



## Empirical Evidence For Sharia Financial Literacy Levels In Muslim Communities: 3T Region, Sorong, Southwest Papua

Nurul Hidayah <sup>1</sup>; Nurhani <sup>2</sup>; Wisang C Bintari <sup>3</sup>; Nugroho D Prihandoko <sup>4</sup>;  
Mitta Muthia Wangsi <sup>5</sup>

<sup>1,2,3,4,5</sup> Universitas Muhammadiyah Sorong

Email: <sup>1)\*</sup> [nurulhidayah@um-sorong.ac.id](mailto:nurulhidayah@um-sorong.ac.id) , <sup>2)</sup> [nurhani.ak07@gmail.com](mailto:nurhani.ak07@gmail.com) , <sup>3)</sup> [wisangcandra@um-sorong.ac.id](mailto:wisangcandra@um-sorong.ac.id) , <sup>4)</sup> [nugrohodwi058@gmail.com](mailto:nugrohodwi058@gmail.com) , <sup>5)</sup> [mithamuthia@gmail.com](mailto:mithamuthia@gmail.com)

### How to Cite :

Hidayah, N., Nurhani, N., Bintari, C, W., Prihandoko, D, N., Wangsi, M, M. (2024). Empirical Evidence For Sharia Financial Literacy Levels In Muslim Communities: 3T Region, Sorong, Southwest Papua. EKOMBIS REVIEW: Jurnal Ilmiah Ekonomi Dan Bisnis, 12(3). doi: <https://doi.org/10.37676/ekombis.v12i3>

### ARTICLE HISTORY

Received [03 Mei 2024]

Revised [21 June 2024]

Accepted [07 July 2024]

### KEYWORDS

Financial Literacy; Syariah Finance; Literacy Level

*This is an open access article under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license*



### ABSTRACT

Financial inclusion is positively correlated with public financial literacy, according previous literatures. National Survey of Financial Literacy and Inclusion explained that Sorong City, as one of Indonesia's 3T (Underprivileged, Frontier, and Outermost) regions, has very low sharia financial literacy, this could hinder the expansion of local sharia financial institutions. This research aims to evaluate the level of sharia financial literacy level by evaluating 5 aspects: fundamental understanding of sharia finance (FUSF), sharia insurance (SI), sharia capital market investment (ICM), sharia savings and financing (SFS), and sharia financial ethics (SFE). 100 Muslims of working age that take part in sharia financial inclusion meet the sample criteria. By using descriptive statistical analysis, the result of overall average score is 67%, indicates that the Muslim community in Sorong has a medium level (60-79%) sharia financial literacy, according to Chen and Volpe (1988) model. A closer look results that the medium level of literacy for the FUSF, SFS, and SFE aspects by 60%, 64%, and 73%, respectively; the high level is SI aspect by 81%, and the low level is ICM aspect by 59%. This explains why achieving sustainability in sharia financial industry still requires significant efforts to create highly financially literate society.

### INTRODUCTION

#### Background Of The Study

A person's level of financial literacy must be taken into consideration when establishing the financial use priority scale. Financial literacy, according to Bhabha et al., (2014), is the awareness, knowledge, skills, attitudes, and behavior necessary to make wise financial decisions and achieve financial well-being. The definition of Sharia financial literacy is the same, but its

methodology is based on Sharia law. The government is particularly concerned about the low level of sharia financial literacy in Indonesia because, ironically, it can lead to low public financial inclusion activity, which might negatively impact the country's shariah finance industry market share since it is residence to the majority of Muslims worldwide. The sharia and conventional finance market share gap is also huge. Data from the Financial Services Authority (OJK) position Shariah financial market share in June 2022 reached 10.41% a very small increase from the previous year of 10% (source: Kominfo, 2023) .These results indicated that the Shariah financial literacy index and inclusion index had slightly increased from 8.93% and 9.10% in 2019 to 9.14% and 12.12%, respectively. Sorong is classified as a 3T (Restored, Leading and Outside) region by President's Decree No. 63 by 2020, however, it has developed into a trading and industrial center in Southwest Papua (it was still a part of the West Papua Province before December 2022). The Central Statistical Agency reports that Sorong has a population of 254,000, of which 45% are Muslims , making it a potential target. This potential, however, is not supported by the West Papua Province's current Sharia financial literacy index, which is in the low category with only 3.15% in 2019, as the increase in the assets of the Sharia General Bank and Sharia Enterprise Units registered increased by 125 billion (18.12%) and 50 billion (12.91%) respectively .

Literacy index data show a very far gap compared to the overall National Financial Literacy Index (SNLIK) in 2019 which reached 38.03%, although in 2022 the financial literacy rate of the West Papua region increased to 49.68% with the financial inclusion rate of 76.19% , the literacy and inclusion gap is still too large, suggesting that the authorities must dissocialize the public financial literature in a sustainable manner in order to improve it. According to Anisa et al. (2021) and Bongomin et al. (2017), financial behaviors include money-seeking, financial management, and financial responsibility. Aside from that, there are duties to be performed in terms of using, creating budgets, selecting goods based on needs, setting aside money for savings and investments, and remembering to pay obligations. Furthermore, financial behavior is heavily dependent on financial knowledge because it will relate to the financial decisions to be taken (Usmayanti et al., 2021). It can be concluded that the more a person understands finance, the wiser the activities of financial inclusion can be done. This research aims to find out how the level of sharia financial literacy in the city of Sorong currently. The Muslim community is the research's target audience, due to the abundance of Islamic organizations, Islamic schools and colleges, and the halal industry in this city, aided by the availability of Shariah financial institutions, which are already widely available in the city of Sorong.

### **Problem Solving Approach**

From the background of the above, empirical evidence is expected to contribute to the reduction of the gap sharia financial literacy index in the local community of Sorong, accompanied by the strategic steps taken by policy makers to provide innovative policies The implementation of more intensive financial education and literacy activities is a priority objective to support the achievement of the National Strategy of Financial Literacy of Indonesia Vision .

Different levels of literacy of individuals will affect their financial behavior (Antara et al., 2016). Not much research has studied financial knowledge that focuses on the concept of Shariah finance in Indonesia, especially in the city of Sorong. Chen and Volpe (1998) categorized the three levels of financial literacy of individuals into 1. low (<60%), 2. medium (60-79%) and 3. high (≥80%) (Margaretha & Pambudhi, 2015). Rasmini (2018) describes the four dimensions of construction that are indicators of financial literacy: 1. General knowledge of Finance, 2. Savings and Debt, 3. Insurance and 4. Investment (Rasmini Mas, 2018). This aspect was developed as a questioning instrument adapted to the principles of Shariah, with the aim of measuring the literacy level of the Muslim commun in Sorong City. In addition to these four things, the researchers incorporated the ethical dimensions of Shariah finance that were also measured in the respondents of the study, since this is closely related to the financial management system and business operational practices in the shariah financial institutions (Bahri & Si, 2012).

**LITERATURE REVIEW**

**Measuring Financial Literacy On Previous Research**

The primary purpose of financial literacy according to Gerrans & Heaney (2016) is to equip individuals with the knowledge, skills, and confidence in making the right financial decisions (Anshika et al., 2021). In some earlier literature there were at least two models of classification of the level of financial literacy used. According to OJK, the level of financial literacy can be classified into four: well-literate, sufficient literate, less literate and not literate. (1998). The second model uses the theory of financial literacy levels of Chen and Volpe (1998). While this study employs similar approach, its focus is different from the previous research, which primarily involved students, workers, UMKM perpetrators, the general public, and other.

Ritonga et al., (2020) determine how Shariah financial literacy affected microbusiness income. According to the study's findings, the average literate level of entrepreneurs in the Kampar district was sufficient literate category with an average of 2,2155. Research conducted by (Nanda et a., (2019). measured the level of sharia financial literacy of Banda Aceh, using Chen and Volpe theory (1998), the results of the study revealed that the sharia financial literacy level people in Banda Aceh belongs to the medium category or 71.99%.

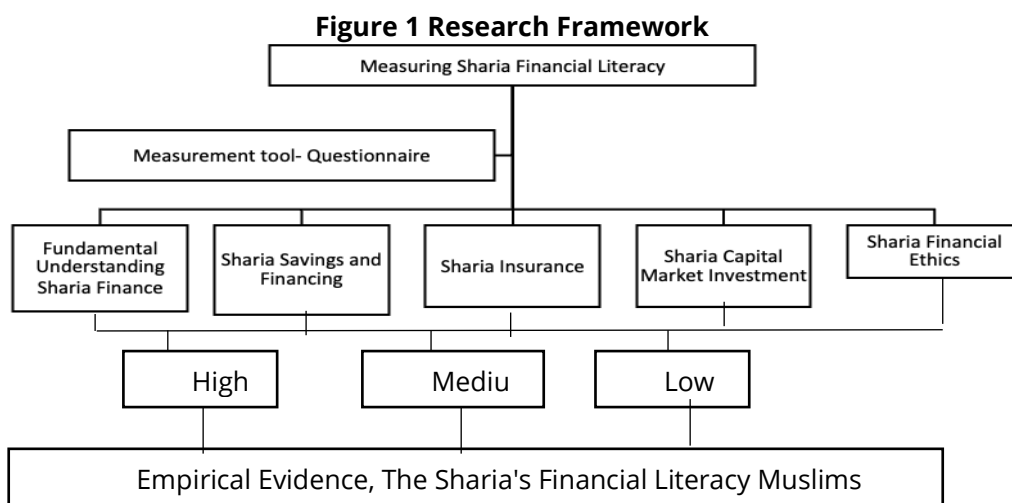
According to Anshika et al., (2021) there are differences in financial literacy among people in different countries. The study covered a range of foreign literature on this topic, the level of financial literacy among various societal groupst was discovered, for instance, that only 20% of small- and medium-sized business owners in the Republika Srpska are thought to be financially literate. More financial awareness and educational initiatives are required to increase financial literature because many people still have low levels of financial literacy

**METHODS**

**Research Design**

The purpose of this study is to use descriptive quantitative methods to analyze the Sharia Financial Literacy of the Sorong City Muslim Community. According to Sugiyono (2018: 13), quantitative methods involve conducting research using numerical data that is measured through calculation statistics in order to draw conclusions (Sugiyono, 2018).

Arikunto (2019) explains, descriptive research is a type of research that aims to understand a particular situation, event, or theory and then report the findings in the form of a report. The research framework explained in Picture 1.



**Tabel 1. Literacy Level**

Total Score	Literacy Level
>=80%	High
60%-79%	Medium
<60%	Low

Source: (Data Processed by Researcher, 2024)

### Data Collection Method

This research instrument uses a question detail that is structured based on the five aspect of Shariah financial literacy that have been described earlier, details of these questions will then be answered by the target respondents. The total of correct answers will be accumulated and divided by the total total number of questions and multiplied by 100%, the statistical test results will be analyzed, described and discussed in depth. Validity and realibility tests will be carried out to test the quality of the instrument data. The compiled questionnaire consists of several questions aimed at gathering general information and demographic information of respondents, followed by an order of questions with the aim of testing the respondent's understanding of the sharia's financial literature.

Fundamental Understanding of Sharia Finance Aspects measure how well one understands the fundamental ideas of Sharia finance, which are founded on the law of Islamic shariah. Examples of these concepts include the prohibitions against riba, maysir, and gharar. In addition, the following other fundamental ideas the nature of sharia financial products, the types of sharia financial institutions, and the way in which the supervision function in sharia finance institutions operates (Wahyuni et al., 2022).The aspects of Sharia Savings and Financing include measurement of understanding of the concepts of savings and financing by the organizers of the Sharia financial industry.

The Sharia Insurance Aspect measures the understanding of the types of risks associated with the Sharia insurance products offered. The Investment Aspect on the Sharia Capital Market measures the extent to which individuals understand financial orientation and objectives, thereby opening up opportunities to identify and participate in investment instruments (Nanda et al., 2019), The last aspect is Sharia Financial Ethics, measurement of basic understanding of accountability and transparency, understanding of prohibitions, which are permitted, elements of respect for the rights of others, and the development of a service product that conforms to the principles of Shariah (Manunggal, 2011). As for the data from the question instrument on the questionnaire developed from the indicators of the aspects of sharia financial literacy that are depicted in the table Operational Variable Matrix below:

**Tabel 2. Operational Variable Matrix**

Object/ Varaibel	Aspect Definition	Indicators/Questions	Scale
<b>Sharia Financial Literacy</b>	1. Fundamental Understanding of Sharia Finance (FUSF): The way a person manages his finances according to the principles of Islamic Shariah must have a basic financial knowledge of the shariah.	1. Understanding about Riba, Gharar & Maysir (FUSF1) 2. Understanding the basic aqad in shariah transaction (FUSF2) 3. Understanding the profit loss sharing principle in aqad syariah transaction (FUSF3) 4. Benefit of the sharia financial literate (FUSF4) 5. Understanding the supervisory functions of Sharia financial institutions (FUSF5)	(5 Questions) Correct answers ÷ Total questions x 100%

2. Sharia Savings and Financing (SFS): relates to savings and financing products at the Sharia Financial Institution	<ol style="list-style-type: none"> <li>1. Understanding the concept or aqad of Sharia savings products (SFS1)</li> <li>2. Understanding the concept or aqad of Sharia savings products (SFS2)</li> <li>3. The difference between interest and profit sharing (SFS3)</li> </ol>	<p>(5 Questions)                  Correct answers ÷ Total questions x 100%</p>
3. Sharia Insurance (SI): relates to actions to divert the risk of loss with the principle of Shariah through its products and aqad	<ol style="list-style-type: none"> <li>1. Understanding the principles of sharia insurance (SI1)</li> <li>2. Understanding sharia insurance products by type of risk (SI2)</li> <li>3. Understanding aqad used in sharia insurance (SI3)</li> <li>4. Understanding the difference between sharia and conventional insurance (SI4)</li> </ol>	<p>(5 Questions)                  Correct answers ÷ Total questions x 100%</p>
4. Sharia Capital Market Investment (ICM): allocating funds to Sharia financial instruments with the prospect of profit in the future	<ol style="list-style-type: none"> <li>1. Understanding the orientation of Sharia investment (ICM1)</li> <li>2. Understanding Sharia Investment Products (ICM2)</li> <li>3. Understanding aqad of the sharia investments (ICM3)</li> <li>4. Understanding risks of investment instruments (ICM4)</li> <li>5. Understanding differences between Sharia and conventional instruments (ICM5)</li> </ol>	<p>(5 Questions)                  Correct answers ÷ Total questions x 100%</p>
5. Sharia Financial Ethics (SFE): Focusing on Islamic principles in financial management to the usage of financial instruments, and directing financial institutions' operations for the greater good	<ol style="list-style-type: none"> <li>1. Understanding principles of transparency and accountability (SFE1)</li> <li>2. Understanding the prohibition of interest on Shariah financial institutions (SFE2)</li> <li>3. Understanding related to respect for the rights of others (SFE3)</li> <li>4. Understanding development of financial products and services meets the sharia principles (SFE4)</li> </ol>	<p>(5 Questions)                  Correct answers ÷ Total questions x 100%</p>

Source: (Data processed by researcher, 2024): Rasmini, Mas et al., (2018), Wahyuni, Y et al., (2023), Hambali (2018) and Yulianto (2018) in Nanda, TSF et al.,(2019), Manunggal (2011)

**Sample Method**

According to Sugiyono (2018:138), purposive sampling involves the selection of the appropriate number of samples to be examined, taking into account certain criteria.

$$n = \frac{N}{1 + Ne^2}$$

N = Population 45% (Muslims Community) x 254.294 (total population) = 114432

e = error 10% thus:  $n = \frac{114432}{1 + 114432 (10\%)^2}$   
 $n = \frac{114432}{1144,33}$   
 $n = 99,99 \approx 100$  samples

The research sample consisted of Muslim individuals ranging in age from 17 to 64 who utilized the services and products offered by Shariah-compliant financial institutions located in Sorong. Convenience sampling is used in data collection procedures so that respondents can be easily obtained.

### Data Analysis Method

After conducting validity and realisticity tests on the questionnaire data using SPSS version 20, the study proceeded with a basic descriptive statistical test. The score of the answers successfully answered correctly by each of the respondents will then be summed in order to determine whether the Shariah Muslim community in the city of Sorong has a high, medium, or low level of financial literacy (Chen & Volpe, 1998).

## RESULTS

This study uses descriptive quantitative methods to analyze the Sharia Financial Literacy of Muslim Community in Sorong city, the result of the average score overall is 67%, indicates that the level is at the medium range according to Chen & Volpe (1988), before the detail analysis of the result, this research will first describe several stages; testing of research instruments and demographic and general information result.

### Validity And Reliability Test

According to Sugiyono (2005) validity is an index that indicates that a measuring instrument can measure what should be measured (Hidayah et al., 2023). The table below explains that the entire instrument of 25 questions is declared valid because r-count has a greater value than r-table with a degree of significance of 5 percent and the sample number of 100 respondents;

**Tabel 3. Validity Test**

Variabel	Aspect	Question	r-count	r-table	result
Sharia Financial Literacy	Fundamental Understanding of Sharia Finance	FUSF 1	0,497	0,1966	valid
		FUSF 2	0,533	0,1966	valid
		FUSF 3	0,515	0,1966	valid
		FUSF 4	0,682	0,1966	valid
		FUSF 5	0,503	0,1966	valid
	Sharia saving and Financing	SFS 1	0,229	0,1966	valid
		SFS 2	0,585	0,1966	valid
		SFS 3	0,446	0,1966	valid
		SFS 4	0,316	0,1966	valid
		SFS 5	0,616	0,1966	valid
	Sharia Isurance	SI 1	0,31	0,1966	valid
		SI 2	0,453	0,1966	valid
		SI 3	0,587	0,1966	valid
		SI 4	0,389	0,1966	valid
		SI 5	0,463	0,1966	valid
	Sharia Capital Market Investment	ICM1	0,472	0,1966	valid
		ICM 2	0,492	0,1966	valid
		ICM 3	0,674	0,1966	valid
		ICM 4	0,647	0,1966	valid
		ICM 5	0,618	0,1966	valid
	Sharia Financial Ethic	SFE 1	0,434	0,1966	valid
		SFE 2	0,431	0,1966	valid
		SFE 3	0,509	0,1966	valid

SFE 4	0,618	0,1966	valid
SFE 5	0,602	0,1966	valid

Source: (Data Processed by Researcher, 2024)

Following that, the results of the reliability test showed a Cronbach's alpha figure of 0.711, and it can be concluded that the research instrument is reliable, this reliability test is used to evaluate the consistency of data over a certain period of time. According to Wiratna Sujarweni (2014), a variable is considered reliable if the Cronbach's alpha value is greater than 0.6 (Hidayah, 2022)

**Tabel 4. Realibility Test**

Variable	Cronbach's Alpha	Number of items	Result
Sharia Financial Literacy	0,711	25	Reliabel

Source: (Data Processed by Researcher, 2024)

### Demographic And General Questions

For a summary of the demographic results and general data related to Shariah financial inclusion activities of 100 Muslim respondents, the results were followed by 52% of male and 48% of female respondents obtained, the highest educational level of the total respondents are graduates of Higher Secondary Schools of 51%. The age groups 17-25 years and 36-45 years were 28% of the total respondents, respectively. The survey data was also dominated by respondents with a formal employee status of 29%. For information related to the financial inclusion activities of respondents at the Shariah financial institutions also presented in detail in the table below:

**Tabel 5. Data Demographic And General Question**

Respondent's Criteria	Description	Responden Frequency	Percentage
Gender	Men	52	52%
	Woman	48	48%
Age	17-25 yo	28	28%
	26-35 yo	30	30%
	36-45 yo	28	28%
	46-55 yo	12	12%
	56 yo	2	2%
Educational Level	Elementary-Middle	2	2%
	Senior Highl School	51	51%
	Undergrduate	44	44%
	Postgraduate	3	3%
Job	Private employee	29	29%
	Civil State apparatus	7	7%
	Teacher/Lecturer	10	10%
	informal sector	13	13%
	Entreprenuer	15	15%
	Students	23	23%
	Others	3	3%
Sharia Financial Institutuion Product (can be more than 1)	Bank	78	78%
	Insurance	5	5%
	BPR (Rural Bank)	2	2%
	Pegadaian	8	8%
	Capital Market	4	4%
	BMT	14	14%

Duration	<1 Tahun	42	42%
	1-3 Tahun	31	31%
	3-6 Tahun	17	17%
	>6 Tahun	10	10%
Sharia Financial Product	Savings	76	76%
	Financing	23	23%
	Insurance Polis	5	5%
	Sharia Investment	4	4%
	Gadai	8	8%
	Others	2	2%

Source: (Data Processed by Researcher, 2024)

It is also explained that the financial inclusion activity of 100 Muslim communities in Sorong, 76 of them have deposits in Sharia banking and 23 of them also have financing. and other saving and financing activities from rural bank and baitul mal at tamwil (BMT). The community has also carried out financial inclusion activities in sharia pegadaian, sharia insurance and sharia capital market investment, although the number of the participation are still small.

### Sharia Financial Literacy Level Of Muslim Community

Tabel 6. Percentage Of Respondent Answers From All Aspects

ASPECT & INDICATORS	LEVEL OF SYARIAH FINANCE LITERACY		
	Rendah (<60%)	Sedang (60-79%)	Tinggi >80%
<b>FUSF Avarage</b>		<b>60%</b>	
FUSF 1			82%
FUSF 2			88%
FUSF 3	22%		
FUSF 4	47%		
FUSF 5		<b>62%</b>	
<b>SFS Avarage</b>		64%	
SFS 1		63%	
SFS 2		62%	
SFS 3		67%	
<b>SI Avarage</b>			<b>81%</b>
SI 1			94%
SI 2			88%
SI 3	58%		
SI 4			85%
<b>ICM Avarage</b>	<b>59%</b>		
ICM 1	41%		
ICM 2	31%		
ICM 3			80%
ICM 4		70%	
ICM 5		73%	
<b>SFE Avarage</b>		<b>73%</b>	
SFE 1			93%
SFE 2			88%
SFE 3		78%	
SFE 4	33%		
<b>Overall Average Score 67%</b>			

Source: (Data Processed by Researcher, 2024)



Further, when viewed from the number of successful answers the respondents are correctly depicted in detail in table 5. It is explained that for the FUSF Aspect (Fundamental Understanding Sharia Finance) with 5 measurement scales, the average answer correctly is as much as 60% which indicates the literacy level on this aspect is in the medium category. Other aspects that have average category values are the SFS Aspect and SFE Aspect which are 64% and 73% respectively, when examined more deeply on the SFS Aspect, the literature level is lower when compared with the level of inclusive initiatives. Earlier it was explained that the inclusion activity of 100 Muslim communities on the products of savings and loans in the Shariah financial institutions belongs to the high as 72% of saving and belonging to the low as 23% of financing. This indicates still the need for socialization related to the product of shariah banking services to the Muslim community of Sorong as the main consumer prospects.

In terms of the SI (Sharia Insurance) literacy rate is higher than other aspects, that is, 81%, which shows the deviation given that the literacy level is not comparable to the inclusion rate in this product, where only 5% of the 100 Muslim community is recorded, then the strategic approach needed is to more socialize the availability of insurance products and investments in the Shariah financial institutions even more massively. The other thing is with the Capital Market Investment (ICM) aspect which shows an average score of 59% and falls into the low category. So, from the description it is concluded that the literacy rate of the Muslim community of the city of Sorong for the average overall is in the middle category with a score of 67%.

**DISCUSSION**

As previously explained that this study uses descriptive quantitative methods to analyze the Sharia Financial Literacy of Muslim Community in Sorong city, the detail analysis described as follows;

**Tabel 7. Statistical Decriptive Result**

Descriptive Statistic	Correct Answer	Skor
Minimum	9	36%
Maximum	25	100%
Mean	16,65	67%
Std.Dev	3,242	13%

Source: (Data Processed by Researcher, 2024)

The respondent's ability to answer every survey question ranged from the lowest score of 36% (correct answer 9 out of 25) to the highest score of 100% (correct answer 25 out of 25). The data collected from respondents varied significantly, as evidenced by the standard deviation figure of 13% and the average score of 67% for respondents who could answer the question correctly. In addition, the average result is fairly good, 67% of the financial literacy rates are in the middle category, supported by the educational and occupational factors of the respondents, of which 55% have a high school level and 47% have undergraduate and postgraduated education, besides the data also indicate that all respondents have permanent jobs in both the formal and informal sectors.

Many previous studies have explained that there is a positive relationship between educational levels and the level of financial literacy of individuals Potrich et al., (2015) explains Individuals with higher educational levels will have better financial literacy T oth et al., (2015) added that higher educational levels especially focused on economics field of study influenced a better level of financial literacy. Results of research Mauldin et al., (2016) Those with low income rates do not necessarily have knowledge of finance and those who do not have knowledge about finance can hinder saving action (Van Nguyen et al., 2022).

In Table 7 below, it has been described in detail the group of Muslims according to the score of the total correct answers answered. 23 of the 100 Muslim communities had a low

literacy level, 61 of 100 Muslims had a medium literacy level, and 16 of 100 Islamic communities were high literacy levels.

**Tabel 8. Percentage Of Respondent Answers From All Aspects**

Category	Range	Respondent
Low	<60%	23%
Medium	60%-79%	61%
High	>80%	16%
<b>Total</b>		100%

Source: (Data Processed by Researcher, 2024)

## CONCLUSION

The level of sharia financial literacy has important benefits for individuals in knowing how to manage and make financial decisions in accordance with the principles of Shariah, as well as as guiding individual actions in their decision to engage in inclusion activities at Sharia financial institutions. The results of this study concluded that the rate of financial literacy of the Shariah Muslim community of Sorong in the productive age is in the level of was 67% with details of the following aspects; The level of Fundamental Understanding os Shariah Finance (FUSF) is 60%, the understanding of aspects on Sharia Savings and Financing (SFS) is 64%, the understanding level on aspects about Sharia Insurance (SI) of 80%, the level on the Aspects of Investment in Sharia Capital Markets (ICM) is 59%, and the understanding on aspects of Sharia Financial Ethics (SFE) is 73%.

This is a strong reason for the need for sustained efforts to improve financial literacy by academics, authorities, and organizers of sharia financial products and services especially in Sorong, given the numerous sharia finance institutions of banks and non-banks to the micro-sharia financing institutions such as Baitul Mal which exists quite a lot in this city. Muslim communities, students, and other important subject people such as in the 3T region are the priority elements that continue to be driven its literacy index according to Indonesian National Financial Literacy Strategy 2021-2025. (OJK, 2021)

## SUGGESTION

There are some obstacles and limitations in this research, such as finding samples that match the expected criteria to meet the target sample that has been specified and obstacles related to the enumerator's power to carry out research that takes quite a long time in each accessing 1 respondent.

This research also has the limitations of methods that have been used quite widely by other researchers. Therefore, it is expected that in addition to accessing the aspects that have already been mentioned in this study, the next researchers can develop variables and indicators that are more relevant to the specificity of Shariah finance.

## ACKNOWLEDGEMENT

This journal article was written and provided by the Lecturer of the Faculty of Economics Universitas Muhammadiyah Sorong through the Grants Program of RisetMu (Research Muhammadiyah) budget year 2024. As for everything that is revealed in this research is the responsibility of the author.

**REFERENCES**

- Anshika, Singla, A., & Mallik, G. (2021). Determinants of financial literacy: Empirical evidence from micro and small enterprises in India. *Asia Pacific Management Review*, 26(4), 248–255. <https://doi.org/10.1016/j.apmr.2021.03.001>
- Antara, P. M., Musa, R., & Hassan, F. (2016). Bridging Islamic Financial Literacy and Halal Literacy: The Way Forward in Halal Ecosystem. *Procedia Economics and Finance*, 37, 196–202. [https://doi.org/10.1016/s2212-5671\(16\)30113-7](https://doi.org/10.1016/s2212-5671(16)30113-7)
- Arikunto, S. (2019). *Prosedur Penelitian*. Rineka Cipta.
- Bahri, S., & Si, M. (2012). Etika Bisnis Lembaga Keuangan Syari'ah. *Iqtishaduna, STIE Syari'ah Bengkalis*, 1(2), 233–244.
- Bhabha, J. I., Khan, S., Qureshi, Q. A., Naeem, A., & Khan, I. (2014). Impact of Financial Literacy on Saving-Investment Behavior of Working Women in the Developing Countries. *International Institute for Science, Technology and Education (IISTE): E-Journals*, 5(13).
- Chen, H., & Volpe, R. P. (1998). An Analysis of Personal Financial Literacy Among College Students, *Financial Services Review*. 7(2).
- Hidayah, N. (2022). Pengaruh Lifestyle & Brand Awareness terhadap Keputusan Pembelian. *Jurnal Inovasi Penelitian*, 3(4), 5963–5972.
- Hidayah, N., Wangsi, M. M., & Aprilia, N. (2023). The Effect of Brand Equity on the Decision of BMT Al-Hijrah Madukoro Financing Customers in Sorong City. *Ar-Ribh Jurnal Ekonomi Islam*, 6(1), 45–52. <https://journal.unismuh.ac.id/index.php/ar-ribh>
- Manunggal, S. A. M. (2011). ETIKA ISLAM DALAM MANAJEMEN KEUANGAN. *JHI*, 9(2).
- Margaretha, F., & Pambudhi, R. A. (2015). TINGKAT LITERASI KEUANGAN PADA MAHASISWA S-1 FAKULTAS EKONOMI. *Jurnal Manajemen Dan Kewirausahaan (Journal of Management and Entrepreneurship)*, 17(1). <https://doi.org/10.9744/jmk.17.1.76-85>
- Nanda, T. S. F., Ayumiati, & Wahyu, R. (2019). TINGKAT LITERASI KEUANGAN SYARIAH: STUDI PADA MASYARAKAT KOTA BANDA ACEH. *JHIBIZ: Global Journal of Islamic Banking and Finance*, 1(2).
- Otoritas Jasa Keuangan. (2021). Strategi Nasional Literasi Keuangan Indonesia 2021-2025. <https://www.ojk.go.id>. <https://www.ojk.go.id/id/berita-dan-kegiatan/publikasi/Documents/Pages/Strategi-Nasional-Literasi-Keuangan-Indonesia-2021-2025>
- Penetapan Daerah Tertinggal Tahun 2020-2024, Pub. L. No. 63, Peraturan Presiden Republik Indonesia No 63 4 (2020).
- Rasmini Mas. (2018). ANALISIS LITERASI KEUANGAN DAN FAKTOR-FAKTOR YANG MEMPENGARUHINYA (Survey pada Pelaku Usaha Mikro, Kecil, Dan Menengah di Kota Bandung). *Jurnal Ilmu Politik Dan Komunikasi*, VIII(2). [www.antaranews.com](http://www.antaranews.com),
- Ritonga, A., Romus, M., & Nofianti, L. (2020). ANALISIS TINGKAT LITERASI KEUANGAN SYARIAH DAN DAMPAKNYA TERHADAP PENDAPATAN USAHA MIKRO DI KECAMATAN SIAK HULU KABUPATEN KAMPAR. *Jurnal Pengabdian Masyarakat*, 8(1). <https://www.ojk.go.id/id/berita-dan-kegiatan/publikasi/Documents/Pages/Strategi-Nasional-Literasi-Keuangan-Indonesia-2021-2025>
- Sugiyono. (2018). *Metode Penelitian Kuantitatif*. Alfabeta.
- Usmayanti, V., Kadar, M., Haris Saputra, M., & Puspa Kirana Lie, K. (2021). Pengaruh Literasi Keuangan, Inklusi Keuangan pada Perilaku Keuangan Pelaku UMKM Perempuan: Studi Kasus di Jambi. *Jurnal Ilmiah Akuntansi Dan Humanika*, 11(1), 339–348.

- Van Nguyen, H., Ha, G. H., Nguyen, D. N., Doan, A. H., & Phan, H. T. (2022). Understanding financial literacy and associated factors among adult population in a low-middle income country. *Heliyon*, 8(6). <https://doi.org/10.1016/j.heliyon.2022.e09638>
- Wahyuni, Y., Ristiyana, R., Wisandani, I., Muhaemin Nabir, A., Ariyanto, A., Lily Indarto, S., Hapsari, A., Abrar Kasmin Hutagalung, M., Senoaji, F., & Nurmukmin, M. (2022). *Keuangan Syariah, Konsep, Prinsip dan Implementasi* (Suwandi, Ed.). CV. Eureka Media Aksara. <https://repository.penerbiteureka.com/media/publications/406516-keuangan-syariah-konsep-prinsip-dan-impl-c8b3f474.pdf>