

Analysis of Financial Management and Financial Behavior on the Performance of Culinary MSMEs in Medan City

Vina Gabriella Saragih^{1*}, Aditiya Pratama Daryana², M. A.Jaya Damanik³
^{1,2,3}University of Medan

*E-mail Correspondence: vinageby@unimed.ac.id¹, aditiya@unimed.ac.id², jayadamanik@unimed.ac.id³

Abstract – This study aims to examine the influence of financial management and financial behavior on the performance of culinary MSMEs (Micro, Small, and Medium Enterprises) in the city of Medan, Indonesia. A quantitative approach was adopted using a survey method involving 100 randomly selected MSME owners. Data were collected through a structured questionnaire and analyzed using validity and reliability tests, classical assumption tests, and multiple linear regression analysis. The results of the study revealed that financial management ($\beta = 0.476$; $p < 0.001$) and financial behavior ($\beta = 0.352$; $p = 0.002$) had a positive and significant impact on the performance of MSMEs. This model explains 58.1% variation in MSME performance ($R^2 = 0.581$), showing strong explanatory power. These findings highlight the importance of financial literacy, structured bookkeeping, and rational financial behavior in improving operational efficiency and business sustainability. This study recommends the implementation of financial education programs and direct mentoring to strengthen the competitiveness and resilience of culinary MSMEs

Keywords: Financial Management; Financial Behavior; MSME performance; Culinary Business; Financial Literacy

I. INTRODUCTION

Indonesia's economy in recent years has shown that even and sustainable growth is highly dependent on the active involvement of small and medium-sized enterprises. MSMEs play an important role in supporting national economic resilience, especially in times of uncertainty. The existence of MSMEs can reduce dependence on large sectors and increase economic resilience by creating business opportunities in various sectors. In this context, MSMEs function as one of the important pillars that support the Indonesian economy in facing global and domestic challenges [1].

MSMEs also have a significant role in economic equity. This sector is able to reach various levels of society, including remote areas that are difficult for large companies to access. Through a more equitable distribution of businesses, MSMEs can create job opportunities and increase people's income [2]. This makes the MSME sector the main driver in creating an inclusive and sustainable economic balance. The contribution of MSMEs to Indonesia's Gross Domestic Product (GDP) is very large, which is around 61.1% based on data from the Ministry of Cooperatives and SMEs (2022) [3]. In addition, this sector also absorbs more than 97% of the total

workforce in Indonesia, showing how vital the role of MSMEs is in the national economy.

The resilience of MSMEs has been increasingly evident during the COVID-19 pandemic, where this sector has been able to survive despite experiencing considerable economic pressure. In fact, many MSME actors have succeeded in developing through innovation and adaptive business model adjustments.

Table 1. Number of Culinary MSMEs in Medan City (2020–2023)

Year	Number of Culinary MSMEs
2020	10.150
2021	10.980
2022	11.450
2023	12.035

Source: Medan City Cooperatives and MSMEs Office, 2023

Behind these growth figures, there are still a number of problems that hinder the improvement of the quality and performance of MSMEs, especially in terms of financial management. Data from the Medan City BPS (2023) states that around 35% of culinary MSMEs cannot survive for more than three years. In addition, the survey results show that 62% of business actors do not have adequate financial records, and another 70% still combine personal finance with business finance. Unorganized financial management



is often the root of the problem. Effective financial management practices significantly improve the ability of MSMEs to access external financing and strengthen their operational sustainability. Meanwhile, higher levels of financial literacy contribute to prudent financial behavior, which ultimately improves creditworthiness and ease of MSMEs' access to financing [4].

Financial management in the context of MSMEs refers to the ability of business actors to plan, regulate, supervise, and evaluate financial activities as a whole. This includes understanding cost structures, cash planning, and systematic tracking of receipts and expenses. With good financial management, business actors can find out the financial position of their business in real time and respond to changes in market conditions with a more appropriate strategy [5]. In addition, financial management also includes the ability of business actors to maintain a balance between income and expenses, manage cash flow well, and make wise fund allocation decisions. Culinary entrepreneurs who have an understanding of developing spending strategies and are able to estimate working capital needs will be better prepared to face market uncertainty.

When financial management is carried out in a directed and consistent manner, MSMEs will find it easier to maintain business continuity and open up business development opportunities to a higher level. In addition, financial management is also related to the ability to identify financial posts that are priorities and that can be postponed [6]. This will help MSME actors in maintaining a balance between short-term needs and long-term goals. This strategy is important so that MSMEs not only survive, but also thrive through the right investment and optimal capital utilization [7].

Financial behavior in the context of MSMEs reflects how business actors behave and act in using their financial resources. This behavior includes aspects of daily financial decision-making, such as choosing funding sources, determining the amount of investment, and arranging a scale of spending priorities. Business actors who have healthy financial behavior usually show prudence, discipline, and courage to make measurable decisions based on risk analysis [8]. This mindset and habits are greatly

influenced by the level of financial literacy and experience in running a business.

The better the financial literacy of an MSME actor, the wiser his financial behavior will be in managing business finances. On the other hand, low literacy will lead to impulsive decision-making and speculative tendencies, such as the use of consumptive debt without calculation or expenses that are not in accordance with the financial condition of the business. Financial management and financial behavior are two aspects that complement each other in forming financial resilience and improving business performance [9]. After understanding the importance of a financial management system, it is also necessary to examine how the financial behavior of MSME actors affects daily financial decisions and strategies.

Financial management theoretically refers to the ability of business actors to allocated, utilize, and control financial resources efficiently and effectively to achieve business goals. These activities include basic managerial functions such as budget planning, cash flow monitoring, and financial reporting, all of which can be used as the basis for strategic decision-making. In the context of MSMEs, accounting information systems are very relevant because they support the creation of simple but measurable financial processes, which ultimately increase operational effectiveness.

On the other hand, financial behavior theory states that the financial decisions of business actors are not always rational and are often influenced by psychological factors, such as risk perception, past experiences, and habit patterns. In practice, not a few MSME actors make business decisions based on intuition or emotional impulses without being supported by systematic financial data and analysis. Therefore, the formation of healthy financial behavior is very important and needs to be supported by continuous education and increased financial literacy.

Several studies show that financial management skills and good financial behavior have a great influence on business performance. Poor financial management practices can lower financial awareness and threaten business continuity. On the other hand, good financial literacy helps make more rational decisions, improve business sustainability, and support the resilience of MSMEs, especially in times



of economic instability. In the highly competitive culinary sector of Medan City, MSME actors need more than just superior products, organized financial management and good financial behavior are the keys to success. By encouraging the strengthening of the creative and informal economy sector, MSME empowerment also requires managerial training, increased financial literacy, and access to financing that suits the needs of small businesses [10].

This study aims to understand the extent to which financial management and behavior affect the performance of culinary MSMEs in Medan City. It is hoped that the results of this research can provide an academic contribution in the field of MSME financial management, as well as become a basis for consideration in designing empowerment policies that are more contextual and on target.

II. LITERATURE REVIEW

2.1 Financial Management

Financial management is one of the main competencies that plays a very important role in supporting the performance and sustainability of small and medium enterprises (MSMEs). This activity includes various important aspects, such as cash flow control, transaction recording, preparation of financial statements, and regular budget planning. With disciplined and systematic management, MSMEs can encourage operational efficiency and support their growth, even in stressful market conditions. In addition, good financial management also helps MSME actors to identify opportunities and challenges faced by their business, thus enabling them to make more appropriate and strategic decisions [11].

However, there are still many MSME actors who do not have an adequate financial recording system. This condition causes them to have difficulty in evaluating business performance appropriately and accessing external sources of financing. Without good records, MSMEs risk facing challenges in strategic financial decision-making, which can ultimately hinder their growth potential [12]. In addition, the inability to prepare clear and structured financial statements is often an obstacle when MSMEs want to apply for a loan or get investment.

Therefore, it is important for MSMEs to adopt a better recording system, so that they can more easily adapt and develop in the midst of increasingly fierce

market competition. In the context of developing countries, financial literacy and the separation between personal and business finance are fundamental factors that can determine the long-term sustainability and resilience of businesses.

2.2 Financial Behavior

Financial behavior in the context of business actors includes habits in managing finances, starting from allocating funds, saving capital, to making investment decisions. This behavior does not stand alone, but is influenced by internal factors such as organizational culture and financial literacy level, which have been shown to have a significant impact on the performance of MSMEs [13]. In addition, financial behavioral skills also act as a mediating variable between access to financing and business performance achievement, so strengthening this aspect is important in the MSME empowerment strategy. A rational decision-making style contributes to improving operational efficiency and strengthening business sustainability, especially in the small business sector that is vulnerable to market fluctuations [14].

2.3 MSME Performance

The performance of MSMEs, especially in the culinary sector, can be measured through several indicators such as turnover growth, profitability, customer satisfaction, and business expansion. The use of digital technology in the financial recording process has been proven to be able to increase the level of transparency and operational efficiency among small businesses. In addition, high financial literacy makes MSME actors better prepared to face economic disruption and better able to maintain cash flow stability in times of uncertainty [15]. The integration of digital technology in the internal financial system also has a positive impact on increasing trust from external parties, including investors and financial institutions, because it reflects the existence of more accountable business governance [16].

2.4 Financial management affects the performance of culinary MSMEs in Medan City

Financial behavior is reflex effective financial management allows MSME actors to efficiently allocate financial resources, monitor cash flow, and make data-driven decisions. The implementation of consistent financial planning and budgeting has been



proven to be able to increase net profit and efficiency in managing MSME operational costs [17]. In addition, the recording of structured transactions also strengthens the position of small and medium enterprises in accessing financing from external institutions because they are considered to have credible financial management.

Not only that, the integration between financial planning and inventory management allows businesses to set more competitive selling prices and minimize waste, thereby supporting business sustainability and stability in the long term [18].

2.5 Financial behavior affects the performance of culinary MSMEs in Medan City

Financial behavior is a reflection of the attitude and actions of business actors in dealing with financial problems. The sustainable growth of MSME businesses is greatly influenced by how business actors manage the profits obtained. Instead of being used for personal consumption, the profits realized back into venture capital have been shown to drive business expansion and sustainability in the long run [19].

In the context of microfinance management, the habit of saving and regular financial evaluation play an important role in improving business adaptability, especially when facing crisis situations such as pandemics or other market pressures [20]. In addition, the long-term financial orientation shown through a prudent attitude in managing debt and capital investment has also been proven to support business stability and resilience, especially for MSME actors who face limited resources.

2.6 Financial management and financial behavior have a simultaneous effect on the performance of culinary MSMEs in the city of Medan

The relationship between financial management and financial behavior illustrates the synergy between technical abilities and individual habits in utilizing financial resources. Financial discipline and self-control of business actors have an important role in creating cash flow stability and maintaining the sustainability of MSME operations. These findings are in line with research conducted that highlight that aspects of personality, such as self-control and a tendency to procrastinate consumption, contribute to the effectiveness of financial management, especially among micro-entrepreneurs. Furthermore, it is added

that the integration between financial behavior and financial management systems is a key determinant in optimizing the use of resources, which ultimately has a positive impact on the performance of small businesses [14].

III. RESEARCH METHODS

This research is a quantitative descriptive research. The research was conducted on culinary MSME actors in Medan City spread across various sub-districts. The research location was chosen deliberately because the city of Medan is one of the cities with significant growth of culinary MSMEs. The population in this study is all culinary MSME actors registered in the 2023 data of the Medan City Cooperatives and MSMEs Office, which totals 12,035 business units. The number of samples was determined using the Slovin formula with a margin of error of 10%, so that 100 respondents were obtained. The sampling technique used is simple random sampling, where every MSME actor has the same opportunity to become a respondent [21].

Primary data were obtained through the deployment of a closed-ended questionnaire designed using a five-point Likert scale, ranging from strongly disagree (1) to strongly agree (5). This questionnaire covers three main aspects, namely financial management, financial behavior, and MSME performance.

The data analysis method used was path analysis with the help of SPSS software version 26. The data analysis stage begins with an instrument test (validity and reliability), followed by a classical assumption test (normality, multicollinearity, and heteroscedasticity), as well as hypothesis testing to test the direct influence of each variable on the performance of MSMEs [22].

Test Model: The testing model in this study uses a path analysis approach to test the direct influence between two independent variables, namely financial management (X1) and financial behavior (X2), on the dependent variable, namely the performance of MSMEs (Y). This model is designed to find out the extent to which each variable contributes to influencing the performance of culinary MSMEs simultaneously or partially. The regression model equations used are as follows:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + e$$



Description:

- Y = MSME Performance
- X₁ = Financial management
- X₂ = Financial behavior
- a = Constant
- b₁ , b₂ = Regression coefficient
- and = Error

IV. RESULTS AND DISCUSSION

Results

In this section, the results of the analysis will be discussed regarding the influence of financial management and financial behavior on the performance of culinary MSMEs in the city of Medan. This analysis aims to explore the factors that contribute to the success and business continuity of MSMEs in the culinary sector.

Table 1. Validity Test Results

Variable	Indicator	Number of RH	RTable	Remarks
Financial Management (X1)	X1.1	.612	0.197	Applicable
	X1.2	.658	0.197	Applicable
	X1.3	.701	0.197	Applicable
	X1.4	.743	0.197	Applicable
	X1.5	.676	0.197	Applicable
	X1.6	.698	0.197	Applicable
Financial Behavior (X2)	X2.1	.581	0.197	Applicable
	X2.2	.623	0.197	Applicable
	X2.3	.644	0.197	Applicable
	X2.4	.667	0.197	Applicable
	X2.5	.690	0.197	Applicable
	X2.6	.672	0.197	Applicable
Performance MSMEs (Y)	Y.1	.702	0.197	Applicable
	Y.2	.723	0.197	Applicable
	Y.3	.735	0.197	Applicable
	Y.4	.687	0.197	Applicable
	Y.5	.659	0.197	Applicable
	Y.6	.718	0.197	Applicable

Source: SPSS (2025) data processing results

The variable "financial management" is 6 positions, the variable "financial behavior" is 6 positions, and the variable "MSME performance" is 6 positions verified from the table. This can be seen from the items whose calculated r-value changes, and the overall correlation is greater than the table 0.197. Here the researcher can see other valid survey items and will use them as future research research.

Table 2. Reliability Test Results

Variable	Number of Questions	Alpha Cronbach	Remarks
Financial Management	6	0.812	Reliable

Financial Behavior	6	0.784	Reliable
MSME Performance	6	0.825	Reliable

Source: SPSS (2025) data processing results

Based on the results of the reliability test above, Alpha Cronbach is 0.812 financial opportunities, 0.784 financial behavior, and MSME performance is 0.825. That is, 18 statements on the position of each report regarding financial opportunities, financial behavior, and performance of MSMEs in the culinary sector.

Table 3. Normality Test Results of One Sample of the Kolmogorov-Smirnov Test

		Non-Standard Residue
N		100
Normal Parameters ^{a, b}	Means	0.0000000
	Deviation hours	0.845
	Absolute	.065
	Positive	.043
	Negatives	-0.065
Test Statistics		0.065
Asymp. Sig. (2 tails)		0.213 ^{c, d}

Source: SPSS (2025) data processing results

Based on the results of the Kolmogorov-Smirnov Test, one sample was obtained an Asymp value. Sig. = 0.213 which is greater than 0.05. Thus, it can be concluded that the residual data is distributed normally, so that the normality assumption is fulfilled and the regression model is feasible to use for further analysis.

Table 4. Multicollinearity Test Results

Independent Variables	Tolerance	LIVE	Remarks
Financial Management	.725	1,379	Multicollinearity does not occur
Financial Behavior	.683	1,464	Multicollinearity does not occur

Source: SPSS (2025) data processing results

Based on the table of multicollinearity test results above, it can be concluded that the regression model does not have a multicollinearity problem. This happens because the tolerance value is greater than 0.10 and the VIF value is less than 10. So it can be concluded that there is no multicollinearity between independent variables.

Table 5. Heteroscedasticity Tests



Independent Variables	Sig. (p-value)
Financial Management	0.218
Financial Behavior	0.314

Source: SPSS (2025) data processing results

Based on the table of heteroskedasticity test results above, it can be concluded that the regression model does not have heteroskedasticity problems. This happens because the significance value of each independent variable is greater than 0.05. Therefore, it can be concluded that there is no heteroskedasticity between independent variables and regressions in this study is considered accurate.

Table 6. Results of Double Linear Regression Test

Independent Variables	Regression Coefficient (B)	Std. Error	t-count	Sig. (p-value)
Constant	1.205	0.512	2.353	0.021
Financial Management (X1)	0.476	0.118	4.034	0.000
Financial Behavior (X2)	0.352	0.107	3.290	0.002

Source: SPSS (2025) data processing results

The linear equations based on the table above are as follows:

$$Y = 1.205 + 0.476 X_1 + 0.352 X_2 + e$$

The results of the above data processing show that:

1. Constant (1.205) shows that if the variables of Financial Management and Financial Behavior are zero, then the value of Culinary MSME Performance is 1.205.
2. The regression coefficient of Financial Management (0.476) shows that every unit of improvement in Financial Management will increase MSME Performance by 0.476.
3. The regression coefficient of Financial Behavior (0.352) shows that every unit of improvement in Financial Behavior will increase the performance of MSMEs by 0.352.
4. The sig value for both variables was below 0.05, indicating that the two variables had a significant influence on the performance of Culinary MSMEs.

Table 7. Partial Test Results

Independent Variable	B (Coefficient)	Std. Error	t-count	table-t ($\alpha=0.05$)	Sig. (p-value)	Verdict
Financial Management (X1)	0.512	0.104	4.923	1.984	0.000	H0 rejected (significant)
Financial Behavior (X2)	0.378	0.087	4.345	1.984	0.000	H0 rejected (significant)
Constant (α)	2.134	0.698	3.059	1.984	0.003	Significant

Source: SPSS (2025) data processing results

The results of the t-test for the Financial Management variable (X1) showed that the t-calculated value of 4.923 was greater than the t-value of 1.984 at a significance level of 5%. In addition, the Sig. value is 0.000 (< 0.05), so H0 is subtracted. This shows that Financial Management has a significant influence on the performance of Culinary MSMEs in the city of Medan. Meanwhile, the t-test results for the Financial Behavior variable (X2) showed a t-calculated value of 4.345, which is also greater than the t-table of 1.984, with a value of Sig. 0.000 (< 0.05). Thus, Financial Behavior has a significant influence on the performance of Culinary MSMEs in the city of Medan. In addition, the constant in the regression model is 2,134, which shows that although there is no influence from the Financial Management and Financial Behavior variables, there are still other factors that affect the performance of MSMEs with a value of 2,134.

Table 8. Simultaneous Test Results – ANOVA

Source of Variation	Number of Boxes (SS)	df	Square Average	F-Cou nt	Table F ($\alpha=0.05$)	Sig. (p-value)	Verdict
Bacak	35.624	2	17.812	23.457	3.09	0.000	H0 rejected (significant)
Rest	18.312	97	0.189	-	-	-	-
Quantiy	53.936	99	-	-	-	-	-

Source: SPSS (2025) data processing results



The results of the F test showed that the F value was calculated at 23,457, while the F value of the table at the significance level of 5% ($\alpha = 0.05$) was 3.09. With a Sig. value of 0.000 (less than 0.05), H_0 is rejected. This means that, at the same time, the variables of Financial Management and Financial Behavior have a significant effect on the Performance of Culinary MSMEs in the City of Medan.

Table 9. Determination Coefficient Test Results
 Model Summary

Models	R	R ²	Customized R Box	Std. Estimation Error
1	0.762	0.581	0.570	3.214

Source: SPSS (2025) data processing results

The R² value of 0.581 shows that the variation in the performance of Culinary MSMEs in Medan City of 58.1% can be explained by the variables of Financial Management and Financial Behavior. The remaining 41.9% is explained by other factors that were not included in this study model. In addition, the Adjusted R Square value of 0.570 shows almost similar results, correcting the bias towards the number of variables used in the model. This shows that this regression model is quite good at explaining the relationship between independent variables and dependent variables. In conclusion, Financial Management and Financial Behavior have a fairly strong influence on the Performance of Culinary MSMEs, although there are still other factors outside the model that also affect the performance of MSMEs.

Discussion

4.1 The Influence of Financial Management on the Performance of Culinary MSMEs in Medan City

The results of the analysis show that financial management has a positive relationship and has a significant effect on the performance of culinary MSMEs in Medan City. Good financial management includes financial planning, cash flow management, cost control, and accurate transaction recording. MSMEs that are able to implement a transparent and systematic financial system will more easily identify potential profits and financial risks that can hinder their business growth [23]. Proper financial management, including cash flow recording and financial reporting discipline, is an important indicator of MSME financial health.

Transparency in financial statements also increases the credibility of small businesses in the eyes of financing institutions. Good cash management is the main factor in maintaining business continuity, especially in avoiding liquidity crises that often haunt MSMEs [24]. Therefore, good financial management is the main factor in improving the performance of culinary MSMEs in Medan City and supporting their business growth in a sustainable manner.

4.2 The Influence of Financial Behavior on the Performance of Culinary MSMEs in Medan City

Data analysis shows that financial behavior has a significant influence on the performance of culinary MSMEs in Medan City. Financial behavior includes how business actors manage income, manage expenses, make investment decisions, and prepare emergency funds. Healthy financial behavior is one of the main pillars of sustainability and performance of MSMEs [14]. Business actors who are disciplined in allocating capital, avoiding waste, and being careful in borrowing or investing tend to be able to maintain cash flow stability and strengthen the financial structure of the business. High financial literacy plays an important role in shaping these behaviors, as it helps MSME actors prepare realistic budgets, separate personal and business finances, and develop more measurable debt management strategies [25].

In addition, wise financial behavior is also closely related to operational efficiency. MSMEs that have a habit of recording and planning expenses in a disciplined manner tend to be better able to reduce costs, choose resources at competitive prices, and establish long-term relationships with suppliers without sacrificing quality. In the long term, financial literacy internalized in business behavior allows MSME actors to be more adaptive to market changes, better prepared to face economic shocks, and have a better capacity to respond to business risks. With a foundation of good financial behavior, MSME actors become better prepared to face uncertainty, including in terms of preparing emergency funds and developing income diversification strategies [12].

This condition is especially important, especially in the context of the COVID-19 pandemic, where many MSMEs with unorganized financial habits have to stop operations due to a lack of reserve funds to maintain their businesses. Therefore, the formation of sound financial behaviors not only contributes to



increased profitability, but also plays a strategic role in ensuring the long-term sustainability of the business.

4.3 The Effect of Financial Management and Simultaneous Financial Behavior on the Performance of Culinary MSMEs in Medan City

The results of the regression analysis show that financial management and financial behavior simultaneously have a significant influence on the performance of culinary MSMEs in Medan City. This shows that business success does not only depend on skills in managing finances, but also on the financial behaviors applied by business owners in making daily business decisions. Research shows that MSMEs that are able to combine good financial management practices with disciplined financial behavior tend to experience more stable and sustainable business growth [26].

The combination of systematic financial recording and healthy financial habits allows business actors to optimize the use of capital, minimize financial risks, and increase efficiency in running business operations. In addition, clear and measurable financial strategies, such as pricing based on cost analysis and budget allocation for product innovation, are a competitive advantage for MSMEs in the face of market pressures. Business actors who have a good financial structure are able to develop more effective marketing strategies, plan for growth in a directional manner, and adapt to changes in market demand [27]. In addition, adequate financial understanding encourages MSME actors to use funds wisely and not only pursue short-term profits.

They tend to be more cautious in managing debt, avoid unproductive financing, and have investment strategies that are oriented towards long-term sustainability [28]. Therefore, financial literacy and disciplined financial behavior are also important foundations in determining the success of MSMEs, including in the culinary sector in the city of Medan. In this case, business actors need to be given access to comprehensive financial training and education, as well as support from the government and financial institutions in the form of targeted financing to MSMEs that have implemented the principles of sound financial management.

V. CONCLUSIONS AND SUGGESTIONS

This study shows that financial management and financial behavior have a significant influence on the performance of culinary MSMEs in the city of Medan. Good financial management helps MSMEs manage resources efficiently, improve cash flow, and improve access to funding, while orderly and rational financial behavior strengthens their operational resilience and efficiency. The two work together to improve the performance of MSMEs, both in terms of finance and business sustainability.

Therefore, it is important for MSME actors to improve financial literacy through continuous training and mentoring. The government and financial institutions are expected to expand access to education and financing in accordance with the needs of MSMEs. Follow-up research is also recommended to look at the influence of external variables and a more in-depth approach through interviews or case studies

Based on these findings, here are some suggestions it is advisable to continue learning about finances and familiarize yourself with healthy financial habits, such as separating personal and business money, and planning finances for the short and long term. It is expected to expand access to financial training and provide financing facilities that are more flexible and in accordance with the needs of MSMEs, as well as support with technology for the advancement of this sector. The researcher should then consider external factors such as government policies and digital technology, and use a qualitative approach to dig deeper into the financial behavior of MSMEs.

VI. REFERENCE

- [1] S. M. Zada, M. Zada, and Ali, "Financial literacy and financial behavior: Evidence from Pakistan," *Front. Psychol.*, vol. 12, 2021, [Online]. Available: <https://doi.org/10.3389/fpsyg.2021.719157>.
- [2] A. S. Sajuyigbe, B. S. Adeleke, and Odetayo, "Entrepreneurial financial behavior and SME performance: The mediating role of access to finance," *J. Small Bus. Enterp. Dev.*, 2024, [Online]. Available: <https://doi.org/10.1108/JSBED-03-2023-0114>.
- [3] H. Shefrin, *Transcending greed and fear: Understanding financial behavior and investment psychology*. Harvard Business Press, 2000.
- [4] J. W. Wilkinson, M. J. Cerullo, and Raval, *Accounting Information Systems: Important*



- Concepts and Applications*. 2000.
- [5] S. M. Msomi and O. M. Olarewaju, "Financial literacy and performance of MSMEs in South Africa," *J. Acad. Account. Financ. Stud.*, vol. 25, no. 4, pp. 1–11, 2021, [Online]. Available: <https://www.abacademies.org/articles/financial-literacy-and-msmes-performance-in-south-africa-11173.html>.
- [6] K. M. S. D. Kulathunga, "How does financial literacy promote sustainability in SMEs?," *Sustainability*, vol. 11, no. 10, p. 2657, 2019, [Online]. Available: <https://doi.org/10.3390/su11102657>.
- [7] G. A. F. Maulan, E. Dinanti, S. Mustika, N. A. Hamdani, and I. Permana, *The Influence of Product Composition Information and Brand Trust on Purchasing Decision*, no. Gcbme 2023. Atlantis Press International BV, 2024.
- [8] G. Abdul *et al.*, "Information Technology Resources and Innovation Performance in Higher Education," vol. 15, no. 04, pp. 117–125, 2021.
- [9] S. A. Hendrawan, A. Chatra, N. Iman, and ..., "Digital transformation in MSMEs: Challenges and opportunities in technology management," *Jurnal Informasi dan ... academia.edu*, 2024, [Online]. Available: <https://www.academia.edu/download/118442836/354.pdf>.
- [10] J. Venessya and S. Sugiyanto, "Pengaruh Customer Experience dan Customer Value terhadap Repurchase Intention melalui Customer Satisfaction pada Spotify Premium," *J. Ilm. Manaj. Kesatuan*, vol. 11, no. 2, 2023, doi: 10.37641/jimkes.v11i2.1998.
- [11] L. Charfeddine, M. I. Umlai, and M. El-Masri, "Impact of financial literacy, perceived access to finance, ICT use, and digitization on credit constraints: evidence from Qatari MSME importers," *Financial Innovation*. Springer, 2024, doi: 10.1186/s40854-023-00557-4.
- [12] E. Q. Q. Amankwah, A. Kwarteng, and Aboagye, "Financial literacy and SME growth: Empirical evidence from Ghana," *Int. J. Entrep. Behav. Res.*, vol. 27, no. 5, pp. 1203–1223, 2021, [Online]. Available: <https://doi.org/10.1108/IJEBr-07-2020-0501>.
- [13] T. Ramalho and D. Forte, "Financial Literacy in Brazil – Do Knowledge and Self-Confidence Relate with Behavior?," *RAUSP Manag. J.*, vol. 54, no. 1, pp. 77–95, 2019, doi: 10.1108/rausp-04-2018-0008.
- [14] A. A. Esubalew and Raghurama, "Financial behavior and SME performance: The role of mediating access to finance," *J Innov Entrep*, vol. 9, no. 1, p. 10, 2020, [Online]. Available: <https://doi.org/10.1186/s13731-020-00132-0>.
- [15] M. A. Wicaksono, W. Moko, and R. Rofiaty, "Entrepreneurship Orientation on MSME's Performance, Competitive Advantage and Innovation Strategies as Mediation," *Interdiscip. Soc. Stud.*, vol. 2, no. 3, pp. 1729–1742, 2022, doi: 10.55324/iss.v2i3.361.
- [16] E. D. Yanti, M. M. Sari, N. Ardian, and ..., "The Role of HR Competence in Improving the Performance of MSMEs in Pematang Serai Village, Langkat Regency," *PROCEEDING ...*, 2024, [Online]. Available: <http://ejournal.unuja.ac.id/index.php/icesh/article/view/8158>.
- [17] O. P. Oyeyemi, A. J. Kess-Momoh, and ..., "Entrepreneurship in the digital age: A comprehensive review of start-up success factors and technological impact," ... *Journal of Science ... researchgate.net*, 2024, [Online]. Available: https://www.researchgate.net/profile/Binaebi-Bello/publication/377807229_Entrepreneurship_in_the_digital_age_A_comprehensive_review_of_start-up_success_factors_and_technological_impact/links/66a0da638be3067b4b15434e/Entrepreneurship-in-the-digital-age-A-c.
- [18] T. Herjanto, "Enhancing Financial Management Competence Through Human Resource Management Practices: Insights From Micro, Small, And Medium Enterprises," *Profit: Jurnal Manajemen, Bisnis dan ... journal.unimar-amni.ac.id*, 2023, [Online]. Available: <https://journal.unimar-amni.ac.id/index.php/profit/article/download/2059/1606>.
- [19] S. S. Ranaweera and B. A. H. Kawshala, "Influence of behavioral biases on investment decision making with moderating role of financial literacy and risk attitude: A study based on colombo stock exchange," *South Asian J. Financ.*, 2022, doi: 10.4038/sajf.v2i1.32.
- [20] M. T. Ashshiddiqi and T. Rahmat, "Optimizing the financial management behavior of Msme actors through digital financial knowledge in the digital era,"



- International Journal of Nusantara Islam*. core.ac.uk, 2022, [Online]. Available: <https://core.ac.uk/download/pdf/548564637.pdf>.
- [21] J. W. Creswell, *Research Design Pendekatan Kualitatif, Kuantitatif, dan Mixed*. Yogyakarta: pustaka pelajar, 2016.
- [22] Sugiyono, *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Bandung: Alfabeta, 2021.
- [23] L. Rohmatin, U. F. Muliawati, L. T. Khoiriah, and L. Rahmawati, "Financial management analysis of micro, small, and medium enterprise (MSME) in the covid 19 pandemic era," ... (*Journal of Islamic Finance* 2021, [Online]. Available: <https://pdfs.semanticscholar.org/0ac5/ffe73d7e767a73fcbe87b1b2411c9e13e14d.pdf>.
- [24] T. J. Gallagher, *Financial management: principles and practice*. books.google.com, 2022.
- [25] B. M. Barber and T. Odean, *The Behavior of Individual Investors*, vol. 2, no. PB. Elsevier B.V., 2013.
- [26] F. A. Simanjuntak and ..., "Financial Governance and Operational Management Training Business for Micro Business Groups," ... *Community Serv.*, 2025, [Online]. Available: <https://journal.trasaka.com/index.php/JCoS/article/view/73>.
- [27] J. C. V Horne and J. M. Wachowicz, *Fundamentals of Financial Management (13th Edition)*. United States of America: Prentice Hall, 2008.
- [28] A. Solihat *et al.*, "Entrepreneurs ' Perceptions of the Role of Social Media in Increasing Business Competitiveness," vol. 6, no. 4, pp. 249–254, 2024.

