

## **Financial Literacy and Assistance in Compiling Independent Financial Reports Using Expense IQ Money Manager**

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### ***Abstract***

*Indonesia has a financial literacy rate far below average when compared to other countries that are members of ASEAN countries. Likewise, Thailand has a financial literacy score of 27 which is lower than the regional average, although the level of financial inclusion is quite high. The priority targets for financial literacy in 2023 will be allocated to the community, one of which is for students. Especially for students, knowledge of financial literacy will be built through the role of teachers as educators. Before being able to disseminate, of course, teachers need to first improve their understanding regarding their financial literacy. This can also be useful for teachers personally in managing their finances. The main problems of Eakapapsasnawich Islamic School Thailand School Teachers lie in the low level of financial literacy so they tend to make wrong decisions, lack of awareness in understanding the importance of recording their personal finances, and the absence of socialization about the use of financial software or financial recording applications in managing finances well, inspiring the Team to educate Eakapapsasnawich Islamic School Thailand School Teachers related to financial literacy and assistance in preparing independent financial statements using Expense IQ Money Manager. The method used is the provision of material through lectures, motivation, discussion, and practice / mentoring. The output target of this program is scientific articles published through service journals indexed by Sinta, and increasing teachers' financial literacy in using digital-based financial recording applications.*

### **A. Introduction**

Financial intelligence is an important aspect that every individual must possess in order for personal financial management to be correct and precise. Proper and appropriate management will make it easier for individuals to receive the maximum benefits from the money they earn. When this can be achieved, in terms of knowledge, attitudes, and intelligent implementation in managing finances, then the individual will achieve prosperity from the money they have. This condition positions the individual to have good financial literacy.

Someone who has good financial knowledge or literacy always has a different perspective on the money they have and has control over their financial conditions. In other words, this person truly understands how to manage their income and expenses (Setyaningrum et al., 2023), which can positively impact their financial health in the future. Looking at data sourced from the Financial Services Authority (OJK) survey, the financial literacy index of the community is 49.68 percent, up from 2019 which was only 38.03 percent. However, this is still far below the average compared to countries that are members of ASEAN (OJK, 2022).

In developed countries, the level of financial literacy has grown rapidly in recent years and has received more attention (Khamaludin et al., 2022). Ideally, Indonesia should also be more serious about addressing this issue. In Thailand itself, based on research by Xiao (2020), it is explained that its financial literacy score is 27, below the regional average. Even though The Global Financial Index discloses that Thailand is one of the countries with the highest inclusion index (Putri, 2023).

Looking at this data, the financial literacy target for 2023 will be allocated to the community, especially in the 3T areas, persons with disabilities, and students/santri. Especially for students/santri, knowledge of financial literacy should be given from an early age so that in the future, students/santri can make the right decisions in managing their finances. This is where the role of teachers as frontline educators in spreading knowledge is crucial. Before disseminating, of course, teachers need to first improve their understanding of the financial literacy they possess. Teachers equipped with sufficient knowledge will effectively teach financial literacy material to their students/santri. Another main benefit is that, in addition to educating the students/santri they teach, teachers can also implement it in their personal lives, managing their modest salaries well if they have good financial literacy.

Moreover, due to the Covid-19 pandemic that accelerated the transformation of everything becoming digital, including increasingly sophisticated financial management, can be assisted by the increasingly advanced information technology. The presence of apps that help someone in managing finances allows a person to easily control all income and planned expenses to be spent every month. In addition to being able to manage finances more easily, it also saves time, avoids miscalculations, and many other benefits can be felt. Of course, this can help teachers more efficiently and not be burdened with the complexity of their financial control system.

The underlying issues of priority partners in these activities are: (1) the low level of financial literacy of teachers at Eakapapsasawich Islamic School Thailand, so they tend to make the wrong decisions, (2) the low level of knowledge of teachers at Eakapapsasawich Islamic School Thailand about their personal financial records, so their financial management is still not appropriate, and (3) there has been no socialization to teachers at Eakapapsasawich Islamic School Thailand about the use of financial software or financial recording apps to manage finances properly.

Problems
<p><b><u>Financial Literacy Aspects:</u></b></p> <ul style="list-style-type: none"> <li>- Low level of financial literacy among teachers at Eakapapsasawich Islamic School Thailand, leading them to make incorrect decisions.</li> <li>- A lack of awareness among teachers at Eakapapsasawich Islamic School Thailand about the importance of keeping personal financial records</li> </ul>
<p><b><u>Digitalization of Financial Recording Aspects:</u></b></p> <ul style="list-style-type: none"> <li>- Teachers at Eakapapsasawich Islamic School Thailand are largely unfamiliar with financial software or financial recording applications and how to use them to manage finances more efficiently</li> </ul>

**Figure 1. Partner Problems**

This research activity involves lecturers from the Faculty of Economics and Business at Muhammadiyah University Makassar who are part of the team. As an effort to provide education related to financial literacy and assistance in compiling independent financial reports using Expense IQ Money Manager for teachers at Eakapapsasawich Islamic School Thailand, it is hoped that it can be carried out well and provide benefits in line with expectations, especially in helping to develop the human resources of teachers at Eakapapsasawich Islamic School Thailand. It can also impact the increased financial literacy level of the teachers and good financial management, which can then be passed on to the students they teach. This activity is also expected to strengthen the bond and relationship between the service providers and the partners.

**B. Implementation Method**

The beginning of this activity, which is also a research, started with a discussion to understand the conditions and challenges faced by the partners. Subsequently, strategies were devised that could serve as solutions to address these challenges. These solutions were then implemented. Based on the previously outlined problems, the team conducted educational activities on financial literacy, raising awareness about financial recording, and introduced and trained on the use of the Expense IQ Money Manager application.

The research implementation method is descriptive, providing only an overview related to the recording and management of personal finances for teachers. The research execution phase started with the provision of prepared materials, using approaches that included lectures, motivational talks, discussions, and hands-on practice/support. Following this, an ICQ (Internal Control Questionnaire) related to self-financial management was provided. The research subjects were teachers at the Eakapapsasawich Islamic School Thailand, totaling 20 individuals.

### C. Result and Discussion

Based on the challenges faced by the partners, the actions taken to address these challenges included providing financial literacy education to teachers at Eakapapsasnowich Islamic School Thailand so that they could make informed and desired financial decisions, educating on the importance of personal financial record-keeping for the school's teachers, and assisting in introducing and operating financial software or financial recording apps, specifically the Expense IQ Money Manager, for the teachers at Eakapapsasnowich Islamic School Thailand. These solutions were realized in the form of providing educational materials on financial literacy, raising awareness on financial recording, and assisting in the introduction and operation of the Expense IQ Money Manager application.



**Figure 2. Group photo session during the activity and research at Eakapapsasnowich Islamic School Thailand**



**Figure 3. Ongoing activity and research at Eakapapsasnowich Islamic School Thailand**

The achievements from the community service program carried out in the field after the completion of the activities are as follows: The teachers of Eakapapsasawich Islamic School Thailand have been educated in financial literacy, enabling them to make correct and desired financial decisions more easily. The teachers of Eakapapsasawich Islamic School Thailand have gained insight or understanding about the importance of personal financial recording. The teachers of Eakapapsasawich Islamic School Thailand can now operate the financial software or financial recording application, Expense IQ Money Manager.

**Table 1. Indicators and Achievements of Activities**

Description	Specific Activity
Aspect of Financial Literacy	
a. The low level of financial literacy among the teachers at Eakapapsasawich Islamic School Thailand, leading to a tendency to make incorrect decisions  b. Lack of awareness among the teachers at Eakapapsasawich Islamic School Thailand about the importance of recording their personal finances.	a. Provide financial literacy education to the teachers of Eakapapsasawich Islamic School Thailand so they can easily make correct and desired financial decisions  b. Educate on the importance of personal financial recording for the teachers of Eakapapsasawich Islamic School Thailand.
Aspect of Digitalization of Financial Recording	
c. The teachers at Eakapapsasawich Islamic School Thailand are still very unfamiliar with financial software or financial recording applications and how to use them to manage finances more efficiently	c. Provide guidance on the introduction and operation of the financial software or financial recording application, namely Expense IQ Money Manager, for the teachers at Eakapapsasawich Islamic School Thailand
a,b,c) The above solutions are realized in the form of providing financial literacy education materials and increasing awareness in financial recording as well as introducing and operating the Expense IQ Money Manager application.	

The solutions above were realized in the form of providing financial literacy education, increasing awareness in financial recording, and introducing and operating the Expense IQ Money Manager application. The research activity carried out on the teachers of Eakapapsasawich Islamic School Thailand was successfully and smoothly executed. This success is evident from the support of the government, universities, and the enthusiastic involvement of the partners. This also demonstrates good cooperation among all parties



involved. Through this activity, the importance of financial literacy education, awareness in financial recording, and the introduction and operation of the Expense IQ Money Manager application is hoped to be further elevated and followed up. The research results show that the teachers did not have adequate financial records individually, let alone using existing bookkeeping applications.

This research activity serves as an intriguing solution since it's conducted in a neighboring country, fostering international social cooperation, thereby enhancing bilateral relations. It's hoped that this initiative continues, especially in broader areas with pressing issues.

#### **D. Conclusions and Suggestions**

Following this activity, the partner teachers from Eakapapsasawich Islamic School Thailand have become more aware and understand the importance of financial literacy and personal financial recording. One way is by integrating the financial software or the financial recording application, Expense IQ Money Manager, into their daily lives. The partners can also help educate their students in implementing financial literacy in their daily lives. This stems from the teachers' low level of financial literacy, which often leads to incorrect decisions, their lack of knowledge about personal financial records, and the absence of financial software or application promotions.

It is hoped that this research activity continues as a form of collaboration in global research, thereby strengthening inter-country relations and providing broader community service contributions. The suggestions for this are: The partners should be more aware of the importance of financial literacy and personal financial recording, one way is by integrating the financial software or the financial recording application, Expense IQ Money Manager, into their daily lives. The partners can also help educate their students to implement financial literacy in their daily lives..

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