



Financial Literacy Planning for Homestay Management Activities in Coastal Tourism Areas

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Abstract

This research aims to analyze the influence of financial literacy on the intention to improve performance and sustainability of homestay operators in Pinrang Regency. Using the Theory of Planned Behavior (TPB), the study explores how financial literacy affects attitudes toward behavior, subjective norms, perceived behavior control, and their impact on the operators' intention to enhance performance and sustainability. Results show that financial literacy significantly influences attitudes toward behavior, perceived behavior control, and subjective norms of homestay operators. The intention to improve performance and sustainability is positively influenced by attitudes and perceived behavior control, while subjective norms have no significant impact. These findings highlight the crucial role of financial literacy in supporting homestay performance and sustainability in Pinrang Regency, emphasizing the need for continued support from relevant stakeholders.

Introduction

Law Number 23 of 2014 concerning regional government which emphasizes the creation of community welfare, and provides opportunities for local governments to increase their regional potential. With this, local governments are required to be able to provide bright ideas and ideas in improving community welfare, one of which is the economic sector. The economic sector initiated by the Indonesian government is now more enlivening in the center of micro, small and medium enterprises by prioritizing human resources considering the existence of micro, small and medium enterprises (Daya, 2021).

In the era of an open economy, it is necessary to utilize all economic potential in order to be able to create highly competitive goods and services both from natural resources (Minesso et al., 2022). To develop maritime economic potential, a conducive business climate supported by fiscal policy from the government and monetary policy from Bank Indonesia is needed to encourage investment and production, especially among small marine businesses, such as small and traditional fishermen (Zheng et al., 2021). An era where economic growth is very significant. Indonesia is predicted to become the country with the third largest economic growth out of 10 developing countries that will dominate the global market in 2028, the prediction is based on analysis. The Central Bureau of Statistics (BPS) states that 90% - 95% of companies in Indonesia are categorized as Micro, Small and Medium Enterprises (MSMEs). Through MSMEs, various regional potentials, such as natural wealth, cultural distinctiveness, and community skills can be utilized to create more advanced economic growth.

The Micro, Small and Medium Enterprises (MSMEs) sector, one of the cornerstones of the economy in Indonesia, is able to provide monetary development, job creation and job retention, shape national GDP, become a source of non-oil and gas trade and play an important role in

restoring tourism (Lal et al., 2020). No wonder if the MSME sector is disrupted, the Indonesian economy is also disrupted (Kusumasari & Retnandari, 2021). MSMEs have social capacity as suppliers of welfare, especially for low-income Indonesians so that they can run a productive economy. The development of micro and small enterprises requires implementative strategies and policies (Bai et al., 2021). Implementative is the action of a plan that has been carefully and in detail. So that micro and small enterprises can play a role in quality and competitive people's economic activities (Yuliantini et al., 2023).

The number of MSMEs, especially micro businesses, cannot be separated from how to manage business finances, thus making the government socialize that financial literacy is needed for every business to improve business sustainability (Arifin et al., 2021). There are several obstacles faced by MSMEs, namely the lack of ability and time of MSME actors in managing their own business finances (Fauzi et al., 2021). For this reason, this study will discuss the extent of the level of financial literacy of micro enterprises. Micro business actors complain that there are obstacles faced, namely not having knowledge about finance (financial literacy) and how to plan transparent and organized finances, which is due to the low interest of MSMEs to record and record every transaction that has been made. Financial literacy in the region is currently still relatively lacking, low interest of business actors in recording and bookkeeping in their business. MSMEs that have a good financial knowledge base will be able to make better financial decisions such as loans to third parties or financial institutions, investments and so on. If MSMEs do not have a basis in financial knowledge, it will allow risks to arise in their business such as losses and even bankruptcy.

All forms of business, including Parekraf MSMEs, need strong companies with maximum and good performance to face global competition. Many previous researchers who examined the obstacles to MSME performance were considered from internal and external factors, namely financial factors, managerial factors, and the lack of business networks owned by MSMEs. The low performance of MSMEs in Indonesia is partly due to the lack of access to capital. This can be caused by the lack of knowledge and understanding of MSMEs on the existence of financial institutions (Adawiyah, 2013).

The concern is amplified by the challenges faced by SMEs in Nigeria in the financial context that financial literacy has become one of the many elements responsible for the lack of proper knowledge or information about financial decision making (Omeihe et al., 2021). One way that can be done is to provide knowledge of MSME actors to financial knowledge so that MSMEs in planning and managing finances can be better like large businesses. Financial literacy will help MSME actors related to business management starting from budgeting, planning to save business funds, to achieving financial goals. The ability to manage the basic finances of MSMEs is very necessary for business performance and business continuity. Without an understanding of financial literacy and financial planning, micro businesses will find it difficult to make decisions related to financial management carried out in their business. Good financial literacy will encourage business actors to create good financial planning as well.

Financial planning is important in achieving financial goals. In a study conducted by (Goyal & Kumar, 2021) statistics show that the level of education, training courses and qualifications is unlikely to be available to business owners or employees working in MSMEs. As revealed by *Financial Planning Standards Board* Indonesia, financial planning is an integrated and planned financial management process that is useful for achieving one's life goals. The relationship between the level of financial literacy, financial planning will go through the stages of testing, analysis and then determining whether micro-enterprises use financial management more effectively or not. This financial literacy is related to a person's ability to manage and plan the

finances of the business he runs. In addition to financial literacy, there are also other problems experienced by Micro Business actors, namely limited capital, licensing, MSME tax payments, lack of innovation, technology stuttering. it is difficult to compete with other Micro Enterprises that plan their business well (Tuffour et al., 2022). The gap in information about experience in entrepreneurship affects the level of financial literacy in Micro Enterprises which makes them more vulnerable to financial crises compared to businesses that already have good planning in entrepreneurship.

This can be seen from the absence of the concept of sustainable innovation and inconsistent core business activities. In the end, the development of the long-term performance of MSMEs engaged in the creative industry tends to be stagnant and not well directed. Other important issues are the unfavorable investment climate, absence of entrepreneurship training programs, unfriendly investment business environment, gender gap and lack of value chain in the entrepreneurial ecosystem.

The importance of financial literacy for MSME actors, especially homestay management business actors, *can provide significant development in business, besides* that homestay actors can make decisions in the financial sector based on the results of financial statements that have been prepared. Based on the background description above, an understanding of financial literacy is needed by business actors, including *homestay* actors in order to be able to manage finances properly and correctly.

The concept of research on the role of financial literacy supports financial knowledge, financial planning and financial management that can be used by business actors in order to improve the sustainability of the business being run. Related to the discussion above, in this study, the author is interested in examining the effect of financial literacy and financial planning on *Sustainability Business Tourism in homestay actors in Pinrang Regency*.

Method

This research was conducted in Pinrang Regency with the object of study and became a respondent for lodging business *actors (homestay)* registered with the Tourism Office of Pinrang Regency, South Sulawesi. The type of data in this study is quantitative data, while the source used is primary data, data obtained directly from respondents and recorded for the first time. The primary source of data obtained in this study is derived from the research location, namely through the distribution of questionnaires or questionnaires (lists of questions to respondents). The population of this study is homestay business actors registered with the Pinrang Regency Tourism Office. The sampling method used is *purposive sampling* with active business criteria in the research area and type of lodging business.

Research data collection using quantitative *explanatory survey design*. The survey research data collection instrument uses a questionnaire containing a number of demographic questions and structured questions that must be answered or responded to by respondents. As a general guide, the minimum number of respondents recommended in survey research is around 100 respondents to obtain statistically significant results. However, a larger number of respondents can usually provide more accurate results and can increase the reliability of research findings.

Data analysis techniques using structural equation models or *Structural Equation Modelling-Partial Least Square (SEM-PLS)* with *Software Smart PLS 3.0*. The fundamental reasons for using SEM are: *First*, SEM has the ability to estimate relationships between variables that are *Multiple relationships*. *Second*, SEM has the ability to describe patterns of relationships between latent constructs and manifest variables. The advantages of SEM are being able to

estimate models simultaneously (simultaneously) so that they are more precise in theoretical testing (Solihin & Ratmono, 2013; Pradini et al., 2022).

Structural Equation Modelling-Partial Least Square (SEM-PLS) with moderating variables using two measurement test models, namely validity tests and reliability tests, and final stage tests using structural models / inner model tests.

Result and Discussion

The level of financial literacy is one of the important factors in evaluating the sustainability of the tourism business, especially for lodging management business actors in the coastal tourist area of Pinrang Regency (Ouachani et al., 2021). In this research, we have revealed a significant relationship between financial literacy and *Sustainability Business Tourism* in the region. Our statistical analysis shows that managers who have higher levels of financial literacy tend to be able to better manage their businesses, reduce the risk of failure, and contribute positively to environmental and social sustainability.

Factors such as education level, experience, and access to financial training have been shown to have an effect on the financial literacy of lodging business actors (Tchamyou, 2020). The implications of these findings are particularly relevant for relevant stakeholders, including local governments, tourism organizations, and lodging managers themselves, who can leverage these findings to design training programs and policies that support a more sustainable tourism business in Pinrang District. While this study provides valuable insights, it is important to note that there are limitations in our methodology and sample size that may influence the generalizability of these findings. Therefore, further research on other variables that can affect the sustainability of tourism businesses in the region is the next step that needs to be done.

Convergent validity from measurement model With reflective indicators, it can be seen from the correlation between the item / indicator score and the construct score. Individual indicators are considered reliable if they have a correlation value above 0.70, but at the research stage of scale development, loading 0.50 to 0.60 is still acceptable. By looking at the output results of the correlation between the indicator and its variables as shown in the output below: (Ghozali, 2008).

Table 1. Outer Loadings

Variable	Statement	Code	Loading Factor	Information
<i>Attitude toward behavior</i>	Financial literacy knowledge provides benefits for me so that it can improve business performance and sustainability	ATW_1	0,749	Valid
	Deepening financial literacy knowledge is more interesting to me so that it can improve business performance and sustainability	ATW_2	0,772	Valid
	Sufficient knowledge and experience about financial literacy can improve business performance and sustainability	ATW_3	0,714	Valid
	Understanding financial literacy provides satisfaction for me so as to improve business performance and sustainability	ATW_4	0,747	Valid
	The choice of financial literacy training is very attractive to me to improve business performance and sustainability	ATW_5	0,777	Valid
<i>Homestay Sustainability</i>	My efforts have reached the Break Event Point / BEP (Breakeven Point)	KEUKM_1	0,844	Valid

	In running a business, I have a customer satisfaction tracking system	KEUKM_2	0,876	Valid
	In running a business, I have an employee/manager satisfaction tracking system	KEUKM_3	0,720	Valid
Manager Performance	I run the business in a planned manner and run as planned	KIUKM_1	0,853	Valid
	Running a business often occurs work errors, causing repetition	KIUKM_2	0,814	Valid
	The business I run has experienced sales growth	KIUKM_3	0,825	Valid
	The business I run has decreased fixed costs	KIUKM_4	-0,197	Invalid
	I can anticipate production when demand increases	KIUKM_5	0,027	Invalid
	I guarantee punctuality to customers every product order.	KIUKM_6	0,042	Invalid
	I always maintain the suitability of the product with the specifications offered.	KIUKM_7	0,421	Invalid
Financial Literacy	I have an account in the name of a company	LK_1	0,744	Valid
	I know the company identification when opening an account	LK_2	0,601	Valid
	I know the minimum deposit of funds when opening an account	LK_3	-0,322	Invalid
	I understand the knowledge of savings guarantees	LK_4	-0,645	Invalid
	I understand the potential return on savings in one year	LK_5	0,115	Invalid
	I understand the potential returns on savings in multi years	LK_6	0,522	Valid
	I understand about the calculation of credit interest per year	LK_7	-0,149	Invalid
	I have knowledge of the premium between two product options	LK_8	-0,095	Invalid
	I have knowledge of the effect of inflation on the value of money	LK_9	0,124	Invalid
	I have knowledge of the time value of money	LK_10	-0,082	Invalid
	I understand the effect of inflation on company growth	LK_11	-0,699	Invalid
<i>Perceived behavior control</i>	Understanding financial literacy, I believe in successfully improving business performance and sustainability.	PBC_1	0,732	Valid
	For me, understanding financial literacy is easy so that it can improve business performance and sustainability.	PBC_2	0,767	Valid
	Financial literacy knowledge provides benefits so that it can improve business performance and sustainability.	PBC_3	0,699	Valid
	Having financial literacy skills and abilities can improve business performance and sustainability.	PBC_4	-0,038	Invalid
	My chances of business success will be high if I understand financial literacy.	PBC_5	-0,142	Invalid

	Understanding financial literacy to improve business performance and sustainability is my decision.	PBC_6	0,761	Valid
Subjective <i>norm</i>	I have a drive to understand financial literacy as an effort to improve business performance and sustainability	SN_1	0,784	Valid
	My partner & family support me in understanding financial literacy as an effort to improve business performance and sustainability	SN_2	0,793	Valid
	Friends support me in understanding financial literacy as an effort to improve business performance and sustainability	SN_3	0,822	Valid
	The workers support me in understanding financial literacy as an effort to improve business performance and sustainability.	SN_4	0,760	Valid

Source: Processed Primary Data (2023)

Based on the results of factor analysis contained in the table, it can be observed that all loading factor values in the indicators used in this study have values above 0.60. This shows that all of these indicators are excellent at measuring the desired variable and have a strong relationship with the factors studied. However, it should be noted that there are 14 indicators that have a loading factor value below 0.60. These indicators include aspects of Business Performance (KIUKM_4, KIUKM_5, KIUKM_6, KIUKM_7), Financial Literacy (LK_3, LK_4, LK_5, LK_7, LK_8, LK_9, LK_10, LK_11), and Perceived Behavioral Control (PBC_4, PBC_5).

Based on these findings, it is recommended to consider removing or removing these indicators from subsequent analyses. The reasoning behind these recommendations is that these indicators may not make a significant contribution in measuring the variables under study or may have problems in measurement that may reduce the validity of the results. By issuing these indicators, we can increase the accuracy and reliability of measurements of the variable being studied.

Overall, these findings indicate that the variables in the study had good *convergent validity*, that is, they effectively measured the same construct. However, it is important to constantly evaluate the measurement instruments and ensure that only valid and reliable indicators are used in subsequent analysis.

Table 2. AVE Value

	<i>Average Variance Extracted (AVE)</i>
<i>Attitude toward behavior</i>	0,566
Homestay sustainability	0,665
Manager Performance	0,742
Financial Literacy	1,000
<i>Perceived behavior control</i>	0,597
<i>Subjective norm</i>	0,618

Source: Processed Primary Data (2023)

From table 3 it can be concluded that all variables meet the *convergent validity test* because they are above predetermined criteria. In the context of factor analysis and construct measurement evaluation, the *Average Variance Extracted (AVE)* value is a very relevant metric. The AVE value, which ranges from 0 to 1, is used to assess the extent to which the

variables used in the study are reliable in measuring the construct in question. AVE values above 0.5 are generally considered a sign of a fairly good contribution in construct measurements. The data provided show AVE values for several constructs that are the focus of research.

First, the construct "*Attitude toward behavior*" has an AVE value of 0.566. These results indicate that the variables used to measure attitudes toward behavior are quite good at reflecting this construct. More than half of the variance in these variables can be attributed or explained by attitudinal constructs toward behavior.

Then, the construct "*Sustainability of Homestay*" or "*Sustainability of Homestay*" has an AVE value of 0.665. This value illustrates that the variables used to measure sustainability are strong enough to measure this construct. About 67% of the variance in these variables can be explained by the homestay sustainability construct.

Furthermore, the "Performance" construct has the highest AVE value, which is 0.742. This value indicates that the variables used to measure manager performance are very effective in measuring this construct. About 74% of the variance in these variables can be explained by the manager's performance construct.

The construct "*Financial Literacy*" has a maximum AVE value of 1,000. This means that the variables used to measure financial literacy fully explain or reflect the construct of financial literacy. All variances in these variables can be attributed to financial literacy constructs.

Overall, these AVE values give an indication that the variables used in this study have a good contribution in measuring the appropriate construct. However, it is important to remember that the overall assessment of the measurement instrument also requires consideration of other factors such as convergent validity, reliability and factor analysis results to ensure the reliability and validity of the instrument.

Table 3. AVE Value and AVE Root

	AVE ROOT	AVE
Attitude toward behavior	0,810	0,566
Homestay sustainability	0,778	0,665
Manager Performance	0,828	0,742
Financial Literacy	1,000	1,000
Perceived behavior control	0,710	0,597
Subjective norm	0,832	0,618

Source: Processed Primary Data (2023)

In Table 4, we present the *Average Variance Extracted* (AVE) values and AVE roots for some of the constructs that are the focus of this study. The AVE root is the square root of the AVE value and provides additional insight into the extent to which the variables used in construct measurements are reliable in measuring those constructs.

First, for the construct "*Attitude toward behavior*," the root AVE is 0.810, while the AVE value is 0.566. A comparison between the root AVE and the value of AVE shows that the variables used to measure attitudes towards behavior have a strong contribution in measuring this construct. Most of the variance in these variables can be explained by attitudinal constructs toward behavior.

Second, in the construct of "*Sustainability of Homestay*" the AVE root is 0.778, while the AVE value is 0.665. The higher AVE root of the AVE value shows that the variables used to measure

the sustainability of the homestay business have a significant contribution in measuring this construct. Considerable variance in these variables can be attributed to the homestay sustainability construct.

Third, for the construct "*Performance of Homestay*" the root AVE is 0.828, while the AVE value is 0.742. This comparison shows that the variables used to measure the performance of *homestay* managers have a strong contribution in measuring this construct. Most of the variance in such variables can be explained by performance constructs. The construct of "*Financial Literacy*" has an AVE root of 1,000, which is comparable to an AVE value of 1,000. The AVE value reaches 1,000, indicating that the variables used to measure financial literacy fully explain the variance in the financial literacy construct. These variables very well measure the construct of financial literacy.

Overall, this table gives an indication that the variables used in this study have a good contribution in measuring the appropriate construct. However, it is important to consider these results in the context of a thorough assessment of measurement instruments, including convergent validity, reliability, and factor analysis to ensure the reliability and validity of such constructions.

Table 4. *Latent Variable Correlation*

	<i>Attitude toward behavior</i>	<i>Homestay Continuity</i>	<i>Manager Performance</i>	<i>Financial Literacy</i>	<i>Perceived behavior control</i>	<i>Subjective norm</i>
<i>Attitude toward behavior</i>	0,752					
<i>Homestay Sustainability</i>	0,511	0,816				
<i>Manager Performance</i>	0,604	0,730	0,572			
<i>Financial Literacy</i>	0,767	0,491	0,587	0,453		
<i>Perceived behavior control</i>	0,523	0,658	0,710	0,495	0,607	
<i>Subjective norm</i>	0,592	0,282	0,434	0,567	0,437	0,790

Source: Processed Primary Data (2023)

In Table 5, there is a correlation matrix that describes the relationship between various latent variables (constructs) that are the focus of this study. Correlation is a measurement used to measure the extent to which two variables relate to each other. In the context of this study, the table helps in understanding the degree of relationship between the constructs under study.

First, "*Attitude toward behavior*" has a strong positive correlation with the construct "*Homestay Sustainability*" (0.752), which suggests that attitudes toward behavior are positively related to *homestay sustainability*. In addition, attitudes toward behavior were also positively correlated with "*Manager Performance*" (0.511) and "*Financial Literacy*" (0.767), indicating that the more positive attitudes toward behavior, the greater the level of homestay sustainability, manager performance, and expected financial literacy.

Second, "*Homestay Sustainability*" has a strong positive correlation with "*Manager Performance*" (0.816) and "*Financial Literacy*" (0.491). This indicates that *homestay sustainability* is positively correlated with manager performance and financial literacy. This could mean that more sustainable businesses tend to have better performance and higher financial literacy.

Third, "Manager Performance" had a significant positive correlation with "Attitude Toward Behavior" (0.511), "*Homestay Sustainability*" (0.816), and "Financial Literacy" (0.587). This shows that manager performance is positively correlated with attitudes towards behavior, homestay sustainability, and financial literacy. These results illustrate the close relationship between manager performance and other variables in this study.

Financial Literacy has a strong positive correlation with "Attitude Towards Behavior" (0.767), "*Homestay Sustainability*" (0.491), and "Manager Performance" (0.587). This suggests that higher levels of financial literacy are positively correlated with attitudes towards behavior, *Homestay* sustainability, and manager performance. Good financial literacy can support better understanding and decision-making in the context of the *homestay business*.

Table 5. Value Cross Loading

	<i>Attitude toward behavior</i>	Homestay Continuity	Manager Performance	Financial Literacy	<i>Perceived behavior control</i>	<i>Subjective norm</i>
ATW_1	0,749	0,350	0,453	0,571	0,328	0,427
ATW_2	0,772	0,448	0,491	0,616	0,373	0,452
ATW_3	0,714	0,347	0,437	0,564	0,455	0,524
ATW_4	0,747	0,394	0,460	0,529	0,480	0,396
ATW_5	0,777	0,375	0,429	0,602	0,337	0,427
KEUKM_1	0,350	0,844	0,596	0,333	0,609	0,305
KEUKM_2	0,426	0,876	0,666	0,412	0,580	0,116
KEUKM_3	0,495	0,720	0,516	0,477	0,404	0,293
KIUKM_1	0,473	0,605	0,853	0,376	0,601	0,213
KIUKM_2	0,550	0,575	0,814	0,562	0,483	0,383
KIUKM_3	0,431	0,653	0,825	0,505	0,646	0,316
KIUKM_4	-0,033	-0,092	-0,197	0,016	-0,175	-0,268
KIUKM_5	-0,087	0,027	0,027	-0,060	-0,028	-0,045
KIUKM_6	-0,018	-0,050	0,042	-0,048	0,070	0,002
KIUKM_7	0,370	0,313	0,421	0,334	0,324	0,389
LK_1	0,653	0,408	0,489	0,744	0,408	0,440
LK_10	-0,057	-0,116	-0,071	-0,082	-0,121	-0,045
LK_11	-0,511	-0,377	-0,333	-0,699	-0,335	-0,325
LK_2	0,426	0,436	0,606	0,601	0,522	0,418
LK_3	-0,194	-0,040	-0,147	-0,322	-0,179	-0,264
LK_4	-0,527	-0,196	-0,196	-0,645	-0,129	-0,304
LK_5	0,081	-0,062	-0,032	0,115	-0,048	0,125
LK_6	0,333	0,070	0,144	0,522	-0,012	0,236
LK_7	-0,004	-0,080	-0,043	-0,149	-0,070	-0,072
LK_8	0,043	-0,068	-0,104	-0,095	-0,088	-0,024
LK_9	0,140	0,157	0,107	0,124	0,081	0,059
PBC_1	0,383	0,408	0,442	0,361	0,732	0,403
PBC_2	0,389	0,429	0,461	0,376	0,767	0,395
PBC_3	0,400	0,376	0,416	0,369	0,699	0,421
PBC_4	-0,009	-0,037	0,097	0,039	-0,038	0,057

PBC_5	0,024	-0,068	0,020	-0,039	-0,142	0,107
PBC_6	0,387	0,661	0,703	0,363	0,761	0,162
SN_1	0,453	0,220	0,371	0,497	0,328	0,784
SN_2	0,480	0,323	0,449	0,446	0,494	0,793
SN_3	0,482	0,189	0,251	0,421	0,254	0,822
SN_4	0,453	0,117	0,252	0,412	0,255	0,760

Source: Processed Primary Data (2023)

The results of the cross loading values contained in Table 6 are indicators of various variables, such as attitudes towards behavior, financial literacy, business performance, and business sustainability. *Cross loading* refers to the extent to which these indicators have a correlation with other latent variables in the study. This analysis helps to measure the degree of discriminant validity, that is, the extent to which the variables actually differ from each other in the context of measurement.

The results found from the cross loading values show that each indicator in the latent variable has a higher degree of correlation with their own latent variable than with other latent variables. In other words, indicators that measure attitudes toward behavior correlate more strongly with behavioral attitude variables than with other variables, such as financial literacy, business performance, or business sustainability. The same applies to indicators in the variables of financial literacy, business performance, and business sustainability.

This is particularly important in the context of discriminant validity. With these findings, we can conclude that these variables do indeed differ from each other in measurement and that the discriminant validity test is met. In other words, the measurement instruments used in this study are able to effectively separate and measure different variables precisely.

This is a positive result because discriminant validity is an important aspect in the study that allows us to identify that the variables measured actually reflect different constructs in our study. Therefore, these findings provide confidence that the measurement instruments used in your study can be relied upon in measuring different latent variables well, so that the resulting analysis results are more valid and reliable.

Table 6. Value Cronbach's Alpha and Composite Reliability

	Cronbach's Alpha	Composite Reliability
<i>Attitude toward behavior</i>	0,808	0,867
<i>Homestay Sustainability</i>	0,747	0,855
<i>Manager Performance</i>	0,826	0,896
<i>Financial Literacy</i>	1,000	1,000
<i>Perceived behavior control</i>	0,676	0,816
<i>Subjective norm</i>	0,802	0,866

Source: Processed Primary Data (2023)

In Table 7, *Cronbach's Alpha* and *Composite Reliability* values for various constructs or latent variables are presented in this study. *Cronbach's Alpha* and *Composite Reliability* is a measure of the reliability of a measurement instrument, indicating the extent to which the items in each construct can reliably measure that construct.

First, for the "Attitude toward behavior" construct, *Cronbach's Alpha* value is 0.808, while *Composite Reliability* is 0.867. These results show that the measurement instruments used to

measure attitudes towards behavior have a good level of reliability. *Cronbach's Alpha value* above 0.7 is a good indication of the reliability of the instrument.

Second, for the "Sustainability of SMEs" construct, *Cronbach's Alpha* value is 0.747, and *Composite Reliability* is 0.855. This indicates that measurement instruments to measure the sustainability of small and medium enterprises (SMEs) also have a good level of reliability.

Third, the "Performance of SMEs" construct has a *Cronbach's Alpha value* of 0.826 and *Composite Reliability* of 0.896. This shows that the measurement instruments used to measure the performance of SMEs also have a high level of reliability.

Finally, the "Financial Literacy" construct has a very high *Cronbach's Alpha and Composite Reliability scores* of 1,000 each. This value indicates that the measurement instrument for financial literacy is very reliable and consistent in measuring these constructs. Overall, the results from Table 7 show that the measurement instruments used in this study have an excellent level of reliability. This indicates that the items in each construct consistently measure the construct, so that the analysis results obtained from this study are reliable and statistically valid. The high reliability of the instrument reinforces confidence in the research results obtained from the respondents or samples studied.

Table 7. Value R Square

	R Square	R Square Adjusted
<i>Attitude toward behavior</i>	0,434	0,429
SME Sustainability	0,502	0,490
SME Performance	0,550	0,539
<i>Perceived behavior control</i>	0,129	0,122
<i>Subjective norm</i>	0,201	0,194

Source: Processed Primary Data (2023)

Table 8 provides a very important insight into the relative contribution of various combinations of variables in this study to different constructs. These results help us understand the extent to which certain variables contribute to other constructs within the framework of this study.

First, based on the table, it can be concluded that the Financial Literacy variable has a significant relative contribution to *Attitude toward behavior* of 42.9%. This indicates that almost half of the variation in attitudes toward behavior can be explained by financial literacy. In other words, respondents' financial understanding and knowledge play an important role in shaping their attitudes toward the behaviors being studied in the study.

Second, the Financial Literacy variable also contributes significantly relative to the *subjective norm* of 19.4%. This suggests that financial literacy impacts subjective norms that influence individual behavior. Respondents who have higher levels of financial literacy tend to be influenced by subjective norms that favor certain behaviors.

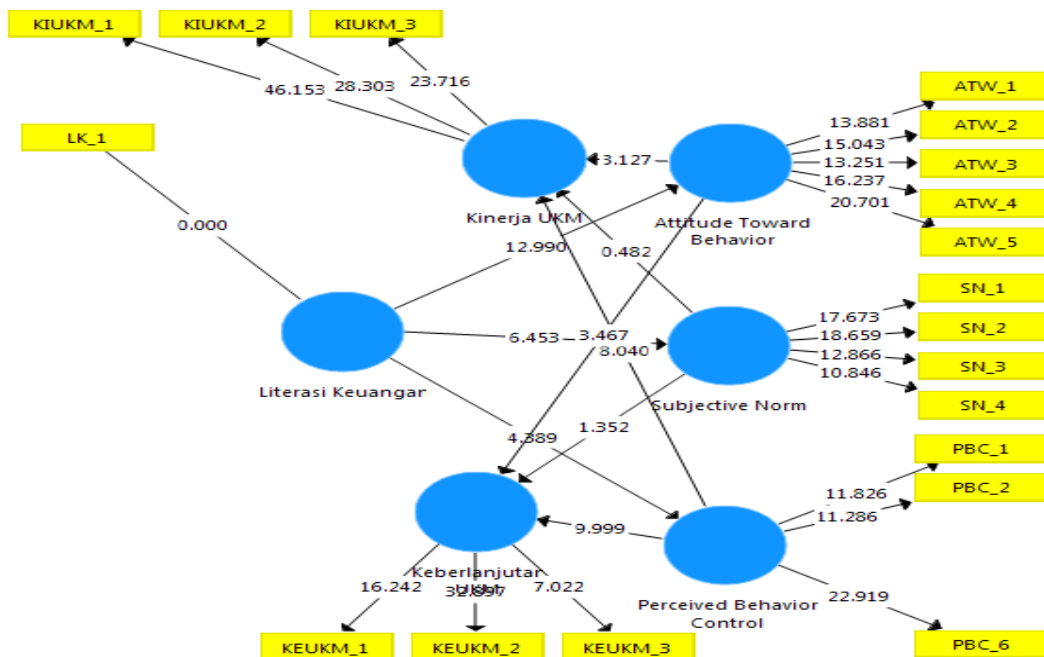
Third, financial literacy contributed 12.2% to *perceived behavior control*. This suggests that financial understanding also influences the extent to which individuals feel in control or control over their behavior in the context under study.

Fourth, the *Attitude toward behavior* variable contributed significantly relative to manager performance by 53.9%. This illustrates that attitudes towards behavior play a key role in determining the performance of managers. A positive attitude towards relevant behavior can have a positive impact on your performance.

Fifth, the *Attitude toward behavior* variable also contributes a large relative to *homestay sustainability* by 49.0%. This indicates that attitudes towards behavior also play an important role in maintaining and improving the sustainability of small and medium enterprises.

Thus, the results of Table 8 highlight the importance of financial literacy in influencing attitudes and behaviors, as well as their impact on the performance and sustainability of small and medium-sized enterprises.

Assessing the model as a whole and testing the hypothesized causality relationship has been carried out, the next stage is the discussion of research results which will be described as follows:



Picture 1. PLS Bootstrapping Method

Source: Processed Primary Data (2023)

Table 8. Value Path Coefficients (Mean, STDEV, T-values, P-values)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Financial Literacy -> Attitude toward behavior	0,659	0,664	0,051	12,990	0,000
Financial Literacy -> Perceived behavior control	0,359	0,362	0,082	4,389	0,000
Financial Literacy -> Subjective norm	0,448	0,466	0,069	6,453	0,000
Attitude toward behavior -> Homestay Sustainability	0,283	0,288	0,082	3,467	0,001
Attitude toward behavior -> Manager Performance	0,301	0,301	0,096	3,127	0,002
Perceived behavior control -> Homestay Sustainability	0,577	0,582	0,058	9,999	0,000

<i>Perceived behavior control - > Performance Manager</i>	0,566	0,563	0,070	8,040	0,000
<i>Subjective norm -> Homestay Sustainability</i>	-0,106	-0,099	0,078	1,352	0,179
<i>Subjective norm -> Manager Performance</i>	-0,038	-0,035	0,078	0,482	0,631

Source: Processed Primary Data (2023)

Table 9 is a table that provides information about the results of path analysis in this study. Path analysis is a statistical method used to identify the extent of relationships between various construct variables in a model. This table presents some important components of the results of such an analysis.

First, we can see the relationship between Financial Literacy and *Attitude toward behavior*. The *Path Coefficient* from Financial Literacy to *Attitude toward behavior* is 0.659. That is, financial literacy has a significant positive influence on attitudes towards behavior. High *T Statistics* values (12.990) and very low *P-values* (0.000) indicate that this relationship is very strong and significant in this study sample.

Then, the path from Financial Literacy to *Perceived behavior control* has a *Path Coefficient* of 0.359. This indicates that financial literacy also contributes positively to perceived behavioral control. These results are also significant, with high *T Statistics* (4.389) and low *P-values* (0.000).

Furthermore, Financial Literacy also has a strong positive influence on the *subjective norm*, with a *Path Coefficient* of 0.448. This illustrates that financial literacy influences subjective norms. This relationship is also significant, indicated by high *T Statistics* (6.453) and low *P-values* (0.000).

In addition, there is a pathway from *Attitude toward behavior* to *Homestay sustainability* with a *Path Coefficient* of 0.283, indicating that attitude toward behavior contributes positively to *homestay sustainability*. This relationship is significant, with *considerable T Statistics* (3.467) and low *P-values* (0.001).

The path from *Attitude toward behavior* to *Manager performance* has a *Path Coefficient* of 0.301, indicating that attitude toward behavior also has a positive impact on SME performance. Although the *T Statistics* are not very high (3.127), a low *P-value* (0.002) indicates the significance of this relationship.

Furthermore, the path from *Perceived behavior control* to *Homestay sustainability* has a *Path Coefficient* of 0.577, illustrating that *perceived behavior control* also contributes positively to *homestay sustainability*. This relationship is very significant, with *high T Statistics* (9.999) and very low *P-values* (0.000).

The path from *perceived behavior control* to *manager performance* is also significant, with a *Path Coefficient* of 0.566, indicating that *perceived behavior control* has a positive effect on *manager performance*, as reinforced by high *T statistics* (8.040) and low *P-values* (0.000). Finally, the path from *Subjective norm* to *Homestay Sustainability* and *Manager performance* was not significant, indicating that subjective norms had no significant effect on either aspect in this study sample.

Overall, Table 9 provides a deep understanding of how the construct variables in this research model relate to each other and contribute to other variables. These results provide valuable insight into the dynamics in this study and their significance in the context under study.

HYPOTHESIS		RESULT	INFORMATION
H1	Financial literacy has a significant influence on <i>attitudes toward behavior</i>	Koef.Beta=0.659 T-Statistics=12.990 P-value= 0.000	Accepted
H2	Financial literacy has a significant influence on <i>subjective norms</i>	Koef.Beta=0.448 T-Statistics=6.453 P- value= 0.000	Accepted
H3	Financial literacy has a significant influence on <i>perceived behavior control</i>	Koef.Beta=0.359 T-Statistics=4.389 P- value= 0.000	Accepted
H4	<i>Attitudes toward behavior</i> have a significant influence on the desire to improve <i>homestay</i> performance in Pinrang Regency	Koef.Beta=0.301 T-Statistics=3.127 P- value= 0.002	Accepted
H5	<i>Subjective norm</i> has a significant influence on the desire to improve the performance of <i>homestay</i> managers in Pinrang Regency	Koef.Beta= -0.038 T-Statistics=0.482 P- value= 0.631	Rejected
H6	<i>Perceived behavior control</i> has a significant influence on the desire to improve <i>homestay</i> performance in Pinrang Regency	Koef.Beta= 0.566 T-Statistics=8,040 P- value= 0,000	Accepted
H7	<i>Attitudes toward behavior</i> have a significant influence on the sustainability of <i>homestays</i> in Pinrang Regency	Koef.Beta= 0.283 T-Statistics=3.467 P- value= 0.001	Accepted
H8	<i>Subjective norms</i> have a significant influence on the sustainability of <i>homestays</i> in Pinrang Regency	Koef.Beta= -0.106 T-Statistics=1.352 P- value= 0.179	Rejected
H9	<i>Perceived behavior control</i> has a significant influence on the sustainability of <i>homestays</i> in Pinrang Regency	Koef.Beta= 0.577 T-Statistics=9.999 P- value= 0.000	Accepted

Source: Processed Primary Data (2023)

Results of Hypothesis Analysis

The results of this study provide an important picture of the relationship between Financial Literacy and various other variables in the context of lodging managers (*Homestay*) in Pinrang Regency (Barauskaite & Streimikiene, 2021). From the results of the path analysis carried out, several key findings can be identified. In line with proprietary research explain that there is an influence of financial literacy on business performance and sustainability.

First, the findings show that Financial Literacy has a significant influence on *attitude toward behavior*. This means that a better understanding of financial literacy encourages individuals

involved in *homestay management* to have a more positive attitude towards behaviors that can improve the performance and sustainability of their business. The higher a person's level of financial literacy, the more likely they are to have the intention to behave proactively in improving the performance and sustainability of their business. This finding is consistent with many previous studies that also emphasize the importance of financial literacy in effective business management, especially in the context of *Homestays*.

In addition, this study also found that Financial Literacy affects the *subjective norm*. That is, by learning financial literacy, individuals in *homestays* can strengthen their social bonds and potentially make better adjustments in their relationships with fellow performers. This suggests that financial literacy education and training not only provides knowledge about finance, but also plays a role in strengthening social networks that can provide useful support and input. However, the impact of *subjective norms on the performance of homestay actors in this study was not significant, indicating that the influence of financial literacy was more dominant in improving performance than social norms*.

Furthermore, findings regarding the effect of Financial Literacy on *Perceived behavior control* are also interesting. Financial Literacy affects the behavioral control felt by *homestay* actors, thereby improving their business performance and sustainability. This indicates that a strong understanding of financial literacy allows individuals to feel more confident and effective in controlling their behavior in relation to the financial aspects of the business. This belief encourages individuals to behave proactively and strive to achieve their business goals. This is also in line with the finding that perceived behavioral control affects the performance of *homestay actors*.

On the other hand, the *Attitude toward behavior* variable is also proven to have a significant influence on the performance of *homestay* actors. This suggests that an individual's positive intentions or attitudes toward behaviors that support their business performance can positively influence performance outcomes. In the context of *homestay managers* in Pinrang Regency, a positive attitude towards behavior that focuses on improving business performance and sustainability is the key to success.

However, the findings suggest *that subjective norms do not have a significant influence on manager performance, indicating that social norms do not play a dominant role in influencing business performance*. These results emphasize that other factors such as financial literacy, perceived behavioral control, and attitudes toward behavior have a stronger impact in improving *homestay performance and sustainability*.

Customize *Theory of Planned Behavior*, Al Balushi argues that nonfinancial factors such as manager-business owner attitudes, subjective norms, perceived behavioral control, and behavioral intentions largely influence financial decisions (Al Balushi et al., 2018). Findings on the effect of financial literacy on sustainability *Homestay* And performance managers confirm that a strong understanding of financial literacy plays an important role in supporting business sustainability and better performance. Owner *Homestay* Those with higher levels of financial literacy tend to have the intention and ability to manage their business more effectively, which in turn contributes to business sustainability and better performance.

In this context, the results of this study have significant practical implications. The government, educational institutions, and industry players can take steps to improve financial literacy among *homestay* managers. Through the right training, education, and support, *homestay* owners can be empowered with the knowledge and skills necessary to better manage their business, improve performance, and achieve long-term sustainability. In addition, this study also shows

the importance of knowledge *sharing and* collaboration between *homestay* actors to utilize complementary knowledge and experience, which can help improve their business capabilities and competitiveness. Thus, this study provides valuable insights into efforts that can be made to support the growth and sustainability of *homestays* in Pinrang District and possibly also in other places with similar contexts.

Conclusion

This study aims to analyze the relationship between financial literacy with *the* intention of improving the performance and sustainability of *homestays* in Pinrang Regency. This study adopts the framework of the *Theory of Planned Behavior* to measure intentions (*attitude toward behavior*, perceived behavior control, and subjective norm) that influence the behavior of *homestay* actors related to improving their performance and business continuity. This study investigates the impact of financial literacy on Sustainability Business Tourism among *homestay* business actors in the coastal tourism area of Pinrang Regency. With the hypothesis that financial literacy has a significant influence on the sustainability of the tourism business, this study focuses on understanding the extent to which *homestay* owners who have higher levels of financial literacy tend to have stronger intentions to improve the performance and sustainability of their business. The research also leads to aspects of financial literacy planning and its impact on Sustainability Business Tourism in the coastal area of Pinrang Regency. His hypothesis states that financial literacy planning contributes to the sustainability of the tourism business. The results highlight that financial literacy planning efforts can influence the intention of *homestay* actors in developing and maintaining the sustainability of their tourism business in the region.

This study explores the impact of financial literacy on psychological components, namely Attitudes Toward Behavior, Subjective Norm, and Perceived Behavior Control, in the context of Sustainability Business Tourism. The hypothesis suggests that financial literacy affects attitudes towards behavior, subjective norms, and behavioral control felt by *homestay* actors related to the sustainability of the tourism business. Research findings show that financial literacy has a significant impact especially on attitudes towards perceived behavior and behavioral control, while subjective norms do not significantly affect Sustainability Business Tourism in the coastal area of Pinrang Regency. Thus, this study provides insight into the relevance of financial literacy in shaping the intention of *homestay* actors to improve the performance and sustainability of the tourism business, providing a basis for the development of education and training programs that focus on aspects of financial literacy in this sector.

Suggestion

In an ever-changing and competitive business environment, it is important to ensure that *the homestay* business has the ability to survive and thrive. *Homestay* managers have a number of advantages, such as a smaller scale of operation and flexibility in facing economic challenges. In order for *homestays* to grow better, sharing knowledge and financial literacy between *homestay* actors is very important. It should be the responsibility of governments, academia, or large corporations, but it is also an opportunity for actors to collaborate and support each other. Sharing financial knowledge should become an ongoing habit, not just in response to possible empowerment programs. *Homestay* actors need to realize the importance of cooperation within certain regions and across regions, and consider cooperation with lodging managers of various different types to complement each other. In this way, it is expected that the management of the lodging business will be better able to compete and develop in an increasingly competitive market.

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