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Education for Economic Empowerment: A Community-Based Approach to Enhancing Financial Capability and Household Welfare

I Gusti Kade Heryadi Angligan [1], Muh. Zuhdy Hamzah[2], Ni Made Rianita[3], Lenni Lukitasari[4], Frederick Saroha Silaban[5]

[1]Prodi Magister Terapan Perencanaan dan Pengembangan Pariwisata, IPB International, Orchid
[2]Prodi Pendidikan Guru Madrasah Ibtidaiyah (PGMI), Institut Agama Islam Negeri (IAIN) Bone
[3]Prodi D3 Akuntansi, Sekolah Tinggi Ilmu Ekonomi Satya Dharma
[4]Program Studi S1 Manajemen, Universitas Teknologi Digital
[5]Prodi Manajemen, Fakultas Ekonomi dan Bisnis, Universitas HKBP Nommensen, Orchid ID:
Email: kadeheryadi@ipb-intl.ac.id[1], , elzuhdy9298@gmail.com[2], rianita.ni.made@gmail.com[3], lukitasarilenni@gmail.com[4] , frederick.silaban@uhn.ac.id[5]
Correspondence: kadeheryadi@ipb-intl.ac.id[1]

ABSTRACT

Financial literacy is essential for strengthening household economic resilience and supporting the sustainability of household-based micro, small, and medium enterprises (MSMEs). However, many households continue to face challenges related to limited financial literacy, inadequate financial record-keeping, the mixing of business and household finances, and weak saving habits, all of which hinder effective financial management and long-term welfare. This community service program aimed to enhance financial capability and household welfare through a community-based financial education approach. The program was implemented in one of the *banjar* in Tonja Village, Denpasar City, Bali, involving 38 participants consisting of Family Welfare Empowerment (PKK) members and household-based MSME entrepreneurs. A participatory approach was employed through preliminary assessment, socialization, interactive training, simulation, practical bookkeeping exercises, mentoring, and evaluation using pre-test and post-test instruments. Five financial literacy indicators were assessed: household budgeting, financial record-keeping, separation of business and household finances, saving behavior, and emergency fund management. The findings revealed significant improvements across all indicators, with the average score increasing from 53.9 in the pre-test to 82.6 in the post-test, representing an overall improvement of 53.3%. The largest improvement was observed in the ability to separate business and household finances (65.8%), while the smallest increase occurred in saving behavior (40.6%). Moreover, 84.2% of participants successfully prepared household budgets, 78.9% consistently maintained financial records, 84.2% correctly calculated simple business profits, and 81.6% improved expenditure management. These findings demonstrate that community-based financial education combined with practical exercises and continuous mentoring effectively enhances financial knowledge, skills, and behavior, thereby contributing to stronger household financial resilience and sustainable economic welfare.

Keywords:	Financial Literacy; Community Empowerment; Household Welfare; Household-Based MSMEs; Financial Capability.

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INTRODUCTION

Financial literacy ia key determinant of household welfare and sustainable economic development in both developed and developing countries. Beyond the ability to understand financial concepts, financial literacy encompasses the knowledge, attitudes, and behaviors required to make informed financial decisions regarding budgeting, saving, borrowing, investing, and risk management. Households with higher financial literacy are generally more capable of managing their income efficiently, avoiding excessive debt, building emergency savings, and improving long-term economic resilience. Consequently, strengthening financial literacy has become a strategic agenda promoted by governments and international organizations as an essential foundation for inclusive economic growth and poverty reduction (OECD 2024).

Indonesia has experienced remarkable progress in financial inclusion over the last decade; however, improvements in financial literacy have not always been proportional to the increasing use of financial products and services. According to the 2024 National Survey of Financial Literacy and Financial Inclusion conducted by the Indonesian Financial Services Authority (OJK) and Statistics Indonesia (BPS), the national financial literacy index reached 65.43% and the financial inclusion index reached 75.02%. Although these figures indicate continuous improvement compared with previous surveys, a considerable gap remains between access to financial services and the public's capability to utilize them effectively to improve household welfare. This disparity indicates that many households still possess financial products without sufficient knowledge of budgeting, financial planning, and responsible financial management (OJK, 2024).

Household financial capability is particularly important for micro and small entrepreneurs because business sustainability often depends on effective financial management. In Indonesia, Micro, Small, and Medium Enterprises (MSMEs) account for almost the entire business sector and contribute significantly to employment generation and national economic growth. Recent OECD data indicate that MSMEs represent approximately 99.9% of all business entities and contribute nearly 60% of Indonesia's Gross Domestic Product (GDP) in 2024. Despite their substantial economic contribution, many household-based MSMEs continue to experience difficulties in financial management, limited bookkeeping practices, inadequate financial planning, and restricted access to formal financing (OECD 2026).

One of the primary challenges faced by household-scale enterprises is the lack of systematic financial management. Many entrepreneurs continue to manage business finances informally by combining household expenditures with business cash flow, making it difficult to determine actual profits, monitor operational costs and prepare future investment plans. These practices reduce business efficiency and increase financial vulnerability, particularly during periods of economic uncertainty. The OECD

(2024) further emphasizes that strengthening financial capability among households and small businesses is essential for improving productivity, enhancing economic resilience, and supporting inclusive development in the Philippines.

Community-based economic empowerment has increasingly been recognized as an effective strategy for improving financial capability because it emphasizes participatory learning, peer support, and locally relevant problem solving. Unlike one-time financial education programs, community-based approaches encourage continuous mentoring and practical application of financial management skills within participants' daily economic activities. Such approaches are particularly appropriate for local communities where social interaction through neighborhood organizations facilitates knowledge sharing and behavioral change. The Financial Services Authority (OJK) has also highlighted that financial literacy programs integrated with community empowerment initiatives are fundamental for strengthening MSME competitiveness and improving household welfare (OJK, 2023, 2024).

Women, particularly housewives, play a strategic role in household financial management because they are frequently responsible for allocating household expenditures, managing savings, planning children's education expenses and supporting family business activities. Within Indonesian communities, women's organizations such as the PKK (Family Welfare Empowerment) provide an established institutional platform for disseminating financial education and promoting responsible financial behavior. The OJK identifies women as at priority group for financial literacy initiatives because improvements in women's financial capability contribute directly to family welfare, children's financial education, and community economic resilience (OJK, 2023).

This community service program was conducted in one of the *banjar* within Tonja Village, Denpasar City, Bali Province, an urban community characterized by active neighborhood organizations, household-based MSMEs, and women's community groups under the PKK Organization. The community demonstrates substantial economic potential through various home-based enterprises, including culinary businesses, retail trading, handicrafts, and service-oriented microenterprises in The area. However, informal financial management practices remain dominant among many household entrepreneurs, creating barriers to sustainable business growth and long-term household financial security.

The primary beneficiaries of this program consist of approximately 30–50 participants, including PKK members, household-based MSME owners, and family scale microenterprise operators. Most participants generated income through small businesses while simultaneously managing household finances. Their dual responsibilities create a practical need for improved financial knowledge and management skills that can be directly applied to both family and business financial activities of famers.

A preliminary needs assessment identified several major financial management challenges among the participants. First, many participants hada limited understanding of basic financial literacy concepts, including budgeting, cash flow management, and financial planning. Second, systematic bookkeeping practices are generally absent, preventing participants from accurately monitoring income and expenditures. Third, business and household finances are frequently combined, resulting in difficulties in measuring business profitability and its financial performance. Fourth, many households do not prepare monthly financial budgets, making expenditure control difficult for them. Finally, regular saving habits remain relatively weak, reducing household preparedness for unexpected financial emergencies and limiting future investment opportunities.

These conditions indicate that financial challenges within the target community extend beyond limited financial knowledge and involve financial behavior, financial discipline, and practical financial management skills. Therefore, educational interventions should emphasize experiential learning, practical bookkeeping exercises, budgeting simulations, and continuous mentoring to encourage sustainable behavioral changes rather than merely improving theoretical knowledge.

The preliminary situation analysis and community needs assessment revealed several interconnected financial management challenges faced by the target community. Although most participants had regular household income sources and some operated small home-based businesses, their financial management practices remained largely informal and unsystematic. Limited financial literacy was identified as the most fundamental issue, as many participants lacked sufficient knowledge of basic financial concepts such as budgeting, financial planning, cash flow management, and responsible financial decision-making. Consequently, financial decisions are often made based on immediate needs rather than long-term planning, increasing households vulnerability to unexpected financial shocks.

Another major challenge was the participants' limited ability to prepare realistic household budgets. Most households do not have structured monthly financial plans, making it difficult to allocate income efficiently among essential expenditures, savings, emergency funds, and business needs. Without a clear budgeting framework, participants frequently experienced difficulties controlling unnecessary spending and balancing household consumption with productive investment. This highlights the need for practical financial education that enables community members to develop budgeting skills applicable to their daily financial activities.

The assessment further indicated that household-based MSME owners experienced considerable difficulties in maintaining simple financial records and in bookkeeping. Many entrepreneurs relied on memory rather than written records to monitor daily transactions, while business income and household expenditures were commonly managed using the same cash resources. Consequently, participants found it difficult to accurately calculate business profits, monitor cash flow, evaluate business performance, or make informed financial decisions regarding business development. Therefore, improving participants' capacity to implement simple bookkeeping practices and separate business finances from household finances became one of the primary priorities of this community service program.

In addition to the technical aspects of financial management, the needs assessment revealed weak saving behavior and limited awareness of long-term financial planning.

Only a small proportion of participants reported setting aside income regularly for savings or emergency funds, while most households prioritized immediate consumption over future financial security. This increases household financial vulnerability, particularly during periods of unexpected income loss or emergency expenditures. Therefore, strengthening saving habits and promoting responsible household financial management are essential components of the intervention. Addressing these interconnected challenges through participatory financial education, practical training, and continuous mentoring is expected to improve participants' financial capabilities and ultimately contribute to sustainable household economic welfare.

This community service program aims to improve the financial capability of PKK members and household-based MSME actors through a community-based financial education approach. Specifically, the program seeks to (1) enhance participants' financial literacy, (2) improve their ability to prepare household financial budgets, (3) strengthen their competency in maintaining simple financial records, (4) encourage participants to separate household finances from business finances, and (5) promote sustainable household welfare through improved financial management practices. By combining financial education with participatory mentoring and community engagement, this program is expected to foster lasting behavioral changes that contribute to stronger household financial resilience and more sustainable local economic development

METHOD

Location and Target

This activity will be held in one of the hamlets in Tonja Village, lasting for a full month, from April 1 to May 1, 2026. The target group of the activity is a community group of between 30 and 50 people, with the characteristics of participants consisting of PKK mothers and household MSME actors in the area. The selection of this group is based on the consideration that housewives and micro-business actors are key actors in managing family finances as well as home businesses Therefore,increasing financial literacy capacity in this group has the potential to have a dual impact on both household economic resilience and business sustainability. This is in line with the results of the 2024 National Survey on Financial Literacy and Inclusion (SNLIK) conducted by the OJK in collaboration with BPS, which showed that the group of housewives had a financial literacy index of 64.44 percent, while in general the financial literacy index for women was recorded higher than that of men, namely 66.75 percent compared to 64.14 percent. This figure shows that there is still a wide open space for strengthening financial literacy among housewives and home-based MSMEs, especially at the community level, such as in the banjar.

Activity Stages

The implementation of this program was designed through five interconnected stages, following the pattern of community service stages commonly used in community-based financial literacy programs.

Stage 1: Initial Observation This stage begins with coordination with the banjar apparatus to build an understanding of the objectives and mechanisms of the activity, followed by identifying the needs of the local community to ensure that the material delivered is relevant to the actual conditions of the participants. As a complement, the implementation team will distribute an initial questionnaire (pre-test) to map the level of understanding of financial literacy of participants before the intervention is conducted . This approach is consistent with the methods used in various financial literacy community service activities for PKK groups, where activities begin with a participatory approach involving counseling, training, and mentoring from the initial stage.

Stage 2: Preparation Based on the results of the initial observations, the team developed educational modules, learning media, and evaluation instruments tailored to the characteristics of the participants namely, PKK mothers and household MSME actors who generally have diverse educational backgrounds and business experiences. The development of evaluation instruments at this stage is crucial so that the program's effectiveness can be measured in a structured manner, as demonstrated in similar community service practices that conduct written evaluations through questionnaires distributed to participants before and after the presentation of the material.

Stage 3: Educational Implementation Core education is delivered through five complementary step-by-step materials: basic financial literacy, household budgeting, income and expense recording, separating business and household finances, and strategies for saving and establishing an emergency fund. These five materials are delivered using a combination of lectures, group discussions, simulations, hands-on practice, and case studies, so that participants not only understand the concepts theoretically but are also able to apply them in their daily financial management practices. The separation of business and household finances is of particular interest given that recent research shows that financial management behavior plays a crucial role as a mediator in improving the financial performance of MSMEs. This combination of lectures and simulations with hands-on practice has also proven effective in various similar programs; one financial literacy training activity for PKK members that used socialization, training, and simulation methods was recorded as successfully increasing participants' understanding by an average of 75 percent.

Stage 4: Mentoring After the educational session, the participants entered a mentoring phase that lasted several weeks. During this phase, the implementation team periodically reviews participants' cash books, evaluates their budgets, and provides direct assistance to participants who are still experiencing difficulties in implementing financial record-keeping. This ongoing mentoring phase is crucial because financial literacy cannot be built solely through one-way education; it requires practical guidance to ensure that new habits are truly ingrained in participants' daily lives.

Stage 5: Evaluation: Program effectiveness was measured using four instruments: pre-test, post-test, observation, and interviews. The combination of quantitative methods (pre-and post-tests) with qualitative methods (observation and interviews) allows the implementation team to capture both measurable changes in knowledge and in-depth changes in participants' behavior and attitudes, in line with the evaluation approach that uses pre- and post-tests as the primary instruments for measuring improvements in participants' understanding of financial literacy training.

Success Indicators

The success of this program will be measured through five main indicators: an increase in scores between the pre-test and post-test, indicating increased participant understanding; participants' ability to independently prepare a household budget; participants' ability to consistently record finances; participants' ability to separate business money from household money; and the beginning of savings habits in participants. These five indicators were chosen because they reflect comprehensive financial literacy parameters covering knowledge, skills, and behavior as per the framework used in the 2024 National Survey of Financial Literacy and Inclusion (SNLIK), which measures financial literacy based on the parameters of knowledge, skills, beliefs, attitudes, and behavior, referring to the OECD/INFE International Survey of Financial Literacy indicators. With an evaluation approach that refers to these standards, program achievements are expected to demonstrate a real impact on the economic independence of participants in the Tonja Village hamlet.

RESULTS AND DISCUSSION

Participant Profile

This financial literacy education activity was attended by 38 participants from one of the hamlets in Tonja Village, consisting of PKK mothers and household MSME owners. The demographic profiles of the participants showed diverse characteristics in terms of age, education level, type of employment, business sector, and length of operation. This diversity of characteristics illustrates that the need to improve financial literacy is not only experienced by entrepreneurs who are just starting out but also by MSME owners who have been operating for several years.

Table 1. Profile of Activity Participants

No	Category	Details	Amount	Percentage
1	Age	25–35 years	10	26.3%
		36–45 years	17	44.7%
		>45 years	11	28.9%
2	Work	Housewife	15	39.5%
		MSME actors	19	50.0%
		Employee	4	10.5%
3	Type of Business (19 MSMEs)	Culinary	8	42.1%
		grocery store	5	26.3%
		Craft	3	15.8%
		Service	3	15.8%
4	Education	Elementary School	3	7.9%
		JUNIOR HIGH SCHOOL	8	21.1%

No	Category	Details	Amount	Percentage
		High School/Vocational School	20	52.6%
		Diploma/Bachelor's Degree	7	18.4%
5	Length of Business (19 MSME actors)	<1 year	4	21.1%
		1–3 years	8	42.1%
		>3 years	7	36.8%

Source: Primary data from PKM results (2026).

In general, the majority of participants were in the productive age range of 36–45 years (44.7%), with a predominance of high school/vocational school graduates (52.6%). This indicates that most participants were of an age group still actively engaged in family economic activities and had sufficient learning capacity to absorb financial literacy materials. The majority of participants were household MSMEs (50.0%), particularly in the culinary and grocery store sectors, which are characterized by simple financial record keeping and a relatively high daily cash turnover.

Program Implementation

Socialization

The socialization phase was held on April 28, 2026, at Balai Banjar, Tonja Village, and was attended by 38 participants, or 100% of the invited participants. The activity began with an explanation of the program's objectives, an introduction to the concept of financial literacy, and a discussion of common household financial management issues experienced by participants. Throughout the session, the participants demonstrated high enthusiasm, as evidenced by the 18 questions raised during the discussion and full attendance throughout the activity. This high level of participation demonstrates that the issue of family financial management is a real need for the community.

Training

The core training consisted of five topics: basic financial literacy, preparing a household budget, recording income and expenses, separating business and household finances, and strategies for saving and establishing an emergency fund. The materials were delivered through interactive lectures, case studies, group discussions, and a question-and-answer method.

Observations showed that approximately 33 participants (86.8%) were able to understand the basic concepts of financial management after the training session, while five participants (13.2%) still needed further guidance, particularly in understanding the preparation of simple financial reports. The level of participant participation was also very good, as evidenced by the active involvement of almost all participants in group discussions and in completing the case studies provided by the implementation team.

Simulation

The simulation phase involved providing a household budget worksheet, a simple cash book format, and examples of daily transaction recordings. Each participant was asked to prepare a monthly budget based on their individual financial situation andn separate household transactions from business transactions.

A total of 31 participants (81.6%) completed the simulation independently according to the instructions, while seven participants (18.4%) still needed guidance in classifying expenditure types and determining budget allocations. These results indicate that hands-on practice is an effective method for improving participants' financial skills because it provides a contextual and easily applicable learning experience.

Practice

During the practical session, all participants were asked to record their daily financial transactions using the distributed cash books. Recording was conducted throughout the activity through simulations of business transactions and the household expenses. The evaluation results showed that 30 participants (78.9%) correctly recorded their finances according to the provided format. Meanwhile, eight participants (21.1%) still experienced difficulties, particularly in separating business transactions from household needs. These challenges were largely due to the participants' long-standing habit of using a single source of cash to cover all family and business needs.

Mentoring

Mentoring was conducted for three weeks after the training through field visits and direct communication, as well as through the participants' WhatsApp group. The implementation team evaluated the cash books completed by the participants and provided feedback on budget preparation and the consistency of transaction recording.

Monitoring results showed that 29 participants (76.3%) recorded their finances regularly every week, while 9 participants (23.7%) still needed further assistance because they were not yet accustomed to consistent recording. Furthermore, 24 participants (63.2%) had begun separating business funds from household funds using separate storage locations or accounts. These behavioral changes demonstrate that the mentoring process has significantly contributed to improving discipline in managing family and micro business finances.

Pre-test and Post-test Results

To measure the program's effectiveness, the implementation team compared pre- and post-test results on five key indicators of understanding: household budgeting, financial record-keeping, business money separation, saving, and emergency funds. The evaluation instrument used a scale of 0–100, with higher scores indicating a better understanding. Table 2 presents a comparison of the participants' average scores before and after the program.

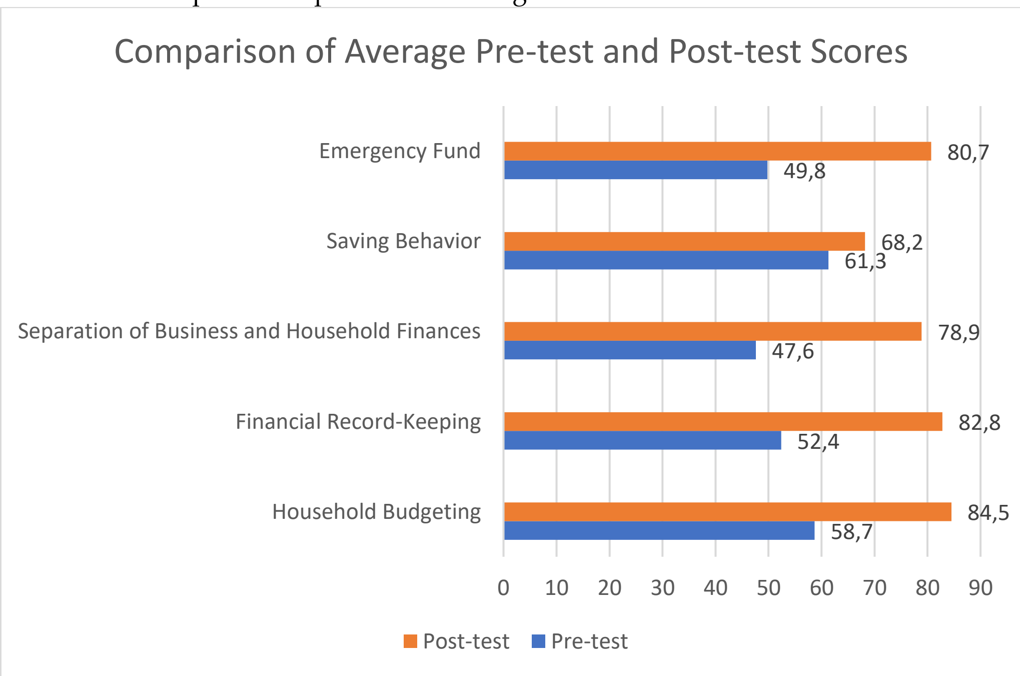
Table 2. Comparison of Pre-test and Post-test Scores

No	Understanding Indicators	Pre-test	Post-test	Increase (%)
1	Bylaws	58.7	84.5	43.9
2	Financial records	52.4	82.8	58.0

No	Understanding Indicators	Pre-test	Post-test	Increase (%)
3	Separation of business and household moneyJ	47.6	78.9	65.8
4	Save	61.3	86.2	40.6
5	Emergency fund	49.8	80.7	62.0
Average		**53.9**	**82.6**	**53.3**

Source: Primary data from PKM results (2026).

Graph 1. Comparison of Average Pre-test and Post-test Scores



Overall, the results showed an increase in the participants' understanding across all indicators after they participated in a series of educational and mentoring activities. The overall average score increased from 53.9 in the pre-test to 82.6 in the post-test, a 53.3% increase. These results demonstrate that the training method, which combined material delivery, interactive discussions, simulations, practice, and mentoring, significantly improved the participants' understanding.

The largest increase occurred in the indicator of separating business and household money (65.8%), while the lowest increase occurred in the saving indicator (40.6%). The high increase in the financial separation aspect indicates that most participants previously did not understand the importance of separating business cash flows from family finances. Conversely, the increase in the saving indicator was relatively lower because some participants already had a savings habit before joining the program, thus limiting their scope of improvement.

These findings indicate that changes in knowledge are relatively easier to achieve than changes in long-term financial behavior. Nevertheless, all indicators increased by more than 40%, indicating that the practice-based learning approach positivel impacted the participants' financial literacy. These results align with the findings of various community-based financial literacy programs, which show that a combination of education and hands-on practice is more effective than solely delivering theoretical material.

Improving Participant Skills

In addition to improvements in knowledge measured through pre- and post-tests, evaluations also examined changes in participants' practical skills in managing household and micro-business finances. Assessments were conducted through observations during practical sessions and by monitoring results during the mentoring phase.

Ability to make a budget

The evaluation results showed that 32 participants (84.2%) cold independently prepare a household budget, including income, basic needs, savings, emergency funds, and other expenses according to the provided format. Meanwhile, six participants (15.8%) still needed assistance, particularly in determining spending priorities and allocating funds proportionally.

Ability to compile cash books

At the end of the mentoring period, 30 participants (78.9%) could compile daily cash books correctly and consistently. Conversely, eight participants (21.1%) still needed regular reminders because they were not accustomed to recording daily transactions. The main obstacles identified were busy household chores and the habit of relying on memory to record financial transactions.

Ability to calculate simple profits

Of the 19 MSME participants, 16 (84.2%) were able to calculate simple profit by subtracting the total business revenue from the operating and production costs. Meanwhile, three participants (15.8%) still had difficulty identifying indirect costs, particularly electricity, transportation, and personal consumption, which had not previously been included in the business cost components.

Ability to manage expenses

Observations during the mentoring period showed that 31 participants (81.6%) could identify priority expenses and began reducing consumer spending. Furthermore, 24 participants (63.2%) began to regularly set aside a portion of their income for savings or emergency funds. These changes demonstrate increased discipline in household financial management and awareness of the importance of long-term financial planning.

Overall, the evaluation results show that a community-based educational approach combined with simulations, hands-on practice, and intensive mentoring improved participants' knowledge, skills, and behavior. This was reflected in the increase in the average post-test score, the participants' improved ability to budget and record their finances, and the development of the habit of separating business and household finances. These findings reinforce the need for ongoing and contextualized learning to consistently apply financial behaviors in everyday life.

Program Impact

In addition to the directly measurable changes through pre- and post-tests, this financial literacy education program also has broader, medium- to long-term impacts, both at the individual participant level and at the social group level in the hamlet of Tonja Village. These impacts can be mapped into four main dimensions according to the OECD/INFE financial literacy framework: knowledge, attitudes, skills, and behavior, and an additional collective dimension: social impact.

Impact on Knowledge dimension This program successfully increased participants' understanding of basic financial literacy concepts, from budgeting and transaction recording to the importance of emergency funds. This increase in knowledge is reflected in the increase in post-test scores compared to the pre-test, as discussed in Section 3.3, and is in line with the findings of the 2024 National Survey on Financial Literacy and Inclusion (SNLIK), which showed that community-based educational interventions effectively increased the financial literacy index of housewives, which nationally remains at 64.44 percent, indicating that banjar-based programs like this make a real contribution to efforts to strengthen financial literacy at the grassroots level.

Impact on Attitudes: In the attitude dimension, participants demonstrated a shift in orientation from spontaneous and unplanned financial management to a more disciplined approach to managing their money. This change in attitude was evident in their willingness to regularly record expenses and refrain from unplanned consumer spending. Changes in attitude are a crucial prerequisite for establishing stable new behaviors, as effective financial literacy is not limited to knowledge alone but must be accompanied by confidence and a positive attitude toward effective financial management.

Impact on Skills In the skills dimension, the participants demonstrated the real-world ability to maintain simple financial records using cash books, as practised during the practical and mentoring phases. These skills provide participants with immediate application in their daily lives, both for household needs and for the microbusinesses they run. This finding is consistent with the results of financial literacy training for Family Welfare Movement (PKK) members in various regions, which demonstrate that training methods accompanied by simulations and hands-on practice effectively equip participants with practical financial record-keeping skills, not just a theoretical understanding.

Impact on Behavioral Aspects This program encourages the formation of two significant new habits: starting to save regularly and separatinge business money from household money. This behavioral change is the most substantial indicator of success because behavior reflects the long-term internalization of acquired knowledge and skills. Studies on the financial management behavior of MSMEs confirm that financial behavior plays a crucial role in improving business financial performance. Therefore,the changing habit of separating business and household money that is starting to develop in participants has the potential to have a sustainable positive impact on the sustainability of their micro-businesses.

Social Impact Beyond the individual impact, the program also generated social impacts that were felt collectively by the group. First, there was an increase in family economic awareness, where financial management was no longer viewed as a purely personal matter but rather as part of a collective effort to maintain household economic resilience. Second, the program also encouraged increased participation by Family Welfare Movement (PKK) groups in economic empowerment activities, as evidenced by the participants' enthusiasm for participating in all stages, including the mentoring sessions. Third, and most fundamentally, the program contributed to the formation of a culture of better financial management within the hamlet, a change that is long-term and has the potential to spread to family members and neighbors beyond the program's scope. This social impact aligns with the findings from PKK women's empowerment programs that strengthen financial literacy, demonstratinge that community-based interventions not only transform individual participants but also have the potential to shape new collective norms regarding the importance of sound financial management at the family and community levels.

Overall, the programs impact, which encompasses knowledge, attitudes, skills, behavior, and social dimensions, demonstrates that an educational approach combined with intensive mentoring can yield more holistic and sustainable changes than a one-way educational approach alone.

Supporting Factors

The successful implementation of this financial literacy education program cannot be separated from a number of supporting factors that helped smooth the process, starting from the socialization stage to mentoring and so on. Support from Banjar Officials: One of the key contributing factors is the active support from local Banjar officials, both in the form of providing activity venues, mobilizing participants, and providing social legitimacy, which facilitates community acceptance of the implementation team. This kind of support from traditional institutions has proven to be key to the success of community-based service programs in Bali, given the strategic role of Banjars as social units that bind residents and possess the moral authority to mobilize collective participation.

The high level of participant Eenthusiasm The reflected in consistent attendance throughout the activity and active participation in the discussion and simulation sessions, contributed to the program's success. This enthusiasm aligns with the characteristics of housewives and MSMEs as groups that directly experience the practical benefits of financial literacy materials in their daily lives, resulting in relatively high intrinsic motivation compared to educational programs on topics with less direct impact on their lives.

The PKK's role as an implementing partner facilitates coordination, scheduling, and dissemination of activity information to members. The PKK's established organizational structure at the village and hamlet levels allows programs to reach their targets more efficiently than if they were implemented without the involvement of organizations with established social networks, as demonstrated in various family economic empowerment programs that utilize the PKK as the primary entry point.

Easy-to-understand modules: Simple, contextual, and applicable educational modules and media are also important supporting factors. Modules that avoid excessive technical terms and emphasize everyday examples have been proven to facilitate participants with diverse educational backgrounds in understanding the material, in line with the principles of financial literacy, which emphasize the importance of contextual and easily applicable educational materials to reach community groups with varying levels of basic literacy.

Inhibiting Factors

In addition to supporting factors, program implementation also faces several obstacles that need to be noted for evaluation to improve similar programs in the future. Participant time constraints: Some participants, particularly those active in MSMEs, face time constraints to fully participate in all activities, as they must juggle training and running their businesses and homes. This type of time constraint is common in empowerment programs targeting micro-entrepreneurs, as home-based businesses often lack flexible work schedules that allow for extended periods away from work.

Differences in educational levels: The varying educational backgrounds of the participants led to differences in the speed at which they understood the material, particularly on topics requiring numeracy and systematic record-keeping, such as simple profit calculations. This gap in understanding required the implementation team to tailor their teaching approach to individual participants, which is a common challenge in community-based financial literacy programs with heterogeneous targets.

Long-standing habits in managing finances: The long-standing habit of mixing business and household funds is one of the most significant obstacles, as changing financial behavior takes time and repetition to truly ingrain and replace old habits. Studies on the financial management behavior of MSMEs confirm that changes in the mindset and financial habits of micro-entrepreneurs tend to be gradual and not instantaneous; therefore, short-term interventions alone are often insufficient to change entrenched habits.

Limited mentoring The limited duration and intensity of mentoring given that the program only lasted one month posed a challenge, especially for participants who needed more intensive guidance to consistently implement financial record-keeping. This limitation underscores the importance of post-implementation program sustainability to prevent behavioral changes that begin to form after the program ends.

Program Sustainability

Considering that changing financial behavior requires time and continuous reinforcement, as identified in the inhibiting factors above, this program is designed not to stop at just one training cycle, but rather to be continued through a number of follow-up plans oriented towards long-term sustainability.

The first step is the formation of family finance study groups at the hamlet level, which serve as forums for participants to continuously share experiences and support each other in implementing the financial management practices they have learned. Such study groups are crucial for sustaining behavior change, as peer support has proven effective in maintaining new habits in community-based economic empowerment programs.

Second, regular monitoring of participants' financial and budgetary records will be conducted to ensure that the practices they have been trained in remain consistent even after the intensive mentoring period has ended. Third, the program will continue with more focused mentoring for MSMEs, particularly for participants who are home-based businesses, to deepen their understanding of more complex aspects of business financial management beyond the basic material that has already been presented.

Fourth, participants will continue to be encouraged to routinely prepare cash books as a permanent habit, not just a task during the training period, so that financial record-keeping truly becomes part of the routine of managing their households and businesses. Fifth, as a further development step, advanced training will be held on digital marketing and business development, considering that strengthening financial literacy ideally is accompanied by strengthening marketing capacity so that home-based MSMEs are not only able to manage finances well but also able to increase business income sustainably. The combination of financial and digital literacy in marketing is in line with the direction of future MSME development, where good financial management capacity needs to be supported by the ability to reach a wider market so that the economic impact on households can be felt more clearly and sustainably.

CONCLUSION

Based on the overall series of implementation, results, and discussions described, it can be concluded that the financial literacy education program for PKK mothers and household MSME actors in one of the hamlets in Tonja Village succeeded in significantly improving the financial literacy of participants, as indicated by the increase in post-test scores compared to the pre-test scores on all measured indicators. This achievement strengthens the findings of the 2024 National Survey of Financial Literacy and Inclusion (SNLIK), which showed that community-based educational interventions were effective in encouraging an increase in the financial literacy index of the housewife group, while also confirming that a participatory learning approach that combines lectures, discussions, simulations, direct practice, and mentoring can produce more meaningful changes than one-way education.

This program has also proven effective in equipping participants with practical skills in independently preparing a household budget, which is a fundamental skill that forms the foundation for healthy family financial management. Furthermore, participants demonstrated significant progress in their ability to maintain simple financial records using cash books, indicating a shift in their financial management patterns from intuitive and unrecorded to more systematic and measurable patterns.

One of the most substantial achievements of this program is the development of habits among participants in separating business and household finances—a behavior that was rarely practiced consistently by home-based MSMEs. This behavioral change is important to emphasize because research shows that financial management behavior plays a role in improving MSME financial performance; therefore, the new habits that are developing in participants have the potential to have a sustainabl ye positive impact on the future sustainability of their micro-businesses.

Overall, this program contributes to improving household welfare through community empowerment by positioning PKK (Family Welfare Movement) women and home-based MSMEs as agents of change in family economic management. This community-based empowerment approach, utilizing local institutions such as banjar (village associations) and PKK (Family Welfare Movement), has proven to be a relevant and sustainable strategy for strengthening household economic independence at the grassroots level, in line with the national financial literacy policy, which continues to encourage the expansion of financial education to community-based groups.

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We also thaks the banjar (village) administrators for providing the venue, assisting with participant mobilization, and providing social support that facilitated the implementation team's acceptance by the community. Traditional institutions, such as the banjar have proven to be key to the success of community-based service programs in Bali, given their position as social units that bind and mobilize collective community participation.

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