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Determinants Of Financial Application Use In Msmes: The Role Of Financial Literacy, Basic Accounting Understanding, And Entrepreneurial Orientation

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Abstract

The rapid digital transformation demands that Micro, Small, and Medium Enterprises (MSMEs) adapt, including in financial management through the use of digital financial applications. However, the adoption of this technology still faces challenges, especially related to the internal capabilities of business actors. This study aims to analyze the influence of financial literacy, basic accounting understanding, and entrepreneurial orientation on the use of financial applications in MSMEs in Gubeng District, Surabaya. An explanatory quantitative approach was used with a sample of 76 MSMEs selected by simple random sampling from a population of 314 MSMEs. Primary data were collected through questionnaires and analyzed using multiple linear regression with the help of SPSS. The results showed that simultaneously, the three independent variables significantly influenced the use of financial applications ($F = 28.528$; $p < 0.001$) with the ability to explain the variation of 51.1% (Adjusted R Square). Partially, financial literacy ($\beta = 0.412$; $p = 0.001$) and entrepreneurial orientation ($\beta = 0.359$; $p = 0.005$) were proven to have a positive and significant effect. Meanwhile, basic accounting understanding did not show a significant effect ($p=0.954$). In conclusion, improving financial literacy and strengthening entrepreneurial orientation are key factors in driving the adoption of financial applications among MSMEs. This study recommends an integrated training program that combines financial knowledge and the development of innovative attitudes to optimize MSME financial digitalization.

Keywords: Financial Literacy, Basic Accounting Understanding, Entrepreneurial Orientation, Use of Financial Applications, MSMEs

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INTRODUCTION

The rapid advancement of technology has transformed the landscape of human life, particularly in the economic and business sectors. Kraus *et al.* (2021)He argues that technology is no longer merely a supporting tool but has become an integral element that shapes the entire operational process of a business. This situation demands that business actors be able to adapt quickly to digital transformation to remain competitive in the market. However, the ability to adapt to technological developments is not possessed equally by every individual or business actor. In the economic sector, technology-based changes impact various business processes, from buying and selling mechanisms and payment systems to the management and preparation of financial reports. One economic sector significantly impacted by these technological developments is Micro, Small, and Medium Enterprises (MSMEs), which are required to adapt their business management, including aspects of financial management.(Nugraha *et al.,* 2022) The existence of MSMEs is not only a source of livelihood for business actors, but also plays a role in maintaining economic stability at the local level.

Micro, Small, and Medium Enterprises (MSMEs) are a strategic component of Indonesia's economic structure. According to data Kementerian Koordinator bidang perekonomian Republik Indonesia, (2025), the MSME sector contributes more than 60% to Gross Domestic Product (GDP) and absorbs nearly 97% of the national workforce across various micro and medium business sectors. This widespread distribution of MSMEs makes their sustainability a critical concern for the government, academics, and other stakeholders in maintaining national economic resilience amidst increasingly competitive market dynamics.

The development of digital technology has driven a shift in business management patterns, with MSMEs beginning to use various financial applications for transaction recording, cash flow management, and financial reporting. This is reinforced by research.Ayu *et al.,* (2025) which shows that the improvement in the regularity of financial recording and reporting, as well as data accuracy, supports more appropriate business decision-making after the implementation of a digital recording system. Research by Kurniasari *et al.*, (2025), which shows that the adoption of financial technology, supported by adequate financial literacy, contributes positively to improving the performance of MSMEs in Indonesia through efficient recording and more accurate decision-making. However, in practice, there are still a large number of MSMEs that have not optimally utilized digital financial applications, which is thought to be related to internal factors such as managerial skills and accounting understanding. A systematic study by Tullaili &

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Susanto, (2025)revealed that good financial literacy enables MSMEs to understand and use *fintech services* effectively, which in turn can increase access to financing and optimize financial management. However, this study is still a systematic literature review and does not specifically examine the patterns of financial application use in the daily practices of MSMEs empirically.

At the local level, the phenomenon of suboptimal use of financial applications is evident in the Gubeng sub-district of **Surabaya** . Based on data obtained from the Gubeng sub-district office (2025), there are 314 registered MSMEs in six sub-districts in Gubeng: Airlangga, Baratajaya, Gubeng, Kertajaya, Mojo, and Pucang Sewu. MSMEs in this region are dominated by the culinary, service, and small-scale trade sectors, which are the backbone of the local economy. However, based on researchers' experience during the MSME mentoring program in Gubeng, Mojo sub-district, in 2025, most business owners still manage their finances manually using simple notebooks. Of the 314 MSMEs surveyed, only 4% met the criteria. Some admitted to having never used digital financial applications, such as BukuKas. This is because they are unfamiliar with or do not understand how to use them. This also indicates a gap between the availability of digital technology and the practical ability of MSMEs in Gubeng to adopt it.

The limitations of previous research and the new contributions of this research can be summarized that, although many studies have tested the relationship between financial literacy or *fintech adoption* on MSME performance, there are still few studies that simultaneously test the Influence of Financial Literacy, Basic Accounting Understanding, and Entrepreneurial Orientation on the Use of Financial Applications. as the dependent variable. This study complements the literature by modeling these three factors within a comprehensive causal framework. Furthermore, focusing on MSMEs in Gubeng sub-district provides a specific and empirically relevant local context, particularly given the researcher's direct mentoring experience, reflecting real-world phenomena.

The urgency of this research is heightened given the digital adaptation challenges faced by MSMEs in Indonesia, including Gubeng, where financial technology has the potential to support business sustainability if understood and utilized effectively. The research findings are expected to not only contribute to the development of knowledge in the fields of financial management and technology adoption, but also serve as the basis for practical recommendations for policymakers, MSME mentors, and financial application developers to design more targeted training programs and technology adoption strategies. Thus, this research will help address the gap between technology availability and its utilization by MSMEs in the digital era.

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Literature Review

Theory of Planned Behavior

Recent research shows that the TPB is still relevant in explaining digital technology adoption behavior in MSMEs. Ismail & Rashidi, (2025)In his research on MSMEs, he proved that this theory is able to explain behavioral intentions to adopt *fintech,* where dynamic entrepreneurial capabilities influence technology adoption intentions both directly and through digital financial innovation, enriching the understanding of the TPB in the context of resource and behavioral adaptation to financial technology.

Financial Literacy

According to research conducted by Yazid, (2025), financial literacy has a positive impact on MSME financing access and business sustainability. This is because entrepreneurs with good financial literacy are better able to understand formal financial products and services and manage financial risks prudently.

Basic Accounting Understanding

Research by Hidayatullah & Rachmawati, (2024), shows that basic accounting understanding has a positive effect on the implementation of accounting records in MSMEs, with a 35.2% effect. This indicates that MSMEs with a good understanding of basic accounting tend to implement accounting records more regularly and consistently.

Entrepreneurial Orientation

Putra *et al*. (2025)shows that business actors who have a strong entrepreneurial orientation tend to be more open to the use of digital financial technology and applications to increase the efficiency and transparency of financial reports.

Use of Financial Applications

Along with technological developments and changes in transaction patterns, especially after the COVID-19 pandemic, MSMEs are encouraged to adapt to digital systems, including the use of financial applications, one of which makes it easier to prepare financial reports (Hakim *et al.,* 2024).

RESEARCH METHOD

This study uses a quantitative approach with an explanatory research type that aims to analyze the relationship and influence between the variables of financial literacy

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(X1), basic accounting understanding (X2), entrepreneurial orientation (X3), and the use of financial applications (Y). The type of data used is quantitative primary data obtained directly from respondents through a questionnaire research instrument. The research data source comes from Micro, Small, and Medium Enterprises (MSMEs) in Gubeng District, Surabaya, who are still actively running their businesses and conducting financial management activities. The research population is 314 MSMEs, with sample determination using the Slovin formula at a 10% error rate, resulting in a sample size of 76 respondents. The sampling technique used is *simple random sampling* because the research population is considered homogeneous.

The research instrument consisted of a questionnaire compiled based on the indicators of each research variable and measured using a five-level *Likert scale* . Financial literacy was measured through indicators of basic financial knowledge, attitudes toward financial planning, and financial behavior. Basic accounting understanding was measured through basic accounting understanding, transaction recording, financial reporting, and the application of SAK MSMEs. Entrepreneurial orientation was measured through innovation, proactiveness, and risk-taking, while financial application usage was measured through intensity of use, feature utilization, and frequency of application use. Data collection techniques were carried out through direct questionnaire distribution to MSMEs and online distribution using Google Forms.

The theoretical framework used in this study refers to the concept of financial management behavior and technology adoption, which explains that the level of financial knowledge, accounting skills, and entrepreneurial characteristics can influence the decisions of MSMEs in utilizing financial applications to support business activities. Data analysis techniques were carried out using IBM SPSS Statistics software through several stages, namely validity testing, reliability testing, descriptive statistical analysis, classical assumption tests (normality, multicollinearity, and heteroscedasticity), multiple linear regression analysis, simultaneous tests (F tests), partial tests (t tests), and coefficients of determination (R^2). Hypothesis testing was carried out with a significance level of 5%. The credibility of the research data was guaranteed through instrument quality testing, namely validity testing using *Pearson Product Moment correlation* and reliability testing using *Cronbach's Alpha* to ensure that the research instrument was able to measure variables consistently and accurately.

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RESULT

Data analysis

Validity Test

All items in the four variables had a calculated r value above 0.220 and a significance value <0.001. For the financial literacy variable, the calculated r value was in the range of 0.596–0.724; basic accounting understanding in the range of 0.542–0.756; entrepreneurial orientation in the range of 0.527–0.792; and the use of financial applications in the range of 0.688–0.770. Thus, all items were declared valid and able to represent their respective constructs. No items needed to be removed from further analysis.

Reliability Test

Table 1. Reliability Test

Variables	Variable Name	Number of Items	Cronbach's Alpha	Standard	Information
X1	Financial Literacy	9	0.830	0.700	Reliable
X2	Basic Accounting Understanding	8	0.808	0.700	Reliable
X3	Entrepreneurial Orientation	6	0.767	0.700	Reliable
Y	Use of Financial Applications	5	0.776	0.700	Reliable

The Cronbach's Alpha values for all variables exceeded 0.70. Financial literacy had the highest *alpha value* at 0.830, basic accounting understanding at 0.808, use of financial applications at 0.776, and entrepreneurial orientation at 0.767. These results indicate that all instruments have good internal consistency and are suitable for use in regression analysis.

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Classical Assumption Test

Normality Test

Table 2. Normality Test

One-Sample Kolmogorov-Smirnov Test			
			Unstandardized Residual
N			80
Normal Parameters[a,b]	Mean		.0000000
	Standard Deviation		1.97684364
Most Extreme Differences	Absolute		.094
	Positive		.058
	Negative		-.094
Test Statistic			.094
Asymp. Sig. (2-tailed)[c]			.079
Monte Carlo Sig. (2-tailed)[d]	Sig.		.075
	99% Confidence Interval	Lower Bound	.069
		Upper Bound	.082
a. Test distribution is Normal.			
b. Calculated from data.			
c. Lilliefors Significance Correction.			
d. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 2000000.			

The Asymp. Sig. (2-tailed) value of 0.079 is greater than 0.05. The Monte Carlo Sig. value of 0.075 is also greater than 0.05. Based on these two measures, the model residuals are declared normally distributed. This conclusion is supported by the following Normal PP Plot graph.

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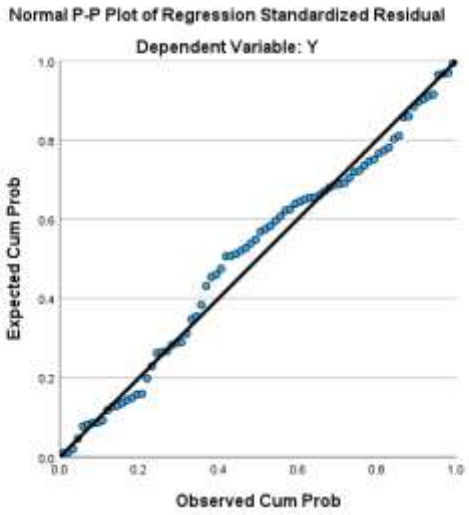


Figure 1. Kolmogorov-Smirnov

Figure 1 shows that the residual points lie around the diagonal line and follow its direction. There are slight deviations in some areas, but they do not form a large systematic pattern. Considering the graph results and the Kolmogorov-Smirnov values, the assumption of normality of the residuals has been met.

Multicollinearity Test

Table 3. Multicollinearity Test

Variables	Tolerance	VIF	Criteria	Information
Financial Literacy (X1)	0.405	2,468	Tolerance > 0.10; VIF < 10	There is no multicollinearity
Basic Accounting Understanding (X2)	0.895	1,117	Tolerance > 0.10; VIF < 10	There is no multicollinearity
Entrepreneurial Orientation (X3)	0.393	2,542	Tolerance > 0.10; VIF < 10	There is no multicollinearity

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tolerance values of X1, X2, and X3 are 0.405; 0.895; and 0.393, respectively, all greater than 0.10. The VIF values are 2.468; 1.117; and 2.542, respectively, all less than 10. Thus, there are no symptoms of multicollinearity that interfere with the model. Each independent variable still has enough different information to explain variations in the use of financial applications.

Heteroscedasticity Test

Table 4. Heteroscedasticity Test

Model Summary [b]				
Model	**R**	**R Square**	**Adjusted R Square**	**Standard Error of the Estimate**
1	.728 [a]	.530	.511	2.01548
a. Predictors: (Constant), X3, X2, X1				
b. Dependent Variable: Y				

ANOVA[a]					
Model	**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
Regression	347.663	3	115.888	28.528	<,001[b]
Residual	308.725	76	4.062		
Total	656.387	79			
a. Dependent Variable: Y					
b. Predictors: (Constant), X3, X2, X1					

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Variabel	B	Std. Error	Beta	t	Sig.	Information
Constant	3,950	1,189		3,323	0.001	—
Financial Literacy (X1)	−0.063	0.047	−0.237	−1,356	0.179	Not significant
Basic Accounting Understanding (X2)	−0.020	0.035	−0.067	−0.570	0.570	Not significant
Entrepreneurial Orientation (X3)	0.012	0.062	0.033	0.186	0.853	Not significant

The significance value of X1 is 0.179, X2 is 0.570, and X3 is 0.853. All of these values are greater than 0.05, so there are no independent variables that significantly explain the absolute residual. The significance value of the Glejser model is also greater than 0.05. These results indicate that the residual variance does not change systematically based on the level of the independent variable.

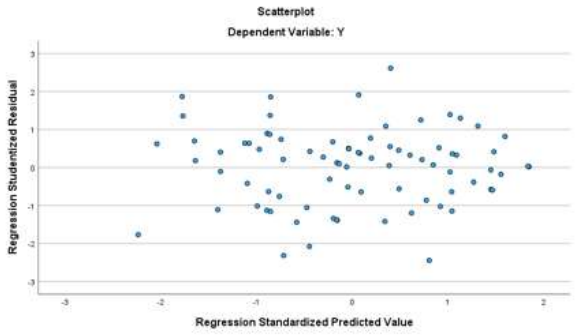


Figure 2. *Scatterplot*

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The scatterplot shows that the points are scattered above and below zero and do not form a conical, regular, or wavy pattern. The residual distribution appears random at various levels of predicted values. Therefore, the graph results are consistent with the Glejser test, and the regression model is declared free from heteroscedasticity.

Multiple Linear Regression Analysis

Table 5. Multiple Linear Regression Analysis

Coefficients [a]							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	2.712	2.033		1.334	.186		
X1	.266	.080	.412	3.338	.001	.405	2.468
X2	.003	.059	.005	.057	.954	.895	1.117
X3	.305	.107	.359	2.864	.005	.393	2.542
a. Dependent Variable: Y							

Based on Table 5, the multiple linear regression equation can be written as follows:

$$Y = 2.712 + 0.266X_1 + 0.003X_2 + 0.305X_3 + e$$

The constant 2.712 indicates the predicted value of financial application usage when financial literacy, basic accounting understanding, and entrepreneurial orientation are at zero. The constant primarily serves as a mathematical starting point for the model. Because the research variable scores are not empirically at zero, substantive interpretation of the constant requires caution.

The financial literacy coefficient of 0.266 indicates a positive trend. Assuming other variables remain constant, a one-unit increase in the financial literacy score is estimated to increase the financial application usage score by 0.266 units. The standardized coefficient (Beta) of X1, 0.412, is the largest value in the model, making financial literacy the predictor with the strongest relative contribution among the variables tested.

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The basic accounting understanding coefficient of 0.003 is also positive, but its magnitude is close to zero. Assuming other variables remain constant, a one-unit increase in the basic accounting understanding score is only accompanied by a 0.003-unit increase in predicted financial application use. The beta value of 0.005 indicates a very small relative contribution, and its significance will be further assessed in a t-test.

The entrepreneurial orientation coefficient of 0.305 indicates a positive trend. Assuming other variables remain constant, a one-unit increase in the entrepreneurial orientation score is estimated to increase financial application usage by 0.305 units. The beta value of 0.359 indicates that entrepreneurial orientation is a relatively strong predictor after financial literacy.

Residual Statistics and Residual Graphs

Table 6. Residual Statistics and Residual Graphs

Size	Minimum	Maximum	Mean	Standard Deviation	N
Predicted Value	13,4006	21,9639	18,0875	2,09781	80
Residual	−4,77898	5,06785	0,00000	1,97684	80
Std. Predicted Value	−2,234	1,848	0,000	1,000	80
Std. Residual	−2,371	2,514	0,000	0,981	80

A mean residual of 0.000 indicates that the prediction error is centered around zero, on average. The standardized residuals range between −2.371 and 2.514, so no standardized residuals exceed the ±3 limit. This indicates the absence of extreme residual outliers in the model. A histogram of the residuals is presented in Figure 4.

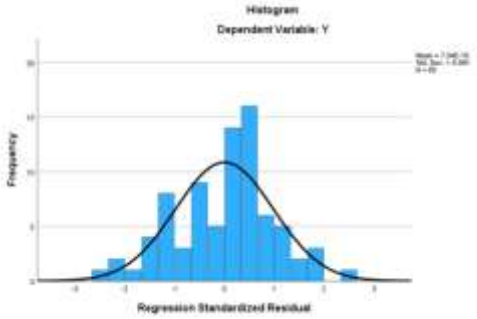


Figure 3. Histogram

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The histogram shows a pattern approaching a bell curve, with a standardized residual *mean* close to zero and a standard deviation of 0.981. Although the distribution is not perfectly symmetrical, the general pattern of the residuals does not exhibit significant deviations. This graph supports the results of *the Kolmogorov-Smirnov test* and the PP plot, indicating that the assumption of residual normality is acceptable.

Hypothesis Testing and Model Fit
Partial Test (t-Test)

Table 7. Partial Test (T-Test)

Hypothesis	Connection	B	t Count	t Table	Sig.	Decision
H1	X1 → Y	0.266	3,338	1,992	0.001	H1 accepted
H2	X2 → Y	0.003	0.057	1,992	0.954	H2 is rejected
H3	X3 → Y	0.305	2,864	1,992	0.005	H3 is accepted

Financial literacy has a t-value of 3.338, which is greater than the t-table of 1.992, and a significance value of 0.001 <0.05. The regression coefficient is positive at 0.266. Thus , H1 is accepted: financial literacy has a positive and significant effect on the use of financial applications among MSMEs.

Basic accounting understanding has a t-value of 0.057, which is smaller than the t-table of 1.992, and a significance value of 0.954 >0.05. Although the regression coefficient is positive at 0.003, the effect is not statistically significant. Thus, H2 is rejected: basic accounting understanding is not proven to have a significant effect on the use of financial applications in this research model.

Entrepreneurial orientation has a t-value of 2.864, which is greater than the t-table of 1.992, and a significance value of 0.005 <0.05. The regression coefficient is positive at 0.305. Thus, H3 is accepted: entrepreneurial orientation has a positive and significant effect on the use of financial applications among MSMEs.

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Model Fit Test (F Test)

Table 8. Model Fit Test (F Test)

ANOVA [a]						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	347,663	3	115,888	28,528	<,001 [b]
	Residual	308,725	76	4,062		
	Total	656,387	79			
a. Dependent Variable: Y						
b. Predictors: (Constant), X3, X2, X1						

The calculated F value of 28.528 is greater than the F table of 2.725 and the significance value <0.001 is smaller than 0.05. Thus, the regression model is declared significant and suitable for use. Simultaneously, financial literacy, basic accounting understanding, and entrepreneurial orientation influence the use of financial applications. This simultaneous result does not mean that each variable must be partially significant; the t-test results show that the simultaneous contribution is mainly supported by X1 and X3, while X2 is not significant after the influence of other variables is controlled.

Coefficient of Determination (R^2)

Tabel 9. Koefisien Determinasi (R2)

Model Summary[b]				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.728[a]	.530	.511	2.01548
a. Predictors: (Constant), X3, X2, X1				
b. Dependent Variable: Y				

The R value of 0.728 indicates a relatively strong simultaneous relationship between the three independent variables and the use of financial applications. The *R Square value* of 0.530 means that 53.0% of the variation in the use of financial applications can be explained by financial literacy, basic accounting understanding, and entrepreneurial orientation in the model. After taking into account the number of

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independent variables and sample size, *the Adjusted R Square* of 0.511 indicates the model's explanatory power of 51.1%. The remaining 48.9% is influenced or explained by other factors outside the research model. The Std. *Error of the Estimate* of 2.01548 indicates the magnitude of the average deviation of the model's predictions on the score of use of financial applications. This value needs to be understood in units of the total Y score. The model has been significant and has considerable explanatory power, but does not explain all variations in the behavior of using financial applications.

Hypothesis Decision Summary

Table 10. Hypothesis Testing

Hypothesis	Hypothesis Statement	Coefficient	Sig.	Results
H1	Financial literacy has a positive influence on the use of financial applications	0.266	0.001	Accepted
H2	Basic accounting understanding has a positive influence on the use of financial applications.	0.003	0.954	Rejected
H3	Entrepreneurial orientation has a positive influence on the use of financial applications.	0.305	0.005	Accepted

DISCUSSION

The Influence of Financial Literacy on the Use of Financial Applications

These findings can be explained through *the Theory of Planned Behavior.* Financial literacy strengthens *perceived behavioral control* because MSMEs who understand cash flow, planning, risk, and financial record-keeping will feel more capable of operating financial applications. Applications are no longer viewed merely as technical devices, but as tools that help implement understood financial management concepts. When business owners understand what information needs to be recorded and how it can be used, the psychological barrier to using applications is reduced.

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Descriptive results support this explanation. *The mean* financial literacy score of 3.668 is in the high category, with a dominant "Agree" response of 45.69%. The items on separating personal and business money and understanding financial concepts achieved high *means* . These practices create a need for more structured record-keeping. Financial applications provide facilities for separating transactions, monitoring income and expenses, and presenting business information more quickly, so that those with better literacy tend to see the benefits of the applications more clearly.

The research findings align with Ansori *et al* . (2024), who explained that financial literacy helps MSMEs use *fintech* for planning, recording transactions, and accessing financial information. These results are also consistent with Hilmawati and Kusumaningtias (2021), Putriana *et al.* (2026), and studies summarized in Chapter II, which demonstrate the role of financial literacy in financial management and the use of financial technology. Although some previous studies used financial performance or management as the dependent variable, the findings support the argument that financial literacy is the foundation for more systematic financial behavior.

Practically, these results demonstrate that increasing the use of financial applications cannot be achieved simply by introducing application features. Training needs to integrate basic financial knowledge, budgeting, separating personal and business funds, debt management, and understanding reporting functions. Increasing literacy enables MSMEs to connect application features with their business decision-making needs.

The Influence of Basic Accounting Understanding on the Use of Financial Applications

These findings need to be distinguished from the descriptive results. *The mean* basic accounting understanding of 3.458 is in the high category, indicating that respondents generally tend to have a fairly good understanding. However, the dominance of neutral responses at 43.28% indicates that this level of understanding is not evenly distributed and is not always translated into consistent accounting practices. The items for document retention, cash flow statement preparation, and standardized report preparation are in the medium category. Therefore, a high *mean category* does not automatically produce a significant partial effect in the regression.

One relevant explanation is the characteristics of modern financial applications, which are designed to be simple and automated. MSMEs can use features for recording transactions, digital payments, or summarizing income and expenses without having to

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master the entire formal accounting process. From *the Technology Acceptance Model perspective,* technology adoption is also influenced by perceptions of ease and usefulness. If an application is deemed easy and directly supports operations, business owners may use it based on practical needs, even if their understanding of journals, cash flow statements, or MSME Financial Accounting Standards (SAK) is limited.

The non-significant findings do not mean that accounting understanding is unimportant. Such understanding is still necessary for MSMEs to interpret application output, evaluate profit and loss, control cash flow, and prepare appropriate reports. The study's findings more accurately indicate that basic accounting understanding is not yet a direct differentiating factor in respondents' decisions or intensity of application use. Mentoring programs need to connect accounting material with hands-on application practice so that knowledge doesn't just stop at concepts but transforms into habitual use.

The Influence of Entrepreneurial Orientation on the Use of Financial Applications

In *the Theory of Planned Behavior* , entrepreneurial orientation is related to *attitude toward behavior* . Entrepreneurs with a positive attitude toward innovation will be more open to changing manual record-keeping to digital. Courage to try new products or services, seeking market opportunities, and a willingness to face uncertainty provide psychological capital for adopting technology. Financial applications are seen as a means to increase efficiency and the ability to respond to business changes, not simply an administrative obligation.

Descriptive results show *a mean* entrepreneurial orientation of 3.554, in the high category. The item on courage to try new products or services achieved the highest *mean* of 3.813. This is consistent with the regression results: respondents who are more open to innovation tend to be more willing to utilize financial applications. However, the item on viewing failure as a lesson achieved a medium *mean* of 3.175. This suggests that technology adoption programs should also provide a safe trial space and support when entrepreneurs encounter initial difficulties.

These findings support the argument in Chapter II that entrepreneurial orientation drives openness to technology and modernization of business management. MSMEs with a strong entrepreneurial orientation tend to be more proactive in seeking tools that can improve record-keeping, transparency, and decision-making. Financial applications fit these needs by providing transaction information more quickly and in a structured manner.

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The implication is that MSME digitalization strategies need to consider entrepreneurial behavior. Training should not only include technical instructions for using the application but also highlight strategic benefits, successful case studies, decision-making simulations, and a trial space. This approach can strengthen MSMEs' positive attitudes and courage in incorporating the application into their daily business processes.

The Simultaneous Influence of Financial Literacy, Basic Accounting Understanding, and Entrepreneurial Orientation on the Use of Financial Applications

The differences between partial and simultaneous results also provide important insights. Basic accounting understanding was not significant in the partial model, but remained significant in the simultaneous model. This means that the model's success is not the result of equal contributions from each variable. Financial literacy and entrepreneurial orientation are the primary drivers, while basic accounting understanding is more likely to act as a supporting skill that improves the quality of use after the application has been deployed.

The integration of the TPB and TAM can explain these findings. The TPB emphasizes attitudes and perceived behavioral control, while the TAM emphasizes perceived usefulness and ease of use. Financial literacy enhances the ability to understand the financial benefits of an application, entrepreneurial orientation strengthens attitudes toward innovation, and accounting understanding helps interpret application output. However, as applications become more automated, the direct influence of accounting understanding on usage decisions may weaken compared to literacy and innovation orientation.

CONCLUSION

Based on the results of research on the influence of financial literacy, basic accounting understanding, and entrepreneurial orientation on the use of financial applications among MSMEs in Gubeng District, Surabaya, it can be concluded that financial literacy has a positive and significant effect on the use of financial applications. Basic accounting understanding does not have a significant effect on the use of financial applications, although it has a positive relationship direction. Meanwhile, entrepreneurial orientation has a positive and significant effect on the use of financial applications. Simultaneously, financial literacy, basic accounting understanding, and entrepreneurial orientation have a significant effect on the use of financial applications with an *Adjusted*

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R Square value of 0.511, which indicates that the independent variables are able to explain 51.1% of the variation in the use of financial applications, while 48.9% is influenced by other factors outside the study.

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