

## **ABSTRACT**

*This research was conducted to determine the impact of financial literacy on business growth of MSME members of Paguyuban Pengusaha Kecil dan Menengah (PPKM) in the region of Rancaekek and Cileunyi. The purpose of this study is to discover and analyze the level of financial literacy among the MSMEs, as well as the level of business growth among the MSMEs, lastly the purpose of this study is to determine the impact of financial literacy on business growth of MSME members of PPKM in the region of Rancaekek and Cileunyi.*

*This research used quantitative method with descriptive research type. Supported by non-probability sampling method of total population sampling with total number of respondents as much as 35 people. Data analysis techniques used are descriptive analysis and simple linear regression analysis. Based on the results of the hypothesis being tested, financial literacy was proven to have had significant impact on business growth of MSMEs. This was supported by the level of  $t\text{-count} > t\text{-table}$  that is  $4,723 > 2,035$  with a significance level of  $0,00 < 0,05$ . Based on the coefficient of determination result shows that financial literacy constitute 40,3% of the total impact on business growth while 59,7% was affected by other factors which weren't examined in this study.*

*As conclusion of this research, the financial literacy of MSME members of PPKM in the region of Rancaekek and Cileunyi is in poor level. Knowledge in financial literacy should be continuously improve to help MSMEs on their business growth.*

*Keywords: Financial Literacy, Business Growth, MSME.*