

**THE ROLE OF CULTURE, ACCESS TO FINANCING, AND FINANCIAL LITERACY
ON MSME PERFORMANCE IN BANDACEH CITY AND ACEH BESAR REGENCY**

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<http://doi.org/10.35409/IJBMER.2026.3814>

Received: 12 August 2026/ Published: 22 Sept 2026

ABSTRACT

The Micro, Small, and Medium Enterprises (MSME) sector makes a vital contribution to sustaining the regional economy, although it frequently runs into problems of internal governance as well as limited capital and assets. In certain areas, such as Banda Aceh City and Aceh Besar Regency, the optimization of MSME performance is not determined solely by technical, operational, and capital-related aspects, but is also shaped by the internalization of entrepreneurs' work ethic and culture. This study was designed to examine the effect of ease of access to financing and the level of financial literacy on business performance, while also investigating the position of the culture variable as a mediator within the research model. A quantitative approach was applied through the distribution of a questionnaire to 181 MSME actors as the research sample in both regions. Data processing was carried out using SEM-AMOS to evaluate the causal relationships among variables, complemented by an instrument reliability test and a one-sample t-test. The empirical findings confirm that the availability of financing and financial understanding each make a direct, significant, positive contribution to improving business performance. In addition, both factors are shown to strengthen the role of work culture within entrepreneurs themselves. Mediation testing confirms that culture acts as a partial mediator that amplifies the effect of financial access and literacy on MSME performance. This indicates that financial assistance and financial understanding will produce a maximum impact only when accompanied by the adoption of a resilient, professional, and highly disciplined entrepreneurial culture.

Keywords: Access To Financing, Financial Literacy, Role of Culture, Msme Performance.

1. INTRODUCTION

The Micro, Small, and Medium Enterprises (MSME) sector serves as the main backbone of Indonesia's national economy. The Ministry of Cooperatives and MSMEs (2023) records that MSMEs contribute more than 60 percent of Gross Domestic Product (GDP) and are able to absorb almost 97 percent of total employment. Through this highly significant contribution, MSMEs have become a vital pillar in driving national economic growth, reducing poverty rates, and raising living standards across various regions, Aceh Province being no exception. Nevertheless, the performance level of MSMEs in Indonesia is still overshadowed by various structural obstacles, ranging from a lack of capital and limited market reach and technology adoption, to weak business management capacity and financial understanding (Tambunan, 2012). This problem causes many business units to struggle to grow into entities with strong competitiveness. It is in this context that financial understanding and literacy play a crucial role as one of the determining elements for the sustainability and improved performance of small-scale businesses.

Financial literacy is defined as a person's proficiency in digesting financial principles,

taking precise financial action, and allocating financial resources efficiently (Remund, 2010). Business actors who possess adequate financial understanding tend to be more skilled at controlling cash flow, placing capital into productive investments, and formulating strategic steps to mitigate financial risk. Conversely, a lack of financial-literacy mastery has the potential to trigger inefficiency in operational governance and to derail business-expansion plans (Lusardi & Mitchell, 2014). In the Aceh region, the low capacity for financial literacy is a crucial issue requiring serious attention. A number of scientific studies indicate that most MSME entrepreneurs in Aceh are still unfamiliar with basic financial-management concepts, including structured bookkeeping systems, budget preparation, and future investment calculations (Husna & Mulia, 2021). This condition has a direct impact on the resilience and continued existence of MSMEs in facing an increasingly dynamic business-competition climate.

Beyond financial mastery, the cultural aspect also plays a crucial role in directing the economic actions and decisions of a community group. (Hofstede, 1984) explains culture as an order of values, norms, and beliefs that guides a person's mindset and actions across various dimensions of life, business activity being no exception. Within the framework of Acehnese society, which is imbued with Islamic identity, religious principles, social wisdom, and local traditions are closely interlinked in guiding business actors as they operate their businesses and allocate their financial resources. (Agyei, 2018) in Ghana shows that cultural values, such as religious beliefs (Catholic and Protestant), influence financial literacy and SME performance. The study found that certain cultural values can either hinder or strengthen the drive to acquire financial knowledge and pursue business growth, in other words, this depends heavily on the cultural context in which the business operates. This finding is relevant for examination in Aceh, which has a value system based on Islamic sharia. Values such as honesty, justice, mutual assistance, and the prohibition of usury (*riba*) strongly influence the economic behavior of the community (Basri, 2017). In this context, the financial literacy of MSME actors in Aceh.

Furthermore, Aceh has a strong, community-based social structure. Values of mutual cooperation (*gotong royong*), social solidarity, and trust among community members are distinctive features of economic interaction. This collectivistic culture can have a positive impact in terms of social support and business networks, but it can also create obstacles to innovation and risk-taking (Hofstede, 1984). It is therefore important to understand how local cultural values help drive or hinder the application of financial literacy in MSME management. The linkage between cultural aspects, financial mastery, and business performance is also confirmed by a number of studies in Indonesia. For example, (Suhartini & Rahmawati, 2022) found that the adoption of work-culture values combined with a religious ethos makes a positive contribution to boosting financial literacy as well as the operational success of small-scale businesses. In addition, (Inayah, 2020) affirm that mastery of sharia economic principles strengthens entrepreneurs' capacity to mitigate business risk and to execute investment decisions in line with Islamic values.

Banda Aceh City and Aceh Besar Regency have interrelated socioeconomic characteristics. Both regions are centers of economic, educational, and governmental activity in Aceh Province. However, the level of MSME development in the two regions still varies; most MSMEs still operate on a micro scale with a simple, poorly documented management system (Aceh Cooperatives and MSME Office, 2023). This points to the need for strategic intervention in the form of financial-literacy training suited to the local community's cultural context. From the perspective of the Resource-Based View, financial-literacy capability and cultural values are

intangible resources that can become a competitive advantage for MSMEs (Barney, 2000). Business owners who are equipped with financial knowledge and a strong culture will manage risk, innovate, and capitalize on market opportunities. The study is theoretically intended to bridge the existing gap in scientific literature on cultural aspects, financial literacy, and MSME performance in developing countries through the conceptual framework suggested by (Agyei, 2018). The practical and empirical findings of this study will serve as a strategic component and a preliminary reference for regional level policies, involving the banking sector, financial institutions, and relevant agencies, regarding the implementation of financial literacy education and training that integrates local cultural wisdom. The banking sector bears responsibility for policies that significantly impact the regional economy, particularly concerning human resource development.

2. LITERATURE REVIEW

MSME Performance

In general, business (MSMEs) performance can be understood as the achievement or degree of success realized by a business entity in carrying out its operational activities over a given period, measured against predetermined parameters and targets. MSME achievement is not measured solely through financial measures, but also involves organizational capacity to transform, innovate, and make a real contribution to the regional or national economy (Siswanti, 2020). Within an academic framework, a thorough conceptualization of MSME performance is fundamental, given the strategic position of this sector as a primary pillar of economic resilience that has been tested through successive waves of financial crisis (Kornitasari & Dewi, 2023). Given that MSME performance is assessed as the level of attainment of business goals, it reflects how well and efficiently resources are managed. On the other hand, some argue that performance is shaped by numerous factors, including skill, experience, diligence, and the time spent (Wahyuningrum & Wibowo, 2025). It follows that the performance of MSMEs can now be interpreted as an effort to manage their internal resources, such as human-resource competence, capital and business operations effectively, in order to achieve optimal results with respect to sales growth, profit growth and market expansion.

The financial dimension is the key measure for MSME performance. As expressed by (Setyawati, 2021), the performance of this MSME is illustrated in several financial indicators, including growth in sales (turnover), profit/profitability growth, and growth of capital or net assets. Consistent improvement in these aspects shows that an MSME has succeeded in selling its products or services and is managing its finances effectively, which ultimately reflects the health and sustainability of the business. However, MSME performance must also be viewed from a non-financial perspective, given the scale and characteristics that distinguish MSMEs from large enterprises. Non-financial performance includes aspects such as worker productivity, customer satisfaction, product innovation, and the ability to manage and use resources efficiently (Setyawati, 2021); (Mawuntu & Aotama, 2022). This non-financial measurement is important for assessing long-term growth potential and MSME competitiveness in the market. In a strategic context, MSME performance can be understood as the capability to survive and to develop (Septiningtyas et al., 2024). A well-performing MSME not only generates profit but also shows a positive growth and development trend, such as an increase in market share, product diversification, and greater employment absorption (Husna & Mulia, 2021). This is in line with the role of MSMEs as a major

provider of jobs and a large contributor to national GDP, so that their performance strongly determines economic stability.

Culture

Culture is a central concept in the social sciences with a very broad scope. Etymologically, the word "culture" derives from the Sanskrit *buddhayaḥ*, the plural form of *buddhi* (reason or intellect), indicating that culture is the product of human intellectual effort toward perfection or an improved quality of life (Agustin, 2020). Sociologically, culture is the entire system of ideas, actions, and human works used to organize social life, which then becomes part of a person through learning rather than biological inheritance. Modern definitions of culture often emphasize elements that are collective and learned. Culture is understood as integrated patterns of human knowledge, belief, and behavior that depend on the capacity for symbolic learning and the transmission of knowledge to subsequent generations (Srivastava et al., 2020). These patterns include not only visible elements (such as artifacts and language) but also unseen norms, values, and basic assumptions collectively held by a community or organization (Martiana, 2025).

Within research on behavior such as financial literacy or MSME performance, culture can be understood as a life guide or behavioral blueprint held by an individual or group. As a guide, culture directs what is considered right or wrong (values), how one should act in certain situations (norms), and how to interpret the surrounding environment. For MSME actors, the culture that surrounds them, ethnic, religious, or business culture, substantially shapes their work ethic, level of trust (social capital), and approach to business risk-taking. From a management and organizational perspective, the concept of culture narrows to Organizational Culture or Work Culture. Organizational culture is defined as a set of values, beliefs, and assumptions shared and held by members of an organization, which then shapes how they interact with one another and with external stakeholders (Martiana, 2025). This culture creates a work environment and forms the unique identity that distinguishes one organization or business unit such as an MSME, from another; a strong organizational culture can become a competitive advantage. The elements that form culture, whether at community or organizational scale, can be classified into three levels. The shallowest level is artifacts (visible things, such as architecture, uniforms, or local dress customs in Aceh). The second level is espoused values (consciously articulated principles, such as honesty or kinship). The deepest level is basic assumptions (unconscious beliefs underlying behavior, for example the belief in the importance of worship when running a business) (Mawuntu & Aotama, 2022).

According to (Kotler et al., 2022), culture is the most fundamental determinant of a person's wants and behavior. In organizational and entrepreneurial contexts, the role of culture functions as the foundation of values, perceptions, preferences, and behavior that a person learns through socialization, which in turn shapes how individuals or business actors make decisions and operate their businesses. (Schein & Schein, 2018) defines the role of culture as a pattern of basic assumptions learned and developed by a group as it solves problems of external adaptation and internal integration. Culture functions as an implicit guide directing how members of an organization think, feel, and act in responding to the dynamics of the business environment. (Trompenaars & Hampden-Turner, 2019) explain that the role of culture lies in how a group or society resolves specific problems related to human relationships, time, and the natural environment. In business, culture plays a role in determining the norms and work ethic that shape

adaptation strategy, innovation, and business sustainability.

Based on the views above, it can be concluded that the role of culture is the foundation of values, basic assumptions, and behavioral guidelines internalized by individuals or organizations through experience and socialization. In the context of MSME development, the role of culture functions as a shaper of work ethic, resilience, and entrepreneurial orientation that guides business actors in making strategic decisions, managing risk, and adapting to changes in the business environment.

Access to Financing

Access to financing can generally be defined as the ability of individuals or business entities to obtain funds from various sources, formal or informal, to support their economic activities or personal needs. This ability encompasses the availability of relevant financial products, ease of application, and reasonable cost. Financing itself is the provision of funds or claims that requires the party being financed to repay the funds after a certain period, usually accompanied by a return or profit-sharing arrangement (Kasmir, 2019). The concept of access to financing extends beyond simply obtaining a loan. It spans the entire spectrum of financial services, from traditional bank credit and venture capital to crowdfunding schemes and government financing programs. For MSMEs, access to financing is often the main determinant of increased production capacity, expanded market reach, and strengthened competitiveness amid economic competition (Zaki & Dhani, 2025). Specifically, in a business context, access to financing refers to the availability of capital needed to establish, run, or grow a business. This capital may be used for various purposes, such as purchasing inventory or equipment, working capital, or funding research and development. Working-capital needs, for example, are often used to purchase raw materials or pay employee salaries within a single business cycle (Amanda et al., 2026).

Availability of finance is the most important determinant for survival and economic level growth, particularly of MSMEs. A large number of studies establish that limited access to external financing is one of the most important constraints in the sector. Thus, the ability to access finance from outside - whether as a result of personal savings, bank loan, or government program – empowers MSMEs (micro, small & medium enterprises) with growth prospects and investments in new technology or innovation [6] Access to finance means that access to financial services by many individuals and households or business entities, mainly MSMEs, including loans/credit, insurance or savings obtainable from formal financial institutions. It is not just product availability but also access, affordability (low cost), ease of use and suitability (relevant products). So one of the very important pillars of the global development agenda has remained expanding access to financing because it is seen as a catalyst for economic growth, job creation and poverty reduction (Demirguc-Kunt et al., 2018).

Financial Literacy

Financial Literacy is fundamentally defined as a combination of knowledge, skill, attitude, and behavior needed to make sound and effective financial decisions and thereby achieve financial well-being (Eniola & Entebang, 2016). The same goes for financial literacy, whose importance is much more than just knowing the different types of financial products; it means understanding complex financial information and evaluating risk, not just having that knowledge. For MSME owners, it means being able to comprehend profit-and-loss calculations, prepare budgets, manage

cash flow and separate personal from business finances. A sufficient level of financial literacy is a salient condition for people to become capable participants in the economic system who would be benefiting from services with a proper understanding (Purnama & Susilawati, 2025). When talking about financial literacy, experts usually break it down into several main areas. The three most measured dimensions are financial knowledge (knowledge of inflation, compound interest, and risk), financial behavior (saving habits, planning for retirement and paying bills on time) and financial attitude (the way a person views money or his/her values about the future with money) (Agyei, 2018). In the MSME business context, financial literacy also includes bookkeeping and budgeting literacy (Pramestiningrum & Iramani, 2020). Without this basic capability, business actors will find it difficult to accurately measure their business performance, set appropriate prices, and plan for long-term growth.

Mastery of financial literacy reflects a person's capacity to digest, allocate, and determine financial actions carefully in order to achieve economic stability and well-being. Based on the definition put forward by the Organization for Economic Co-operation and Development (Pezzini, 2019), financial understanding integrates a combination of knowledge and practical skill that enables individuals to execute strategic financial steps, including cash-flow management, savings accumulation, investment allocation, and debt management. Explicitly, individuals with an adequate level of financial understanding show greater acuity in calculating financial risks and opportunities while carefully optimizing their economic potential.

3. METHOD

This research was conducted in the administrative area of Banda Aceh City and Aceh Besar Regency. In terms of its object of study, the research focuses on the dynamics of the role of culture, the accessibility of financing, the understanding of financial literacy, and the effectiveness of business performance achieved by MSME entities in both regions. The population is all MSMEs owned by members of the community in Banda Aceh City and Aceh Besar Regency. (Hair et al., 2020) recommend a sample size, for a large population, of five times the number of statement items contained in the questionnaire. The sampling technique used in this research is proportional random sampling, a sample-determination technique that applies certain criteria to respondents, in this study, based on MSME business sector. The criteria matching this research's needs are MSME actors operating a business, specifically in Banda Aceh City and Aceh Besar Regency, with a business duration of ≥ 3 years, since businesses of that age are considered to have demonstrated the ability to operate successfully. The total number of respondents was 181.

Respondents' perceptions were evaluated through descriptive analysis, focusing on the mean value obtained for each variable studied. Assessment categories are based on the criterion that a mean below 4 reflects a relatively unfavorable level of perception, while a mean of 4 or above indicates a favorable response from respondents. As the main analysis method, this study applies Structural Equation Modeling (SEM) using AMOS software. In line with (Ferdinand, 2019), SEM is understood as a set of statistical approaches that facilitate the simultaneous testing of relationships among complex-scale variables within an integrated model framework. The complexity of the SEM model reflects the fact that management decision-making is essentially multidimensional and involves numerous interrelated causal relationships. An analytical approach capable of accommodating such complexity is therefore required. One advantage of SEM is its ability to incorporate latent variables into the analysis model. A latent variable is a construct that

cannot be observed directly, but is represented through a number of observed (manifest) variables obtained from data collection, such as surveys, tests, or observation (Ghozali, 2021). In management research, SEM has the advantage of being able to confirm the dimensions that form a construct or factor and to test the relationships among variables formulated on theoretical grounds. This method therefore functions not only to test construct validity, but also to comprehensively analyze the influence among variables in accordance with the conceptual model developed (Ferdinand, 2019). The hypotheses tested are :

H1 : significantly, access to financing affects MSME performance

H2 : significantly, financial literacy affects MSME performance

H3 : significantly, access to financing affects culture role

H4 : significantly, financial literacy affects culture role

H5 : significantly, culture role mediates the access to financing effect on MSME performance

H6 : significantly, culture role mediates the financial literacy effect on MSME performance

4. RESULTS AND DISCUSSION

Hypothesis Testing

This section presents the proof of the research hypotheses formulated in the preceding chapter. Acceptance or rejection of each hypothesis is evaluated based on the critical ratio (CR) value reflecting the cause-and-effect relationship from the SEM analysis output, as summarized in Table 1.

Table 1. Regression

	Direct Effect		Estimate	S.E.	CR	P
Role_of_Culture	<---	Access_to_Financing	0.236	0.076	8.094	***
Role_of_Culture	<---	Financial_Literacy	0.160	0.028	7.291	***
MSME_Performance	<---	Access_to_Financing	0.166	0.034	8.070	***
MSME_Performance	<---	Financial_Literacy	0.154	0.046	9.347	***
MSME_Performance	<---	Role_of_Culture	0.175	0.028	7.286	***

Source: Primary data, 2025 (processed)

The test of the hypothesis on the effect of access to financing on MSME performance produced CR of 8.070 and p 0.000 (symbolized by ***). This meets the requirement for hypothesis acceptance, since CR exceeds the threshold of 1.96 and p is below the alpha level of 0.05. The hypothesis proposing an effect of access to financing on MSME performance is therefore accepted. This finding confirms that access to financing makes a positive significant contribution to boosting MSME performance in Banda Aceh City and Aceh Besar Regency. The regression coefficient of 0.166 indicates that every improvement in financing accessibility is accompanied by an increase in business-performance achievement, showing that the availability of financial resources directly strengthens the operational capacity and business expansion of MSME actors.

Testing of the financial literacy effect on MSME performance produced CR 9.347 with p 0.000, exceeding the hypothesis-testing standard (CR above the critical figure of 1.96, p far below the 0.05). The hypothesis proposing an effect of financial literacy on MSME performance is therefore accepted. The path coefficient of 0.154 confirms that the level of financial understanding

makes a positive and significant contribution to boosting the business performance of MSME actors in Banda Aceh City and Aceh Besar Regency. This shows that strengthening entrepreneurs' financial-literacy capacity is directly proportional to more effective business management: the greater the entrepreneur's skill in mapping and allocating financial resources, the more precise the resulting business decisions, ultimately leading to optimal business performance.

This empirical evidence validates the work of (Arianti, 2025) who stress financial literacy as one of the fundamental bases of business viability. Better financial insight enables entrepreneurs to think logically around financial aspects, flexibly adjust for future business risk and build structured, long-term focused business plans. This finding also confirms (Septiani & Wuryani, 2020), who state that financial literacy is a main driver of MSME performance through the adoption of disciplined financial governance. Business owners' ability to keep regular transaction records, separate personal from operational cash, and control the flow of receipts and expenditures has proven effective in streamlining operations while boosting profitability growth.

Based on the model estimation results, testing of the access to financing effect on the role of culture among MSME actors recorded CR 8.094 with $p = 0.000$, meeting the standard for hypothesis acceptance (CR above 1.96, p far below the 0.05 alpha level). The hypothesis that access to financing affects the role of culture is therefore accepted. The path coefficient of 0.236 confirms that the accessibility of financing sources makes a positive and significant contribution to strengthening the role of culture among MSME entrepreneurs in Banda Aceh City and Aceh Besar Regency. This means the more open the opportunities for MSME actors to obtain financing, the stronger the manifestation of cultural values embodied in work ethic, entrepreneurial orientation, and the paradigm of business management and expansion. The availability of capital allocation not only supports the financial aspect but also strengthens entrepreneurs' confidence in actualizing traditional values as a basis for business decision-making.

This empirical indication is consistent with the argument of (Srikalimah, 2021), who states that adequate funding support boosts business actors' optimism as part of cultural capital when setting strategic policy direction. Among MSMEs in Aceh, smooth access to financing, particularly financing that adopts sharia economic principles, has great potential to strengthen the meaning and internalization of local-wisdom values such as integrity (honesty), commitment (*amanah*), and accountability (responsibility) in day-to-day business operations.

Based on the estimation output, testing of the financial literacy effect on the culture role produced CR 7.291 with $p = 0.000$, confirming acceptance of the proposed hypothesis (CR above the critical figure of 1.96, p below 0.05). Financial literacy is therefore proven to make a positive and significant contribution to strengthening the role of culture among MSME entrepreneurs in Banda Aceh City and Aceh Besar Regency. The regression coefficient of 0.160 confirms that an increase in financial proficiency is aligned with a strengthening of cultural values in day-to-day business operations. This indicates that MSME managers equipped with adequate financial understanding tend to be better prepared to develop a professional work ethic, particularly in upholding discipline and a sense of responsibility in capital management.

These rationales strengthen (Widyawati, 2020), who asserts that a good grasp of financial literacy leads to a mature mindset in addressing and mitigating the dynamics of business risk. Financial literacy, in this framework, is composed not only of technical-financial acumen but also of changes in the financial-management routines of business actors. Such a holistic perspective relocates entrepreneurs from high-risk, unguarded capital-management practices towards greater

responsibility, metrics and sustainability. (Putri et al., 2024) continue that enhanced financial literacy will promote self-optimism and further impose positive character among entrepreneurs as one of the main drivers in increasing cultural capital, which leads owners of MSMEs to take initiative in facing all operational problems and, furthermore, create innovation strategies to sustain business resilience.

Based on the statistical estimation, testing of the culture role effect on MSME performance produced CR 7.286 with $p < 0.000$, confirming acceptance of the hypothesis (CR above 1.96, $p < 0.05$). This confirms that the role of culture makes a positive and significant contribution to boosting MSME performance in Banda Aceh City and Aceh Besar Regency. The regression coefficient of 0.175 confirms that strengthening cultural values is directly proportional to improved business performance achievement. This empirical indication shows that the stronger the internalization of entrepreneurial culture, such as self-efficacy, managerial firmness, and emotional regulation, the greater the opportunity for MSMEs to achieve superior business performance.

This finding substantiates (Zaki & Dhani, 2025), who concluded that internal factors, particularly character and values shaped by local culture, are the most significant contributors to corporate productivity and achieving corporate objectives. In the entrepreneurial space, culture is not a passive social phenomenon; with discipline and consistency integrated with dynamic market environments, it becomes a stronger abstract asset for structuring business resilience. These findings are also in line with (Srikalimah, 2021), who argues that the adoption of an innovation and calculated risk-taking culture is one of the main pillars in strengthening competitive advantage while encouraging asset growth over the long term.

The first-stage managerial implication is the original evidence of a significant positive effect of financing access on MSME performance in Banda Aceh and Aceh Besar Regency. It indicates that convenience in funding channels is a key driver for progressive entrepreneurs to ramp up operational capacity, renew production technology and expand market share. An MSME owner must ensure continued creditworthiness (bankability) through financial transparency, which leads to higher trust from banks or non-bank financial institutions, an aspect crucial for a business that has been managerial in nature. It enables timely acquisition of new funds for business growth goals and ultimately maximizes the sales objectives of the company. This is consistent with (Zaki & Dhani, 2025), who state that working capital supply as an external variable has an investment incentive in asset accumulation and maintaining a business entity to continue operating.

Additionally, the finding that financial literacy can positively influence MSME performance leads to the conclusion that a basic understanding of financial management by business managers is imperative if they want their businesses to survive. Even in the income of compound-interest calculation, inflation, and orderly accounting records do not have any typical feature as mere technical routine; these are just basic preconditions for every rational business policy. You may not be able to solve for everything at the MSME level, but you need your decision makers to be funds capacity-wise so that funding allocation can stand the test of time and the risk of cash leakages is minimized, ensuring budgets are optimized profitably. Similar to (Arianti, 2025), sufficient understanding of finance will give business actors the capacity to reduce risks while creating a business-sustainability timeline.

The positive influence of the culture on MSME performance also implies that values of Internal attributes such as self-efficacy, a strong work ethic, and boldness in strategic decision-

making represent a highly valuable form of intangible asset. Business managers are required to make a culture of innovation and readiness to respond to uncertainty an integral part of their business identity. Building a work climate grounded in a commitment to positive cultural values will produce strong business resilience, enabling MSMEs to anticipate market dynamics and turbulence. This implication is consistent with (Srikalimah, 2021), who states that organizational culture together with intellectual capital function as a stimulant for creativity oriented toward strengthening competitive advantage and improving overall company performance.

The finding on the effect of access to financing on the role of culture implies that adequate financial support strengthens business actors' confidence and motivation to act more professionally. When liquidity constraints are resolved, MSME managers have more room to experiment with new ideas and to strengthen their leadership character without being burdened by capital uncertainty. Financial support, particularly that based on sharia principles in the Aceh region, has proven able to increase integrity and local values in business practice, as business actors feel supported by an ecosystem consistent with their life principles. This reinforces the argument that access to capital acts as a stimulant for strengthening more independent personal characteristics and work culture.

In addition, the effect of financial literacy on the role of culture indicates that in-depth financial knowledge can change old, unplanned mindsets and habits in running a business. Managerially, increased literacy shifts a traditional, impulsive cash-management culture toward a work culture that is more disciplined, responsible, and data-driven. This knowledge helps business actors in Banda Aceh and Aceh Besar align local trading wisdom with modern management-professionalism standards, consistent with (Widyawati, 2020), who states that financial literacy acts as an agent of change capable of shaping healthy, growth-oriented financial habits.

Based on indirect-effect testing, the role of culture is proven to act as a partial mediator in the relationship between access to financing and MSME performance. This implies that an injection of capital will not have a maximum impact on business profitability without the support of a strong work culture and entrepreneurial mentality among business actors. MSME managers must ensure that every additional unit of capital obtained is accompanied by a change in attitude toward risk management and greater professional responsibility. Integrating the availability of financial support with the strengthening of business character is the key to sustainably multiplying business performance, rather than relying on a fund injection alone.

Finally, the role of culture also partially mediates the financial literacy impact on MSME performance, implying that financial understanding is more effective at improving performance when it succeeds in changing day-to-day business behavior. Financial literacy provides the foundation of knowledge, but the role of culture is the catalyst for practical implementation in the field. Managerial strategy should therefore not focus solely on theoretical, technical financial training, but should also target the development of character and organizational culture that supports efficiency. As concluded by (Putri et al., 2024)s, the synergy between literacy and strong personal character is the best combination for driving productivity and financial inclusion with a real impact on the welfare of MSMEs in Banda Aceh City and Aceh Besar Regency.

5. CONCLUSIONS

The results reveal that based on the descriptive evaluation, the role of culture, the accessibility of financing, the understanding of financial literacy, and the performance achievement of MSMEs

are classified as good and high. Furthermore, the effect test shows that the availability of access to financing makes a positive significant contribution to boosting the MSME performance, mastery of financial literacy is proven to have a positive significant effect on improving MSME performance, ease of accessibility to financing has a positive significant impact on strengthening the role of culture among MSME actors, the level of financial literacy has a positive significant effect on the internalization of the role of culture among MSME entrepreneurs, the role of culture is proven to have a positive and significant effect on optimizing MSME performance, access to financing significantly affects MSME performance through the role of culture, which is confirmed to act as a partial mediating variable, and financial literacy significantly affects MSME performance achievement, with the role of culture intervening as a partial mediating variable. These findings demonstrate that the model for improving MSME performance is a function of increased access to financing and financial literacy, as well as cultural alignment. This model offers a framework for regulators (government) and business actors to work together to improve the performance of existing MSMEs, particularly those in the research subjects. Several recommendations can be provided, as follows.

1. MSME actors are encouraged to continue improving their financial literacy, particularly in bookkeeping digitalization and business-risk management. In addition, strengthening work ethic and an innovation-oriented cultural character should be maintained, as it has proven to be a determining factor in optimizing the use of working capital to improve business performance.
2. The governments of Banda Aceh City and Aceh Besar Regency are advised to continue facilitating inclusive access to financing, particularly sharia financing schemes suited to local wisdom. Beyond capital provision, training programs should also be directed toward developing entrepreneurial character (work culture) and financial education, so that the assistance provided has a more far-reaching impact on regional economic growth.
3. This research is limited to the variables of access to financing, financial literacy, and the role of culture. Future researchers are encouraged to explore other variables that may affect MSME performance, such as marketing digitalization (e-commerce) or regional government policy. The research area could also be expanded to compare cultural characteristics across different regions of Aceh Province.

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