



Digital Literacy and Financial Literacy On Entrepreneurial Behavior In Msmes (Fishery Products For Coastal and Mining Communities Southeast Sulawesi)

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ABSTRACT

This study aims to explain the influence of digital literacy and financial literacy on entrepreneurial behavior in MSMEs in the management of fishery products in the coastal and mining communities of Southeast Sulawesi. In particular, digital literacy in this study is proxied to using information technology, communication, and utilizing it, and financial literacy in this study is proxied to managing and using finance intelligently. While entrepreneurship behavior is proxied as individual behavior, social and environmental behavior, and work behavior in entrepreneurship. The sample of this research is all MSMEs fishery management results from coastal and mining areas of Southeast Sulawesi. The sample was selected using purposive sampling, which consisted of a questionnaire. The analysis method used in this study was bivariate analysis using SPSS Version 20 software. The results of this study show that digital literacy does not affect entrepreneurial behavior. Financial literacy has a positive effect on entrepreneurial behavior. Meanwhile, financial literacy in moderating digital literacy has a significant positive effect on entrepreneurial behavior in MSMEs managing fishery products of coastal and mining communities in Southeast Sulawesi.

Keywords: *Digital Literacy, Financial Literacy, Entrepreneurial Behavior, MSMEs*

I. INTRODUCTION

Economic growth is one of the indicators in assessing the progress and prosperity of the regional economy. The government can encourage economic growth using micro-policies, one of which is the culture of entrepreneurship or Micro, Small, and Medium Enterprises. The Micro Policy carried out is to assist the community in the form of individual or personal businesses. Furthermore, the Government can also encourage entrepreneurship by developing a business culture. Activities to change cultural orientation cannot take place in a short time, one of which is by encouraging the public to understand and implement knowledge about Digital literacy and Financial Literacy.

In a very rapid digital era, encouraging entrepreneurship or MSMEs to open business lines that provide convenience, and maximum profit. The Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop UKM) 2020 launched that 3.90 million micro, small and medium enterprises (MSMEs) have utilized online platforms in allocating products with both concrete and technical skills. According to Mohammadyari and Singh (2015), Digital literacy is a person's ability to understand, analyze, assess, regulate and evaluate information obtained with the help of digital technology tools. Thus having a digital dissertation, one can know technology and understand how to operate it, and be aware of what it will cause. In recent years, in various parts of the world, the issue of *financial literacy* is being hotly discussed. Special attention to financial literacy is caused by the desire of a country to have a qualified population and good financial intelligence so that it will have an impact on improving the wheels of the country's economy. *Financial Literacy* can be interpreted as financial knowledge to achieve prosperity (Lusardi, Annamaria & Olivia S Mitchell, 2007). Based on the latest research conducted by MasterCard (www.mastercard.com), Indonesia's financial literacy index is still low. Based on the results of research conducted by MasterCard (2013), Indonesia is ranked 14th and lags far behind Malaysia which is ranked 6th. Indonesia itself researches to determine the level of financial literacy among its people through the OJK (Financial Services Authority). A national survey of financial literacy conducted by the OJK in 2013 showed that only 21.84% or one-fifth of the Indonesian population was categorized as well literate. One of the things that pay enough attention to in the world of financial literacy is micro,

small, and medium enterprises (MSMEs), especially MSME actors who manage fishery products in the coastal areas of Southeast Sulawesi, namely Konawe Regency, SOROPIA MSMEs, and Bombana UMKM Kabaena Regency.

The financial development of MSMEs is relatively slow, even though their success will have an impact not only on the progress of their own business but also can reduce displacement and can increase regional income and national income. This is based on several studies on business actors, it is still found that the level of digital literacy and financial literacy among business actors is still found to be low. Based on this statement, the ability to understand good financial literacy is needed in business actors. Good financial management is the main foundation for an entrepreneur to have a successful business, business actors who understand good financial literacy will facilitate finances in implementing entrepreneurship, especially in entrepreneurship using social media. Based on the results of interviews and observations that have been carried out on MSMEs managing fishery products in coastal and mining areas in Southeast Sulawesi, information was obtained that 75% did not know the recording of financial statements, financial aspects, and financial institutions so that they could not maximize financial literacy as well as in digital literacy knowledge, which will make it easier to get information both in terms of financial literacy and aspects in maximizing the business of fishery products owned by the community. Southeast Sulawesi is a coastal and mining area that is economically quite low in terms of natural resources and human resources, it is very good that it is necessary to guide MSMEs from fisheries management in coastal and mining areas of Southeast Sulawesi.

II. LITERATURE REVIEW

2.1. Definition of Digital Literacy

In the discussion of digital literacy, it is inseparable from digital technology. In everyday life representing digital technology in everyday use are gadgets, which are defined as mobile devices used to interact with social media such as text, images, audio, video, programs, games, and online-based communication between two or more people. The European Information Society (Martin, 2015) states that digital literacy is the awareness, attitude, and ability of the learner to appropriately use digital tools and facilities to identify, access, manage, integrate, evaluate, and analyze digital in everyday life, build new knowledge, create media expressions and communicate with others.

In this case, digital literacy functions to empower social media users with comprehensive knowledge of their roles and goals. This can be achieved with learning materials that cover three dimensions of digital literacy: technical, cognitive, and socio-emotional. Techniques are related to how to use and interact with digital technological devices. Congenital how to create, evaluate and retrieve useful digital information. Meanwhile, socio-emotional is related to how to use ICT (Digital Technology) responsibly to socialize, learn, and collaborate such as social media literacy.

2.2. Financial Literacy

According to the Financial Services Authority Institution (2013) is the ability to understand or manage the funds owned so that they develop and live more prosperously in the future. According to the OJK, the important mission of the financial literacy program is to educate the public in the field of finances so that they can manage finances intelligently so that low knowledge about the financial industry can be overcome and novices are not easily deceived by investment products that offer high profits in the short term without considering the risks. Setyawati, I., Firdayana, S, and Sulfadli, L.O.S. (2022) To ensure public understanding of the products and services offered by financial services institutions, the national strategy program of financial literacy plans three main pillars. (1) Promote educational programs and national financial literacy programs. (2) In the form of strengthening financial literacy infrastructure. (3) Talk about the development of affordable financial products and services. The implementation of these three pillars is expected to realize the Indonesian people who have a high level of financial literacy so that people can choose and utilize financial service products to improve welfare.

2.3. Entrepreneurial Behavior

According to Wijaya (2015) explaining that entrepreneurial behavior is a visible action or oral statement regarding entrepreneurial behavior that can be measured by the scale of entrepreneurial behavior, with indicators of (1) entrepreneurial satisfaction, (2) concrete actions for running a business, and (3) statements of existing business development plans. Meanwhile, Dirlanudin (2020) explained by dividing the factors that can influence entrepreneurial behavior into internal and external factors. In his research, it was mentioned that internal factors are personal traits and the social and economic status of a person. Setyawati, I., Firdayana, S (2022). Internal factors that influence entrepreneurial behavior are age, education, business experience, motivation, perception of the business, and business size. Meanwhile, external factors, namely capital, family, workplace environment, business development opportunities, and the availability of these materials and results explain internal and external factors that affect entrepreneurship.

III. RESEARCH METHOD

3.1 Data

The number of MSMEs resulting from fisheries management is 32 MSMEs in various regions in Southeast Sulawesi according to the criteria determined by researchers. The MSMEs that are sampled are MSMEs that have been doing their business for at least 2 years.

3.2 Hypothesis Development

The effect of digital literacy on entrepreneurial behavior on MSMEs processing fishery products of coastal communities and mining in Southeast Sulawesi

H1: Digital literacy has no relationship to entrepreneurial behavior in MSMEs from fishery processing in coastal and mining areas of Southeast Sulawesi

H2: Financial literacy positively affects entrepreneurial behavior in MSMEs processing fishery products from coastal communities and mining in Southeast Sulawesi

H3: Financial literacy in moderating digital literacy has a positive effect on entrepreneurial behavior in MSMEs processing the products of coastal and mining communities in Southeast Sulawesi

3.3 Variable Operational Definition

3.3.1 Dependent Variables

Dependent variables are variables that are affected by other variables. In this study, the dependent variable is entrepreneurial behavior. The measurement is as individual behavior, social and environmental behavior, and behavior in work in entrepreneurship

3.2.2 Independent Variables

- a) Digital literacy, namely knowledge, skills, and attitudes related to technological, congenital, and social competencies in using information and communication technology.
- b) Financial Literacy, namely financial knowledge, financial behavior, and financial attitudes

3.4. Analysis Methods

Bivariate analysis is to test the success of whether there is a relationship between digital literacy, and financial literacy affecting entrepreneurial behavior in MSMEs from fisheries management using statistical tests, namely data normality tests and hypothesis tests. Hypothesis testing using Chi-square analysis. The bivariate test that will be used in this study is test X^2 , namely the *chi-square* and *chi-square* tests (Hamonangan, 2013).

$$X^2 = \frac{\sum (fo-fh)^2}{fh}$$

Information:

X^2 = calculated *chi-squared* parameter

\sum = total amount

fo = frequency of observation

fh = frequency of expectations

IV. RESULTS AND DISCUSSION

4.1 Determination Of Sample

The number of MSMEs resulting from fisheries management is 32 MSMEs in various regions in Southeast Sulawesi according to the criteria determined by researchers. The MSMEs that are sampled are MSMEs that have been doing their business for at least 2 years.

4.2 Testing Of Hypothesis

Bivariate analysis is the result of the Chi-Square statistical test to determine the relationship between digital literacy and financial literacy to entrepreneurial behavior.

Variable	Category	Business Behavior				Total		P value	A
		Less		Good		n	%		
		N	%	n	%				
Digital Literacy	Low	0	0	5	15,6	5	15.6	1.000	0.05
	Hight	1	3.2	26	81.2	27	84.4		
Financial Literacy	Low	0	0	2	6.2	2	6.2	0.043	0.001
	Hight	1	3.2	29	90.6	30	93.8		
Digital Literacy and Financial Literacy	Constant	0	0	0	0	32	100	0.835	0.001

The table shows the results of the Chi-Square test on the independent and dependent variables. In the Digital Literacy variable of 32 respondents applied 26 respondents (81.2%) had high Digital Literacy and good Business Behavior but 5 respondents had low Digital Literacy but Behavior Trying in a good category. From the results of the analysis, it was found that the Digital Literacy variable had no relationship to Business Behavior which was marked with a *p-value* (1.00) greater than alpha (0.05).

Financial Literacy Variables, out of 32 respondents, there were 29 respondents (90.6%) who had high financial literacy and good business behavior. Of the 32 respondents, none had low financial literacy and also behavior tried less. The financial literacy variable based on the chi-square test shows a *p-value* (0.043) greater than the alpha value of 0.01 so it can be concluded that financial literacy has a significant positive relationship with entrepreneurial behavior.

The variables of digital literacy and financial literacy are interacted with entrepreneurial behavior using the chi-square test showing a *p-value* (0.0835) greater than the alpha value of 0.01 so that it is concluded that there is a relationship between digital interaction and financial interaction with entrepreneurial behavior in MSMEs resulting from fisheries management in coastal areas and southeast Sulawesi mining.

4.2 Discussion

4.2.1 The relationship of digital literacy to entrepreneurial behavior

The results of this study show that Digital Literacy has no relationship with Business Behavior which is characterized by a *p-value* (1.00) greater than alpha (0.05). Fisheries management still uses traditional methods and traditional equipment. The management of southeast Sulawesi fishery products is still very close to the culture and culture of marketing, namely the existence of the word of mouth and word of mouth and the process of spreading the sale still covers the needs of its region.

4.2.2 Relationship of financial literacy to entrepreneurial behavior

The results of this study show that financial literacy based on the chi-square test shows a *p-value* (0.043) greater than the alpha value of 0.01 so it can be concluded that financial literacy has a significant positive relationship with entrepreneurial behavior because it can increase literacy will have an impact on entrepreneurial behavior. . This shows that the existence of good financial literacy from MSME actors will have an impact on improving good financial performance. Good knowledge from MSME actors will support the ability to manage finances and be able to control them. The results of this study are supported by the results of previous studies which show that financial literacy has a positive effect on entrepreneurial behavior in MSMEs in the culinary field

4.2.3 The influence of financial literacy in moderating digital literacy on entrepreneurial behavior

The results of this study show that the digital literacy variable in moderating financial literacy towards entrepreneurial behavior using showing a *p-value* (0.0835) greater than the alpha value of 0.01 so it is concluded that there is a positive relationship between digital literacy and financial literacy to entrepreneurial behavior in MSMEs from fisheries management in coastal areas and mining in Southeast Sulawesi. Because digital literacy when interacting with financial literacy will foster entrepreneurial behavior. In financial literacy, there are knowledge, attitudes, and skills and one of them is technological knowledge which causes an increase in understanding which causes an increase in knowledge (digital literacy). In practice, entrepreneurs have generally used digital approaches when entrepreneurs are consciously financially literate so that there are conveniences that can be obtained by applying these things to foster entrepreneurial behavior in MSMEs managing coastal fishery products and mining.

V. CONCLUSION

5.1 Conclusion

This study was conducted to examine the influence of digital literacy on entrepreneurial behavior, test whether financial literacy affects entrepreneurial behavior, and moderation variables, namely financial behavior in testing digital literacy on entrepreneurial behavior. The number of samples in this study was 32 samples that were classified as samples, namely MSMEs from fisheries management in coastal and mining areas of Southeast Sulawesi. The test results in the first hypothesis have no effect because digital literacy in MSMEs from fisheries management is still low in education and still uses traditional processes while in the second hypothesis, namely financial literacy on entrepreneurial behavior with a positive influence, this is evidenced by the regression results showing a significant positive influence and showing the benefits of understanding financial literacy on entrepreneurial behavior. and third, financial literacy moderates digital literacy to entrepreneurial behavior and has a significant positive effect. This shows that there are benefits when MSME actors have financial literacy and one of them is digital literacy which can increase people's insights into technology and use technology in running or behaving in the business.

5.2 Research Implications

This research has implications for MSMEs as a result of coastal and mining fisheries management, namely increasing knowledge, and skills and managing digital literacy and financial literacy to make it easier to run their business, especially in the field of marketing, so that it has an impact on entrepreneurial behavior.

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