

## Women and strategic dimensions in acceleration of poverty reduction

I Gusti Ayu Purnamawati<sup>a\*</sup> and Gede Adi Yuniarta<sup>a</sup>

<sup>a</sup>Economic Faculty, Universitas Pendidikan Ganesha, Indonesia

CHRONICLE

ABSTRACT

*Article history:*

Received: May 30, 2020  
 Received in revised format:  
 May 30 2020  
 Accepted: June 21, 2020  
 Available online:  
 June 23, 2020

*Keywords:*

Woman empowerment  
 Strategic  
 Financial literacy  
 e-commerce

This study aims to analyze the role of women and the strategic dimensions in accelerating poverty reduction. In the midst of the pandemic situation Covid-19 caused many medium and large businesses that experienced a downturn. Micro businesses began to grow amid the economic difficulties faced by the community to be able to survive. The role of women in accelerating the poverty reduction through the management of micro businesses is a top priority for sustainable development. This research is located in Buleleng Regency, Bali Province and uses quantitative methods. Primary data sources were obtained using questionnaires sent to respondents. The data analysis method uses multiple linear regression. The population consists of micro-enterprises managed by women in 2019 of 246 businesses. The selecting samples method is based on convenience sampling and the entire population was sampled in this study. The results in this study indicate that financial literacy and women empowerment had positive and significant effects on women performance in micro-businesses. Interest in using e-commerce had no effect on women's performance in micro businesses. Without the use of e-commerce, it is believed that women in micro-businesses will be increasingly left behind by other business actors, and age matters in association with technology and competition between other business actors which will be tighter to have an impact on performance and sustainability of the business.

© 2020 by the authors; licensee Growing Science, Canada

### 1. Introduction

Poverty is a multidimensional problem and a global phenomenon in Indonesia and countries in the world (Hanandita & Tampubolon, 2016; Thorbecke, 2007; Artha & Dartanto, 2015; Burchi et al., 2018). These problems place poverty as a top priority in the sustainable development goals, namely reducing poverty to zero in 2030. Based on data from the Central Statistics Agency, poverty in Indonesia for 47 years (1970-2017 period) continues to fluctuate, but tends to decrease from 70 million in 1970 to 27 million in 2017. However, in the period 1997-1999 (monetary crisis), poverty in Indonesia again increased in the range of 30 million to 40 million. In the previous period, 1996, poverty in Indonesia decreased in the range of 20 million. In the period 2000-2010 the number of poor people continued to decline (Mafruhah & Noviani, 2019). However, in the midst of the Covid-19 pandemic situation, many medium and large businesses failed. Micro businesses began to grow amid the economic difficulties faced by the community to be able to survive. The implementation of the new normal that will be applied by the government gives new hope for the people to rise again amid the economic downturn. Overcoming global poverty is not an easy task. Assumptions about how growth will affect the poor are needed. All of this can be said that estimating how much global poverty will increase because covid-19 is full of uncertainty (Mahler et al., 2020). This research explores the efforts of women to be able to rise and survive amid uncertainty.

\* Corresponding author.

E-mail address: [igapurnamawati@gmail.com](mailto:igapurnamawati@gmail.com) (I G. A. Purnamawati)

The role of Indonesian women is very important in development. Their economic contribution is manifested in activities in the informal sector such as being traders, laborers, homeworkers and family workers (Morrison et al., 2007). The contribution made by women to economic growth may be judged by some communities to be insignificant because it only acts on the scale of small (micro) businesses (Lateh et al., 2017; Chan et al., 2018), but the potential if developed and given the same space as men in development, then gender inequality in various development fields can be minimized. The role of women in development is an inseparable part of national development which, among other things, seeks to alleviate groups of people who are still below the poverty line, including housewives. It is precisely in the midst of the difficult situation of this covid-19 pandemic that the micro industry is managed by women. The importance of achieving equality and justice for women in development will affect the economic growth that can be achieved by a country, as well as improving the welfare of society. Buleleng Regency is the largest area in the Province of Bali, but has a high poverty rate. Many community economies grow through the support of the micro sector. The contribution of women micro-small businesses in the family and national economy is increasingly apparent, but they also face cultural and structural problems. Associated with relationships in the family, while structural issues related to formal policy. The problems impact is that it makes difficult for micro business women to access economic resources, including women not holding authority in ownership of assets that can be used as collateral for credit. Formally, microenterprise women are difficult to apply for credit. Although it is proven that the contribution of women's micro-small businesses is very strategic, but it has not been balanced with the attention and recognition given, both by the government and families. In addition, women in micro-small businesses still experience many problems caused by structural and cultural injustice. Various efforts are needed to solve the problems faced by women micro entrepreneurs in order to increase their empowerment. Research by Lateh et al. (2017) shows that three micro entrepreneurs' competencies have a significant positive effect on poverty alleviation that takes into account the development of microenterprise, and the level of policy.

Poverty alleviation efforts need to be balanced with public awareness programs. One thing that is important is the feminist dimension and gender inequality. However, poverty is always synonymous with women. The application of a gender perspective is not intended to minimize the meaning of poverty experienced by men, but to emphasize that poverty experienced by women is specific and requires special treatment. Women's empowerment is an effort to realize equal roles, access and control between women and men in all fields of development. Women's empowerment, is a process that encourages women, especially those who do not have access to development resources to become more independent in developing their livelihoods. Various steps can be taken to create equality for men and women or gender equality, among others by developing entrepreneurship. A balanced role can be realized between men and women in the family to jointly develop the family economy for welfare purposes. Through increasing the income of the poor, the micro sector does not have to eradicate poverty (Lawanson, 2012). On the other hand, entrepreneurs and workers with all income earners become more economically independent and confident to face life's challenges. Entrepreneurship supports empowerment in an economy and in the modern world.

Entrepreneurship provides a new approach to fighting poverty and stimulating economic growth in developing countries. Entrepreneurship refers to entrepreneurs who carry out entrepreneurial activities as choices or needs. Entrepreneurship is part of low-income or underprivileged communities and is associated with informal or micro entrepreneurship. Entrepreneurship is a powerful tool to fight poverty and empower the poor economically (Mamun et al., 2017; Zulaihati et al., 2020). Tambunan (2019) research discusses the creation of business opportunities for women through the role of MSMEs. The results show that the economy in Indonesia is dominated by MSEs, and accounts for almost 100 percent of all existing companies but only contributes between 58 to 61 percent of gross domestic product (GDP). Around 42.84 percent of MSEs are owned by women, although the ratio of women and men entrepreneurs at MSEs varies by province. Poverty is the main force behind the growth of MSMEs. Some policy recommendations aimed at the government are conducting training that focuses on online marketing, entrepreneurship, management, and improving product quality and business efficiency; provide alternative funding facilities with low interest rates and non-burdensome requirements; and provide direct assistance at the production site for new entrepreneurs in their first years of doing business. In addition, all gender discrimination treatments that burden women to run their own businesses must be eliminated.

Education on micro businesses in a systematic, integrated and sustainable manner regarding financial literacy to build a strong business foundation is urgently needed. Increased financial literacy is expected to contribute to financial system stability, reduce vulnerability in the financial system and make effective decisions about financial resources. The ability of financial management in terms of funding about sources and how to obtain it, making a simple financial report consisting of balance sheets, income statements and changes in capital increases after the training (Jindrichovska, 2013). Financial management is an important element of business management as a whole. Poor financial management from owner-managers or lack of financial management are the main causes underlying the problems in the financial management of Micro Enterprises. The level of financial literacy from the perspective of an individual or family can have an impact on the ability to have long-term savings that are used to own assets (such as land or houses), fulfillment of tertiary education and pension funds. Ineffective money management will have an impact on the family's financial crisis (Welch & Braunstein, 2002). These findings can also be adapted for companies. In this case, MSMEs that have good financial literacy will be able to achieve their company goals, have a business development orientation and be able to survive in difficult economic conditions.

The problem regarding financial literacy in microenterprise women is the lack of knowledge about financial management. Based on the National Survey of Indonesian Financial Literacy in 2019, the national financial literacy index is only 38.03 percent with a target of 75 percent. The low percentage level regarding financial literacy will later affect the performance of women in micro-business itself, in the end the goals of women in micro-business itself may not have been achieved. Buleleng Regency shows rapid development in the economy, and the growth of the informal sector is quite high. The phenomenon that developed in the informal sector shows that they work with a long enough time, but the results of income are not encouraging. This preliminary information was obtained from interviews with respondents, where the implementation of financial management in microbusiness women is still a concern. Financial management has not been implemented in its business, it does not do financial records, there is no separation between finance to run its business and finance to meet the needs of daily life, its business depends on one business owner. The problem of financial literacy in micro-business women in Buleleng Regency occurs because financial management is not carried out systematically, they usually mix personal finance with business finance. Most do not have the skills to manage financial resources properly. If this continues to be done by women in micro businesses, then their financial management will not run properly and will affect the performance of women in micro businesses. Karadag (2015) states that the level of awareness of the importance of financial management is still low in small companies. Most managers do not realize the importance of managing good bookkeeping. The company's financial management in an orderly and complete manner can provide accurate accounting information (Mazzarol, 2015). Financial management training has an impact on the company's financial performance because finance is the lifeblood of the success of every company so it must embrace strategic financial management. The impact of strategic financial management is the achievement of the company's financial performance (Ndikwe & Owino, 2016). The problem that is also related to the performance of women in micro business is the interest of women in micro business in using e-commerce. Technology has a role in developing a business, one of which is e-commerce. E-commerce is an electronic business mechanism that can help women micro businesses to develop their businesses. The minimal interest in the use of e-commerce is due to the fact that most of the microenterprise women do not have the skills in using technology. Microenterprise women only rely on other people to market their products. In fact, using technology, especially e-commerce, can have an impact on women in micro-businesses in terms of marketing, operations and performance. In addition, capital constraints cause micro-business women not interested in using the internet. Capital is only used for operational and production activities. The difficulty of capital is felt in the midst of the covid-19 pandemic that hit economic life. Making a microenterprise woman trying to survive relying on existing capital. Based on data from the Central Statistics Agency of Bali Province of 464,787 number of MSMEs in the Province of Bali, only 52,015 businesses use the internet, the rest do not use the internet in developing businesses. While the average business actor in Buleleng Regency who uses the internet in developing its business is 59,000. In 2010-2018, only 4,184 businesses used the Internet (Badan Pusat Statistik, 2019). Referring to the phenomenon of the problem of women's poverty, this research is very important to do because the level of poverty tends to be the main cause of the powerlessness of women in improving their welfare amid difficult economic situations.

## 2. Literature Review and Research Hypothesis

### 2.1 Financial Literacy and Women's Micro Business Performance

Financial literacy is an understanding of financial management and helps in financial decision making. Financial Literacy is related to Performance, if the level of financial literacy is high in micro business women, the business actors will further optimize their business performance. Including better financial performance and prudence in carrying out its operations. In addition, high financial knowledge results in business actors also being able to use their abilities in the field of finance in making various decisions that are right for their business, and success in achieving business objectives will also be good. Research by Engstrom and McKelvie (2017) revealed that financial literacy is an important predictor of financial performance but not growth. Financial literacy is beneficial for someone in making effective and needed financial decisions in preparing financial statements. Siekei et al (2013) found that there was a significant improvement in the performance of small companies whose managers had participated in financial literacy programs. The skills acquired through the financial literacy program can improve performance through obtaining credit financing, and managing loan portfolios. At the development stage, women in micro-businesses still experience problems relating to financial knowledge. Financial literacy in women microbusinesses is of concern to the government and financial institutions in Indonesia. Based on data from the Financial Services Authority, the financial literacy index in Indonesia is only 29.66 percent. The lack of financial literacy is also experienced by women in micro businesses in Buleleng Regency. Sunday (2018); Barte (2012), found that financial literacy is directly related to performance, where entrepreneurs have a low level of financial literacy because it shows a lack of financial records, lack of monitoring profit and loss and lack of cash management.

Financial literacy also includes knowledge of financial concepts, the ability to manage personal or corporate finances and the ability to make financial decisions in certain situations. Financial literacy is closely related to behavior, habits and the influence of external factors. This study is based on a dual-process theory (Evans, 2008) in which decisions can be driven by intuitive and cognitive processes. Multiple process theory deals with parallel competing processes involving explicit and implicit knowledge systems. The influence of the pre-conscious process that contextualizes and shapes intentional reasoning and decision making. The study by Kalekye and Memba (2015) states that budgeting, cash management, savings and recording have a significant effect on the profitability of businesses managed by women. In the business and entrepreneurship literature, lack of knowledge and access to financial resources has been linked to the company's inability to achieve goals (Beck et al., 2005; Hutchinson & Xavier, 2006) and manager's lack of authority in taking strategic actions (Wiklund & Shepherd, 2005).

Other literature also confirms that financial literacy and inclusion will be able to increase company growth (Cooper et al., 1994). Mahdzan and Tabiani (2013) state that increased financial literacy affects better financial decision making, thus enabling better planning and management of life events. The positive relationship between financial literacy and performance was revealed by Huston (2010); Lusardi (2010). The concept of financial literacy consists of three dimensions: knowledge (Lusardi, 2012; Lusardi, 2019); attitude (Sabri & MacDonald, 2010); and awareness (Rahmandoust et al., 2011). Based on these explanations, the hypotheses used in this study are:

H1: Financial Literacy has a positive and significant effect on women's performance in micro businesses.

## *2.2 Women's Empowerment and Micro Business Performance*

Empowering women is part of community empowerment. A prosperous and developed society places great importance on women's economic empowerment. In general, women's economic empowerment is constrained by certain socio-cultural factors including access to work, gender differences, and harassment that limits women to access and ownership of assets (Akram et al., 2015). Khan and Bibi (2011) in their study stated that poor women's access and control over financial resources are the main gender problems in the Baluchistan tribal society. Marginalization, discrimination and exploitation of women and children are important causes of the severe poverty problems faced by developing countries. Therefore, gender mainstreaming in poverty alleviation is an inevitable part. Research conducted by Chirwa (2008) states that gender and business have complex performance relationships. But not significantly different in profit margins. Women's empowerment can help government agencies and non-governmental organizations develop programs and policies to improve the performance of women-owned SMEs in developing countries (Digan et al., 2019). According to Jan and Hayat (2011) micro-businesses contribute to achieving overall empowerment. Women who are empowered economically enjoy a better quality of life. This empowerment results in women having control over various income generating activities that are owned and managed by them. Microenterprise women in general have a low level of education, bookkeeping business finance is an activity that requires accuracy and perseverance. Business actors must know how to organize human resources, in order to be able to physically manage business activities and produce a product that is able to compete in the market. Small business actors must also be able to take business decisions well so that each decision can produce effective, valuable and effective results. Based on these conditions, the research is important and urgent to do in an effort to anticipate the occurrence of poverty that is getting worse and can worsen the condition of poor women, especially in rural areas. This research will be directed to build the spirit of life of poor women in rural areas by trying to build their competencies to create, express, innovate, be independent and be able to support the family economy. Based on these explanations, the hypotheses used in this study are:

H2: Women Empowerment has a positive and significant effect on women performance in micro businesses.

## *2.3 Interest in Using E-commerce and Women's Micro Business Performance*

E-Commerce as a type of electronic business mechanism that focuses on individual-based business transactions using the internet as a medium of exchange of goods and services between institutions and direct consumers. The e-business model is related to the roles and relationships between customers, competitors and suppliers of the company; the main stream of products, services, information and money; and key benefits for users (Aithal, 2016; Widyastuti et al., 2020). In management and marketing theory, personality differences are important in moderating human behavior. Personality is described as an aspect of individual thought and behavior that is stable over time and is relatively consistent in a variety of different situations (Roberts & DelVecchio, 2000). The use of service technology is strongly influenced by the personality traits of the user, because personality influences the chosen environment in terms of the speed with which they adapt to new technologies (Pocius, 1991). Technology-based executive information systems are becoming increasingly important for decision makers in organizations today (Byrd & Marshall, 1996). Basically, E-Commerce is the impact of the development of information and telecommunications technology, so that it significantly changes the way humans interact with their environment, in this case it is related to marketing mechanisms such as micro-business women. The interest of microenterprise women in using e-commerce is low because some microenterprise women cannot use technology skills in developing their business, even though e-commerce has an important role to facilitate making a transaction in terms of marketing, selling or developing its business. Jahanshahi (2012) states a significant relationship between e-commerce and market-based performance. According to Astuti and Nasution (2014), the technological readiness of entrepreneurs is still moderate. There are significant differences in the readiness for applying technology when viewed from the background of gender, age, education, and income. In connection with the internet adoption rate for promotional media is still low. The hypothesis used in this study is:

H3: Interest in Using E-commerce has a positive and significant effect on women performance in micro businesses.

## **3. Material and Methods**

This research is located in Buleleng Regency, Bali Province. This study uses quantitative methods that aim to determine the effect of financial literacy, women's empowerment and interest in using e-commerce on the performance of women in micro-businesses. Data sources are primary data obtained using questionnaires to respondents. The method of data analysis uses multiple linear regression. The population in this study were micro-business women in Buleleng Regency. The number of

micro-enterprises managed by women in 2019 is 246 units. The method of selecting samples using convenience sampling. The entire population was sampled in this study. The results of the questionnaire in the form of respondents' answers are measured on a Likert scale of 1-5. Application of data collection methods with measurement questionnaires using a Likert scale. Strongly agree = 5; agree = 4; neutral = 3; disagree = 2; strongly disagree = 1. Financial Literacy (X1): skills and knowledge that enable an individual to make informed and effective decisions with all available financial sources (Engstrom & McKelvie, 2017). Women's Empowerment (X2): efforts to improve the status and role of women in national development, as well as the quality of the role and independence of women's organizations (Longwe, 1995; Kimpah & Raudeliūnienė, 2014; Purnamawati, 2017; Bhoganadam, Malini, & Rao, 2014). Interest in Using E-commerce (X3): a type of electronic business mechanism that focuses on individual-based business transactions using the internet as a medium for exchanging goods or services between two institutions as well as between institutions and direct consumers. Performance of Micro Business Women (Y): the company's achievement of a goal so that if the business actor has achieved the goal then it can be said that the company or the business actor has a good performance (Sapienza et al., 1988; Engstrom & McKelvie, 2017). In this study, multiple regression analysis is used to determine the effect of independent variables on the dependent variable which is formulated as follows:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Information:

Y	: Women's Micro Business Performance	X <sub>2</sub>	: Women empowerment
α	: constant	X <sub>3</sub>	: Interest in Using E-commerce
β <sub>1</sub> , β <sub>2</sub> , β <sub>3</sub>	: Coefficient of regression direction	ε	: Confounding variable
X <sub>1</sub>	: Financial Literacy		

#### 4. Results

Table 1 shows that the adjusted R-square value is 0.832. 83.2 percent of the dependent variable is the women performance in micro-businesses can be explained by the independent variables that include financial literacy, women's empowerment, and interest in using e-commerce. While 16.8 percent is influenced by other variables.

**Table 1**  
Determination Coefficient Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.913 <sup>a</sup>	.834	.832	1.340

a. Predictors: (Constant), financial literacy, women's empowerment, and interest in using e-commerce

b. Dependent Variable: Women's Micro Business Performance

Hypothesis testing is partially used to determine the effect of each independent variable, namely Financial Literacy, Women's Empowerment, Interest in Using E-Commerce, to the dependent variable, namely the Performance of Women in Micro Business. In this study using 246 samples, with the value of  $df = n - k - 1 = 246 - 3 - 1$ , then the table value of  $df = 242$  which is equivalent to 1,969. The calculation results are shown in table 3.

**Table 2**  
Partial Significance Test Results

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	5.528	1.377		4.015	.000
	Financial Literacy	.779	.181	.333	4.314	.000
	Women's Empowerment	.575	.079	.550	7.313	.000
	Interest in Using E-Commerce	-.074	.052	-.057	-1.432	.153

a. Dependent Variable: Y

Based on Table 3, the multiple regression equation in this study is as follows:

$$Y = 5.528 + 0.779X_1 + 0.575X_2 - 0.074X_3 + \varepsilon$$

#### 5. Discussion

##### 5.1 Financial Literacy Effects on Women's Micro Business Performance

Based on the partial test results regarding the effect of Financial Literacy variable on Women's Micro Business Performance variable, a t-count of 4.314 > t-table value of 1.969 and Financial Literacy significance value of 0.000 < 0.05 ( $H_1$  was accepted). This shows that Financial Literacy of Women's Entrepreneurs has a positive and significant effect on Women's

Micro Business Performance. Financial Literacy is related to Performance. Financial literacy has significant role in improving business performance (Usama & Yusoff, 2018; Eniola & Entebang, 2016). However, financial literacy is low even in developed countries with well-developed financial markets (Lusardi et al., 2010). The high level of financial literacy among MSME entrepreneurs causes these business actors to optimize their business performance, including financial performance, and to be more careful in carrying out their operations. In addition, with high financial knowledge, businesses can also use their financial capabilities to make the right decisions for their business, with good decision making, success in achieving business goals will also be good. Financial literacy refers to knowledge or understanding the importance of money and its use. In essence, financial literacy is the ability to make appropriate decisions in managing personal finances (Norman, 2010). A study conducted by Artha & Dartanto (2015) also confirms that the attainment of higher household head education leads to a higher likelihood of not being poor, both in monetary and multidimensional poverty. Making the right financial choices is a very important decision in an individual's life with long-term financial consequences (Lusardi, 2019). Financial management for a company is not easy. According to Lusardi (2012) revealed financial literacy consists of a number of abilities and knowledge about finances owned by someone to be able to manage or use some money to improve their standard of living. Orton (2007) states that financial literacy is inseparable in one's life because financial literacy is a useful tool for making informed financial decisions, but the results show that financial literacy in some countries has relatively low financial literacy. Low financial knowledge will lead to the making of wrong financial plans and lead to the achievement of prosperity at an unproductive age. Financial literacy of woman micro business in Buleleng Regency shows person's skill in using their knowledge to manage income (wealth) effectively for a prosperous life. The importance of financial literacy for women in micro businesses in Buleleng is felt through the ease of gaining access to capital and funding to microfinance institutions, in addition to better financial management. As one way to survive and meet the needs of families in the midst of the current economic difficulties. In line with Taft et al. (2013) that age and education are positively correlated with financial literacy and financial wellbeing. Meanwhile, according to Huston (2010) financial literacy is capital owned by someone used in economic activities to improve financial welfare. Related to behavior theory by Shim and Siegel (1991) states regarding one's behavior as a determining factor for success or failure of someone in financial management. Likewise Gitman & Joehnk (2004) states about the financial behavior of individuals in managing financial resources for funding, use of working capital and retirement decisions. Related to the concept of financial behavior, Hilgert et al. (2003) argue that a person's financial behavior determines how well the management of savings and other expenses is.

### *5.2 Women's Empowerment Effect on Women's Micro Business Performance*

Based on the partial test results regarding the effect of Women Empowerment variable on Women's Micro Business Performance variable, a t-count of 7.313 > t-table value of 1.969 and Women Empowerment significance value of 0.000 < 0.05 ( $H_2$  was accepted). This shows that Women Empowerment has a positive and significant effect on Women's Micro Business Performance. Women's empowerment is one of the activities in a participatory development framework. Women's empowerment is a process of growing critical awareness so that women are able to develop optimally and be able to make plans, take initiatives, organize themselves, and be responsible for themselves and their environment. This critical awareness can only be achieved if women are able to look inside themselves and use what they hear, see and experience to understand what is happening in life. Women's empowerment includes activities that include social guidance, skills guidance, facilities or social assistance, including the development of productive economic enterprises, aimed at increasing the abilities and needs of women and increasing their incomes. Studies conducted by Feyisa and Tamene (2019) also found that women entrepreneurs face serious challenges to their business such as the lack of appropriate places to sell their products, business networks, loans, and shortages of raw materials and frequent disruptions to electricity supply. Thus, the relevant government agencies must advance the empowerment of women through micro and small businesses to the best level.

Empowering women through synergy carried out by micro business owners and the government can help expedite or at least not hamper the acquisition of raw materials, production processes, marketing and also support business processes (Obaji & Olugu, 2014). The empowerment activities are certain to increase business competencies including entrepreneur skills in the production process (Vala et al., 2015). Finally, not only is a person's ability to manage a company, but his efforts will also have an impact on organizational results (Ashforth, 1989). Women's empowerment in the context of improving business performance is in line with research conducted by Buttner & Moore (1997); Robb & Coleman (2009); Axtell (2001), where the success of empowering women in improving company performance will be better if it is associated with an increase in company size, then proxied by an increase in sales. Women's empowerment is very important for better social and economic development in Buleleng Regency. Especially the empowerment of women in the micro business sector which has a great opportunity to provide adequate employment for Balinese women. Strengthening the local economy by Balinese women in micro enterprises has proven to be able to sustain the community's economy, because the situation has encouraged community initiatives, especially women, to carry out alternative economic activities as a means of survival. In participatory economics, the position of women as one element of regional stakeholders will be the main driver in the wheels of economic activity in the region. Finally, not only is a person's ability to manage a company, but his efforts will also have an impact on organizational results (Ashforth, 1989). Women's empowerment in the context of improving business performance is in line with research conducted by Buttner & Moore (1997); Robb & Coleman (2009); Axtell (2001), the success of empowering women in improving company performance will be better if it is associated with an increase in company size, then proxied by increasing sales.

### 5.3 Interest in Using E-Commerce Effect on Women's Micro Business Performance

Based on the partial test results regarding the effect of Interest in Using E-Commerce variable on Women's Micro Business Performance variable, a t-count of  $-1.432 < t\text{-table value of } 1.969$  and Interest in Using E-Commerce significance value of  $0.153 > 0.05$  ( $H_3$  was rejected). This shows that Interest in Using E-Commerce has no significant effect on Women's Micro Business Performance. Based on the results of multiple linear regression analysis, it can be justified that there is a negative and insignificant influence between the interest in using e-commerce on the performance of women in micro-businesses. Based on the theory of Philip & Amstrong (2012) e-commerce is an online channel that can be reached by a person through a computer, which is used by business people in carrying out their business activities whether it is sales, purchasing or business-related activities. Basically, interest in using e-commerce in women micro-businesses is very low, if not improved it will have an impact on business performance. E-commerce has a very important role for businesses both in terms of marketing activities and in buying and selling and increasing income, the benefit in e-commerce is to conduct transactions quickly and reduce unnecessary costs. Without the use of e-commerce, it is believed that women in micro-businesses will be increasingly left behind by other business actors, especially now that all matters relating to technology and competition between other business actors will be tighter, so as to have an impact on the performance and sustainability of these businesses. There is a difference between small and large companies in terms of implementing e-commerce, because in reality, small companies are more exposed to the risks in using e-commerce than large companies, because they do not have adequate resources for investment in training. The results of this study are also supported by research conducted by Sedighi & Sirang (2018). The results showed that the use of e-commerce had a significant effective effect on SME performance and e-commerce applications were significantly effective on the performance elements consisting of financial performance, internal processes, customers, growth and learning. Women micro entrepreneurs have low interest in using the internet such as e-commerce to grow their business or carry out business-related transactions. This is caused by several things, such as (1) because the business scale is still low, seen from the management of a simple business that does not require the internet such as e-commerce, (2) human resources that tend to be low and unable to use them and (3) still related to business scale, capital owned and limited capital access to meet existing needs.

## 4. Conclusion

The results in this study have indicated that financial literacy has a positive and significant effect on the performance of women in micro businesses. This has implications for the future of microenterprise women to know more about financial management properly for financial decision making. Through good decision making, success in achieving business goals is also achieved. Women's empowerment will be more meaningful if it is done to support the development of micro women's businesses in the midst of the pandemic Covid 19. Support the efforts of women micro-businesses to rise up and support the family economy. The results of this study indicate that the interest in using e-commerce has no effect on the performance of women in micro businesses. This implies that in the future micro entrepreneurs must be able to use e-commerce in transaction activities, because e-commerce can be used to facilitate finding customers, making sales or business activities without incurring other costs. Utilization of e-commerce as a business tool will be able to help businesses to increase their income and sales. This research suggests that the government is able to continue to support the efforts of women in micro-businesses related to performance. Based on the results of research that financial literacy and empowerment of women have a positive and significant impact on the performance of women in micro businesses, so the most important and must be considered by the government is providing training facilities in the context of empowering women in micro businesses to improve performance. The role of government is very important for business people in efforts to foster and train financial management. Microenterprise woman must further enhance her ability to use e-commerce, which is about how to manage finances well through training, how to make bookkeeping, because the research results show that if e-commerce problems are not immediately resolved, it will also affect later on the performance of these microenterprise women.

## References

- Aithal, S. (2016). A Review On Various E-Business And M-Business Models & Research Opportunities. *International Journal of Management, IT, and Engineering*, 6(1), 275–298.
- Akram, S., Shaheen, I., & Kiymani, S. M. (2015). Socio-Economic Empowerment Of Women Through Micro Enterprises: A Case Study Of AJK. *European Scientific Journal*, 11(22), 197–211.
- Artha, D. R. P., & Dartanto, T. (2015). *Multidimensional Approach to Poverty Measurement in Indonesia* (LPEM-FEUI Working Paper No. 002). Jakarta.
- Ashforth, B. E. (1989). The Experience of Powerlessness in Organizations. *Organizational Behavior and Human Decision Processes*, 43(2), 207–242.
- Astuti, N. C., & Nasution, R. A. (2014). Technology Readiness and E-Commerce Adoption Among Entrepreneurs of SMEs in Bandung City, Indonesia. *Gadjah Mada International Journal of Business*, 16(1), 69–88.
- Axtell, R. L. (2001). Zipf Distribution of U . S . Firm Sizes. *Science*, 293(5536), 1818–1820.
- Badan Pusat Statistik. (2019). *Potensi Peningkatan Kinerja Usaha Mikro Kecil*.
- Barte, R. (2012). Financial literacy in microenterprises: The Case of Cebu Fish Vendors. *Philippine Management Review*, 19, 91–99.

- Beck, T., Demirgüç-Kunt, A. S. L. I., & Maksimovic, V. (2005). Financial and legal constraints to growth: does firm size matter?. *The Journal of Finance*, 60(1), 137-177.
- Bhoganadam, S. D., Malini, H., & Rao, D. S. (2014). Women's empowerment and economic development. *International Journal of Multidisciplinary Management Studies*, 4(8), 100-107.
- Burchi, F., Rippin, N., & Montenegro, C. E. (2018). *From Income Poverty to Multidimensional Poverty— an International Comparison* (No. 174). Brazil.
- Buttner, E. H., & Moore, D. P. (1997). Women's organizational exodus to entrepreneurship: Self-reported motivations and correlates with success. *Journal of Small Business Management*, 35(1).
- Byrd, T. A., & Marshall, T. E. (1996). Corporate culture, related chief executive officer traits, and the development of executive information systems. *Computers in Human Behavior*, 12(3), 449-464.
- Chan, S., Omar, S., & Yong, W. (2018). Financial well-being among Malaysian manufacturing employees. *Management Science Letters*, 8(6), 691-698.
- Chirwa, E. (2008). Effects of gender on the performance of micro and small enterprises in Malawi. *Development Southern Africa*, 25(3), 347-362.
- Cooper, A. C., Gimeno-Gascon, F. J., & Woo, C. Y. (1994). Initial human and financial capital as predictors of new venture performance. *Journal of Business Venturing*, 9(5), 371-395.
- Digan, S. P., Sahi, G. K., Mantok, S., & Patel, P. J. (2019). Women's perceived empowerment in entrepreneurial efforts: The role of bricolage and psychological capital. *Journal of Small Business Management*, 57(1), 206-229.
- Engstrom, P., & McKelvie, A. (2017). Financial literacy, role models, and micro-enterprise performance in the informal economy. *International Small Business Journal: Researching Entrepreneurship*, 36(7), 855-875.
- Eniola, A. A., & Entebang, H. (2016). Financial literacy and SME firm performance. *International Journal of Research Studies in Management*, 5, 31-43.
- Evans, J. S. B. T. (2008). Dual-processing accounts of reasoning, judgment, and social cognition. *Annual Review of Psychology*, 59, 255-278.
- Feyisa, B. D., & Tamene, K. A. (2019). The roles of micro and small enterprises in empowering women: The case of Jimma Town, Ethiopia. *International Journal of Multicultural and Multireligious Understanding*, 6(2), 139-151.
- Gitman, L. J., & Joehnk, M. D. (2004). *Fundamentals of Investing* (9th ed.). Prentice Hall.
- Hanandita, W., & Tampubolon, G. (2016). Multidimensional poverty in Indonesia: Trend over the last decade (2003-2013). *Social Indicators Research*, 128, 559-587.
- Hilgert, M. A., Beverly, S., & Hogarth, J. M. (2003). Household financial management: The connection between knowledge and behavior. *Federal Reserve Bulletin*, 309-322.
- Huston, S. (2010). Measuring financial literacy. *The Journal of Consumer Affairs*, 44(2), 296-316.
- Hutchinson, J., & Xavier, A. (2006). Comparing the impact of credit constraints on the growth of SMEs in a transition country with an established market economy. *Small Business Economics*, 27(2), 169-179.
- Jahanshahi, A. A. (2012). Analyzing the effects of electronic commerce on organizational performance: Evidence from small and medium enterprises. *African Journal of Business Management*, 6(22), 6486-6496.
- Jan, I., & Hayat, S. (2011). Empowerment of rural women through micro-credit by rural support programs in Pakistan. *World Review of Business Research*, 1(3), 46-60.
- Jindrichovska, I. (2013). Financial management in SMEs. *European Research Studies*, 16(Special Issue on SMEs), 80-96.
- Kalekye, P. N., & Memba, F. (2015). The role of financial literacy on the profitability of women owned enterprises in Kitui town, Kitui County, Kenya. *International Journal of Science and Research*, 4(6), 2360-2365.
- Karadag, H. (2015). Financial management challenges in small and medium-sized enterprises: A strategic management approach. *Emerging Markets Journal*, 5(1), 26-40.
- Khan, A. R., & Bibi, Z. (2011). Women's socio-economic empowerment through participatory approach: A critical assessment. *Pakistan Economic and Social Review*, 49(1), 133-148.
- Kimpah, J. bin, & Raudeliūnienė, J. (2014). Impact of woman empowerment on work performance: Malaysian Banks. In *the 17th Conference for Junior Researchers „Science – Future of Lithuania”* (pp. 62-70). Lithuania: Verslas XXI amžiuje / Business in XXI Century.
- Lateh, M., Hussain, M. D., & Halim, M. S. A. (2017). Micro enterprise development and income sustainability for poverty reduction: A literature investigation. *International Journal of Business and Technopreneurship*, 7(1), 23-38.
- Lawanson, O. (2012). Alleviating poverty through micro finance : Nigeria's Experience. *Asian Journal of Economic Modelling*, 4(3), 153-161.
- Longwe, S. H. (1995). *Women's Empowerment Framework*. Lusaka, Zambia.
- Lusardi, A. (2012). *Numeracy, Financial Literacy, and Financial Decision-Making* (National Bureau Of Economic Research No. 17821). Cambridge, UK. Retrieved from <https://www.nber.org/papers/w17821>
- Lusardi, A. (2019). Financial Literacy and the Need for Financial Education: Evidence and Implications. *Swiss Journal of Economics and Statistics Volume*, 155(1), 1-8.
- Lusardi, A., Mitchell, O., & Curto, V. (2010). Financial literacy among the young. *Journal of Consumer Affairs*, 44(2), 358-380.
- Mafruhah, A. Y., & Noviani. (2019). *Kewirausahaan Komprehensif (Material-Spiritual) Dalam Percepatan Penurunan Kemiskinan di Jawa Barat*.
- Mahdzan, N. S., & Tabiani, S. (2013). The impact of financial literacy on individual saving: An exploratory study in the



- Malaysian context. *Transformations in Business & Economics*, 12(1), 41–55.
- Mahler, D. G., Lakner, C. R., Aguilar, R. A. C., & Wu, H. (2020). The Impact of COVID-19 (Coronavirus) on Global Poverty: Why Sub-Saharan Africa Might be the Region Hardest Hit.
- Mamun, A. Al, Kumar, N., Ibrahim, M. D., & Yusoff, H. (2017). Establishing a valid instrument to measure entrepreneurial knowledge and skill. *Business Perspectives and Research*, 6(1), 13–26.
- Mazzarol, T. (2015). SMEs engagement with e-commerce, e-business and e-marketing. *Small Enterprise Research*, 1–12.
- Morrison, A., Raju, D., & Sinha, N. (2007). *Gender Equality, Poverty and Economic Growth* (Research Working Paper No. 4349). Washington, DC.
- Ndikwe, T. K., & Owino, E. O. (2016). Corporate governance and financial performance of public schools in Kenya. *Journal of Business Studies Quarterly*, 8(1), 158–173.
- Norman, A. S. (2010). Importance of financial education in making informed decision on spending. *Journal of Economics and International Finance*, 2(10), 199–207.
- Obaji, N. O., & Olugu, M. U. (2014). The role of government policy in entrepreneurship development. *Science Journal of Business and Management*, 2(4), 109–115.
- Orton, L. (2007). *Financial Literacy: Lessons from International Experience*. Ontario.
- Philip, K., & Armstrong, G. (2012). *Principles Of Marketing, Global Edition* (14th ed.). Pearson Education.
- Pocius, K. E. (1991). Personality factors in human-computer interaction: A review the literature. *Computers in Human Behaviour*, 7, 103–135.
- Purnamawati, I. G. A. (2017). Endek craft on balinese woman for local economic empowerment model (Klungkung MSMEs Geographical Indication Product). *International Journal of Business, Economics and Law*, 14(3), 16–19.
- Rahmandoust, M., Shah, I., Norouzi, M., Hakimpour, H., & Khani, N. (2011). Teaching financial literacy to entrepreneurs for sustainable development. *OIDA International Journal of Sustainable Development*, 2(12), 61–66.
- Robb, A., & Coleman, S. (2009). The impact of financial capital on business performance: A comparison of women- and men-owned firms, 1–28.
- Roberts, B. W., & DelVecchio, W. F. (2000). The rank-order consistency of personality traits from childhood to old age: A Quantitative Review of Longitudinal Studies. *Psychological Bulletin*, 126, 3–25.
- Sabri, M. F., & MacDonald, M. (2010). Savings behavior and financial problems among college students: The role of financial literacy in Malaysia. *Cross-Cultural Communication*, 6(3), 103–110.
- Sapienza, H. J., Smith, K. G., & Gannon, M. J. (1988). Using subjective evaluations of organizational performance in small business research. *American Journal of Small Business*, 12(3), 45–54.
- Sedighi, A., & Sirang, B. (2018). The effect of e-commerce on SME Performance. *International Journal of Applied Research in Management and Economics*, 1(2), 71–81.
- Shim, J. K., & Siegel, J. G. (1991). *Financial Management* (Illustratio). Pennsylvania State University: Barron's.
- Siekei, J., Wagoki, J., & Kalio, A. (2013). An assessment of the role of financial literacy on performance of small and micro enterprises: Case of equity group foundation training program on SMES in Njoro district, Kenya. *Journal of Economics and Finance*, 1(7), 250–261.
- Sunday, O. U. (2018). The effect of financial literacy on the efficiency of small-scale enterprises in Abia State, Nigeria. *International Journal of New Technology and Research*, 4(3), 37–45.
- Taft, M. K., Hosein, Z. Z., Mehri, S. M. T., & Roshan, A. (2013). The relation between financial literacy, financial Wellbeing and financial concerns. *International Journal of Business and Management*, 8(11), 63–75.
- Tambunan, T. (2019). Recent evidence of the development of micro, small and medium enterprises in Indonesia. *Journal of Global Entrepreneurship Research*, 9(18), 1–15.
- Thorbecke, E. (2007). *Multidimensional Poverty: Conceptual and Measurement Issues. The Many Dimensions of Poverty*. United Nations Development Programme.
- Usama, K. M., & Yusoff, W. F. W. (2018). The Relationship Between Entrepreneurs' Financial Literacy and Business Performance Among Entrepreneurs Of Bauchi State Nigeria. *International Journal of Entrepreneurship and Business Innovation*, 1(1), 15–26.
- Vala, K. T.-E., Lampela, H., & Heilmann, P. (2015). Survival skills in SMEs—Continuous competence renewing and opportunity scanning. *Journal of East-West Business*, 21, 1–21.
- Welch, C., & Braunstein, S. F. (2002). Financial literacy: an overview of practice, research, and policy. *Federal Reserve Bulletin*, 88(11), 445–457.
- Widyastuti, U., Sumiati, A., Herlith, H., & Melati, I. (2020). Financial education, financial literacy, and financial Behaviour: What does really matter?. *Management Science Letters*, 10(12), 2715–2720.
- Wiklund, J., & Shepherd, D. (2005). Entrepreneurial orientation and small business performance : a configurational approach. *Journal of Business Venturing*, 20(1), 71–91.
- Zulaihati, S., Susanti, S., & Widyastuti, U. (2020). Teachers' financial literacy: Does it impact on financial behaviour?. *Management Science Letters*, 10(3), 653–658.



© 2020 by the authors; licensee Growing Science, Canada. This is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC-BY) license (<http://creativecommons.org/licenses/by/4.0/>).