

FINANCIAL EMPOWERMENT BOOSTING FINANCIAL SKILLS WITH MONEY MANAGEMENT APP FOR SDGS 8 SUPPORT

PEMBERDAYAAN FINANSIAL MENINGKATKAN KETERAMPILAN FINANSIAL DENGAN APLIKASI MONEY MANAGEMENT UNTUK DUKUNGAN SDGS 8

Apriana Rahmawati¹, Nurika Restuningdiah^{1a}

¹Akuntansi, Fakultas Ekonomi dan Bisnis, Universitas Negeri Malang, Indonesia

^aKorespondensi: Nurika Restuningdiah, E-mail: nurika.restuningdiah.fe@um.ac.id

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ABSTRACT

The importance of financial literacy forms the cornerstone for inclusive and sustainable economic development within society. The ability of individuals to effectively manage their personal finances not only influences their own financial stability but also impacts overall economic well-being. The community service program has successfully enhanced the financial literacy and management skills of residents through intensive training and ongoing mentoring sessions. Participants have developed a deep understanding of personal financial management and effectively utilize the Money Management app to monitor and plan their finances. This digital tool not only facilitates efficient tracking of income and expenses but also provides practical guidance on savings and investments, proving effective in enhancing financial literacy in rural settings. Economically, the program has strengthened participants' financial management abilities, improved their financial stability and independence, and reduced vulnerability to economic fluctuations and risky financial behaviors. Socially, the initiative has fostered a culture of financial responsibility and planning within the community, empowering residents towards greater self-sufficiency and sustainable community development.

Keywords: Community Service, Financial Literacy, Money Management App

ABSTRAK

Pentingnya literasi keuangan menjadi landasan bagi pembangunan ekonomi yang inklusif dan berkelanjutan dalam masyarakat. Kemampuan individu untuk mengelola keuangan pribadinya secara efektif tidak hanya memengaruhi stabilitas keuangannya sendiri namun juga berdampak pada kesejahteraan ekonomi secara keseluruhan. Program pengabdian masyarakat ini berhasil meningkatkan literasi keuangan dan keterampilan manajemen warga melalui pelatihan intensif dan pendampingan berkelanjutan. Peserta telah mengembangkan pemahaman mendalam tentang pengelolaan keuangan pribadi dan secara efektif memanfaatkan aplikasi Pengelolaan Uang untuk memantau dan merencanakan keuangan mereka. Alat digital ini tidak hanya memfasilitasi pelacakan pendapatan dan pengeluaran secara efisien namun juga memberikan panduan praktis mengenai tabungan dan investasi, terbukti efektif dalam meningkatkan literasi keuangan di wilayah pedesaan. Secara ekonomi, program ini telah memperkuat kemampuan pengelolaan keuangan peserta, meningkatkan stabilitas dan kemandirian keuangan, serta mengurangi kerentanan terhadap fluktuasi ekonomi dan perilaku keuangan berisiko. Secara sosial, inisiatif ini telah menumbuhkan budaya tanggung jawab keuangan dan perencanaan dalam masyarakat, memberdayakan masyarakat menuju kemandirian yang lebih besar dan pembangunan masyarakat yang berkelanjutan.

Kata Kunci: Pengabdian Kepada Masyarakat, Literasi Keuangan, Aplikasi Money Management

INTRODUCTION

Effective financial management is a crucial key to achieving economic and social well-being, especially among rural communities. Gunung Gangsir Village, located in Pasuruan Regency, East Java, is one of the villages with great potential but still faces significant challenges in terms of financial literacy and management. Low financial literacy often results in suboptimal income management, which impacts the economic instability of families and communities (Abdullah et al., 2023).

To address this issue, comprehensive and sustainable financial empowerment efforts are necessary. One innovative solution that can be implemented is the use of digital technology through a financial management application. The Money Management App is a tool that can help communities manage their finances better, enhance financial literacy, and provide practical guidance on managing income, expenses, and savings (Linawati & Wijaya, 2022).

The Money Management App offers various features designed to support more efficient financial management. These features include daily expense and income tracking, budget planning, and advice on saving and investing. By utilizing this application, the community of Gunung Gangsir Village can easily monitor their financial conditions, identify areas where they can save money, and develop better long-term financial plans.

Improving financial management skills through this application also aligns with efforts to support the Sustainable Development Goals (SDGs), particularly SDG 8, which focuses on decent work and economic growth. By increasing financial literacy, the community can become more productive, economically independent, and actively participate in economic activities (Hetling & Postmus, 2014). This is expected to reduce dependency on high-risk loans and

enhance the overall economic well-being of the community (Ebirim et al., 2024).

This community service program aims to evaluate the impact of using the Money Management App in improving financial management skills in Gunung Gangsir Village. The program will involve intensive training for the community on how to use the application, as well as ongoing assistance to ensure effective implementation. Evaluation will be conducted through surveys and interviews to measure changes in financial behavior before and after using the application.

Additionally, the program will identify factors that influence the successful implementation of the financial management application in rural settings (Wu & Peng, 2024). This includes analyzing the level of technology adoption, challenges faced, and the support needed from the village government, financial institutions, and local communities. The findings from this program are expected to provide valuable insights for the development and expansion of similar programs in other villages in Indonesia.

Through this community service program, it is hoped that there will be an increase in awareness and skills in managing finances among the community. Consequently, the people of Gunung Gangsir Village will be better equipped to achieve economic stability, reduce financial risks, and improve their quality of life. Additionally, the program aims to build a strong foundation for sustainable economic empowerment, which will ultimately contribute to inclusive and sustainable economic growth at both local and national levels.

MATERIALS AND METHOD

To achieve the goal of financial empowerment through the enhancement of financial management skills using the Money Management App in Gunung Gangsir Village, various steps and methods will be implemented. These service methods are designed to ensure that the interventions carried out are effective and sustainable. The

following are the stages of the service methods that will be used:

Needs Identification and Situational Analysis

The first step in this service program is to conduct a needs identification and situational analysis in Gunung Gangsir Village. This activity involves collecting data through initial surveys, interviews with community leaders, and focus group discussions. The aim is to understand the community's financial conditions, levels of financial literacy, and the specific challenges and needs faced by the village residents.

Development of Training Materials

Based on the results of the needs identification and situational analysis, appropriate training materials will be developed. These materials will cover the basics of financial literacy, the use of the Money Management App, and effective financial management strategies. The training materials will be prepared in the form of easily understandable and applicable modules for the village community.

Training and Socialization

Intensive training will be conducted for the residents of Gunung Gangsir Village. This training will include both theoretical and practical sessions on how to use the Money Management App and the application of financial management principles. The training will be carried out in several sessions to ensure a deep understanding and allow participants to practice using the application directly.

Mentoring and Monitoring

After the training, ongoing mentoring will be provided to ensure that the community can apply the knowledge and skills they have learned. This mentoring will include technical guidance on using the application, consultations on financial management, and monitoring the progress of application usage and its impact on the participants' financial

conditions. Monitoring will be conducted periodically to evaluate the program's effectiveness and make adjustments as needed.

Evaluation and Impact Assessment

The program will be evaluated to assess the changes that occur in participants after attending the training and using the Money Management App. This evaluation will involve measuring levels of financial literacy, changes in financial behavior, and the impact on family economic well-being. Evaluation data will be collected through follow-up surveys, interviews, and focus group discussions.

Documentation and Publication

The entire process and results of the service program will be systematically documented. This documentation will include activity reports, evaluation results, and success case studies. The results of this documentation will be published through various media to share experiences and knowledge and serve as a reference for similar programs in the future.

Service Activity Schedule

This service activity is scheduled to be carried out from May to June 2024 in Gunung Gangsir Village, Pasuruan.

Tools and Materials

The tools and materials needed for this service activity are as follows: Computer or Laptop: Essential for preparing training materials, managing data, and running the Money Management App during training sessions. Electricity: Necessary to power computers, laptops, and other electronic devices throughout the activities. Smartphones: Required for participants to install and use the Money Management App during and after the training sessions. Projector: Useful for displaying training materials, app demonstrations, and presentations to the participants during training sessions.

Steps For Implementation of the Service Program

The implementation of the service program from the preliminary survey to the focus group discussion (FGD) involves several key steps:

Preliminary Survey

Objective: To gather initial data on the financial literacy levels, financial management practices, and specific needs of the community in Gunung Gangsir Village. Activities: Design and distribute survey questionnaires to a sample of village residents.

Conduct interviews with community leaders and key informants. Analyze the collected data to identify gaps and areas that require intervention.

Situational Analysis

Objective: To gain a comprehensive understanding of the community's financial situation and the challenges they face.

Activities: Compile and review data from the preliminary survey. Identify patterns, trends, and key issues in financial management among the residents. Prepare a detailed report on the findings to inform the design of the training program.

Development of Training Materials

Objective: To create effective and accessible training materials tailored to the needs of the community. Activities: Develop modules covering financial literacy basics, usage of the Money Management App, and effective financial management strategies. Prepare visual aids, handouts, and practical exercises. Ensure materials are culturally appropriate and easy to understand.

Training and Socialization

Objective: To educate and train the community on financial management and the use of the Money Management App. Activities: Organize training sessions in accessible locations within the village. Conduct theoretical sessions on financial literacy and practical sessions on using the app. Provide

hands-on assistance and support to participants during training.

Mentoring and Monitoring

Objective: To support participants in applying their new skills and to ensure the effectiveness of the intervention. Activities: Establish a mentoring program where participants can receive ongoing guidance and support. Conduct regular check-ins with participants to monitor their progress and address any issues. Collect feedback to continually improve the training and support process.

Evaluation and Impact Assessment

Objective: To assess the outcomes of the training program and its impact on the participants' financial management skills.

Activities: Conduct follow-up surveys and interviews to measure changes in financial literacy and behavior.

Analyze the data to determine the program's effectiveness and areas for improvement. Prepare an evaluation report summarizing the findings and recommendations.

Focus Group Discussion (FGD)

Objective: To gather in-depth insights and feedback from the community regarding the program and its impact.

Activities: Organize focus group discussions with selected participants, community leaders, and other stakeholders.

Facilitate discussions to explore experiences, challenges, and suggestions for future improvements. Document the discussions and integrate the insights into the final program report and future planning. By following these steps, the service program aims to effectively enhance financial management skills and promote financial empowerment in Gunung Gangsir Village.

RESULTS AND DISCUSSION

Based on interviews with village officials, Gunung Gangsir is situated in Beji District, Pasuruan Regency, East Java Province. It serves as a bustling center within Beji District,

with its administrative hub located strategically along several important roads: Wicaksono Road leading to Bypass Gempol, Randupitu-Gununggangsir Road towards Pandaan, and Hasan Munadi Road towards Beji. The village sits at an elevation of 12.5 meters above sea level and covers an area of 496 hectares. This includes 81 hectares of agricultural land, 50 hectares of plantations, 265 hectares of residential areas, 63 hectares of public facilities, and 10 hectares of village-owned land.

Gunung Gangsir Village has 13 hamlets: Kedungturi, Sugihwaras, Wagir, Kesemi, Gununggangsir, Sumber Tumpuk, Bangle, Selokambang, Keboncandi, Dermo, Pajejeran, and Kepuhrejo. The village has a relatively large population spread across these 13 hamlets, totaling around 15,000 inhabitants. It is characterized as an industrial area, supported by its strategic location along the route connecting Pasuruan Regency and Sidoarjo Regency, making Gunung Gangsir a bustling center in Beji District. Originally an agricultural area, Gunung Gangsir has developed into an industrial zone. Therefore, most of its residents work as private employees, while others work as farm laborers or engage in trade.

The program focusing on fostering sustained economic growth, productive employment, and decent work for all. The community service initiative aimed to enhance financial literacy and management capabilities among residents through targeted interventions and the utilization of a specialized app (Malik, 2023).

The program commenced with a thorough preliminary survey to assess the financial literacy levels, management practices, and specific needs of Pasuruan Village residents. This initial step provided crucial insights into the baseline conditions and informed the development of tailored training materials (Lusardi & Messy, 2023). These materials comprehensively covered essential financial concepts, including budgeting, savings strategies, and the practical application of the Money Management App.

Following the survey and situational analysis, intensive training sessions were conducted locally. These sessions combined theoretical knowledge with practical exercises, equipping participants with the skills needed to effectively utilize the app for daily financial management (Ha *et al.*, 2023). The training approach emphasized hands-on learning, ensuring that participants could apply newly acquired knowledge directly to their financial decisions and behaviors.



Image 1. Presentation Slides For Material Explanation and FGDs

Mentoring and monitoring played a pivotal role in the program's implementation phase. Post-training support included ongoing guidance to reinforce learning outcomes and facilitate sustained behavior change (Rusminingsih *et al.*, 2022). Regular evaluations, comprising follow-up surveys and interviews, were conducted to measure the impact of the program on participants' financial behaviors and overall economic well-being (Crossley *et al.*, 2021).

The program's success was underscored by tangible improvements in financial management practices among participants. Through enhanced financial literacy and the adoption of prudent financial strategies, individuals demonstrated increased resilience against economic challenges and reduced reliance on high-risk financial practices (Brahmayanti & Febrianto, 2024). This empowerment contributed to a more stable economic environment within Gunung Gangsir Village, fostering economic independence and prosperity among its residents.



Image 2. Documentation Of Event Closure

Community engagement through Focus Group Discussions (FGDs) provided invaluable feedback and reflections from participants (Sujianto et al., 2023). These discussions not only validated the program's effectiveness but also highlighted areas for further improvement and adaptation. Participants expressed satisfaction with the program's outcomes, noting improvements in their ability to manage finances effectively and plan for future financial goals (Putra et al., 2023).



Image 3. Documentation Of Media Coverage

Overall, Financial Empowerment in Gunung Gangsir Village with the Money Management App exemplifies a holistic approach to achieving SDG 8 objectives at the grassroots level. By equipping individuals with essential financial skills and leveraging digital technology, the program contributes to inclusive economic growth and empowers communities to thrive sustainably. The lessons learned from this initiative are instrumental in guiding future efforts to enhance financial literacy and promote economic empowerment globally.

CONCLUSION

The community service program titled "Financial Empowerment in Pasuruan Village with the Money Management App" has shown significant results in improving financial literacy and financial management skills among the residents of Pasuruan Village. Through a series of intensive training sessions and ongoing mentoring, villagers now have a better understanding of personal financial management and the use of the Money Management app to monitor and manage their finances.

The use of the Money Management app has made it easier for participants to manage their finances. The app helps them track income and expenses, plan budgets, and provides practical advice on saving and investing. The implementation of this technology demonstrates that digital innovation can be an effective tool in financial education, especially in rural areas.

From an economic perspective, participants have shown improved financial management skills, leading to greater economic stability and financial independence. This enhancement in financial literacy reduces vulnerability to economic shocks and high-risk financial practices. Socially, the program has fostered a culture of financial responsibility and planning in the village, contributing to the development of a more self-sufficient and empowered community.

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