OPTIMIZING THE ROLE OF FINANCING UNITS IN FINANCIAL INSTITUTIONS AND BANKING FOR GOING CONCERN MICRO, HIGH SCHOOLS AND MEDIUM ENTERPRISES (MSMES)

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Abstract

MSMEs as one of the pillars of the country's economy are still not productive. This happens because of the lack of utilization of financing as business capital which has actually been widely provided. Quantitative research was conducted to determine the extent of the relationship between the role of financial institutions and banks on the going concern of MSMEs. The samples taken were 33 respondents from MSMEs in Yogyakarta. Interview techniques, observation, hypothesis testing and analysis using correlation regression, and Kendal tau test followed by statistical descriptions were carried out which resulted in the conclusion of the study that financing units by financial institutions and banks have an influence on the going concern level of MSMEs but is still not optimal only 85%.

Keywords: MSMEs, going concern, financing units, Capital

1. INTRODUCTION

Micro, Small and Medium Enterprises (MSMEs) in Indonesia are one of the pillars of the National economy. The role of MSMEs is very strategic in encouraging national economic recovery in times of crisis. In addition, MSMEs also play a role in encouraging new entrepreneurs who have the function of controlling and driving the economy of a nation (Kristiyanti 2012). Unfortunately, the productivity of MSMEs is still very low. Statistics show that 56.5 million MSMEs in Indonesia are only able to contribute about 59 percent of the gross domestic product (GDP). One of these problems is related to financing problems. MSME credit financing was recorded at only IDR 738 trillion or only 18.45 percent of the total credit financing of financial institutions and banks which should have reached IDR 4,000 trillion, which means that the majority of existing MSMEs almost never receive capital support, thus affecting the development of MSMEs themselves. The government in collaboration with financial institutions and banks has tried to encourage the development of MSMEs by providing financial assistance. However, the role of financial institutions and banks in terms of financing seems to be running less than optimally, marked by only a few MSMEs getting financing. Some of the existing requirements are considered to be an obstacle for MSMEs. In addition, the lack of information and the high operational costs of disbursing financing have caused banks to be reluctant to extend credit to MSMEs (Sudaryanto et all: 2013). This study

discusses optimizing the role of financial institutions and banks in terms of financing to MSMEs, how it affects the going concern of MSMEs in the future, and what factors influence MSMEs applying for financing. The second part of this study presents a literature review. The third part describes the research methodology. The fourth part describes the analysis and discussion and the fifth part contains conclusions.

2. LITERATUR REVIEW

2.1. Financing Unit in Financial Institutions and Banking

According to the Decree of the Minister of Finance of the Republic of Indonesia Number 792 of 1990, financial institutions are all business entities in a financial sector that collect, distribute funds to the public, and provide investment in terms of development. Meanwhile, the definition of banking according to Law of the Republic of Indonesia Number 7 of 1992 is everything related to banks including institutions, business activities, as well as methods and processes in carrying out their business activities. Financial institutions and banking have the same function, namely collecting and distributing public funds in the form of credit or financing.

2.2. Micro, Small and Medium Enterprises (MSMEs)

According to Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises (MSMEs), MSMEs are productive businesses owned by individuals and/or individual business entities that meet the criteria for micro, small and medium enterprises that are not subsidiaries or branches of the company.

2.3. Financing and MSMEs going concern

The purpose of financing by financial institutions and banks according to the Republic of Indonesia Law number 20 of 2008 concerning MSMEs is to encourage their growth and development, strengthen capital and expand the MSME network. Financing is said to be successful if the amount of credit or financing disbursed is in accordance with the targets that have been set by applying the precautionary principle (Kasmir 2016). If it is associated with the performance of MSMEs, it can be concluded that the financing of financial institutions and banks that are in accordance with the target can develop and strengthen MSME capital. So that it can help achieve the targets desired by MSMEs by applying the High School RT-C criteria (Arini 2017). The criteria are:

a. Specific: performance indicators must be defined specifically;
b. Measurable: performance indicators can be measured;
c. Achieveable: targets set for performance indicators must be reasonable and possible to achieve;
d. Relevant: selected performance indicators in accordance with the scope of business and activities or business processes of the organization or related departments;
e. Time bound: the achievement of performance indicator targets has a clear time limit;
f. Challenging: the performance indicator targets set are an improvement from the previous period's achievements and become a challenge for management to improve the organization.

Apart from the above criteria, the going concern of MSMEs is influenced by several variables. The first are age and gender. According to Hartanto (2021), which is reinforced by a statement by PNM (2021) which states that social capital such as age and gender is an important component in the implementation of increasing business networks between financing users in improving production quality and market penetration, which in turn supports the sale of MSME products. The next variable is intellectual capital. What is meant by intellectual capital is the education level of MSME actors. The development of soft-skills and hard-skills is a capital to increase product sales (Hartanto, 2021). The next variable is the business sector. Based on data from the 2017-2021 KUR policy evaluation, it is stated that the financing of the business sector is at least 60% for the production sector and the remaining 40% for the non-production sector. The production sector is considered more in need of financing for its business continuity. The last variables are financial, namely status and business capital. This is an important component of reducing the gap in access to financing so that later it is able to develop the business as best as possible

3. METHODOLOGY

This study uses qualitative methods to collect and analyze data. The qualitative method is used because it prioritizes using "human instruments" so to achieve objectivity it emphasizes more on "confirmability", namely the compatibility between several sources of information (Hardani et al, 2020).

3.1. Research Framework

The research framework can be seen in the figure below.

Figure 1: Research Framework
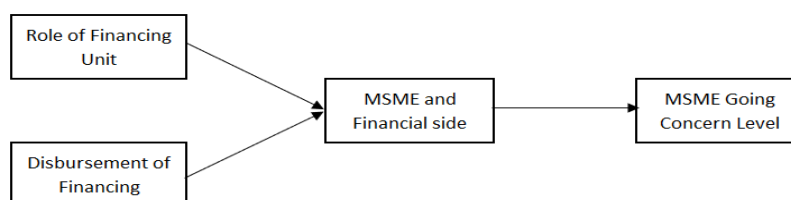
Source: Research data

3.2. Data

This study only uses primary data, namely data that refers to information obtained directly from the source. To obtain data, a questionnaire survey and interviews with MSMEs in the Yogyakarta area were conducted as many as 33 respondents who had received financing by financial institutions and banks. The interviews were conducted using a structured interview technique to obtain hypothetical answers and because the entire research sample was considered to have the same opportunity to answer the questions posed. Data processing of respondents' answers using scoring with answers a worth 1, b is worth 2, c is worth 3, d is worth 4, and e is worth 5.

Table 1: Respondents Profile

Respondents	Gender	Age (Years)	Education Level	Business Sector	Total Score X1	Total Score X2	Total Score X3
R1	Female	41-50	High School	Creative/Service	16	19	6
R2	Female	50 +	High School	Creative Service	16	20	5
R3	Female	31-40	High School	Laundry	15	11	6
R4	Male	50 +	Junior High School	Handicraft	22	15	6
R5	Female	50 +	High School	Handicraft	18	16	8
R6	Male	41-50	Bachelor	Culinary	16	15	7
R7	Male	31-40	High School	Animal Husbandry	11	16	6
R8	Male	50 +	Primary School	Handicraft	13	11	6
R9	Male	41-50	Junior High School	Handicraft	13	16	9
R10	Female	50 +	Primary School	Handicraft	16	7	3
R11	Male	50 +	High School	Handicraft	16	15	6
R12	Male	21-30	Diploma	Other	10	29	4
R13	Male	50 +	Primary School	Handicraft	17	25	4
R14	Male	50 +	Primary School	Handicraft	17	17	7
R15	Male	50 +	High School	Handicraft	17	19	7
R16	Male	50 +	High School	Handicraft	15	18	6
R17	Female	31-40	High School	Culinary	11	17	8
R18	Male	31-40	High School	Creative/Service	14	18	8
R19	Female	31-40	Bachelor	Basic Food	13	16	9
R20	Female	50 +	Bachelor	Creative/Service	17	22	8
R21	Male	31-40	High School	Creative/Service	16	19	9
R22	Female	41-50	Bachelor	Creative/Service	14	19	7
R23	Male	50 +	Master	Creative/Service	19	15	7
R24	Female	41-50	Bachelor	Creative/Service	16	16	8
R25	Male	50 +	Master	Creative/Service	17	21	7
R26	Male	50 +	Master	Creative/Service	21	23	8
R27	Male	31-40	Bachelor	Clothing	14	18	8
R28	Female	41-50	High School	Basic Food	15	17	8
R29	Male	50 +	Bachelor	Creative/Service	22	20	8
R30	Male	50 +	Bachelor	Creative/Service	18	22	8
R31	Female	41-50	Bachelor	Creative/Service	12	15	7
R32	Female	50 +	Bachelor	Culinary	13	17	9
R33	Male	41-50	Bachelor	Culinary	15	15	7

Source: Research Data

Table 2: Respondents Answer Scoring

Repondents	General Question							Going Concern				Finance Efficiency								Y
	X1	X2	X3	X4	X5	X6	X7	X8	X9	X10	X11	X12	X13	X14	X15	X16	X17	X18	X19	
R1	3	5	4	3	2	1	1	3	2	5	2	1	2	4	1	3	4	3	1	6
R2	3	5	4	3	4	1	1	3	2	3	2	1	2	4	1	2	4	3	1	5
R3	2	5	4	4	2	2	2	2	4	0	2	1	4	2	1	0	0	0	0	6
R4	5	6	5	6	5	1	0	2	4	5	2	1	2	4	1	1	3	1	1	6
R5	5	1	2	6	7	2	4	2	4	6	2	1	3	4	3	1	4	4	4	8
R6	2	2	2	0	1	2	4	4	4	4	2	1	2	4	1	4	5	4	1	7
R7	5	1	4	5	3	6	3	4	4	5	2	2	2	2	1	4	5	4	1	6
R8	2	6	4	2	4	1	1	4	4	5	2	2	2	2	2	2	5	4	1	6
R9	4	6	4	2	4	5	4	3	4	5	2	1	2	4	2	4	5	4	2	9
R10	2	1	1	5	4	2	0	3	4	2	1	1	2	0	0	0	4	1	2	3
R11	4	1	1	4	4	5	3	4	4	4	4	1	2	2	3	3	5	4	1	6
R12	1	7	4	6	4	1	4	5	5	5	2	0	2	2	2	2	5	4	1	4
R13	3	6	4	2	2	1	2	4	4	6	2	1	2	4	2	2	5	4	1	4
R14	3	6	3	0	4	1	3	4	4	5	1	2	2	2	4	4	5	4	1	7
R15	5	1	3	6	3	1	4	4	4	6	2	4	2	4	2	2	5	4	1	7
R16	4	2	3	1	3	1	3	2	2	5	2	2	2	2	3	3	5	4	1	6
R17	1	1	1	0	2	1	1	5	4	5	1	2	2	2	3	3	5	4	2	8
R18	2	4	1	0	2	1	1	3	4	4	1	1	2	2	1	3	5	4	1	8
R19	2	1	1	0	2	2	3	3	4	5	2	2	2	2	1	4	5	4	1	9
R20	4	1	5	0	4	2	3	5	4	4	2	1	2	2	1	4	5	4	4	8
R21	2	4	1	0	2	2	1	3	4	4	2	1	1	2	1	3	5	4	1	9
R22	2	1	1	0	2	2	2	3	4	4	6	2	2	3	1	3	5	4	2	7
R23	4	2	3	0	1	2	4	5	4	5	6	2	2	3	1	3	5	4	1	7
R24	3	4	1	0	2	2	4	5	4	5	2	1	2	2	2	2	5	4	1	8
R25	4	1	2	0	1	2	1	4	3	4	2	2	2	1	1	4	5	4	1	7
R26	4	4	3	0	2	1	1	5	4	4	1	1	3	1	1	3	5	4	1	8
R27	2	1	1	0	1	2	1	5	4	5	1	1	2	2	1	3	5	4	1	8
R28	2	1	1	0	1	2	1	5	4	5	2	2	2	2	1	4	5	4	1	8
R29	2	2	2	0	2	2	3	5	4	4	4	1	2	2	1	3	5	4	1	8
R30	4	2	1	0	2	2	1	5	4	4	4	1	2	3	1	3	5	4	1	8
R31	4	1	1	0	4	5	1	4	4	6	2	2	2	3	1	3	5	4	1	7
R32	2	1	2	0	4	1	3	3	4	4	2	1	2	2	1	4	5	4	1	9
R33	4	1	1	0	4	1	1	3	4	4	2	1	2	2	1	3	5	4	1	7

Source: Research Data

3.3. Data Analysis

Interview results from respondents are divided into several variables, namely:

      a. Type of financing

      b. Source of business funds

      c. Total funding by financial institutions and banking

      d. Percentage of funding used by MSMEs

Kendal tau test was carried out to determine the relationship and test the hypothesis between 2 variables. The tested hypotheses are H_0: there is no relationship between the two variables, and H_1: there is a relationship between the two variables. The statistical test formula used is:

$$\tau = \frac{N_c - N_d}{\frac{N(N-1)}{2}} \qquad \text{(Conover, 1971: 256)}$$

Where: τ = Kendall rank correlation coefficient

      N_c = the number of concordant pairs

      N_d = the number of discordant pairs

      N = sample size

To test the significance of the Kendall rank correlation coefficient if $N \leq 10$ then H_0 is rejected if $\tau > \tau_{(N_c - N_d; N)}$. While for $N > 10$, the distribution used is the normal distribution, namely $z = \dfrac{\tau}{\sqrt{\frac{2(2N=5)}{9N(N-1)}}}$ (Siegel, 1994: 273). By rejecting criteria H_0 if the value of p with reference to the value of z shown is less than the significance value of α.

The next stage the researcher wants to know the level of financial relationship. H_1 is the role of the Banking Financial Institutions Financing Unit on Going Concern MSMEs. Meanwhile, H_2 is the level of going concern for MSMEs after optimizing financing from financial institutions and banks in terms of financial performance. To analyze it used R square, t test, F test and then described.

  a. R Square

The double correlation test R square is used to find out how much correlation occurs between the variables X1, X2... Xn simultaneously with the Y variable. The formula used:

$$r = \sqrt{r^2} = \sqrt{\frac{(b_1 \sum x_1 y) + (b_2 \sum x_2 y)}{\sum y^2}}$$

Value of r = $-1 \leq r \leq +1$. If the value of r is closer to +1 or -1, then the relationship that occurs is stronger and vice versa if r is closer to 0 then the weaker the relationship that occurs (Yuliara, 2016).

b. t test

The t-test uses a significance value of 5% or less than 0.05 so that it can be stated that the independent variable has an influence on the dependent variable.

c. F test

The F test is carried out with the aim of measuring how far the influence of the X variable on the Y variable. If the significance value is less than 0.05, it can be stated that there is an influence between the independent variables on the dependent variable.

For a descriptive statistical test of the respondent's profile that may have an influence on going concern MSMEs, the percentage analysis of the number of respondents is used.

4. RESULT AND ANALYSIS

In the data analysis, the questions from the questionnaire were grouped into business capital, general questions, business continuity, and financing efficiency.

4.1. Business Capital

In the data analysis, questions from questionnaire were grouped into general questions, about business going concern, and about financing efficiency. In the analysis of general business capital questions, the distribution of respondents was 13 (39%) women and 20 (61%) men. Based on the age distribution, the majority of 17 respondents (52%) are over 50 years old, 8 respondents (24%) are between 40-50 years old, 7 respondents (21%) are between 30-40 years old and 1 respondent (3%) is between 21-30 years. This age distribution shows that social capital in the form of age is very influential on existing MSMEs. The education level of the respondents showed that the majority were high school graduates as many as 12 people (36%) the same as the bachelor graduates level as many as 12 people (36%). A total of 2 people (6%) are master graduates and the rest are elementary or junior high school graduates. This shows that the middle level of education plays a more important role in contributing to the sustainability of MSME businesses, while people with higher education tend to work in other fields of work. The business sector is dominated by creative/service business as many as 13 respondents (39%) who contribute to the sustainability of MSME businesses. Handicrafts business with 10 respondents (30%), culinary business 4 respondents (12%), and the rest is clothing, foodstuffs and others business. From the R square test, the value of r square is 0.95 which indicates that the business capital variable is related and has a positive relationship because it has a value of r = 1 and/or is close to 1.

Table 3: Business Capital

Model Summary			
R	R Square	Adjusted R Square	Std. Error of the Estimate
.307	.095	.065	11.445
The independent variable is general question.			
Source: Data Analysis			

4.2. General Questions

a. In the analysis of the influence of X1 on current business conditions with business going concern using the Kendall tau test, Sig. (2-tailed) is 0.582, which means that both variables have a positive effect but are not optimal because they are less than 1.

Table 4: Analysis X1

Correlations			X1	Y
Kendall's tau_b	X1	Correlation Coefficient	1.000	-.080
		Sig. (2-tailed)	.	.582
		N	33	33
	Y	Correlation Coefficient	-.080	1.000
		Sig. (2-tailed)	.582	.
		N	33	33

Source: Data Analysis

b. In the analysis of the influence of X2 on funding source with business going concern using the Kendall tau test, Sig. (2-tailed) is 0.582, which means that both variables have a positive effect but are not optimal because they are less than 1.

Table 5: Analysis X2

Correlations			X2	Y
Kendall's tau_b	X2	Correlation Coefficient	1.000	-.080
		Sig. (2-tailed)	.	.582
		N	33	33
	Y	Correlation Coefficient	-.080	1.000
		Sig. (2-tailed)	.582	.
		N	33	33

Source: Data Analysis

c. In the analysis of the influence of X3 on the history of financing that has been received with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.010, which means that both variables have a positive but very weak influence.

Table 6: Analysis X3

Correlations			X3	Y
Kendall's tau_b	X3	Correlation Coefficient	1.000	-.375[**]
		Sig. (2-tailed)	.	.010
		N	33	33
	Y	Correlation Coefficient	-.375[**]	1.000
		Sig. (2-tailed)	.010	.
		N	33	33
Source: Data Analysis				

d. In the analysis of the effect of X4 on the reasons for not applying for financing with business going concern using the Kendall test or getting Sig. (2-tailed) of 0.000 which means that the two variables do not have a positive influence.

Table 7: Analysis X4

Correlations			X4	Y
Kendall's tau_b	X4	Correlation Coefficient	1.000	-.513**
		Sig. (2-tailed)	.	.000
		N	33	33
	Y	Correlation Coefficient	-.513**	1.000
		Sig. (2-tailed)	.000	.
		N	33	33
Source: Data Analysis				

e. In the analysis of the influence of X5 on considerations in choosing financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.000 which means that the two variables do not have a positive influence.

Table 8: Analysis X5

Correlations			X4	Y
Kendall's tau_b	X4	Correlation Coefficient	1.000	-.513**
		Sig. (2-tailed)	.	.000
		N	33	33
	Y	Correlation Coefficient	-.513**	1.000
		Sig. (2-tailed)	.000	.
		N	33	33

Source: Data Analysis

f. In the analysis of the effect of X6 on the expectations of financing obtained with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.212, which means that both variables have a positive but low effect.

Table 9: Analysis X6

Correlations			X6	Y
Kendall's tau_b	X6	Correlation Coefficient	1.000	.189
		Sig. (2-tailed)	.	.212
		N	33	33
	Y	Correlation Coefficient	.189	1.000
		Sig. (2-tailed)	.212	.
		N	33	33

Source: Data Analysis

g. In the analysis of the effect of X7 on difficulties in obtaining financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.403 which means that both variables have a positive but low effect.

Table 10: Analysis X7

Correlations			X7	Y
Kendall's tau_b	X7	Correlation Coefficient	1.000	.121
		Sig. (2-tailed)	.	.403
		N	33	33
	Y	Correlation Coefficient	.121	1.000
		Sig. (2-tailed)	.403	.
		N	33	33

Source: Data Analysis

4.3. Business Going Concern

a. In the analysis of the effect of X8 on the expected total financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.230, which means that both variables have a positive but low effect.

Table 11: Analysis X8

Correlations			X8	Y
Kendall's tau_b	X8	Correlation Coefficient	1.000	.175
		Sig. (2-tailed)	.	.230
		N	33	33
	Y	Correlation Coefficient	.175	1.000
		Sig. (2-tailed)	.230	.
		N	33	33

Source: Data Analysis

b. In the analysis of the effect of X9 on the difficulty in collecting financing requirements documents with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.269, which means that both variables have a positive influence.

Table 12: Analysis X9

Correlations			X9	Y
Kendall's tau_b	X9	Correlation Coefficient	1.000	.172
		Sig. (2-tailed)	.	.269
		N	33	33
	Y	Correlation Coefficient	.172	1.000
		Sig. (2-tailed)	.269	.
		N	33	33

Source: Data Analysis

c. In the analysis of the effect of X10 on proposals for financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 1,000, which means that both variables have an absolute positive effect.

Table 13: Analysis X10

Correlations			X10	Y
Kendall's tau_b	X10	Correlation Coefficient	1.000	.000
		Sig. (2-tailed)	.	1.000
		N	33	33
	Y	Correlation Coefficient	.000	1.000
		Sig. (2-tailed)	1.000	.
		N	33	33

Source: Data Analysis

d. In the analysis of the effect of X11 on the use of financing funds with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.774 which means that both variables have a positive influence.

Table 14: Analysis X11

Correlations			X11	Y
Kendall's tau_b	X11	Correlation Coefficient	1.000	-.044
		Sig. (2-tailed)	.	.774
		N	33	33
	Y	Correlation Coefficient	-.044	1.000
		Sig. (2-tailed)	.774	.
		N	33	33

Source: Data Analysis

4.4. Financing Efficiency

a. In the analysis of the effect of X12 on processing time to obtain financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.941, which means that both variables have a positive influence.

Table 15: Analysis X12

Correlations			X12	Y
Kendall's tau_b	X12	Correlation Coefficient	1.000	.012
		Sig. (2-tailed)	.	.941
		N	33	33
	Y	Correlation Coefficient	.012	1.000
		Sig. (2-tailed)	.941	.
		N	33	33

Source: Data Analysis

b. In the analysis of the effect of X13 on the accuracy of financing targets with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.651, which means that both variables have a positive influence.

Table 16: Analysis X13

Correlations				X13	Y
Kendall's tau_b	X13	Correlation Coefficient		1.000	-.070
		Sig. (2-tailed)		.	.651
		N		33	33
	Y	Correlation Coefficient		-.070	1.000
		Sig. (2-tailed)		.651	.
		N		33	33

Source: Data Analysis

c. In the analysis of the effect of X14 on knowledge of the financial side in financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.491 which means that both variables have a positive influence.

Table 17: Analysis X14

Correlations				X14	Y
Kendall's tau_b	X14	Correlation Coefficient		1.000	-.102
		Sig. (2-tailed)		.	.491
		N		33	33
	Y	Correlation Coefficient		-.102	1.000
		Sig. (2-tailed)		.491	.
		N		33	33

Source: Data Analysis

d. In the analysis of the effect of X15 on understanding financing risk with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.737, which means that both variables have a positive influence.

Table 18: Analysis X15

Correlations				X15	Y
Kendall's tau_b	X15	Correlation Coefficient		1.000	-.051
		Sig. (2-tailed)		.	.737
		N		33	33
	Y	Correlation Coefficient		-.051	1.000
		Sig. (2-tailed)		.737	.
		N		33	33

Source: Data Analysis

e. In the analysis of the effect of X16 on the asset criteria proposed for financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.003 which means that both variables have a positive but very weak influence, almost none.

Table 19: Analysis X16

Correlations				X16	Y
Kendall's tau_b	X16	Correlation Coefficient		1.000	.427**
		Sig. (2-tailed)		.	.003
		N		33	33
	Y	Correlation Coefficient		.427**	1.000
		Sig. (2-tailed)		.003	.
		N		33	33
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: Data Analysis

f. In the analysis of the effect of X17 regarding the maximum funds proposed in financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.023, which means that both variables have a positive but very weak influence.

Table 20: Analysis X17

Correlations				X17	Y
Kendall's tau_b	X17	Correlation Coefficient		1.000	.352*
		Sig. (2-tailed)		.	.023
		N		33	33
	Y	Correlation Coefficient		.352*	1.000
		Sig. (2-tailed)		.023	.
		N		33	33
*. Correlation is significant at the 0.05 level (2-tailed).					

Source: Data Analysis

g. In the analysis of the effect of X18 on the maximum amount of financing from financial institutions and banks with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.004 which means that both variables have a positive but very weak influence.

Table 21: Analysis X18

Correlations				X18	Y
Kendall's tau_b	X18	Correlation Coefficient		1.000	.442**
		Sig. (2-tailed)		.	.004
		N		33	33
	Y	Correlation Coefficient		.442**	1.000
		Sig. (2-tailed)		.004	.
		N		33	33
**. Correlation is significant at the 0.01 level (2-tailed).					

Source: Data Analysis

h. In the analysis of the effect of X19 on the increase in income after receiving financing with business going concern using the Kendall tau test, Sig. (2-tailed) of 0.217, which means that both variables have a positive but weak influence.

Table 22: Analysis X19

Correlations			X19	Y
Kendall's tau_b	X19	Correlation Coefficient	1.000	.190
		Sig. (2-tailed)	.	.217
		N	33	33
	Y	Correlation Coefficient	.190	1.000
		Sig. (2-tailed)	.217	.
		N	33	33

Source: Data Analysis

4.5 Correlation level in terms of finance

The correlation level in term of finance studied is H_1 = the role of the banking financial institution financing unit on going concern MSMEs, and H_2 = the level of MSMEs going concern after optimizing the financing from financial institutions and banks.

a. H_1 The Role Of The Banking Financial Institution Financing Unit On Going Concern MSMEs

By using the estimation curve obtained through the SPSS program, it is found that the distribution is still random, close to linear, which means that respondents' answers to general questions asked have an effect on the going concern of MSME businesses but are still weak.

Figure 2: Curve Estimation
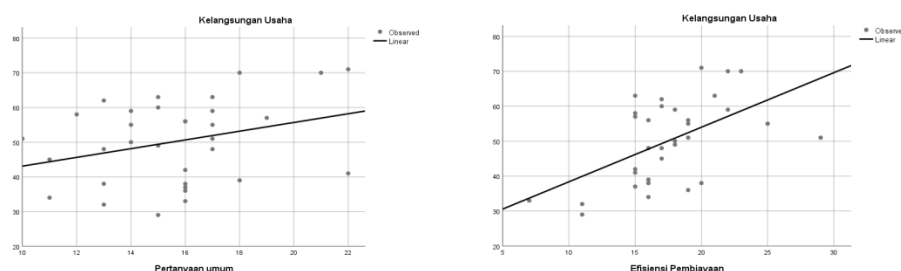
Source: Data Analysis

The results of the R square test show that the coefficient of r square = 0.293 which means that Financial Institutions have a less strong relationship with business going concern (Y). Because the value of r: $-1 \leq 0,293 \leq +1$. This can be seen in the following Table

Table 23: Analysis H₁ R Square

Model Summary			
R	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
.541	.293	.270	10.116
The independent variable is Financing Efficiency.			

Source: Data Analysis

The result of the T test is 0.001 and has a constant significance value of 0.007 which means that the role of the financial institutions financing banking unit has an influence on business going concern (Y).

Table 24: Analysis H₁ t-Test

Coefficients					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Efisiensi Pembiayaan	1.561	.436	.541	3.581	.001
(Constant)	22.757	7.851		2.899	.007

The independent variable is General Question.

Source: Data Analysis

F test result is sig. 0.001 and the F test value is 12.820 which mean that the role of the banking unit in financing financial institutions has an influence on business going concern (Y).

Table 25: Analysis H₁ F-Test

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Regression	1311.933	1	1311.933	12.820	.001
Residual	3172.310	31	102.333		
Total	4484.242	32			
The independent variable is Financing Efficiency.					

Source: Data Analysis

The R Square, t Test and F Test proves that the role of the banking unit in financing financial institutions has an influence on business going concern (Y). Supporting factors for H₁ being accepted:

1. The total funds for business development provided by financial institutions and banks are right on target because the funds obtained are in accordance with the expectations of MSMEs who apply for financing.

2. The financing application process is not difficult and does not require a long time in the disbursement process because the requirements are relatively easy for MSMEs to obtain

3. Funds that have been obtained from financing can be used to increase sales turnover**.**

b. H_2 = the level of MSMEs going concern after optimizing the financing from financial institutions and banks.

The result of R square is r = 0.095, which means that the level of going concern of MSMEs after optimizing financing from financial institutions and banks in terms of financial performance has a weak relationship with business going concern (Y).

Table 26: Analysis H_2 R Square

Model Summary			
R	R Square	Adjusted R Square	Std. Error of the Estimate
.307	.095	.065	11.445
The independent variable is General Question.			

Source: Data Analysis

The result of t test is 0.082 and Sig. (constant) is 0.010 which means that the MSME going concern level after the optimization of financing has a positive effect on business going concern (Y).

Table 27: Analysis H_2 t-Test

Coefficients					
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Pertanyaan umum	1.258	.699	.307	1.799	.082
(Constant)	30.520	11.093		2.751	.010

Source: Data Analysis

The F test shows Sig. 0.082 and has an F test value of 3.236 which means that the MSME going concern level after the optimization of financing has a positive effect on business going concern (Y).

Table 28: Analysis H_2 F-Test

ANOVA					
	Sum of Squares	df	Mean Square	F	Sig.
Regression	423.880	1	423.880	3.236	.082
Residual	4060.362	31	130.979		
Total	4484.242	32			
The independent variable is General Question.					

Source: Data Analysis

Table 29: Description Analysis Result

No.	Analysis	Result
1	R Square	The level of MSMEs going concern after optimization of financing from finance institution and banking have weak correlation with business going concern.
2	t-Test	The level of MSMEs going concern after optimization of financing from finance institution and banking have good correlation with business going concern.
3	F-Test	The level of MSMEs going concern after optimization of financing from finance institution and banking have good correlation with business going concern.
The level of MSMEs going concern in term of finance that have correlation with business going concern		85%

The R Square test, T test and F test prove that the going concern level of MSMEs after optimization has an effect on business continuity (Y) about 85%. The supporting factor for H2 is 85% accepted, seen from the majority of respondents' answers, stating that "financing obtained from financial institutions and/or banks can cover the required business operational costs".

Table 30: Analysis Respondent Answer Concerning Financing

	Answer				
	Yes, more than enough	Yes, enough	Yes, but not enough	not enough at all	No respond
Respondents	12	14	5	1	1
Score :	0,36	0,42	0,15	0,030	0,030

Source: Data Analysis

Conclusions and Recommendations

Based on the results of research, data processing and analysis, it was found that the financing unit from financial institutions and banks has a role and influence on the going concern level of MSMEs. The majority of MSMEs can feel the impact of the financing but do not reach 100% (in the range of 85% to 93%) in their contribution. In future studies, to get clearer results, the number of samples taken can be increased and the duration of the study can be extended. Several other variables can also be developed, such as to other MSME business sectors as well as more specific types of financing. The location of the research carried out can also be expanded so that it is not only one area.

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