

INNOVATIVE FINANCIAL PLANNING STRATEGIES IN THE DIGITAL LANDSCAPE AT NGO PERMAI PENANG

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Abstract:

In the digital landscape, financial planning strategies must strike a balance between leveraging technology and managing the risks associated with it. By embracing digital advances while ensuring security, compliance, and personalized service, financial planners can drive better financial outcomes and create long-term value for PKS and NGO. Pertubuhan Masyarakat Indonesia (PERMAI) Penang is an Indonesian community organization in Penang, Malaysia. It is an NGO or non-governmental organization, meaning it is not part of the government. PERMAI Penang was officially registered with the Malaysian Organization Registration (Register of Society/ROS) in 2019, bearing the registration number 006-07-04022019. PERMAI Penang operates within the social sector, working in the social, educational, and cultural domains. The NGO's membership includes Malaysian and Indonesian individuals residing in Malaysia, including professionals, workers, students, and scholars. PERMAI's primary objectives are to promote educational opportunities for Indonesian children in Malaysia and to equip individuals with marketable skills, thereby enhancing their employability and earning potential. The community service team from UMB has been conducting educational sessions on financial planning, recognizing the importance of financial management in the modern digital economy. It is essential to comprehend and implement the contemporary facets of financial planning within the context of the evolving digital economy. The output of this PKM activity is to improve the value system in the community to develop awareness of the need to improve financial literacy, especially for MSME players, and endeavor will offer scientific discernment on financial management in business.

INTRODUCTION

Micropreneurs, predominantly active in the informal sector, make significant contributions to both local and national economies (1). Small and medium-sized enterprises (SMEs) contribute significantly to the growth of Ghana's rural economy by providing funds for family assistance and education for children and students across the country (2). Regarding the performance of SMEs, less emphasis has been paid to the relevance of digitization, which might lead to a rise in the acquisition of money by businesses through online savings, online trade, and Internet banking. The role of knowledge-based resources in promoting sustainability in small and medium enterprises (SMEs) is currently a topic of debate (3). The rapid evolution of digital technology has significantly changed the financial planning landscape, creating new opportunities and challenges for individuals and businesses alike.



In today's interconnected world, the integration of digital tools such as artificial intelligence, big data analytics, blockchain, and cloud computing has revolutionized traditional financial strategies. These technological advancements empower financial planners to make more informed decisions, optimize resource allocation, and improve the accuracy of financial forecasts. SME performance, scant attention has been devoted to the significance of SMEs' knowledge-based resources and their role in SMEs' sustainable performances (3).

The digitization of financial planning allows for greater accessibility and efficiency, enabling individuals and organizations to track and manage their financial resources in real-time. Digital Finan enables contributive digital financial services that focus on empowering people and expanding financing to micro, small, and medium-sized enterprises (MSMEs) (4). Mobile applications, online investment platforms, and automated financial advisors - commonly known as robo-advisors have made financial planning more accessible to a broader audience. This shift has democratized financial services, enabling even those with limited financial literacy to take control of their financial futures. One of the leading forces affecting people's ability to access financial services in rural areas is financial literacy (5). Contribution of knowledge resources to SMEs' performances and concluded that knowledge resources, such as financial literacy and business experience, help SMEs to sustain their performance (6). A survey conducted in Bangkok highlighted a widespread deficiency in financial literacy, with many participants finding financial matters perplexing (7).

In recent years, the advent of digital technologies has revolutionized the landscape of financial services globally. With the rapid proliferation of digital platforms and services, individuals are increasingly relying on digital channels for financial transactions, investments, and money management (8). In addition to making it easier to access information, digital innovations have also improved how quickly and accurately financial decisions are made. Now, using AI, we can see patterns in financial data. This helps businesses and people know what market trends to expect, change their investment strategies, and manage their cash flow better. However, there are also challenges. One big worry is keeping financial data safe and private. To protect this information and maintain client trust, financial planners and institutions must implement strong cybersecurity measures. Another challenge is meeting the rules and standards to keep financial transactions secure and ethical. Governments and regulatory bodies around the world are constantly updating laws to keep up with technological advancements. Financial planners must stay informed to avoid legal problems. It is important to use technology in the right way while also thinking about people's needs. This is key to giving personalized financial advice and building strong relationships with clients over time. The adoption of digital marketing by start-ups in the context of the growing focus of government on digitization of the economy, public services, and governance and the digital transformation of MSMEs (9).

FinTech innovations are positively associated with SME efficiency (10). These new financial services are more transparent, efficient, and cost-effective. Mobile fintech services refer to the use of a mobile phone to gain access to financial services and to conduct financial transactions, both transactional services, such as mobile payments using e-payments made using a mobile phone. Overall, in response to these changes, banks and other financial institutions are also embracing technology by partnering with fintech startups or developing their digital solutions. In the future, new trends like DeFi, financial advice using machine learning, and the use of ESG factors in financial decisions will likely shape the future of financial planning. This means that banks and financial advisory firms need to be quick to change and be able to adapt to these new trends.



Analysis of the partner's situation and problems. The media often talks about Indonesian People Working Abroad (RIBLU). Many Indonesian workers abroad are doing very well in their personal and professional lives. While there are challenges, such as limited educational opportunities, that lead to low-wage jobs with harsh conditions, these workers are showing their resilience and potential. Another big challenge is adapting to a new culture and avoiding being taken advantage of. The government's role is also important, with a complicated system of authority and understanding between related institutions. The government needs to do a better job of stopping crimes against migrant workers, but it could be doing more. The conditions in the destination country also present challenges for migrant workers, especially in countries without enough laws to protect them. The local community's perception of workers from abroad as lower-class citizens also adds to the challenges faced by migrant workers. One organization that is helping is Permai Penang, an NGO (non-governmental organization) that wants to help workers grow.

Financial technology (fintech) solutions, like mobile banking and digital remittances, are changing the way migrant workers manage their money and support their families. Digital financial literacy programs are also helping them make informed decisions about savings, investments, and entrepreneurship, which will contribute to their long-term financial security. This change follows the Sustainable Development Goals (SDGs), especially SDG 1 (No Poverty) and SDG 8 (Decent Work and Economic Growth), by using digital tools to include more people in the economy. Even though there are challenges, the digital economy is creating new opportunities for Indonesian workers abroad. Organizations like Permai Penang, a non-governmental organization (NGO) that aims to provide a platform for growth, are playing a key role in empowering migrant workers.

In the age of Industry 4.0, digital technology has changed how migrant workers can find information, find jobs, and get better at their jobs. E-learning platforms and online certification programs are now useful tools that allow workers to learn new skills while they are in other countries. Mobile apps and digital tools help migrant workers stay connected with their communities, access financial services, and find remote work opportunities. These digital tools give them more control over their professional and personal growth. However, there are still challenges. Many migrant workers do not have access to the necessary technology, devices, and internet connections to participate in the digital economy fully. Governments and international organizations must work together to provide affordable internet access and digital literacy programs. This will ensure that migrant workers are not left behind in this technological revolution. These workers often use digital tools for financial transactions and communication, which makes them vulnerable to online fraud and data breaches. It is essential to educate them about digital safety to protect them from potential risks.

FEATURE CATEGORY	SUB-FEATURES
Budgeting Tools	Expense Tracking, Income Management, Savings Goals
Investment Management	Portfolio Analysis, Risk Assessment, Asset Allocation
Retirement Planning	Pension Analysis, Social Security Projections, Long-Term Savings Strategies
Tax Optimization	Deductions and Credits, Tax-Efficient Investment Strategies, Tax Filing Support
Financial Goal Setting and Monitoring	Short-Term Objectives, Medium-Term Milestones, Long-Term Goals

Figure 1. Digital Financial Planning



Figure 1 shows how digital financial planning is managed effectively. It uses technology to improve different financial parts, like budgeting, investment management, retirement planning, taxation, and setting and checking financial goals. Digital tools for retirement planning help people plan for financial security in the long term. These tools estimate future needs and make the most of contributions. Setting and tracking financial goals digitally helps people stay on track and reach long-term goals. Digital budgeting tools help to track expenses, classify spending, and stick to a budget. Investment management is the way people make and grow money for specific goals, like education, retirement, or travel. Digital financial knowledge is incredibly important and includes being aware of digital financial services, being able to use them independently, knowing the risks associated with these services and the ability to prevent such risks while using them (11).

Permai NGO's goal is to support Indonesian workers abroad, and it has made big progress in empowering its members. However, a review of the situation shows that many members still have trouble managing their money well. These challenges come from not knowing much about financial management, not having access to financial planning tools, and the complexity of managing money earned in other countries. Many members of Permai NGO do not know much about financial planning, like budgeting, investing, and debt management. Without better financial education, members may have trouble creating and following a budget to manage daily expenses. They may also have trouble telling the difference between essential and non-essential spending and planning for future financial needs, like education, buying a home, or retirement. Many members do not know about safe and effective ways to invest their money to make it grow over time. This means they miss out on opportunities to invest in low-risk options like mutual funds or fixed deposits, retirement savings plans, and understanding the risks and rewards of different investment options.

Many small businesses do not know how to manage their money well. This shows that it is important for them to learn about financial and digital literacy so they can use technology and online financial services effectively. However, Permai members may have trouble using digital tools for budgeting and tracking expenses or understanding how to use mobile banking and investment platforms safely. The purpose of this community service activity is to provide insight into knowledge of how to manage personal finance.

The target of this activity is NGO PERMAI change manage their work income and planning while paying attention to the financial cycle. The proposed community service activities are consistent with the community service road map, which encompasses the implementation timeframe, objectives, and methodologies for implementing these activities within the overarching framework of the institution's community service goals and strategies. Thus, the proposed community services will synergize between community service groups to produce solutions to problems that exist in the community.

Priority Problems. The following two issues will be addressed as priorities:

1. Limited education in managing their finances effectively or managing their income.
2. Limited financial literacy and lack of access to financial planning tools.
3. Limited knowledge of financial planning principles such as budgeting, investing, and debt management.

These issues are aligned for economically productive communities and prospective new entrepreneurs, including the fields of business management, with the aim of enhancing services and expanding their skills, knowledge, and capacity to build and sustain successful businesses. The

problems are in accordance with the needs of these groups to improve services, increase community knowledge, improving/assist service facilities in all economic fields.

Solutions must be closely related to partner priority problems.

1. Limited education in managing their finances effectively or their income. Solution: To address this problem, financial literacy training, access to simple financial tools, improved financial services, hands-on learning experiences, and collaboration with government and NGOs are essential solutions. By implementing these strategies, individuals and small businesses can develop strong financial management skills, leading to better decision-making, sustainable growth, and long-term economic stability.
2. Low internal knowledge to understand financial planning: Solution: To address this problem, integrating financial education, accessible tools, mentorship, professional guidance, and structured financial policies, businesses and individuals can improve their financial planning skills. These solutions will help create a financially stable and sustainable economic environment.
3. Limited knowledge of financial planning principles such as budgeting, investing, and debt management. Solution: To address this problem, by integrating financial education, accessible tools, mentorship, hands-on practice, and institutional support, individuals and businesses can strengthen their knowledge of budgeting, investing, and debt management. This will lead to better financial stability, informed decision-making, and long-term economic growth.

By combining these solutions, individuals can enhance their knowledge and skills in managing their income and understanding the broader aspects of financial planning. These strategies aim to build confidence and provide practical, hands-on experience in managing finances effectively. The targets for managing income and aspects of financial planning from this joint community service are:

1. Increase Financial Knowledge. A minimum of 75% of participants improved their knowledge of financial concepts (budgeting, debt management) by the end of the training. Measurement: Pre- and post-training assessments (quizzes or surveys) to evaluate knowledge gain.
2. Budget Creation and Management. At least 70% of participants create and maintain a personal budget within three months of completing the training. Measurement: Follow-up surveys or interviews to assess whether participants have created a budget and how consistently they are tracking their expenses.
3. Financial Goal Setting. A minimum of 80% of participants saved the income for a vacation or retirement within three months of training. Measurement: Follow-up surveys to determine the number of participants who have set and are actively working towards financial goals.
4. Overall Satisfaction and Engagement. Achieve a satisfaction rate of 85% or higher among participants regarding the training program. Measurement: Post-training feedback surveys to assess participants' satisfaction with the content, delivery, and applicability of the training.

The implementing these strategies, the participants will enhance their understanding of financial concepts. A combination of interactive learning, personalized experiences, and continuous support will empower participants to apply their knowledge effectively, leading to improved financial literacy and management skills.

METHODS



The target audience in the community service program organized by a team from Mercu Buana University is TKI residents who live in Penang and are members of the NGO Permai (PARI). Training and counseling are provided in Penang, Malaysia. To address the issues regarding limited education in financial management, financial literacy, and knowledge of financial planning principles, a comprehensive training program can be developed. Below are the key components and types of training that can effectively provide solutions to these problems:

1. **Financial Literacy Education.** Content: Basic Financial Concepts to Understanding income, expenses, savings, and investments and the Importance of credit scores and how to manage credit. Budgeting: Creating and maintaining a personal budget and Tools and apps for budgeting, understanding different types of debt (e.g., credit cards, loans) and Strategies for paying off debt).
2. **Community Programs and Support Groups.** Content: Support Groups: Regular meetings to discuss financial topics and share experiences, Peer support for accountability and motivation. Community Resources: Partnerships with local organizations to provide free or low-cost financial education. Access to libraries or community centers for workshops and seminars.

To effectively address the issues of limited education in financial management, financial literacy, and knowledge of financial planning principles, a structured approach is essential. Below is a detailed outline of the stages involved in developing and implementing a comprehensive financial literacy program, from preparation to application and evaluation.

Stages of Implementation for Financial Literacy Program.

1. **Preparation Stage.** Identify target audience and specific needs, Conduct surveys or focus groups to identify the financial literacy gaps among the target audience, and Involve community leaders, financial experts, and potential participants in discussions to gather insights and support.
2. **Implementation.** Facilitators or educators will deliver the program content and Organize venues, materials, and schedules for training sessions.
3. **Socialization.** Promote the program through community events, social media, and local organizations to attract participants. Host introductory sessions to explain the program's benefits and objectives and Schedule follow-up meetings to discuss progress and address challenges.
4. **Making Props and Equipment.** Design posters, charts, and infographics that illustrate key financial concepts; develop props for workshops, such as budgeting games or investment simulation kits; Evaluation and Feedback Conduct evaluations to measure knowledge gains and behavioral changes; collect feedback through surveys to understand participants' experiences and suggestions for improvement, Implement follow-up surveys or interviews to assess the long-term impact of the training on participants' financial behaviors.

This stage is carried out after all stages of activities have been carried out. This stage needs to be carried out to measure the level of community understanding of the training provided and to provide a basis for improvement for the implementation of subsequent activities.

Based on the problems presented above, the solutions that will be implemented are:

1. Survey and make an agreement letter
2. Implementation activities with partners participate in program implementation.
3. Discussion Q and A
4. Assessment Questioners distribute



RESULTS AND DISCUSSION

The initiative undertaken in partnership with the Permai NGO was fundamentally focused on enhancing financial literacy among participants. The project was carefully designed to equip participants with essential knowledge and skills necessary for managing their income streams, whether sourced from employment salaries or entrepreneurial activities. A significant component of the program revolved around teaching the intricacies of taxation, including how to calculate tax obligations pertinent to different types of income accurately.

Moreover, the program emphasized the creation and implementation of effective financial planning strategies. This was done with the aim of empowering participants not only to understand their current financial status but also to confidently predict future financial outcomes based on sound budgeting and accounting principles. The initiative's core objective was to foster a foundation that supports prudent financial decision-making, contributing to the economic stability and growth of the individual members as well as the NGO itself.

Throughout the sessions, concepts that might seem complex were broken down into more manageable elements to ensure that all participants, regardless of their prior financial knowledge, could comprehend and apply the teachings. Special attention was granted to the adaptation of these financial principles to the unique conditions faced by the members of Permai, thus ensuring relevance and applicability.

Participant Engagement, Inquiry, and Interaction Dynamics. One of the most valuable facets of this endeavor was the high degree of participant involvement throughout the training sessions. The members of Permai exhibited notable enthusiasm, particularly during the interactive segments, where they were encouraged to pose questions and clarify doubts. This dialogue centered on a variety of topics, including the maintenance of financial records, strategies for accurate forecast of profits, and methods to assess the true costs associated with production activities.

Participants demonstrated a proactive attitude by seeking detailed advice on how to formalize their financial documentation and on tools that could streamline this process. The earnest questions reflected a strong desire among attendees to elevate their financial practices to a professional level. For example, some wanted guidance on developing comprehensive profit calculations that took into account various expenses, thus enabling a clearer picture of net profitability.

This robust exchange of ideas was facilitated by trainers who supplied context-specific examples grounded in the actual economic environment of Permai members. This approach not only helped demystify theoretical concepts but also encouraged practical application in day-to-day financial operations.

Tangible Benefits and Positive Impact on Participants. The ripple effects of the training were broad and impactful. Before participating in this program, many members of the NGO had minimal exposure to digital tools or formal methodologies related to financial management. This deficiency often resulted in inconsistent record-keeping and difficulties in planning future business actions. By introducing accessible technological solutions and systematic approaches, the program significantly enhanced the participants' capabilities.

As a result, the participants gained confidence in handling their bookkeeping tasks and financial forecasting, which in turn improved their ability to make data-driven decisions. Understanding tax calculation nuances and the importance of timely compliance saw a much-needed boost, ensuring mishaps were minimized, and financial obligations met correctly.

Importantly, the knowledge transferred went beyond basic skills. It instilled a sense of accountability and forward thinking that is crucial for sustainable development. The constructive



discussions and engagement were a testament to the relevance and immediate applicability of the program's teachings to real-world business environments faced by the members.

Recommendations for Ongoing Program Development and Expansion. Given the positive reception and measurable advantages observed, it is strongly recommended that similar programs continue to be executed regularly. Ongoing education and capacity building remain critical in raising the economic welfare of community members associated with Permai and beyond.

Participants expressed a clear interest in deepening their expertise, indicating an opportunity to expand the curriculum to include advanced financial management, digital marketing strategies, and comprehensive business planning. Regular refresher sessions and a systematic support network for continuous learning would cement gains and keep participants abreast of the latest best practices.

Further, incorporating a mentorship or expert consultation framework would provide personalized guidance, boosting confidence and facilitating faster resolution of financial challenges. This would nurture a sustainable ecosystem wherein knowledge is not only delivered but perpetuated effectively.

Challenges Faced and Adaptive Solutions for Remote Engagement. One significant hurdle throughout the program was the geographical separation of NGO members, which restricted opportunities for face-to-face instruction and direct assistance. This physical distance presented a notable challenge in maintaining consistent interaction and hands-on training.

To overcome this, the program leveraged digital communication platforms such as WhatsApp and other messaging services to maintain a steady flow of support and feedback. This digital connectivity allowed participants to raise questions and receive prompt responses, ensuring uninterrupted learning despite the absence of traditional classroom settings.

The flexibility provided by remote engagement was particularly beneficial, accommodating diverse schedules and enabling participants to revisit learning materials at their convenience. While in-person interaction remains ideal for deeper engagement, the adaptive use of technology significantly mitigated the geographical barriers and maximized the reach and effectiveness of the program.

CONCLUSION

1. The implementation of the collaboration with NGO Permai is a mutually beneficial activity where the parties contribute both from activities and funding in kind.
2. The output of this activity is mass media publication and video publication. Based on what has been planned, the output that has been carried out is the publication of activities carried out in the mass media with the link:
3. The result of this activity is to be published in the Community Services Journal.

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