

ABSTRACT

This study aims to assess the level of financial literacy of BRI microcredit customers in North Luwu Regency, to analyze the mechanism of BRI microcredit distribution in North Luwu Regency, to determine the impact of BRI microcredit distribution on customer financial literacy in North Luwu Regency.

This study uses a mixed methods method. Research respondents in the qualitative realm are carried out subjectively, by selecting several respondents from the quantitative realm to deepen the observation results. The selected respondents were 10 people with different MSME business backgrounds to be interviewed. For quantitative research using SEM PLS with a sample of 100 respondents.

From the results of the data analysis, it is known that the results are valid and reliable. Based on the results of the analysis that has been carried out, the conclusions of this study are: (1) Assessment of the level of financial literacy of BRI microcredit customers in North Luwu Regency shows that microcredit not only provides access to capital for micro entrepreneurs, but also plays an important role in increasing their understanding of financial management. Microcredit recipients who have good financial literacy, such as an understanding of cash flow, debt management, and budget planning, can make wiser financial decisions. This helps them manage loans with discipline, minimize financial risks, and develop their businesses sustainably. Support from BRI, both in the form of education and mentoring, helps strengthen customers' ability to use funds wisely, which in turn increases business capacity and contributes to local economic empowerment. (2) BRI micro-credit distribution in North Luwu Regency has a significant impact on micro-business empowerment, with an easy application process, simple requirements, and efficient disbursement of funds. Post-disbursement support provided by BRI officers, in the form of assistance in financial management and understanding of payment obligations, helps improve customers' financial literacy. This allows credit recipients to manage funds wisely, increase business capacity, and strengthen the local economy through job creation and increased business turnover. (3) BRI micro-credit distribution has a positive impact on customer financial literacy in North Luwu Regency. Access to micro-credit significantly improves financial literacy by equipping customers with the skills to manage loans, save, and budget effectively.

Keywords : BRI, Financial Literacy, Micro-Business Empowerment, Microcredit, North Luwu Regency