



CASH-FLOW RESILIENCE, FINANCIAL PLANNING PRACTICES AND FINANCIAL RESILIENCE AMONG SMALL-SCALE FISHERS

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ABSTRAK

Nelayan skala kecil di wilayah kepulauan perbatasan menghadapi ketidakpastian pendapatan, keterbatasan pembiayaan, dan tekanan likuiditas yang dapat melemahkan ketahanan finansial. Penelitian ini mengkaji hubungan antara Praktik Perencanaan Keuangan (FPP) dan Ketahanan Finansial (FR), baik secara langsung maupun tidak langsung melalui Ketahanan Arus Kas (CFR), di antara nelayan skala kecil di Maluku Barat Daya, Indonesia. Dengan menggunakan desain kuantitatif cross-sectional eksplanatori, data dikumpulkan dari 221 pemilik-pengelola usaha perikanan melalui pengambilan sampel multistage berstrata dan dianalisis menggunakan PLS-SEM. Hasil penelitian menunjukkan bahwa FPP berhubungan positif dengan CFR ($\beta = 0,620$; $p < 0,001$), CFR dengan FR ($\beta = 0,581$; $p < 0,001$), dan FPP secara langsung dengan FR ($\beta = 0,336$; $p < 0,001$). Efek tidak langsung FPP terhadap FR melalui CFR juga signifikan ($\beta = 0,360$; $p < 0,001$), menunjukkan mediasi parsial yang bersifat komplementer. FPP dan CFR secara bersama-sama menjelaskan 69,2% varians dalam FR. Temuan ini menempatkan CFR sebagai mekanisme adaptif yang membuka kotak hitam antara perencanaan keuangan dan ketahanan keuangan. Secara teoretis, studi ini mengintegrasikan Teori Perilaku Perencanaan Keuangan dan Teori Kapabilitas Dinamis; secara praktis, studi ini menyoroti pentingnya perencanaan biaya, manajemen hasil penjualan, dan cadangan likuiditas bagi nelayan yang beroperasi di wilayah kepulauan perbatasan.

Kata kunci: *Praktik Perencanaan Keuangan; Ketahanan Arus Kas; Ketahanan Keuangan; Nelayan Skala Kecil; Ekonomi Kepulauan Perbatasan*

ABSTRACT

Small-scale fishers in borderland archipelagic regions face income uncertainty, financing constraints, and liquidity pressures that can weaken financial resilience. This study examines the relationship between Financial Planning Practices (FPP) and Financial Resilience (FR), both directly and indirectly through Cash-Flow Resilience (CFR), among small-scale fishers in Southwest Maluku, Indonesia. Using an explanatory cross-sectional quantitative design, data were collected from 221 owner-managers of fishing enterprises through stratified multistage sampling and analyzed using PLS-SEM. The results show that FPP is positively associated with CFR ($\beta = 0.620$; $p < 0.001$), CFR with FR ($\beta = 0.581$; $p < 0.001$), and FPP directly with FR ($\beta = 0.336$; $p < 0.001$). The indirect effect of FPP on FR through CFR is also significant ($\beta = 0.360$; $p < 0.001$), indicating complementary partial mediation. FPP and CFR jointly explain 69.2% of the variance in FR. The findings position CFR as an adaptive mechanism that opens the black box between financial planning and financial resilience. Theoretically, the study integrates the Theory of Financial Planning Behaviour and Dynamic



Capability Theory; practically, it highlights the importance of cost planning, sales-proceeds management, and liquidity reserves for fishers operating in borderland archipelagic settings.

Keywords: *Financial Planning Practices; Cash-Flow Resilience; Financial Resilience; Small-Scale Fishers; Borderland Archipelagic Economy*

I. INTRODUCTION

Small-scale fishing enterprises operate under considerable uncertainty, creating direct pressures on cash flow and business continuity. Because fishers must finance fuel, ice, provisions, gear maintenance, and other operating needs before the volume and value of catches are known, declining catches or delayed fishing activities can reduce current income and weaken their ability to finance subsequent trips. Consequently, fishers' economic conditions should be assessed not only through income but also through Financial Resilience (FR), defined as the capacity to meet essential obligations, adjust financially, and recover from disruptions (Liu et al., 2025; Liu & Chen, 2024; Quereishi et al., 2025). Differences in how financial resources are planned, allocated, used, and preserved may therefore produce different levels of resilience among fishers with similar incomes (Hamid et al., 2023; Liu & Chen, 2024). In this context, Financial Planning Practices (FPP) help anticipate funding needs through estimating costs and revenues, planning sales proceeds, adjusting financial plans, and reserving funds for subsequent fishing activities (Penkina et al., 2024; Yeo et al., 2024). However, planning contributes to resilience only when it helps preserve liquidity during revenue disruptions (Roffia & Dabić, 2024). Accordingly, this study positions Cash-Flow Resilience (CFR) as the mechanism linking FPP with broader FR (Didar et al., 2025; Ivanov, 2024; Lulaj & Minguez-Vera, 2024): FPP reflects proactive financial behaviour, CFR the ability to maintain and restore liquidity, and FR the broader capacity to withstand and recover from financial pressures (Liu & Chen, 2025; Yeo et al., 2024), consistent with Cantú et al., (2022), who emphasize cash flow, financial strength, and adaptive capacity in responding to disruptions.

Southwest Maluku Regency (SMR) provides a particularly relevant context because of its characteristics as an archipelagic and border region. The regency covers approximately 4,581.06 km², consists of 54 islands, and 128 of its 132 villages and urban wards are located along the coast (Badan Pusat Statistik, 2026). Its geographical fragmentation is also reflected in the fact that several subdistricts are located more than 200 kilometers from the regency capital. In 2025, the agriculture,



forestry, and fisheries sectors collectively contributed 27.66% of Southwest Maluku Regency's Gross Regional Domestic Product (GRDP), yet 27.65% of the population, or approximately 20.43 thousand people, remained below the poverty line. Access to formal financing was also limited, with only 4.12% of households receiving People's Business Credit (PBC) and 7.48% accessing bank credit other than PBC (*Statistik Kesejahteraan Rakyat Kabupaten Maluku Barat Daya 2025*). These conditions indicate that the economic importance of resource-based activities does not automatically translate into strong financial capacity (Hamid et al., 2023; Liu & Chen, 2024). This study refers to this condition as the resource-resilience paradox, in which the substantial contribution of natural resources to the regional economy coexists with financial vulnerability arising from income instability and limited access to formal financing (Hamid et al., 2023).

The dynamics of capture fisheries during the 2021–2025 period further illustrate this issue. Using 2021 as the base year, the capture fisheries production index declined from 100 to 47.5 in 2022, increased to 98.0 in 2023, rose further to 163.9 in 2024, and reached 211.7 in 2025. Over the same period, the Fisheries Household (FH) index moved from 100 to 21.8, 56.2, 56.8, and 45.3, respectively. These non-linear and not fully corresponding movements are not used to infer changes in individual income or the productivity of each FH. Rather, they indicate that production measures alone are insufficient to explain the ability of fishery business actors to maintain financial continuity when revenues fluctuate. This gives rise to an explanatory gap: while the financial planning literature emphasizes the importance of planning and resource management behaviours, the FR literature focuses on the capacity to withstand and recover from financial pressure (Liu et al., 2025; Yeo et al., 2024). However, the mechanism linking planning behaviour before a disruption to financial capacity when the disruption actually occurs remains insufficiently explained (Liu et al., 2025). Therefore, this study proposes CFR as a proximal mechanism that helps bridge this explanatory gap (Didar et al., 2025; Ivanov, 2024; Lulaj & Minguez-Vera, 2024).

Building on these phenomena and research gaps, this study examines the effect of FPP on FR through the mediating role of CFR among small-scale fishers in Southwest Maluku Regency. The unit of analysis comprises fishing enterprise owners or managers with financial decision-making authority, ensuring consistency in assessing planning behaviour, cash-flow resilience, and financial resilience. The study contributes by positioning FPP as resilience-building behaviour in businesses with volatile



revenues Roffia and Dabić, (2024); and Yeo et al., (2024), conceptualizing CFR as a proximal mechanism that explains the FPP–FR relationship and opens its black box Ivanov, (2024); and Liu et al., (2025); and Lulaj and Minguez-Vera, (2024), and extending the literature to a borderland archipelagic economy where geographical fragmentation, income uncertainty, and limited financing heighten the importance of planning and liquidity. Thus, the study's novelty lies not only in its Southwest Maluku setting, but also in explaining how financial planning is linked to financial resilience through the capacity to maintain and restore cash flow.

II. THEORETICAL REVIEW

2.1 Theoretical Foundation of the Study

2.1.1 Dynamic Capability Theory and the Theory of Financial Planning Behaviour

This study uses Dynamic Capability Theory (DCT) as its primary framework to explain how owner-managers of fishing enterprises anticipate, adjust, and restore financial resources under changing conditions. DCT does not classify all variables as capabilities; rather, it explains how pre-disruption financial behaviour can support adaptive capacity and financial resilience. Roffia and Dabić, (2024) emphasize budgeting, sustainability planning, and financial resources in building small-business resilience; Legenzova et al., (2025) view FR as a dynamic process before, during, and after disruptions; and Rice et al., (2024) highlight planning, budgeting, and financial monitoring under uncertainty. Applied to fishers with authority over funding needs, sales proceeds, expenditures, and resource use, the framework positions FPP as proactive financial behaviour, CFR as adaptive financial capability, and FR as a broader capacity to withstand and recover from financial pressure. This perspective is reinforced by the TFPB, which explains the behavioural dimension of FPP; Yeo et al., (2024) show that planning is shaped by financial literacy, cognition, mental accounting, financial socialisation, and financial satisfaction. Thus, TFPB explains planning behaviour, while DCT links it to the adaptive capacity needed to manage liquidity pressures and strengthen financial resilience.

2.2 Financial Planning Practices

FPP describe how individuals or business managers anticipate financial needs, estimate costs and revenues, and allocate financial resources. Among small-scale fishers, FPP need not involve



complex formal budgets but may include estimating pre-trip funding needs and operating costs, forecasting revenues, planning the use of sales proceeds, adjusting plans as conditions change, and reserving funds for subsequent fishing activities. Yeo et al., (2024) link financial planning to FR, including through cash-flow management, while Penkina et al., (2024) emphasize budgeting, updated financial projections, cash-flow management, and short-term financial planning under uncertainty; Rice et al., (2024) similarly show that planning and budget monitoring help small businesses understand their financial position and future resource needs. In this study, FPP is therefore conceptualized as proactive financial behaviour rather than an adaptive capability, undertaken before or during financial decision-making to reduce uncertainty and help fishers balance current spending with the retention of funds needed to sustain subsequent fishing activities.

2.3 Cash-Flow Resilience

CFR refers to fishers' ability to maintain and restore liquidity when revenues are disrupted, reflected in cash availability for operations, meeting obligations during income declines, adjusting expenditures, sustaining fishing activities, and recovering cash flow as conditions improve. Thus, CFR represents not only cash availability but also adaptive liquidity management. Ivanov, (2024) emphasizes proactive and coordinated financial-flow adjustments, Lulaj and Minguez-Vera, (2024) highlight cash-flow monitoring, working capital management, financial decision-making, and managing fluctuations, while Didar et al., (2025) show that uncertainty and volatility increase cash-flow risk, and Seshabela et al., (2026) stress the importance of internal liquidity and access to capital during crises. In this study, CFR is positioned as a proximal adaptive capability because it operates closer to daily operational needs than FR. For small-scale fishers, cash-flow disruptions can immediately constrain fuel purchases, provisions, and subsequent fishing trips; therefore, maintaining and restoring liquidity serves as a key link between financial planning behaviour and broader financial resilience.

2.4 Financial Resilience

FR refers to the ability of individuals or economic units to withstand financial pressures, meet essential needs and obligations, and recover after disruptions. Liu and Chen, (2024) view FR as the



capacity to cope with emergencies and financial difficulties through resources such as assets, access to finance, financial literacy, and social capital, indicating that resilience cannot be assessed solely by income. Yao and Zhang, (2023) associate FR with the ability to meet basic needs and mobilize available resources, while Yao et al., (2023) emphasize its importance for groups with unstable incomes and limited social protection or insurance. Zahedi et al., (2022) further highlight flexibility, adaptive capacity, income, risk identification, and resource utilization as important contributors. In this study, FR is broader than CFR: CFR focuses on maintaining operational liquidity during disruptions, whereas FR encompasses meeting needs, accessing financial resources, managing obligations, maintaining financial protection, and preserving savings or reserves. Thus, maintaining cash availability supports financial resilience but is not equivalent to FR itself.

2.5 Hypotheses and Research Model

2.5.1 Financial Planning Practices and Cash-Flow Resilience

FPP enable fishers to develop a clearer understanding of their funding requirements, expected costs, potential revenues, and priorities for allocating sales proceeds. Such planning helps reduce reliance on spontaneous financial decisions when business conditions change. Penkina et al., (2024) emphasize the importance of short-term financial planning and cash-flow management in maintaining liquidity, while Rice et al., (2024) show that planning and budget monitoring help small businesses understand their financial position and anticipate future resource needs. Roffia & Dabić, (2024) likewise demonstrate that budgeting and planning practices are associated with the ability of small businesses to cope with financial pressures. From the perspective of Dynamic Capability Theory, FPP is not treated as an adaptive capability in itself, but rather as proactive behaviour that helps prepare financial resources before disruptions occur. When fishers estimate costs, plan the use of revenues, and set aside funds for subsequent activities, they are better positioned to adjust when income declines. Accordingly, stronger financial planning behaviour is expected to enhance fishers' ability to maintain and restore cash flow.

H₁: Financial Planning Practices have a positive effect on Cash-Flow Resilience among small-scale fishers.



2.5.2 Cash-Flow Resilience and Financial Resilience

The ability to maintain cash flow enables fishers to meet essential obligations, adjust expenditures, sustain productive activities, and preserve opportunities to generate future income when revenues decline. Conversely, liquidity disruptions may reduce business activity, increase dependence on debt, or deplete resources that should be retained for future needs. Lulaj and Minguez-Vera, (2024) shows that cash-flow management under volatile conditions is associated with FR, while Didar et al., (2025) emphasize that cash-flow risk management can mitigate the effects of volatility on financial stability. Seshabela et al., (2026) further demonstrate that liquidity and access to capital help small businesses withstand periods of crisis. Within the framework of Dynamic Capability Theory, Cash-Flow Resilience represents an adaptive capability that helps prevent short-term liquidity disruptions from developing into broader financial pressures.

H₂: Cash-Flow Resilience has a positive effect on Financial Resilience among small-scale fishers.

2.5.3 Financial Planning Practices and Financial Resilience

Consistent financial planning can help fishers anticipate their needs, control the use of funds, and consider the future consequences of financial decisions. Yeo et al., (2024) identify financial planning behaviour as an important foundation for building FR. At the business level, Roffia & Dabić, (2024) show that budgeting and the availability of financial resources support resilience, while Rice et al., (2024) highlight the importance of financial planning and budget monitoring for small businesses operating under resource uncertainty. Ariana et al., (2024) further demonstrate that financial decision-making plays an important role in shaping FR among MSMEs. These findings provide a basis for understanding that the way individuals or business operators plan and use their financial resources may be associated with their ability to maintain financial stability. Among small-scale fishers, more systematic planning practices are expected to reduce vulnerability because financial resources are used with consideration for both current needs and future financial sustainability.

H₃: Financial Planning Practices have a positive effect on Financial Resilience among small-scale fishers.

2.5.4 The Mediating Role of Cash-Flow Resilience

The relationship between FPP and FR can be understood through the mechanism that links planning behaviour to the ability to withstand financial pressure, with cash as the most liquid resource connecting these processes. Planning occurs before or during financial decision-making, while FR is reflected in the ability to cope with and recover from financial stress. Lulaj and Dragusha, (2026) show that financial management practices can strengthen resilience and support financial sustainability, Ivanov, (2024) emphasizes proactive financial-flow adjustment, and Didar et al., (2025) highlight the role of cash-flow risk management in maintaining stability and FR. Among small-scale fishers, planning funding needs, costs, revenues, and sales proceeds can preserve cash when income declines, allowing expenditure adjustments and continued fishing activities, while restoring cash flow helps prevent temporary pressures from escalating into broader financial problems. Thus, CFR functions not only as a statistical mediator but also as an adaptive mechanism linking financial planning behaviour to the development of FR.

H4: Cash-Flow Resilience mediates the effect of Financial Planning Practices on Financial Resilience among small-scale fishers.

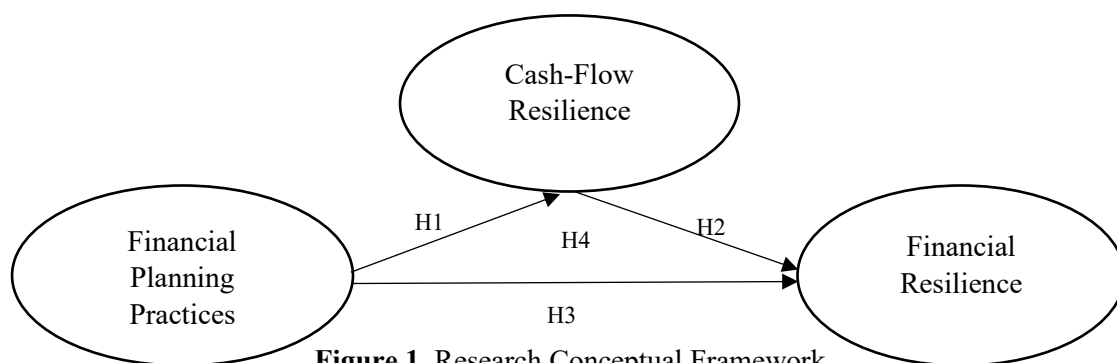


Figure 1. Research Conceptual Framework

This study uses DCT as its primary framework and the TFPB as a supporting perspective. TFPB explains financial planning behaviour, while DCT links it to adaptive capacity during disruptions. FPP represent proactive behaviour for anticipating financial needs and allocating resources, CFR reflects the ability to maintain and restore liquidity, and FR represents the broader capacity to meet obligations, adjust financially, and recover from pressure. Accordingly, FPP is associated with FR directly and indirectly through CFR. This mechanism is particularly relevant in Southwest Maluku's borderland



archipelagic context, where income uncertainty, geographical fragmentation, and limited financing access heighten the importance of liquidity for small-scale fishers' financial sustainability.

III. RESEARCH METHODS

This study employed an explanatory quantitative cross-sectional survey to examine the effect of FPP on FR through CFR using PLS-SEM (Kumar et al., 2026; Pérez-Campdesuñer et al., 2026). The sample comprised 221 active fishing enterprise owner-managers aged at least 20 years, with at least one year of experience, involvement in decisions on operating costs, sales proceeds, and subsequent financing, and knowledge of household finances; crew members without financial authority were excluded. The sample met power analysis requirements for two predictors, $\alpha = 0.05$, power = 0.80, and $f^2 = 0.15$, and was selected through stratified multistage sampling based on fisher/FH distribution. Data were collected via Google Forms. FPP was specified as formative, CFR as reflective, and FR dimensionality was evaluated following PLS-SEM principles (Eche-Querevalú et al., 2026; Pumjaroen, 2025). The instrument underwent content validation, cognitive interviews, and pilot testing (Ridwan et al., 2024), while common method bias was minimized through separated question blocks, varied scales, anonymity, and neutral instructions. FPP was assessed using collinearity and outer weights, whereas CFR and FR were evaluated through outer loadings, reliability, AVE, and HTMT (J. Hair & Alamer, 2022; Ogunrinde et al., 2026; Sharma et al., 2026). The structural model was assessed using path coefficients and R^2 , while CFR mediation was tested by bootstrapping the indirect effect (Sabol et al., 2025). Participation was voluntary with informed consent, identities were anonymized, and financial information was used only for academic purposes.

IV. RESULTS AND DISCUSSION

4.1 RESULTS

4.1.1 Construct Reliability and Validity Test Results

Based on Table 1, the measurement model generally demonstrates adequate reliability and convergent validity. CFR has outer loadings ranging from 0.902 to 0.924, a Cronbach's Alpha of 0.950, composite reliability of 0.961, and an AVE of 0.832; FPP has outer loadings of 0.700–0.831, a Cronbach's Alpha of 0.872, composite reliability of 0.903, and an AVE of 0.610; while FR has outer

loadings of 0.692–0.884, a Cronbach's Alpha of 0.894, composite reliability of 0.917, and an AVE of 0.616. These values satisfy the general criteria for reliability and convergent validity, including AVE > 0.50 (Ibrahim et al., 2026; Sharma et al., 2026), indicating that CFR and FR are suitable for further structural model assessment. However, because FPP is specified as a formative construct, its evaluation should not primarily rely on internal consistency and AVE, but rather on indicator collinearity and the significance and relevance of outer weights (Eche-Querevalú et al., 2026; J. F. Hair et al., 2024; Hauff et al., 2025).

	Outer Loadings	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
CFR1	0.907	0.950	0.961	0.832
CFR2	0.916			
CFR3	0.902			
CFR4	0.924			
CFR5	0.912			
FPP1	0.712	0.872	0.903	0.610
FPP2	0.823			
FPP3	0.785			
FPP4	0.700			
FPP5	0.831			
FPP6	0.825	0.894	0.917	0.616
FR1	0.785			
FR2	0.783			
FR3	0.831			
FR4	0.884			
FR5	0.874			
FR6	0.692			
FR7	0.608			

Table 1. Results of Reliability and Construct Validity Tests

4.1.2 Heterotrait-Monotrait Ratio (HTMT) Test Results

Based on the Heterotrait-Monotrait Ratio (HTMT) results presented in Table 2, all construct pairs have values below 0.85, namely 0.644 for CFR–FPP, 0.837 for CFR–FR, and 0.736 for FPP–FR, indicating adequate discriminant validity (Sharma et al., 2026). The highest value, observed for the CFR–FR relationship, suggests a relatively stronger conceptual proximity, although it remains within the acceptable threshold. This finding confirms that Cash-Flow Resilience, which reflects the ability to maintain and restore liquidity, remains empirically distinct from Financial Resilience, which

represents a broader capacity to withstand financial pressures. Thus, FPP, CFR, and FR can be adequately distinguished, supporting the continuation of the analysis to structural model testing and the examination of CFR as a mediator.

	Cash-Flow Resilience	Financial Planning Practices	Financial Resilience
Cash-Flow Resilience			
Financial Planning Practices	0.644		
Financial Resilience	0.837	0.736	

Table 2. Results of the Heterotrait-Monotrait Ratio Test (HTMT)

4.1.3 R Square Test Results

Based on Table 3, the R^2 value for CFR is 0.384, with an adjusted R^2 of 0.382, indicating that FPP explain 38.4% of the variance in CFR, while the remaining 61.6% is associated with factors outside the model. Meanwhile, Financial Resilience (FR) has an R^2 of 0.692 and an adjusted R^2 of 0.689, meaning that FPP and CFR jointly explain 69.2% of the variance in FR, while the remaining 30.8% is associated with other factors. The small differences between R^2 and adjusted R^2 indicate that the model's explanatory power remains relatively stable after accounting for the number of predictors. In PLS-SEM, R^2 reflects the extent to which predictor constructs explain the variance in endogenous constructs (Sharma et al., 2026). Overall, the model demonstrates stronger explanatory power for FR than for CFR and supports the roles of FPP and CFR in explaining the financial resilience of small-scale fishers.

	R Square	R Square Adjusted
Cash-Flow Resilience	0.384	0.382
Financial Resilience	0.692	0.689

Table 3. Results of the R-Squared Test

4.1.4 Hypothesis Testing Results

The PLS-SEM bootstrapping results presented in Table 4 and the structural model in Figure 2 show that all direct relationships are positive and significant. The strongest effect is observed for FPP on CFR, with $\beta = 0.620$, $t = 14.652$, and $p < 0.001$, indicating that better financial planning is associated with a stronger ability to maintain and restore cash flow. CFR also has a positive effect on Financial Resilience (FR), with $\beta = 0.581$, $t = 10.970$, and $p < 0.001$, while FPP has a direct positive effect on FR, with $\beta = 0.336$, $t = 5.511$, and $p < 0.001$. Thus, financial planning is associated with both cash-flow resilience and the broader financial resilience of small-scale fishers. The indirect effect of FPP

on FR through CFR is also significant, with $\beta = 0.360$, $t = 7.707$, and $p < 0.001$, supporting the mediation hypothesis. Because the direct effect of FPP on FR remains positive and significant, while the indirect effect is also significant and operates in the same direction, CFR demonstrates complementary partial mediation. These findings confirm that financial planning practices are associated with financial resilience through two complementary pathways: directly and indirectly through CFR as an adaptive mechanism for maintaining and restoring liquidity under financial pressure.

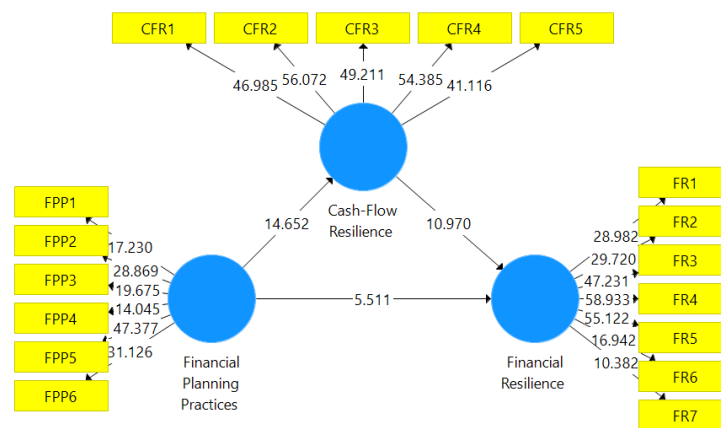


Figure 2. Bootstrapping Results

	Original Sample	T Statistics	P Values	Description
Direct Effects (Path Coefficients)				
Cash-Flow Resilience -> Financial Resilience	0.581	10.970	0.000	Accepted
Financial Planning Practices -> Cash-Flow Resilience	0.620	14.652	0.000	Accepted
Financial Planning Practices -> Financial Resilience	0.336	5.511	0.000	Accepted
Specific Indirect Effect				
Financial Planning Practices -> Cash-Flow Resilience -> Financial Resilience	0.360	7.707	0.000	Accepted

Table 4. Hypothesis Testing Results

4.2 Discussion

The findings show that FPP, CFR, and FR are related in ways consistent with the theoretical framework. FPP is positively associated with CFR, CFR is positively associated with FR, and FPP is also directly and positively associated with FR. In addition, CFR significantly mediates the relationship between FPP and FR. The findings further demonstrate that FPP explains a meaningful proportion of



the variation in CFR, while FPP and CFR jointly provide strong explanatory power for FR. These results indicate that fishers' financial resilience depends not only on the resources available to them but also on how those resources are planned, allocated, and preserved as business conditions change. The FPP–CFR relationship emerges as the strongest direct path, suggesting that estimating funding needs, costs, and revenues, planning the use of sales proceeds, adjusting financial plans, and preparing future financing can improve cash-flow continuity. This is particularly crucial because operating costs arise before catches and revenues are known, making financial planning an anticipatory rather than merely administrative behaviour. The findings support Penkina et al., (2024); Rice et al., (2024); Roffia and Dabić, (2024), while extending their insights to small-scale fishing enterprises facing uncertain and fluctuating revenues.

Within Dynamic Capability Theory, FPP is not positioned as a dynamic capability itself, but rather as proactive financial behaviour that provides a foundation for responding to changing conditions. Planning financial needs and the use of revenues provides a basis for adjusting expenditures when catches or income decline. The findings also reinforce the Theory of Financial Planning Behaviour, which views financial planning as an important component in the development of financial resilience (Yeo et al., 2024). Accordingly, FPP can be understood as resilience-building behaviour, whose relevance becomes increasingly evident when it helps fishers maintain liquidity under uncertain conditions.

The positive relationship between CFR and FR indicates that the ability to maintain and restore cash flow is closely associated with broader financial resilience because it enables fishers to meet financial obligations, adjust expenditures, and sustain productive activities. Conversely, liquidity shortages can constrain the purchase of fuel and provisions, the repair of fishing equipment, and the financing of subsequent fishing activities. These findings are consistent with (Didar et al., 2025; Ivanov, 2024; Lulaj & Minguez-Vera, 2024). Nevertheless, CFR and FR remain distinct constructs: CFR focuses on the ability to maintain and restore liquidity, whereas FR encompasses a broader capacity to meet needs and obligations, access financial resources, maintain reserves, and recover from



financial difficulties. Consistent with Hamid et al., (2023), liquidity resilience therefore represents an important foundation of, but is not equivalent to, overall financial resilience.

FPP also maintains a positive and significant direct relationship with FR, indicating that the link between financial planning and financial resilience is not fully explained by CFR. More systematic planning may be associated with a greater ability to anticipate obligations, preserve funds for future needs, manage the use of income, and make financial decisions with a longer-term perspective. These findings support Ariana et al., (2024); Roffia and Dabić, (2024); Yeo et al., (2024), while also suggesting the presence of other possible mechanisms, such as reserve accumulation, liability management, access to funding sources, and decisions concerning resource allocation. This interpretation is consistent with Liu and Chen, (2024), who conceptualize financial resilience as a broad construct influenced by assets, access to finance, financial knowledge, and social resources.

The mediating role of CFR further clarifies the mechanism underlying this relationship. The indirect effect of FPP on FR through CFR is significant ($\beta = 0.360$; $t = 7.707$; $p < 0.001$), while the direct effect remains positive and significant, indicating complementary partial mediation without implying that the indirect pathway is necessarily more dominant. This finding addresses the explanatory gap by showing a pattern in which financial planning is associated with preparedness in resource management, this preparedness is linked to the ability to maintain liquidity when financial pressure arises, and liquidity resilience is subsequently associated with a broader capacity to withstand and recover from financial difficulties. This pattern is consistent with Legenzova et al., (2025) and Lulaj and Dragusha, (2026), with FPP representing proactive behaviour, CFR reflecting adaptive capability, and FR representing the broader capacity to withstand and recover from financial stress.

Theoretically, this study integrates the Theory of Financial Planning Behaviour and Dynamic Capability Theory by linking financial planning behaviour with the ability to adjust resources under changing conditions. Its main contribution is to open the black box between FPP and FR by showing that this relationship partly operates through the ability to maintain and restore liquidity, indicating that resilience depends not only on financial resources but also on how they are planned, allocated, and preserved. The context of Southwest Maluku Regency strengthens this mechanism because geographical fragmentation, long distances, income uncertainty, and limited financing make liquidity disruptions more difficult to manage. The region is therefore treated as an empirical context that makes



the relationships among FPP, CFR, and FR more pronounced, rather than as a moderating variable, while reinforcing the resource-resilience paradox. Practically, strengthening fishers' financial resilience requires not only credit access but also cost planning, sales-proceeds management, funding for subsequent trips, separation of business and household finances, and expenditure adjustments to improve preparedness for income fluctuations.

V. CONCLUSION

This study concludes that the financial resilience of small-scale fishers in borderland archipelagic regions depends not only on income or assets but also on their ability to plan, allocate, preserve, and restore financial resources. FPP represent proactive behaviour in anticipating financial needs, while CFR reflects the adaptive ability to maintain liquidity during revenue disruptions and partially mediates the relationship between FPP and FR. These findings extend financial planning beyond budgeting toward resilience building and, through the integration of the Theory of Financial Planning Behaviour and Dynamic Capability Theory, link proactive behaviour with adaptive capacity. The main contribution lies in positioning CFR as the mechanism connecting financial planning with the ability to withstand and recover from financial pressure, particularly under unstable revenues, geographical fragmentation, and limited financing. For fishers and stakeholders in Southwest Maluku, strengthening resilience requires cost planning, sales-proceeds management, separation of business and household finances, funding for subsequent fishing activities, liquidity reserves, financial literacy, advisory support, and improved cash-flow management alongside credit access. In real-world terms, stronger financial resilience can help fishers absorb short-term revenue shocks without immediately suspending fishing operations, selling productive assets, or relying on costly emergency borrowing. It can also protect essential household needs, preserve working capital for subsequent fishing trips, and support the continuity of livelihoods and local fish supplies in remote island communities. Consequently, the real-world contribution of financial resilience extends beyond individual financial stability by strengthening enterprise continuity, household welfare, and the economic stability of coastal communities. Future research should adopt longitudinal or panel designs, test other archipelagic, coastal, and small-business contexts, incorporate financial literacy, income volatility, market and



financing access, digital finance, social capital, and weather disruptions, and complement perceptual measures with objective financial data.

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