

Financial Literature Education to Improve Minimum Competency Assessment

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Abstract

The aim of this research is to increase the minimum competence of students through the implementation of financial literacy education. The research method used in this research is descriptive qualitative method. The type of data used in this study is qualitative data, which is categorized into two types, namely primary data and secondary data. Sources of data obtained through library research techniques (library studies) which refers to sources available both online and offline such as: scientific journals, books and news sourced from trusted sources. Based on the description analysis above, it can be concluded that financial literacy education that can be provided can be done by: a) Financial literacy education with a financial literacy car (SiMOLEK); b) Simulation of banking products; c) Oral and written socialization; d) Preparation of educational curriculum design that contains material on financial literacy.

Keywords

financial literacy; minimum competency assessment; literacy education



I. Introduction

Economy is one of the important factors in human life (Abidin, 2014). Meanwhile, Indonesia is a developing country in the Southeast Asia region with a relatively low economic growth rate (Finance, 2015). This can be due to various aspects, one of which is the lack of students' understanding of financial literacy because it is not taught within the scope of education in schools. The results of a survey by the Financial Services Authority (OJK) in 2016 showed that students' understanding of financial literacy was still very low, at only 21.8%. A country is considered to have a good financial sector if the literacy level of students towards financial products is at least 30%, so it can be said that the understanding of financial literacy of Indonesian students is still relatively low.

According to Dvarakova (2009) as quoted by (Tomášková, Mohelská, & Němcová, 2011), it is explained that financial literacy is a system of knowledge, skills, and attitudes that are important for securing finances themselves and their families in contemporary students. They are actively involved in the market for financial products and services. Education is something important and cannot be separated from a person's life, both in the family, society and nation (Sari, 2021). Education has a very strategic role in determining the direction of the forthcoming of the nation's quality of community knowledge (Musdiani, 2019). This compulsory education program is expected to provide minimum education for Indonesian citizens to be able to develop their potential so that they can live independently in a community environment or continue their education to a higher level (Martono, 2020).

Education is one way to improve and develop the quality of human resources in Indonesia (Adiyono, 2021). This deficiency arises due to the lack of attention of educational personnel printing institutions that pay attention to these skills (Waluyandi, 2020). Pohan (2020) states that at school, from elementary to secondary school or even college, students undergo, practice, and experience the learning process of various knowledge and skills. Learning is essentially a cognitive process that has the support of psychomotor functions (Arsani, 2020). Students who have a financial literacy culture can manage well the existence of money and price issues, and can manage well personal finance budget, including financial asset management and debt with the aim of changing lives. Earnings management practices that are often carried out by management can reduce the quality of a company's financial statements (Sitanggang, 2020). The internal party in this case is the company's management who is obliged to prepare financial statements. External parties are shareholders, government, creditors and potential investors (Yannizar, 2020). Financial literacy is a special part of broad economic literacy. Economic literacy includes ability to secure income, determine the consequences of personal decisions in present and future income, orientation in the labor market, and the ability to make decisions about spending, and so forth.

According to (Chen & Volpe, 2002), financial literacy shows a financial understanding of general knowledge of finance, investment, savings and insurance. Someone with a high understanding of financial literacy has a better economic life making it easier to make financial decisions (Lusardi, Mitchell, & Curto, 2010). Based on this understanding, it can be explained that one of the intelligences that modern humans must possess today is financial intelligence, namely intelligence in managing personal financial assets.

By applying the right way of financial management, a student is expected to get the maximum benefit from the money he has. In a person's personal life, basically a financial decision taken there are three; 1) how much should be consumed each period; 2) whether there is excess income and how the excess is invested; and 3) how to finance such consumption and investment.

In order to achieve financial well-being, one needs to have knowledge, attitude, and implementation of sound personal finance. To what extent knowledge, attitude and implementation of a person in managing finances, known with financial literacy or financial literacy. Students as young people will not only face increasing complexity in financial products, services, and markets, but they are more likely to have to endure more financial risk in the future than their parents. The importance of education to improve understanding of financial literacy in the younger generation, especially students, encourage the banking sector.

Financial literacy education programs are also carried out by OJK in collaboration with Muhammadiyah. The Financial Services Authority (OJK) continues to develop programs for Islamic finance, financial literacy and consumer protection in the financial services sector. The scope of the two Memorandums of Understanding is among others regarding joint research or providing assistance in research in the development of Islamic finance in activities in the financial services sector. In addition, joint education for students was also initiated to increase understanding of sharia-based financial service product activities. The improvement of financial literacy skills is carried out through activities, oral and written socialization, preparation of educational curriculum designs containing material on activities in the financial services sector as well as providing technical assistance in facilitating educational institutions. The goal to be achieved in this research is to increase the minimum competence of students through the implementation of financial literacy education.

II. Research Methods

The research method used in this research is descriptive qualitative method. The type of data used in this study is qualitative data, which is categorized into two types, namely primary data and secondary data. Sources of data obtained through library research techniques (library studies) which refers to sources available both online and offline such as: scientific journals, books and news sourced from trusted sources. These sources are collected based on discussion and linked from one information to another. Data collection techniques used in this study were observation, interviews and research. This data is analyzed and then conclusions are drawn.

III. Discussion

3.1 Concept of Minimum Competency Assessment

Assessment is a process of collecting data about the learning development of students (Gloria, 2011). Assessment can be regarded as an assessment of the process, development, and student learning outcomes (Wulan, 2007). Thus, assessment is the right term to measure student learning processes. The assessment is divided into two groups, namely traditional assessment and alternative assessment. Traditional assessments include true-false tests, multiple choice tests, completeness tests, and limited answer tests. While alternative assessments include essay questions, practical assessments, project assessments, questionnaires, inventory, checklists, peer assessments, self-assessments, portfolios, observations, discussions and interviews.

Implementation of the assessment aims to (1) describe the success of mastering student competencies, (2) describe the success of the learning process, (3) determine the follow-up to the results of the assessment, (4) as a form of accountability from the school to parents and the community, and (5) as material improvement of the process of teaching and learning activities.

The main components of education are divided into three, namely curriculum, learning and assessment. The curriculum covers what will be learned. Learning is about how to achieve the goal to master the material in accordance with the curriculum. While the assessment measures everything that has been learned, anything and to what extent. Assessment is the application of using assessment tools to obtain as much information as possible about the extent to which students are successful in mastering certain competencies.

Minimum Competency Assessment (AKM) is held to obtain information to improve the quality of learning so that it is hoped that it will also improve student learning outcomes. The implementation of the assessment does not only measure the mastery of knowledge material in accordance with the curriculum, but is specifically designed to determine the quality of education as a whole and make improvements to the quality of education that is felt to be lacking. The main focus of AKM is on the fulfillment of students' reading literacy and numeracy literacy skills (Cahyana, 2020).

The results of the AKM are intended to present information about the level of ability possessed by students. This is what teachers will use in designing learning using innovative learning strategies that are effective and of high quality according to the level of student achievement. Learning that is designed according to the level of student achievement is expected to make it easier for students to master the content of a subject. The AKM question instrument does not only contain the topic or content of a particular material but includes content, context and cognitive processes that students must go through. The implementation of this competency assessment makes teachers have to be more creative in compiling

assessment instruments for students (Nehru, 2019). Indirectly, teachers who teach using conventional models must also be replaced with creative and innovative learning models according to the conditions needed.

3.2 Factors Affecting the Implementation of the AKM policy

(Subarsono, 2012) cites Edward III's opinion which states that policy implementation is influenced by four variables, namely;

1. Communication; The success of policy implementation requires the implementer to know what to do, what the goals and objectives must be transmitted to the target. If the goals and objectives of the policy are not clear and not conveyed, it is likely that resistance from the target group will occur.
2. Resources; although the policy has been communicated, but if there is a lack of resources to implement it, the implementation of the policy will not run effectively. The resources referred to are implementor and financial competencies.
3. Disposition; is the character and characteristics of the implementor, such as commitment, honesty, democratic nature. If the implementor has a good disposition, then he will carry out the policy according to the policy objectives, but on the contrary if the implementor has a different perspective from the policy maker, the implementation process will be ineffective.
4. Bureaucratic Structure; the organizational structure in charge of implementing the policy has a significant influence on the implementation of the policy. One important aspect of the structure is the existence of standard operational procedures (SOPs) which serve as guidelines for implementers in their actions.

3.3 Planning of Financial Literacy-Oriented Curricular Activities

To provide a literacy-oriented learning experience, schools emphasize three important processes, namely planning, implementation, and evaluation. Learning planning is structured as a meaningful learning design in the form of a Learning Implementation Plan or RPP. Apart from being an administrative responsibility, the lesson plans also contain information about what teachers and students will do to learn basic competencies. RPP is prepared by each teacher as a learning reference, technically the RPP tells the learning activities during one meeting.

3.4 Controlling Financial Literacy-Oriented Curricular Activities

Formal control is carried out in supervision activities through a monitoring process. Academic supervision activities carried out in controlling financial literacy culture through curricular activities have the aim of mentoring and coaching in improving the quality of learning (Diandra, Marsidin, Sabandi, & Zikri, 2020). Control at the planning stage is carried out by monitoring and evaluating the RPP carried out by the principal on a regular basis with different intensities. School A monitors lesson plans incidentally, School B monitors lesson plans every trimester, while school C monitors lesson plans once a week. Monitoring of this lesson plan is carried out by the principal as an evaluator. In addition to administrative control, monitoring of its implementation in class is also carried out.

3.5 Implementation of Financial Literacy Education to Improve Minimum Competency Assessment

Based on literature studies and theoretical studies, here are some solutions or concepts that can be done to apply financial literacy education to students through partnership programs with banks in order to reduce students' consumptive behavior.

a. Financial literacy education using a financial literacy car (SiMOLEK)

This financial literacy activity using a financial literacy car (SiMOLEK) was initiated by the OJK. The SiMOLEK program was launched with the aim of making it easier for socialization about literacy to reach remote areas. Initially, SiMOLEK was only spread in 14 cities, namely Balikpapan, Bandung, Bogor, Cirebon, Denpasar, Jakarta, Makassar, Malang, Manado, Medan, Pekanbaru, Semarang, Solo, and Surabaya. SiMOLEK is equipped with full-featured multimedia equipment. SiMOLEK also provides educational materials, such as leaflets and brochures.

b. Simulation of Banking Products

Similar to SiMOLEK, this simulation of banking products can be carried out through a partnership program with banks. The school administrator submits a written application to the bank or OJK so that a simulation of banking products can be held inside and outside the classroom. In order to implement this program, students should not be charged a fee because the financial literacy education program for the public, especially for students, is a special program that has been initiated by the OJK and carried out together with the banking sector. Through learning with the simulation method, whether done inside or outside the classroom, students are expected to gain more learning experience and better understand the importance of applying financial literacy in everyday life.

c. Oral and written Socialization

Oral and written socialization has usually become a banking program to increase public understanding of the importance of financial literacy. Oral socialization can be applied in financial literacy learning, especially for students.

IV. Conclusion

Based on the description analysis above, it can be concluded that financial literacy education that can be provided can be done by: a) Financial literacy education with a financial literacy car (SiMOLEK); b) Simulation of banking products; c) Oral and written socialization; d) Preparation of educational curriculum design that contains material on financial literacy. The success of policy implementation depends on human and financial resource factors, besides the use of instruments that are adjusted to the level of efficiency of their use. Policy implementation will be successful if it begins with communication in the form of socialization, conveying policy objectives, involving target groups and high financial support. In addition, the mechanisms and strategies of policy implementation become a bridge for the success of policy implementation.

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