



Article

THE INFLUENCE OF INTELLECTUAL CAPITAL AND SHARIA FINANCIAL LITERACY ON FINANCIAL BEHAVIOR IN PAREPARE CITY MSMEs

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Abstract: This research aims to determine the influence of Intellectual Capital and Sharia Financial Literacy on Financial Behavior in Parepare City MSMEs, both partially and simultaneously.

This research uses quantitative research methods with an associative approach and field research. The data collection technique used was observation and distribution of questionnaires to 100 Parepare City MSMEs as samples in this research. The data processing technique uses the SPSS version 25 application with research instrument testing, classical assumption testing, and hypothesis testing.

The results of the research that has been carried out are partial, the two independent variables, namely Intellectual Capital and Sharia Financial Literacy, both have a significant influence on the dependent variable, namely Financial Behavior. Likewise, simultaneously, Intellectual Capital and Sharia Financial Literacy have a significant effect on Financial Behavior.

Keywords: Intellectual Capital, Sharia Financial Literacy, Financial Behavior

1. Introduction

Nowadays, business actors in the country are increasing in number and type, one of which is MSMEs (Micro, Small, Medium Enterprises). In Law Number 20 of 2008 Article 3 concerning Micro, Small and Medium Enterprises, it is stated that Micro, Small and Medium Enterprises aim to grow and develop their businesses in order to build a national economy based on just economic democracy.¹

Criteria for Small, Micro and Medium Enterprises (MSMEs)

Type of business	Venture capital	Annual Sales Results
Micro business	Maximum IDR 1,000,000,000.00(excluding land and buildings where the business is located)	Maximum IDR 2,000,000,000.00
Small business	IDR 1,000,000,000.00 – IDR 5,000,000,000.00 (excluding land and buildings for business premises)	IDR 2,000,000,000.00 – IDR 15,000,000,000.00
Medium Business	IDR 5,000,000,000.00 – IDR 10,000,000,000.00 (excluding land and buildings for business premises)	IDR 15,000,000,000.00– IDR 50,000,000,000.00

Source: PP No. 7 of 2021 Article 35²

MSMEs are a type of business that is more numerous than large-scale businesses, and MSMEs are also able to absorb labor and can scale up to larger businesses. According to the Financial Services Authority (OJK) in 2021, there are 64 million MSMEs, which means 99.99% of all business actors. Apart from that, in 2021 the contribution of MSMEs to the Indonesian economy will contribute 60.51% of the total Gross Domestic Product (GDP) and absorb 117 million workers, which means the same as absorbing 97% of the total workforce in Indonesia.³

In Parepare City itself, MSMEs are widely spread in several sub-districts, namely Ujung, Soreang, Bacukiki and West Bacukiki sub-districts, so it does not rule out the possibility of creating competition between MSME actors. This is because the city of Parepare is an entry point for migrants, like a port that connects the islands of Java and Kalimantan. So the trade sector is a sector that has the potential to grow, progress and develop.

Data on the Number of MSMEs in Parepare City in 2023

MSMEs	Bacukiki	West Bacukiki	End	Evening
Micro	1,641	4,960	3,991	5,621
Small	3	95	8	25
Intermediate	-	19	2	5
AMOUNT	1,644	5,074	4,001	5,651
The number of MSMEs in Parepare City in 2023 is 16,370 MSMEs				

¹ Pemerintah Pusat, 'Undang-Undang (UU) Nomor 20 Tahun 2008 Tentang Usaha Mikro, Kecil, Dan Menengah', 2008.

² Pemerintah Pusat, 'Peraturan Pemerintah (PP) Nomor 7 Tahun 2021 Tentang Kemudahan, Pelindungan, Dan Pemberdayaan Koperasi Dan Usaha Mikro, Kecil, Dan Menengah', 2021.

³ Otoritas Jasa Keuangan, 'OJK Dorong Pengembangan UMKM Untuk Percepatan Pemulihan Ekonomi Nasional'.

Source: Parepare City Trade Office⁴

The data above shows that the number of MSMEs in Parepare City spread across each sub-district in 2023 will be 16,370 MSMEs. Currently, MSMEs have been widely used as objects of research or other writings. In an Islamic economy, MSME sector players should not only have halal labels printed on their products but also pay attention to several things such as the acquisition of raw materials, processing, and even the transaction process must also be in accordance with Islamic law, whether in the culinary, fashion, cosmetics and other industries. Other. So MSMEs that label themselves as halal businesses must truly understand sharia values.

This is in line with the results of Tri Ulfyana's research "Analysis of the Application and Understanding of Sharia Business Principles for MSMEs in Baubau City" explaining that the dominant MSME actors in Baubau City already understand and apply sharia business principles but there are still several MSME actors in Baubau City who do not understand and apply sharia business principles. Apply sharia business principles.⁵ However, this is not in line with Junia Farma and Indah Kesuma's research "Implementation of Sharia Economic Principles in the Behavior of Micro, Small and Medium Enterprises (MSMEs) in Banda Aceh City" which states that MSME actors in Banda Aceh City, especially in Darussalam, have implemented sharia economic principles with running a business without usury, hoarding, not lying and still paying attention to comfort and order as a form of harmonization between individuals.⁶

In general, MSME actors are relatively unimportant and pay attention to several things in building and developing their business. One of the things that MSMEs usually ignore is in the financial context, this is due to a lack of understanding regarding financial behavior. Financial behavior includes how a person acts in organizing and managing their finances, including how a person responds and determines the direction of their finances. MSME actors who ignore this of course have a consumerist attitude such as not saving for the long term, investing, making plans for funds that can be used in emergencies, and budgeting for the future.⁷

Apart from that, quite a few MSMEs do not do things such as planning, budgeting, auditing, management and control, including making financial reports. This is proven in research conducted by Ade Onny Siagian and Natal Indra "Accounting Knowledge of Micro, Small and Medium Enterprises (MSMEs) Regarding Financial Reports". The results show that MSME actors are still unfamiliar with preparing financial reports.⁸ Apart from that, other research also discusses financial planning and budgeting, such as in research by Yoshua Triawan Harahap, Alfida Aziz, and Dewi Cahyani P "Financial Behavior among MSME Actors in Cinere Village, Depok" which states that the lack of financial literacy influences financial behavior.⁹

Therefore, financial literacy is very helpful for business actors in managing their business. The results of the 2022 National Survey of Financial Literacy and Inclusion (SNLIK) show that the financial literacy of the Indonesian people continues to increase by looking at the percentage of financial literacy in 2019, which was 38.03% and in 2022 it was 49.68%. However, judging from the financial literacy level of all provinces in Indonesia, South Sulawesi is low compared to several other provinces, namely 36.88%.¹⁰

However, in this case, researchers are more specifically discussing sharia financial literacy. The SNLIK results show that the level of sharia financial literacy in Indonesia is 9.14%. This number is stated to have also increased from 2019 which was only 8.93% but is still very far compared to the national financial literacy percentage, namely 49.68%.¹¹ This is in line with Qiny Shonia Az Zahra and Elis Nurhasanah's research "Analysis of the Sharia Financial Literacy Level of MSMEs in Tasikmalaya" shows that the level of sharia financial literacy of MSMEs in Tasikmalaya is in the low category.¹² Another research result, namely Aspan Ritonga "Analysis of Sharia Financial Literacy Levels and Its Impact on Micro Business Income in Siak Hulu District, Kampar Regency, Riau" states that the dominant micro business actors in Siak Hulu District, Kampar Riau Regency are in the

⁴ Dinas Perdagangan Kota Parepare, 'Data Jumlah UMKM Kota Parepare Tahun 2022'.

⁵ Tri Ulfyana, 'Analisi Penerapan Dan Pemahaman Prinsip Bisnis Syariah Bagi UMKM Di Kota BauBau', JISEF: Journal Of International Sharia Economics And Financial, 1.01 Mei (2022), 29–36.

⁶ Junia Farma, 'Implementasi Prinsip Ekonomi Syariah Dalam Perilaku Usaha Mikro Kecil Dan Menengah (UMKM) Di Kota Banda Aceh', Jurnal Ilmiah Mahasiswa Ekonomi Islam, 4.2 (2022), 125–38.

⁷ Esa Mukti Aji, Alfida Aziz, and Wahyudi Wahyudi, 'Analisis Perilaku Keuangan Pada Pelaku UMKM Di Desa Pagedangan Tangerang', in Prosiding BIEMA (Business Management, Economic, and Accounting National Seminar), 2020, i, 75–89.

⁸ Ade Onny Siagian and Natal Indra, 'Pengetahuan Akuntansi Pelaku Usaha Mikro Kecil Dan Menengah (UMKM) Terhadap Laporan Keuangan', Syntax Literate; Jurnal Ilmiah Indonesia, 4.12 (2019), 17–35.

⁹ Yosua Triawan Harahap, Alfida Aziz, and Dewi Cahyani, 'Perilaku Keuangan Pada Pelaku UMKM Kelurahan Cinere Depok', Jurnal Ilmiah Manajemen Kesatuan, 8.3 (2020), 225–38.

¹⁰ Otoritas Jasa Keuangan, 'Siaran Pers Survei Nasional Literasi Dan Inklusi Keuangan Tahun 2022'.

¹¹ Keuangan, 'Siaran Pers Survei Nasional Literasi Dan Inklusi Keuangan Tahun 2022'.

¹² Qiny Shonia Az Zahra and Elis Nurhasanah, 'Analisis Tingkat Literasi Keuangan Syariah UMKM Di Tasikmalaya', EKSISBANK (Ekonomi Syariah Dan Bisnis Perbankan), 7.1 (2023), 186–95.

sufficient literate category, which means that micro business actors have know some of the terms and products of the sharia system but do not use them in business activities.¹³

The main focus of a business should no longer be on the number of workers it has but on the value that can be produced, namely the knowledge possessed by the workforce, the values that exist in the organization, and relationships with various parties. In the era of free competition, companies must have a competitive advantage to win the competition. One of the competitive advantages a company has is intellectual capital.¹⁴ This is proven by Taqiya Shabiya's research "The Influence of Intellectual Capital and Innovation on Financial Performance in MSMEs in Semarang City" which shows that intellectual capital has an effect on improving the financial performance of MSMEs. Apart from that, Novita Febriany's research "The Influence of Intellectual Capital on Company Financial Performance" explains the results that intellectual capital has an effect on company financial performance.

So, it can be concluded that the role of intellectual capital in increasing competitiveness is one of the important factors determining the success of MSMEs. Therefore, intangible assets are needed in the form of intellectual capital, where these intangible assets are very useful and provide profits and competitiveness for a business.

Based on several problems from the explanation above, researchers are interested in knowing and researching the influence of Intellectual Capital and Sharia Financial Literacy on Financial Behavior in Parepare City MSMEs.

2. Methodology

The method used in this research is a quantitative method which is a method that departs from a theoretical framework, expert opinions, or the researcher's understanding from previous experience. Then, the problem and solution are proposed in the form of a hypothesis to obtain correct empirical data in the field.¹⁵

The research approach used is an associative research approach which aims to determine the relationship between two or more variables with a type of field research, namely research carried out by exploring data sourced and originating from the location or place of research.

The research location was carried out at all MSMEs in Parepare City, both those operating in the fashion, culinary, cosmetics and other industries. The research time in this study was approximately 1 (one) month to collect and process data.

3. Results

1.1 Description of Research Results

A description of research results is a comprehensive explanation of the findings and conclusions obtained from a study. This includes interpretation of data, analysis of findings, and implications resulting from the research.

The research results obtained to answer each problem formulation related to "The Influence of Intellectual Capital and Sharia Financial Literacy on Financial Behavior in Parepare City MSMEs". The independent variables in this research are Intellectual Capital and Sharia Financial Literacy while the dependent variable is Financial Behavior. The quantitative method is the method used in this research using primary data, namely data obtained directly from the source by distributing questionnaires to 100 Muslim MSMEs in Parepare City as samples.

1.2 Respondent Characteristic

This research was carried out by distributing questionnaires to 100 MSMEs in Parepare City as samples with the specified criteria being MSME actors who are Muslim (a Muslim). There are several characteristics of respondents in this research, namely:

¹³ Aspan Ritonga, 'Analisis Tingkat Literasi Keuangan Syariah Dan Dampaknya Terhadap Pendapatan Usaha Mikro Di Kecamatan Siak Hulu Kabupaten Kampar, Riau', *An Nadwah*, 26.2 (2021), 63–81.

¹⁴ N Nuryaman, 'The Influence of Intellectual Capital on the Firm's Value with the Financial Performance as Intervening Variable', *Procedia-Social and Behavioral Sciences*, 211 (2015), 292–98.

¹⁵ Dkk. Muhammad Kamal Zubair, *Pedoman Penulisan Karya Ilmiah IAIN Parepare Tahun 2020*, ed. by Rahmawati (IAIN Parepare Nusantara Press, 2020).

Classification of Respondents

MSMEs	Bacukiki	West Bacukiki	End	Evening
Micro	20	10	7	32
Small	3	1	8	15
Intermediate	-	1	1	2
TOTAL	23	12	16	49

Source: Processed data

Based on the table above, it can be seen that the respondents were Micro, Small and Medium Enterprises (MSMEs) in four different regions, namely Bacukiki, West Bacukiki, Ujung and Soreang. Bacukiki and Soreang show a significant number of Micro MSMEs, 20 and 32 respectively, indicating that the majority of MSMEs in these two regions operate on a micro scale. On the other hand, Ujung has a striking number of Small MSMEs, reaching 8, indicating variations in the structure of MSMEs between regions.

1.3 Hypothesis Testing

1.3.1 Multiple Linear Regression Test

The multiple linear regression test is a test used to see and find out how much influence the independent variable has on the dependent variable.

Multiple Linear Regression Results

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	Std. Error	Beta		
(Constant)	19,995	4,490		4,453	,000
Intellectual Capital	,441	.122	,341	3,628	,000
Sharia Financial Literacy	,371	.108	,324	3,448	,001

a. Dependent Variable: Financial Behavior

Source: Processed data

In the multiple linear regression test there is an equation as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$$

$$Y = 19.995 + 0.441X_1 + 0.371X_2$$

The above equation can be explained as follows:

- A constant value of 19.995 means that if Intellectual Capital (X1) and Sharia Financial Literacy (X2) are ignored to equal zero, then 19.995 is Financial Behavior (Y).
- The Intellectual Capital (X1) regression coefficient is 0.441, which means that every increase in the level of Intellectual Capital (X1) will be followed by an increase in Financial Behavior (Y) of 0.441. Likewise, if Intellectual Capital (X1) decreases, it will be followed by a decrease of 0.441 in Financial Behavior (Y).
- The regression coefficient for Sharia Financial Literacy (X2) is 0.371, which means that every increase in the level of Sharia Financial Literacy (X2) will be followed by an increase in Financial Behavior (Y) of 0.371. Likewise, if Sharia Financial Literacy (X2) decreases, it will be followed by a decrease of 0.371 in Financial Behavior (Y).

Based on the basis of decision making, the independent variable which has the highest t count is the independent variable which has a higher influence on the dependent variable. So in this case, the Intellectual Capital variable (X1) with a coefficient value of 0.411 is more influential than the Sharia Financial Literacy variable (X2) with a coefficient value of 0.371.

1.3.2 Partial Test (T)

The partial test (t test) is a test carried out to find out the relationship between each independent variable and the dependent variable. The basis for making decisions in this test is in two ways.

- Based on significant value. If the significant value is <0.05 then there is an influence between variable X and variable Y, whereas if the significant value is >0.05 then there is no influence between variable X and variable Y.

- b) Based on the calculated t and t table values. If the calculated t value $>$ t table then there is an influence between variable X and variable Y, whereas if the calculated t value $<$ t table then there is no influence between variable (a/2 ; nk-1), then t table = (0.025 ; 97) the result is t table = 1.985.

Partial Test Results (t Test)

Coefficientsa					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	19,995	4,490		4,453	,000
Intellectual Capital	,441	.122	,341	3,628	,000
Sharia Financial Literacy	,371	.108	,324	3,448	,001

Source: Processed data

Table shows the results of the partial test (t test). The significance value of the Intellectual Capital variable (X1) is 0.000 ($0.000 < 0.05$), meaning that there is a significant influence between the Intellectual Capital variable (X1) and the Financial Behavior variable (Y), so H_0 is rejected and H_1 is accepted. Likewise, the Sharia Financial Literacy variable (X2) has a significance value of 0.001 ($0.001 < 0.05$), meaning that there is a significant influence between the Sharia Financial Literacy variable (X2) and the Financial Behavior variable (Y), so H_0 is rejected and H_1 is accepted.

If you compare the results of the t count with the t table, the Intellectual Capital variable (X1) is $3.628 > 1.985$, so it is stated that there is an influence between the Intellectual Capital variable (X1) and the Financial Behavior variable (Y). Meanwhile, for the Sharia Financial Literacy variable (X2), namely $3.448 > 1.985$, this result shows that there is an influence between the Sharia Financial Literacy variable (X2) and the Financial Behavior variable (Y).

1.3.3 Simultaneous Test (F)

Simultaneous test (f test) is a test carried out to determine the simultaneous influence of the independent variable and the dependent variable. There are two basis for decision making in this test, namely:

- Based on significance value. If the significance value is < 0.05 then there is an influence between variables X1 and X2 on variable Y. Conversely, if the significance value is > 0.05 then there is an influence between variables X1 and,
- Based on the calculated f value and table f. If the calculated f value $>$ f table then there is an influence between variables X1 and X2 on variable Y, whereas if the calculated f value $<$ f table then there is no influence between variables X1 and k ; nk) then f table = (2 ; 98) so the value of f table is 3.09.

Simultaneous Test Results (f Test)

ANOVAa					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	728,405	2	364.203	22,985	,000b
Residual	1536,985	97	15,845		
Total	2265.390	99			

a. Dependent Variable: Financial Behavior

b. Predictors: (Constant), Sharia Financial Literacy, Intellectual Capital

Source: Processed data

Based on the results of the simultaneous test (f test), the significance value is 0.000, which means $0.000 < 0.05$. If based on calculated f and table f, the calculated f value is 22.985 and the f table value is 3.09, meaning $22.985 > 3.09$ so it can be concluded that there is a significant influence between the Intellectual Capital variable (X1) and the Sharia Financial Literacy variable (X2) with Financial Behavior variable (Y).

4. Discussion

4.1. Intellektual Capital Parepare City MSME actors

Intellectual capital It is known as capital possessed by an individual in the form of intellectual abilities which have an impact on how the individual behaves in utilizing his abilities. Intellectual capital is almost the same as human resources, because intellectual capital contains 3 important indicators, namely human capital, structural capital and relational capital. In the results of the one sample t test that has been carried out, Intellectual Capital is in the very good category. This explains that the Intellectual Capital of Parepare

City MSME actors is very good.

Human capital Parepare City MSME actors can be said to be good by looking at the answers to the questionnaire. On average, Parepare City MSME actors know and have sufficient experience to manage a business, meaning they build a business according to their experience. Apart from that, they are also quite creative and innovative, but there are quite a few Parepare City MSMEs who do not apply creativity and do not keep up with current developments, for example they are lacking in terms of marketing, such as not carrying out promotions on social media. Of course, this also helps in expanding business reach, as in Frihatni et al's research that Irennuang MSMEs innovate and utilize social media as a market so they are able to survive in the Covid-19 era.¹⁶

Parepare City MSMEs also have structural capital which helps them in managing their business. All Parepare City MSMEs who were sampled in this study have adequate facilities and infrastructure, some of them have shops or large business premises and facilities therein, some also have small kiosks according to the scale of their business.

Apart from that, the relational capital of Parepare City MSME players can be said to be very good, many of them can survive because they use a customer system, many of them have loyal customers and make continuous purchases. So they survive even though they are side by side with competitors because they utilize the resources they have.

These results are in line with previous research, namely research by Alfin Akuba and Hasmirati which stated that intellectual capital consisting of human capital, structural capital and relational capital of MSMEs in Boalemo District is also in the very good category.¹⁷

Based on the Resource Based View (RBV) theory and the concept of intellectual capital, they are interrelated and complementary in helping companies including MSMEs. To build and maintain competitive advantage through strategic management of owned resources, especially intangible assets such as knowledge, skills and relationships with stakeholders. In the context of MSMEs, good management of intellectual capital as exemplified by Parepare City MSMEs can become a strategic resource that provides competitive advantages in accordance with RBV theory. This can help MSMEs survive and develop amidst intense competition.

4.2. Sharia Financial Literacy of MSME Players in Parepare City

Sharia financial literacy is known as financial literacy which is based on the verses of the Koran and Hadith. According to the Financial Services Authority (OJK), Islamic financial literacy in Indonesia is lower than general financial literacy. Sharia financial literacy is divided into 4 levels, namely well literate, sufficient literate, less literate and not literate.

The results of the previous one sample t test showed that Sharia Financial Literacy was in the very good category. Sharia financial literacy of Parepare City MSMEs is included in the sufficient literate category, meaning that they understand enough because they have sufficient knowledge about sharia finance, recognize sharia principles but have not yet reached high levels of expertise because some of them know about the prohibition of usury, maysir, and gharar but they don't understand it more deeply. These results are in line with previous research, namely the research of Muhammad Akbar et al. whose research results stated that the sharia financial literacy of MSMEs was quite good because they assumed that the ability to utilize and access sharia finance would have a good impact on business performance.¹⁸

This finding refers to the Resource Based View (RBV) theory which explains that sufficient Islamic financial literacy among MSMEs in Parepare City meets the strategic resource criteria in the RBV theory. If utilized and developed well, this could be the main capital in building a sustainable competitive advantage for sharia MSMEs in Parepare compared to competitors who apply conventional financial systems.

In sharia accounting, sharia financial literacy plays a key role in ensuring that the principles of Islamic finance are applied correctly. This includes preparing financial reports in accordance with sharia principles, sharia audits, reporting zakat and infaq, as well as managing investment funds that follow sharia provisions. By properly understanding and implementing sharia financial literacy, individuals and organizations can ensure compliance with Islamic principles in their accounting practices, as well as comply with applicable sharia accounting standards.

¹⁶ Andi Ayu Frihatni, Irmayanti Sudirman, and Frengky Mandacan, 'Dampak Pandemi COVID-19 Terhadap Kinerja UMKM Dan Strategi Bisnisnya: Studi Kasus UMKM Irennuang Parepare Di Indonesia', *Jurnal Akuntansi Dan Pajak*, 22.2 (2022), 759–63.

¹⁷ Alfin Akuba and Hasmirati Hasmirati, 'Pengaruh Intellectual Capital Terhadap Kinerja Keuangan Pada Usaha Kecil Menengah Di Kecamatan Tilamuta Kabupaten Boalemo', *Procuratio: Jurnal Ilmiah Manajemen*, 9.1 (2021), 66–74.

¹⁸ Muhammad Akbar and Abd Wahab, 'Pengaruh Literasi Keuangan Syariah Dan Perilaku Kewirausahaan Muslim Terhadap Kinerja Usaha Kecil (Studi Pada Usaha Kuliner Di Kota Makassar)', *Jurnal Asy-Syarikah: Jurnal Lembaga Keuangan, Ekonomi Dan Bisnis Islam*, 3.1 (2021), 25–39.

4.3. Financial Behavior Parepare City MSMEs

Financial behavior refers to decisions and actions related to financial management, such as investment management, risk management, and financial decision making. Apart from that, behavior in managing cash flow, credit management, and savings and loans.

From the previous one sample t test results, it can be concluded that Financial Behavior is in the very good category. Financial behavior or financial behavior of Parepare City MSME actors can be explained that they have recorded and monitored their business finances, but many Parepare City MSME actors do not differentiate between personal finances and business finances so they sometimes have difficulties. However, they still monitor their business debts and receivables and save for long-term business needs.

The results of this research are in line with the results of previous research, namely the research of Alfin Akuba and Hasmirati which stated that through good management it is possible to improve the company's financial performance. This is in accordance with the view of knowledge based theory, namely if the company can manage and develop the knowledge resources it has, it can increase profits. Company.¹⁹

The Resource-Based View (RBV) theory emphasizes the importance of internal resources in creating competitive advantage. In the context of MSMEs in Parepare City, good financial behavior can be considered as an internal resource that has the potential to create competitive advantage. In RBV, rare, valuable, inimitable and non-substitutable (VRIN) resources can provide a competitive advantage to an organization. In this case, excellent financial behavior can be considered a rare and valuable resource, because not all MSME actors are able or have the awareness to monitor and manage their business finances well. This can give them a competitive advantage as it allows them to make better decisions based on accurate financial information.

4.4. The Influence of Intellectual Capital on Financial Behavior

The results of this research show the influence of the Intellectual Capital variable (X1) on Financial Behavior (Y). The Intellectual Capital of Parepare City MSME actors is quite good based on the answers from the research instrument. Parepare City MSME actors have extensive experience in running a business and are creative in developing products in the fashion, culinary, wood crafts, etc. industries. They are also supported by advice and infrastructure according to their type of business. Apart from that, many of the MSMEs in Parepare City survive because they have customers or consumers who make repeated purchases. This means that Parepare City MSMEs can utilize the intellectual capital they have in running their business.

This is in line with the Resource Based View theory which states that companies that can manage resources well are able to compete with similar companies so that company performance increases. Based on the RBV Theory, Parepare City MSMEs have internal resources that are valuable, rare and cannot be imitated. Qualified experience in running a business, creativity in developing products, and support from advice and infrastructure appropriate to their type of business are examples of important internal resources. In this framework, intellectual capital owned by MSME actors, such as knowledge, skills and expertise in certain industries, is a rare and valuable resource that can provide a competitive advantage.

Meanwhile, stakeholder theory highlights the importance of relationships and interactions between MSME actors and various parties involved in their business, including customers or consumers. In this case, the existence of loyal customers who make repeat purchases is evidence of a strong relationship between MSME players and their main stakeholders. Loyal customers not only provide stable income for MSMEs, but can also be a valuable source of feedback and support in developing the business.

The results of this research are also in line with Alfin Akuba and Hasmirati's research which states that Tilamuta District MSMEs utilize intellectual capital, both human capital, structural capital and relational capital, thereby bringing them to a high level of competence. Apart from that, the results of previous research state that there is a positive and significant influence between Intellectual Capital which consists of human capital, structural capital and relational capital and financial performance.²⁰ Financial performance can be influenced by financial behavior. Financial behavior can influence financial performance by managing a budget in a disciplined manner, making smart investments, and managing debt responsibly. This discipline helps avoid waste, optimize investment returns, and reduce financial risks, thereby having a direct impact on the financial stability of an individual or company.

4.5. The Influence of Sharia Financial Literacy on Financial Behavior

The results of this research show the influence of the Sharia Financial Literacy variable (X2) on Financial Behavior (Y). According to Grohman in 2015, financial behavior can be influenced by 3 factors, namely financial literacy, lifestyle and quality of education.²¹ Sharia financial literacy of Parepare City MSME

¹⁹ Alfin Akuba and Hasmirati Hasmirati, 'Pengaruh Intellectual Capital Terhadap Kinerja Keuangan Pada Usaha Kecil Menengah Di Kecamatan Tilamuta Kabupaten Boalemo', *Procuratio: Jurnal Ilmiah Manajemen*, 9.1 (2021), 66–74.

²⁰ Alfin Akuba and Hasmirati Hasmirati, 'Pengaruh Intellectual Capital Terhadap Kinerja Keuangan Pada Usaha Kecil Menengah Di Kecamatan Tilamuta Kabupaten Boalemo', *Procuratio: Jurnal Ilmiah Manajemen*, 9.1 (2021), 66–74.

²¹ Antonia Grohman, 'Childhood Roots of Financial Literacy', 2015.

players is quite good if seen based on the answers to the questionnaire. Parepare City MSME players know that in Islam it is regulated how commerce and trade must be carried out by following sharia principles, upholding honesty and believing that by avoiding usury, maysir and gharar they can avoid unwanted financial risks. However, quite a few also stated that they did not know how Islamic finance differs from finance in general.

In this context, Islamic financial literacy theory highlights the importance of education and increasing understanding of Islamic financial principles and their differences with conventional financial practices. Through appropriate education and training efforts, MSMEs can increase their Islamic financial literacy, which in turn can help them manage their businesses better, avoid unwanted financial risks, and achieve sustainable success in accordance with Islamic financial principles.

4.6. The Simultaneous Influence of Intellectual Capital and Sharia Financial Literacy on Financial Behavior

The results of this research state that there is a simultaneous influence of Intellectual Capital and Sharia Financial Literacy on Financial Behavior. The independent variable (X) that has the greatest influence on the dependent variable in this research is the Intellectual Capital variable (X1) compared to the Sharia Financial Literacy variable (X2). The findings of this research are in line with the RBV principle which emphasizes the importance of managing strategic resources (intellectual capital and sharia financial literacy) to achieve competitive advantage, in this case good financial behavior of MSMEs in accordance with sharia.

Optimizing the management of these two resources will further increase the superiority of sharia MSMEs, and sharia accounting is a reflection of the influence of intellectual capital and sharia financial literacy on the Islamic financial behavior of MSMEs. The better the management of these two resources, the more optimal the application of sharia accounting in the financial behavior of MSMEs.

Thus, sharia accounting is a manifestation of the influence of intellectual capital and sharia financial literacy on the financial behavior of MSMEs in accordance with Islamic principles. The implementation of sharia accounting will increase transparency, accountability and compliance of MSMEs with sharia.

a) Principle of Accountability

A concept that is very well known among Muslim communities is responsibility which is always related to the principle of trust. For Muslims, trust is the result of the relationship between humans and the Creator, starting from the beginning of creation until returning to Him, because Allah SWT created humans as caliphs (managers) on this earth, and the essence of leadership is obeying and carrying out trust. In the context of business and accounting, the implication is that every individual involved in business activities must be responsible for what is entrusted to him and the actions he takes towards the parties involved, which is often reflected in the form of financial reports.

b) Principles of Justice

The principle of justice is not only an important value in the ethics of social and business life, but is also an inherent value in every individual. In the context of application in the field of accounting, justice has two dimensions. First, it is related to moral practices, especially honesty, which plays a dominant role. Without honesty, the accounting information presented can be misleading and detrimental to the public and external parties to the company. Second, the concept of justice is more basic and remains based on ethical and moral values.

c) Principle of Truth

If this principle of truth in accounting is carried out well, it will be able to create fairness in recognizing, measuring and reporting economic transactions.²² This verse reflects the values of ethics and integrity which are important foundations in sharia accounting principles. The message of the verse emphasizes that as a believing individual, maintaining trust and trust in all aspects of life, including financial management, is an obligation that cannot be ignored. This is in line with sharia accounting principles which emphasize the importance of transparency, honesty and adherence to Islamic moral principles in every financial transaction. By maintaining integrity and avoiding betrayal of trust, individuals can ensure that their finances are managed properly, without violating sharia principles, such as the prohibition of usury and injustice. Therefore, this verse provides strong moral guidance for sharia accounting practitioners to make decisions in accordance with Islamic principles in the context of financial management.

5. Conclusion

Based on the results of research conducted in the research "The Influence of Intellectual Capital and Sharia Financial Literacy on Financial Behavior in Parepare City MSMEs" it can be concluded as follows:

1. Partially, Intellectual Capital has a significant influence on Financial Behavior. These results have answered the first problem formulation, namely whether Intellectual Capital influences Financial Behavior in Parepare City MSMEs, so H1 is accepted.

²² Amanita Novi Yushita, 'Pentingnya Literasi Keuangan Bagi Pengelolaan Keuangan Pribadi', *Nominal Barometer Riset Akuntansi Dan Manajemen*, 6.1 (2017), 11–26. h. 21-22

2. Partially, Sharia Financial Literacy has a significant effect on Financial Behavior. These results have answered the second problem formulation, namely whether Sharia Financial Literacy has an effect on Financial Behavior in Parepare City MSMEs, so H2 is accepted.
3. Simultaneously, Intellectual Capital and Sharia Financial Literacy with Financial Behavior. These results have answered the third problem formulation, namely whether Intellectual Capital and Sharia Financial Literacy influence Financial Behavior in Parepare City MSMEs, so H3 is accepted.

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