

Integration of Financial Literacy and Digital Technology in Songkok MSMEs Financial Management

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ABSTRACT

This study aims to analyze the integration of financial literacy and digital technology in financial management practices at UD Mas Achid, a songkok micro, small, and medium enterprise in Gresik Regency, Indonesia. This research employed a qualitative approach with a case study method. Data were collected through in-depth interviews, observations, and documentation involving the business owner and finance staff. The findings show that financial literacy is reflected in transaction recording, cash flow management, separation of business and personal finances, receivables control, and the use of financial information for decision-making. Digital technology, including accounting software, spreadsheet applications, QR-based payments, and digital banking services, supports more efficient transaction recording, financial reporting, inventory and receivables management, and access to financial information. The technology is perceived as useful because it improves work effectiveness and supports data-based decision-making, while its ease of use is demonstrated by the users' ability to operate the systems after an adaptation process. However, effective digital utilization also depends on users' consistency in recording financial data. The study concludes that financial literacy and digital technology complement each other, with financial literacy providing the ability to understand financial information and digital technology facilitating its processing and utilization for effective financial management and business sustainability.

Keywords: Financial literacy; Digital technology; Financial management; Technology acceptance; Micro, small, and medium enterprises.

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How to cite this article: Al Muttaqin, M. D., & RF, R. D. Z. (2026). Integration of Financial Literacy and Digital Technology in Songkok MSMEs Financial Management. Neraca Keuangan : Jurnal Ilmiah Akuntansi Dan Keuangan, 21(2).

Retrieved from <https://ejournal.uika-bogor.ac.id/index.php/neraca/article/view/24891>

History of Article: Received: 18 August 2026. Revision: 15 September 2026. Published: 1 October 2026.

DOI: doi.org/10.32832/neraca.v21i2.24891

INTRODUCTION

Micro, small, and medium enterprises play an important role in economic activities and are increasingly required to adapt to changes in technology and financial management practices. The development of digital technology has provided opportunities for micro, small, and medium enterprises to improve financial management through digital transaction recording, accounting software, digital payment systems, and electronic banking services. However, the availability and use of digital technology do not automatically guarantee effective financial management. Business owners and employees still need adequate financial knowledge to understand, evaluate, and utilize the financial information generated by digital systems. Therefore, the integration between financial literacy and digital technology is an important aspect in supporting effective and sustainable financial management practices.

Financial literacy is not limited to the ability to record financial transactions, but also involves understanding cash flow, controlling business funds, separating business and personal finances, managing receivables, and using financial information as a basis for decision-making. Previous studies have shown that financial literacy contributes to the ability of micro, small, and medium enterprises to manage financial resources and adapt to changes in the business environment. Latif (2025), for example, views financial literacy as an organizational learning capability that is embedded in business routines and supports financial resilience and adaptation. Similarly, digitalization has been associated with more structured financial recording and improved access to financial services. Rahayu et al. (2023) found that

digitalization can support financial inclusion and operational activities, although limitations in knowledge and digital infrastructure may prevent technology from being utilized optimally. These findings indicate that financial knowledge and technological capability are closely related in determining the effectiveness of digital financial management.

The development of digital accounting and financial technology has further strengthened the relevance of this issue. Endayani & Arimurti (2023) found that the use of digital wallets not only facilitates transactions but can also encourage financial recording and cash flow management among micro, small, and medium enterprises. Nuraini et al. (2025) found that digital accounting supported by the digital literacy of business owners can improve the efficiency of financial recording and the accuracy of financial reports. Hidayah et al. (2025) similarly reported that digitalization among micro, small, and medium enterprises remains partial, with financial recording still frequently relying on manual methods. These studies demonstrate the benefits of digital technology in financial management, but they also indicate that technology adoption is closely associated with the ability of business actors to understand and utilize the technology appropriately.

The practical problem becomes more complex in songkok micro, small, and medium enterprises because their business activities involve production, distribution, inventory management, and financial transactions that require adequate cash flow and financial recording. Songkok enterprises that have adopted digital systems may still experience challenges related to the consistency of financial data input, utilization of digital systems, and the use of financial information in decision-making. Thus, the presence of digital technology should not be interpreted merely as a transition from manual to digital recording. More importantly, it is necessary to understand whether the technology is actually integrated with the financial knowledge and practices of the business actors. The previous literature has not sufficiently explained how micro, small, and medium enterprises that already use digital systems integrate financial literacy with digital technology in their daily financial management practices.

This gap is particularly relevant in the context of UD Mas Achiad, a songkok micro, small, and medium enterprise in Gresik Regency that has adopted digital technology in its financial management. The enterprise utilizes accounting software, spreadsheet applications, digital payment systems, and digital banking services in its financial activities. The use of these technologies provides a relevant context for examining not only whether digital technology is available and used, but also how it interacts with the financial understanding of the business actors. As a relatively developed enterprise, UD Mas Achiad also has more complex financial management needs than those commonly encountered in smaller businesses, making it a relevant case for examining the integration of financial literacy and digital technology in an actual business setting.

To explain the acceptance and utilization of digital technology, this study employs the Technology Acceptance Model developed by Davis. The model emphasizes two central perceptions, namely perceived usefulness and perceived ease of use. In the context of UD Mas Achiad, perceived usefulness is reflected in the ability of digital technology to facilitate transaction recording, financial reporting, inventory and receivables management, and the provision of financial information for decision-making. Meanwhile, perceived ease of use concerns the extent to which the technology can be learned, understood, and operated by its users. These two perspectives provide an analytical basis for understanding why digital technology is accepted and utilized in financial management practices.

The novelty of this study lies in examining financial literacy and digital technology as complementary elements within the actual financial management practices of a songkok micro, small, and medium enterprise. Previous studies have generally examined financial literacy, digitalization, digital financial technology, or their effects on business performance separately. Research specifically exploring how business actors integrate financial understanding with digital technology in everyday financial management remains limited. This study therefore shifts the focus from merely assessing technology adoption or financial literacy independently toward understanding how both elements interact in producing and utilizing financial information for business decision-making. The urgency of this study arises from the fact that digital technology does not automatically result in better financial management. Its effectiveness depends on the ability of business actors to understand financial information and consistently utilize the available digital systems. In UD Mas Achiad, the technology is perceived as useful and relatively easy to operate, while the remaining challenge concerns consistency in entering financial data in a timely manner. This condition suggests that successful digitalization requires not only appropriate technological systems but also financial literacy and user discipline.

Therefore, examining the integration of these two aspects is important for developing a more contextual understanding of digital financial management in micro, small, and medium enterprises.

Based on the practical and theoretical problems described above, this study aims to analyze and understand the integration of financial literacy and digital technology in financial management practices at UD Mas Achiad. Specifically, the study examines how financial literacy is applied in financial management, how digital technology is perceived in terms of usefulness and ease of use, and how both aspects are integrated to support financial information management and business decision-making. Through a qualitative case study, this research seeks to provide an in-depth understanding of the relationship between financial literacy and digital technology in the actual financial management practices of a songkok micro, small, and medium enterprise.

LITERATURE REVIEW

Micro, Small, and Medium Enterprises

Micro, small, and medium enterprises (MSMEs) are an important component of economic activity and contribute to employment creation, income generation, and local economic development. The sustainability of MSMEs is closely related to their ability to manage internal resources, adapt to changes in the business environment, and utilize available capabilities to support business activities (Adam & Alarifi, 2021). From the Resource-Based View, internal resources such as knowledge, skills, financial capabilities, and technology can become valuable resources that support business performance and sustainability (Barney, 1991).

The development of the business environment has increased the need for MSMEs to strengthen their financial management capabilities and utilize technology in their operational activities. Financial management is particularly important because MSMEs need to manage limited resources while maintaining operational continuity and making appropriate business decisions. The ability to manage financial resources effectively can support MSMEs in responding to business changes and maintaining their competitiveness (Adam & Alarifi, 2021).

In this context, financial literacy and digital technology represent two important resources for MSMEs. Financial literacy provides business actors with the knowledge and capability to manage financial resources, while digital technology provides tools that can facilitate financial recording, information processing, and decision-making. The combination of these resources becomes increasingly relevant as MSMEs adapt to the digitalization of business activities.

Financial Literacy

Financial literacy refers to an individual's ability to understand and apply financial knowledge in managing resources, planning, and making appropriate financial decisions based on available information (Lusardi & Mitchell, 2014). In the context of MSMEs, financial literacy is reflected in the ability of business actors to manage financial resources, conduct financial recording, manage cash flows, and utilize financial information in business decision-making. Financial literacy is therefore not merely a matter of financial knowledge but also represents the ability to translate that knowledge into practical financial management activities.

Adequate financial literacy enables business actors to understand financial information and use it to evaluate business conditions and determine appropriate decisions (Lusardi & Mitchell, 2014). Financial literacy also contributes to better financial management and supports the ability of MSMEs to respond to changes in the business environment (Kulathunga et al., 2020; Tuffour et al., 2020). Financial literacy can consequently function as an internal capability that supports business resilience and sustainability (Ye & Kulathunga, 2019).

The relevance of financial literacy becomes stronger when financial management is supported by digital technology. Digital financial systems can generate and process financial information, but users still require sufficient financial knowledge to understand and utilize that information appropriately (Al-Okaily et al., 2022). Financial literacy therefore provides an important foundation for enabling MSMEs to utilize digital technology effectively in financial management (Kulathunga et al., 2020).

Digital Technology in Financial Management

Digital technology provides systems that enable information to be processed, stored, and presented to support business activities (Davis et al., 1989). The development of digitalization has expanded the use of technology in business operations, financial reporting, and access to financial

information (Verhoef et al., 2021). The utilization of digital technology can consequently support more structured and accessible financial management in MSMEs.

Accounting software, spreadsheet applications, digital payment systems, and electronic banking services can facilitate the recording and processing of financial transactions (Romney et al., 2012). Digital systems also enable financial data to be stored systematically and accessed when required, thereby supporting the availability of financial information for business decisions (Nguyen et al., 2021). The use of digital technology can further improve the quality and accessibility of financial information needed for monitoring and evaluating business activities .

Digitalization does not automatically result in effective financial management. The benefits of digital technology depend on the ability of users to understand and utilize the system appropriately (Pingali et al., 2023). Technology therefore functions as a supporting resource, while the capability of business actors determines whether the technology can be utilized effectively within financial management practices (Verhoef et al., 2021).

Integration of Financial Literacy and Digital Technology

Financial literacy and digital technology are complementary elements in financial management. Financial literacy provides the ability to understand and evaluate financial information, while digital technology facilitates the recording, processing, storage, and presentation of such information (Koskelainen et al., 2023). The integration of these elements enables financial knowledge to be translated into technology-supported financial management practices. The integration can be observed when MSME actors use digital systems to implement their understanding of financial recording, cash flow management, financial control, and decision-making (Li et al., 2017). Digital technology can provide financial information more systematically, while financial literacy enables users to interpret and utilize that information appropriately (Gao et al., 2024). The combination of these capabilities can therefore support more effective financial management and strengthen business decision-making (Al-Hattami et al., 2022). This perspective is consistent with the Resource-Based View, which emphasizes that organizational performance can be supported by valuable internal resources and capabilities (Barney, 1991). Financial literacy represents a knowledge-based capability, while digital technology provides a technological resource that supports the management of financial information (Li et al., 2017). When these resources are utilized in an integrated manner, they can contribute to improved financial management and business sustainability.

Technology Acceptance Model

The Technology Acceptance Model explains the acceptance and use of technology based on users' perceptions of the technology (Davis, 1989). The model emphasizes two central constructs, namely *Perceived Usefulness* and *Perceived Ease of Use*. *Perceived Usefulness* refers to the extent to which users believe that technology can improve their work performance, whereas *Perceived Ease of Use* refers to the extent to which users believe that the technology can be operated with relatively little effort (Davis, 1989). In the original Technology Acceptance Model, *Perceived Ease of Use* influences *Perceived Usefulness*, while both perceptions contribute to users' attitudes toward using technology and subsequently influence behavioral intention and actual technology use (Davis, 1989). The relationship among these constructs provides a theoretical basis for understanding how users accept and utilize digital systems in their activities.

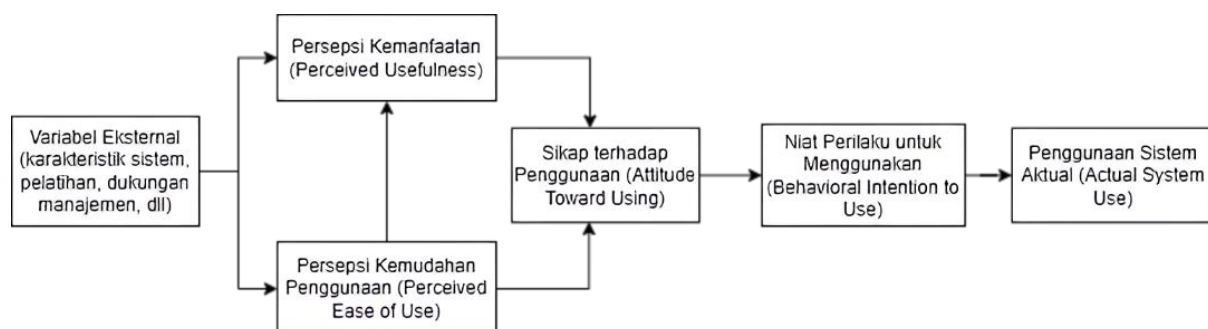


Figure 1 Technology Acceptance Model
Source: Davis (1989)

As illustrated in Figure 1, the Technology Acceptance Model explains that external factors can influence users' perceptions of the usefulness and ease of use of a technological system (Davis, 1989). These perceptions subsequently influence users' attitudes and behavioral intentions toward technology, which ultimately lead to actual system use (Davis, 1989). The model is therefore relevant for examining technology acceptance because it connects users' perceptions with their actual utilization of a technological system.

In the context of MSME financial management, *Perceived Usefulness* can be reflected in the extent to which digital technology facilitates transaction recording, financial reporting, inventory and receivables management, and access to financial information for decision-making (Davis, 1989). Meanwhile, *Perceived Ease of Use* can be reflected in the ability of users to learn, understand, and operate digital financial systems according to their business needs (Davis, 1989). These perceptions can influence users' acceptance and continued use of technology in financial management activities (Venkatesh & Davis, 2000).

In this study, the Technology Acceptance Model is used as an analytical framework rather than as a model for statistical hypothesis testing. The concepts of *Perceived Usefulness* and *Perceived Ease of Use* are used to understand how digital technology is accepted and utilized in the financial management practices of UD Mas Achiad. The model is particularly relevant because the study examines not only the existence of digital technology but also how users perceive its usefulness and ease of use in supporting financial activities.

Previous Research and Research Gap

Previous studies have established the importance of financial literacy and digital technology in supporting financial management among MSMEs. Financial literacy contributes to financial management capability, while digital technology facilitates financial recording, transactions, and access to financial information. Digital financial technology can also encourage more structured financial practices when supported by adequate digital capabilities.

Nevertheless, previous studies have tended to examine financial literacy and digital technology separately or focus on their relationship with particular outcomes such as financial performance, financial inclusion, or technology adoption. The integration of financial literacy and digital technology within the actual financial management practices of a specific MSME has received comparatively less attention. This gap is important because the availability of digital technology does not necessarily indicate that financial information is understood and utilized effectively.

This study addresses the gap by examining the integration of financial literacy and digital technology in the financial management practices of UD Mas Achiad, a songkok MSME. The study does not statistically test the relationship between variables but seeks to understand how financial knowledge and digital technology are combined in actual financial practices. The Technology Acceptance Model provides an additional analytical perspective through perceived usefulness and perceived ease of use to explain the acceptance and utilization of digital technology.

Based on the theoretical foundation, previous research, and identified research gap, this study is guided by the following research question:

RQ: How are financial literacy and digital technology integrated into financial management practices at UD Mas Achiad?

RESEARCH METHOD

This research uses a qualitative approach with a case study method to analyze the integration of financial literacy and digital technology in financial management practices at UD Mas Achiad. The qualitative approach was chosen because the research focuses on an in-depth understanding of the practices, experiences, and understanding of business actors in managing finances using digital technology in real-life business conditions. The case study method was used because the research is directed at a single unit of analysis, namely UD Mas Achiad, allowing for a contextual and comprehensive examination of the integration of financial literacy and digital technology. UD Mas Achiad was selected as the research location based on the characteristics of businesses that have used digital technology in their financial management activities, such as accounting software Accurate/CPSOFT, Microsoft Excel, QRIS, and digital banking services.

Research subjects were selected purposively, considering the informants' direct involvement in financial management activities and the use of digital technology at UD Mas Achiad. Informants in this study consisted of business owners and finance staff. Business owners were selected because they are involved in decision-making and have an understanding of policies and developments in business financial management. Meanwhile, finance staff were selected because they are directly involved in the recording, management, and presentation of financial information, as well as the use of digital systems in daily financial activities. The selection of these two informants allowed the research to obtain information from both decision-making and technical financial management implementation perspectives. Thus, the data obtained not only describes the operational use of technology but also demonstrates how financial information is understood and utilized in business management.

Data collection was conducted through in-depth interviews, direct observation, and documentation. The interviews were semi-structured to allow researchers to obtain in-depth information while maintaining the research focus. Interview questions focused on the informants' understanding of financial literacy, transaction recording practices, cash flow management, accounts receivable control, the use of financial information, and their experience using digital technology to support these activities. The interviews also explored the informants' perceptions of the benefits and ease of use of digital technology in financial management. Direct observations were conducted to determine the alignment between the information provided by the informants and existing financial management practices in the business environment. Observations covered transaction recording activities, the use of accounting software and spreadsheets, and the use of digital technology in financial activities. Documentation was used as supporting data in the form of financial records, transaction evidence, and documentation of digital technology usage relevant to the research focus (Gerring, 2017). The use of multiple data collection techniques enabled researchers to obtain a picture of the phenomenon from various forms of evidence and deepened their understanding of the case under study.

Data validity was strengthened through triangulation techniques. Triangulation was conducted by comparing information obtained from interviews with observations and documentation. Furthermore, information from business owners was compared with information from financial staff to determine consistency in understanding and ongoing financial management practices. If discrepancies were found between the interview information and observed conditions or available documents, researchers sought further clarification with informants to understand the causes of these discrepancies. This process ensured that data interpretation was not based solely on a single source of information and to enhance the credibility of the research findings. Thus, triangulation of sources and techniques served as a validation process to ensure that the findings align with actual conditions at UD Mas Achiad.

Data analysis was conducted in stages, from data collection to conclusion drawing. The first stage is data organization, which involves organizing interview results, observation notes, and documentation based on the research focus. The next stage is a thorough reading and review of the data to identify information related to financial literacy and digital technology utilization. The data is then categorized based on relevant themes, such as transaction recording, cash flow management, accounts receivable control, use of financial information, and use of digital technology. In the next stage, data on technology utilization is analyzed using.

RESULTS AND DISCUSSION

Overview of UD Mas Achiad

UD Mas Achiad is a micro, small, and medium enterprise engaged in the songkok industry and located in Gresik Regency, East Java. The business is a family-owned enterprise that has developed across generations and is currently managed by the third generation. Its development from a traditional family business into a more modern enterprise is reflected not only in its operational activities but also in its financial management practices and adoption of digital technology. The financial management system has developed from relatively simple manual recording into a system supported by Microsoft Excel and Accurate accounting software. The business also utilizes QRIS and digital banking services as part of its financial activities. These conditions make UD Mas Achiad a relevant context for examining how financial literacy and digital technology are integrated into financial management practices.

Financial Literacy in Financial Management Practices

The findings indicate that financial literacy has been incorporated into the daily financial management practices of UD Mas Achiad. This is reflected in the business actors' attention to transaction recording, cash flow management, receivables control, and periodic evaluation of the financial condition of the business. Financial recording is not perceived merely as an administrative obligation but as a source of information used to understand business conditions and support evaluation and planning. The observation also showed that financial activities were accompanied by transaction evidence that was subsequently recorded in the financial system, indicating the existence of an administrative routine within the business.

These findings indicate that financial literacy at UD Mas Achiad is reflected not only in the possession of financial knowledge but also in its application to actual business practices. The ability to understand cash inflows and outflows, maintain financial records, manage receivables, and utilize financial information demonstrates that financial knowledge has been translated into operational routines. This condition is important because financial information becomes meaningful when it can be interpreted and used by business actors in evaluating business performance and determining subsequent actions. The finding therefore reinforces the view that financial literacy functions as an internal capability that supports financial management rather than merely as an abstract understanding of financial concepts.

Perceived Usefulness of Digital Technology

The findings show that digital technology provides tangible benefits to the financial management activities of UD Mas Achiad. Accurate/CPSOFT and Microsoft Excel are used to support transaction recording and financial data management, indicating that financial recording is no longer entirely dependent on manual processes. The utilization of these systems also supports financial reporting, inventory management, receivables control, and the provision of financial information for business decision-making.

The usefulness of digital technology is particularly visible in the speed and accessibility of financial information. Information concerning cash flows, profit and loss, inventory, and receivables can be accessed more clearly and used to support operational decisions, such as stock additions, operational cost control, and evaluation of customers using credit-based payment arrangements. The findings therefore demonstrate that digital technology is perceived as useful because it improves the efficiency of financial work and provides information that can support managerial decisions.

This finding is consistent with the Technology Acceptance Model, in which technology is more likely to be accepted when users perceive that it provides meaningful benefits for their work (Davis, 1989). The finding also corresponds with Nuraini et al. (2025), who found that digital accounting can facilitate transaction recording and financial reporting while improving the accuracy of financial information for MSMEs. Hidayah et al. (2025) similarly showed that digital technology can improve operational efficiency and support faster and more appropriate decision-making. Rahayu et al. (2023) further supports the finding by demonstrating that digitalization can contribute to business efficiency through easier access to financial information and the utilization of digital technology in operational activities.

Perceived Ease of Use of Digital Technology

The findings also indicate that digital technology at UD Mas Achiad is perceived as relatively easy to use. Although the initial implementation of Accurate required users to learn and understand the system, continued use gradually made the technology part of the daily operational routine. The users' experience shows that ease of use was not necessarily perceived immediately but developed through repeated interaction with the system and familiarity with its functions.

The staff's experience further indicates that once users understood the workflow, financial recording became more practical than the previous manual process. The findings show that Accurate and Microsoft Excel have a relatively good level of usability, supported by an understandable interface, relatively rapid adaptation, and the users' ability to operate the systems according to business needs. However, the remaining problem is not primarily related to technological complexity but to delays in entering financial data. This indicates that the effectiveness of digital technology is also dependent on user discipline and consistency in maintaining financial data.

These findings support the Technology Acceptance Model because users' perception that a system is understandable and manageable encourages continued use of the technology (Davis, 1989). The finding is also consistent with Nuraini et al. (2025), who found that digital accounting and Microsoft Excel can be implemented effectively in MSMEs when users possess basic digital capabilities. Ongesa (2025) similarly identifies perceived ease of use as one of the factors encouraging digital technology adoption among MSMEs, although limitations in digital literacy, internet access, and interface complexity may become barriers. In the case of UD Mas Achiad, these barriers are relatively limited, while user discipline in entering data consistently remains a more relevant challenge.

Integration of Financial Literacy and Digital Technology

The findings demonstrate that financial literacy and digital technology function as complementary elements in the financial management practices of UD Mas Achiad. Financial literacy provides the basis for understanding the importance of transaction recording, cash flow management, receivables control, and the use of financial information, while digital technology provides the mechanism through which financial information can be recorded, processed, stored, and accessed. This relationship indicates that digital technology does not replace financial literacy; rather, it facilitates the implementation of financial knowledge in daily financial activities.

The integration of financial literacy and digital technology at UD Mas Achiad can be illustrated through a model that describes the process from financial understanding to the use of financial information for business decisions. Financial literacy provides the initial foundation for conducting appropriate financial recording and management. The recorded financial data are then processed with the support of digital technology, such as Accurate/CPSOFT and Microsoft Excel, to produce more structured financial information. The resulting information can subsequently be used by business actors to evaluate financial conditions and support business decision-making.

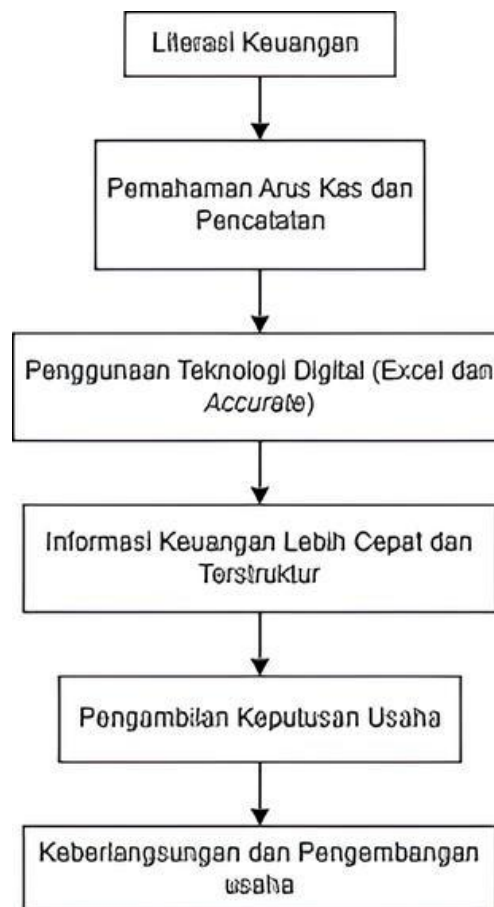


Figure 2. A model for integrating financial literacy and digital technology into the practice of accounting information systems for MSMEs
Processed: 2026

As illustrated in Figure 2, the integration process begins with financial literacy, which enables business actors to understand financial transactions and the importance of proper financial management. This understanding is implemented through financial recording, where transaction information is documented and subsequently processed. The next stage involves the utilization of digital technology, particularly Accurate/CPSOFT and Microsoft Excel, to process and organize financial data. The utilization of digital technology produces more structured financial information, which can then be interpreted and utilized in business decision-making. The final stage is business sustainability, in which better financial information and decision-making support the continuity and development of the business.

The model demonstrates that financial literacy and digital technology operate as an interconnected process rather than as two independent components. Financial literacy determines how financial information is understood and utilized, while digital technology facilitates the process of recording and managing that information. The effectiveness of this integration therefore depends on the ability of business actors to combine financial knowledge with the appropriate use of technology.

The findings also indicate that this integration is not completely free from limitations. Although digital technology has improved the accessibility and organization of financial information, data input is not always performed in real time because of user discipline. This condition demonstrates that the availability of digital technology alone does not automatically guarantee effective financial management. Consistent application of financial procedures and adequate financial literacy remain necessary to ensure that the technology produces useful and reliable information.

The integration model therefore emphasizes that financial literacy → financial recording → digital technology → financial information → decision-making → business sustainability represents a continuous process. The model provides an analytical contribution by showing how financial knowledge and digital technology interact in the actual financial management practices of a songkok MSME. This finding strengthens the Technology Acceptance Model perspective because the usefulness and ease of use perceived by users encourage the continued utilization of digital technology, while financial literacy enables users to understand and act upon the information generated by the system.

Answer to the Research Question and Discussion

The research question asks: How are financial literacy and digital technology integrated into financial management practices at UD Mas Achiad? The findings indicate that the integration occurs through the interaction between financial knowledge and technology-supported financial practices. Financial literacy functions as the foundation for recording, controlling, and interpreting financial information, while digital technology functions as a tool for processing and providing that information.

The integration is further strengthened by users' acceptance of digital technology. The usefulness of Accurate/CPSOFT, Microsoft Excel, QRIS, and digital banking services supports the continued use of technology in financial activities, while the perceived ease of use allows users to incorporate the systems into their daily routines. However, the findings also reveal that effective integration requires user discipline, particularly in ensuring timely data input. Therefore, the main finding of this study is that digital technology and financial literacy are mutually reinforcing rather than independent elements: financial literacy enables users to understand and utilize digital financial information, while digital technology facilitates the implementation of financial knowledge in more structured and accessible financial management practices.

The findings are consistent with the broader argument that financial literacy and technological capability need to operate together to produce effective financial management. The study's contribution lies in showing this relationship within the actual practices of a specific songkok MSME rather than treating financial literacy and digital technology solely as separate determinants of business outcomes. The evidence from UD Mas Achiad suggests that the successful integration of both elements depends not only on the availability and usefulness of digital systems but also on users' financial understanding, technological familiarity, and consistency in applying financial procedures.

CONCLUSION

This study concludes that the integration of financial literacy and digital technology in the financial management practices of UD Mas Achiad arises from the interplay between the business owner's ability to understand and manage financial information and the use of digital technology to record, process, and utilize that information. Financial literacy serves as the foundation for understanding transactions, maintaining financial records, managing cash flow, controlling accounts receivable, and using financial information as a basis for business evaluation and decision-making. Meanwhile, digital technologies—specifically Accurate/CPSOFT and Microsoft Excel—facilitate the structured recording, processing, storage, and presentation of financial information. The use of QRIS and digital banking services further supports transaction activities and access to financial information.

From the perspective of the Technology Acceptance Model (TAM), the use of digital technology at UD Mas Achiad can be understood through the concepts of Perceived Usefulness and Perceived Ease of Use. The technology is perceived as useful because it enhances financial management effectiveness, simplifies access to data on cash flow, profit and loss, inventory, and accounts receivable, and supports data-driven decision-making. Perceived ease of use develops through a process of learning, experience, and the user's habituation to operating the system. However, the study finds that the technology's effectiveness depends not only on system availability and usability but also on the user's consistency in data entry. Delays in recording indicate that digital technology cannot fully deliver real-time information if recording procedures are not consistently applied.

These findings demonstrate that financial literacy and digital technology are not isolated elements but rather complementary components of financial management. Financial literacy enables business owners to grasp the meaning and utility of financial information, while digital technology provides the tools to manage that information more systematically. Consequently, the integration of the two can be visualized as a continuous process: financial literacy → financial recording → digital technology → financial information → decision-making → business sustainability. The practical implication of this study is that MSMEs need to develop financial literacy alongside the adoption of digital technology. The use of digital systems requires consistent and accurate periodic recording procedures to ensure that the resulting information can be utilized optimally.

This study has limitations due to its case study approach focusing on a single MSME—UD Mas Achiad—meaning the findings primarily reflect the characteristics and financial management conditions specific to that context. The analysis centers on the Technology Acceptance Model, specifically Perceived Usefulness and Perceived Ease of Use; consequently, other factors influencing technology acceptance were not examined in depth. Furthermore, the study relies on qualitative data derived from interviews, observations, and documentation, prioritizing contextual understanding over statistical generalization. Future research is encouraged to include a larger number of MSMEs across diverse sectors and regions, and to employ quantitative or mixed-methods approaches to examine the relationships among financial literacy, technology acceptance, digital technology utilization, and MSME financial management performance.

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