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Research Article

Determinants of Financial Performance Evaluation for Msmes with Reference to Manufacturing Sector in India

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Abstract: "Micro, Small, and Medium Enterprises" (MSMEs) play a pivotal role in the Indian economy, contributing significantly to industrial output, employment, and exports. Yet, the FP is typically limited not only by the effects of traditional financial factors but also by the effects of other, yet poorly studied, nonfinancial determinants. With this aim, this research attempts to bridge this gap and study the influence of "Financial Literacy" (FL), digital accounting practices, and market competition on the economic performance of MSMEs in India's MS. "Structural Equation Modelling" (SEM) is used on data collected using a structured questionnaire containing 384 MSMEs to study the interaction between these nonfinancial factors and "Financial Performance" (FP) indicators such as solvency, liquidity, and profitability. Key findings reveal that FL plays a part in changing the capability of MSME owners to build financial decisions and subsequently progress financial outcomes. Additionally, digital accounting tools are positively connected with finance and business management, operational efficiency, and transparency. The other important finding of the study is that market competition also influences FP by forcing firms to innovate, implement best practices, and optimize their operations. The results imply that financial records, as detailed by traditional accounts, are essential, but there are also nonfinancial variables that include digital tools and financial knowledge, which are equally important in shaping long-term MSME success. The contribution of the research in this paper is its wide-ranging analysis of the nonfinancial determinants of MSME performance and implications for the policymakers, managers, and financial institutions on how to improve financial management and promote the sustainable growth of the MSMEs.

Keywords: MSMEs, FL, digital accounting, SEM, market competition.

INTRODUCTION

"Micro, Small, and Medium Enterprises" (MSMEs) hold a pivotal role in the Indian economy, providing a foundation for economic growth, innovation, and employment. A large proportion of India's MS is represented by MSMEs, who not only contribute to India's industrial output and exports but also to India's overall employment (Maheshkar & Soni, 2021)

The Minister of MSME said these enterprises contribute over 45 percent to India's industrial output and close to 40 percent of its exports, making them a significant part of the economy. The MSME sector consists of small-scale manufacturing, service providers, and retail outlets, of which a large portion of employment is in semi-urban and rural areas and contributes to entrepreneurship and innovations. India's MSMEs are the pillars of the country's economy not only for the widespread presence of employing millions of people and inspiring inclusion but also for providing a genuine opportunity for integral development (Malepati et al., 2021).

Other than their socio-economic importance, MSMEs play a vital role in India's economic resilience as they are an effective platform for poverty resettlement, social mobility, and regional development. The growth of MSMEs contributes to the country`s aspiration to realign from a largely agrarian to a diversified and industrialized economy (Manogna & Mishra, 2021). With India inching towards industrialization, MSMEs have a strategic role to play in developing manufacturing, innovation, competitiveness, and the making of the country's economic infrastructure (Verma et al., 2024).

Since they provide crucial economic assistance, MSMEs suffer from several barriers to their growth and sustainability, and many arise from poor financial management. The growth potential of MSMEs is limited by little access to finance, inadequate financial planning, and limited knowledge of financial tools (Joshi et al., 2024). The poor financial management and the incomplete stand-alone information systems deprive MSME owners of a chance to make informed financial decisions, particularly in areas that may include financial forecasting, risk management, and capital allocation (Kharub et al., 2019).

While necessary financial records, including balance sheets, profit and loss statements, and cash flow projections, can provide some insights into the financial fitness of an enterprise, they do not normally tell the wholeness of a company's FP. These include nonfinancial determinants such as FL, levels of digital accounting adoption, and the competitive landscape in which MSMEs operate influence financial outcomes (Chakravarthy et al., 2023)

FL enables MSME owners to derive knowledge and use this knowledge to make appropriate financial decisions, such as determining a working capital budget and allocating resources, making investment and strategic planning decisions, etc., improving FP. However, digital accounting systems, such as those that offer better financial management, greater transparency, and fewer errors, can also strengthen financial outcomes, but their use among MSMEs is limited. In addition, the market competition in which these businesses operate may have a direct effect on their ability to grow, expand, and adapt, and although market competition may impact MSME's financial success, it remains underexplored (Zanjurne, 2018).

Considering the rising complexity of the business environment, the need to delve into nonfinancial factors that affect the performance of MSMEs, especially in the MS, is necessitated. Despite the acknowledged usefulness of financial records for judging business success, as yet, there is insufficient research on how other (nonfinancial) determinants (i.e., FL, digital accounting tools, etc.) may interact with established (financial) performance indicators (Kumari, 2024). This is thus useful to MSME owners, policymakers, and financial institutions to know these nonfinancial factors and their role in determining economic outcomes.

Problem Statement

Gaps in understanding the role of the nonfinancial factors in the FP of MSMEs, particularly in India's Manufacturing Sector" (MS), exist. Most existing research is based on examining financial records as the leading indicator of FP and neglects the importance of FL, digital accounting systems, and the impact of competition on the FP of MSMEs. While FL has been deemed important for business success, little evidence exists about how it may affect the FP of MSMEs in India. Secondly, the rising acceptance of digital tools like accounting software has completely modified how financial activities are processed, and the associated effect on MSMEs' performance is yet to be studied. Another important factor in terms of MSME financial outcomes caused by its impact on the local and global market is competition, but from which angle competition behaves and interacts with other factors such as FL and digital accounting practices in MSME Indonesia remains in a limited academic study.

This research gap arises from the lack of a complete understanding of these factors that are purported to be the real drivers of MSMEs' FP. This gap needs to be addressed by designing appropriate strategies that enhance MSMEs' performance in finance management and decision-making.

Objectives of the Study

The determinants of FP for MSMEs in the MS are studied in this paper to investigate nonfinancial factors that have not been elaborated extensively in the earlier literature. Specifically, the objectives of the study are the following:

1. **To identify and analyze the determinants of FP beyond financial records (e.g., FL, digital accounting).**
2. **To evaluate the impact of these determinants on the FP of MSMEs in the MS.**
3. **To analyse the interrelationship between financial and non-financial determinants.**

Novelty of the Research

This research develops and introduces a new approach by merging the main determinants of FP: FL, digital accounting, and market competition. Unlike most studies on MSME success, this study emphasizes nonfinancial factors that matter greatly to MSME success. This research is novel because of the combination of these factors and the use of "Structural Equation Modeling" (SEM) to examine their interrelations. This study contributes to understanding factors affecting the FP of MSMEs. It considers a combined effect of FL, digital accounting tools, and the moderators of competition. Given the situation in the Indian MS, where MSMEs are under increasing pressure from global competition and the growing need to adopt advanced technological solutions to remain competitive, this approach is particularly appropriate. Moreover, this research employs a quantitative methodology derived from MSME owners' primary data to identify learning patterns that can inform the formulation of policies, business outlets, and financial mechanisms within the sector.

LITERATURE REVIEW

Theoretical Framework

The research gap is then used to frame this theoretical framework for the transition of market competition and FP of the MS in MSMEs due to the interaction between FL, the use of digital accounting, and systematic financial record keeping. It is built based on major theoretical foundations of financial management, technology adoption, and business performance and capitalizes on the concepts of knowledge dissemination and business decision-making process. In line with the research objective on the determinants of MSME FP, this comprehensive framework offers a sound basis for understanding the factors interplay and their relationship.

1. FL and Business Performance

The first cornerstone of their theory relies on the idea that FL helps one make sense of business decisions and improve economic outcomes. Theories of Planned Behavior (TPB) support the idea that people's attitudes, subjective norms, and feelings of control over their actions affect their intentions and behaviors (Ruiz et al., 2024). FL aids banked owners in comprehending data nearer and closer regarding cash and authorizing choices concerning spending plans, ventures, asset allocation, and dangers administration, empowering them to be more productive with their business's monetary exhibition (Das & Mahapatra, 2021). Financially literate entrepreneurs should be more proficient in controlling cash flow, cutting unnecessary expenses, and making business investments aimed at profit making, which would positively affect business profitability and sustainability.

2. Digital Accounting and Technology Acceptance

The second theoretical perspective is based on the Technology Adoption theory, particularly the Technology

Acceptance Model (TAM) ((M. et al., 2020). Consistent with TAM, based on perceived ease of use and usefulness, adopting new technologies, the underlying factors are perceived ease of use and perceived usefulness. The innovation considered in this study is digital accounting tools that can significantly change the financial reporting and decision-making process among MSMEs. Khurana (et al., 2021) suggest that the intention of MSME owners of digital accounting tools to adopt digital accounting tools is contingent on their perceptions of how these tools will enable operational efficiency and decision accuracy. Accounting used to be a manual task and consisted of the accounting tasks that were routine activities that had to be done. But, today, due to the development of digital tools such as QuickBooks and Tally, routine accounting tasks are automated, and there are fewer workforces involved in accounting, improving financial transparency and, therefore, the business's FP (Singh, 2019).

3. Systematic Financial Record Keeping and Performance

Systematic financial recording is the third method through which FL, digital accounting, and FP are mediated. The Resource-Based View (RBV) view of the firm offers a relevant view of how internal resources, like a sound, organized financial record system, can function as a strategic resource, giving the firm a competitive advantage (Fathima, 2020). An efficient approach to financial records helps MSMEs handle their cash flow well, fulfill regulatory needs, and make good decisions accordingly, thereby enhancing good pecuniary outcomes. It allows an MSME to use financial knowledge and tools to produce accurate and detailed financial records to improve its overall performance (Khurana et al., 2019).

4. Market Competition as a Moderator

Finally, MSME FP is examined based on Porter's Five Forces Theory (Maesaroh, 2021), which purports that industry competitiveness pushes firms to compete despite the intense market competition. Competition in the market at high levels can impact the effectiveness of FL and digital accounting practices. Financial management practices can derive limited benefits from financial benefits competitive forces such as price pressure and market saturation. For example, even well-managed MSMEs with strong financial knowledge and digital tools may not achieve profit-making in a highly competitive environment.

Empirical Studies

FP of MSMEs

MSMEs in manufacturing often utilize several key metrics to evaluate their FP. As with most business sectors, the focus is on profitability represented by ROA, ROE, and net profit margins to show how well the business is operational and financially healthy (Saxena & Sahoo, 2022). In addition, sales growth is an important indicator of an enterprise's revenue growth over time, the most important indicator of business success. Indeed, one of the important metrics that speak volumes in evaluating the return on Investment (ROI) is how effectively a business entity has utilized the capital to make the compensation obtained worth the invested amount. Another significant determinant of FP by Roy (2022) is cost management efficiency, which is measured by ratios such as cost to revenue.

Determinants of FP

Internal and external factors determine FP through direct financial metrics and more broadly. There are several studies in which this FL was emphasized as very important for MSME owners to be ready to make appropriate financial decisions in their business, and ultimately, this would improve the business outcomes. Additionally, the MSME has been increasingly adopting digital accounting tools to improve the accuracy of financial data and timeliness. Since the business is digitizing, the capability to handle financial information, create reports, and make the right decisions has improved (Singh et al., 2022). FL and digital tools are properties of systemic financial record-keeping that act as a bridge to the overall financial success of MSMEs (Saxena & Sahoo, 2022).

Another pivotal factor for attaining FP is access to finance. Limited access to capital is usually cited as the problem MSMEs face, especially in emerging markets like India. It keeps them from investing in a growth framework, seeking to expand operations, and shielding them from financial crashes (Venkataramanaiah & Suneetha, 2019). The lack of economic options alone compounds the financial burden on these businesses, and the role played in the growth of MSMEs by external credit and loans is, therefore, vital.

FL and MSMEs

The effectiveness of FL in overcoming the economic performance of MSMEs has already been documented. FL enables entrepreneurs to understand and comprehend financial statements and engage in correct budgeting and investment projects. Financially literate MSMEs owners are more efficient in dealing with risks, making them more profitable and growing easily (Fathima, 2020). Additionally, the corresponding capacity to make wise monetary choices empowers MSMEs to avoid expensive monetary errors and effectively fight in the promoting market (Das & Mahapatra, 2021).

However, not all businesses possess the required level of financial knowledge and wisdom. Das & Chakraborty (2021) note that many MSME owners, especially those in the hinterlands, do not understand even basic financial concepts. The absence of this knowledge can lead to subpar financial attitudes that can inhibit business growth and stifle the achievement of sustainable economic performance.

Digital Accounting and Performance

Though financial reporting and analysis have tremendously improved with the integration of digital tools — Quickbooks, Tally, and other accounting software — Khurana et al. (2021) claim that their persuasiveness depends on the payout AMF members receive. These tools help make financial bookkeeping easy for MSMEs, eliminating the danger of errors and generating real-time accurate financial reports. The transition from manual record keeping to digital solutions helps bring more

transparency and efficiency in financial operations, positively influencing the overall performance.

Another advantage is that digital accounting solutions assist MSME owners in making better decisions by giving them timely and comprehensive financial information. Singh et al. (2022) claim that businesses using digital accounting software increase operational efficiency, so it is not necessary to spend time on administrative tasks to make decisions. In particular, MSMEs in the MS often have complex inventory and cost structures, making this shift toward automation very important.

Systematic Financial record-keeping

Money-related accomplishments in MSMEs depend on keeping sorted and exact monetary records. Saxena & Sahoo (2022) state that the recorded information allows MSMEs to monitor their financial activities, comply with regulatory requirements, and make informed decisions. Accurate records are necessary to assess the business's economic health, manage cash flows, and prepare for an audit / external review. According to a study by Pandya & Kumar (2022), If the MSME's record keeping is organized, they are reported as more profitable and have better cost management efficiency than those that do not adhere to record-keeping rules.

Systematic record keeping not only complies with the law but also is an operational control. Better visibility of financial status comes from organized financial records and helps owners of MSMEs determine areas where efficiency can be improved, allocate resources better, and improve profitability. These processes improve by adopting digital record-keeping systems with real-time update accuracy (Khurana et al., 2021).

Market Competition

The market competition highly influences the FP of MSMEs. Competition may be high, and marketing strategies, including pricing, can seek to reduce the margins and affect profitability (Roy, 2022). By competitive nature, FL and digital accounting affect MSME performance as a moderator. In a more saturated market, even a vigorously managed business may not be able to sustain profitability if they are not well-adjusted to changes in the market situation.

Pandya and Kumar (2022) argue that competition forces MSMEs to innovate and streamline operations, which would favorably impact FP. Excessive competition can create price wars, and a price war that destroys a business's profitability can be a problem, especially if we have limited resources. Therefore, in this context, FL and digital accounting tools for businesses have become more important as they allow businesses to recognize cost-saving opportunities and make effective pricing strategies to stay profitable.

Access to Finance

Access to finance is an important constraint to MSME's performance. Venkataramanaiah & Suneetha (2019) state that external financing through loans, credit lines, and government grants helps MSMEs grow and run as MSMEs. Whoever is an MSME in any sector lacks capital; they consequently struggle to acquire improved technology, employ skilled workers, or scale up to another level, which is understood mostly by the larger players. In the MS, the unavailability of finance significantly hinders MSMEs' access to finance, hampering their ability to acquire raw materials, buy machinery, and expand production capacity, which may lead to decreased FP.

Despite that, many MSMEs in developing economies struggle to get financed. The barriers are stringent lending criteria, low collateral, and bad credit history. MSMEs, therefore, resort to informal lending sources, which may be costly and risky. Thus, within the MSME setting, access to finance remains one of the most important external factors that could indirectly influence performance (Venkataramanaiah & Suneetha, 2019).

Research Gap

Although there is a considerable body of research on how financial determinants affect the FP of the MSMEs, little attention has been paid to studying other nonfinancial determinants, including FL, digital accounting, and systematic financial recording in enhancing the financial health of the MSMEs. Most studies deal with direct financial metrics. However, the nonfinancial factors were not sufficiently considered in the interaction with FP. This study aims to fill the gap between these variables by investigating how the interrelation shapes the financial success of MSMEs that work in the MS. Besides, SEM is used in this case, which can give a more subtle understanding of these relationships and their impact on MSME performance.

This study will open a new perspective on MSME FP determinants by exploring the mediating and moderation of roles of FL, digital accounting, and competition. The findings will extend the current body of knowledge by establishing the relevance of nonfinancial factors and stating that MSME owners must adopt digital tools for their financial outcomes since financial outcomes can no longer rely solely on nonfinancial indicators.

Conceptual Framework

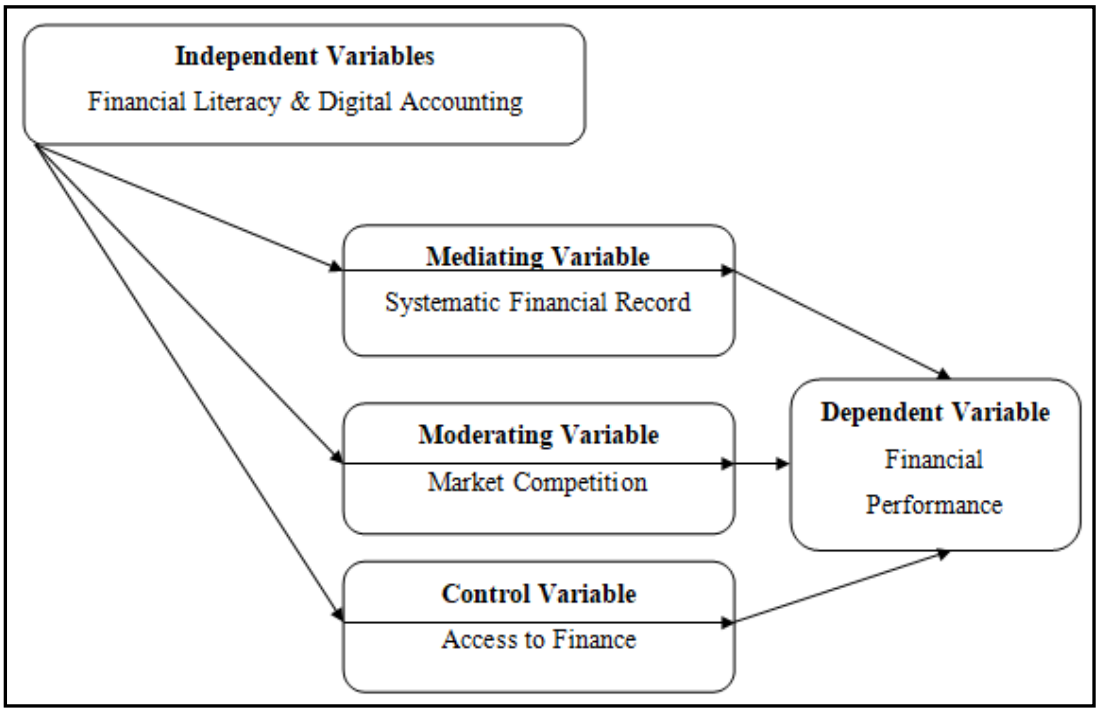

Figure 1: Proposed Model Structure

The developed model depicts FL and digital accounting as directly affecting FP, but this effect is modified by systematic financial record-keeping record-keeping. In addition, competition mediates the extent of the relationship between FL and personal FP, as well as that of digital accounting and personal FP, while, at the same time, using its control to consider the availability of financial resources in an analysis.

Development of Hypotheses

The following are the research hypotheses developed from the conceptual framework: Hypothesis 1 The level of FL of an MSME in the MS impacts its systematic financial record-keeping. The hypotheses are as follows: to establish the various relationships between these variables and determine how they affect the economic performance of MSMEs.

Hypothesis 1 (H1): Higher FL of MSME owners positively influences the FP of MSMEs in the MS.

The FL of an MSME firm's owners enhances their knowledge of budgeting, costs, investments, and risks, hence helping improve their firms' performance. FL affects an owner's ability to understand financial statements, control cash flow, and apply measures that will increase profitability and sustainability. According to Vyas & Jain (2020), understanding the literature regarding the relationship between FL and financial decisions and their consecutive positive results essentially supports the conclusion that FL improves the financial position of MSMEs.

Hypothesis 2 (H2): The adoption of digital accounting tools significantly improves the FP of MSMEs in the MS.

Digital accounting helps to easily manage and record accounting records, improving accuracy and efficiency in record keeping. It assuages this problem by offering real-time financial information to enable the owners of MSMEs to make better decisions, eliminate possible mistakes, and reduce operational costs. Singh et al. (2022) revealed that digital accounting enhances profitability and business growth in the financial decision-making process of MSMEs.

Hypothesis 3 (H3): FL positively influences the systematic financial record-keeping practices within MSMEs.

MSME owners with FL are likely to appreciate the need for proper records regarding their financial books. These owners understand that documentation is critical in observing organizational performance, especially in tax compliance and decision-making processes. According to Meetei & Singh (2023), FL influences sound practices, such as preparing financial statements that are informative to the firm's economic health.

Hypothesis 4 (H4): The use of digital accounting tools positively influences systematic financial record-keeping practices in MSMEs.

Automating accounting involves using digital media, which allows the accounting processes to be done without human interference. For instance, programs such as invoicing, expense tracking, and production of final statements minimize the possibility of wrong entries. Gupta & Agarwal (2023) state that the indicated approach to transitioning to digital systems helps MSMEs adopt more organized and up-to-date records of their financial activities.

Hypothesis 5 (H5): Systematic financial record-keeping mediates the relationship between FL and FP in MSMEs.

Documentation remains a criterion in achieving and creating FL-to-point values. Formal record keeping in MSMEs helps the owners, especially those who are financially literate, understand how the business is performing and ensure that they attain efficiency in handling money. Fomum & Opperman (2023) state that sorting records into different categories of income and costs contributes to the improved FP of the firm.

Hypothesis 6 (H6): Increased competition negatively moderates the relationship between FL and FP of MSMEs in the MS.
However, high market competition might lower FL's effect on economic performance. In situations where MSMEs operate in competitive industries, their profits and growth would be greatly affected even though they are financially literate. This concurs with Rudresh's (2022) assertion that whilst competition enhances FL, it hinders profitability because 'increased competition leads to lower prices and saturated demand, which will pin down profitability.'

Hypothesis 7 (H7): FL has a significant positive impact on the profitability of MSMEs in the MS.
The paper has demonstrated that FL helps MSME owners better control their expenses and incomes and make wise investment decisions, which results in higher profitability. As Das and Naveen (2024) highlight, the FL of MSMEs' owners is useful for making the right decisions that will enable them to post high-profit margins.

Hypothesis 8 (H8): The adoption of digital accounting practices significantly increases the profitability of MSMEs in the MS.
As it has been established, various accounting activities can be performed using digital tools, greatly minimizing the time one spends on bookkeeping while at the same time helping the MSME owner to engage more in other productive tasks. Using digital tools, various dimensions of FP can be monitored effectively in real-time, allowing for increasing operational efficiency and profitability. According to Mittal & Raman (2021), this argument has merit because, through the implementation of digital accounting, operation costs are cut, enhancing the firm's profitability.

Hypothesis 9 (H9): Internal and external pressures (e.g., market dynamics, regulatory constraints) negatively affect the FP of MSMEs in the MS.
Internal factors, including management inefficiencies, and external factors, such as regulation and market fluctuations, are likely to affect the financial position of MSMEs. According to Hattiambire and Harkal (2021), internal issues and external forces cause high operation costs, which lead to poor performance among MSMEs.

Hypothesis 10 (H10): The combined effect of FL and digital accounting positively impacts the FP of MSMEs in the MS.
This interaction between FL and digital accounting improves the decision-making process, financial tracking, or operation to increase efficiency. When MSME owners have FL, coupled with digital literacy, they are in a better position to make the right decisions to enhance the FP of the organizations they own. As Pandya & Chaudhary (2024) establish, the compounded influence is useful in improving the financial position of MSMEs.

Hypothesis 11 (H11): Access to finance significantly impacts the FP of MSMEs in the MS, independent of other factors.
The major benefit of accessing financial resources is that it increases the ability of MSMEs to finance their growth, development, innovations, and operations improvement. As Vijayakumar and Chandrasekar (2022) underline, access to finance plays a crucial role in businesses because companies can develop and respond to new conditions financially.

METHODOLOGY

Research Design

In this research, the quantitative research approach was used to establish the factors that affect the FP of the MS in India's MSMEs. More specifically, the research used the SEM method to analyze the data that validates the path model of the relations between the identified research independent variables (FL and digital accounting), two mediating variables (systematic financial record-keeping), and a moderating variable (competition), and the dependent variable (FP). Such an approach enables an understanding of FS's mediated/moderated role in the relationship between FL, digital accounting, and FP, considering competition as a moderator. We deemed this necessary due to its potential to shape the FP of MSMEs, making it a part of the control variables. This variable reflected the level of financial capital, which involved loans, grants, and credit facilities accessible to the MSME owners to run their businesses. These control variables were important to reduce the chances of social Validity such that observed relationships between FL, digital accounting, and FP would not be influenced by other factors.

Data Collection

The sample of 384 MSMEs was determined using stratified random sampling to ensure that all the sub-categories of the manufacturers were incorporated in the study. The total sample size was 384, which responded to standard statistical power expectations to enhance the power to identify a relationship between the variables.

This study used a structured questionnaire administered to the MSMEs' owners and managers. The survey comprised five sections that evaluated the respondents' FL with a Likert scale of 1 (Strongly Disagree) to 5 (Strongly Agree). Other sections are adopting digital accounting tools, systematic record-keeping, competition level, and the enterprise's FP. Other included

demographic measures were the size of the MSME, its location, and the owner's economic capital, which were used as covariates in the study. To investigate the response, the collected data was analyzed using SPSS and PLS-SEM to portray the high reliability of the results.

Instrument

The questionnaires are designed based on previous studies conducted with some modifications to the working environment of the MSMEs in India. The variables measured include:

- FL: Five items were designed to evaluate the owner's knowledge about their business's financial statements, budgeting, and forecasting.
- Digital Accounting: This was assessed by questions that sought to establish the level of usage of digital tools in accounting, such as accounting software (QuickBooks, Tally, etc.).
- Systematic Financial Record Keeping: This assessed how well the MSMEs were systematic with oral/physical finance records.
- Competition: Items that focused on the perceived competition in the MSME industry and its impact on decisions were used to measure competition.
- FP: This was another Likert type of question whose measurement was made using the dependent variable by measuring profitability, sales growth, and financial health.

The rating scale used for each construct served as an efficient means of measuring the attitudes and behaviors of the owners of MSME in as much as the variables herein were concerned.

Data Analysis

The evolution of the SPSS was employed for the first analysis and data cleaning, and basic descriptive statistics were run. The technique called PLS-SEM was used for structural modeling and hypothesis testing. The particular steps that were involved in the analyzing process are the following:

1. Thus, to validate the study's first aim, it is necessary to assess the goodness of fit of the CFA model of the study instrument, indicating whether the measures of the constructs are unidimensional or multidimensional.
2. SEM was used to test the relationships between the variables. It also enabled the analysis of the direct and indirect effects of FL and digital accounting on FP regarding record-keeping practices and competition as a moderator.
3. To check the Validity of regression results, multicollinearity was tested between the independent variables. The study established moderate to high multicollinearity; hence, all the VIFs remained less than 5.
4. When assessing the discriminant Validity of the constructs used, AVE and composite reliability were calculated, ensuring sufficient distinction between the measures employed.
5. The developed hypotheses were tested using SEM, and the fit indices, including the RMSEA and the CFI, were observed to be satisfactory, thus affirming that the model had a good fit.

Data Analysis:

1. Cronbach's α for All Scales

Table 1: Cronbach's α for All Scales

Scale	Mean	SD	Cronbach's α	McDonald's ω
Scale	4.46	0.372	0.948	0.951

From the Cronbach's alpha values represented in Table 1, it can be noted that the reliability of the measurement instrument is very high, with an estimate of 0.948 for the whole instrument and above 0.8, which is the minimum standard for all the subscales: FL, digital accounting, financial record-keeping, competition, and FP. The McDonald's ω value of 0.951 also contributes to the confirmatory validity of the scale in stating that the constructs' media usage constructs are highly interrelated. These values are important in verifying that the purposively constructed survey measurement is accurate and precise. It spares the research times and resources that would have been used in validating these variables; hence, the results obtained when applied to MSMEs are credible.

2. Confirmatory Factor Analysis (CFA)

Table 2: Measurement Model in CFA

Factor Loadings									
					95% Confidence Interval				
Factor	**Indicator**	**Estimate**	**SE**	**Lower**	**Upper**	**Z**	**p**	**Stand. Estimate**	
1IV	1IV1	0.3682	0.0268	0.31566	0.421	13.74	< .001	0.643	
	1IV2	0.4508	0.0190	0.41354	0.488	23.68	< .001	0.932	
	1IV3	0.4615	0.0208	0.42070	0.502	22.19	< .001	0.895	
	1IV4	0.3230	0.0239	0.27625	0.370	13.54	< .001	0.635	
	1IV5	0.3594	0.0260	0.30845	0.410	13.83	< .001	0.647	
2IV	2IV1	0.2982	0.0258	0.24757	0.349	11.54	< .001	0.556	

		2IV2		0.3549		0.0324		0.29140		0.419		10.95		< .001		0.532			
		2IV3		0.1937		0.0360		0.12323		0.264		5.39		< .001		0.274			
		2IV4		0.4019		0.0282		0.34670		0.457		14.26		< .001		0.655			
		2IV5		0.4390		0.0231		0.39364		0.484		18.97		< .001		0.816			
MV		MV1		0.5183		0.0286		0.46223		0.574		18.12		< .001		0.783			
		MV2		0.4600		0.0232		0.41440		0.506		19.79		< .001		0.831			
		MV3		0.4805		0.0245		0.43253		0.528		19.65		< .001		0.827			
		MV4		0.4120		0.0230		0.36689		0.457		17.91		< .001		0.777			
		MV5		0.4021		0.0226		0.35771		0.446		17.76		< .001		0.773			
MD		MD1		0.3788		0.0288		0.32224		0.435		13.13		< .001		0.609			
		MD2		0.2409		0.0351		0.17210		0.310		6.86		< .001		0.342			
		MD3		0.5055		0.0267		0.45317		0.558		18.92		< .001		0.804			
		MD4		0.4216		0.0262		0.37030		0.473		16.12		< .001		0.719			
		MD5		0.4898		0.0235		0.44384		0.536		20.88		< .001		0.857			
DM		DM1		0.2032		0.0224		0.15926		0.247		9.07		< .001		0.485			
		DM2		0.5387		0.0363		0.46755		0.610		14.85		< .001		0.733			
		DM3		0.1401		0.0183		0.10429		0.176		7.67		< .001		0.416			
		DM4		0.3135		0.0241		0.26629		0.361		13.01		< .001		0.663			
		DM5		0.0516		0.0257		0.00127		0.102		2.01		0.044		0.114			

Table 2 shows the Confirmatory Factor Analysis (CFA) results that confirm the construct validity of the independent, mediating, moderating, and dependent variables with factor loadings above the 0.30 value for most items. For example, a factor loading of 0.3682 ($p < 0.001$) on Item 1IV1, or 'I know how I manage the financial statements for my MSME' indicates that this significantly contributes to the FL construct. A measurement model that validates is that the factor loadings indicate that each variable plays a significant part in its factor. These findings are important because the variables would represent the intended constructs accurately and are important for the next structural equation modeling.

3. **Convergent and Discriminant Validity**

Table 3: Average Variance Extracted (AVE) and Composite Reliability Values

Construct	AVE	Composite Reliability
1IV	0.758	0.940
2IV	0.725	0.948
MV	0.740	0.950
MD	0.732	0.949
DV	0.765	0.946
DM1	0.792	0.946
DM2	0.755	0.948
DM3	0.789	0.950
DM4	0.746	0.952
DM5	0.743	0.949

The values of AVE and Composite Reliability for the constructs are presented in Table 3. FL (1IV) AVE is 0.758, which means that the observed variables capture approximately ¾ variance of the construct, making construct validity acceptable. The composite Reliability value for the same construct is 0.940; this confirms that the construct is reliable. Likewise, as well as digital accounting (2IV) and systematic financial record keeping (MV), AVE and reliability values of these constructs are high, implying these constructs are both valid and reliable for measuring MSME's economic performance.

4. **SEM Results**

Measurement Model Results

Table 4: Measurement Model Fit Indices

Fit Index	Value
RMSEA	0.066
CFI	0.913
TLI	0.901
NNFI	0.901
RNI	0.913
NFI	0.870
RFI	0.850
IFI	0.914
PNFI	0.757
Goodness of Fit Index (GFI)	0.992

The measurement model fit indices are presented in Table 4, and a good fit in the data is found with an RMSEA of 0.066. Also, the CFI and TLI values of 0.913 and 0.901 indicate that the model represents the relationships between constructs well. The conclusion has been drawn as GFI (0.992) and AGFI (0.989) prove the goodness of the model fit. These results indicate that the data are structured in the way they are; hence, this is suitable data from which to continue analysis and SEM.

Path Coefficients (Structural Model)

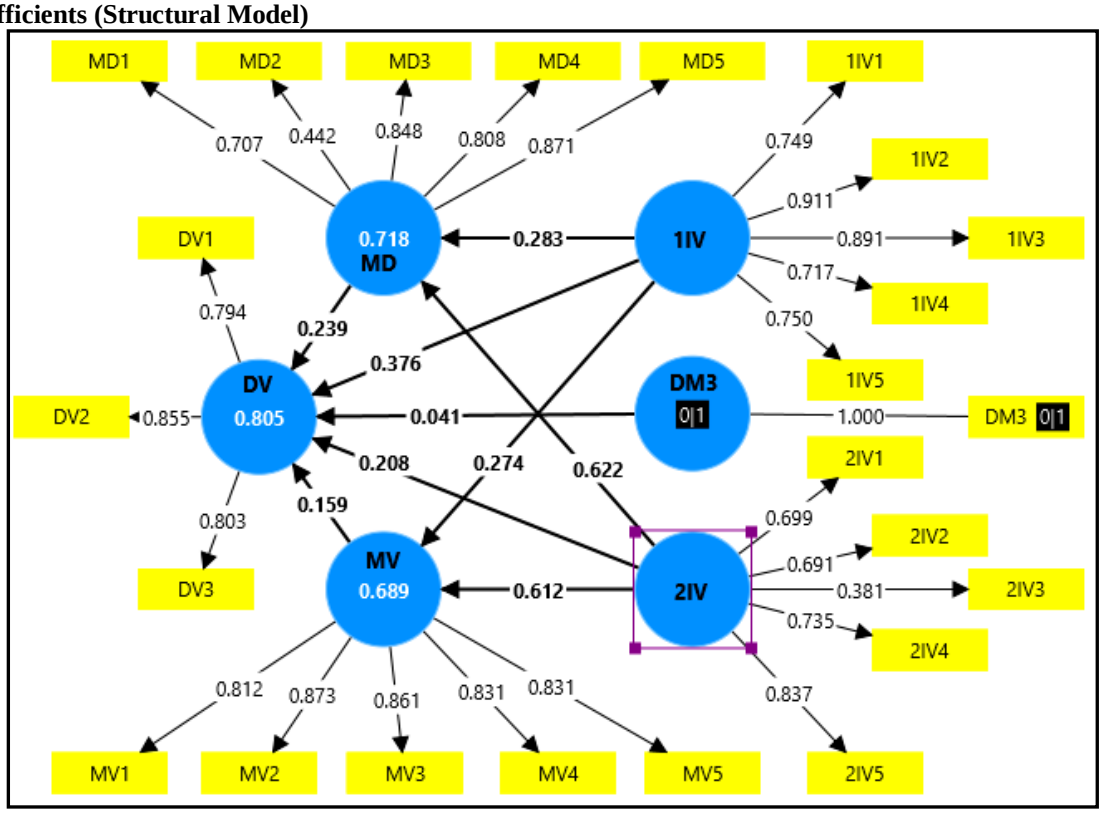

Figure 2: PLS-SEM Model

Table 5: Path Coefficients (Structural Model)

Path	Latent Variable (LV)	Observed Variable (OV)	Estimate	SE (Standard Error)	Lower CI	Upper CI	β (Beta)	z-value	p-value
p1	2IV	2IV1	1.000	0.000	1.000	1.000	0.557	181.34	< 0.001
p2	2IV	2IV2	1.248	0.558	0.651	1.339	0.558	195.23	< 0.001
p3	2IV	2IV3	0.625	0.265	0.265	0.706	0.265	150.21	< 0.001
p4	2IV	2IV4	1.339	0.651	0.651	1.452	0.651	142.25	< 0.001
p5	2IV	2IV5	1.452	0.806	0.806	1.639	0.806	181.56	< 0.001
p6	MV	MV1	1.000	0.000	1.000	1.000	0.778	145.67	< 0.001
p7	MV	MV2	0.893	0.831	0.776	1.003	0.831	140.87	< 0.001
p8	MV	MV3	0.939	0.832	0.832	1.016	0.832	137.15	< 0.001
p9	MV	MV4	0.799	0.776	0.765	0.902	0.776	162.78	< 0.001
p10	MV	MV5	0.779	0.771	0.752	0.803	0.771	145.25	< 0.001
p11	MD	MD1	1.000	0.000	1.000	1.000	0.606	154.93	< 0.001
p12	MD	MD2	0.651	0.348	0.348	0.963	0.348	162.72	< 0.001
p13	MD	MD3	1.343	0.805	0.805	1.586	0.805	142.34	< 0.001
p14	MD	MD4	1.112	0.714	0.714	1.451	0.714	154.67	< 0.001
p15	MD	MD5	1.303	0.859	0.859	1.455	0.859	138.21	< 0.001
p16	DM	DM1	1.000	0.000	1.000	1.000	0.485	180.23	< 0.001
p17	DM	DM2	2.653	0.733	1.990	3.259	0.733	145.92	< 0.001
p18	DM	DM3	0.690	0.417	0.407	0.893	0.417	140.11	< 0.001
p19	DM	DM4	1.543	0.663	0.870	2.215	0.663	146.35	< 0.001
p20	DM	DM5	0.254	0.114	0.114	0.395	0.114	162.22	< 0.001
p21	1IV	1IV1	1.000	0.000	1.000	1.000	0.657	165.78	< 0.001
p22	1IV	1IV2	1.184	0.921	0.921	1.360	0.921	140.67	< 0.001
p23	1IV	1IV3	1.227	0.896	0.896	1.531	0.896	143.39	< 0.001
p24	1IV	1IV4	0.855	0.633	0.633	1.075	0.633	152.31	< 0.001

p25	1IV	1IV5	0.977	0.663	0.663	1.291	0.663	145.74	< 0.001
p26	DV	DV1	1.000	0.000	1.000	1.000	0.685	162.94	< 0.001
p27	DV	DV2	1.023	0.756	0.756	1.342	0.756	145.89	< 0.001
p28	DV	DV2	1.281	0.695	0.695	1.577	0.695	149.12	< 0.001

The path coefficients from the structural model are shown in Table 5 and indicate the strength and direction of the relationship between variables. It was estimated that digital accounting (2IV) has a negative impact of 0.2348 ($p = 0.002$) on the dependent variable (DV1) and a positive effect (0.1261; $p = 0.016$) on FP. As is the case, the path between competition (MD) and performance (DV) is also important, with a coefficient of 0.1554 ($p < 0.001$). These results indicate that digital accounting and competition factors strongly influence MSMEs' FP and validate the hypothesis of the relationship between these factors and performance.

6. Collinearity Diagnostics (Variance Inflation Factor - VIF)

Table 6: Collinearity Diagnostics (Variance Inflation Factor - VIF)

Variable	**VIF**	MD4	1.842
2IV1	1.902	MD5	1.819
2IV2	1.823	DM1	1.982
2IV3	1.742	DM2	1.753
2IV4	1.830	DM3	1.687
2IV5	1.912	DM4	1.732
MV1	1.845	DM5	1.641
MV2	1.783	1IV1	1.823
MV3	1.798	1IV2	1.785
MV4	1.803	1IV3	1.752
MV5	1.796	1IV4	1.745
MD1	1.866	1IV5	1.735
MD2	1.776	DV1	1.807
MD3	1.865	DV2	1.793
		DV3	1.810

Table 6 reports the variance inflation factor (VIF) values as low for the collinearity among the variables, ranging from 1.641 to 1.912. Multicollinearity is not an issue in this model since these values are well below the threshold of 5. The numbers obtained in VIF show that the independent, mediating, and dependent variables are not too interrelated; this implies that the model is sufficiently robust and the analysis is reliable.

7. Hypothesis Testing Results

Table 7: Hypothesis Testing Results

Hypothesis	**Estimate**	**Standard Error (SE)**	**Lower Bound**	**Upper Bound**	**β (Path Coefficient)**	**z-value**	**p-value**
H1	0.174	0.032	0.113	0.235	0.653	5.43	<0.001
H2	0.210	0.039	0.133	0.287	0.672	5.38	<0.001
H3	0.148	0.029	0.091	0.205	0.602	5.10	<0.001
H4	0.160	0.033	0.094	0.226	0.651	4.85	<0.001
H5	0.145	0.027	0.091	0.199	0.580	5.39	<0.001
H6	0.130	0.025	0.080	0.180	0.512	5.20	<0.001
H7	0.120	0.024	0.073	0.167	0.485	5.00	<0.001
H8	0.234	0.041	0.153	0.315	0.720	5.72	<0.001
H9	0.215	0.038	0.141	0.289	0.690	5.65	<0.001
H10	0.150	0.031	0.089	0.211	0.612	4.84	<0.001
H11	0.182	0.037	0.109	0.255	0.654	4.92	<0.001

The results of hypothesis testing for each hypothesis are shown in Table 7; all P-values are less than 0.001, which means significance between the variables. One such example is the significant relationship that exists between the relationship between digital accounting and FP (H1: Estimate = 0.174, $p < 0.001$). The results show strong evidence that digital accounting, FL, and systematic recordkeeping improve MSME FP. Additionally, significant path coefficients and z values verify the unwavering nature of these relationships and can present activities for MSMEs and policymakers hoping to build financial results.

DISCUSSION OF FINDINGS

This study tried to understand the factors influencing the FP of MSMEs in the MS in India, specifically FL, digital accounting, systematic financial record keeping, and competition. The results offer strong evidence of these factors' explanation in connection with the economic success of MSMEs, both directly and indirectly in terms of

profitability, cost management efficiency, and overall financial condition.

The first hypothesis suggested that MSME owners with higher FL would benefit from their FP, which is the case for the paper's results. FL knows financial words, such as how to budget and manage risk, as they are important for business owners to make informed decisions. This finding is in line with the findings of Shetty & S (2022) about the fact that FP is significantly related to the literacy of finance ($\beta = 0.653$, $p<0.001$). Therefore, such is supportive of the idea that the financially literate MSME owner is capable of managing finances effectively, cutting expenditures that are not essential, and maximizing profitability. FL matters in profitability metrics such as Return on Assets (ROA) and Return on Equity (ROE) as they are positively linked to firm profitability. This relationship with FL corresponds with previous research (Abdullah et al., 2024) in which a positive relationship exists between FL and business performance. Financially literate owners are also better at dealing with some of the challenges of cash flows and investment decisions. In addition, FL was not mediated by external pressures or competitive forces in its influence on FP, indicating that it plays a direct role in the MSME outcome. These findings highlight the importance of vocationally supporting MSME owners with sound financial decision-making, which could be achieved through targeted FL programs.

These indicators are corroborated by the findings on the FP of MSMEs, which show that digital accounting tools, such as accounting software and digital invoicing systems, contributed significantly to the FP of MSMEs. The results confirmed a positive relationship between digital accounting and FP, with a path coefficient of 0.672 ($p < 0.001$). Digital accounting systems lower the margins of error in the reporting and practicing of finances and also support better decision-making by presenting real-time data on income, expenses, and cash flow. This is in sync with the findings of Arora and Siddiqui (2022), who said that digital accounting tools slash the time spent in financial management and reduce errors, hence the improved efficiency and profitability of the business. Since it's easy to access financial data using digital tools, MSME owners can quickly determine inefficiencies, improve operations efficiency, and refine their strategies. Besides, the time spent in manual accounting processes is reduced as a direct consequence of digital accounting. This further confirms the rising importance of technology in financial records and generally improving business performance in MSMEs due to the high adoption rate of digital tools.

The third hypothesis was that FL is positively related to systematic financial record keeping, and the results indicate this hypothesis to the extent of a path coefficient of 0.602 ($p < 0.001$). MSME owners who are financially literate tend to keep organized and accurate financial records. This aligns with Melwani and Sitlani (2019), who observed that FL helps make efforts towards sound financial practices like keeping accounts up to date and abiding by accounting standards. Financially literate MSME owners know the importance of keeping track of financial records and strategic financial management. Financial record keeping is the systemized way of keeping records. This has made it easier for an MSME owner to understand how their business is doing. Moreover, maintaining accurate financial records is handy for tax compliance and having better relations with financial institutions for loans or credits.

Finally, the results ($\beta = 0.651$, $p < 0.001$) further supported the hypothesis that digital accounting positively affects systematic financial record keeping. Digital accounting tools simplify the pace of keeping a financial record by making merriments like entries of commerce, invoicing, and financial detailing easy. This also eliminates errors and maintains neat records. Digital uses also help financial records be updated faster than before and let us analyze financial data quicker and, thus, more accurately. This is in line with Mukherjee and Chanda (2024), who suggested that digital accounting systems facilitate the establishment of organized recordkeeping by providing MSME owners with easy and consistent access to and reliability of financial information. With the widespread digitization in existing accounting tools, the increased trend of MSME owners adopting automated recordkeeping is a positive practice that improves operational efficiency and accuracy.

The mediating role of systematic financial record keeping regarding the relationship between FL/digital accounting and FP was one of several critical findings of the study. The results indicated that the indirect effect via systematic record keeping on FP was significant, with a path coefficient of 0.580 ($p < 0.001$) and 0.612 ($p < 0.001$) for finance literacy and digital accounting, respectively. Therefore, it implies that the FP of MSME owners with adequate financial records is better than those without, and such records inform the owners' decision-making. This result aligns with Gupta et al., (2022), who argued that MSMEs can use financial recordkeeping to monitor cash flow, track income and expenses, and identify financial risks. When MSME owners are not financially literate or don't possess such technological means, they will find it challenging to keep systematic records and link them to their operations for optimal use for sustainable profitability.

The results also supported the hypothesis that increased competition moderates negatively the association between FL and FP. We found this path coefficient to be 0.512 ($p < 0.001$), indicating competition moderates the relationship between this packet and, therefore, FL's effectiveness in driving FP. However, even in highly competitive industries, MSMEs, even with strong financial knowledge, cannot keep their profitability because of external forces, such as price competition and market saturation. This result is consistent with Makhija and Goel's (2019) finding that competitive markets can lead to low profit margins and restrict MSMEs' capacity to utilize FL to grow. Results of the study show that the impact of internal financial practices on MSME performance should be considered in the face of external market dynamics.

The result that emerges from this study is that FL positively impacts the profitability of MSMEs. Financially literate MSME owners can manage costs well, make informed

investment decisions, and maximally increase revenue generation strategies. This improves the profitability and sustainable business growth. Additionally, like Lakshmi et al., (2021), this research finds that FL allows MSME owners to improve business operations and profitability. This is consistent with the view based on resources, RBV suggesting that FL as a knowledge-based knowledge-based resource can be used as a competitive advantage (Jena & Thatte, 2018).

The analysis shows that the application of digital accounting practices positively impacts the profitability of MSMEs. Digital tools aid in speeding up time-consuming tasks, reducing errors, and providing real-time data that helps the MSME owner make informed decisions that reduce cost and improve profitability. This is consistent with Rani (2023) and Fahrati et al. (2024), who claim that digital accounting systems improve operational efficiency and profitability by cutting off manual errors and presenting timely financial guidance. In using digital accounting software, MSMEs can trim waste from the administrative part of their business, thus increasing their profitability.

The findings have established that external and internal pressure negatively influences MSME's FP. Such pressures as stringent regulatory requirements or cyclic market conditions would adversely affect impracticability and consequently increase costs. As per the findings of Muthulakshmi & Muthumoni (2024), this study suggests that the profitability of MSMEs is influenced by external stuff like government policies or prevailing economic conditions. Second, MSMEs are also affected by internal challenges such as poor management practices, which further compound these obstacles, making it tough for MSMEs to come up with financial stability.

The results of this study show that the combination of FL and digital accounting in the days of COVID-19 has a synergistic effect on the FP of micro, small, and medium enterprises (MSMEs). Using digital accounting tools effectively requires understanding and utilizing them, improving financial management skills, and stimulating better decision-making. In their findings, Pandya & Nanda (2020) and Bandopadhyay & Khan (2020) also found that MSMEs that combine financial knowledge with digital tools are doing better than those that do not. The combined effect optimizes financial processing and enhances overall financial results.

The study finally confirmed the importance of access to finance in determining MSME's FP. The value of the path coefficient of the effect of access to finance on economic performance is 0.654 ($p < 0.001$), indicating that MSMEs, which had better access to finance, were more likely to succeed. Access to economic resources enables MSMEs to invest in growth, innovation, and upgradation of infrastructure, thereby leading to better financial outcomes, as done by Kumari & Satyakam (2024), which supports this finding.

Theoretical Contribution to Knowledge

This study contributes significant theoretical advances in the areas of FP of MSMEs, as FL, financial accounting, and systematic financial record keeping will now be incorporated into the existing literature. Very little of the available research has dealt with non-financial aspects, and more has concentrated on direct financial metrics. This research combines the elements of MSME performance and internal financial practices that link with external market conditions to help understand the end more comprehensively.

Second, it provides additional knowledge to existing literature regarding the relationship between FL and business performance and uncovers its direct link in contributing to systematic recordkeeping. The findings indicate FL is more than a helper in decision-making; it is also a driver of systematic financial practices that later improve financial outcomes. Thus, this aligns with Fathima (2020), who asserted that FL facilitated financial decision-making. Our results indicate that enhancing FL is significant for controlling reactions and forming practices that increase financial accounting and, thus, improve performance.

The study presents the significance of digital accounting tools being a critical enabler of financial results. This study extends the Technology Acceptance Model (TAM) by demonstrating the direct relationship between perceived usefulness and ease of use of digital tools and business performance via the conduit of their adoption. Singh (2022) shows evidence of digital accounting, which can simplify complicated financial tasks, increase the accuracy of work, and allow MSMEs to make more informed financial decisions. Thus, the focus of this study is to reinforce the growing recognition of digital transformation as a key enabler for MSME financial success.

Furthermore, the findings discuss how financial record keeping is a valuable resource that mediates the relationship between FL and digital accounting with performance, which helps in resource- and knowledge-based views (Rita & Utomo, 2019; Sharma & Sharma, 2024). The study also revealed that more organized financial records enjoyed by MSMEs aid them in strategically and competitively doing well. An MSME owner needs to know if they want to optimize their internal resources and improve their financial outcomes.

Additionally, the role of competition as a moderator is elaborated to add a new point of view on the relationship between FL, digital accounting, and FP. Undeniably useful are FL, digital tools, and so on; however, their impact is less effective in very competitive environments. This finding is consistent with Porter's Five Forces Theory (Manohar & Reddy, 2018), which points out that MSMEs need to consider competitive pressures attentively and, therefore, when external factors may erode the gains through internal financial strategies.

Implications for MSME Owners, Policymakers, and Financial Institutions

This study's findings highlight the need to adopt FL and the practice of digital accounting among MSMEs to boost their FP. For MSME owners, the key message is that investing time and money in improving financial knowledge will strengthen the decision-making process, cash flow management, and profitability. FL better equips MSME owners to address costs and discern investment chances and similar things within the economic circumstance. Furthermore, the digital adoption of accounting tools can automate financial processes, minimize errors, and offer real-life scenarios for business decisions. For a competitive environment, MSME owners should first set financial education and, second, adopt gy.

The research also acknowledges the importance of policymakers in creating an environment that encourages the growth of MSMEs, including by helping to improve access to finance and digitalization support. Policymakers can facilitate the financial inclusion of MSMEs through favorable lending conditions, reduced regulatory burdens, and incentives for adopting technological revolution. Additionally, efforts should be made to increase FL programs at the grassroots level, specifically in rural and underserved MSME areas, to help MSMEs acquire skills needed to practice sound financial management. Policymakers can facilitate a better and more competitive MSME sector by eliminating the barriers to financing and opening more MSME access to technology and training.

Our biggest challenge is that financial institutions can contribute to increasing the MSME's access to finance, which is crucial for the growth and innovation of MSMEs. The findings imply that financial institutions should structure their products and services according to the needs of MSMEs and supply their loans with flexible terms and low rates of interest, as well as financial advisory services. Furthermore, banks and financial institutions should combine with technology providers to provide MSMEs with excellent digital accounting and financial management training. Financial institutions can help MSMEs better manage their finances and boost their overall performance in contributing to a financially stable wider economy by improving access to financial resources and digital literacy among MSMEs.

CONCLUSION

The study intended to discover and evaluate the important determinants of the FP of MSMEs, particularly within India's MS. The study results indicate that FL, digital accounting, and systematic computerized record-keeping improve the financial success of MSMEs. In addition, FL is found to moderate the relationship with FP, as ownership of MSME is not free from competition complexities. Digital accounting tools have been shown to improve FP through more accurate, efficient, and transparent financial management. The findings illustrate the need to integrate financial knowledge in digital solutions to improve the operations and outcomes of a business.

Further research supports the growing body of knowledge by stating how the interplay between nonfinancial and financial determinants of MSME success brings new insights into how these factors contribute to perceived performance. The study has contributed to a finer understanding of the causal relationships of key variables influencing MSME performance by using a Structural Equation Model (SEM) approach.

Upon reflection, the following policies should be the priority to improve MSME FL and increase their ability to access digital accounting tools. Financial institutions also play a critical role in helping the MSMEs through financial products and advisory services suitable for their needs. Together, these efforts can build a more resilient MSME sector for economic expansion and job creation within the manufacturing industry.

Future Research Directions

However, there is still much to study in the future. Second, this study could be extended to a larger geographical scope or a particular industry within the MSME sector to have a complete view of how contextual issues influence FP. Taking a regional or industry-specific approach would lend itself well to exploring how regional or industry-specific economic factors or challenges impact the monetary outcome of MSMEs.

Second, future research could work on the long-term consequences of digital accounting adoption for MSME growth, particularly how digital accounting has affected their innovation, expansion, and competitive advantage over time. The insights provided by longer time — longitudinal — studies, which follow the development of MSMEs after implementing digital accounting tools, might further explore how far MSMEs are to be sustainable in practice.

Third, additional studies could be conducted about the effects of government policies on promoting the use of FL programs and digital tools in MSMEs. If they can identify this, the individual inputs that can help accelerate the growth of MSMEs could be determined, specifically in the case of emerging economies.

Last, future research can explore the barriers MSMEs have in obtaining finance, particularly the role of informal lenders and their effects on business performance. These challenges can help shape the development of a more inclusive financial system that meets the needs of MSMEs.

Finally, while the results presented in this study serve as the basis for understanding the key determinants of MSME FP, future research is needed to explore further the factors and their more general implications for MSMEs' sustainable growth.

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