

Financial Management Strategy for Sustainable Development of Micro, Small, and Medium Enterprises (MSMEs): Evidence from Pondok Petir Subdistrict, Bojongsari District, Depok City

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Abstract

This study aims to formulate a sustainable financial management strategy for Micro, Small, and Medium Enterprises (MSMEs) located in Pondok Petir Subdistrict, Bojongsari District, Depok City. While MSMEs constitute a vital engine of the national economy, practitioners in this sector continue to grapple with persistent structural constraints including limited financial literacy, restricted access to formal financing, and vulnerability to production cost volatility. A descriptive qualitative research design was adopted, employing purposive sampling to engage 92 MSME operators as primary informants, complemented by field observations, questionnaire surveys, and in-depth interviews. To enhance analytical depth and validate preliminary findings, a Focus Group Discussion (FGD) was conducted with a diverse group of stakeholders encompassing representatives from the local government, MSME associations, business development clinics, academic institutions, and commercial banking entities. The findings reveal that MSMEs in Pondok Petir possess notable organizational strengths, including a sizeable and cohesive business community, demonstrated entrepreneurial resilience, and locally competitive advantages in the culinary and creative service industries. Nonetheless, critical weaknesses persist in the form of inadequate financial literacy, absence of standardized bookkeeping, and constrained capital access. On the external dimension, significant opportunities arise from government-driven development programs, the availability of microfinance instruments, and expanding digital marketing ecosystems, while threats emanate from raw material price instability, fluctuating consumer demand, and market saturation. SWOT matrix analysis positions MSMEs in Quadrant I, prescribing an aggressive SO strategy characterized by measures to bolster financial literacy, formalize cooperative-based financing mechanisms, accelerate digital marketing adoption, and establish collective procurement systems for raw materials. This research contributes to the development of a participatory financial strategy framework aimed at reinforcing the competitive capacity of local MSMEs and may serve as a strategic reference for governments, financial institutions, academics, and the broader business community.

Keywords

Financial management 1; MSMEs 2; SWOT analysis 3; SO strategy 4; Pondok Petir 5

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1. INTRODUCTON

Micro, Small, and Medium Enterprises (MSMEs) occupy a pivotal position within the structure of Indonesia's national economy. Data from the Ministry of Cooperatives and Small and Medium Enterprises confirm that MSMEs collectively account for more than 60 percent of the national Gross Domestic Product (GDP) and absorb upward of 97 percent of the total national workforce (Anatan & Nur, 2023). Despite this substantial contribution to economic output and employment generation, MSMEs remain particularly susceptible to a range of structural and operational challenges, most notably those pertaining to access to financing, financial documentation and reporting, and the level of financial literacy among business operators (Yolanda et al., 2024).

Pondok Petir Subdistrict, situated within Bojongsari District, Depok City, exemplifies this broader pattern. The subdistrict is home to approximately 756 registered MSME units, predominantly engaged in culinary production, general retail trade, and creative-based service activities. Although this demographic mirrors broader national trends in MSME proliferation, the businesses in this area encounter persistent structural impediments related to financial governance, capital formation, and the transition toward digitally enabled marketing systems. A significant number of these enterprises continue to depend on conventional, often rudimentary, financial management approaches that constrain their profitability and growth trajectory (Hasanudin, 2023).

The recurring challenges observed among MSMEs in this locality encompass low levels of financial literacy, an absence of standardized and systematic bookkeeping, chronic capital shortages, and heightened exposure to input cost volatility, all of which collectively undermine business stability and continuity (Anatan & Nur, 2023; Musthafa et al., 2023). These challenges are not unique to Pondok Petir but reflect systemic vulnerabilities prevalent across Indonesia's MSME landscape.

Financial literacy has been consistently identified in the academic literature as a determinant factor influencing the sustainability and performance of MSMEs. Empirical evidence suggests that enterprises with higher levels of financial literacy demonstrate superior decision-making capacity and are better positioned for long-term business survival (Lambert et al., 2024). Concurrently, the progressive digitalization of financial recording systems, marketing infrastructure, and transactional processes has emerged as an increasingly salient opportunity within the contemporary digital economic paradigm. However, the extent to which MSMEs are prepared to embrace digital transformation varies considerably and is contingent upon the availability of qualified human resources and the presence of institutional support systems (Gamage et al., 2020).

Against this backdrop, the present study endeavors to construct a financial management strategy for MSMEs in Pondok Petir by synthesizing identified internal strengths and external opportunities with a systematic effort to address prevailing weaknesses and neutralize existing threats (Hasanudin,

2023; Fitriyana, 2022). The empirical data underpinning this analysis were gathered through structured questionnaires administered to 92 MSME operators, supplemented by semi-structured interviews, direct field observations, and a Focus Group Discussion (FGD) convened with key stakeholders, including the subdistrict government administration, MSME associations, academic representatives, business development clinics, and banking sector participants (Jatmiko et al., 2021; Widyastuti Suwarsono et al., 2022).

This research is expected to generate both conceptual and applied contributions toward the formulation of a replicable sustainable financial management strategy model tailored to the MSME context in Pondok Petir Subdistrict. Furthermore, the findings are intended to serve as an actionable reference for local government authorities, financial institutions, and the business community at large in their efforts to strengthen MSME competitiveness at both the local and national levels (Lambert et al., 2024) (Heliani & Iskandar, 2024).

2. METHOD

This study employed a descriptive qualitative research approach to obtain a comprehensive understanding of the actual financial management conditions among MSMEs in Pondok Petir Subdistrict and to construct evidence-based sustainable strategies responsive to those conditions (Hasanudin, 2023).

The study utilized both primary and secondary data sources. Primary data were systematically gathered through structured questionnaires distributed to 92 MSME operators, selected via purposive sampling. The selection criteria ensured representation across diverse business sectors, operational scales, enterprise age cohorts, and financial recording practices, thereby producing a descriptively valid cross-section of the MSME population in the study area (Faiz et al., 2024). Primary data collection was further augmented through semi-structured in-depth interviews, direct field observation, and a Focus Group Discussion (FGD). The FGD engaged a curated group of key stakeholders, including the Head of the Economic and Development Section of Pondok Petir Subdistrict, the Chairperson of the MSME Association, the Director of Ponselera Business Clinic, academic and practitioner representatives from the public accounting firm KAP Devid Putra Arda, and representatives from partner banking institutions.

Secondary data were obtained from MSME-relevant policy documents, government statistical reports, and peer-reviewed academic literature addressing financial literacy, MSME digitalization, and financial management strategy formulation (Huy & Phuc, 2025).

Data collection was conducted in a structured, sequential manner comprising three distinct phases. In the first phase, questionnaires were administered to map the sociodemographic profiles of MSME operators, document financial recording practices, assess access to formal financing, and identify the

principal challenges confronting business owners. In the second phase, field interviews and observational visits were conducted to gain nuanced insights into the lived realities of MSME financial management and to surface operational challenges not readily captured through survey instruments alone. In the third and final phase, the preliminary analytical findings were subjected to validation and deepening through the FGD, which simultaneously served as a participatory forum for co-constructing financial management strategies adapted to the local operational context and community needs.

Data analysis was executed in two integrated stages. The first stage involved thematic analysis of qualitative data generated through interviews, field observations, and the FGD, yielding key thematic constructs encompassing financial literacy, capital accessibility, bookkeeping practices, and the perceived challenges and aspirations of MSME actors (Abdallah et al., 2024). In the second stage, these thematic findings were systematically integrated with SWOT analysis—Strengths, Weaknesses, Opportunities, and Threats—to produce a comprehensive mapping of the internal and external factors shaping MSME performance and resilience in Pondok Petir (Widyastuti Suwarsono et al., 2022).

Building upon the SWOT findings, strategic recommendations were then organized within a SWOT Matrix and operationalized through the construction of a RACI Matrix delineating the specific responsibilities, accountabilities, consultative roles, and informational obligations of each stakeholder group. This dual-matrix analytical approach enabled the study not only to produce a descriptive account of current MSME conditions but also to generate implementable, actor-specific strategies grounded in multi-stakeholder collaboration, thereby enhancing the prospects for long-term MSME sustainability in Pondok Petir.

3. FINDINGS AND DISCUSSION

The results Results

The survey enrolled 92 MSME operators in Pondok Petir Subdistrict, drawn from three predominant business categories: culinary, retail trade, and creative services. The majority of participating enterprises fall within the micro-enterprise classification, maintaining workforces of fewer than five employees and relying primarily on manual methods for recording financial transactions. Over 60 percent of respondents reported that they do not maintain a clear separation between household and business finances, a condition that frequently impedes their capacity to accurately compute net business income and determine appropriate levels of working capital (Daskalakis et al., 2023).

With respect to formal financing access, data indicate that only approximately one-third of MSME respondents had successfully secured capital from regulated financial institutions, while the majority continued to depend on personal savings or informal borrowing from family networks.

Notwithstanding these limitations, more than half of the respondents have begun integrating digital payment instruments such as QRIS and electronic wallets into their operations, alongside the adoption of social media platforms for promotional purposes. These indicators suggest an embryonic stage of digital readiness, though the systematic adoption of financial literacy practices and dedicated accounting software applications remains conspicuously limited (Luckieta et al., 2024).

The FGD served to corroborate these survey findings while also surfacing additional contextual dimensions. Participants consistently emphasized the fragility of MSME financial documentation, the barriers to formal credit access, and the destabilizing effects of volatile raw material costs. At the same time, the FGD underscored the significant underlying potential of the MSME ecosystem in Pondok Petir, supported by dynamic business communities, access to government support programs, and expanding digital marketing opportunities (Gamage et al., 2020).

The SWOT mapping exercise produced the following systematic identification of key strategic factors. Internal strengths include the presence of a large and interconnected MSME community, a demonstrated culture of entrepreneurial resilience, competitive potential in local culinary and creative service sectors, and the nascent adoption of digital marketing and payment tools. Internal weaknesses encompass limited financial literacy among business operators, non-standardized and largely informal bookkeeping systems, insufficient working capital, and restricted access to formal financing channels. External opportunities are derived from active government support for MSME development, the availability of microfinance and cooperative programs, access to financial management training initiatives, and the rapid expansion of digital marketing platforms. External threats include volatility in raw material prices, instability in consumer purchasing power, intensifying sectoral competition, and the risk of over-indebtedness.

Table 1. SWOT Mapping of MSMEs in Pondok Petir

| Strengths (S) | Weaknesses (W) |
|--|--|
| <ul style="list-style-type: none"> • Large and cohesive MSME community (approx. 756 business units). • Strong entrepreneurial resilience and persistence among business owners. • High local market potential, particularly in culinary and creative service sectors. • Early-stage adoption of digital marketing tools and payment systems (QRIS, e-wallets). | <ul style="list-style-type: none"> • Low financial literacy levels among MSME operators. • Financial recording remains informal and lacks standardization. • Insufficient working capital to support business expansion. • Constrained access to formal financing and credit institutions. |
| <p>Opportunities (O)</p> <ul style="list-style-type: none"> • Active government support through targeted MSME development programs. • Availability of microfinance and cooperative schemes (BRI, Pegadaian, fintech platforms). | <p>Threats (T)</p> <ul style="list-style-type: none"> • Unpredictable fluctuations in the price of raw materials. • Inconsistent consumer purchasing power, particularly in lower-income segments. |

- | | |
|--|---|
| <ul style="list-style-type: none"> • Growing access to digital marketing channels and e-commerce ecosystems. • Increased training and assistance in financial literacy and digitalization. | <ul style="list-style-type: none"> • Heightened competitive pressure from businesses operating in similar sectors. • Risk of excessive debt and financial dependency. |
|--|---|

SWOT factor weights, ratings, and scores were subsequently assigned based on insights gathered through structured interviews with MSME operators and MSME association representatives, as well as deliberations conducted during the FGD process.

Table 2. Weighted SWOT Analysis of MSMEs in Pondok Petir Subdistrict

| Factor | Item | Weight | Rating | Score |
|---------------------|---|--------|--------|-------|
| Strengths (S) | Large and active MSME community | 0.25 | 4 | 1.00 |
| | High resilience | 0.25 | 3 | 0.75 |
| | Culinary and creative service potential | 0.25 | 3 | 0.75 |
| | Initial adoption of digital marketing | 0.25 | 4 | 1.00 |
| Total Strengths | | | | 3.50 |
| Weaknesses (W) | Low financial literacy | 0.30 | 1 | 0.30 |
| | Simple bookkeeping | 0.25 | 2 | 0.50 |
| | Limited capital | 0.25 | 2 | 0.50 |
| | Limited access to financing | 0.20 | 2 | 0.40 |
| Total Weaknesses | | | | 1.70 |
| Opportunities (O) | Government support | 0.25 | 4 | 1.00 |
| | Microfinance programs | 0.25 | 3 | 0.75 |
| | Financial training | 0.25 | 4 | 1.00 |
| | Digital marketing expansion | 0.25 | 3 | 0.75 |
| Total Opportunities | | | | 3.50 |
| Threats (T) | Fluctuating raw material prices | 0.30 | 1 | 0.30 |
| | Unstable purchasing power | 0.25 | 2 | 0.50 |
| | Competition among similar businesses | 0.25 | 2 | 0.50 |
| | Risk of excessive debt accumulation | 0.20 | 2 | 0.40 |
| Total Threats | | | | 1.70 |

These scores confirm the strategic positioning of MSMEs in Pondok Petir within Quadrant I of the SWOT framework, indicative of an aggressive growth orientation. Consequently, the most appropriate strategic posture is one that maximizes the exploitation of internal strengths to capture available external opportunities. Derived from this SWOT configuration, the principal strategies recommended for implementation include: the systematic enhancement of financial literacy through structured training and sustained mentoring; the digitalization of financial recording practices through the adoption of user-friendly accounting applications; the establishment of cooperatives or business

collectives to facilitate access to capital and enable collective procurement of raw materials; and the intensification of digital marketing efforts to broaden market penetration.

The empirical findings of this study validate that MSMEs in Pondok Petir Subdistrict are confronted with foundational structural deficiencies manifested in chronically low financial literacy, inadequate bookkeeping practices, and severely limited access to formal financing. These combined conditions produce systemic weaknesses in business planning capacity, impair the separation of household and enterprise cash flows, and restrict the ability of operators to monitor financial performance in any meaningful or systematic way (Venkatesan, 2024). These findings resonate with established literature confirming that the low uptake of SAK EMKM (Financial Accounting Standards for MSMEs) constitutes a significant structural barrier to financial transparency and accountability in the Indonesian MSME sector (Mu et al., 2025).

Notwithstanding these structural deficiencies, the most distinctive strategic asset of MSMEs in Pondok Petir resides in the cohesion and scale of their business community, the resilience of individual operators, and the latent economic value embedded in the local culinary sector. This social and organizational capital provides a promising foundation for the development of institutional innovations such as cooperatives or collective business forums. Scholarly evidence supports the proposition that organized MSME communities with robust institutional readiness are substantially better positioned to navigate digital transformation and achieve deeper market integration (Gamage et al., 2020).

On the external dimension, the convergence of government support programs, expanding microfinance accessibility, and the proliferation of digital marketing platforms collectively indicates that MSMEs in Pondok Petir inhabit an environment rich in developmental opportunities. Research consistently affirms that the strategic adoption of digital technologies in both bookkeeping and marketing functions can generate meaningful improvements in MSME competitiveness and operational efficiency (Soomro et al., 2024). This analysis lends strong justification to the designation of an aggressive SO strategy as the primary strategic orientation, enabling MSMEs to leverage their internal organizational strengths in the pursuit of externally available growth opportunities (Widyastuti Suwarsono et al., 2022).

The external threat environment, characterized by raw material price volatility, declining consumer purchasing power, and intensifying competitive pressures, demands that MSMEs cultivate adaptive resilience mechanisms. A key strategic recommendation emerging from the FGD was the implementation of collective raw material procurement systems, which field evidence suggests can yield meaningful improvements in cost efficiency and supply chain stability. This approach is corroborated by academic research underscoring the compounded benefits of financial literacy and cooperative business models in strengthening MSME performance outcomes across the Indonesian

context (Abdallah et al., 2024).

The SWOT diagram presented in Figure 1 provides a visual representation of the strategic positioning of MSMEs in Pondok Petir. The calculated internal factor differential ($S - W = 3.50 - 1.70 = +1.80$) confirms that organizational strengths markedly outweigh identified weaknesses. Simultaneously, the external factor differential ($O - T = 3.50 - 1.70 = +1.80$) demonstrates that opportunities are significantly greater than prevailing threats. This dual-positive configuration firmly positions MSMEs in Pondok Petir within Quadrant I of the SWOT matrix, validating the application of an Aggressive Strategy (SO) that harnesses internal strengths to exploit external opportunities, including the reinforcement of financial literacy, the scaling of digital marketing adoption, and the formalization of cooperative financing structures.

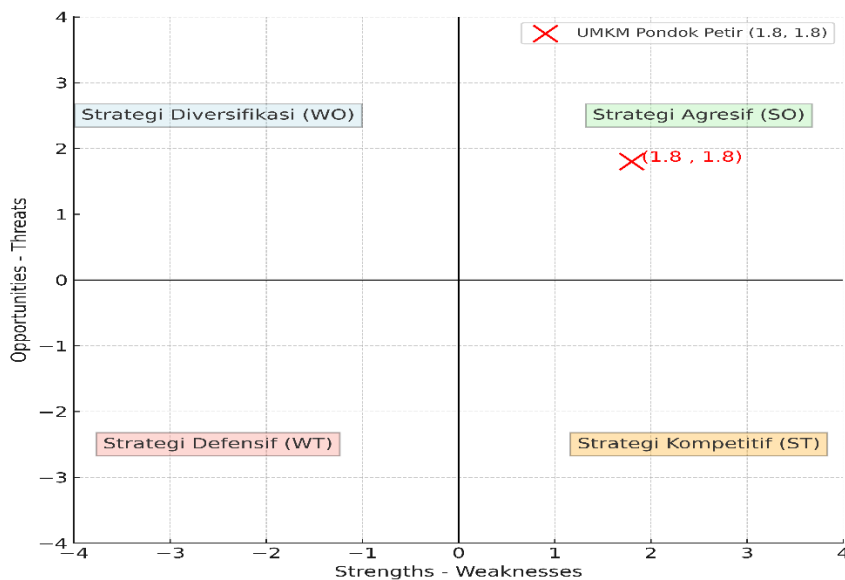


Figure 1. SWOT Quadrant Positioning of MSMEs in Pondok Petir Subdistrict

The strategic direction for MSME development in Pondok Petir can be organized around four principal growth pillars. The first pillar concerns collective capital mobilization, achieved through the formation of business collectives that enable joint credit applications underpinned by shared collateral or consolidated asset leverage. The second pillar focuses on marketing digitalization, entailing the strengthened utilization of social media, e-commerce marketplaces, electronic wallets, and QRIS payment systems to transcend local market boundaries and access broader consumer networks. The third pillar emphasizes training-based financial governance, wherein the adoption of fundamental bookkeeping practices—including daily cash flow documentation and strict personal-business financial separation—is established as a prerequisite for eligibility to receive capital assistance or government-sponsored support programs. The fourth pillar promotes supply chain collaboration through collective procurement arrangements designed to mitigate the impact of raw material price fluctuations while

simultaneously enhancing the collective bargaining power of MSME operators vis-à-vis their suppliers.

The projected outcomes of this aggressive strategic orientation can be disaggregated across short-term and medium-term horizons. Over the short term (one to two years), at least 50 percent of MSME operators are expected to adopt structured bookkeeping systems—whether manual or digital—while the establishment of cooperatives or collective purchasing groups is anticipated to take institutional form, accompanied by a projected turnover increase of 10 to 15 percent attributable to digital market optimization. Over the medium term (three to five years), a substantial increase in formal capital access through banking institutions or cooperatives is projected, alongside near-universal adoption of basic financial reporting systems as a prerequisite for financing applications and business scale-up. For operators in the culinary and creative service sectors specifically, this strategic trajectory is expected to catalyze upward mobility from micro- to small-enterprise status, thereby amplifying their economic contribution to the local economy (Heliani & Iskandar, 2024; Mbuya et al., 2025; Muhammad et al., 2025).

The SWOT analysis findings are further reinforced through the application of a RACI Matrix, which operationalizes strategic accountability by clearly delineating the functional roles of each stakeholder actor (Widyastuti Suwarsono et al., 2022). This matrix establishes MSME operators as the primary implementing agents (Responsible), collective forums or cooperatives as accountability anchors (Accountable), academic and research institutions as advisory resources (Consulted), local government as the regulatory and facilitative authority (Accountable), and financial institutions as providers of capital and financing support (Responsible).

Table 3. RACI Matrix for the Implementation of MSME Financial Management Strategies in Pondok Petir

| Activity | MSMEs | Forum/ Association | Local Government | Academics | Bank/ Cooperative |
|---|-------|-----------------------|---------------------|-----------|----------------------|
| MSME Forum & Organization | C | R/A | R | C | I |
| Basic financial recording training | R | C | A | R | I |
| Basic digital marketing training | R | C | A | R | I |
| Mentoring small businesses by sector | R | C | C | A | I |
| Adoption of cashier/accounting applications | R | C | C | A | I |

| | | | | | |
|---|---|-----|---|---|---|
| Advanced digital marketing training | R | C | A | R | I |
| Access to microfinance (bank/cooperative) | R | C | C | C | A |
| Collective raw material purchasing | R | A | C | C | I |
| Local business incubation (flagship products) | R | A | C | R | I |
| MSME Forum/Association | C | R/A | R | C | I |
| Product diversification & packaging innovation | R | C | C | A | I |
| Impact evaluation (turnover, financial reports) | R | C | C | A | I |

Note: R = Responsible (primary executor); A = Accountable (final decision authority); C = Consulted (advisory input); I = Informed (notification recipient).

An analysis of the RACI Matrix reveals distinct yet complementary roles across stakeholder groups. MSME operators are positioned as the central agents of the strategy, holding primary responsibility for the execution of financial recording systems, collective procurement mechanisms, and digital marketing activities. Given the participatory architecture of the strategy, active and sustained engagement by business operators is identified as the decisive determinant of program effectiveness and long-term viability (Taqi et al., 2022).

The MSME forum or cooperative functions as an organizational connector and collective accountability hub among member enterprises. It bears critical responsibility for ensuring inter-member coordination, maintaining unified program agendas, and serving as a communication intermediary between MSME operators and external institutional partners. This coordinating function is indispensable in harmonizing the diverse and often heterogeneous interests and capabilities of MSME actors while simultaneously strengthening their collective bargaining position within the supply chain (Anatan & Nur, 2023).

The local government contributes primarily through regulatory facilitation, institutional legitimacy, and material support. Within the RACI framework, the government bears accountability for underwriting core training programs and providing the necessary administrative permits and logistical

infrastructure. It also plays an advisory role in program monitoring, outcome evaluation, and policy reinforcement, thereby ensuring the legal continuity and institutional stability required for sustained program implementation (Wahyundaru et al., 2024; Heliani & Iskandar, 2024).

Academic institutions assume a strategic facilitative role as repositories of knowledge and methodological expertise. They hold joint responsibility and accountability for the design and delivery of financial literacy training, digital bookkeeping programs, and strategy implementation evaluations. Academics also provide consultative input in the formulation of data-informed MSME development policies, ensuring that program design is anchored in rigorous scientific evidence and empirically validated methodologies (Luckieta et al., 2024).

Commercial banks and savings-and-loan cooperatives occupy an essential role within the financing architecture of this strategy. As capital providers, these institutions bear primary accountability for the facilitation of credit access, microloan disbursement, and the delivery of inclusive banking services tailored to the MSME market. They also serve a consultative function in conducting business feasibility assessments and developing credit risk mitigation protocols. Their institutional presence guarantees the sustainable availability of financial resources for MSME operators and contributes to the financial stability of small enterprises in the face of market volatility (Mohamed et al., 2024).

On the basis of the integrated SWOT and RACI Matrix analyses, a structured three-year Action Plan for the implementation of the Aggressive (SO) Strategy has been formulated for MSMEs in Pondok Petir.

Table 4. Three-Year Action Plan for the Aggressive (SO) Strategy for MSMEs in Pondok Petir Subdistrict

| Year | Objective | Main Activities | Outputs |
|---|--|--|---|
| Year 1 Foundation of Literacy and Organization | Strengthening the basic capacity of MSMEs in financial recording and collaboration | <ul style="list-style-type: none"> Establishment of the Pondok Petir MSME Forum/Cooperative Training on simple financial recording (daily cash flow, separation of business and personal finances) Basic digital marketing workshops (social media, marketplace) Mentoring for small businesses by sector (culinary, trade, creative services) | <ul style="list-style-type: none"> One MSME cooperative established 100 MSMEs adopt simple bookkeeping 50 MSMEs use social media for promotion |

| | | | |
|---|--|---|--|
| Year 2 – Digitalization and Access to Capital | Enhancing technology adoption and expanding access to financing | <ul style="list-style-type: none"> • Implementation of digital cashier/accounting applications (Excel, MSME apps such as LAKUM – MSME Financial Report Application) • Advanced digital marketing training (marketplace, paid advertising) • Facilitation of access to microfinance (BRI, Pegadaian, cooperatives) • Trial of collective raw material purchasing for the culinary sector | <ul style="list-style-type: none"> • 200 MSMEs use digital/manual structured recording systems • 100 MSMEs active in marketplaces/digital stores • 50 MSMEs obtain formal financing • Collective raw material purchasing mechanism established |
| Year 3 – Expansion and Strengthening of Competitiveness | Developing collective strategies for resilience and business expansion | <ul style="list-style-type: none"> • Local business incubation programs (flagship products of Pondok Petir developed as a joint brand) • Strengthening MSME forums into marketing and financing cooperatives • Product diversification and packaging innovation (culinary/creative services) • Impact evaluation: turnover, access to financing, financial recording | <ul style="list-style-type: none"> • Flagship product with the brand “MSMEs of Pondok Petir” • 300 MSMEs have simple financial statements • MSME forum officially established as a legal cooperative • MSME turnover increases by an average of 20–25% |

4. CONCLUSIONS

This study affirms that MSMEs in Pondok Petir Subdistrict occupy a strategically important role in sustaining local economic activity, yet continue to confront deep-seated structural challenges in financial literacy, business recordkeeping, and access to formal financing. Drawing upon empirical data from 92 MSME respondents, supplemented by field interviews, observational studies, and multi-stakeholder FGD deliberations, this research generated a comprehensive situational analysis and a set of actionable strategic recommendations tailored to the specific conditions of the local MSME ecosystem. The SWOT analysis conclusively positions MSMEs in Pondok Petir within Quadrant I of the strategic matrix, corresponding to an aggressive SO strategic orientation. Key organizational

strengths—including the scale and cohesion of the MSME community, the demonstrated resilience of operators, and the competitive potential of the culinary sector—provide a robust foundation for strategic growth. Available external opportunities derived from government development programs, expanding microfinance instruments, and the growth of digital marketing ecosystems offer fertile conditions for strategic advancement. Simultaneously, internal weaknesses in financial literacy and capital access, compounded by external threats from price volatility and market competition, necessitate a coordinated and integrated strategic response. The RACI Matrix analysis establishes that the successful execution of these strategies is fundamentally contingent upon the effective synergy of multiple actor categories: MSME operators as primary implementers, forums and cooperatives as collective coordinators, government as the regulatory and facilitative authority, academics as knowledge facilitators, and financial institutions as capital providers. This multi-stakeholder framework has underpinned the development of a three-year Action Plan structured around three progressive stages: (1) the reinforcement of financial literacy and organizational capacity-building in the first year; (2) the digitalization of bookkeeping systems and the expansion of formal financing access in the second year; and (3) business scale-up and competitiveness enhancement through the legal formalization of cooperatives in the third year. The practical contribution of this study lies in the articulation of a participatory strategy framework that is directly implementable by MSMEs in Pondok Petir and replicable as a developmental model for MSME communities in comparable geographic and socioeconomic contexts. Its theoretical contribution extends the existing scholarly discourse on the intersecting roles of financial literacy, digital transformation, and institutional collaboration in sustaining MSME performance and resilience. On the basis of these findings, the following recommendations are advanced. Local government authorities are urged to intensify financial literacy programming and create enabling conditions for the formalization of MSME cooperatives. Financial institutions are encouraged to develop financing products specifically calibrated to the risk and operational profiles of MSME clients, with simplified eligibility and documentation requirements. MSME forums and associations are called upon to reinforce collective coordination mechanisms across supply chain and digital marketing domains. Academic institutions are expected to sustain their engagement through applied research, training delivery, and evidence-based policy advocacy. When pursued through a genuinely collaborative implementation framework, these strategies are expected to progressively enhance MSME competitiveness, facilitate upward mobility to higher business classification tiers, and amplify the contribution of Pondok Petir MSMEs to local and national economic development.

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