-permasalahan-umkm-di-kota-malang/>, pada 18 Oktober 2020.*
- Alfrian, G. R., & Pitaloka, E. 2020. *Strategi Usaha Mikro, Kecil, dan Menengah (UMKM) Bertahan pada Kondisi Pandemi COVID 19 di Indonesia. Prosiding Seminar Nasional Terapan Riset Inovatif (SENTRINOV) Vol. 6 No.2*
- Al-Bakrie, A. A. dan Katsioloudes, M. I. 2015. *The Factors Affecting E-Commerce Adoption by Jordanian SMEs. Management Research Review, 38(7), pp. 726 749. <https://doi.org/10.1108/MRR-12-2013-0291>*
- Kementerian Koperasi dan Usaha Kecil dan Menengah. Perkembangan Data Usaha Mikro, Kecil, Menengah (UMKM) dan Usaha Besar (UB) Tahun 2018-2019. Diakses dari <http://www.depkop.go.id/> pada tanggal 28 Juli 2021.*
- Kieso, D. E., Weygandt., J. J., dan Warfield, T. D. 2014. *Accounting Intermediate, IFRS Edition, 2nd Edition. New Jersey: John Wiley & Sons, Inc.*