



---

**THE EFFECT OF FINANCIAL LITERACY AND FINANCIAL INCLUSION  
ON BUSINESS SUSTAINABILITY  
(A Study of Women Running MSMEs Actors in Batudaa Sub-District)**

**Rizqika Nur Annisa Padang<sup>1</sup>**  
Universitas Negeri Gorontalo, Gorontalo, Indonesia  
[rizqikanurannisapadang@gmail.com](mailto:rizqikanurannisapadang@gmail.com)

**Muliyani Mahmud<sup>2</sup>**  
Universitas Negeri Gorontalo, Gorontalo, Indonesia  
[muliyani@ung.ac.id](mailto:muliyani@ung.ac.id)

**Nurharyati Panigoro<sup>3</sup>**  
Universitas Negeri Gorontalo, Gorontalo, Indonesia  
[nurharyati@ung.ac.id](mailto:nurharyati@ung.ac.id)

---

**Abstract**

This study aims to analyze the effect of financial literacy and financial inclusion on businesses sustainability among women running MSMEs in Batudaa Sub-District. This study employs a quantitative approach using primary data collected through questionnaires with a 1-5 Likert Scale. The population consists of women running MSMEs in Batudaa Sub-District. The sampling technique used was purposive sampling ,with a total sample of 93 respondents. Data analysis was conducted using the Statistical Product and Service Solution (SPSS). The study's results indicate that financial literacy and financial inclusion affect business sustainability. These findings show that understanding and managing finances, as well as access to formal financial products and services, are important factors in maintaining and developing business sustainability.

**Keywords:** Financial Literacy, Financial Inclusion, Business Sustainability.  
MSMEs



## INTRODUCTION

In the current economic conditions that are still fluctuating post-pandemic and amidst tight market competition, many MSMEs are experiencing a decline in revenue and difficulties in maintaining their operational stability. This situation demands business actors to not only focus on short-term financial aspects but also on business management oriented toward long-term sustainability. Business sustainability has become an important aspect in maintaining the existence and long-term growth of a business entity, including Micro, Small, and Medium Enterprises (MSMEs).

Business sustainability refers to a company's capacity to maintain its existence while simultaneously experiencing growth and development in a sustainable manner over the long term (Kusuma et al., 2021). Business sustainability is not only measured by the company's ability to survive financially, but also by its ability to adapt to environmental changes, manage resources efficiently, and maintain stable performance.

The unique characteristic of MSMEs in Indonesia is the high proportion of business ownership by women, which reaches 64.5% of the total MSMEs (Maharani, 2024). This phenomenon demonstrates the significant role of Indonesian women in driving the micro and small economy. However, the dynamics of this sector are not without various challenges, as seen in Gorontalo Province, which experienced significant fluctuations where in 2021, 29,396 MSMEs collapsed due to the COVID-19 pandemic out of a total of 94,829 MSMEs (Isam, 2021). Although there was a recovery with the number of MSMEs reaching 105,509 units in 2024 (Haris, 2024). The level of business instability remains a crucial issue that reflects the fragility of the resilience and sustainability of the MSME sector in the region.

A good level of financial literacy plays an important role in maintaining business sustainability. Financial literacy is the ability of individuals to understand and manage finances effectively, including planning, saving, investing, managing debt, and making sound financial decisions (Panigoro et al., 2025). Financial literacy not only encompasses knowledge aspects but also involves skills that support individuals in facing financial risks and planning for the future more systematically and purposefully.

The results of the 2024 SNLIK show that the financial literacy index of the Indonesian population is 65.43%. In 2023, the financial literacy index in urban areas was higher compared to rural areas. The literacy index was 69.61% in urban areas and 58.55% in rural areas.



In addition to financial literacy, financial inclusion is one of the factors that contribute to business sustainability. Financial inclusion describes a condition where all segments of society, including individuals and small-scale business operators, can easily, affordably, and safely access a variety of formal financial products and services, such as savings, credit, insurance, and payment systems.

The results of the 2024 SNLIK show that the Financial Inclusion Index indicates a gap in access and utilization of financial services between urban and rural areas, where the level of financial inclusion in urban areas is recorded to be higher compared to rural areas, at 77.21% and 68.28% respectively.

The low ability to understand financial principles, limited access to formal financial institutions, and inefficiency in resource management can result in poor decision-making quality that supports business sustainability. This raises questions about the extent to which financial literacy and financial inclusion can influence business sustainability.

## **LITERATURE REVIEW**

### **The Resource Based View (RBV)**

The Resource Based View (RBV) concept was initially introduced as a strategic framework in business development around the 1950s. The Resource Based View (RBV) approach emphasizes the analysis and interpretation of the resources possessed by the organization to explain how the organization is able to create and sustain competitive advantage over time (Aisyah et al., 2022).

The Resource Based View (RBV) theory explains that the superiority and sustainability of a business highly depend on its ability to utilize internal resources, whether in the form of physical or non-physical assets such as knowledge and financial access.

Financial literacy refers to the knowledge and skills that enable a person to understand basic financial concepts, such as budgeting, saving, investing, and debt management. It involves applying this knowledge in practice, allowing individuals to effectively manage their financial resources and avoid economic vulnerability (Nogueira et al., 2025).

Financial inclusion is understood as the level of utilization of financial services by individuals and businesses. This concept not only emphasizes the aspects of access and ownership of financial accounts but also includes the use of various beneficial, affordable, and need-based financial products and services, such as transaction services, payments, savings, financing, and insurance, which are provided responsibly and with a focus on sustainability. (World Bank, 2023)



According to Sugita & Ekayani, (2022), the sustainability of MSMEs reflects the level of business success in generating innovation, improving the welfare of employees and customers, and achieving a return on business equity. This condition illustrates the extent to which a company has the potential to continue developing and maintaining its ability to innovate continuously.

### RESEARCH METHOD

This research uses a quantitative method to evaluate the impact of financial literacy and financial inclusion on women-managed SMEs in Batudaa District. The choice of the quantitative method is based on its ability to enable objective measurement of variables and in-depth statistical analysis to test the established hypotheses. The quantitative research method is a research approach based on the positivist paradigm, applied to study a specific population or sample Sugiyono (2024). This research uses primary data sourced from the questionnaire responses of female MSME actors in the Batudaa sub-district. The population in this study consists of all female MSME actors in the Batudaa sub-district. The population in this study consists of 93 samples. The sampling in this study used purposive sampling, which is a sampling method based on criteria relevant to the research objectives. The data collection techniques used in this study are questionnaires and documentation. The data analysis technique used in this research employs SPSS (Statistical Product and Service Solution). The variables studied in this research consist of independent variables, namely: financial literacy (X1), and financial inclusion (X2), as well as the dependent variable, namely: business sustainability (Y).

### RESULTS AND DISCUSSION

#### Descriptive Statistical Test

The results of the descriptive statistical test on the research variables can be seen in the following table:

**Table 1.**  
**Descriptive Analysis Results**

<u>Variables</u>	SS (%)	S (%)	CS (%)	TS (%)	STS (%)
Financial <u>Literacy</u>	38.5%	42.7%	15.6%	2.4%	0.8%
Financial <u>Inclusion</u>	12.3%	35.8%	33.6%	15.9%	2.4%
Business <u>Sustainability</u>	44.2%	40.5%	13.1%	1.6%	0.6%

Source: Data Processed (2026)



Based on the table above, it can be seen that:

1. Regarding the financial literacy variable, 38.5% of respondents strongly agreed with the questionnaire, 42.7% agreed, and 15.6% somewhat agreed. Meanwhile, 2.4% disagreed, and 0.8% strongly disagreed.
2. Regarding financial inclusion, 12.3% of respondents strongly agreed with the questionnaire, 35.8% agreed, and 33.6% somewhat agreed. Meanwhile, 15.9% disagreed, and 2.4% strongly disagreed.
3. Regarding business sustainability, 44.2% of respondents strongly agreed with the questionnaire, 40.5% agreed, and 13.1% somewhat agreed. Meanwhile, 1.6% disagreed, and 0.6% strongly disagreed.

### Classical Assumption Test

#### Normality Test

The results of the normality test in this study can be seen in the following image:

#### One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		93
Normal Parameters <sup>a, b</sup>	Mean	,0000000
	Std. Deviation	2,93119968
Most Extreme Differences	Absolute	,085
	Positive	,037
	Negative	-,085
Test Statistic		,085
Asymp. Sig. (2-tailed)		,096 <sup>c</sup>

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.

Figure 1.

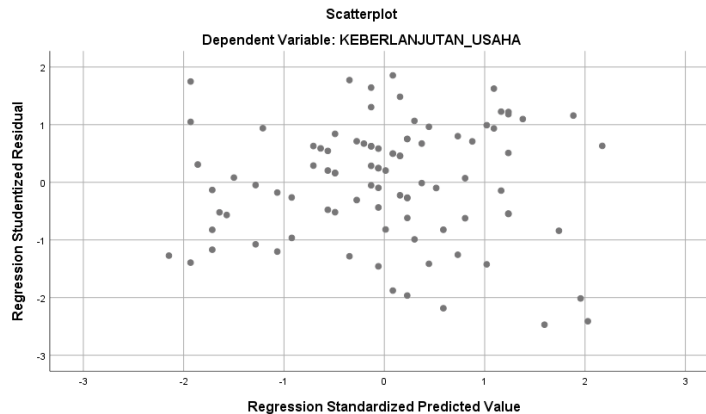
#### One-Sample Kolmogorov-Sminor Test

Source: Data Processed (2025)

Based on the graph above, it can be seen that the test value obtained is an Asymp. Sig. (2-tailed) of 0.096, which means that the data used in this study is normally distributed so that it can meet the requirements for analysis.

### Heteroscedasticity Test

The results of the multicollinearity test can be seen in the following table:



**Figure 2.**  
**Heteroscedasticity Test Results**

Source: Data Processed (2025)

Based on the image above, it can be concluded that the points are spread above and below the number 0 on the Y axis and do not form a pattern, so that in this study there is no heteroscedasticity.

### Multicollinearity Test

The results of the multicollinearity test in this study can be seen in the following table:

**Table 2.**  
**Multicollinearity Test**

**Coefficients<sup>a</sup>**

Model		Collinearity Statistics	
		Tolerance	VIF
1	LITERASI_KEUANGAN	,359	2,787
	INKLUSI_KEUANGAN	,359	2,787

a. Dependent Variable: KEBERLANJUTAN\_USAHA

Source: Data Processed (2025)

Based on the results of the multicollinearity test in the table above, It is known that all variables have a tolerance value greater than 0.10 and a VIF (Variance Inflation Factor) value less than 10, so it can be concluded that multicollinearity does not occur in this study.



Multiple Linear Regression

Table 3. Coefficient Table

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18,042	3,806		4,741	,000
	LITERASI_KEUANGAN	1,007	,178	,855	5,659	,000
	INKLUSI_KEUANGAN	-,630	,143	-,667	-4,411	,000

a. Dependent Variable: KEBERLANJUTAN\_USAHA

Source: Data Processed (2025)

Based on the data in the table above, the regression equation is as follows:

Y = 18.042 + 1.007X1 - 0.630X2

From the results of the equation above, it can be explained as follows:

- a. The obtained constant value is 18.042, which means that if the independent variable is 0 (constant), the dependent variable will be 18.042.
- b. The value of the regression coefficient for the financial literacy variable X1 is positive at 1.007, which means that if variable X1 increases, variable Y will decrease.
- c. The value of the regression coefficient for the financial inclusion variable X2 is negative at -0.630, which means that if variable X2 increases, variable Y will decrease.

Hypothesis Testing

t-test

The results of the t-test by comparing the t-table with the calculated t-table can be seen in the following table:

Table 4.

Model	t	Sig.	Conclusion
Financial Literacy	5,659	0,000	Influential
Financial Inclusion	-4,411	0.000	Influential

Source: Processed Data (2025)



Based on the results of the t-test in the table above can be concluded:

1. In the financial literacy variable (X1), the sig. value is  $0.000 < 0.05$ , so H0 is rejected and H1 is accepted, which means that the financial literacy variable (X1) has an effect on the business sustainability variable (Y).
2. In the financial inclusion variable (X2), the sig. value is  $0.000 < 0.05$ , so H0 is rejected and H1 is accepted, which means that the financial inclusion variable (X2) has an effect on the business sustainability variable (Y).

**F test**

The results of the F test by comparing the calculated F with the F table and P value can be seen in the following table:

**Table 5.**

**ANOVA (Analysis of Variance) F test table**

Model	F	Sig.
Regression	16,032	0,000

Based on the table above, the significance level is  $0.000 < 0.05$ . From these results, it can be stated that the hypothesis H0 is rejected and H1 is accepted. This means that the variables of financial literacy (X1), and financial inclusion (X2) jointly or simultaneously influence the variable of business sustainability (Y).

**The Influence of Financial Literacy on Business Sustainability**

The results of the statistical data processing, the financial literacy variable has a positive regression coefficient of 1.007 with a t-value greater than the t-table value and a significance level of  $0.000 (< 0.05)$ . This condition statistically shows that financial literacy has a positive and significant impact on business sustainability.

The result indicates that every increase in financial literacy will be followed by an increase in business sustainability. These findings are supported by descriptive analysis results showing that the average responses of the respondents to the financial literacy indicators fall within the good to very good category. This condition reflects that the respondents have an adequate understanding of savings management, credit usage, risk management, and business asset protection.

The results of this study are in line with previous research conducted by (Djafar et al., 2023)Djafar et al. (2025), which states that the better the level of financial literacy among business actors, the higher the ability of the business to maintain and develop its sustainability.



### **The Influence of Financial Inclusion on Business Sustainability**

The results of the statistical data processing show that the financial inclusion variable has a negative regression coefficient of -0.630 with a negative t-value and a significance level of 0.000 ( $< 0.05$ ). Statistically, this condition indicates that financial inclusion has a negative and significant impact on business sustainability.

The negative influence indicates that the increase in financial inclusion, measured thru the ease of access and utilization of formal financial services, tends to be followed by a decrease in business sustainability. This condition can be explained based on the results of a descriptive analysis showing that several indicators of financial inclusion, particularly the use of bank accounts for business transactions and the utilization of digital financial services, are still in the fairly good category.

Based on empirical data found in the field, some respondents indeed have access to financial services, such as bank accounts and credit facilities, but their utilization has not yet been fully directed toward business development. This indicates that although access to financial services is available, the level of utilization and management is not yet optimal.

The results of this study are in line with previous research conducted by Maulana et al. (2022), which shows that financial inclusion has a negative and significant impact on business sustainability. This indicates that formal financial access does not always contribute positively to business continuity if the mindset of business actors is still limited to traditional financial access.

### **CONCLUSION**

Based on the results of data analysis and discussions conducted in this research, several conclusions can be formulated as follows:

1. Financial literacy affects the sustainability of businesses among women MSME actors in Batudaa District. This shows that improving the financial literacy of business actors can significantly drive the sustainability of their businesses.
2. Financial inclusion affects the sustainability of businesses among women MSME actors in Batudaa District. These findings indicate that an increase in financial inclusion, measured by the ease of access and utilization of formal financial services, tends to be followed by a decrease in business sustainability and vice versa.



3. Simultaneously, financial literacy and financial inclusion have an impact on the sustainability of businesses among female MSME actors in Batudaa District.

## REFERENCES

- Aisyah, H., Puspita, S., & Metamedia, U. (2022). *Resource-Based View : Strategi UMKM di Sumatera Barat untuk mencapai Keunggulan Kompetitif*. 5(2), 109–120.
- Djafar, A., Moonti, U., Payu, B. R., Ilato, R., & Sudirman, S. (2023). Pengaruh Jumlah Tanggungan Keluarga Terhadap Kemiskinan. *Journal of Economic and Business Education*, 1(2), 17–25. <https://doi.org/10.37479/jebe.v1i2.18086>
- Haris. (2024). *Kemenkopukm Tingkatkan Usaha Mikro Gorontalo Jadi UKM*. BERITAGORONTALO. <https://berita.gorontaloprov.go.id/2024/07/05/kemenkopukm-tingkatkan-usaha-mikro-gorontalo-jadi-ukm/>
- Isam. (2021). *Sebanyak 29.396 UMKM Gorontalo Tumbang Selama Pandemi Covid-19*. Dinas Komunikasi Informatika Dan Statistik Provinsi Gorontalo.
- Isbahi, M. B., Zuana, M. M. M., & Toha, M. (2024). The Multi-Social Relation of the Cattle Industry in the Plaosan Subdistrict Animal Market of Magetan Regency. *Malacca: Journal of Management and Business Development*, 1(1), 31–46. <https://doi.org/10.69965/malacca.v1i1.51>
- Kusuma, M., Narulitasari, D., & Nurohman, Y. A. (2021). *Inklusi Keuangan dan Literasi Keuangan Terhadap KI*. *Jurnal Among Makarti*, 14(02), 62–76.
- Maharani, A. K. (2024). *UMKM di Indonesia Menjamur, 65% Pemiliknya adalah Perempuan*. GoodStats.
- Nogueira, M. C., Almeida, L., & Tavares, F. O. (2025). *Financial Literacy , Financial Knowledge , and Financial Behaviors in OECD Countries*. 1, 1–15.
- Panigoro, N., Payu, B. R., & Mahmud, M. (2025). *Kajian Faktor-faktor yang Berperan terhadap Literasi Keuangan Perempuan Perkotaan dalam Mendukung Percepatan Pencapaian Tujuan Pembangunan Berkelanjutan*. 7, 4126–4144. <https://doi.org/10.47467/alkharaj.v7i12.9958>
- Sugita, I. K. D. N., & Ekayani, N. N. S. (2022). Pengaruh Literasi Keuangan, Inklusi Keuangan dan Akses Permodalan Terhadap Keberlanjutan UMKM Pada Bidang Fashion di Kota Denpasar. *Jurnal Manajemen Dan Bisnis Equilibrium*, 8(1), 117–125.