

# Table of Contents

STATEMENT SHEET .....	v
ABSTRACT .....	ix
ABSTRAK .....	x
LIST OF FIGURE.....	xv
LIST OF TABLE .....	xvi
CHAPTER I INTRODUCTION .....	1
1.1 General description of research object .....	1
1.1.1 Company Profile.....	1
1.1.2 Company History.....	1
1.1.3 Company Logo .....	2
1.1.4 Vision and Mission.....	2
1.2 Background.....	2
1.3 Research Questions .....	8
1.4 Research Objectives .....	9
1.5 Research Benefit.....	9
1.5.1 Theoretical.....	9
1.5.2 Practical .....	9
1.6 Systematics Writing of the Research.....	10
CHAPTER II THEORETICAL REVIEW .....	11
2.1 Financial Literacy .....	11
2.1.1 Definition of Financial Literacy .....	11
2.1.2 Factors that Influence of Financial Literacy .....	12
2.1.3 Aspects of Financial Literacy .....	13
2.1.4 Dimension of Financial Literacy .....	13
2.2 Financial Distress .....	14
2.2.1 Definition of Financial Distress.....	14
2.2.2 Factor of Financial Distress .....	16
2.2.3 Prediction of Financial Distress.....	17
2.3 Micro, Small and Medium Enterprises (MSMEs).....	18
2.3.1 Definition of Micro, Small, and Medium Enterprises .....	18

2.3.2	Criteria of Micro, Small, and Medium Enterprises .....	18
2.4	Relationship between Financial Literacy and Financial Distress .....	19
2.5	Previous Research.....	21
2.5.1	Previous Research from Undergraduate Thesis.....	21
2.5.2	Previous Research From National Journal.....	30
2.5.1	Previous Research From International Journal .....	36
2.6	Conceptual Framework.....	41
2.7	Research Hypotheses .....	42
2.8	Scope of Research.....	42
2.8.1	Research Variables.....	42
2.8.2	Location and Object of Research.....	42
2.8.3	Time and Period of Research .....	42
<b>CHAPTER III RESEARCH METHOD.....</b>		<b>43</b>
3.1	Research Methodology.....	43
3.2	Variable of the Research.....	43
3.2.1	Identification Variable .....	43
3.2.2	Operational Variable .....	44
3.3	Measurement Scale .....	46
3.3.1	Table Likert Measurement Scale.....	46
3.4	Research stage.....	46
3.5	Population and Sample.....	48
3.5.1	Population .....	48
3.5.2	Sample.....	48
3.5.3	Sampling Technique .....	49
3.6	Data Collection Technique .....	49
3.7	Reability Test and Validity Test .....	50
3.7.1	Reability Test.....	50
3.7.2	Validity Test .....	50
3.8	Data Analysis Technique .....	51
3.8.1	Descriptive Analysis .....	51
3.8.2	Classic Assumption Test.....	54
3.8.3	Simple Linear Regression Analysis .....	55
3.8.4	Hypothesis Test.....	55

3.8.5	Coefficient of Determination ( $R^2$ ) .....	57
<b>CHAPTER IV RESEARCH RESULTS AND DISCUSSION</b> .....		<b>58</b>
4.1	Data Collection .....	58
4.1.1	The Result of Validity Test.....	58
4.1.2	The Results of Reliability Test .....	61
4.2	Respondent Characteristics.....	62
4.2.1	Respondent Characteristics Based on Age .....	62
4.2.2	Respondent Characteristics Based on Last Educatio.....	62
4.2.3	Respondent Characteristics Based on Long Business Running.....	63
4.2.4	Respondent Characteristics Based on Revenue per Month .....	64
4.2.5	Respondent Characteristic Based on Profit per Month.....	65
4.3	Research Result .....	65
4.3.1	Descriptive Analysis.....	65
4.3.2	Normality Test.....	83
4.3.3	Heteroskedasticity Test.....	84
4.3.4	Multicollinearity Test .....	84
4.3.5	Simple Linear Regression Test.....	85
4.3.6	t Test .....	86
4.3.7	Determination Coefficient ( $R^2$ ).....	87
4.4	Research Results and Discussion .....	87
<b>CHAPTER V CONCLUSION AND SUGGESTION</b> .....		<b>90</b>
5.1	Conclusion.....	90
5.2	Suggestion .....	90
5.2.1	Suggestion for object of research .....	90
5.2.2	Suggestion for the next researcher.....	91
Bibliography.....		92
APPENDIX .....		97
Appendix 1: Questionnaire .....		99
Appendix 2: Characteristic Respondent.....		105
Appendix 3: Results of Financial Literacy Questionnaire Data .....		108
Appendix 4: Results of Financial Distress Questionnaire Data.....		111
Appendix 5: Validity and Reliability Test Results .....		114

Table: Test Results for the Validity of Financial Literacy .....	114
Table: Test Results for the Validity of Financial Distress.....	116
Table: Test Results for the Reliability of Financial Literacy .....	118
Table: Test Results for the Reliability of Financial Distress.....	118
Appendix 7: Classic Assumption Test Results .....	119
Histogram Normality Test Results .....	119
Normality Test Results P-Plot Graph.....	119
Normality Test Results with K-Smirnov .....	120
Heteroscedacity Test Results.....	120
Multicollinearity Test Results .....	121