Jurnal Magister Ekonomi Syariah, Vol. 4 No. 1 (2025) 721-737
Published by Magister Ekonomi Syariah, Universitas Islam Negeri Sunan Kalijaga
e-ISSN 2963-9182

OPEN ACCESS

Financial Literacy, Financial Attitudes, and Self-Control Towards Financial Management Practice in MSME In West Nusa Tenggara

Yudhi Kurniawan Zahari[1], Reza Arviciena Sakti[2], Abdul Basit[3], Oliver William Knight[4]
yudhi.kurnaiwan@unizar.ac.id[1]; reza.arviciena@unizar.ac.id[2]; abdulbasit@unizar.ac.id[3]; S3610387@student.rmit.edu.au[4]
Al-Azhar Islammic University Mataram, Indonesia[123]
RMIT University, Australia[4]

ABSTRACT

This study aims to analyze the influence of financial literacy, financial attitude, and self-control on financial management behaviour among Micro, Small and Medium Enterprises (MSMEs) in West Nusa Tenggara Province. The background of this study stems from the persistent challenges of weak financial management among MSMEs, often caused by low financial literacy and poor financial attitudes. The research employs a quantitative method with a survey approach, using structured questionnaires to collect data from MSME actors across various districts and cities in the region. To test the proposed hypotheses, the data were analysed using multiple linear regression analysis, which allowed for the examination of the simultaneous influence of the independent variables on financial management behaviour. The results indicate that financial literacy, financial attitude, and self-control each have a positive and statistically significant effect on financial management behaviour. Specifically, financial literacy enhances the ability of MSME actors to budget, maintain accurate records, and plan effectively, while a positive financial attitude and strong self-control facilitate better financial decision-making. These findings underscore the importance of enhancing financial education and promoting behavioural competencies to improve financial practices among MSMEs. The study offers valuable implications for policymakers, financial institutions, and MSME stakeholders in designing empowerment strategies that incorporate both financial knowledge and behavioural reinforcement.

Article Info
Received: July 4, 2025
First Revised: July 19, 2025
Accepted: July 24, 2025
Online: July 24, 2025

Keywords:
financial literacy, financial attitutes, self control, financial management behavior, MSMEs

JEL Classification:
G53, D91, D14, L26

* Zahari et al

https://doi.org/10.14421/jmes.2025.041-01

1. Introduction

Micro, small, and medium enterprises (MSMEs) are the backbones of Indonesia's economy, contributing around 60% to the gross domestic product (GDP) and employing nearly 97% of the national workforce (Sinha et al., 2024). However, most MSMEs still face serious challenges in effective financial management, which ultimately affects the sustainability and growth of their businesses. This phenomenon raises a critical question: why do many MSME players still struggle with financial management, despite increasing access to information and technology?

The national level of financial literacy, which remains below 50%, indicates a significant challenge in understanding and applying financial principles, particularly for MSME players. Low financial literacy has a direct impact on the ability of individuals and business actors to make informed financial decisions, access financial services, and enhance their economic welfare. Globally, only about one in three adults are considered financially literate, with women, low-income communities, and individuals with lower levels of education generally having lower financial literacy. This condition also occurs in developing and developed countries (Ekasari et al., 2024). In Indonesia, the financial literacy index in 2022 was 49.68%, up from 38.03% in 2019. However, a significant gap still exists between financial literacy and inclusion, although it is narrowing (Efendi et al., 2024).

Financial literacy has consistently been proven to be a key factor in shaping sound financial management behaviour, both for individuals and MSME players. The higher the financial literacy, the better the financial management behaviour, such as budgeting, separating personal and business finances, and making the right investment decisions. Several studies show that financial literacy has a positive and significant influence on financial management behaviour, including saving habits, budgeting, debt management, and investment decision-making (Andarsari & Ningtyas, 2019). For MSME players and entrepreneurs, good financial literacy enhances their ability to access external funding, develop their businesses, and manage their finances independently (Céspedes et al., 2024). Financial attitudes and financial knowledge also play an important role in strengthening the relationship between financial literacy and financial management behaviour (Wahyuni et al., 2023). Financial management behaviour can be a mediator, meaning that financial literacy encourages good money management behaviour, which ultimately improves financial well-being (Kang & Park, 2024).

Financial attitudes, such as positive views towards saving and long-term financial planning, have been shown to consistently have a direct and significant influence on individual financial behaviour. The more positive an individual's financial attitudes, the better their financial behaviour, such as saving habits, managing expenses, and financial planning (Talwar et al., 2021). Positive financial attitudes, such as optimism, attention to financial issues, and mature thinking, enhance healthy financial behaviour, including saving habits, investment, and daily financial management (Widyakto et al., 2022). Financial attitudes have a more substantial influence on financial behaviour than financial knowledge or other factors such as income (Adiputra & Patricia, 2020). Financial attitudes can also mediate the influence of financial knowledge on financial behaviour, meaning that financial knowledge will be more effective if supported by good financial attitudes (Yahaya et al., 2019).

Self-control is an important psychological factor that influences the financial behaviour and performance of MSME actors. The study reveals that, although its influence is significant, the role of self-control is often under-explored in the context of MSMEs. Self-control contributes to wiser, non-impulsive, and long-term oriented financial decision-making (Strömbäck et al., 2020). However, the dimensions of self-control are still relatively rarely explored in the context of SMEs, even though, psychologically, self-control is a crucial determinant of non-impulsive and long-term-oriented financial decision-making (Handayani, 2024).

Self-control, financial literacy, and optimism play a crucial role in shaping healthy financial behaviour, thereby improving the financial well-being of MSME players. Self-control helps MSME players to resist the urge to spend impulsively and encourages more planned decision-making (Widysatuti et al., 2025). Self-control has a positive influence on MSME performance, although its effect is relatively small compared to other psychological factors such as self-awareness and self-motivation. However, it remains significant in supporting the achievement of business goals (Pawestri & Prasetyani, 2024). Furthermore, self-management techniques involving self-control have been proven to enhance time efficiency and productive behaviour among SME operators, particularly in addressing challenges such as the COVID-19 pandemic (Aprianingsih & Kheryadi, 2022).

Self-control has been shown to have a significant influence on personal financial management among students, workers, and businesses (Nunsyah et al., 2024). The studies show that self-control is a key factor that enables knowledge and positive attitudes to be consistently applied in everyday financial behaviour. Without adequate self-control, knowledge and attitudes alone are often insufficient to encourage healthy financial behaviours (Strömbäck et al., 2020).

Individuals with good self-control tend to be more effective at saving regularly, manage their finances more efficiently, feel more financially secure, and experience lower financial anxiety (Raaij et al., 2023). Self-control is the most consistent predictor of positive financial management behaviour, stronger than other psychological factors such as optimism or self-esteem (Hashmi et al., 2021). Self-control is the primary foundation for developing positive knowledge and attitudes in everyday financial behaviour. Without self-control, knowledge and attitudes alone frequently fail to prevent unhealthy financial behaviour. Improving self-control is crucial for developing sound financial habits and achieving financial well-being (Anita et al., 2022).

This indicates a significant research gap that warrants further exploration. How do financial literacy, attitude, and self-control influence financial management behaviour? This is especially true in the context of West Nusa Tenggara Province, which has unique cultural and social characteristics, allowing for unique dynamics in the financial behaviour of local MSMEs. The study is expected to contribute to the development of knowledge in the field of personal financial management and serve as a basis for the development of more effective financial education programmes for the community, particularly for MSME actors.

2. Literature Review

2.1 Financial Literacy

Financial literacy is an essential concept that encompasses more than just knowledge about finance. The most widely accepted definition emphasises that financial literacy encompasses the knowledge, skills, attitudes, and beliefs that enable individuals to make informed and responsible financial decisions in various life situations. At its core, financial literacy is the ability to understand, evaluate, and manage personal finances wisely (Muñoz-Céspedes et al., 2021). Structured training programs, interactive workshops, and mentoring have proven effective in enhancing the financial literacy of MSMEs, while the involvement of government, financial institutions, and non-profit organisations accelerates the improvement of literacy (Alfaira & Palupiningtyas, 2025). The development of financial recording applications helps MSMEs manage their finances more professionally (Lubis et al., 2024).

This finding aligns with the study conducted by making Rahayu et al. (2023), which found that financial literacy significantly improves the financial management behaviour of MSME players. The high level of financial literacy among MSME players in Jakarta contributes directly to more disciplined financial behaviour, such as the preparation of financial reports, working capital management, and rational investment decision-making making (Rahayu et al., 2023). In addition, a study conducted by Fitriyah et al. (2023) demonstrates that financial literacy has a positive impact on the growth of MSMEs, as financially literate business actors are better equipped to understand risks and design effective financial strategies (Fitriyah et al., 2023). This is reinforced by a study by Agatha et al. (2023), which emphasises that financial literacy helps improve the financial resilience of MSMEs against external economic pressures through structured financial management behaviour.

Financial literacy has a positive influence in several contexts, but its effect is not always significant unless other factors, such as locus of control and managerial experience accompany it. Thus, financial literacy can be considered an important foundation in shaping sound financial management behaviour in MSMEs. In this study, financial literacy is identified as a key variable that can enhance the efficiency of MSME financial management in West Nusa Tenggara Province, particularly in addressing economic challenges and maintaining business sustainability.

H1: Financial literacy has a positive influence on the financial management behaviour of MSMEs in NTB

2.2 Financial Attitude

Financial attitude is an individual's psychological or mental tendency in responding to financial situations, such as attitudes towards saving, borrowing, or investing. Positive attitudes, such as financial discipline and prudence, have been shown to support sound financial management behaviour among MSME actors

(Fitriyah et al., 2023).. This theory refers to TPB and explains that individual behaviour is influenced by intentions, which are formed from attitudes towards behaviour, subjective norms, and perceptions of control over that behaviour. In a financial context, positive financial attitudes have been proven to strengthen intentions and good financial management behaviours, such as saving, investing, and long-term financial planning (Boyetey & Francis Enu-Kwesi, 2022).

Financial attitude has been proven to be a significant psychological factor that consistently influences financial management behaviour, both in individuals and MSME players. A positive financial attitude is closely related to wiser, more planned, and financially sound financial management behaviour. Attitudes towards money, such as future orientation (time horizon) and symbols of prestige, also play a role in shaping financial behaviour, including saving habits, investment, and long-term financial planning (Ida et al., 2020). In addition, in line with the results of a study by Zaini (2022), which emphasises that financial attitudes play a crucial role in mediating the relationship between financial literacy and MSME financial management behaviour. This means that even with limited financial understanding, a good attitude towards finance can still encourage wise management behaviour.

This finding is also reinforced by the study of Rahadjeng et al. (2023), which emphasises the importance of strengthening financial attitudes in improving the stability and efficiency of the MSME financial system in Indonesia. Thus, in this study, financial attitudes are integrated as key psychological variables that influence the financial management behaviour of MSMEs. The existence of good financial attitudes serves as a bridge between financial literacy and action, which is particularly relevant for MSME actors in West Nusa Tenggara Province, who face challenges due to limited resources and access to formal financial education.

H2: Financial attitudes have a positive influence on the financial management behaviour of MSMEs in NTB

2.3 Self Control

Self-control is defined as an individual's ability to resist impulses, regulate emotions, and direct behaviour in line with long-term goals, including financial ones. People with good self-control tend to be better at managing their spending, avoiding impulse purchases, and setting financial priorities (Aziza & Septiyani, 2024). In the context of financial management, self-control refers to an individual's ability to resist consumptive urges, make rational decisions, and manage finances responsibly. As in the study conducted by Siswanti et al. (2020), self-control has a significant influence on financial management behaviour, both directly and as a mediating variable between financial knowledge and attitudes towards financial behaviour (Siswanti, 2020).

Self-control is defined as an individual's ability to resist impulses, regulate emotions, and direct behaviour in line with long-term goals, including financial ones. Individuals with good self-control tend to be more effective at managing their spending, avoiding impulsive purchases, and setting clear financial priorities (Aziza & Septiyani, 2024). In the context of financial management, self-control refers to an individual's ability to resist consumptive urges, make rational decisions, and manage finances responsibly. As in the study conducted by Siswanti (2020), self-control has a significant influence on financial management behaviour, both directly and as a mediating variable between financial knowledge and attitudes towards financial behaviour. Similar findings were also found in a study by Elliyana et al. (2024), who developed the concept of "Loan Self Control" to measure self-control behaviour in debt management for MSME players. The study identified that self-control, encompassing behavioural, cognitive, and decision-making aspects, is crucial in effective financial management, particularly in avoiding payment defaults and maintaining business continuity.

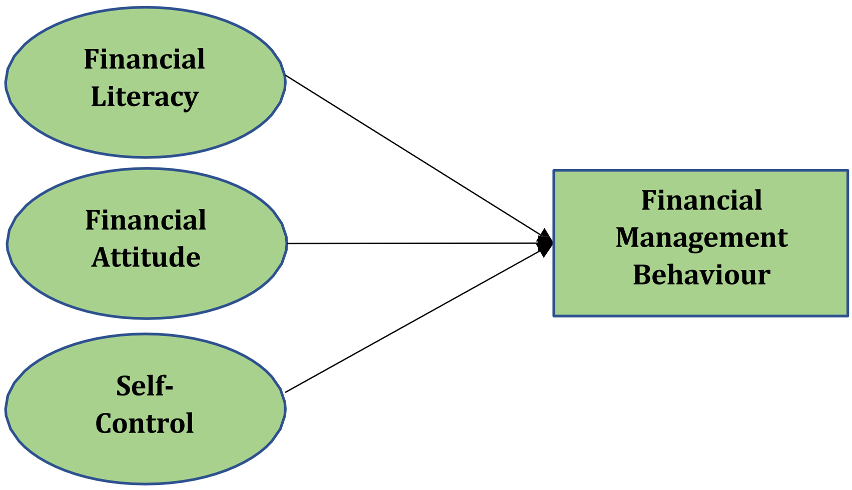
In the context of MSMEs in West Nusa Tenggara Province, self-control is a key factor in supporting sound financial management behaviour, as MSME actors frequently face high financial pressure and must make quick decisions with limited resources. Therefore, the integration of self-control in this study is not only a complementary psychological variable but also a crucial determinant that can determine the sustainability of small businesses. Thus, an in-depth understanding of the role of self-control can make an important academic contribution to efforts to improve financial literacy and establish sound financial management behaviour among MSMEs. The study adds new academic value by highlighting self-control as a psychological element that has not been explored in depth in microfinance studies in Indonesia.

H3: Self-control has a positive influence on the financial management of MSMEs in NTB

2.4 Conceptual Framework

The conceptual framework of this study examines how financial literacy, financial attitudes, and self-control contribute to the formation of an individual's financial management behaviour. In the personal economy context, financial behaviour is key to creating financial stability and wise decision-making.

Figure 1. Diagram Variable



3. Research Method

The study used a quantitative approach with 150 MSME respondents in West Nusa Tenggara Province (NTB), which was chosen because NTB has a high number of MSMEs and geographical diversity that reflects the challenges of financial literacy in island regions. The research instrument was a 5-point Likert scale questionnaire covering indicators of financial literacy, financial attitude, self-control, and financial management behaviour. Data analysis was performed using the Structural Equation Modelling–Partial Least Squares (SEM-PLS) method through SmartPLS, as it is capable of handling complex models with a limited number of samples and simultaneously testing the relationships between variables. The tests used included instrument validity and reliability, multiple linear regression, and coefficient of determination (R^2) tests to determine the extent to which financial literacy, financial attitudes, and self-control contribute to MSME financial management behaviour. This approach aligns with the study's objective of comprehensively and measurably understanding the factors that influence financial behaviour.

4. Result

4.1 Outer Model

The analysis of the measurement model (outer model) is conducted to ensure that the measurements used are appropriate, valid, and reliable.

Table 1. Reliability Test Results

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)	Description
Financial Literacy	0.823	0.825	0.874	0.592	Reliable & Valid
Financial Attitude	0.791	0.795	0.856	0.568	Reliable & Valid
Self-Control	0.765	0.770	0.838	0.557	Reliable & Valid
Financial Management Behavior	0.846	0.849	0.889	0.605	Reliable & Valid

Source: Processed Research Data (2025)

The Cronbach's Alpha values for all variables above 0.60 show that the research instrument is reliable. Thus, the items used are consistent in measuring the variables of financial literacy, financial attitude, self-control, and financial management behaviour in respondents

Table 2. Discriminant Validity Test (HTMT)

Variables	Financial Literacy	Financial Attitude	Self-Control	Financial Management Behavior
Financial Literacy	-	0.684	0.752	0.801
Financial Attitude	0.684	-	0.789	0.832
Self-Control	0.752	0.789	-	0.847
Financial Management Behavior	0.801	0.832	0.847	-

Source: Processed Research Data (2025)

A HTMT value of <0.90 indicates good discriminant validity, meaning that each construct in this study can measure different concepts clearly, and there is no multicollinearity between variables. The research instrument was declared to meet discriminant validity, ensuring that variables X1 (financial literacy), X2 (financial attitude), X3 (self-control), and Y (financial management behaviour) could be used with confidence, as each variable validly measured a different construct.

4.2 Inner Model

Table 3. R-Square Test Results

Variable	R-Square	R-Square Adjusted
Financial Management Behavior	0.792	0.784

Source: Processed Research Data (2025)

The R-Square value of 0.792 and the Adjusted R-Square value of 0.784 indicate that the independent variables (X1 Financial Literacy, X2 Financial Attitude, and X3 Self-Control) collectively have a powerful ability to explain the dependent variable (Y Financial Management Behaviour), as the R-Square value is close to 1.

4.3 F-Square

Table 4. F-Square Test Results

Variable Relationship	F-Square
X1 Financial Literacy → Y Financial Management Behavior	0.215
X2 Financial Attitude → Y Financial Management Behavior	0.189
X3 Self-Control → Y Financial Management Behavior	0.254

Source: Processed Research Data (2025)

The three independent variables, financial literacy, financial attitude, and self-control, individually contribute significantly to financial management behaviour. Therefore, strategies to improve these three factors are important for enhancing the financial behaviour of the respondents.

4.4 Hypothesis Testing

Table 5. Hypotesis Testing

Variable Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistic (O/STDEV)	P Values
X1 Financial Literacy → Y	0.312	0.315	0.078	4.000	0.031
X2 Financial Attitude → Y	0.278	0.281	0.072	3.861	0.001
X3 Self-Control →Y	0.351	0.349	0.085	4.129	0.018

Source: Processed Research Data (2025)

All T-statistic values are greater than 1.96, indicating significant effects at the 95% confidence level ($p < 0.05$). Therefore, a positive relationship exists, and it can be concluded that all hypotheses are accepted.

5. Discussion

5.1 The Influence of Financial Literacy on Financial Management Behaviour in MSMEs in NTB

The findings of this study suggest that financial literacy (X1) exerts a positive and significant influence on the financial management behaviour (Y) of MSMEs in NTB, as indicated by a path coefficient of 0.312 and a P-value of 0.031 < 0.05. The study reveals that enhanced financial knowledge among micro, small, and medium enterprises enhances their ability to manage finances more effectively, particularly in budget planning, transaction recording, and long-term financial planning. In the local context, MSMEs in NTB often have limited access to formal financial education and rely solely on practical experience. This increase in literacy directly contributes to managerial improvements.

This outcome aligns with the Theory of Financial Literacy, which posits that an individual's financial literacy directly influences the quality of their daily financial decisions. MSME players who develop a comprehensive understanding of fundamental concepts, including cash flow, budgeting, and cost control, will be equipped with a more rational framework for managing their businesses. This is of critical importance for maintaining business continuity amid economic volatility. This finding aligns with the research conducted by Widjayanti, which demonstrated that integrating financial literacy innovations with lifestyle and financial attitude approaches can substantially enhance the financial behaviours of MSME players in Indonesia (Widjayanti et al., 2025).

Conversely, when considering the findings of this study in the context of NTB Province, it is essential to acknowledge the inherent interconnectedness with the geographical area that encompasses the predominantly Muslim community and its profound religious culture. This perspective aligns with the research conducted by Khairi (2025), which posits that financial literacy, particularly in the context of sharia, has a favourable influence on financial management behaviours, particularly in terms of expense control and business income monitoring. This assertion is substantiated by the observation that the NTB region exhibits notable cultural and religious affinities, thereby potentially enhancing the responsiveness of business actors to financial literacy programs tailored to their specific context.

Empirically, financial literacy has been shown to have a significant impact on the development of positive financial management habits. Additionally, its practical applications extend to business supervision and informed investment decision-making. These findings align with the hypothesis that financial literacy does not merely represent passive knowledge, but rather functions as an active tool that can effectively influence managerial behaviour (Uddin et al., 2024). Furthermore, the impact of financial literacy is contingent upon an integrated approach to training, which not only educates cognitively but also encourages the formation of healthy financial habits (Permata, 2025).

Consequently, the findings of this study offer both theoretical contributions that bolster the Theory of Financial Literacy framework and practical implications for the NTB local government, microfinance institutions, and MSME training institutions. Empowerment programs should incorporate financial literacy material as a fundamental component of training, complemented by realistic financial decision-making simulations tailored to the local business environment. This approach ensures that financial literacy is not confined to the financial managerial level but extends to the realm of sustainable MSME businesses.

5.2 The Influence of Financial Attitude Towards Financial Management Behaviour in MSMEs in NTB

The findings indicated that financial attitudes (X2) exhibited a path coefficient of 0.278, with a P-value of 0.001 <0.05, suggesting a positive and significant influence on financial management behaviour (Y) among MSME actors in NTB. This finding suggests a positive correlation between financial management attitudes and business financial management behaviours. The prevailing financial attitudes in this region encompass a future-oriented orientation, a commitment to spending discipline, and a dedication to responsible financial management. This finding aligns with the conclusions of Ansar et al's. research (2023), which suggests that future orientation motivates individuals to accumulate savings and plan their expenditures meticulously, thereby increasing the likelihood of achieving specific financial objectives, such as accumulating emergency funds or retirement savings. This phenomenon is particularly pronounced when individuals possess a robust understanding of financial concepts and are adept at financial self-management skills.

Preliminary field research indicates that micro, small, and medium-sized enterprises (MSMEs) in NTB who exhibit a favourable disposition toward financial management typically engage in specific behaviours. These behaviours include the practice of systematically documenting business cash flow, maintaining a clear distinction between personal and business financial assets, and demonstrating a propensity to save either or reinvest business profits. This perspective aligns with the behavioristic approach in economics, which posits that psychological attitudes significantly impact financial behaviour. This finding aligns with the research conducted by Rahayu et al. (2023), who posits that the behavioristic approach in economics underscores the significance of psychological attitudes, such as intention and confidence in financial management, as pivotal factors influencing actual financial management behaviour. Furthermore, personality traits and financial literacy were found to have a substantial impact on the financial decisions of MSMEs.

The present study demonstrates that financial attitudes exert a substantial influence on financial management behaviour across diverse groups, including MSME members, business owners, and individuals in NTB. Positive financial attitudes have been demonstrated to be the primary catalyst for encouraging optimal financial management behaviours, exhibiting a greater impact than financial knowledge or income level. The practical implication of this finding is the importance of education and training that emphasizes the formation of positive financial attitudes, in addition to increasing financial literacy, to encourage better financial behaviour and improve the financial well-being of individuals and communities.

Moreover, the implicative impact of this financial attitude extends not only to the business practices of MSME actors but also to the attitudes and knowledge of financial management that naturally arise and affect household management patterns. This finding aligns with the results of research conducted by Adiputra & Patricia (2020), which states that family financial management behaviour, not only among MSME actors but also in the context of households in general, is influenced by financial attitudes. Positive financial attitudes have been consistently demonstrated to improve financial management behaviours, such as planning, controlling, and making wise financial decisions within the family.

The advent of direct financial attitudes has given rise to a novel ecosystem that is inherently driven by more than just an intention to maintain and manage favourable financial patterns. It is also driven by the need to manage self-attitudes, which are of paramount importance in a variety of business decisions. Furthermore, adopting a positive financial management mindset can serve as a natural bulwark against attitudes that may lead to future losses, including those related to business sustainability planning—a critical concern for MSMEs. Consequently, this research highlights the importance of interventions aimed at promoting financial literacy among MSMEs, particularly in NTBs, which are experiencing economic growth but face challenges in enhancing the financial literacy and behaviours of business actors. The integration of attitude-based coaching with practical financial management training is hypothesised to enhance the sustainability and resilience of MSMEs.

5.3 The Influence of Self-Control on Financial Management Behaviour in MSMEs in NTB

The findings indicated that self-control (X3) exerted a positive and significant influence on financial management behaviour (Y) among MSME actors in NTB, as evidenced by a path coefficient of 0.2351 and a P-value of 0.018, which is less than 0.05. This finding suggests that MSME actors who exhibit a high level of self-control tend to demonstrate greater financial discipline. In the field, respondents who exhibit high self-control scores tend to engage in behaviours such as establishing a monthly budget, constraining impulsive spending, and allocating a portion of their income to productive purposes, including reinvestment or emergency savings. From a theoretical standpoint, these results align with the self-control theory in economic psychology. This theory posits that individuals with high self-control can resist impulses for short-term consumption in favour of long-term financial goals. Within the context of MSME actors, self-control is defined as an individual's capacity to defer consumption, regulate impulsive behaviours, and adhere to sustainable business financial objectives.

Within the context of NTB MSMEs, self-control emerges as a critical element. Small business owners often encounter fluctuations in their daily income, which can lead to the temptation to redirect business funds to personal use. Individuals who possess strong self-control are better equipped to resist consumptive impulses and prioritise financial decisions that contribute to business sustainability. This is particularly salient in periods of uncertainty, such as the off-season for buyers or periods of rising raw material costs. Empirical evidence indicates that MSMEs in NTB with a high level of self-control demonstrate healthier financial behaviour. They methodically document business transactions, formulate budgets, and circumvent unproductive consumptive debt. This finding aligns with the conclusions of a study by Luis & MN (2020), which posits that self-control exerts a direct influence on the financial behaviour of management students, thereby increasing their awareness and discipline in making financial decisions. This lends further credence to the notion that self-control serves as a critical determinate of financial behaviour, transcending the confines of specific demographic groups, geographic locations, and economic circumstances.

Self-control constitutes a critical component of the success experienced by MSME actors, particularly in the context of external influences such as prevailing consumption trends, socioeconomic pressures, and the advent of technological conveniences. This finding suggests that self-control has a positive and significant impact on the performance of MSMEs. However, the direct impact of self-control is comparatively modest when considered alongside other factors, including self-awareness, self-motivation, self-observation, and self-evaluation. These factors have been demonstrated to be efficacious in assisting MSME actors in managing time, cultivating discipline, and averting the utilisation of business capital for personal consumption. This, in turn, mitigates the risk of accumulating high-interest debt (Aprianingsih & Kheryadi, 2022). Theoretical models of self-control emphasise the importance of the conflict between desires and long-term goals, as well as individual motivation and capacity in controlling consumptive behaviour.

The present study is consistent with the Theory of Planned Behaviour, which posits that individual behaviour is influenced by intentions formed from attitudes, subjective norms, and perceived behavioural control. In this case, self-control functions as a component of perceived behavioural control, thereby reinforcing the intention to behave in a financially rational manner. Individuals who perceive themselves to have autonomy in their financial decision-making demonstrate a greater propensity to exhibit consistency in cash flow management, budgeting, and the judicious execution of financial decisions (Raaij et al., 2023). In essence, cultivating self-control is paramount in fostering healthy financial behaviours and enhancing financial well-being.

Individuals who demonstrate adequate self-control are more likely to exhibit financially responsible behaviours, such as regular savings and effective expense management. Consequently, these individuals often report higher levels of financial security, along with reduced stress and anxiety concerning financial matters. This self-control effect has been demonstrated to directly enhance financial behaviour and, secondarily, improve financial well-being by reducing the stress associated with economic hardship (Perez & Rambaud, 2025). In the context of MSMEs in NTB, this is particularly salient, as entrepreneurs often occupy a vulnerable economic position and require emotional stability to make judicious business decisions. Furthermore, existing research has demonstrated that self-control is a significant psychological factor influencing positive financial behaviour, with a magnitude of influence that exceeds that of cognitive factors, such as financial literacy. This finding aligns with the research conducted by Luis & MN (2020), which demonstrated that self-control exerts a direct influence on financial management behaviour and functions as a catalyst for enhancing financial well-being by mitigating stress and anxiety associated with financial challenges.

This study corroborates the notion that self-control constitutes a pivotal soft skill that MSME actors must cultivate to enhance their financial resilience. The efficacy of financial literacy programs is contingent upon the incorporation of training that fosters enhanced self-control. This can be achieved through the implementation of financial planning, the management of consumption impulses, and cultivating a mindset focused on long-term financial objectives. The efficacy of such interventions in promoting adaptive and sustainable financial management practices has been demonstrated by empirical evidence.

6. Conclusion

Based on the research results, it can be concluded that financial literacy, financial attitude, and self-control significantly influence the financial management behaviour of MSME actors in West Nusa Tenggara Province, in line with financial literacy theory, attitude theory, and the Theory of Planned Behaviour (TPB), which emphasizes the importance of cognitive, affective, and behaviour control aspects in determining financial actions. These results suggest that practical interventions, such as locally based financial literacy training, fostering a positive financial mindset, and psychological reinforcement through self-control training, are highly recommended to enhance the quality of MSME financial management. These findings are also practically relevant for local governments and financial institutions in designing behaviour-based MSME assistance policies. However, this study has limitations in terms of its geographical context, which only covers NTB, and its quantitative approach, which does not explore behavioural dynamics in depth. Further studies could expand the geographical scope, use qualitative or mixed approaches, and include new variables such as business motivation, social pressure, or the use of financial technology to explain financial management behaviour more comprehensively.

7. References

Adiputra, I. G., & Patricia, E. (2020). *The Effect of Financial Attitude, Financial Knowledge, and Income on Financial Management Behavior*. *439*(Ticash 2019), 107–112. https://doi.org/10.2991/assehr.k.200515.019

Alfaira Alfaira, & Dyah Palupiningtyas. (2025). Empowering MSMEs Through Financial Literacy: Exploring Strategies for Sustainable Growth. *Management Dynamics: International Journal of Management and Digital Sciences*, *2*(2), 12–28. https://doi.org/10.70062/managementdynamics.v2i2.87

Andarsari, P. R., & Ningtyas, M. N. (2019). The Role of Financial Literacy on Financial Behavior. *Jabe (Journal of Accounting and Business Education)*, *4*(1), 24. https://doi.org/10.26675/jabe.v4i1.8524

Anita, A., Njotoprajitno, R. S., & Hadianto, B. (2022). Economics and Business Quarterly Reviews. *Journal of Economics and Business*, *5*(3), 32–40. https://doi.org/10.31014/aior.1992.05.03.433

Ansar, R., Chekima, B., Lada, S., Lim, M. F., & Bouteraa, M. (2023). Determinants of personal financial management practices among Malaysian youth. *Asian Economic and Financial Review*, *13*(12), 996–1007. https://doi.org/10.55493/5002.v13i12.4931

Aprianingsih, S., & Kheryadi, K. (2022). Self-Management Techniques in Managing Time Strategies for MSMEs Affected by PPKM Covid 19. *ABDIMAS: Jurnal Pengabdian Masyarakat*, *4*(2), 867–873. https://doi.org/10.35568/abdimas.v4i2.1436

Aziza, A. N., & Septiyani, D. (2024). The Effect of Financial Literacy, Income, And Self-Control on The Personal Financial Management of Politeknik Negeri Sriwijaya Students. *INCOME: Innovation of Economics and Management*, *3*(1), 20–25. https://doi.org/10.32764/income.v3i1.5016

Boyetey, D. B., & Francis Enu-Kwesi. (2022). *Financial Attitude and Pension Savings among Informal Economy Workers in Ghana: Application of the Theory of Planned Behaviour*.

Efendi, M., Ary yanti, P., Hennarti Daulay, T., & Yustati, H. (2024). The Role of Financial Literacy for Students Personal Finances. *SEMB-J : Sharia Economic and Management Business Journal*, *5*(3), 43–47. https://doi.org/10.62159/sembj.v5i1.1194

Ekasari, A., Meutia, Uzliawati, L., & Mulyasari, W. (2024). The effect of financial literacy on Indonesian women micro entrepreneurs through financial intermediation. *Journal of Infrastructure, Policy and Development*, *8*(8), 1–18. https://doi.org/10.24294/jipd.v8i8.5686

Elliyana, E., Widyastuti, U., Buchdadi, A. D., & Rabie, A. B. (2024). Determinants of loan self control: Customer case “Kredit Usaha Rakyat” of Indonesia. *Accounting*, *10*(2), 49–54. https://doi.org/10.5267/j.ac.2024.2.001

Fitriyah, Hermawan, A., & Sudarsono, N. (2023). The Impact Of Financial Literacy, Financial Attitudes And Financial Behaviour On MSMEs Growth. *International Journal of Science, Technology & Management*, *4*(6), 1560–1566. https://doi.org/10.46729/ijstm.v4i6.979

Fred van Raaij, W., Riitsalu, L., & Põder, K. (2023). Direct and indirect effects of self-control and future time perspective on financial well-being. *Journal of Economic Psychology*, *99*. https://doi.org/10.1016/j.joep.2023.102667

Handayani, A. (2024). Antecedents of Financial Behavior of MSME. *Almana : Jurnal Manajemen Dan Bisnis*, *8*(2), 264–275. https://doi.org/10.36555/almana.v8i2.2529

Hashmi, F., Aftab, H., Martins, J. M., Mata, M. N., Qureshi, H. A., Abreu, A., & Mata, P. N. (2021). The role of self-esteem, optimism, deliberative thinking and self-control in shaping the financial behavior and financial well-being of young adults. *PLoS ONE*, *16*(9 September), 1–22.

https://doi.org/10.1371/journal.pone.0256649

Hernandez-Perez, J., & Cruz Rambaud, S. (2025). Uncovering the factors of financial well-being: the role of self-control, self-efficacy, and financial hardship. *Future Business Journal*, *11*(1). https://doi.org/10.1186/s43093-025-00498-7

Ida, Zaniarti, S., & Wijaya, G. E. (2020). Financial Literacy , Money Attitude , Dan Financial. *Jurnal Muara Ilmu Ekonomi Dan Bisnis*, *4*(2), 406–413. https://www.researchgate.net/publication/346007236_Financial_Literacy_Money_Attitude_Dan_Financial_Management_Behavior_Generasi_Milenial

Kang, G. L., & Park, C. W. (2024). The impact of financial literacy and financial management behavior on recognition of startup opportunity. *Journal of Infrastructure, Policy and Development*, *8*(9), 1–12. https://doi.org/10.24294/jipd.v8i9.7268

Khairi, A. (2025). *Determinant of MSMEs Financial Management Behavior in Yogyakarta City*. *6*(1), 123–138.

Lubis, I. T., Ningsi, E. H., Manurung, L., & Widodo, S. (2024). Digital Financial Management of MSMEs: The Impact of Financial Literacy and Financial Technology the Creative Commons Attribution 4.0 International License. Site Using OJS 3 PKP Optimized. *Atestasi: Jurnal Ilmiah Akuntansi*, *7*(2), 1164–1172.

Luis, L., & MN, N. (2020). Pengaruh Pengendalian Diri, Literasi serta Perilaku Keuangan Terhadap Kesejahteraan Keuangan. *Jurnal Manajerial Dan Kewirausahaan*, *2*(4), 994. https://doi.org/10.24912/jmk.v2i4.9883

Muñoz-Céspedes, E., Ibar-Alonso, R., & Cuerdo-Mir, M. (2024). Individual entrepreneurial behavior and financial literacy. *International Entrepreneurship and Management Journal*, *20*(3), 2263–2285. https://doi.org/10.1007/s11365-023-00936-4

Muñoz-Céspedes, E., Ibar-Alonso, R., & Ros, S. de L. (2021). Financial literacy and sustainable consumer behavior. *Sustainability (Switzerland)*, *13*(16). https://doi.org/10.3390/su13169145

Nunsyah, W. O. F. N. A., Hidayat, L. S., & Albart, N. (2024). The Influence of Financial Literacy and Self Control on Women's Personal Financial Management in Konawe District, Southeast Sulawesi Province. *Dinasti International Journal of Management Science*, *6*(2), 244–250. https://doi.org/10.38035/dijms.v6i2.3607

Pawestri, P., & Prasetyani, D. (2024). the Effect of Self-Awareness, Self-Control, Self-Motivation, Social Awareness, and Social Skills on Performance of Msme Women Enterprises. *Al-Dzahab*, *5*(1), 25–33. https://doi.org/10.32939/dhb.v5i1.3505

Rahadjeng, E. R., Imam Mukhlis, Danardana Murwani, & Iva Khoiril Mala. (2023). MSME Strategy the Impact of Financial Literacy,Self-Efficacy,and Financial Attitudes in improving MSME Business Performance in Indonesia. *Journal of Finance and Business Digital*, *2*(1), 65–80. https://doi.org/10.55927/jfbd.v2i1.3465

Rahayu, F. S., Risman, A., Firdaus, I., & Haningsih, L. (2023). The Behavioral Finance of MSME in Indonesia: Financial Literacy, Financial Technology (Fintech), and Financial Attitudes. *International Journal of Digital Entrepreneurship and Business*, *4*(2), 95–107. https://doi.org/10.52238/ideb.v4i2.127

Sinha, K. J., Sinha, S., & Sinha, B. J. (2024). Micro, Small, and Medium-Sized Enterprises (MSMEs): The Significant Role and Challenges in Indonesia's Economy. *International Journal For Multidisciplinary Research*, *6*(3), 0–10. https://doi.org/10.36948/ijfmr.2024.v06i03.20824

Siswanti, I. (2020). Financial Knowledge, Financial Attitude, and Financial Management Behavior: Selfâ€"Control As Mediating. *The International Journal of Accounting and Business Society*, *28*(1), 105–132. https://doi.org/10.21776/ub.ijabs.2020.28.1.5

Strömbäck, C., Skagerlund, K., Västfjäll, D., & Tinghög, G. (2020). Subjective self-control but not objective measures of executive functions predicts financial behavior and well-being. *Journal of Behavioral and Experimental Finance*, *27*, 100339. https://doi.org/10.1016/j.jbef.2020.100339

Talwar, M., Talwar, S., Kaur, P., Tripathy, N., & Dhir, A. (2021). Has financial attitude impacted the trading activity of retail investors during the COVID-19 pandemic? *Journal of Retailing and Consumer Services*, *58*(August 2020), 102341. https://doi.org/10.1016/j.jretconser.2020.102341

Uddin, M., Ali, M. A., Alhumoudi, H., Habib, S., & Vivek, V. (2024). *The effect of financial literacy on investment decision making in Kingdom of Saudi Arabia : An empirical study*. *8*(10), 1–22.

Wahyuni, S. F., Radiman1, Hafiz, M. S., & Jufrizen. (2023). Financial literacy and financial attitude on financial management behavior: An examination of the mediating role of the behavioral intention of students at private universities in Indonesia. *Investment Management and Financial Innovations*, *20*(3), 239–250. https://doi.org/10.21511/imfi.20(3).2023.20

Widjayanti, C. E., Adawiyah, W. R., & Sudarto. (2025). Financial literacy innovation is mediated by financial attitudes and lifestyles on financial behavior in MSME players. *Journal of Innovation and Entrepreneurship*, *14*(1). https://doi.org/10.1186/s13731-025-00525-5

Widyakto, A., Liyana, Z. W., & Rinawati, T. (2022). The influence of financial literacy, financial attitudes, and lifestyle on financial behavior. *Diponegoro International Journal of Business*, *5*(1), 33–46. https://doi.org/10.14710/dijb.5.1.2022.33-46

Widysatuti, M., Hermanto, Y. B., & Astuti, A. (2025). Factors Influencing Behavior and Financial Welfare of MSMEs. *Widya Cipta: Jurnal Sekretari Dan Manajemen*, *9*(1), 86–95. https://doi.org/10.31294/widyacipta.v9i1.24650

Yahaya, R., Zainol, Z., Abidin, J. H. O. @ Z., & Ismail, R. (2019). The Effect of Financial

Knowledge and Financial Attitudes on Financial Behavior among University Students. *International Journal of Academic Research in Business and Social Sciences*, *9*(8), 22–32. https://doi.org/10.6007/ijarbss/v9-i8/6205

Yastika Maulidiya Meivia Permata. (2025). *Pengaruh Financial Literacy, Financial Attitude, Dan Financial Technology Terhadap Financial Management Behavior Pelaku Usaha UMKM (STUDI*. 6. https://www.city.kawasaki.jp/500/page/0000174493.html

Zaini, M. (2022). The Role of Financial Management Behavior in Mediating The Relationship Between Financial Attitudes and Financial Literacy: Study of MSMEs Using E-Wallets in Pontianak City - Indonesia. *Journal of International Conference Proceedings*, *5*(3), 107–115. https://doi.org/10.32535/jicp.v5i3.1785