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THEME:
"THE CHALLENGE OF NEW TECHNOLOGY ON EDUCATION AND BUSINESS SUSTAINABILITY"

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ANNUAL CONFERENCE OF MANAGEMENT CHALLENGES (ACOMC)

THEME:
“THE CHALLENGE OF NEW TECHNOLOGY ON EDUCATION AND BUSINESS SUSTAINABILITY”

FACULTY OF ECONOMICS AND BUSINESS, SATURDAY, SEPTEMBER 21ST, 2024

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ACoMC is an annual conference held by the Faculty of Economics and Business, Universitas Negeri Yogyakarta, which responds to the issues of Management Challenges, Information Technology, and Global Risk Impacts on Economics and Business Education. As a response to the emerging challenges and changes of the post-pandemic era, this year's theme is The Challenge of New Technology on Education and Business Sustainability. The previous ACoMC sessions (2023) facilitated scholars in discussing the emerging issues around The Future of Artificial Intelligence: Challenges and Its Impact on Education, Economics, and Business. After almost two years of the pandemic, the world is preparing to face the post-pandemic stage, also known as the new normal era. The previous conferences have an impressive record of attendance and have attracted numerous international presenters and participants. The attendees benefited enormously from the lively discussion and presentation sections conducted during the conference. Many ideas have been shared and brainstormed in the meetings. Accordingly, ACoMC continuously tries to invite scholars, practitioners, and students to respond to the issues.

Yogyakarta, September 21st, 2024

KEMENTERIAN PENDIDIKAN, KEBUDAYAAN, RISET, DAN TEKNOLOGI
UNIVERSITAS NEGERI YOGYAKARTA
FAKULTAS EKONOMI DAN BISNIS

Prof. Dr. Siswanto, M.Pd.

The Dean of the Faculty of Economics dan Business

Universitas Negeri Yogyakarta

List of Content

Exploring Green Finance Studies in Indonesia: A Systematic Literature Review (SLR) for Sustainable Development

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ABSTRACT

This study aims to provide empirical evidence on the development of green finance research in Indonesia, driven by the relevance of this topic in supporting sustainability goals and government environmental policies. This topic is crucial given the increasing urgency of climate change and the need for sustainable development, which significantly impacts the environment, economy, and society globally, including in Indonesia. The study explores trends in green finance literature and the theories applied, offering a systematic review that has rarely been conducted before. The method used is a Systematic Literature Review (SLR), which systematically analyzes 23 articles from the Scopus and SINTA databases, accredited from Sinta 2 to Sinta 6 in the economics category. The articles are classified based on the publication journal, annual publication frequency, research methods, theoretical focus, and themes discussed. The results show that nationally accredited Sinta 2 journals have the highest number of publications, accounting for 29% of the total articles, with most articles published between 2021 and 2024, indicating a rapidly growing trend in recent years. Quantitative methods dominate the research approaches, while 48% of the articles lack a clear theoretical foundation, with Legitimacy theory and Stakeholder theory being the most frequently used. Five main themes were identified in this study: "The Role and Dynamics of Green Finance in Sustainable Finance," "Green Sukuk and Environmentally Friendly Financing," "The Role of Banking and Sharia Financing in Green Finance," "Corporate Governance and Green Banking Disclosure," and "The Effectiveness and Implications of Green Finance," with Corporate Governance and Green Banking Disclosure being the most dominant themes. These findings indicate that the successful implementation of green finance in Indonesia is highly dependent on strong policy support, sustainable financial innovation, and increased stakeholder engagement.

Keywords: Green Finance, Systematic Literature Review, Sustainability, Environmental Policy, Indonesia.

INTRODUCTION

In recent decades, the issues of sustainability and climate change have become increasingly urgent themes worldwide. Climate change, driven by greenhouse gas emissions (Solomon et al., 2010). That can have significant negative impacts on the environment, economy, and society (Abbass et al., 2022; Adger et al., 2005; Feliciano et al., 2022). These impacts include global temperature increases, extreme weather events, rising sea levels, and ecosystem damage, all of which affect human well-being and biodiversity (Baste & Watson, 2022; Weiskopf et al., 2020). Therefore, efforts to combat climate change and support sustainable development are becoming increasingly important.

In response to the challenges of climate change and the need for sustainable development, the concept of green finance has emerged. This concept is important because climate change significantly impacts the financial and economic sectors (Martin, 2023). From a corporate perspective, there is a positive relationship between sustainability efforts and profitability, where companies that emphasize sustainability in their stakeholder reports tend to show higher returns on assets (Ulsnes & Steinshamn, 2020). Green finance encompasses all forms of financing designed to support environmentally friendly projects, reduce the impact of climate change, and promote long-term sustainability (Dikau & Volz, 2021). Green finance involves various financial instruments, including green bonds, green loans, and sustainable investments that consider environmental, social, and governance (ESG) factors (Gilchrist et al., 2021; Martin, 2023).

Green finance not only funds green projects but also serves as an innovative mechanism to redirect investment flows towards more sustainable directions (Agrawal et al., 2024; Falcone, 2019; K. H. Wang et al., 2022), thus becoming a key driver for the economic transition towards an inclusive and low-carbon model (Li et al., 2022). In addition to supporting climate change mitigation and natural resource conservation (Dai & Chen, 2023; Zhang et al., 2022). green finance also provides incentives for companies to improve ESG practices, strengthen global competitiveness, and accelerate the achievement of the Sustainable Development Goals (SDGs) (Ma et al., 2024; Udeagha & Muchapondwa, 2023; B. Wang et al., 2023). Consequently, green finance can balance economic growth with environmental preservation, transforming investment paradigms to support sustainable development and reduce climate change risks (Falcone, 2019; Udeagha & Muchapondwa, 2023).

Indonesia is a country with rich biodiversity and abundant natural resources (Persoon & Weerd, 2006; Saleh et al., 2020). Therefore, Indonesia urgently needs to implement green finance to support sustainable development and address the challenges of climate change. Taridala et al. (2023) argue that green finance is one of the ideal solutions for Indonesia to mitigate these challenges. Indonesia's commitment to addressing global climate change is demonstrated through its participation in the Paris Agreement, which was then integrated into national law through Law No. 16 of 2016 (KLHK, 2021) and reinforced by Presidential Regulation No. 111 of 2022 on SDGs, designed to encourage the financial sector to invest in projects that have a positive impact (Budiantoro, 2023). This step reflects Indonesia's serious efforts to protect the environment and promote sustainable finance.

The potential for green finance in Indonesia is fast, driven by increasing attention to sustainability. According to the Southeast Asia's Green Economy 2024 Report, Indonesia became the largest recipient of green investment in Southeast Asia in 2023, with investment flows reaching nearly USD 1.6 billion, or about 25% of the total investment in the region (SAGE, 2024). In addition, green financial instruments such as green sukuk have also shown significant growth. The Green Sukuk Allocation and Impact Report noted that the value of green sukuk increased from USD 1.25 billion since its first issuance in 2018 to USD 6.9 billion in 2022 (Ministry of Finance Republic of Indonesia, 2023). This reflects the high interest of both domestic and international investors. The government also supports the development of green finance through policies such as the Green Taxonomy, which aims to accelerate sustainable financing to achieve Indonesia's net-zero emission targets (OJK, 2024).

Despite the significant potential of green finance in Indonesia, various barriers and challenges must be overcome to maximize its benefits. According to Kompas.com (2023), one of the barriers to green finance in Indonesia is the high cost of obtaining green industry certification, considering many industries lack such certification, making it difficult to access green financing from banks. Other major challenges include low public awareness of environmental issues and limited knowledge of sustainable financial products, with only 20.8% of the population having heard of and understood the concept of green finance (KIC, 2022). Therefore, collaborative efforts from various stakeholders are needed to address these barriers through increased green finance literacy, institutional capacity development, and supportive policy formulation.

In this context, in-depth research on green finance in Indonesia becomes crucial, so the purpose of this research is to provide empirical evidence on the development of green finance studies in Indonesia. This study uses a Systematic Literature Review (SLR) approach to collect and analyze relevant scientific literature. This research analyzes twenty-three green finance articles sourced from Scopus and Sinta 2 to Sinta 6, then classifies these articles based on annual publication frequency, research methods, theoretical focus, and themes used in green finance studies in Indonesia so that the results of this research are expected to provide an academic foundation to support theoretical and empirical research on new issues related to green finance in Indonesia.

This article is organized into five sections. The second section contains literature relevant to this study. The third section explains the Systematic Literature Review (SLR) method used, including inclusion and exclusion criteria, as well as the data collection and analysis process. The fourth section presents the results and discussion of the analysed articles, including a sample description containing the classification of articles based on publication journals, annual article publications, research methods, and theoretical focus, as well as a content analysis classifying themes related to green finance in Indonesia. Finally, the fifth section presents the conclusions of this article.

LITERATURE REVIEW

Green Finance in Indonesia

In general, the definition of green finance varies. According to Zhan et al. (2023), green finance encompasses the use of financial services to support and promote environmentally sustainable practices. Desalegn & Tangl (2022) define green finance as a strategy that allocates funds to projects promoting sustainable growth, such as providing loans to companies committed to environmental conservation. In a broader context, green finance refers to all forms of financing designed to support environmentally friendly projects, reduce the impact of climate change, and encourage long-term sustainability (Dikau & Volz, 2021). In practice, green finance is applied to the operational practices of banking through the concept of green banking. Green banking, as an integral part of green finance, offers products and services that support environmental initiatives, such as green loans and banking policies focused on sustainability (Chen et al., 2022; Desalegn & Tangl, 2022).

In Indonesia, the commitment to green finance has been evident since 2004 through the sustainable green economy program (Wiryomartono, 2015). The government’s efforts to reduce carbon emissions and address global climate change are reflected in the Long-Term Development Plan (RPJP) 2005-2025, which emphasizes the sustainable use of natural resources and the development of a green economy (Wijaya, 2019). Green finance is seen as a key solution to these challenges (Taridala et al., 2023). Indonesia's participation in the Paris Agreement, integrated into Law No. 16 of 2016 (KLHK, 2021), underscores this commitment. Presidential Regulation No. 111 of 2022 on SDGs further strengthens the financial sector’s push to invest in environmentally friendly projects (Budiantoro, 2023). Additionally, the green taxonomy issued by the financial services authority reinforces this framework by ensuring that investments are directed toward practices that support sustainability and reduce carbon emissions (Pandu, 2022).

METHOD, DATA, AND ANALYSIS

This study employs the Systematic Literature Review (SLR) method, a qualitative approach aimed at thoroughly analyzing a topic (Nursulistyo et al., 2022). his method is designed to uncover the development of research topics and identify differences in previous studies (Villas et al., 2008). The SLR in this study follows the method developed by Shu et al. (2022), which involves two main components. First, the identification and selection process of relevant articles using the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) criteria. Second, the data collection process, which includes identifying and presenting key issues related to green finance research in Indonesia.

In the first stage, articles were collected from journals indexed in Scopus and accredited journals in Indonesia (SINTA 1-6). The keywords used to search for articles in the Scopus database were "Green Finance Indonesia," while in the SINTA database, the keywords "Green Finance" and "Green Financing" were used, with a focus on journals in the 'economics' category. The selection of articles was then conducted using the PRISMA method through three main steps: (1) identification, (2) screening, and (3) eligibility. The identification process resulted in 137 articles from the SINTA 1-6 database and 16 open-access articles from the Scopus database. During the screening process, conference papers, articles not aligned with the Green Finance theme, and articles not focused on Green Finance studies in Indonesia were excluded. At the eligibility stage, 23 final articles in full-text format were obtained, consisting of 17 articles from the SINTA 2 to SINTA 6 databases and 6 articles from the Scopus database. The details of the article selection process using the PRISMA approach are shown in Figure 1 below:

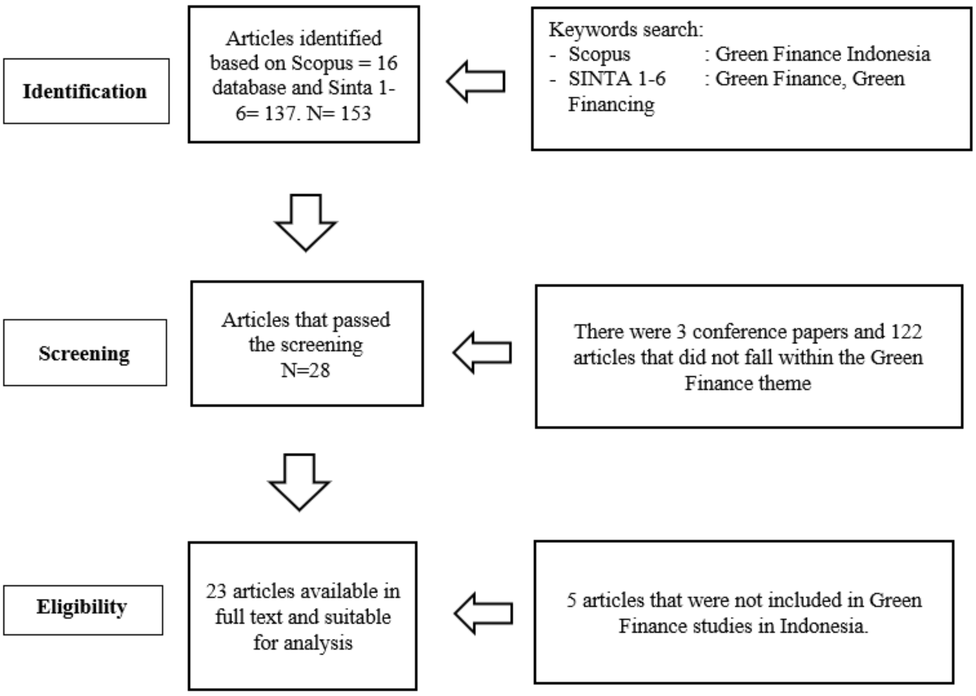


***Figure* 1. Research Protocol**

In the second stage, the researchers described the sample based on the classification of articles according to the publication journal, publication trends or frequency per year, research methods, and theoretical focus (Fiandrino et al., 2022; Roberts et al., 2021). Next, the researchers applied a content analysis approach (Mayring, 2014) to examine the academic themes in Green Finance studies in Indonesia. The classification based on publication frequency per year and theoretical focus was conducted first (Fiandrino et al., 2022). Subsequently, the articles were classified according to research methods and themes (Ernawati & Aryani, 2019).

RESULT AND DISCUSSION

Articles Classification Based on Publication Journals

This study analyzes 23 articles on Green Finance in Indonesia from the Scopus and SINTA databases, consisting of 6 articles from the Scopus database and 17 journals in the Sinta database accredited from Sinta 2 to Sinta 6 in the economics category. This is illustrated in Table 1 below:

Table 1. Articles Classification

No	Journal Names	Accreditation	Author	Number of Articles	Percentage
1	Environment, Development and Sustainability	Q1	(Chien et al., 2024; Gunawan et al., 2022)	2	9%
2	Environmental Science and Policy	Q1	(Suroso et al., 2022)	1	4%
3	Ecological Indicators	Q1	(D'Orazio & Thole, 2022)	1	4%
4	Climate Policy	Q1	(Setyowati, 2023)	1	4%
5	Environment and Planning E: Nature and Space	Q1	(Yunita et al., 2023)	1	4%
6	International Journal of Sustainable Development and Planning	Q3	(Johan, 2022; Musyaffi et al., 2023)	2	9%
7	JIA (Jurnal Ilmiah Akuntansi)	Sinta 2	(Purnamawati, 2022)	1	4%
8	Jurnal Economia	Sinta 2	(Handajani et al., 2019)	1	4%
9	Jurnal Keuangan dan Perbankan	Sinta 2	(Wintoro, 2012; Yuniarti, 2013)	2	9%
10	JEJAK: Jurnal Ekonomi dan Kebijakan	Sinta 2	(Primambudi, 2023)	1	4%
11	Al-Iqtishad: Jurnal Ilmu Ekonomi Syariah	Sinta 2	(Hariyani & Kusuma, 2020)	1	4%
12	JAB: Jurnal Akuntansi dan Bisnis	Sinta 2	(Firmansyah & Kartiko, 2024)	1	4%
13	Journal of Islamic Economics Lariba	Sinta 3	(Fad, 2021)	1	4%
14	Jurnal Ekonomi Syaiah Teori dan Terapan	Sinta 3	(Affandi & Rahmawati, 2023)	1	4%
15	Tazkia Islamic Finance and Business Review	Sinta 3	(Iryani et al., 2023)	1	4%
16	Jurnal Ekonomi	Sinta 4	(Fauzin et al., 2022)	1	4%
17	Indonesian Journal of Economics and	Sinta 4	(Widodo et al., 2023)	1	4%

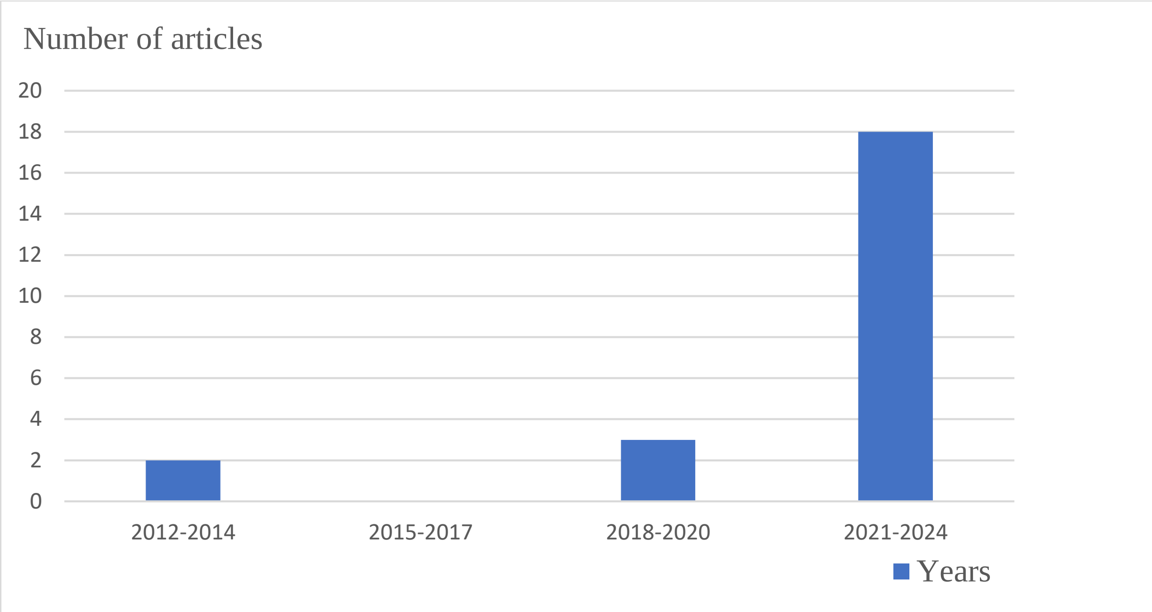
No	Journal Names	Accreditation	Author	Number of Articles	Percentage
	Management				
18	Jurnal Akuntansi Bisnis dan Ekonomi	Sinta 5	(Hayati et al., 2020)	1	4%
19	Jurnal Mirai Management	Sinta 5	(Handayani, 2023)	1	4%
20	Jurnal Ilmiah Ekonomi Global Masa Kini	Sinta 6	(Petro et al., 2023)	1	4%
Total Artikel				**23**	**100%**

Table 1 shows that the articles analyzed in this study are classified based on the journal of publication and its accreditation level. Of the 23 articles, the publications can be divided into two main categories: Scopus-accredited journals and nationally accredited Sinta journals. Several articles were published in Scopus-accredited journals, with some at a very high accreditation level, specifically Q1. Journals such as Environment, Development and Sustainability, Environmental Science and Policy, Ecological Indicators, Climate Policy, and Environment and Planning E: Nature and Space are Scopus Q1 journals, accounting for 25% of the total articles, indicating a focus on publication in highly reputable international journals. Additionally, there are articles published in Scopus Q3 journals, such as the International Journal of Sustainable Development and Planning, which contribute 9% of the total articles.

On the other hand, most of the articles in this study were published in nationally accredited Sinta journals, particularly Sinta 2. Sinta 2 journals, such as JIA (Jurnal Ilmiah Akuntansi), Jurnal Economia, Jurnal Keuangan dan Perbankan, JAB (Jurnal Akuntansi dan Bisnis), Al-Iqtishad: Jurnal Ilmu Ekonomi Syariah, and JEJAK (Jurnal Ekonomi dan Kebijakan), account for 29% of the total articles, making them the group of journals with the largest contribution in this study. Other articles are distributed across journals with lower accreditation, such as Sinta 3 to Sinta 6, each contributing 4% of the total articles. This distribution indicates that the majority of research is published in highly reputable journals, particularly Scopus and Sinta 2, with the remainder spread across Sinta 3 to Sinta 6. This reflects a balance between publications in international and national journals, as well as an effort to reach various scientific communities.

Classification Based Publication Per Year

Research on green finance studies in Indonesia has shown significant development in recent years. Green finance, which refers to financial practices that support sustainable and environmentally friendly development, has become an increasingly relevant theme amid growing awareness of climate change and the need for environmental conservation. Publications on Green Finance in Indonesia began in 2012 and continued through 2024, with a sharp increase in the number of articles published during the 2021-2024 period. This trend is illustrated in Figure 1 below:



***Graph 1.* Publication Per Year**

Figure 1 above shows the publication trend of research on green finance in Indonesia. The research first appeared during the 2012-2014 period with two articles, reflecting the initial stage of awareness about sustainable finance to support the Long-Term Development Plan (RPJP) 2005-2025, which emphasizes the importance of sustainable natural resource utilization and green economic development (Wijaya, 2019). In the 2015-2017 period, no articles were published. Then, there was an increase in the 2018-2020 period with three articles. Subsequently, in the 2021-2024 period, a significant surge occurred with 18 articles. This surge was driven by increased regulations and government policies, such as the renewable energy target of 23% by 2025 and green finance policies from the Financial Services Authority (OJK), including the issuance of the green taxonomy (Kemenkeu, 2022; Pandu, 2022). This phenomenon indicates growing interest and resource allocation for research in the field of green finance, which is expected to continue expanding.

Articles Classification Based on Research Method

Based on the research methods used, out of the total 23 articles on green finance in Indonesia, quantitative methods are the most dominant, employed in 11 articles, which is approximately 48% of the overall research. Qualitative methods follow with 10 articles, accounting for 43% of the total publications. Meanwhile, mixed methods and surveys were each used in only one article, representing 4% of the total. The dominance of quantitative and qualitative methods reflects the researchers' focus on measuring and understanding green finance phenomena from various perspectives, both through statistical data and in-depth analysis, as shown in Table 2 below:

Table 2. Research Method

No	Method	Number of Articles	Percentage
1	Quantitative	11	48%
2	Qualitative	10	43%
3	Mix Method	1	4%
4	Survey	1	4%
Total		**23**	**100%**

Articles Classification Based on Theoritical Foundation

Table 3 presents the distribution of articles based on the theoretical framework used in the research. Of the 23 articles on Green Finance in Indonesia that were analyzed, the majority of studies (48%) did not employ a specific theoretical framework. Among the studies that did use theory, Legitimacy Theory was the most frequently applied, used in 3 articles or 10% of the total, followed by Stakeholder Theory, which was used in 2 articles, comprising 7% of the total. The remaining theories, such as Innovation Resistance Theory, Transmission Mechanism Theory, Microeconomic Theory, Consumer Behavior Theory, and several others, were each used in only one article, representing 3% of the total publications. The diversity of theories used reflects the various approaches taken by researchers to understand different aspects of green finance, although most studies did not employ a specific theoretical framework.

Table 3. Theoritical Foundation

No	Theoretical Foundation	Number of articles	Percentage
1	Legitimacy Theory	3	10%
2	Innovation Resistance Theory	1	3%
3	Transmission Mechanism Theory	1	3%
4	Number Theory of Statistical	1	3%
5	Microeconomic Theory	1	3%
6	Index Number Theory	1	3%
7	Theory of Public Finance	1	3%
8	Stakeholder Theory	2	7%
9	Signalling Theory	1	3%
10	Analytic Network Process (ANP) Theory	1	3%
11	Consumer Behavior Theory	1	3%
12	Institutional Theory	1	3%
13	No Theory	14	48%
Total		29	100%

It is significant to note that 15 articles (38%) did not utilize a specific theoretical foundation, possibly because these studies were more focused on empirical or descriptive aspects rather than theoretical ones. On the other hand, Legitimacy Theory and Stakeholder Theory were the most frequently used, with Stakeholder Theory being one of the most influential theories in sustainability management research (Freeman & Dmytriyev, 2020). Meanwhile, Legitimacy Theory was employed in green finance research to explain how companies convince stakeholders that they contribute positively to sustainability and act in accordance with social values and norms (Chen et al., 2022; Fernando, 2014).

Content Analysis

In this section, we present the results of the content analysis (Mayring, 2014). The 23 journal articles were categorized according to the research themes of the articles used in this study. Five categories encompass the academic themes of green finance research in Indonesia: the Role and Dynamics of Green Finance in Sustainable Finance, Green Sukuk and Environmentally Friendly Financing, the Role of Banking and Sharia Financing in Green Finance, Corporate Governance and Green Banking Disclosure, as well as the Effectiveness and Implications of Green Finance, as shown in Table 4 below:

Table 4. Academic Themes

NO	Academic themes	Number of articles	Percentage
1	Dynamics and Role of Green Finance in Sustainable Finance	5	22%
2	Green Sukuk and Eco-Friendly Financing Solutions	3	13%
3	Role of Banking and Sharia Financing in Green Finance	5	22%
4	Corporate Governance and Green Banking Disclosure	7	30%
5	Effectiveness and Implications of Green Finance	3	13%
Total		**23**	100%

Based on these findings, most research on green finance in Indonesia is classified under "Corporate Governance and Green Banking Disclosure," with 7 articles or 30% of the total articles analyzed, indicating a high focus on corporate governance and transparency in green banking. The themes "Dynamics and Role of Green Finance in Sustainable Finance" and "Role of Banking and Sharia Financing in Green Finance" each have 5 articles or 22% of the total articles analyzed, with the first theme exploring the role and adaptation of Green Finance in sustainable finance, while the second assesses the contribution of banking and the Sharia financing system to green financing. Lastly, the themes "Green Sukuk and Environmentally Friendly Financing" and "Effectiveness and Implications of Green Finance" each encompass three articles or 13%. The Green Sukuk theme focuses on Islamic financial instruments for environmentally friendly projects, while the Effectiveness and Implications theme evaluates the impact and effectiveness of Green Finance.

Dynamics and Role of Green Finance in Sustainable Finance

This theme emphasizes the crucial role of green finance in achieving economic and environmental sustainability. Research by Chien et al. (2024) demonstrates that green finance can significantly enhance environmental preservation, especially when combined with technological advancements. Green finance also contributes to inclusive economic growth, particularly during crises such as the COVID-19 pandemic, by supporting a more equitable distribution of resources (Purnamawati, 2022). It also plays a role in meeting national climate targets, including in the context of international financing in Indonesia's energy sector (Suroso et al., 2022).

However, green finance faces challenges such as regulatory uncertainty and the impact of urbanization, which can threaten environmental sustainability (Yunita et al., 2023). Therefore, the feasibility and impact of green finance instruments, such as green bonds, need to be evaluated to ensure that sustainable development goals are achieved. This is because the development of green bond markets and SDGs often focus more on economic benefits and less on the tangible social or environmental impacts (Yunita et al., 2023). In this context, green banking plays a crucial role by supporting environmentally friendly financing, assessing risks, and strengthening fiscal and monetary policies that promote energy efficiency and pollution reduction (Yuniarti, 2013). Overall, green finance is not only about protecting the environment but also about creating a fairer and more sustainable economy. However, the success of green finance depends on supportive policy frameworks and effective integration with technological advancements.

Green Sukuk and Eco-Friendly Financing Solutions

This theme explores the use of Green Sukuk as an Islamic financial instrument for financing projects that support sustainability, such as green infrastructure and renewable energy. The increasing interest in Green Sukuk in Indonesia since 2019 highlights the significant potential of this instrument, which can be further enhanced through improved financial literacy and effective marketing strategies (Affandi & Rahmawati, 2023). Essentially, Green Sukuk holds substantial potential for financing biofuel development initiatives in Indonesia, provided there is a commitment to business, greenhouse gas mitigation, and debt repayment (Primambudi, 2023).

In this context, Green Sukuk can boost participation from non-financial corporations and states and has been shown to provide sustainable benefits for renewable energy, supported by macroeconomic stability, although it requires a longer repayment period compared to conventional bonds (Primambudi, 2023). Meanwhile, research by Hariyani & Kusuma (2020) indicates that Green Sukuk also has potential as an Islamic financial instrument for financing municipal waste management projects, though challenges such as potential burdens and losses must be addressed. Overall, Green Sukuk plays a strategic role in supporting sustainable development, but its success depends on financial literacy, appropriate marketing strategies, and meticulous risk management.

Role of Banking and Sharia Financing in Green Finance

This theme examines how Islamic financial institutions can support green finance by leveraging Sharia principles that promote sustainability. According to research by Fad (2021) & Johan (2022), Islamic financing and green financing can complement and integrate with each other to support Sustainable Development Goals, as the principles of fiqh al-bi’ah enable Islamic finance to contribute to environmental preservation and economic growth through carbon emission policies and financing for eco-friendly projects. Efficient Islamic financing has also been shown to enhance sustainability performance and green banking, assisting companies in planning future strategies with an environmental focus (Iryani et al., 2023)

Meanwhile, the strategy of intensifying cash waqf in Islamic banking, as detailed by Fauzin et al. (2022), shows significant potential to support green finance in Indonesia, as green finance is an effective tool for reducing the negative environmental impacts of economic development (Hayati et al., 2020). Therefore, the government needs to strengthen the role of Islamic banks as waqf managers, encourage collaboration with waqf institutions for product innovation, and develop regulations related to waqf obligations in Islamic banks (Fauzin et al., 2022). Overall, Islamic financing and green financing can collaborate to promote environmental preservation and sustainable development, advancing green finance in Indonesia through the principles of fiqh al-bi'ah and innovative strategies such as cash waqf intensification.

Corporate Governance and Green Banking Disclosure

This theme focuses on how corporate governance practices and disclosure obligations in the banking sector support or impact the implementation and transparency of green finance. Effective corporate governance plays a crucial role in ensuring that financial institutions not only adhere to sustainability procedures but also maintain consistency in defining and reporting 'green' projects among financial institutions, as inconsistencies and tokenism in practices can arise from these challenges (Setyowati, 2023). Moreover, environmental disclosure in sustainability reports remains insufficient, with economic aspects being more dominant (Gunawan et al., 2022). Therefore, the implementation of green banking practices requires more standardized reporting guidelines to achieve consistency and transparency (Handajani et al., 2019).

Firmansyah & Kartiko (2024) reveal that green banking regulations can mitigate the negative impact of board size and independent commissioners on green banking disclosure. Effective green banking disclosure can also mediate the relationship between good governance and positive financial performance (Widodo et al., 2023). Research by Petro et al. (2023) emphasizes the importance of the Board of Commissioners in green banking disclosure, while Musyaffi et al. (2023) highlight the need for optimizing banking technology features to address barriers to green banking adoption. Overall, strong governance, appropriate regulations, and clear reporting standards are crucial for supporting transparency and the implementation of green finance in the banking sector.

Effectiveness and Implications of Green Finance

This theme addresses the effectiveness of green finance and its impact on corporate performance and the achievement of sustainability goals. Wintoro (2012) highlights that the objective of Green Finance is to enhance shareholder wealth while protecting natural resources and social welfare, rather than solely focusing on economic profit. In this context, Handayani (2023) emphasizes the need for good regulation and investment in green technologies to support sustainable economic growth in Indonesia following COVID-19, in line with the National Long-Term Development Plan (RPJPN). Globally, the Climate-Related Financial Policy Index (CRFPI) measures how seriously countries are implementing environmentally friendly financial policies, indicating that developing countries such as Indonesia are actively engaged despite differences in their approaches (D'Orazio & Thole, 2022). Overall, the effectiveness of Green Finance relies on a combination of regulation, corporate commitment, and alignment with global sustainability goals to support sustainable development.

CONCLUSION

This study presents a comprehensive systematic literature review (SLR) on the evolution of green finance in Indonesia, with a focus on theoretical perspectives. Of the 23 articles related to green finance research in Indonesia, 8 articles are from the Scopus database and 15 articles are from journals accredited by Sinta 2 to Sinta 6 in the economics category. The results indicate that national journals accredited by Sinta 2 have the highest number of publications, accounting for 29% of the total articles analyzed. Publications significantly increased during the period 2021-2024, influenced by government regulations and policies, such as the 23% renewable energy target for 2025 and the green finance policy from the Financial Services Authority (OJK), including the issuance of green taxonomy (Kemenkeu, 2022; Pandu, 2022). Quantitative methods are predominant in this research, with the main themes being Corporate Governance and Green Banking Disclosure. 48% of the articles lack a theoretical foundation, although Legitimacy Theory and Stakeholder Theory are the most frequently used theoretical frameworks.

The findings of this study indicate that the success of green finance in Indonesia heavily relies on strong policy support and increased stakeholder engagement. The study has limitations in the scope of the search database, covering only Scopus and SINTA, which restricts the breadth of the review. Theoretically, this study provides a basis for future researchers to explore various theoretical approaches to green finance. Practically, it offers valuable insights for companies, regulators, and policymakers in Indonesia and emphasizes the need for enhanced public literacy on green finance to encourage broader participation and industry growth. Future research is recommended to expand the scope of databases, including sources such as Springer, Emerald, DOAJ, Thomson Reuters, and Google Scholar, to gain a more comprehensive understanding of the development of green finance in Indonesia and to enhance the validity and reliability of the research findings.

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EMPOWERING WOMEN ENTREPRENEURS: THE ROLE OF DIGITAL ECONOMY AND COMMUNITY SUPPORT IN *JOGJA MUSLIMAH PRENEUR* (JMP)

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Abstract

The development of the digital economy is recognized as a potential way for bolstering or leveling women's involvement in entrepreneurship. Nonetheless, women's proficiency in digital economics remains constrained due to imbalanced socio-cultural norms stemming from male dominance within entrepreneurial community. Despite these challenges, numerous business communities have emerged, initiated and tailored specifically for women, such as the Jogja Muslimah preneur community in Yogyakarta, Indonesia. This study endeavors to examine the pivotal role played by women's business communities in prevailing these obstacles, aspiring to enhance women's efficacy in entrepreneurial endeavors. The study centers on elucidating the substantial contribution of the Jogja Muslimah Preneur (JMP) community and the digital economy in fostering the growth of businesses managed by women. Employing qualitative research methodology, data collection techniques encompassed questionnaire surveys among 50 entrepreneurs, interviews with 20 entrepreneur informants, observations, and documentation analysis. Findings from the research reveal that the JMP community assumes four primary roles: educational, technical, facilitative, and representative, all aimed at bolstering the advancement of women-owned businesses. These roles within the JMP act as a conduit for addressing social disparities encountered by women in entrepreneurship, furnishing them with social and psychological backing. Moreover, these roles effectively incentivize JMP entrepreneurs to leverage digital economic tools such as E-commerce, reinforced by financial technology, for business expansion. The burgeoning of businesses within the JMP is evidenced by escalated sales, production, and revenue. This research imparts invaluable insights for aspiring female entrepreneurs seeking to engage with women's business communities. Furthermore, it presents theoretical frameworks conducive to guiding communities in their efforts to bolster their support for women entrepreneurs.

Keywords: Women Entrepreneurship; Digital Economy; Women's Business Communities; Socio-cultural Norms; Entrepreneurial Empowerment

Introduction

Women in Indonesia continue to encounter various hurdles in the realm of entrepreneurship. Among these challenges is the enduring stigma dictating that women should primarily focus on domestic responsibilities. Furthermore, the persistent wage disparity between genders presents a formidable obstacle. Additionally, societal norms still exhibit limited acceptance of mothers engaged in full-time employment, further hindering women's workforce participation (Arofah & Alam, 2019). Nonetheless, the engagement of Indonesian women in entrepreneurship has been steadily increasing and has now reached its peak in Southeast Asia. As of 2021, there were 64.2 million female business proprietors and 37 million women-managed SMEs in Indonesia (Kominfo, 2021). This statistical revelation underscores the distinct and unique approaches women adopt in business establishment, setting them apart from their male counterparts. These inherent characteristics harbor considerable potential in fortifying and advancing the economic landscape through women's contributions.

The significant advancement of the digital economy stands out as a key driver behind the burgeoning number of female entrepreneurs, or womanpreneurs, in Indonesia. This progression unlocks fresh opportunities for women in entrepreneurship by enabling them to promote their products and conduct transactions remotely, eliminating the need for direct physical interaction (Yuniawati, 2021). Within this framework, the digital economy is perceived as a potential antidote to the negative stigma often faced by women in business operations. In 2021, looking at the number of businesses in Indonesia, 99% were dominated by MSMEs, totaling 64.2 million entrepreneurs. Of this number, around 37 million Micro, Small, and Medium Enterprises (MSMEs) in Indonesia were managed by women, and approximately 35 percent of all online sales in Indonesia were managed by women. However, the realization of this potential remains incomplete as digital economic literacy, primarily the responsibility of entrepreneurial communities, still predominantly rests with men (Fauzi et al., 2020). Consequently, the establishment and enhancement of women's entrepreneurial communities emerge as pivotal mechanisms for the economic empowerment of women. Furthermore, numerous successful female entrepreneurs in the digital era have not only achieved business success but also generated positive impacts on communities and society at large. Therefore, the pivotal role of women in driving community-based economic activities becomes profoundly significant and warrants close attention (Abiddin et al., 2022) (Liputan6.com, 2021).

The exploration of digital media's role in empowering women's entrepreneurship has long been a central focus for researchers, revealing distinct trends. Firstly, there is a notable emphasis on research examining the gender perspective of the digital economy's impact on women (Koller et al., 2021) ((McAdam et al., 2020) (Pai, 2018). McAdam's work suggests that women utilize digital media in their business endeavors to counteract male dominance, thereby demonstrating their capacity for self-empowerment amid prevailing male hegemony (McAdam et al., 2020). Secondly, studies have directed attention towards digital media as a potent tool for contemporary business development (Chandwani & Verma, 2020) (Omar & Rahim, 2015) (Shukla et al., 2021). The incorporation of digital media, including ICT (Information And Communications Technology), is recognized for its effectiveness in revolutionizing conventional business practices, thereby delivering tangible enhancements in productivity (Shukla et al., 2021). Thirdly, investigations have delved into the digital economy's role in advancing women's empowerment (Ancak, 2020) (Irfan & Salam, 2020) (Yu & Cui, 2019). Nevertheless, studies focusing on community-based women entrepreneurship and digital literacy remain relatively scarce, highlighting a pertinent area for further exploration deserving of researchers' attention.

This study aims to elucidate the significant role of community-based digital economy in fostering the development and empowerment of women in entrepreneurship. Specifically, it delves into the practices of community-based digital entrepreneurship within the Jogja Muslimah Preneur

(JMP) community. JMP, comprised of Muslim female entrepreneurs in Yogyakarta and its environs, boasts a membership exceeding 400 individuals. The community's objective is to elevate the caliber of its female members concerning religious devotion and adaptability to technological advancements, thereby enabling them to contribute positively to their religion, families, and society. An enticing aspect of the JMP community lies in its innovative annual work programs and routines, meticulously tailored to meet the needs of its members and align with current trends (Bulplus, 2021). Conversely, gender-based entrepreneur communities like JMP represent a distinctive phenomenon. While entrepreneur communities typically coalesce around factors such as age or organizational affiliations, gender-based communities are more frequently rooted in social activities. This observation underscores the imperative for a more thorough exploration of community and gender-focused economic empowerment to optimize its implementation.

The community-based digital economy, as demonstrated by the Jogja Muslimah Preneur community, plays a significant role in bolstering the growth of businesses among Muslim female entrepreneurs in Indonesia. This impact is discernible through a variety of programs organized regularly on a weekly, monthly, and yearly basis, as well as occasional initiatives. These programs encompass a wide range of activities, including Digital Financial Management, Smartphone Photography, Optimization of Sales on Marketplaces, WhatsApp Database Management, Business Opportunities and Strategies During the Pandemic, Content & Copywriting for Instagram, and Instagram Like for Like (LFL) activities. Through the implementation of these initiatives, the JMP community effectively empowers its members within the Digital Economy era, thereby facilitating the expansion and development of their businesses.

Literature Review

Women’s Enterpreneurship

In exploring women's entrepreneurship, various studies highlight the multifaceted nature of the phenomenon. Bullough, Renko, and Abdelzaher (Bullough et al., 2019) emphasize the significance of in-group collectivism and individualism in fostering women's business ownership, underlining the importance of a supportive environment for entrepreneurial endeavors. Similarly, Wang and Morrell (Wang & Morrell, 2015) underscore the interconnectedness of female entrepreneurship with local communities, suggesting its potential for contributing to community development. Conversely, Iuliana (2014) identifies obstacles such as lack of confidence, difficulty in balancing work and family life, and limited access to resources that hinder women's entrepreneurial initiatives, particularly in the context of local economic development.

Moreover, Cabrera and Mauricio (Cabrera & Mauricio, 2017) highlight the role of factors like human capital and access to resources in influencing women's entrepreneurship success across different stages of the entrepreneurial process, offering insights into the complexities underlying entrepreneurial endeavors. Haugh and Talwar (Haugh & Talwar, 2016) delve into the realm of social entrepreneurship, showcasing its potential to empower women while effecting social change, particularly in challenging traditional social norms. Additionally, Welsh, Kaciak, and Thongpapanl (Welsh et al., 2016)examine how stages of economic development influence women entrepreneurs' startups, suggesting nuanced relationships between economic conditions and entrepreneurial activities across diverse national settings. Overall, these studies collectively contribute to a nuanced understanding of women's entrepreneurship, highlighting its potential for economic development, social change, and community empowerment, while also acknowledging the systemic barriers and challenges that women entrepreneurs continue to face globally.

Digital Technologies on Women's Entrepreneurship

In examining the impact of digital technologies on women's entrepreneurship and empowerment, a nuanced picture emerges from the works of various authors. Pergelova et al. (Pergelova et al., 2019) and Chew et al. (Chew et al., 2010) underscore the transformative potential of digital technologies in facilitating the internationalization of female-led SMEs and promoting economic growth in microenterprises, particularly in urban areas. However, Rani et al. (Rani et al., 2022) caution against overlooking the widening inequalities exacerbated by digitalization, emphasizing the importance of inclusive policies to address disparities along gender, race, and class lines. Agarwal and Taneja (Agarwal & Taneja, 2021) further emphasize the role of digital finance in promoting inclusive growth, highlighting its potential to provide financial services to disadvantaged groups, including women. Meanwhile, Jumayeva(Jumayeva, 2022) explores the global impact of digital elements on female entrepreneurship, emphasizing the significance of digital infrastructure in supporting women's business endeavors. Similarly, Doddahanumaiah (Dr. Doddahanumaiah B H, 2023)and Rajput (Rajput, 2021)shed light on the empowering effects of digital technology on women, particularly in rural areas, by enhancing access to education, skills development, and business opportunities.

These findings collectively underscore the dual nature of digital technologies in shaping women's entrepreneurship and empowerment. While digitalization presents opportunities for economic advancement and inclusion, it also poses challenges, such as widening inequalities and digital divides. As Brahma (Brahma, 2018)argues, bridging the digital gender gap is crucial for achieving sustainable development and empowering women to play a significant role in the digital economy. Thus, there is a pressing need for comprehensive strategies that not only leverage the potential of digital technologies to empower women but also address systemic barriers and promote inclusive policies. By fostering digital literacy, expanding access to digital infrastructure, and supporting women's participation in the digital workforce, societies can harness the full potential of digitalization to advance gender equality and promote inclusive economic growth.

1.1.Community Based Enterpreneurship

The literature on community entrepreneurship emphasizes its transformative potential for local development through innovative, community-driven approaches. Johannisson (Johannisson, 1990) and Bailey (2012) highlight the pivotal role of community enterprises in fostering support networks for local autonomous entrepreneurs and contributing to regeneration, social capital, and civil society promotion. These initiatives are not limited to economic endeavors but also encompass diverse social, economic, and environmental needs, as demonstrated by Hwang, Stewart, and Ko (Hwang et al., 2012) and Parwez (2017), who explore the impact of community-based actions on sustainable tourism development and social upliftment in marginalized communities, respectively.

Futhermore, the shift towards community-focused, ICT-enabled microservices enterprises, advocated by Van Rensburg et al. (2008), underscores the importance of socially responsible business development. Similarly, Vargas (2000) emphasizes the integration of social, economic, and environmental dimensions into micro-enterprises to foster sustainable development. Bendick and Egan (Bendick & Egan, 1993) and Markley et al. (Markley et al., 2015)underscore the interdependence between business and community development, advocating for the strategic linking of these efforts to maximize synergies and support entrepreneurial ecosystems. Fortunato and Alter (2015) provide a comprehensive overview of the multidimensional nature of community entrepreneurship, while Peredo and Chrisman (Peredo & Chrisman, 2006)propose a theory of community-based enterprise as a holistic strategy for sustainable local development, integrating natural and social capital with economic considerations. Through these diverse perspectives, the literature underscores the transformative potential of community entrepreneurship while highlighting the need for inclusive, sustainable, and socially responsible approaches to drive local development forward.

Theoretical Framework: Exploring the Intersection of Digital Economy and Women's Community Growth in *Jogja Muslimah Preneur*

The digital economy, evolving alongside the use of information and communication technology, has a significant impact on women and their communities. According to the perspective of the Ministry of Communication and Information (Kementrian Komunikasi dan Informasi, 2019), the digital economy illustrates how the development of information and communication technology influences global socio-economic conditions, offering a fresh understanding of the interplay between innovation, technology, and macro and microeconomic aspects. Within the digital economy framework, women assume an increasingly crucial role. Digital technology has opened up new avenues for women to participate in economic activities, particularly through e-commerce and fintech platforms. Through these platforms, women can capitalize on streamlined transactions, access to global markets, and product promotion, as noted by Alwendi (Alwendi, 2020). In Indonesia, e-commerce platforms like tokopedia.com, bukalapak.com, and blibli.com provide opportunities for women to sell their products online, both as individuals and as entrepreneurs within their communities. Furthermore, social media serves as a vital tool for women to showcase and promote their products, as evidenced by sales through online stores on platforms such as Facebook, Twitter, and Instagram.

Women's communities, such as Jogja Muslimah Preneur (JMP), exemplify how the digital economy contributes to the growth and empowerment of women. Utilizing e-commerce platforms and social media, these communities amplify the visibility and accessibility of their businesses, while also broadening their networks and business connections. Within this framework, the concept of the sharing economy, intrinsic to the digital economy, becomes particularly relevant. Women's communities can foster mutual support and collaboration in advancing their businesses, as highlighted by the OECD (Oecd.org, 2020). This collaborative approach facilitates the establishment of an inclusive and sustainable ecosystem, enabling women to exchange knowledge, experiences, and resources, ultimately leading to collective success.

Communities such as JMP play a vital role in empowering women within the digital economy. Acting as platforms, these communities facilitate mutual support, knowledge-sharing, and the enhancement of business acumen among women, enabling them to adapt to technological advancements effectively. The notion of community as a supportive social entity holds immense significance in this context. Within these communities, women gain access to various forms of support—technical, educational, facilitative, and representative— as elucidated by Jam Ife and Frank Tesoriero ((Cahyani, 2021). This nurturing environment cultivates opportunities for women to excel in the digital economy, contributing significantly to their families, communities, and the broader economy. Consequently, the digital economy, women, and communities intertwine, forming a multifaceted yet potentially transformative ecosystem for women's empowerment and overall economic advancement.

Figure 1. Conceptual Framework

Research Method

This research adopts a qualitative approach, centering on the Jogja Muslimah Preneur (JMP) community as its focal point. The selection of JMP as the research object is grounded in several pertinent factors. Firstly, JMP serves as a platform comprising female Muslim entrepreneurs, facilitating a comprehensive analysis of its internal dynamics and interactions. Secondly, with a membership exceeding 400 individuals from diverse regions and business sectors, the community showcases a notable level of representation and diversity. Thirdly, JMP actively organizes a range of innovative activities for its members, providing opportunities to observe the outcomes of their interventions or programs. Lastly, the community's engagement in various collaborations with external stakeholders, including private and government sectors, enriches the analysis of its dynamics.

Data collection involves a combination of questionnaire surveys, observations, and direct interviews with 20 informants, including 5 JMP committee members (K1, K2, K3, K4, K5) and 15 JMP members (A1-A15). The questionnaire, distributed to 50 respondents, features open-ended questions to allow for diverse responses beyond predefined options. The informants, all female entrepreneurs associated with JMP, represent a spectrum of business sectors, including Fashion, Culinary, Services, and Creative Products, among others. Culinary emerges as the predominant sector within the JMP community, followed by fashion, services, and creative products. Observations entail systematic direct observations of the phenomena under scrutiny, utilizing an open observation approach known to the subjects. This method allows researchers to observe unfolding events with subjects' awareness, providing valuable insights into the community's dynamics. Secondary data sources encompass document reviews, notes, files, and materials sourced from e-commerce platforms, social media, and the websites of JMP members or the community itself.

Data analysis employs a phenomenological approach coupled with an explication technique. This process involves thorough data comprehension, formulation of individual phenomenological descriptions, identification of common themes, explication of these themes, and synthesis to derive conclusive findings. This methodological framework offers a robust framework for comprehending and dissecting the roles and dynamics of the JMP community within the realm of the digital economy and women's business growth.

Result

The Role of Jogja Muslimah Preneur Community in JMP Enterprises

The Jogja Muslimah Preneur community plays a pivotal role in fostering the development of businesses led by women entrepreneurs. This role extends across various domains including education, technical support, facilitation, and representation. Specifically, in terms of education role, JMP offers a wide range of learning opportunities covering both business and religious aspects to all its members. Business-focused initiatives encompass training sessions addressing topics such as "leveraging social media and technology for business management," "financial planning for enterprises," "effective team management," and "personal development for entrepreneurs." Moreover, JMP organizes training programs that integrate religious principles into business management practices. Recognizing its identity as a community of Muslim female entrepreneurs, JMP places importance on imparting religious values into members' business operations. These educational efforts span areas such as "contractual principles, online transactions, trade regulations, and collaborative agreements." Furthermore, JMP's activities extend to religious dimensions, evident in events like "Muslimah Inspiring Talk." These sessions serve as platforms for discussions on themes like "exemplary Muslimah traits," "Islamic family dynamics," "aspirations for Muslim households," and "the role of women in nurturing harmonious family environments." Through its multifaceted approach, JMP empowers women entrepreneurs not only in business but also in integrating religious values into their professional endeavors.

The technical role within a community entails creating an environment that reflects the community's vision and mission. In the case of JMP, it acts as a platform where members actively interact and engage in collaborative endeavors. JMP's technical role involves orchestrating various technical activities. While educational initiatives aim to disseminate information and knowledge, technical activities are hands-on, focusing on direct implementation or practical application by members. This fosters a conducive environment aligned with the community's objectives. For instance, technical activities may encompass tasks like managing WhatsApp databases to boost sales, devising content schedules for online ventures, handling cost prices and financial records in the culinary sector, and mastering Canva design techniques to target the appropriate audience.

The facilitative role involves JMP members stating that one of the reasons for joining this community is to access various facilities available to JMP members. JMP is always ready to facilitate all member needs as long as they can be accommodated. The facilitative role of JMP is interpreted as a means to support the achievement of business goals for female entrepreneurs. An example of JMP's facilitative role is facilitating the processing of Intellectual Property Rights (HKI), Business Identification Numbers (NIB), and halal certification for entrepreneurs who have not yet obtained them. JMP also facilitates various events such as culinary festivals, fashion shows, and product photo collaborations, specifically for JMP members.

The representative role of the JMP Community signifies its role as a representative body for Muslim female entrepreneurs in Yogyakarta and its surrounding areas. This role implies that the activities organized by JMP reflect the interests and aspirations of Muslim female entrepreneurs in the region. This representative role can be further divided into cooperation and social fields. In terms of cooperation, JMP collaborates with various entities such as Finansilaku for financial management, Wardah and Bank Muamalat for event sponsorship, the Department of Cooperatives and Small Medium Enterprises of DIY (Yogyakarta) for facilitating Halal certification, and the Department of Industry and Trade of DIY for organizing product festivals. On the other hand, in the social field, JMP engages in activities like distributing almsgiving during Jumah and dawn prayers, as well as providing donations for disaster relief efforts.

Digital Economic Products within the Jogja Muslimah Preneur Community

E-commerce

The entrepreneurs associated with the JMP community leverage E-commerce for their business transactions, recognizing the rapid evolution and competitiveness of the business landscape. E-commerce serves as a vital medium for JMP's female entrepreneurs to adapt to these changes. Through questionnaire surveys and interviews, several factors influencing the use of E-commerce among JMP entrepreneurs were identified:

1. **Online transaction trends**: Online buying and selling have become ingrained in global culture, including in Indonesia. A significant portion, 88.1%, of internet users in Indonesia utilize E-commerce services, marking the country with the highest percentage globally, according to a survey by We Are Social in April 2021 (Databooks, 2021). Additionally, during the COVID-19 pandemic, Indonesian E-commerce witnessed a substantial increase, with a 5-10 fold rise and a 51% addition of new customers (Laming, 2020). Interviews with the President of JMP (K1) reveal that this data motivates female entrepreneurs in JMP to adopt E-commerce for their businesses. They assert that aligning with these trends has led to significant growth in their businesses. Notably, compared to men, women exhibit a strong

desire to stay updated, driving them to follow current trends (News, 2022). This assertion is supported by previous research indicating that integrating E-commerce into business operations results in sales increases exceeding 50% (Irawati & Prasetyo, 2021).

2. **No spatial or temporal limitations**: E-commerce transcends temporal constraints, allowing products to be sold 24 hours a day. According to interviews with A1, this flexibility is a key reason why JMP entrepreneurs opt for E-commerce. It enables sellers and buyers to conduct transactions at any time, thereby enhancing the likelihood of transactions. Research by Rosyad suggests that through E-commerce, companies can expand their markets, attract new customers, provide round-the-clock service, access information swiftly, and foster good customer relations (Rosyad, 2018). Additionally, using digital platforms, women find it more comfortable to conduct transactions and expand their markets without physical interactions, thus aligning with Indonesian norms and traditions.
3. **Expanding marketing reach**: E-commerce empowers JMP entrepreneurs to expand their markets from local to international levels. As highlighted by A2, this broader reach exposes their products to a larger audience, enhancing sales potential. JMP businesses have successfully penetrated the global market, including batik businesses with the Sogan Batik brand, travel prayer rug businesses with the Gumun.id brand, and sporty abaya businesses with the Neahijab brand. This expansion is facilitated by the community's efforts to educate members about the importance of using digital platforms for business marketing.
4. **Transaction and service convenience**: E-commerce platforms offer various conveniences such as multiple payment options and service offerings. Transaction convenience encompasses diverse payment methods like bank transfers, E-wallets, Cash on Delivery (COD), and deferred payment options. Service offerings include free or subsidized shipping, customer communication, and reviews. Shipping costs significantly influence consumer purchasing decisions, according to JMP entrepreneurs. Consequently, they capitalize on these conveniences to attract consumers. This aligns with prior research indicating that transaction convenience positively impacts online purchase intentions and customer satisfaction (supartono, 2021); (Damasta S & Widiyanto, 2018).

E-commerce has a positive impact on businesses run by female entrepreneurs affiliated with the JMP community, as outlined below:

1. **Building Branding**: Branding is crucial for attracting consumers and establishing trust in products or businesses. JMP entrepreneurs understand the importance of branding and utilize E-commerce platforms to enhance their brand presence. Research by Sirclo Insight indicates that E-commerce accounts for 95% of shopping activities, highlighting the significant visitor traffic on these platforms (Sirclo, 2022). By leveraging various features on E-commerce platforms, JMP entrepreneurs can effectively create and strengthen their brand identity.

2. **Cost Savings**: E-commerce offers opportunities for cost savings across various aspects of business operations. Firstly, online marketing activities on E-commerce platforms are more cost-effective compared to traditional offline methods such as printing brochures or participating in physical events. Secondly, transitioning from offline to online operations reduces transportation costs, with E-commerce platforms providing convenient pick-up and delivery services, often with subsidies or free shipping options. Thirdly, online stores eliminate the need for expensive physical locations and maintenance, reducing rental and upkeep expenses. Many JMP members without offline stores witness a surge in orders through their online platforms, further reducing operational costs. Additionally, labor costs

are reduced due to streamlined online operations that are not constrained by spatial or temporal limitations.

3. **Evaluation Convenience**: E-commerce platforms offer various tools and services that simplify business evaluation and performance measurement. Entrepreneurs can access comprehensive data on their activities, including customer visits, sales trends, and profitability, enabling them to make informed decisions. Moreover, entrepreneurs can gather customer feedback and engage with their audience through review and communication features available on E-commerce platforms. This data serves as valuable insights for refining business strategies and fostering development and growth

Financial Technology

Financial Technology (Fintech) has proven to be a significant catalyst for the advancement of businesses, particularly those led by female entrepreneurs within the Jogja Muslimah Preneur (JMP) community. The benefits of financial technology can be outlined as follows:

1. **Business Development Media**: Since integrating fintech into their business operations, female entrepreneurs associated with JMP have witnessed notable business growth. Fintech platforms offer a variety of financial services, including electronic money, loans, and payment solutions, which can be accessed conveniently anytime and anywhere. Moreover, fintech services help overcome financial challenges faced by female entrepreneurs, especially those situated far from physical banking branches. The accessibility provided by fintech platforms contributes to the expansion and development of businesses within the JMP community.

2. **Source of Business Financing**: Although not extensively utilized by all members, the emergence of peer-to-peer lending fintech platforms has significantly eased the process of obtaining business financing for female entrepreneurs in the JMP community. Despite being accessed by only around 14.6% of entrepreneurs, online lending products have provided a crucial source of funding. Fintech platforms enable JMP entrepreneurs to apply for loans online, ensuring a streamlined process with minimal complications. Additionally, the repayment of these loans is facilitated through fintech platforms, offering security and regulatory compliance akin to traditional banking institutions. The accessibility and efficiency of fintech platforms allow JMP female entrepreneurs to secure online loans swiftly, eliminating the need for physical visits to bank branches.

3. **Enhancing Financial Literacy Media**: The presence of fintech platforms encourages JMP entrepreneurs to familiarize themselves with and utilize fintech applications effectively. The fusion of finance and technology inherent in fintech contributes positively to the financial literacy of JMP entrepreneurs. Interviews conducted with JMP entrepreneurs reveal that fintech platforms aid them in recording financial activities and transactions accurately. This is particularly beneficial for novice entrepreneurs who lack simple or specialized financial management systems, as fintech platforms offer user-friendly solutions. Previous studies have demonstrated that the adoption of fintech among Micro, Small, and Medium-sized Enterprises (MSMEs) positively impacts their financial literacy (Wardani & Darmawan, 2020) (Mustikasari & Noviardy, 2020). Among JMP entrepreneurs, digital banking services are the most commonly utilized fintech services, followed by payment channels, with peer-to-peer lending being less frequently employed. Popular digital banking options include

BCA, Mandiri, BRI, and BNI, while e-wallets like ShopeePay, Ovo, and GoPay are commonly used for payment transactions.

In conclusion, financial technology serves as a pivotal tool for driving the growth and success of businesses managed by female entrepreneurs within the JMP community. It provides avenues for business expansion, facilitates access to financing, and fosters the enhancement of financial literacy among entrepreneurs, thereby contributing to their overall entrepreneurial empowerment and economic advancement.

The Impact of the JMP Community on Women's Business Growth

The Jogja Muslimah Preneur (JMP) community plays a crucial role in encouraging its members to adopt digital economic products such as E-Commerce and Financial Technology (Fintech) in their businesses. By leveraging these technologies, JMP's female entrepreneurs have experienced significant growth, reflected in the following three areas:

Increased Sales: The use of E-Commerce by JMP members has had a noticeable positive impact on various aspects of their businesses, including sales. Through E-Commerce, entrepreneurs can effectively market their products to a wider audience, both locally and globally, thereby increasing market reach and overall sales. Additionally, the ease of online payments has been a significant factor in encouraging consumers to make purchases, resulting in increased sales for JMP entrepreneurs. Furthermore, entrepreneurs actively utilizing E-Commerce and Financial Technology features report sales increases of up to 100% compared to previous levels.

Production Growth: Increased sales have also led to increased production, characterized by higher productivity, capacity, and faster product delivery. JMP entrepreneurs actively embracing E-Commerce and Financial Technology have been able to develop their businesses from reseller status to manufacturers, and even expand into agency systems and branches in several cities. Increased production has also led to additional employment opportunities and a greater emphasis on product quality through quality control (QC) systems, particularly in businesses with branch and agency systems.

Income Enhancement: The use of E-Commerce and Financial Technology enables JMP entrepreneurs to achieve significant cost savings. Various cost-saving measures include using E-Commerce for marketing activities, transportation, premises, and labor, as well as utilizing Financial Technology offering facilities such as free transfers, cashback, discounts, and redeemable points for various rewards. Financial Technology usage also saves time as transactions can be conducted anytime, anywhere. The more cost savings achieved, the higher the income for JMP entrepreneurs.

Overall, the use of E-Commerce and Financial Technology has brought significant positive changes to JMP member entrepreneurs in terms of sales, production, and income. By effectively utilizing these technologies, entrepreneurs can optimize their businesses and achieve greater success in an increasingly competitive market.

Manajerial Implication/Discussion

The exploration of the Jogja Muslimah Preneur (JMP) community's role in empowering women entrepreneurs unfolds a rich tapestry of insights into the dynamics of women's engagement with the digital economy within the Indonesian context. Within this exploratory discussion, we delve deeper into the multifaceted dimensions of the JMP community's impact, drawing upon the theoretical framework of the digital economy and women's community growth. Central to the discussion is the educational role played by JMP, which transcends mere skill acquisition to encompass a holistic approach to women's empowerment. Through a synthesis of business and religious teachings, JMP equips its members with not only practical business acumen but also a value system that guides ethical decision-making and fosters a sense of community cohesion. This approach not only enhances women's efficacy in entrepreneurial endeavors but also underscores the transformative potential of integrating religious principles into economic activities within a digital context.

Complementing the educational role is the technical dimension of JMP's engagement, which serves as a catalyst for innovation and adaptation in the digital landscape. By providing a platform for members to engage in hands-on activities and collaborative projects, JMP cultivates a culture of experimentation and learning that is essential for navigating the complexities of the digital economy. This technical support extends beyond mere skill-building to encompass the creation of an enabling environment where women feel empowered to harness digital tools for business growth and sustainability. Furthermore, the facilitative role of JMP emerges as a critical factor in overcoming barriers to women's participation in the digital economy. Through its provision of resources, networking opportunities, and logistical support, JMP facilitates the translation of entrepreneurial aspirations into tangible outcomes. Whether it is navigating bureaucratic hurdles or accessing financial resources, JMP serves as a conduit through which women entrepreneurs can overcome systemic barriers and realize their full potential in the digital sphere. Lastly, the representative function of JMP underscores its significance as a voice for Muslim female entrepreneurs in Yogyakarta and beyond. By advocating for the interests and concerns of its members, JMP ensures that women's voices are heard in decision-making processes and policy discussions that shape the digital economy. This representation not only empowers individual entrepreneurs but also contributes to the broader goal of promoting gender equality and social inclusion within the entrepreneurial ecosystem.

In summation, the exploratory discussion highlights the transformative potential of the Jogja Muslimah Preneur community in empowering women entrepreneurs within the digital economy. By adopting a holistic approach that integrates education, technical support, facilitation, and representation, JMP exemplifies how women's communities can serve as catalysts for economic empowerment and social change. As Indonesia continues to navigate the complexities of the digital age, initiatives like JMP offer valuable lessons in harnessing the power of community to drive inclusive and sustainable development.

Conclusion

This research offers a comprehensive overview of the Jogja Muslimah Preneur (JMP) community's role in advancing women-led businesses in Yogyakarta. In essence, the JMP community plays four key roles: educational, technical, facilitative, and representative. Through educational initiatives like business and religious training, JMP equips its members with essential knowledge to enhance their business management skills. Additionally, the community's technical support is vital in assisting members with business operations, fostering an environment conducive to business growth. Acting as a facilitator, JMP addresses the needs of its members, while its representative role bridges connections between members and relevant stakeholders.

Moreover, the research underscores the significance of the digital economy in driving business growth within JMP. The community not only encourages the adoption of digital economy but actively promotes its use among members. Leveraging online platforms like E-commerce, JMP entrepreneurs can establish branding, reduce operational costs, and streamline business evaluation processes. These initiatives collectively contribute to the expansion and enhancement of women-led businesses within JMP, showcasing the substantial potential of the digital economy in bolstering the competitiveness and sustainability of small and medium enterprises. Financial Technology (Fintech) further supports women-led businesses in JMP by offering services such as digital banking and payment channels, enabling entrepreneurs to efficiently develop their businesses, access financing sources, and improve financial literacy.

In conclusion, this research provides deep insights into how communities like JMP can significantly contribute to supporting the growth of women-led businesses through the utilization of the digital economy. Policy recommendations stemming from this research can offer valuable guidance to governments and stakeholders in backing the development of women-led businesses through online platforms and enhancing the inclusivity and accessibility of digital financial services for women entrepreneurs. Future research endeavors could focus on further exploring the use of fintech in women-led businesses and devising strategies to enhance the accessibility and security of digital financial services for community members like JMP.

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KNOWLEDGE MANAGEMENT ON BUSINESS PERFORMANCE: THE ROLE OF SOCIAL MEDIA NETWORKING

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ABSTRACT[1]

The aim of this research is to determine the influence of Knowledge Management and Social Media Networking on Business Performance. The population used in this research is MSMEs in Banyumas, Brebes and Cilacap. There were 200 MSME respondents. This type of research uses survey research by distributing questionnaires in the form of a Google form to MSMEs in Banyumas, Brebes and Cilacap. Primary data is used in this research. Primary data is data obtained from facts and figures in direct research. This data was obtained directly from research subjects or reliable informants (Arikunto, 2006). The results of this research show that the Knowledge Management variable has a positive effect on Business Performance and the Social Media Networking variable has a positive effect on Business Performance.

Keywords: Knowledge Management, Social Media Networking, Business Performance

INTRODUCTION

Now, most organizations have limitations in terms of the resources they have internally. They are faced with massive globalization, customer demands with rapidly changing wants, shrinking response times, shrinking product life cycles, and employee demands. This requires organizations to be fast, flexible, and participatory and focus on customers, competition, teams, time and processes. In this case, if an organization can build a network with its suppliers, buyers, and competitors, it becomes an important ingredient to avoid competition and achieve profits (Ekeh Loveday 2019).

With widespread access to the internet, microblogging has changed the way entrepreneurs develop innovation. The increasing use of social networking sites such as Blogs, Facebook, Twitter, YouTube among others along with the embedded external knowledge supports the entrepreneurial journey (Palacios-Marques et al. 2015a, b). Entrepreneurs find new ways to combine internal and external knowledge by taking advantage of market opportunities (McKelvey and Lassen 2013). In turn, companies are becoming more knowledge-intensive, improving their creative process and constantly changing existing routines. Companies like these are more focused on balancing knowledge and innovation which is their competitive asset. They are more dynamic and actively take advantage of opportunities to innovate using intensive knowledge (Malerba 2010). This phenomenon reflects a knowledge-intensive entrepreneurial framework that emphasizes the tendency of entrepreneurs to overcome uncertainty and produce creative change or destruction (Schumpeter 1934).

Liao, Fei, and Liu (2008) suggest that companies seek to find ways that strengthen the management of knowledge resources to overcome corporate challenges in a competitive environment in order to improve business performance. Knowledge management (KM) is increasingly becoming a topic of interest in all types of organizations due to the increasing awareness of the importance of knowledge for organizational well-being and survival (Wang & Lin, 2013). Therefore Durst and Edvardsson (2012) and Marra, Ho, and Edwards (2012) recommend that KM be included in the daily activities of SMEs in order for them to be more successful and last longer. Available research provides support for a significant relationship between KM and business performance (e.g. Gholami, Asli, Nazari-Shirkouhi, &; Noruzy, 2013; Hussain, Xiaoyu, Si, & Ahmed, 2011; Liu & Abdalla, 2013; Wei, Choy, & Cheb, 2011).

However, KM is no longer a sufficient factor to improve business performance in today's highly competitive environment where the pressure for businesses to meet the demands of many customers is a challenging task (Liao et al., 2008; Wang & Lin, 2013). Some studies suggest other factors needed to achieve business performance. Among them, research conducted by Musahara, Akorli, and Rukamba (2014) on the performance of SMEs in Rwanda shows that there is a high failure rate in these SMEs even though the owners are educated. Similarly, annual reports compiled by MINICOM (2010), PSF (2008) and RDB (2012) on the state of SMEs in Rwanda show that SMEs perform poorly despite using government facilities (Eugene Byukusenge, 2017).

According to Utari (2011, 51) explained "social media is an online media where users can easily participate. Participating in the sense that someone will easily share information, create content or content that they want to convey to others, comment on the input they receive and so on. All can be done quickly and infinitely." "Social media is a form of marketing using social media to market a product, service, brand or issue by utilizing the audience that participates in social media." (Fikri, 2016). According to Joyce Kasman Valenza (2014) is "an internet platform that allows for individuals to share immediately and communicate continuously with their community.".

According to Moerdiyanti (2010) "said that Business Performance is the result of a series of business processes which are at the expense of various kinds of resources, namely: can be human resources and also company finance. Thus Business Performance is the result of work that has been done by a company." Meanwhile, according to Lesmana (2007) "economic improvement is the result of various operational performances, including increasing customer trust and use of products produced by the company." According to Moeheriono (2012: 95) "Business Performance is a description of the level of achievement of the implementation of an activity program or policy in realizing the goals, objectives, vision, and mission of the organization as outlined in a strategic planning of an organization." According to Rivai (2013: 604) "Business Performance is a general term used in part or all of the actions or activities of an organization in a period with reference to a number of standards such as projected past costs on the basis of efficiency, management accountability and the like." (Rizky Zulfikar, 2018). The purpose of this study is to determine the influence of Knowledge Management on Business Performance and the influence of Social Media Networking on Business Performance.

LITERATURE REVIEW AND DERIVATION OF HYPOTHESIS

Teori Resource-Based View (RBV)

Resource Based View (RBV) theory was first pioneered by Wernerfelt (1984). RBV theory views that company resources and capabilities are important for companies, because they are the main or basis of the company's competitiveness and performance. The assumption of RBV theory is about how a company can compete with other companies, by managing the resources owned by the company in accordance with the company's ability to achieve the company's competitive advantage. A company that is able to utilize the resources it has well, so that it can create something that is an advantage of the company compared to other companies. Resources that can be used consist of knowledge management and social media networking. The company's ability to improve performance lies in the company's intellectual resources. Companies must improve company performance in order to help companies achieve expected goals, such as increasing productivity, improving the quality of products or services, and expanding customers. This is done for the sake of business process continuity.

The Effect of Knowledge Management on Business Performance

According to Fahmi Alusi, 2013 (Endah Prihartini, 2019) revealed that knowledge management is a tool or method in an organization to simplify, create, improve, capture, share, distribute, and understand knowledge. Knowledge Management as a concept has become important due to the growing awareness of the importance of knowledge for the prosperity and survival of organizations (Byukusenge and Muene, 2017). Knowledge Management is a management and discipline function that aims to formulate, implement, and evaluate strategies that ensure the flow of knowledge to a person at the right time and place (Kianto, et al., 2018).

Knowledge management is used as a tool to improve, share, capture, and understand knowledge in an organization to be able to achieve organizational goals and increase competitive advantage so as to create better business performance (Endah Prihartini, 2019). Knowledge management is used as a process to share knowledge and learn and work together so that it can help work more effectively and efficiently. With the higher knowledge management knowledge obtained so that it can create new knowledge that is likely to be able to improve a higher business performance. The results of research by (Yonita et al., 2019), (Endah Prihartini, 2019), (Rukaiyah &; Muliana, 2018) and (Nikmah Hanum, Jono Mintarto Munandar, 2020) show that knowledge management affects business performance. Based on this description, the following assumptions can be made:

H1: Knowledge management has a positive effect on business performance

The Influence of Social Media Networking on Business Performance

In particular, in the digital ecosystem, the role of determinants has been assumed by Social Media Networking which has changed the way to implement global business strategies. Social Media Networking is an IT-based resource (Palacios-Marques et al., 2015a, b) that allows individuals to build public or semi-public profiles in a limited system, articulate lists of other users with whom users share connections and view and traverse lists of connections made by other users within the system (Boyd & Ellison, 2008: 211). Examples of Social Media Networking as a digital platform are Facebook, YouTube for video sharing, Pinterest for image sharing, LinkedIn for professional networking, Blog as a weblog, Foursquare as a location-based social networking website, and Twitter as microblogging (Fisher &; Reuber, 2011).

Studies reveal the greatness of social media use and its effect on business performance has become important for practitioners and researchers (Garg et al., 2020; Wardati &; Er, 2019). Some results show that social media plays an important role in improving business performance (Tarsakoo &; Charoensukmongkol, 2019). The results of research that reveal the use of social media significantly affect business success (Ainin et al., 2015). The study concluded that changes in product strategy, pricing, promotion, and customer relations are important components of social media marketing and business growth strategies. Social media has an impact on competing business outcomes (Cao et al., 2018).

Social Media Networking is considered a perfect tool to influence the flow and potential of consumers (Hanna et al., 2011) and give rise to innovation (Chalkiti &; Sigala, 2008; Sigala &; Chalkiti, 2012), and also as an assistive technology that can be used, strategically or not, in any industry and in other global strategies (Porter, 2001). Therefore, Social Media Networking has a positive impact in improving company performance.

H2: Social Media Networking Positively Affects Business Performance

Social Media Networking Mediates the Effect of Knowledge Management on Business Performance

With social media platforms, companies have the opportunity to share, store, and manage knowledge effectively. Through social media platforms, employees can easily share knowledge, experience, and best practices with fellow team members. This helps in optimizing the use of knowledge available within the organization. The effectiveness of social media can improve business performance by generating knowledge and innovation (Merry Mita Moy et all, 2020). Management knowledge is one of the knowledge that results from the effectiveness of social media. Management knowledge allows companies to create an environment where employees can continuously learn and develop. By providing access to knowledge and learning resources, companies can improve the skills and competencies of employees, which in turn contributes to company performance. With this, it can be concluded that social media networking can improve Knowledge Management which will contribute greatly to Business Performance.

H3: Social Media Networking Mediates the Effect of Knowledge Management on Business Performance

METHOD, DATA, AND ANALYSIS

Data and Samples

The type of research used is quantitative research, which is a study that uses a lot of numbers. Starting from collecting data to interpreting the data obtained and presenting the results (Arikunto, 2006). This type of research uses survey research by distributing questionnaires in the form of google forms to MSME actors in Banyumas, Brebes, and Cilacap. The population used in this study is MSME actors in Banyumas, Brebes, and Cilacap. MSME respondents amounted to 200 respondents. The sample used is MSME actors in Central Java with the distribution of criteria according to the annual turnover obtained in accordance with Article 6 of the MSME Law. Micro Enterprises with a turnover of less than IDR 50,000,000, Small Enterprises with a turnover of IDR 50,000,000 to IDR 500,000,000, Medium Enterprises with a turnover of more than IDR 500,000,000 to IDR 10,000,000,000. Primary data were used in this study. Primary data is data obtained from facts and figures in direct research. This data is obtained directly from research subjects or reliable informants (Arikunto, 2006). Examples of primary data include interviews, field observations, and data about informants. In other words, primary data is the main data obtained directly by researchers in the field through various methods such as observation, interviews, and the distribution of questionnaires. This data becomes the basis for making decisions and compiling information relevant to actual conditions. Primary data obtained directly from respondents from filling out questionnaires is the main source in processing and analyzing research data. In answering the questionnaire questions, respondents chose based on a *5-point likert scale* such as a value of 5 to strongly agree (SS), a value of 4 to agree (S), a value of 3 to sufficient (C), a value of 4 to TS, and a value of 1 to strongly disagree (1).

$$N = \frac{N}{1+N(e)^2}$$
$$= \frac{19.044}{1+19.044(0,1)^2}$$
$$= \frac{19.044}{191,44}$$
$$= 99,48$$

After calculating using the Slovin formula according to (Slovin, 1960), get a sample result of 100 samples.

Table 1. Operational Definition and Measurement of Variables

No	Definition	Indicator	Code
1	**X: Knowledge Management (KM)**	Knowledge Creation	KM 1
	Infrastructure and information technology with the aims of acquiring and sharing knowledge, in addition to structural facilitator and organizational culture.	Knowledge retention	KM 2
		Knowledge Sharing	KM 3
	Knowledge management (KM) can be defined as the process of acquiring, retaining, deploying, idling, and abandoning technologies within an organization's inventory for future usage. It involves making investment decisions about which technologies should be included in the inventory based on their potential to deal with future contingencies. Knowledge Management also includes treating specific incidents as insurance accidents that may require investment in certain technologies. The goal is to effectively manage the knowledge and skills within the inventory to optimize operational performance and overall business performance. (Latifah el al., 2022)	Knowledge utilization	KM 4
2.	**Z : Social Media Networking (SMN)**	How much time teenagers spend on social media daily	SMN 1
	Social Media Networking (SMN) plays a crucial role in facilitating communication and collaboration, allowing individuals and organizations to connect and share information. The operational definitions and measurement of variables in SMN are essential for understanding the dynamics of knowledge sharing and collaboration. The following key variables are identified based on their operational definitions (adapted from Latifah et al., 2022)	How much content teenagers share on social media	SMN 2
		How much engagement teenagers receive on their social media posts	SMN 3
		How much variety of social media platforms teenagers use monthly	SMN 4

3.	**Y: Business Performance (BP)** Organizational performance can be interpreted as the level of success in completing tasks carried out by the organization, which includes four main dimensions: the financial perspective, customer perspective, internal business process perspective, and learning and growth perspective (Khalique et al., 2018).	Financial Perspective	OP 1
		Customer Perspective	OP 2
		International Business Process Perspective	OP 3
		Learning and Growth Perspective	OP 4

Statistical Research Model

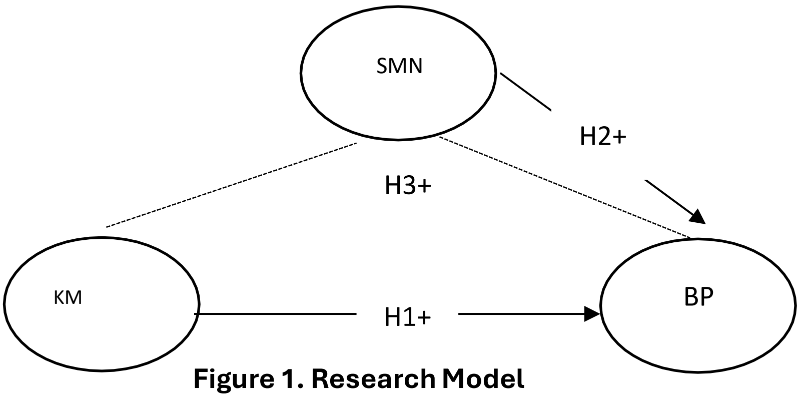

Figure 1. Research Model

Data Analysis Method

Data analysis in quantitative research is an action carried out after the data from respondents or data sources are collected completely, then the data is grouped based on variables and types of respondents, then tabulates data based on variables, presents variable data to be studied, processes data or calculates data to answer problem formulations and calculates data to test hypotheses that have been formulated (Sugiyono, 2016).

According to Sinambela (2020), quantitative research is a type of research that uses numbers in processing data to produce structured information. Characteristics of quantitative research aims to obtain data that describe the characteristics of objects, events, or situations (Sekaran &; Bougie, 2016: 43).

Data processing in this study uses SmartPLS software, because in this study it is reflective. A reflective model is a model that shows the relationship between latent variables and their indicators (Ghozali and Latan, 2020: 7). Data analysis using PLS-SEM using Smart Partial Least Square (SmartPLS) 3 to test a hypothesis (Rasoolimanesh et al., 2018). The PLS-SEM analysis method in SMARTPLS 3 goes through a series of stages, namely testing validity and reliability with a measurement model (outer model), testing causality or testing hypotheses with structural models or prediction models (inner model). According to Sofyan (2017), structural equation modeling which is often called Partial Squares Structural Equation Modeling (PLS-SEM) with SmartPLS version 3.0 is used to analyze data and modeling paths with latent variables. According to Ghozali and Latan (2020:7), PLS-SEM analysis usually consists of two model sub-chapters, namely a measurement model called the outer model and a structural model called the inner model. The measurement model shows how the manifest variable or observed variable represents the latent variable to be measured. While the structural model shows the strength of estimation between latent variables or constructs.

RESULT AND DISCUSSION

Description of MSME Respondent

MSME actors from Banyumas, Brebes, and Cilacap are respondents to this study. A total of 200 people who answered collected a successful questionnaire. Respondents' characteristics included gender, age, religion, region, company seniority (years), criteria, ownership structure, and type of business. Table 2 shows statistical descriptions of respondents.

Table 2. Statistical Description of the respondents

Respondents	Categories	Frequency	Percentage
Gender	Male	104	52%
	Female	96	48%
Age	19-28	35	17,5%
	29-38	54	27%
	39-48	54	27%
	49-59	49	24,5%
	60-87	8	4%
Religion	Islam	198	99%
	Konghucu	1	0,5%
	Kristen Protestan	1	0,5%
Region	Banyumas	133	66,5%
	Brebes	34	17%
	Cilacap	33	16,5%
Years	<2 Years	43	21,5%
	2-6 Years	94	47%
	7-11 Years	33	16,5%
	12-16 Years	11	5,5%
	18-23 Years	9	4,5%
	24-55 Years	10	5%
Criteria	Micro	124	62%
	Small	60	30%
	Medium	16	8%
Ownership	Privately-owned Business	170	85%
	Family Business	25	12,5%
	Commanditaire Vennotschap (CV)	4	2%
	Limited Liability Company (PT)	1	0,5%
Type	Food	88	44%
	Fashion	16	8%
	Service	29	14,5%

Respondents	Categories	Frequency	Percentage
	Craft	5	2,5%
	Farm	1	0,5%
	Store	61	30,5%

Source: Primary Data Processed, 2024

Based on table 2, 52 percent of the respondents, or 104 people, were men with an average age between 44 and 48 years. The majority of respondents were Muslim (99%; n = 198). This research involved six small and medium industries (MSMEs), which accounted for 43.5% (n = 87) of the total culinary industry. Followed by 30.5% (n = 61) from the store field; 8.5% (n=17) of fashion; 2.5% (n=5) of the boat field; and 0.5% (n=1) from livestock. In addition, the micro business category represents 61.5% of the MSME criteria. Privately owned businesses dominate the ownership structure (85%; n=170). The longest working time criterion was two to six years (47%; n=94).

Convergent Validity

The convergent validity value is a measure of the correlation between constructs and highly correlated latent variables. The loading factor value for latent variables greater than 0.7 will produce an ideal value and the indicator is declared valid (Hair et al., 2019). All indicators of these variables have a correlation value of more than 0.7, as shown in the figure below. Therefore, it can be concluded that these indicators can be used as a measure.

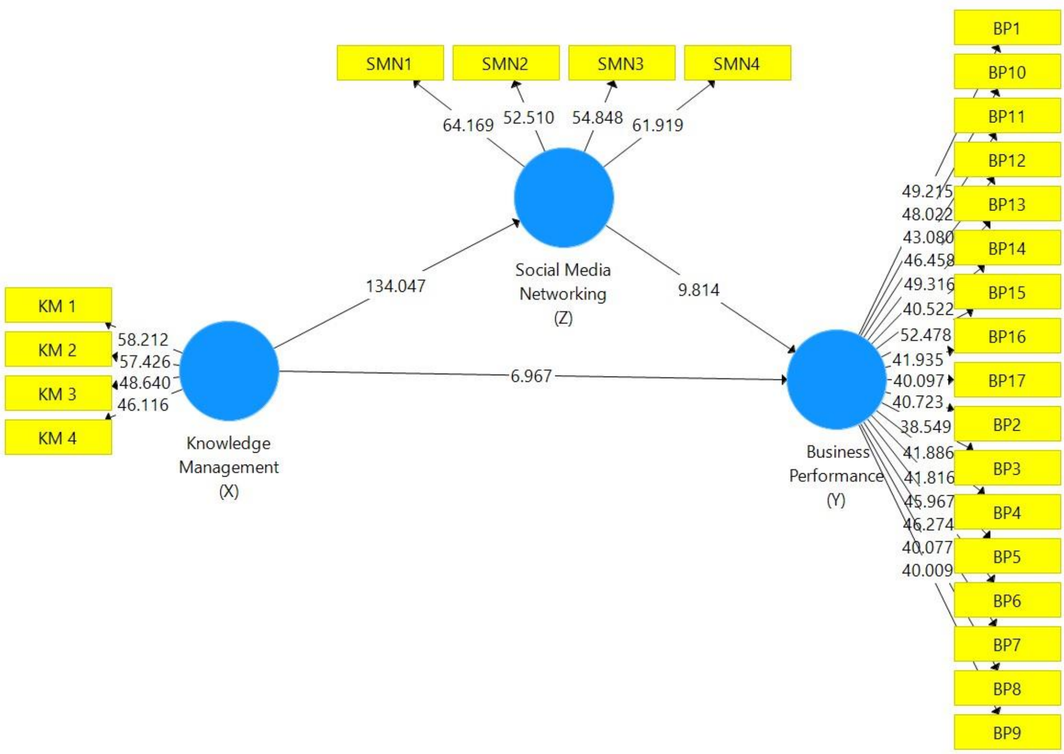

Figure 2. Variable Correlation

Source: Results of data processing with Smart PLS, 2024

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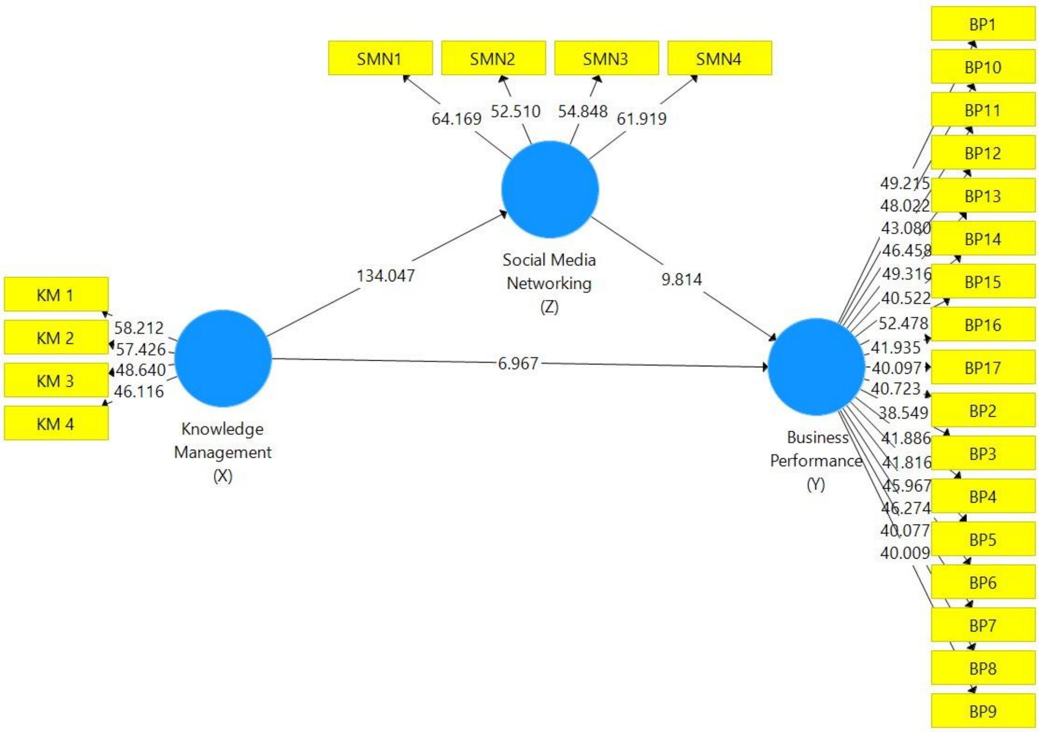

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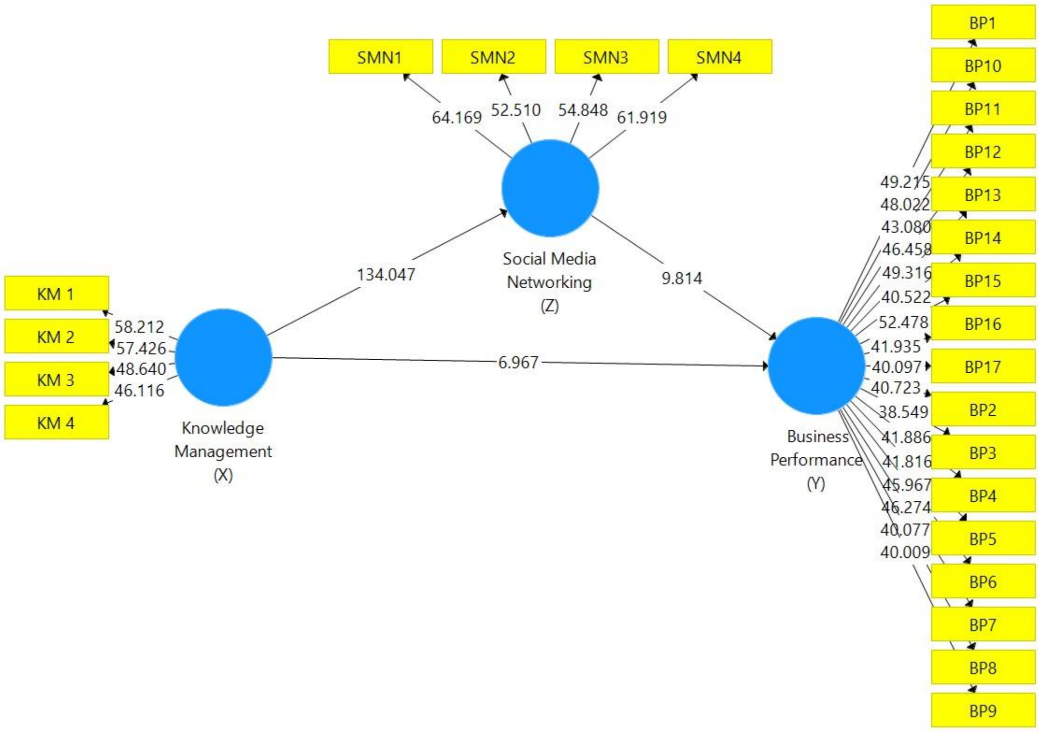

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Source: Results of data processing with Smart PLS, 2024

Discriminant Validity Test

The purpose of the Discriminant Validity test is the ability to quickly distinguish constructs from other constructs, as well as the degree of variation between constructs and related indicators (Hair et al., 2013). Used to evaluate discriminant validity, the Fornell-Lacker test uses the diagonal value of the square root of AVE, which shows the variation between the construct and its item. In addition, off-diagonal elements measure quadratic correlations between latent constructs (Fornell & Larcker, 2014). It will be considered reliable if the AVE threshold is 0.5 (Chin et al., 1998).

Tabel 3. Forner-Lacker criterion analysis for discriminant validity

	AVE	Knowledge Management	Business Performance	Social Media Networking
Knowledge Management	0.821	0.906	0.969	
Business Performance	0.793		0.891	
Social Media Networking	0.845	0.965	0.975	0.919

Source: Results of data processing with Smart PLS, 2024

Table 3 shows the value of composite reliability and average variance extracted (AVE). According to (Ghozali et al., 2015), to meet convergent validity requirements, the average variance extracted (AVE) value > 0.5 to meet reliability requirements. From the table above, it is concluded that the model from the study has met the requirements.

Composite Reliability Test

The Composite reliability test stage is carried out with the aim of evaluating how reliable the research variables are. Composite reliability can be used to evaluate internal consistency between variables observed in the same construct. This is done to ensure that the observed variables estimate closely related factors or constructs (Hair et al., 2013). Composite reliability that has a value greater than 0.7 is considered reliable. Based on the data in the table below, the value of knowledge management, social media networking and business performance has a value greater than 0.7 so the variable is said to be reliable.

Tabel 4. Composite Reliability Test

Latent Constructs	Composite Reliability
Knowledge Management	0.948
Business Performance	0.985
Social Media Networking	0.956

Source: Results of data processing with Smart PLS, 2024

R-Square (R^2) and Q-Square (Q^2)

The R2 value refers to the measurement of the predictive accuracy of the structural model (Chin et al., 1998). Endogenous constructs are Business performance and Social Media Networking which each have an R2 value of 0.962 and 0.931 in table 5.

Tabel 5. Results of R^2 and Q^2

	R Square	R Square Adjusted	Q Square
Business Performance	0.962	0.962	
Social Media Networking	0.931	0.931	

Source: Results of data processing with Smart PLS, 2024

According to Ghozali et al. (2015), R-Square values of 0.75, 0.50, and 0.25 indicate the influence of strong, moderate, and weak models. Table 5 shows an R-Square Business performance value of 0.962. The results showed that knowledge management and social media networking affected business performance, with the remaining 2% influenced by variables other than the variables studied.

Next, evaluate the structural model in terms of its predictive relevance to cross-validated redundancy Q2 values according to endogenous constructions. The blindfolding technique creates an omission distance of 7 as stated in the literature (Hair et al., 2013), the structural model applies reflective indicators to calculate the Stone-Geisser parameter Q2 (Geisser, 1974; Stone, 1974). Business Performance has a Q2 value of 0.962, the Q2 value is classified as positive, so it can be concluded that the PLS structural model has good predictive relevance structurally.

F-Square (F^2)

The F^2 value illustrates the magnitude of the influence of exogenous latent variables on endogenous latent variables in the structural order. According to Chin & Marcoulides (1998), if the F^2 value is more than 0.02 but smaller than 0.15, it is categorized as a small influence, the F^2 value lies between 0.15 and 0.35, it is categorized as a moderate influence, and if the F^2value is more than 0.35, it is categorized as a large influence.

Tabel 6. Results of F^2

	Business Performance	Spiritual Capital
Knowledge Management	0.312	13.528
Business Performance		
Social Media Networking	0.610	

Source: Results of data processing with Smart PLS, 2024

Based on the f-square table reveals a result of 0.312 in Knowledge Management on Business performance which means that human capital has a moderate or moderate influence on Business performance. Knowledge Management of Social Media Networking revealed 13,528 results which means that Knowledge Management has a weak influence on Social Media Networking. Social Media Networking on business performance revealed 0.610 results which means Social Media Networking has a strong influence on business performance.

Model Structure Analysis

Bootstrapping was used on 200 data and 500 samples to normalize the data and check the statistical significance of the path coefficients. The results of the path coefficient significance test for each variable are in table 7.

Table 7. Total Effects

	Original Sample (O)	**Sample Mean (M)**	**Standard Deviation**	**T Statistics**	**P Values**	**Decision**
Knowledge Management -> Business Performance (H1)	0.969	0.968	0.007	133.221	0.000	Supported
Social Media Networking -> Business performance (H2)	0.577	0.573	0.052	11.152	0.000	Supported

Source: Results of data processing with Smart PLS, 2024

Table 8. Specific Indirect Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation	T Statistics	P Values	Decision
Knowledge Management -> Social Media Networking-> Business Performance (H3)	0.557	0.552	0.049	11.250	0.000	Supported

Source: Results of data processing with Smart PLS, 2024

The research hypothesis can be stated as significant if the P-Values < 0.05 and declared significant if the t-table > 1.96 (Ghozali &; Latan, 2015). All relationships are said to have a positive direction if the original value of the sample (O) shows a positive value, while the hypothesis that has a negative direction then the original value (O) shows a negative value.

Discussion

First Hypothesis Test Results

The results of the bootstrapping test in table 7 show that the P-Value of Knowledge Management on business performance is 0.000 which is lower than 0.05 and the original sample (O) has a result of 0.969 which has a positive direction as determined by the direct influence test using PLS analysis. These results conclude that Knowledge Management has a positive and significant influence on business performance and confirm that the first hypothesis is supported.

This research is in accordance with research conducted by Saraswati &; Widiartanto (2016) on the creative industry in the city of Semarang states that there is an influence of knowledge management on organizational performance. The performance of MSMEs continues to grow along with the improvement of knowledge management. Things needed for development into MSMEs that have competitive power and become superior MSMEs.

With the higher knowledge management knowledge obtained so that it can create new knowledge that is likely to be able to improve a higher business performance. The results of research by (Yonita et al., 2019), (Endah Prihartini, 2019), (Rukaiyah &; Muliana, 2018) and (Nikmah Hanum, Jono Mintarto Munandar, 2020) show that knowledge management affects business performance.

Second Hypothesis Test Results

The results of the bootstrapping test in table 7 show that the P-Value of Knowledge Management on Social Media Networking is 0.000 which is lower than 0.05 and the original sample (O) has a result of 0.964 which has a positive direction as determined by the direct influence test using PLS analysis. These results conclude that Knowledge Management has a positive and significant influence on Social Media Networking and confirm that the first hypothesis is supported.

Research shows that Knowledge Management has a positive influence on Social Media Networking. Social media on the internet plays an important role in the implementation of the Knowledge Management process. The Internet offers new opportunities to use knowledge assets, define and deploy new types of knowledge assets, even outside the organization. On the internet, social media emerged that allowed internet-based knowledge sharing systems. Social media is nothing new and has undergone many changes that allow for more interactive interaction and a larger number of users now. The results showed that Knowledge Management and social media have almost similar components. This enables the role of social media in the implementation of Knowledge

Management, as collaboration tools come with clear business goals.

Research on Micro, Small and Medium Enterprises (MSMEs) shows that Knowledge Management has a positive influence on Social Media Networking. In the context of MSMEs, Knowledge Management refers to efforts to manage knowledge and information efficiently and effectively in organizations. Meanwhile, Social Media Networking includes the use of social media platforms to interact, share information, and network with customers, business partners, and communities. According to research conducted by Lyna Latifah, Nurdian Susilowati & Indah Anisykurlillah. Knowledge Management has a positive influence on Social Media Networking. In a business context, Knowledge Management helps organizations in managing knowledge and information efficiently, while Social Media Networking enables interaction and collaboration between individuals through online social platforms. The combination of the two can improve organizational performance and success, especially in today's digitalization era.

It is important to understand how knowledge is managed and shared through social media in order to maximize its benefits. By utilizing these two aspects wisely, organizations can achieve competitive advantage and strengthen relationships with customers as well as business partners. Thus, knowledge management Knowledge Management and the use of Social Media Networking can help MSMEs in improving their performance and competitiveness. The better MSMEs utilize knowledge and technology, the greater their chances to develop and contribute to the national economy.

Third Hypothesis Test Results

The results of the bootstrapping test in table 8 show that the P-Value of Knowledge Management on business performance with Social Media Networking as a mediation variable is 0.000 which is lower than 0.05 and the original sample (O) has a result of 0.557 which has a positive direction as determined by a direct influence test using PLS analysis. These results conclude that Social Media Networking mediates the influence of Knowledge Management on business performance and confirms that the third hypothesis is supported.

Resource based view theory (RBV) can be seen as a source of sustainable competitive advantage for businesses. Where this theory emphasizes that the superiority of resources on social media networks can be seen as a source of sustainable competitive advantage for a business. In this case social media networks, these resources and capabilities can include enhanced knowledge and collaboration through the use of social media platforms. The use of social media platforms can help in individual and collective knowledge sharing, as well as facilitate tacit knowledge sharing, which can be considered important in a new business model. Knowledge Management includes knowledge that can be obtained from networks or social media platforms. The use of Knowledge Management can have an impact on helping MSMEs in managing the information and knowledge needed to improve business performance. The results of this study are in line with research by (Wade and Hulland, 2020) which states that the impact of social media can mediate the influence of Knowledge Management on Business Performance.

CONCLUSION

The purpose of this study is to determine the influence of Knowledge Management and Social Media Networking on Business Performance with the population used in this study being MSME actors in Banyumas, Brebes, and Cilacap. MSME respondents amounted to 200 respondents. This research uses a type of survey research by distributing questionnaires in the form of google forms to MSME actors in Banyumas, Brebes, and Cilacap so it can be concluded that Knowledge Management has a positive and significant influence on Business Performance, then Knowledge Management also has a positive and significant influence on Social Media Networking, as well as Social Media Networking mediate the influence of Knowledge Management on Business Performance.

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CHALLENGE MANAGEMENT: THE IMPORTANT ROLE OF ENGAGEMENT FOR LECTURER PERFORMANCE WITH KNOWLEDGE MANAGEMENT AND TALENT MANAGEMENT APPROACHES

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ABSTRACT[2]

Introduction/Main Objectives: This research is a concept of measuring lecturer performance at private universities in Makassar city with the approach of knowledge management, talent management and also engagement.
Background Problems: The challenges faced by private universities in Makassar are not only the concept of maintaining the quality of learning implementation but also faced with the challenge of quantity or the number of prospective students obtained each new academic year, this encourages the dual role of every human resource in it, including lecturers.
Novelty: The finding of this moderation position is a novelty value in this research, which assumes that the interaction of knowledge management on talent management on lecturer performance has a negative effect or tends to weaken the relationship between these variables
Research Methods: This study used a sample of 325 lecturers spread from various private universities in Makassar city, with a proportional sample approach for each university and then the data obtained from questionnaires distributed online and offline were processed with SmartPLS 4.0 tools with the analysis technique, namely Structural Equation Modeling (SEM).

Finding/Results: The results showed that knowledge management both directly and indirectly has a positive and significant effect on engagement and lecturer performance, as well as Talent Management. Meanwhile, the condition of knowledge management as a moderating variable in explaining the relationship between talent management and performance appears to have a negative moderating effect.

Conclusion: This indicates that talent management is more likely to have a strong relationship with lecturer performance rather than having to interact with knowledge management.

Keywords: *Challenge management, knowledge management, talent management, engagement, performance*

INTRODUCTION

Higher education in Indonesia plays a very important role in the development of superior and competitive human resources in this era of globalization. In the eastern region of Indonesia, particularly in Makassar city, private universities play an important role in expanding access to higher education. However, many of these universities are non-excellent accredited, facing major challenges in their efforts to improve the quality of their education and academic performance. According to Ramadhani et al. (2020), talent management and knowledge management have a significant influence on employee performance, with employee retention as an important moderating variable. In the context of private universities in Makassar, this challenge is even more relevant given the limited resources and infrastructure they face. Globally, talent management issues are becoming increasingly critical in organizational strategies, especially in the higher education sector. Tarique and Schuler (2018) noted that global talent management is now a strategic priority for organizations aiming to enhance performance and achieve a sustainable competitive advantage (Tarique & Schuler, 2018). Effective talent management in the higher education sector is necessary to ensure that institutions can retain and attract the best academics, who are key in improving the quality of teaching and research.

Research by Collings, Scullion, and Vaiman (2019) underlines that talent management practices must be adaptable to the unique challenges of different cultural and organizational contexts, especially in non-Western settings (Collings, Scullion, & Vaiman, 2019). In the context of Indonesia, and specifically Makassar, this means that universities must be able to develop approaches that are not only appropriate to local conditions but also in line with global best practices. This adaptation is important given the challenges faced by private universities with non-excellence accreditation, such as limited funding, lack of research facilities, and low attraction of highly qualified lecturers.

Knowledge management also plays an important role in improving academic performance. Nonaka and Takeuchi (1995) in their fundamental research on knowledge management stated that knowledge management is a crucial component of organizational strategy, essential for innovation and maintaining competitive advantage (Nonaka & Takeuchi, 1995). In universities, knowledge management can be used to optimize teaching, research, and continuous learning. For example, research by Donate and de Pablo (2015) shows that effective knowledge management practices are directly linked to organizational innovation and performance (Donate & de Pablo, 2015). In the context of Makassar, the development of a strong knowledge management culture can be key in facing challenges in improving the quality of education, especially in private universities with non-excellent accreditation.

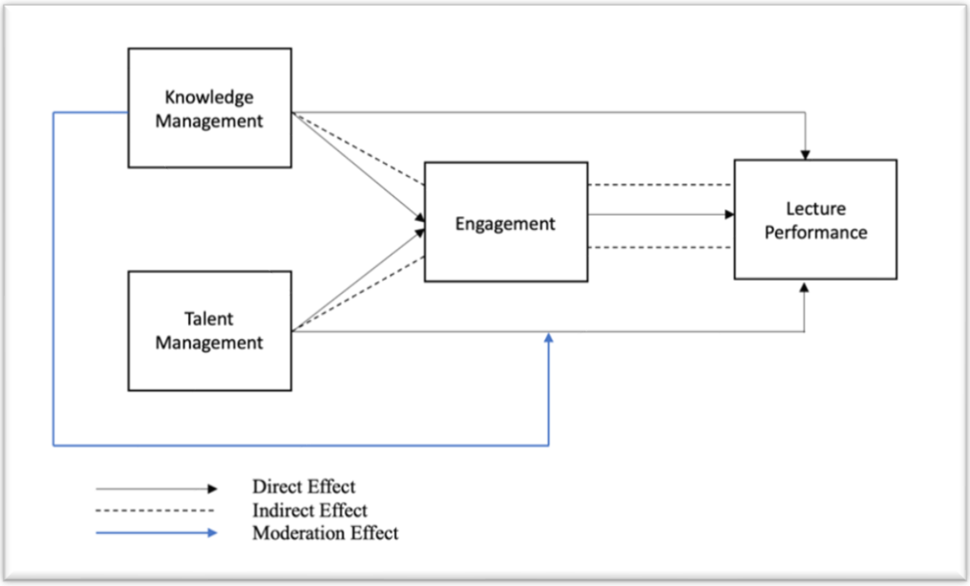
Lecturer engagement is another important variable in improving academic performance. Engagement refers to the degree to which lecturers feel emotionally and cognitively committed to their work and institution (Schaufeli & Bakker, 2010). In a study by Bakker and Demerouti (2008), it is stated that engagement is fostered when employees perceive their work environment as supportive, balanced, and conducive to personal and professional growth (Bakker & Demerouti, 2008). Thus, high lecturer engagement not only improves performance, but also lowers turnover rates and increases retention of quality lecturers. In private universities in Makassar, lecturer engagement is influenced by various factors, including organizational culture, support from management, and opportunities for career development. According to Vaiman et al. (2020), engagement is a critical factor influencing employee performance and retention, particularly in knowledge-intensive sectors like higher education (Vaiman et al., 2020). Therefore, it is important for universities to create a supportive work environment, where lecturers feel valued and have the opportunity to develop professionally. LLDIKTI Region IX, which covers South Sulawesi, West Sulawesi and Southeast Sulawesi, has a central role in ensuring the quality of higher education in the region. According to the annual report of LLDIKTI Region IX (2023), key challenges in the region include limited quality human resources, inadequate infrastructure, and the need to improve higher education accreditation (LLDIKTI IX, 2023). In an effort to improve the quality of higher education, LLDIKTI emphasizes the importance of improving lecturers' competencies through training programs, certification, and continuous career development. However, in Makassar, many private universities still struggle to meet this standard. Based on data from Makassar's Central Bureau of Statistics (BPS) (2023), only around 15% of lecturers in private universities have doctoral academic qualifications, with the majority being at the expert assistant and lector levels (BPS, 2023). This indicates an urgent need to improve the academic qualifications of lecturers, which is one of the important factors in improving the quality of education. According to a study by Kieser and Leiner (2009), German universities have developed a strong culture of knowledge sharing and talent development, which contributes significantly to their academic excellence (Kieser & Leiner, 2009). This contrasts with the situation in many private universities in Makassar, where HR management is still fragmented and less structured.

METHOD, DATA, AND ANALYSIS

This research uses a quantitative approach with an explanatory design to test the causal relationship between the variables in the conceptual model: Knowledge Management (KM), Talent Management (TM), Engagement, and Lecturer Performance. This design was chosen to explore the direct and indirect effects of KM and TM on lecturer performance, as well as to identify the role of Engagement as a mediating and KM as a moderating variable in influencing the relationship between TM and Lecturer Performance. This approach is particularly relevant for understanding the complexity of interactions between variables that influence each other in the context of higher education (Hair et al., 2017; Sarstedt et al., 2019). This study was conducted in private universities in Makassar, where the target population was lecturers with at least two years of teaching experience and active in research activities. A purposive sampling technique was used to select respondents, with a sample size of 325 private lecturers at universities in Makassar city. Data collection was conducted through a questionnaire designed based on indicators of each variable, which includes KM, TM, Engagement, and Lecturer Performance (Nonaka & Takeuchi, 1995; Collings et al., 2019; Schaufeli et al., 2002; Kim et al., 2021). Each item in the questionnaire was measured using a 5-point Likert scale.

The collected data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software. SEM-PLS was chosen for its ability to handle complex models and with relatively small sample sizes, as well as for its ability to analyze data that does not meet the assumption of normal distribution (Hair et al., 2017). The data analysis process involves several important steps: measurement model evaluation (outer model), structural model evaluation (inner model), and predictive relevance evaluation (Q^2). In the measurement model evaluation, convergent validity is tested with Average Variance Extracted (AVE) which should be more than 0.5, while construct reliability is measured using Composite Reliability (CR) and Cronbach's Alpha, with suggested values of more than 0.7. Discriminant validity is tested using the Fornell-Larcker criterion.

At the structural model evaluation stage, hypothesis testing is carried out using bootstrapping techniques to obtain t-statistics and p-values, with the hypothesis accepted if the p value is less than 0.05. The R-squared (R^2) value is used to assess how much the independent variable can explain the dependent variable. Moderation test was conducted to see the moderating effect of KM on the relationship between TM and Lecturer Performance. In addition, predictive relevance (Q^2) was tested using blindfolding techniques to measure the predictive ability of the model (Sarstedt et al., 2019).



Picture 1. Conceptual Research

RESULT AND DISCUSSION

This research was conducted in Makassar city using a sample size of 325 lecturers from private universities. Each lecturer participating in this study is a lecturer with status as a permanent lecturer in each university, has a national lecturer identification number, has been in the profession for a minimum of three years, and the minimum education is a master's level. Some of these profiles are summarized in the following table:

Table 1. Demographic characteristics of respondents

No.	Description	Characteristics	Number of Lecturers
1	Age	27-35 Years	65
		36-40 Years	156
		≥ 41 Years	104
	Total		**325**
2	Gender	Male	154
		Female	171
	Total		**325**
3	Final Education	Master	277
		Doctorate	48
	Total		**325**
4	Functional Position	Expert Assistant	201
		Lecturer	97
		Head Lector	26
		Professor	1

No.	Description	Characteristics	Number of Lecturers
	Total		**325**

The table shows that the total respondents aged 36-40 years were the most respondents with a total of 156 lecturers or around 48%, then lecturers aged 41 years and over as many as 104 respondents or around 32%, while for lecturers aged 27 to 35 years were 65 respondents or 20%. This age shows that the phenomenon that occurs in Makassar city shows a productive age and tends to be very good to continue to develop and improve the quality and ability to undergo the profession as a lecturer. Table 1 also shows information on respondents based on gender, it can be seen that female lecturer respondents are far more than male lecturer respondents, namely a total of 171 female respondents or 52.6% of respondents in this study were female, and the number of male respondents was 154 respondents or around 47.4%. For the education level of the respondents who participated in this study, those who drank had a Master's degree which is the minimum requirement for someone to become a professional lecturer, the number of respondents in this study based on the level of education was master's as many as 277 respondents or around 85.2% and the number of respondents with a Doctoral education level was 48 respondents or around 14.8%. The functional position of each lecturer explains the level and duration and performance of the workload that has been taken and adjusted, in this condition the functional position with the level of Professor or professor is the highest level even though this is only filled by one respondent. The basic level is expert assistant as many as 201 respondents or around 61.84%. The next level is lector or in common language known as assistant professor as many as 97 respondents or around 29.8%, and the last is the level of associate professor or head lector as many as 26 respondents or around 8%.

Furthermore, this research explains the findings about the variables and also the indicators used, Convergent validity refers to the extent to which the indicators of a construct actually measure the same concept. In the context of Structural Equation Modeling (SEM) with Partial Least Squares (PLS), convergent validity is usually evaluated by looking at the outer loading value of each indicator. according to Hair et al. (2021), an outer loading value greater than 0.70 indicates that the indicator has a strong contribution to the measured construct.

Table 2. Indicator Outer Loading Value

Indicator	Engagement	Knowledge Management	Lecture Performance	Talent Management
X1.2		0.743		
X1.3		0.835		
X1.4		0.850		
X2.1				0.755
X2.2				0.874
X2.3				0.916
X2.4				0.902
X2.5				0.810
Y1.1			0.802	
Y1.2			0.936	
Y1.3			0.886	
Y1.4			0.923	
Z1.1	0.835			
Z1.2	0.889			
Z1.3	0.899			
Z1.4	0.734			
X1.1		0.870		

The outer loading value shown by each indicator on each variable above shows very good convergent test results by showing a value greater than 0.7. This strong convergent validity also means that further structural analysis can be carried out with confidence that the measured constructs accurately reflect the variables they represent. Furthermore, to ensure the reliability and validity of the measurement model in this study, a reliability test using Cronbach's Alpha and Composite Reliability (CR) was conducted, as well as a validity test using Average Variance Extracted (AVE). Table 3 shows the Cronbach's Alpha and Composite Reliability values for each construct. The Cronbach's Alpha value ranges from 0.782 to 0.921, which indicates that each construct has good to excellent internal consistency, in accordance with the minimum limit of 0.70 recommended by Hair et al. (2021). In addition, the Composite Reliability (CR) value ranges from 0.824 to 0.944, which also exceeds the 0.70 threshold recommended by Sarstedt, Ringle, & Hair (2020). These results indicate that each item in the construct is reliable and provides consistent results. Convergent validity was evaluated through the Average Variance Extracted (AVE) value which is also presented in Table 1. The AVE values for all constructs ranged from 0.694 to 0.810, which exceeded the 0.50 threshold recommended by Fornell and Larcker (1981). This indicates that more than 50% of the variance of the indicators can be explained by the latent constructs, indicating adequate convergent validity.

Table 3. Reliability and Validity Test

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
Engagement	0.861	0.876	0.906	0.709
Knowledge Management	0.845	0.864	0.895	0.682
Lecture Performance	0.910	0.917	0.937	0.789
Talent Management	0.906	0.915	0.930	0.729

The high values of Cronbach's Alpha and Composite Reliability indicate that the constructs used in this study have strong internal consistency, meaning that the indicators used are able to measure the constructs accurately. In addition, the high AVE value confirms that the constructs also have good convergent validity, which means that the constructs are well represented by their indicators. This finding ensures that the constructs used in this study are well measured, so that the results of the structural analysis can be interpreted more meaningfully. The reliability and validity tests conducted ensure that the measurement model used in this study is strong enough. Therefore, the constructs can be used in the structural model to test the relationship between knowledge management, talent management, engagement, and lecturer performance. These strong reliability and validity metrics also increase the credibility of the research findings and support the generalizability of the results to similar contexts. After conducting reliability and validity testing, the next test is to prove the hypotheses that have been built in this research. The results of hypothesis testing conducted from 325 lecturers found that, of the 8 hypotheses built, 7 of them were accepted with a positive and high influence (P Value <0.05).

Table 4. Bootstrap results of the PLS-SEM mode

Hubungan	Hypotesis	Original sample (O)	T statistics (|O/STDEV|)	P values
Knowledge Management -> Lecture Performance	H1	0.357	5.775	0.000
Knowledge Management -> Engagement	H2	0.263	4.958	0.000
Talent Management -> Lecture Performance	H3	0.205	3.608	0.000
Talent Management -> Engagement	H4	0.612	16.394	0.000
Engagement -> Lecture Performance	H5	0.229	3.392	0.001
Knowledge Management -> Engagement -> Lecture Performance	H6	0.060	2.596	0.009
Talent Management -> Engagement -> Lecture Performance	H7	0.140	3.463	0.001
Knowledge Management x Talent Management -> Lecture Performance	H8	-0.041	2.021	0.043

Knowledge Management has a positive and significant effect on Lecturer Performance, with a T-statistics value of 5.775 and a P-value of 0.000. This indicates that good knowledge management in higher education can directly improve lecturer performance. Research by Nonaka and Takeuchi (1995) shows that effective knowledge management encourages innovation and better performance in organizations, including in the context of higher education. Kalling (2003) mentions that in some cases, knowledge management does not always have a positive impact on performance, especially if the knowledge managed is not relevant or cannot be accessed properly by all lecturers and teaching staff. As for the test of knowledge management on engagement, the results showed that Knowledge Management (KM) has a positive and significant effect on lecturer engagement, with a T-statistics value of 4.958 and a P-value of 0.000. This means that when knowledge management in the institution is better, lecturer engagement in their work increases. This result is in line with research by Donate and de Pablo (2015) who found that effective Knowledge Management can increase employee engagement because they feel more supported and have access to knowledge resources needed for their work, in contrast to Schroeder and Robinson (2009) who found that Knowledge Management is not always related to Engagement, especially if its implementation is not accompanied by changes in organizational culture that support engagement.

Talent Management also has a positive and significant effect on Lecturer Performance, with a T-statistics value of 3.608 and a P-value of 0.000. This means that good talent management contributes to improving lecturer performance. Thunnissen et al. (2013) showed that Talent Management that is integrated with the overall organizational strategy can improve employee performance through development that suits the needs of the organization. This finding contradicts the findings of Björkman et al. (2007) found that Talent Management is not always positively correlated with performance, especially in organizations that do not have a strong talent development culture. As for the findings in the relationship between talent management and lecturer engagement, the results show that Talent Management has a very strong and significant effect on Engagement, with a T-statistics value of 16.394 and a P-value of 0.000. This indicates that a good talent management strategy significantly increases lecturer engagement in their tasks. Collings and Mellahi (2009) found that Talent Management strategies focused on career development and talent retention directly increase employee engagement. Meyers et al. (2013) pointed out that Talent Management that is too focused on a specific group of individuals can lead to disengagement among other employees who feel de-prioritized.

In this research, engagement is a variable that tests lecturer performance directly and also acts as a moderating variable in explaining the relationship between knowledge management and talent management on lecturer performance. The results showed that engagement has a direct influence on lecturer performance and also when mediating the relationship between knowledge management and talent management all have a positive and significant influence on lecturer performance. Schaufeli and Bakker (2004) found that high engagement is usually associated with increased productivity and work quality in various sectors, including education. Akker et al. (2011) mentioned that the relationship between engagement and performance is not always linear and can be influenced by other factors such as workload and management support. Xue et al. (2011) support these results, finding that good Knowledge Management increases engagement, which then leads to improved performance. Vaiman et al. (2012) showed that effective Talent Management increases engagement which in turn increases performance. Yarnall (2011) showed that in some cases, engagement does not play a significant mediating role between Talent Management and performance, depending on the organizational context and the implementation of Talent Management itself. Chang and Lee (2007) found that engagement mediation is not always significant, especially in contexts where engagement is already high without Knowledge Management intervention.

The results showed that Knowledge Management (KM) moderated the relationship between Talent Management (TM) and Lecturer Performance with a negative but significant effect. The T-statistics value for this hypothesis is 2.021, and the P-value is 0.043, which means that this effect is significant at the 95% confidence level. However, what is interesting is that the direction of the effect is negative, with a coefficient of -0.041. This suggests that when KM interacts with TM, the effect of TM on Lecturer Performance actually decreases. One possibility is that when KM and TM are applied together intensively, it can create redundancy or knowledge overload. Lecturers will feel burdened with too much information and procedures, which may interfere with their focus on teaching and research. Wang and Noe (2010) note that in some cases, too much focus on KM can reduce flexibility and creativity, which in turn can negatively affect performance. Highly structured KM will reduce lecturers' independence in managing their own knowledge, which may be more desirable in a TM context that aims to empower lecturers. If KM overly regulates how knowledge should be managed, this could create resistance among lecturers who prefer a more flexible TM approach. This research finally obtained a novelty value in the eighth hypothesis test with the finding that KM acts as a moderator that weakens the relationship between TM and Lecturer Performance. Therefore, organizations need to be careful in integrating KM and TM, ensuring that KM implementation does not burden or interfere with TM's flexibility and focus on individual development, but instead supports it in an aligned way.

CONCLUSION

This study aims to examine the effect of Knowledge Management (KM) and Talent Management (TM) on Engagement and Lecture Performance, as well as to examine the moderating role of KM in the relationship between TM and Lecturer Performance, the results show that overall both direct and indirect relationships of knowledge management and talent management variables on engagement and lecturer performance all have an influence, only the moderating relationship that occurs in this study is an interesting finding because it explains the relationship that can weaken between talent management and lecturer performance if moderated by knowledge management. This research provides important insights for universities and human resource managers in the higher education sector. To improve lecturer performance, universities should ensure that KM and TM are implemented in a mutually supportive and non-conflicting manner. KM implementation should consider flexibility and specific needs identified through TM, so as to provide maximum benefits for lecturers and the institution as a whole.

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THE INFLUENCE OF PRICES, PROMOTIONS, AND TRUST IN MARKETPLACE USE ON DECISIONS ONLINE PURCHASE (Case Study of BUKALAPAK Consumers in Yogyakarta City)

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ABSTRACT

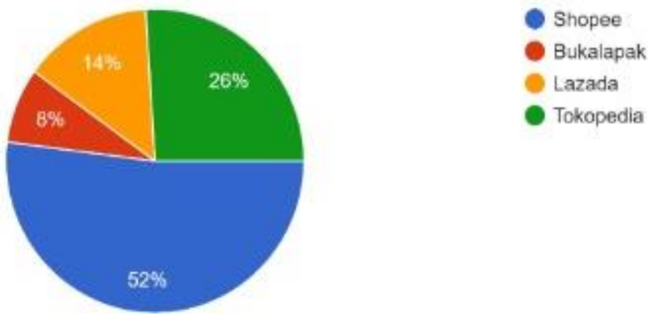
The research aimed to determine the influence of price, promotion, and trust on Bukalapak online purchasing decisions in Yogyakarta City. This research was descriptive research using a quantitative approach. The data collection strategy uses a questionnaire method with a Likert scale. Sampling was selected using a non-probability purposive sampling technique, with 100 respondents in Yogyakarta. The validity test used the Pearson product-moment coefficient, and the reliability test used Croanbach's alpha. Data analysis used multiple linear regression with hypotheses F, T hypothesis, etc. Coefficient of Determination (R2). The results of this research show that (1) price has no effect on Bukalapak online purchasing decisions in Yogyakarta City, (2) promotion has a positive and significant effect on Bukalapak online purchasing decisions in Yogyakarta City, (3) Trust has a positive and significant effect on online purchasing decisions Bukalapak in Yogyakarta City. And (4) Price, promotion, and trust simultaneously influence online purchasing decisions in Bukalapak online purchasing decisions in Yogyakarta City.

Keywords: Price, Promotion, Trust, Purchase Decision

INTRODUCTION

Indonesia is one of the countries with trending online stores or online shops, such as Shopee, Tokopedia, Bibli.Com, Buka Lapak, JD.ID, OLX, Belanja.com, Zalora and so on. According to Top Brand Index, Bukalapak has never been nominated for TOP in the Top Brand Index. In 2018, Bukalapak was ranked 12.7% and increased by 12.9% in 2019. However, In 2021, there was a decline of 9.5%. Also, there was another decline in 2022 by 8.10% and 4.70% in 2023. The number of Marketplaces as competitors of Bukalapak is a problem and must addressed as the Top Brand Index predicate is proof of customer trust in a brand. It shows that Bukalapak does not get the TOP nomination.

Figure 1. Results of a pre-research survey of 100 people in Yogyakarta on the highest number of e-commerce visitors



Source: Primary Data (2024)

Figure 1 is the result of a questionnaire conducted on 100 people in Yogyakarta, with a question of "most e-commerce visitors." The most results obtained were that 52% of respondents chose Shopee, 26% of respondents chose Tokopedia, 14% of respondents chose Lazada, and 8% of respondents chose Bukalapak. The percentage proved that Bukalapak is still unpopular.

For example, the price of the Samsung A24 Smartphone product found in the marketplace of Shopee and Bukalapak. Based on the price comparison, there are significant differences. Therefore, consumers will buy at a cheaper price. Here, the price influences consumer purchasing decisions.

Bukalapak focuses more on discounts, free shipping, and competitive prices. For ease of use of applications and promo codes on Bukalapak is still low. Based on these data, the management must be concerned about several things, including the promotional costs and the implementation of communication strategies that follow the market segment of each e-commerce have an important role.

Bukalapak.com still gets negative reviews or one-star reviews given by several consumers. Negative review data on the Play Store greatly affects consumer confidence in making product purchasing decisions on Bukalapak.

Price

Mulyana (2021) states the definition of price is an essential component needed to generate income as a result of goods or services owned by consumers. Andriany and Arda (2022) define price as a role in influencing consumer decisions in choosing a product or service. When the price offered meets the consumer preferences, it can be an important factor that consumers evaluate. Then, companies need to fully understand the role of price in influencing consumer attitudes.

According to P. Kotler & Amstrong (2016), four indicators characterize prices. They are:

1. Affordable prices
2. Consumers need to know the price before they buy
3. Prices offered by producers or sellers can vary and compete
4. Price worth with benefits
5. Promotion

According to Lupioyadi (2013), promotion is a crucial element in marketing strategy and plays a major role in helping business actors market their products and services. Also, R. Ernawati (2021) states promotion is an act of communication between sellers and buyers to inform and improve the quality of products or services. It aims to influence consumer attitudes and behavior, thereby encouraging communication and marketing activities.

Companies must choose the right indicators for their product promotion strategy. P. Kotler &

Amstrong (2016) state four promotion indicators, including:

1. Effectiveness of messages in promotion,
2. Media selection for promotion,
3. Promotion time,
4. Frequency level of promotion.

Trust

Nurmanah & Nugroho (2021) argued that trust is a state where consumers feel confident in other individuals or companies. So, there is no doubt in performing transactional activities. Meanwhile, according to N. Ernawati & Noersanti (2020), trust is a person's belief in another party in making a relationship between the two parties after obtaining information based on that belief. In other words, trust is belief in something.

Maharani (2010), in Rahayu et al. (2023). mention indicators of consumer trust, including:

1. Integrity,
2. Competence,
3. Consistency,
4. Loyalty,
5. Openness.

Purchase Decision

Brama (2021) states that purchase decisions are consumer actions in choosing products to fulfill their desires and involve attitudes and actions that can be repeated if the product changes. Narottama (2022), purchasing decisions occur when consumers have found a product that matches their initial criteria, influenced by various factors such as cultural, social, personal, and psychological, which support purchasing decisions.

Sanjaya (2020) mentions indicators in the purchasing decision process, including:

1. Product purchase
2. Brand purchase
3. Purchasing channel selection process
4. Determining the time of purchase

METHOD, DATA, AND ANALYSIS

The study used a quantitative approach with an associative problem-solving method related to causal relationships. The type of quantitative research refers to an approach rooted in the philosophy of positivism, focusing on research on a specific population or sample, involving data collection using research instruments, and quantitative/statistical data analysis, with the main objective of testing previously formulated hypotheses (Sugiyono, 2018).

Research Hypothesis

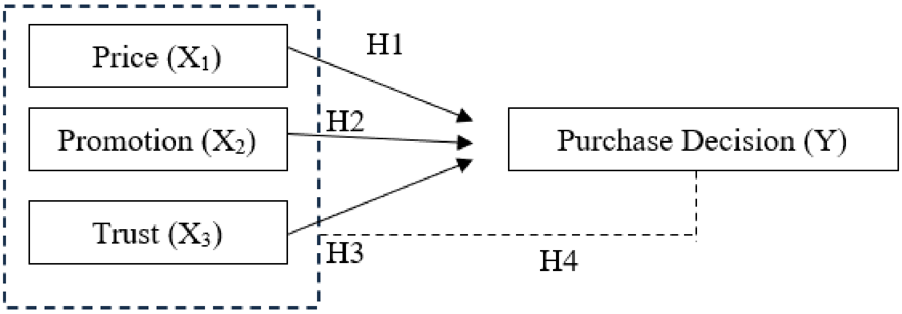


Figure 9. Research Paradigm

Where:

——— : Partial

- - - - - - - : Simultaneous

H1: Price has a positive and significant effect on Purchasing Decisions.
H2: Promotion has a positive effect on Purchasing Decisions.
H3: Trust has a positive effect on Purchasing Decisions.
H4: Price, Promotion, and Trust have a positive effect on purchasing decisions.

Time and Place of Research

The research was conducted from December 2023 to January 2024, which selected respondents who had used the Bukalapak application in Yogyakarta.

Research subject

The population was the people of Yogyakarta who had used the Bukalapak application. In the study, samples were selected using the non-probability sampling method, and, according to Sugiyono (2018), is used to select research samples by considering the distribution of the population. The purposive sampling technique is used to select the sample, which according to Sugiyono (2018), is a technique for determining samples with various specific considerations and criteria. The criteria for selecting the sample are as follows:

1. Respondents aged 17 years and over
2. Have used the Bukalapak application, at least once time

Based on the study, the population is large and the number is difficult to determine so that the number of samples is taken using the Lemeshow formula, as follows:

$$N = \frac{Z^2 \, P\,(1-P)}{D^2}$$

Where:
N : Number of Sample
Z : Z value at confidence level of 95% = 1,96
P : Maximum estimate = 0,5
D : Alpha or sampling error =10%

Based on this formula, the number of samples is:

$$N = \frac{1.96^2 \; 0.5\,(1-0.5)}{0.01^2}$$

$$N = \frac{0.9604}{0.01}$$

$$n = 96{,}04 \approx 97$$

Therefore, 97 respondents are needed for Bukalapak application users.

Data Collection Techniques

The instrument used to measure the influence of price, promotion, and trust on online purchasing decisions at Bukalapak in Yogyakarta uses a survey method or self-administrated survey through the use of questionnaires. There are a total of 36 questions with five alternative answers for each question using a Likert scale.

Data Analysis Techniques

Data analysis techniques used descriptive statistical analysis, classical assumption test, simple linear regression analysis, and multiple linear regression analysis. Descriptive statistical analysis is a statistical technique used to analyze data by illustrating or describing the collected data without the intention of drawing conclusions that can be applied widely or generalizing (Sugiyono 2018). The classical assumption test intends to provide certainty so that the regression coefficient is not biased, consistent, and has estimation accuracy (Ghozali, 2018). According to Sugiyono (2018), a simple linear regression is a test of data that consists of two variables, namely the independent variable and one dependent variable, where the variable is causal (influential). Moreover, Sugiyono (2018) defines multiple linear regression as an analysis method to estimate the relationship between one dependent variable and two or more independent variables.

RESULT AND DISCUSSION

Descriptive Statistical Analysis

Table 1. Descriptive Statistical Analysis of Variables

	N	Min	Max	Mean	Std. Deviation
XI	100	28	60	45.06	7.344
X2	100	39	75	57.99	9.411
X3	100	36	75	57.11	10.81
Y	100	36	60	47.98	7.154

Source: Primary Data (2024)

Based on the results of the descriptive analysis, it concludes each variable. The price of an independent variable (X1) with 12 valid question items, has an average value of 45.06, a standard deviation of 7.344, a minimum value of 28, and a maximum value of 60. The promotion variable (X2) with 15 valid question items, has an average value of 57.99, a standard deviation of 9.411, a minimum value of 39, and a maximum value of 75. While, the trust variable (X3) with 15 valid question items, has an average value of 57.11, a standard deviation of 10.811, a minimum value of 36, and a maximum value of 75. And, the dependent variable of Purchasing Decision (Y) has an average value of 47.98, a standard deviation of 7.154, a minimum value of 36, and a maximum value of 60.

Classical Assumption Test

Normality Test

Table 2. Normality Test Results

One Sample Kolmogorov-Sminorv Test	
Asymp. Sig. (2-Tailed)	.154

Source: Primary Data (2024)

Based on Table 2, concluded that the data has a significance level of 0.154. It indicates the level of significance is higher than 0.05. Thus, it concluded that the analyzed data was normally distributed.

Multicollinearity Test

Table 3. Multicollinearity Test Results

Variable	**Tolerance**	**VIF**
Price	0,265	3,767
Promotion	0,152	6,563
Trust	177	5,662

Source: Primary Data (2024)

Based on the Table 3, the reason for taking the results of the multicollinearity test is the tolerance value and its opposite, the variance inflation factor (VIF). Referring to the tolerance value > 0.10 and VIF < 10, concluded that there is no multicollinearity of the data.

Heteroscedasticity Test

Table 4. Heteroscedasticity Test Results

Variable	**Sig**
Price	0,566
Promotion	0,189
Trust	0, 450

Source: Primary Data (2024)

Based on the Table 4, concluded that all variables do not experience heteroscedasticity because the significance value of the three variables is higher than 0.05.

Multiple Linear Regression Test

Table 5. Multiple Linear Regression Test Results

Model	**B**	**Std. Error**	**Beta**	**T**	**Sig.**
(Cons tant)	10, 624	2,0 75		5,1 21	0,0 00
X1	0,0 56	0,0 81	0,0 61	0,6 92	0,4 90
X2	0,2 70	0,0 89	0,3 55	3,0 47	0,0 03
X3	0,3 36	0,0 72	0,5 08	4,6 85	0,0 00

Source: Primary Data (2024)

Based on the Table 5, the regression equation shows the relationship between the independent and dependent variables partially. From this equation, it concluded that:

a) The constant value of 10.624 indicates that the independent variable is zero (0). Then, the level of purchasing decision is 10.624.

b) The regression coefficient shows that the price variable (X1) has a positive regression direction on the Purchasing Decision, namely B of 0.056. Thus, if the price variable increases by 1%, then the Purchasing Decision will increase by 0.56%, assuming the other independent variables (X) are constant.

c) The regression coefficient shows that the promotion variable (X2) has a positive regression direction on the Purchasing Decision, namely B of 0.270. So, if the promotion variable has increased by 1%, the purchasing decision will increase by 1%, assuming the other independent variables (X) are constant.

d) The regression coefficient shows that the trust variable (X3) has a positive regression direction on the Purchasing Decision, namely B of 0.336. So, if the promotion variable has increased by 1%, the purchasing decision will increase by 1%, assuming the other independent variables (X) are constant.

T-Test

Table 6. Result of T-Test

Model	T	Sig.
Price (X1)	0,692	0,490
Promotion (X2)	3,047	0,003
Trust (X3)	4,685	0,000

Source: Primary Data (2024)

Based on the table 6, the influence of each dependent variable is as follows:

a. Test of Price (X1) on Purchasing Decisions (Y)

Based on the t-test for the Price variable (X1) with a t-count value of 0.692 (0.692 <1.984) with a significance value of 0.490. Because the Sig value of 0.490> 0.05, it concluded that H_1 is rejected. This means that the price does not affect Purchasing Decisions. In short, the first hypothesis (H_1) is rejected.

b. Test of Promotion (X2) on Purchasing Decisions (Y)

Based on the t-test for the variable (X2) with a t-count value of 3.047 (3.047 > 1.984) with a significance value of 0.003. Because the Sig. value of 0.003 <0.05, it concluded that H_2 is accepted. This means that the results of the promotion can be obtained to have a positive and significant effect on Purchasing Decisions. In short, the second hypothesis (H_2) is accepted.

c. Test of Trust (X3) on Purchasing Decisions (Y)

Based on the t-test for the variable (X3) with a t-count value of 4.685 (4.685 > 1.984) with a significance value of 0.000. Because the Sig. value of 0.000 <0.05, it concluded that H_3 is accepted. This means that the results of trust can be obtained to have a positive and significant effect on Purchasing Decisions. In short, the third hypothesis (H_3) is accepted.

F-Test

Table 7. Result of F-Test

Model	F	Sig.
Regression	128.276	000

Source: Primary Data (2024)

Based on the F-test, it concluded that the significance value of the variables price, promotion, and trust simultaneously influence purchasing decisions by 0.000 <0.05, with an Fcount value of 128.276> F table 2.70. So, the hypothesis that "Price, promotion, and trust have a positive and significant effect on product purchasing decisions on the Bukalapak application" is accepted.

Test of Determination Coefficient (R2)

Table 8. Test Results of R2

Model	Adjusted R Square
1	.795

Source: Primary Data (2024)

The adjusted R^2 test result obtained a value of 0.795. This shows that the Purchasing Decision is influenced by Price, Promotion, and Trust by 79.5%, while 20.5% is influenced by other factors that are not included in this study.

CONCLUSION AND SUGGESTIONS

a. Price does not affect purchasing decisions. The results are based on a significance value of 0.490, more than (>) 0.05, and a t-value of 0.692 less than (<) 1.984. This means that there is no relationship between price and purchasing decisions of Bukalapak application users in Yogyakarta. So, it concluded that the first hypothesis (H_1) was rejected.

b. Promotion affects purchasing decisions. The results are based on a t-value of 3.047 (3.047> 1.984) with a significance value of 0.003. Because the Sig. value is 0.003 <0.05, it concluded that H_2 is accepted. This means that the promotion has a positive and significant effect on purchasing decisions.

c. Trust affects purchasing decisions. The results are based on the t-count value of 4.685 (4.685> 1.984) with a significance value of 0.000. Because the Sig. value is 0.000 <0.05, it concluded that H_3 is accepted. This means that the trust has a positive and significant effect on purchasing decisions.

d. Price, promotion, and trust simultaneously have a significant effect on purchasing decisions. From the test, the f-count value is 128.276> F table 2.70. So, the hypothesis that "Price, promotion, and trust have a positive and significant effect on product purchasing decisions on the Bukalapak application" is accepted.

SUGGESTIONS

Based on the findings and conclusions, the suggestions are:

1. For the Company
    a) Bukalapak Management should increase trust in the products and services offered to consumers, such as complete information during the online purchasing process, payment process, and product delivery. Good and competitive information quality will increase online purchasing decisions.
    b) It is recommended that Bukalapak should increase promotions, discounts, free

shipping offers, and cashback programs so it is in line with the advertised and attract consumers in making purchasing decisions.

2. For Further Researchers
    a) For further researchers who are interested in conducting research in the same field, they can improve the limitations of this study.
    b) Further researchers who are interested in studying purchasing decisions on Bukalapak e-commerce can add other research variables, such as product quality, brand image, product reviews, brand image, and other variables.

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