International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

The Influence Of Financial Literacy and Accounting Technology on The Sustainability OF MSMEs

Lindayani Ritonga[1]

[1]Accounting Department, STIE Business Development and Management, Dewi Sartika Street No.4E-F Cililitan, East Jakarta, DKI JAKARTA

Corresponding author : ritonga08ha301982@gmail.com

Abstract

Negotiation is Study This aim For analyze influence Literacy finance and technology accountancy to Sustainability of Micro, Small, and Medium Enterprises (MSMEs). Research methods used is approach quantitative with technique analysis multiple linear regression. Primary data obtained of 74 MSME actors through questionnaire based Likert scale. Analysis results show that literacy finance and technology accountancy own influence positive and significant to sustainability of MSMEs, with mark coefficient determination (R^2) of 0.65. Findings This indicates that improvement understanding to draft finance as well as utilization technology accountancy can strengthen Power resistance and capacity growth of MSMEs in face challenge business. Research This give recommendation strategic in the form of integration training literacy finance and technology accountancy to in a sustainable MSME empowerment program. With thus, it is hoped that MSMEs capable increase efficiency operational, transparency finance, and resilience business in a way comprehensive research this also opens room for studies continuation that explores other variables such as digital innovation and access financing as factor supporters sustainability of MSMEs.

Keywords: Literacy finance, Technology Accounting, MSME sustainability. Multiple linear regression

INTRODUCTION

Background Study

MSMEs are sector strategic in the Indonesian economy, however Lots perpetrator business that has not been own system well organized and unorganized finances utilise technology accountancy optimally. Literacy finance and digitalization become factor important in guard sustainability business . Previous studies (Wulandari & Sari, 2022;

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Putra & Dewi, 2021) show that understanding financial and usage technology accountancy contribute to efficiency and power MSME resilience. This aim are test influence second variables the sustainability of MSMEs in general simultaneously. MSMEs are bone back the Indonesian economy, however many have not own system strong and undeveloped finances utilise technology accountancy optimally. Literacy low finances and manual recording become challenge in guard sustainability business. In the digital era, the ability MSME actors in understand finance and adopt technology become key survive and thrivez

Formulation of the problem

1. Whether literacy finance influential to sustainability of MSMEs?
2. Whether use technology accountancy influential to sustainability of MSMEs?
3. How much big influence second variables the to sustainability of MSMEs?

Research purposes

1. Analyze influence literacy finance to sustainability of MSMEs
2. Analyze influence use technology accountancy to sustainability MSMEs
3. Know influence simultaneous second variables to sustainability of MSMEs

Benefits of research

1. **Academic** : Add reference about literacy finance and technology accountancy in MSME context
2. **Practical** : Give recommendation for MSME actors to increase sustainability business
3. **Policy** : Become base for government and institutions companion in designing educational and digitalization programs for MSMEs

LITERATURE REVIEW

Financial Literacy

Literacy finance is ability individual in understand and manage aspect finance in a way effective, including planning budget, taking decision investment, and debt management.

According to Lusardi & Mitchell (2014), literacy finance play a role important in increase stability economy individuals and businesses small . In the context of MSMEs, literacy finance help perpetrator business make more decisions rational and sustainable. Indicators used:

- Understanding budget

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

- Debt management
- Knowledge investment
- Evaluation risk finance

Accounting Technology

Technology accountancy refers to the use of device software and digital applications for record, manage, and analyze financial data business. According to Romney & Steinbart (2018), technology accountancy increase efficiency, accuracy, and transparency in management finance. MSMEs that adopt technology This tend own system more recording good and capable take decision data- based.

Example relevant technology :

- Application bookkeeping (eg BukuKas , Jurnal.id)
- POS (*Point of Sale*) System
- *Digital invoices* and reports automatic

Sustainability of MSMEs

Sustainability of MSMEs includes ability business For survive , thrive , and adapt in term length . This includes aspect economic , social , and environmental . According to Schaltegger et al. (2012), sustainability business determined by long-term strategy length , efficiency operational , and capabilities adaptation to market changes .

Indicator sustainability :

- Resilience business to crisis
- Development strategy long- term
- Evaluation and innovation business
- Adaptation to technology and market

Previous Research

A number of relevant studies :

1. *Wulandari & Sari (2022)* : Literacy finance influential significant to performance of MSMEs in Magelang .
2. *Putra & Dewi (2021)* : Usage technology accountancy increase efficiency and accuracy recording MSME finance .
3. *Sari et al. (2023)* : Combination literacy finance and digitalization accountancy strengthen sustainability business micro in the sector culinary .

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Framework

Study This leave from assumptions that literacy finance and use technology accountancy is two factor important things that influence sustainability of MSMEs. Second variables independent expected own influence positive to variables dependent

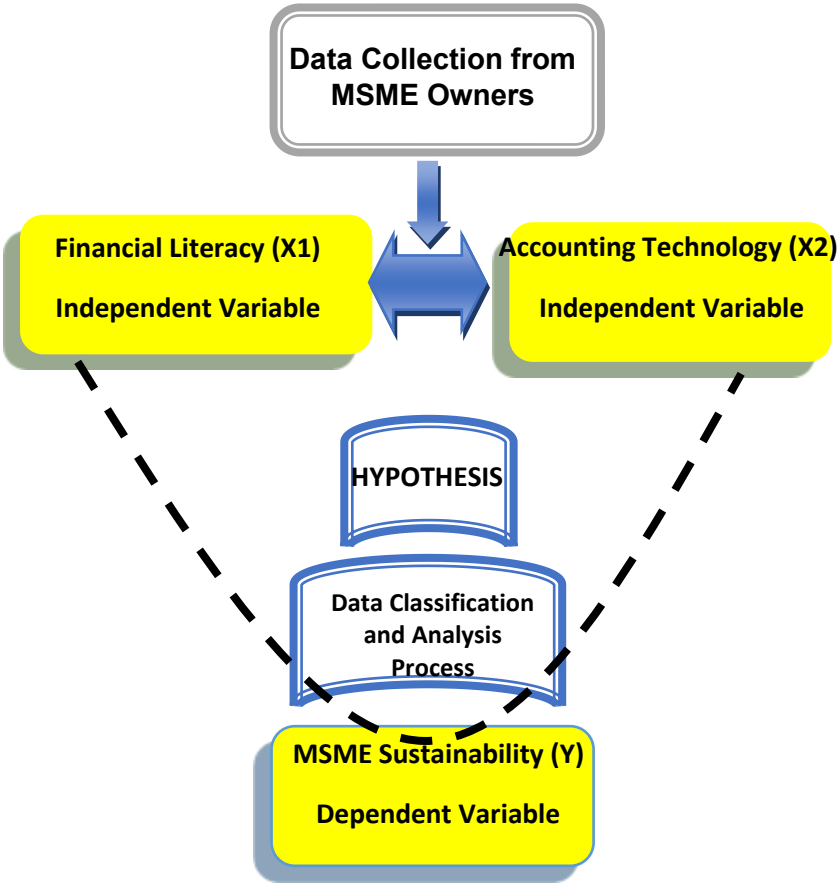


Figure 1: financial literacy and use of accounting technology

Diagram/Chart Explanation :

- **X1 and X2** is variables assumed independence own influence **to Y** variable dependent).
- Arrow (Line separated curved) shows direction the relationship that will tested through analysis regression.
- This diagram describes a Multiple Linear Regression model, where two variables free tested to One variables tied.

Research Hypothesis

- **H1:** Literacy finance influential positive to sustainability of MSMEs

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

- **H2:** Use technology accountancy influential positive to sustainability MSMEs
- **H3:** Literacy finance and technology accountancy in a way simultaneous influential to sustainability of MSMEs

RESEARCH METHODS

Types of research

Study use Approach Quantitative with design Descriptive Correlational. Main objective is influence Literacy finance and technology accountancy to Sustainability of MSMEs. This design chosen Because capable measure connection between variables in a way objective based on the numerical data obtained from respondents.

Location and Time of Research

Study implemented in the East Jakarta area, which has concentration active MSME actors. Implementation time study ongoing for 7 (seven) months from February to August 2025.

Population and Sample

Population in study This is active MSME actors operate business and have experience use technology accountancy or follow training finance. Techniques for taking sample using purposive sampling, with criteria as following :

- Has been running minimum 1 year of business
- Own experience in recording finance
- Willing become respondents and fill in questionnaire.

Amount samples used as many as 74 respondents, accordingly with Slovin's formula :

$$n = N / (1 + (N \times e^2))$$

Formula Components

n: Amount or size samples to be counted

N: Total population

e: Margin of error, namely level tolerance errors determined by the researcher, usually in form decimal (for example, 5% or 0.05), with the Level Error (e) of 5% N is total population, and e is the margin of error or level tolerance error.

Research Variables

- Variables independent (X1) : Literacy Finance
- Variables independent (X2) : Technology Accountancy

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

- Variables dependent (Y) : Sustainability of MSMEs

Data collection technique

Primary data: collected through questionnaire structured consisting of of 30 statements, 10 statements each every variable. Statement arranged based on Indicator Theoretical and assessed using the Likert Scale (5 points):

Score	Assessment Categories
5	Strongly agree
4	Agree
3	Disagree Less
2	Don't agree
1	Strongly Disagree

Secondary data obtained from MSME empowerment program documents, reports agency related, and publications academic.

Operational Definition of Variables

The operational definition of the variables studied is as follows:

Variables	Key Indicators	Scale
Literacy Finance (X1)	Budget, debt, investment, risk, record keeping	Likert 1–5
Technology Accounting (X2)	Applications, reports automatic, digital invoice	Likert 1–5
Sustainability of MSMEs (Y)	Resilience business, long-term strategy long, adaptation	Likert 1–5

Data Analysis Techniques

a. Data processed use **multiple linear regression**, test the influence of X1 and X2 on Y
b. Software used : **Excel**
c. Statistical tests performed :
   - Instrument Validity and Reliability Test
   - Multiple Linear Regression Test
   - Significance Test (t-test and F-test)
   - Coefficient of Determination (R^2)

   Stages include:

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

- Validity and Reliability Test: For ensure that instrument questionnaire worthy used.
- Descriptive Analysis: Presenting distribution scores and averages per variable.
- Regression Test Multiple: For know influence simultaneous X1 and X2 with respect to Y.

Data Analysis Model

The data analysis model uses Multiple Linear Regression with two Independent Variables, has the formula:

$$Y = a + b_1X_1 + b_2X_2 + e$$

Where :

- Y = Sustainability of MSMEs
- X_1 = Literacy Finance
- X_2 = Technology Accountancy
- A = Constant
- b_1, b_2 = Coefficient regression
- e = Error

RESEARCH ETHICS

Study This uphold tall principle ethics, including *Informed consent*, confidentiality of respondent data, and use of data only for interest academic. Respondents given explanation about objective research and rights they as participants.

DISCUSSION

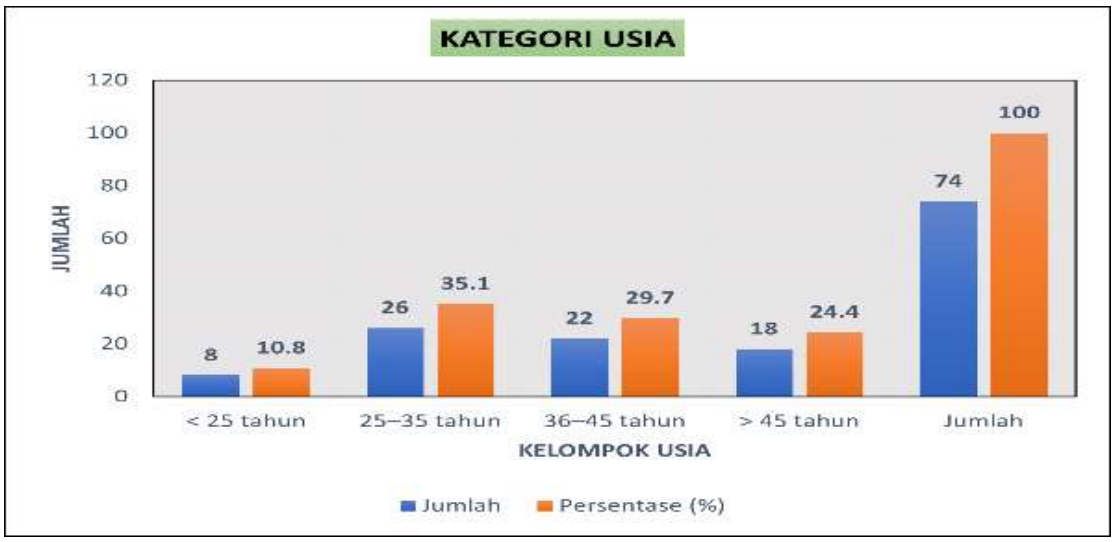
Respondent Data Description

Study This involving 74 MSME actors from various sector and background back, sample the obtained through observation field against 91 MSME populations (Guided by the East Jakarta Chamber of Commerce and Industry), in the sub-district Cawang East Jakarta. Determination amount sample use Slovin's formula.

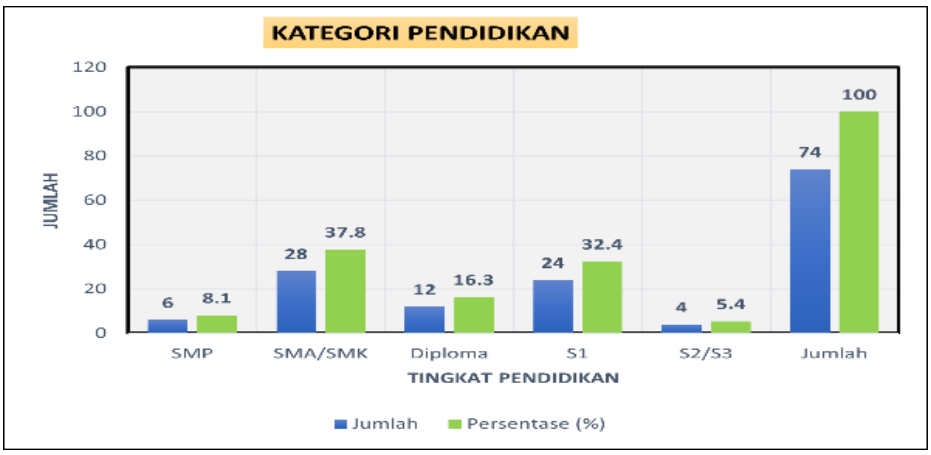
Characteristics respondents covering age, Education Level, Length of Time in Business, and The business sector being worked on. The results can seen in Category Data Visualization Respondents, through Images can be seen in the figure 1.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR



Most of the respondents be in range aged 25–35 years (35.1%), followed by the group aged 36–45 years (29.7%). This show that majority perpetrator business is at in age productive, which is theoretical own capacity adaptive to change technology and policy business. Respondents education categories can be seen in the figure 2.



Level of education respondents dominated by high school/vocational school graduates (37.8%) and undergraduate (32.4%). Background education This show that MSME actors have potential sufficient literacy for understand Aspect Finance and Technology Accounting that becomes variables in study. Category of Length of Time in Business can be seen in the figure 3.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

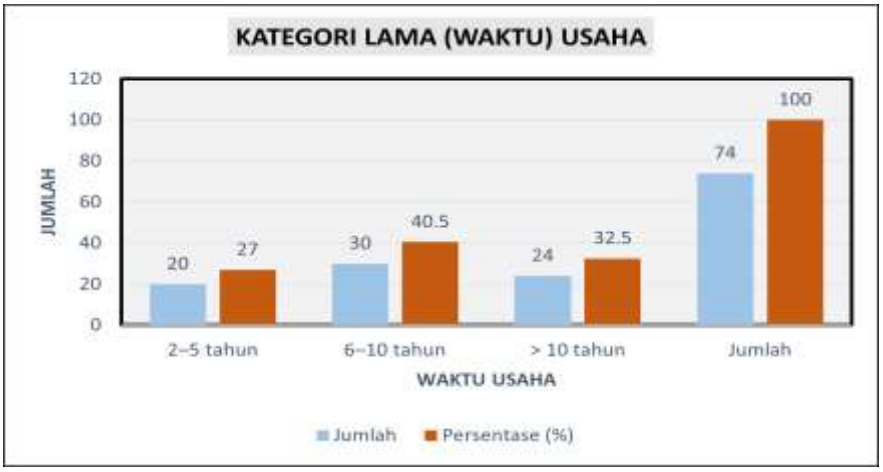


Figure 3: Category of Length of Time in Business

Most of the respondents has operate business for 6–10 years (40.5%), followed by >10 years (32.5%). Duration This show that majority MSME actors have enough experience in manage business, which has an impact to sustainability business. Categories Respondent's Business Sector can be seen in the figure 4.

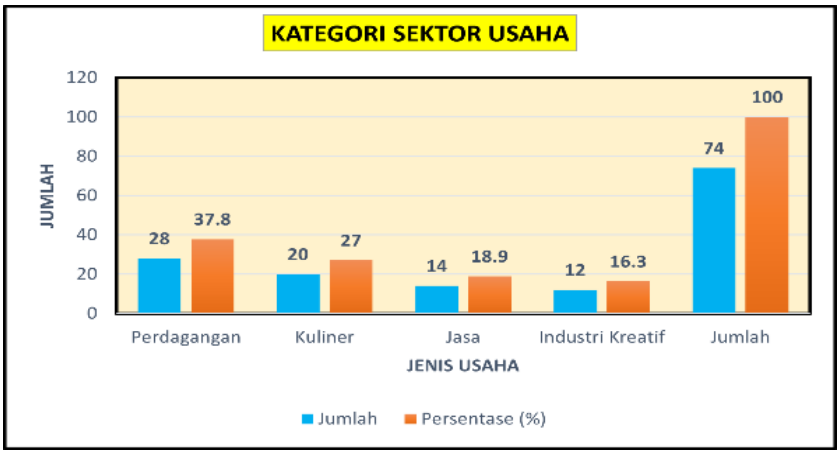


Figure 4: Categories Respondent's Business Sector

Sector Trading dominates (37.8%), followed by Culinary (27%), Services (18.9%), and Industry Creative (16.3%). Composition This reflect characteristics general MSMEs in the research area, which are oriented towards the sector consumer and service.

1. Description of Research Variables

This research uses 3 (three) main variables:

a. Financial Literacy (X1)
b. Accounting Technology (X2)

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

c. Sustainability of MSMEs (Y)

To obtain the values of the three variables above, so that they can be used in Regression Analysis, the Likert Scale data is converted to each score. statement that has distribution SS–STS (Strongly Agree - Strongly Disagree) answers. Convert the data will become total score per respondent, as well as count average score per statement for variables X1, X2 and Y.

Distribution score on variable X1 (literacy finance), X2 (technology accounting), and Y (sustainability of MSMEs) are presented for give description beginning about data distribution before done analysis relationships and influences.

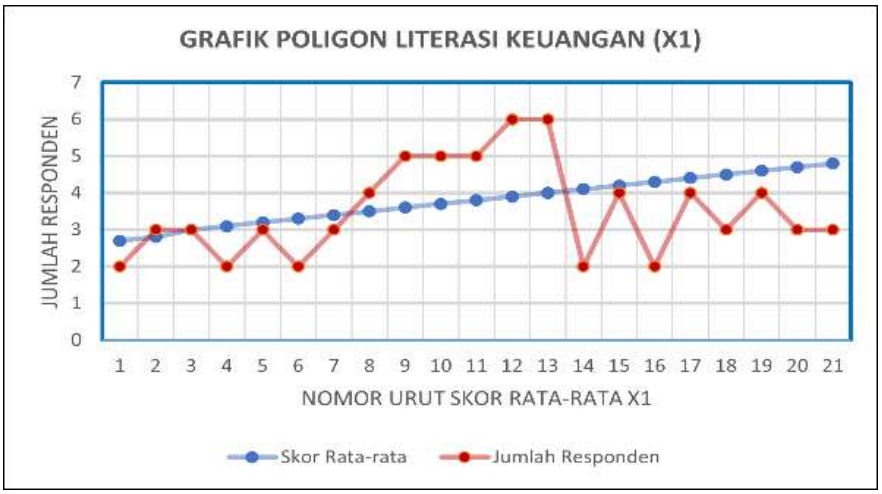
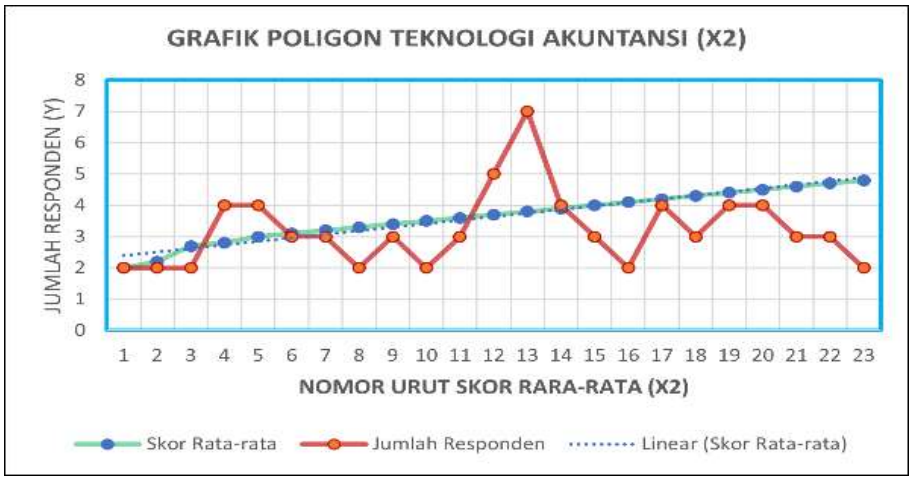


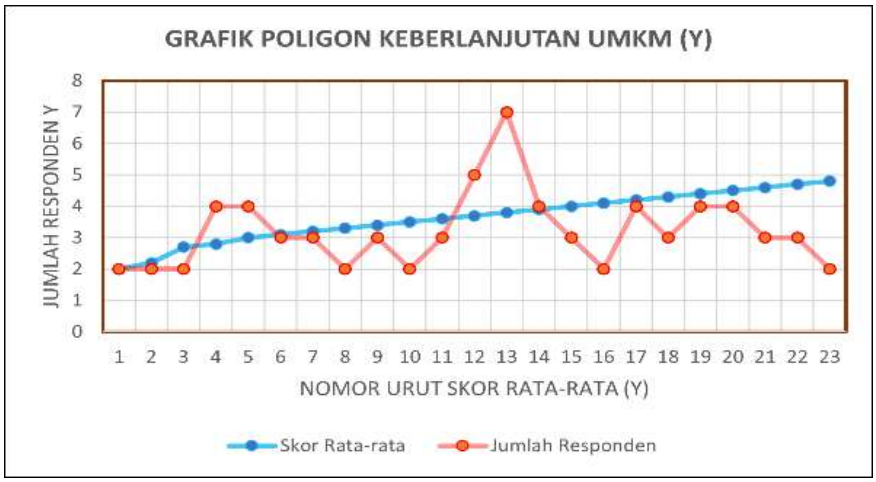
Chart polygon show that score literacy finance own relative distribution evenly with trend positive. The linear trend line indicates that improvement score happen in a way consistent in the group respondents certain.



Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

Distribution score technology accountancy show trend improvement, although amount respondents on the score tall relatively more a little. This is show that understanding to technology accountancy Still varies among MSME actors.



Distribution score the sustainability of MSMEs shows peak at a score of 13, which indicates that part big respondents be at the level sustainability medium . The linear trend line shows trend improvement score sustainability .

Linear Regression Calculation Results

Multiple linear regression analysis done For know influence variables independent literacy finance (X_1) and technology accounting (X_2) against variables dependent sustainability of MSMEs (Y). Calculation done use approach quantitative with help device soft statistics, and the results served in form equality regression as well as indicator statistics supporters .

Based on results analysis , obtained equality Multiple Linear Regression as following :

$$\mathbf{Y = 5.12 + 0.42X_1 + 0.36X_2}$$

- Coefficient regression (0.42 for X_1 and 0.36 for X_2)
- Constant value (5.12)
- $R^2 = 0.68$
- F- statistic = 76.3
- p-value < 0.001

Equality the show that:

- Constant of 5.12 indicates mark sustainability of MSMEs today literacy finance and technology accountancy is worth zero.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

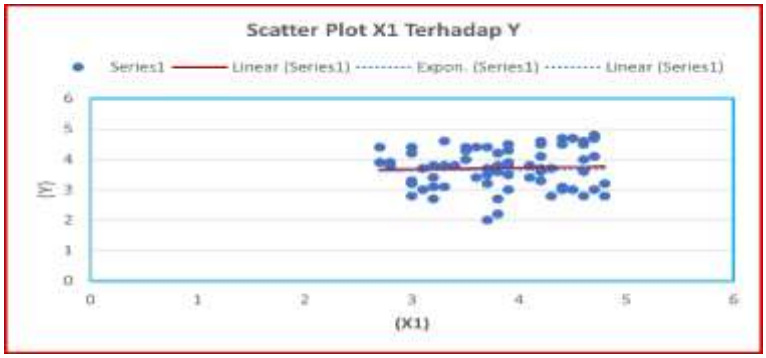
International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR

- X_1 coefficient of 0.42 indicates that every improvement one score unit literacy finance will increase score sustainability of MSMEs by 0.42 points, with assuming X_2 is constant.
- X_2 coefficient of 0.36 indicates that every improvement one score unit technology accountancy will increase score MSME sustainability of 0.36 points, with assuming X_1 is constant.

Coefficient value determination (R^2) of 0.68 indicates that 68% of the variation in sustainability of MSMEs can explained by variables literacy finance and technology accounting. The rest 32 % is influenced by other factors outside the model, such as aspect social, policy, or internal characteristics of the business. The R^2 value approaching 0.70 indicates that the regression model own level sufficient accuracy tall and worthy used for interpretation academic. Statistic test results show mark as big as 76.3 with p-value < 0.001, which means the regression model significant in a way statistics. This means that, in general, simultaneous variables X_1 and X_2 have an influence against Y. With level significance 0.05, results This show that there is meaningful relationships between literacy finance and technology accountancy to sustainability of MSMEs.

Visualization Relationship between variables

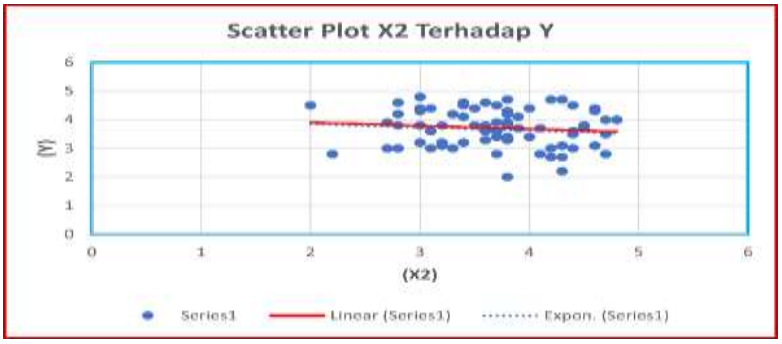
Strengthen results regression, presented Scatter Plot Graph between X_1 to Y and X_2 to Y in the following figure .



The scatter plot shows connection positive between literacy financial (X1) and MSME sustainability (Y). Linear trend line and sufficient R^2 value tall show that improvement literacy finance tend followed by an increase sustainability business.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

International Journal of Economics, Business and Innovation Research
https://e-journal.citakonsultindo.or.id/index.php/IJEBIR
E-ISSN : 2964-0865
IJEBIR



Connection between technology accounting (X2) and MSME sustainability (Y) show correlation weak negative. This is indicates that the influence of X2 on Y is complex and non- linear, so that need analyzed more carry on with approach multivariate. Distribution of Respondent Scores on X1, X2 and Y, can be seen in Figure 10.

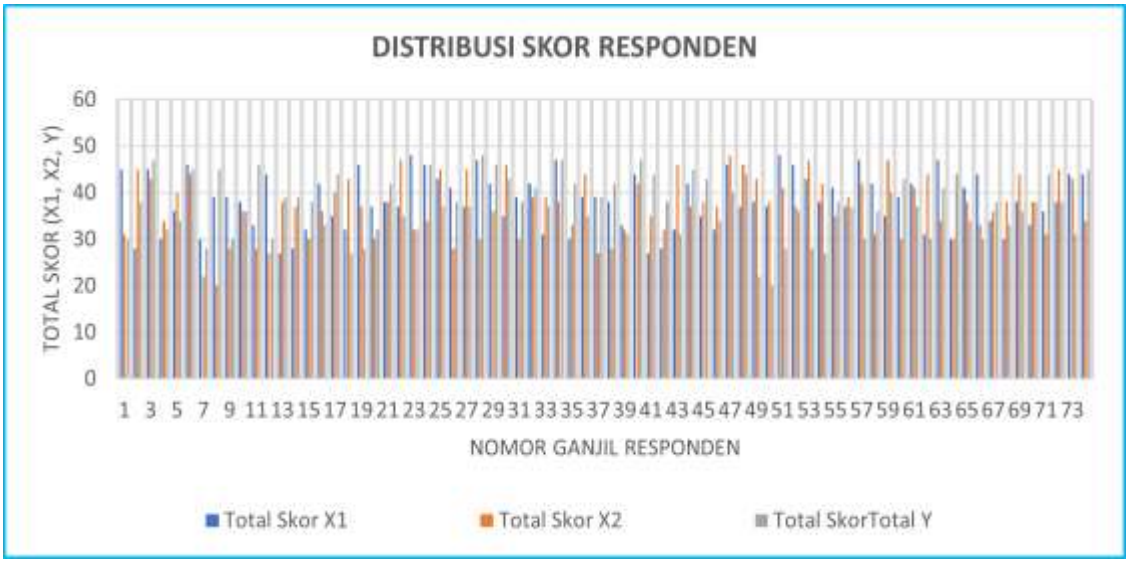


Chart stem show total score of each respondent on variables X1, X2, and Y. The visual pattern shows that Y scores tend to follow combination scores X1 and X2, which strengthens findings that second variables independent own contribution to sustainability of MSMEs.

Research result show that literacy finance (X_1) and technology accounting (X_2) has influence to sustainability of MSMEs (Y), with different contributions. Discussion This integrate results analysis regression, distribution scores, and characteristics respondents For interpret findings in a way comprehensive.

Findings This in line with theory from Lusardi & Mitchell (2014), which emphasizes importance literacy finance in taking decision effort. Understanding to recording

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

transactions, capital separation, and planning finance term long become foundation sustainability business. On the other hand, Technology Accountancy play a role as accelerator efficiency. Use application recording, system digital payments, and reporting finance proven software based increase accuracy and speed taking decision. A study by Sari & Nugroho (2021) also shows that MSMEs that adopt technology accountancy own Power stand more tall to market pressure.

Literacy Finance (X_1) as a Dominant Factor

Coefficient regression of 0.42 indicates that literacy finance own influence positive and significant to sustainability of MSMEs. This in line with theory that understanding finance is foundation main in management business small. Respondents with high X_1 score tend own ability in compile budget, manage cash flow, and make decision rational investment. Distribution X_1 score (Figure 5) shows trend consistent increase, and the scatter plot of X_1 against Y (Figure 8) reinforces this. connection positive. The high R^2 value in the regression model also indicates that X_1 contributes big in explain Y variation.

Technology Accounting (X_2) as a Supporting Factor

Coefficient regression of 0.36 indicates that technology accounting also has an influence to sustainability of MSMEs, even though with more power low compared to X_1. This is show that utilization technology Not yet fully optimal among MSME actors. Distribution X_2 score (Figure 6) shows more variations large, and the scatter plot of X_2 against Y (Figure 9) shows correlation weak negative. This factor can influenced by limitations access to device technology, low digital literacy, as well as habit operations are still manual.

Characteristics Respondents as Context Amplifier

Characteristics respondents (Figures 1–4) showed that majority MSME actors are at the age of productive, have education medium until high, and has operate business more than five years. This is support capacity they for understand literacy finance, but not yet of course ready for adopt technology accountancy in a way full. Sector dominant business is trade and culinary, which tends to own system recording simple and yet integrated with digital technology. Therefore, approach training and mentoring technology need customized with characteristics.

Academic and Practical Implications

Findings this give contribution to development of a sustainable model for MSMEs based on literacy finance and technology accounting. In terms of academic, research this strengthen theory that literacy finance is variables key in strengthening capacity business

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

small. In terms of practical, results This can become base for government, institutions training, and MSME communities for designing improvement programs more capacity appropriate target.

CONCLUSION

Based on the findings of this study, Financial Literacy (X_1) and Accounting Technology (X_2) have positive and significant effects on MSME Sustainability (Y). Financial literacy contributes more strongly by improving financial decision-making, cash flow management, and long-term business planning. Although accounting technology also supports business sustainability, its impact is relatively lower due to challenges in technology adoption, limited access, and users' digital competencies. The multiple linear regression analysis shows that both independent variables simultaneously explain 68% of the variation in MSME sustainability ($R^2 = 0.68$), while the remaining 32% is influenced by other factors. Overall, the findings highlight the importance of strengthening financial literacy and promoting the adoption of accounting technology to improve the sustainability and competitiveness of MSMEs. It is recommended that MSME owners, government agencies, training institutions, and future researchers collaborate to enhance financial capability, expand digital adoption, and support sustainable business development.

REFERENCES

Alavoine, Claude and et al (2014), Teaching and Learning Negotiation: Is There Still Room For Innovation? *International Journal of Management & Information Systems*, Vol. 18, Iss. 1, pp. 35-40.

Adriani, M., & Sari, R, (2020), The Influence Literacy Finance on the Performance of MSMEs in the City Bandung, Journal of Economics and Business , 15(2), 123–134.

MSME Finance, Journal Accounting and Technology Information, 9(1), 45–56.

Aprilia, D., & Nugroho, A. (2021), Utilization Technology Accountancy in Management

Bank Indonesia, (2022), Report Annual Report of Indonesian MSMEs, Jakarta: Bank Indonesia.

Fitriani, R., & Hidayat, T, (2019). Analysis of Factors Influencing Sustainability Micro Enterprises, Journal Management and Entrepreneurship, 11(3), 210–220.

Ghozali, I Ministry, (2018), Multivariate Analysis Application with IBM SPSS 25 Program, Semarang: Diponegoro University Publishing Agency.

Cooperatives and SMEs. (2021). Profile of Indonesian SMEs, Jakarta: Ministry of Cooperatives and SMEs.

Lestari, N., & Prasetyo, E, (2020), Literacy Finance and Usage Technology in Improving the Competitiveness of MSMEs, Journal of Digital Economics, 5(2), 88–97.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.

Sugiyono, (2019), Research Methods Quantitative, Qualitative, and R&D, Bandung: Alfabeta.

Suryani, D., & Ramadhani, F, (2022), The Role of Technology Accountancy in Efficiency Operational MSMEs, Journal of Information Systems and Accounting, 7(1), 33–42.

Yuliana, S, (2021), Sustainability Strategy for MSMEs in the Digital Era, Journal Empowerment Economics, 6(3), 145–158.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License.