

ABSTRACT

CALVINA IZUMI / 2100861201216 / FACULTY ECONOMIC OF MANAGEMENT / THE INFLUENCE OF FINANCIAL LITERACY AND FINANCIAL ATTITUDE ON FINANCIAL MANAGEMENT IN SERVICE MSMEs IN MUARA BULIAN DISTRICT, BATANGHARI REGENCY IN 2024/ 1st ADVISOR DR. MUFIDAH SE, M.SI AND 2nd ADVISOR IRA FEBRIANTI, SE, MM, Ak

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in regional economic development. However, many still struggle with effective financial management. This study investigates the influence of financial literacy and financial attitude on the financial management of service-sector MSMEs in Muara Bulian District, Batanghari Regency.

Using a quantitative approach, data were collected through questionnaires distributed to 87 MSME owners or managers. The variables measured include financial literacy, financial attitude, and financial management practices. Data were analyzed using IBM SPSS, with stages including validity and reliability testing, classical assumption testing, and hypothesis testing.

Instrument validity was ensured by comparing r-count and r-table values, while reliability was confirmed using Cronbach's Alpha (> 0.50). Classical assumption tests included the Kolmogorov-Smirnov test for normality, multicollinearity checks, and heteroscedasticity tests using scatterplots and the Glejser test.

In Batanghari Regency, MSMEs are supervised by the Department of Manpower, Cooperatives, and MSMEs, as regulated by Regional Regulation No. 10 of 2022, aimed at improving MSME development.

The results show that financial literacy and financial attitude have a simultaneous significant effect on financial management (F-test sig. = 0.039). Individually, both variables also have significant effects, with p-values of 0.000 (financial literacy) and 0.026 (financial attitude). The coefficient of determination (R^2) is 0.473, indicating that 47.3% of the variation in financial management is explained by the two variables, while 52.7% is influenced by other factors