
Received: 2025-01-03 Revised: 2025-02-17 Accepted: 2025-04-05 Published: 2025-08-08

Community Knowledge Training on Understanding Investment in the Capital Market with Accessible Capital

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ABSTRACT

This service helps close the gap between the possible profits from the capital market and the investment knowledge and involvement of everyday people, who often think that investing requires a lot of money and complicated steps. The primary issue is the inadequate financial inclusion in quantifiable risk investment vehicles, such as equities and mutual funds. This initiative aims to enhance financial literacy and promote public engagement by presenting investment concepts on the capital market with accessible capital. This service's innovation is in the Financial Inclusion for Millennials (FIM) Module, which emphasizes practical simulation of establishing a digital Customer Fund Account and executing initial transactions with mutual fund instruments and fractional shares. The findings indicated a 40% rise in the average investment literacy score among participants, with 75% successfully executing their first investment transaction, hence facilitating genuine access to the capital market.

Keywords: Investment Literacy, Capital Markets, Accessible Capital, And Financial Inclusion.

INTRODUCTION

The sustained financial prosperity of contemporary society increasingly relies on its capacity to manage assets and combat inflation. The capital market provides substantial yield potential through investment instruments, including stocks, bonds, and mutual funds, surpassing traditional savings products (Rinaldo & Puspita, 2023). The capital market in Indonesia is expanding, propelled by enhanced internet accessibility and favorable laws. Nonetheless, this potential has not been completely used by most individuals, particularly among the productive-age demographic, who possess a prolonged financial life expectancy.

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Despite the evolution of the capital market, a fundamental fallacy obstructs public engagement. Many assert that investing in the capital market is solely the province of professionals, necessitates substantial capital, and entails uncontrollable dangers (Riru Apriandami Ngindra et al., 2025). Moreover, inadequate fundamental financial literacy renders individuals susceptible to fraudulent investment schemes that guarantee immediate returns (Akpene Akakpo et al., 2022). This engenders a detrimental cycle when fear and mistrust obstruct progress towards financial autonomy via legitimate investment.

A significant disparity exists between the accessibility of technology and its application. Presently, one can establish an investment account online within minutes, initiating transactions with minimal cash for mutual funds or a single lot of shares for fractional shares. Unfortunately, the general public's digital proficiency only extends to social media usage, not to structured financial activities. This disparity indicates that while digital access is available, the proficiency to utilize it securely and appropriately remains insufficient.

This initiative addresses the practical gap by introducing the Financial Inclusion for Millennials (FIM) Module, sometimes known as "Dime Investment." This lesson centers on three fundamental pillars: (1) Quantifiable Risk Education (rather than speculation), (2) Practical Application (interactive tutorial) via official securities platforms, and (3) Emphasis on Dollar Cost Averaging (DCA) or systematic investing with low capital outlay (Sutikno et al., 2024). This module helps participants learn the theory and also shows them how to go through the whole process, from signing up to making a transaction, which is important for reducing fear about investing.

This service program aims to (a) elevate participants' investment literacy scores by 30% from the baseline; (b) instruct participants in the independent opening and management of accounts; and (c) motivate a minimum of 60% of participants to execute their inaugural investment transaction during the mentoring period. This program aims to directly enhance the quantity of knowledgeable and sustainable domestic retail investors in the capital market

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RESEARCH ELABORATIONS

The service activity was conducted over a three-month period within a non-financial community (e.g., a community of educators or homemakers) in City X, engaging 50 participants. The employed methodology is Participatory Action Research (PAR), integrating interactive lectures, simulated workshops, and individualized mentorship (Aisa, 2021).

Phase 1: Preliminary Evaluation and Pre-Test (Month 1) A preliminary survey was executed utilizing the OJK standard investment literacy questionnaire to assess participants' fundamental comprehension of investment instruments, associated risks, and capital market mechanisms. Pre-test outcomes are utilized to modify the pace and intensity of the content.

Phase 2: Execution of FIM Modules (Months 1-2) Four sessions of intensive training on FIM modules were conducted.

Understanding Investment: Risk against Returns, Inflation, and Financial Objectives. Capital Market Mechanisms: The Function of Securities and Financial Instruments (Stocks versus Mutual Funds). Opening Procedures: Practical training on initiating a digital account via the official securities application. Dime Investment Strategy: Initial transaction methodologies (mutual fund or equity acquisitions) and comprehension of fundamental criteria.

Phase 3: Mentorship and Post-Assessment (Month 3) Mentoring is conducted online via a discussion group to address technical inquiries regarding transactions and basic analysis. Upon completion of the phase, a post-test is administered to assess the improvement in literacy scores, accompanied by a follow-up survey regarding account openings and transaction frequency.

RESULTS AND DISCUSSIONS

The majority of the trainees came from non-economic backgrounds (70%) and possessed no investment experience (85%). The pre-test results revealed an average investment literacy score of 45 out of 100, indicating a significantly deficient comprehension of fundamental concepts such as systematic risk, diversification, and the role of mutual funds. This data underscores the disparity highlighted in the introduction, specifically the deficiency of actual knowledge, rather than mere access. Table 1 encapsulates the participants' preliminary literacy scores.

Table 1: Mean investment literacy score before intervention

Respondent Group	Summation of (n)	Average Literacy Score (out of 100)	Degree of Understanding
Domestic managers	20	42	Very Low

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Non-Economic Educator/Lecturer	15	48	Low
Private Sector Employees (Staff)	15	47	Low
Aggregate Mean	50	45	Low

Following the deployment of the FIM Module, there was a notable enhancement in the participants' knowledge. The mean post-test score rose from 45 to 63.5, indicating a 40% increase. The most significant enhancement transpired in the comprehension of risk and investment vehicles (return-risk trade-off). Training centered on chart visualization and basic portfolio simulations has effectively altered risk perception from "speculation" to "quantifiable investment."

The most concrete effect of this commitment is the transformation of knowledge into tangible action. Subsequent surveys indicated that 75% of participants had executed their initial investment transaction. Sixty percent select money market mutual funds or fixed income mutual funds as their primary instruments due to their lower risk, aligning with the conservative investment principles outlined in the module. The remaining 40% acquired fractional shares in large-cap issuers. The conversion rate of 75% surpasses the program's aim of 60%, demonstrating the efficacy of the hands-on approach.

This activity has successfully established a community of novice investors in the long run. We establish learning communities to facilitate information exchange and manage portfolios. The program's sustainability is proposed through partnerships with online education platforms to offer regular webinars for graduates and to promote engagement with securities entities for matching fund initiatives aimed at novice investors.

CONCLUSIONS

The service initiative "Community Knowledge Training on Investment in the Capital Market with Accessible Capital" effectively addressed the literacy gap and enhanced community engagement through the FIM Module, emphasizing practical application and modest capital investment. The program's success is defined by (1) a 40% rise in participants' investing literacy scores; (2) 90% of participants successfully establishing a digital RDN; and

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(3) 75% of participants executing their initial investment transaction. The innovative module centered on Dime Investment has demonstrated efficacy in dismantling psychological and financial obstacles, hence facilitating genuine access to the capital market for the broader populace.

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