



Received: August 26, 2024

Revised: September 19, 2024

Accepted: October 30, 2024

*Corresponding author: Feberia Zebua,
Management Department of
Management, Faculty of Economics,
Universitas Nias, Gunungsitoli,
Indonesia.

E-mail: feberiazebua3@gmail.com

DESCRIPTIVE OF QUANTITATIVE DATA | ARTICLE RESEARCH

The Effect of Financial Inclusion on the Sustainability of the SME Sector

Feberia Zebua¹, Maria Magdalena Bate'e², Perlindungan F. Hulu³, Tiarni Duha⁴^{1,2,3,4} Department of Management, Faculty of Economics, Universitas Nias, Gunungsitoli, Indonesia.Email: feberiazebua3@gmail.com, maria.batee82@gmail.com, perlinhll@gmail.com, tiarniduha7@gmail.com

Abstract: This study aims to determine whether financial inclusion has a positive effect on the sustainability of the SME sector in Lotu District, North Nias Regency, and to determine how much influence financial inclusion has on the sustainability of the SME sector, and to find out whether financial inclusion can overcome the challenges experienced by SME actors. The research was conducted in Lotu District, North Nias Regency. The research method used is quantitative method with data collection through distributing questionnaires, documentation, and interviews, observation. Respondents in this study amounted to 63 respondents of SME actors. The results of this study indicate that the influence of financial inclusion has an influence on the sustainability of the SME sector by 20.4%. With the increasing financial inclusion, it will further encourage SME actors to develop their businesses in the future.

Keywords: Financial Inclusion, SME Sustainability, Quantitative Research

1. INTRODUCTION

In Indonesia, efforts to increase sustainable economic growth are crucial in bridging the gap with developed countries (Mardani, 2021). SMEs play a significant role in building the national economy by expanding businesses. When SMEs reach international markets, their contributions to Indonesia's economy are more apparent in various regions (Akhiar, 2021). SMEs help create economic stability, alleviate poverty, and contribute to the country's foreign exchange trade. However, SMEs often face developmental challenges due to their short-term focus, lack of innovation, inconsistent core business activities, and unstructured financial management systems. To address these issues, there is a growing need for increasing awareness and understanding of financial inclusion, helping communities manage their business sustainability. Financial inclusion aims to remove barriers to accessing financial services, allowing SME actors to engage more effectively with financial institutions (Yanti, 2019). From the research conducted in Lotu Subdistrict, it was found that some SME actors had not yet utilized financial institution products such as credit applications. This was due to several factors, including the inability of SME actors to meet credit loan requirements, a lack of trust in financial institutions due to high-interest rates, and unstable economic conditions. Additionally, some SMEs refrained from using mobile banking services due to the associated monthly fees, which discouraged them from accessing this financial service. The formulation of the problem is based on two core questions: whether financial inclusion affects the sustainability of the SME sector in Lotu District, North Nias Regency, and the extent of that influence. The research aims to determine if financial inclusion impacts the sustainability of SMEs in the region and to assess the degree of this impact. The research holds several important uses: for researchers, it serves as a reference for increasing knowledge about financial inclusion in SMEs; for academic institutions, it contributes to the development of financial management knowledge; and for the research subjects, it offers insights and information on the significance of financial inclusion for sustaining SMEs in Lotu District.



2. RESEARCH DESIGN AND METHOD

This research uses a quantitative approach, involving two variables: financial inclusion (X) as the independent variable, and the sustainability of the SME sector (Y) as the dependent variable. Data collection techniques employed include observation, which provides accurate and objective data through direct observation of the research object, and questionnaires, which allow for the efficient collection of large amounts of data from many respondents. The collected data will be analyzed using descriptive statistical methods to provide an overview of the characteristics of SMEs in Lotu Sub-district, North Nias Regency. Additionally, regression analysis will be applied to examine the relationship between financial inclusion and the sustainability of the SME sector. According to Ulfa (2019), variables refer to objects, traits, or attributes that vary among people or activities and are studied for research purposes. Financial inclusion (X) is an independent variable, which causes changes in the dependent variable, while the sustainability of the SME sector (Y) is the dependent variable, which is influenced by the independent variable. Various tests are employed to analyze the data. The validity test ensures that the instrument accurately measures what it is supposed to measure, while the reliability test ensures consistency and precision over time. If Cronbach's alpha is greater than 0.60, the instrument is considered reliable. Other statistical techniques used in this study include the normality test, which checks if the residual variables are normally distributed (as per Ghozali, 2018). If the Kolmogorov-Smirnov value is greater than 0.05, the data is normally distributed. Correlation coefficient analysis (R) measures the strength and direction of the relationship between variables, while simple linear regression examines the relationship between one dependent and one independent variable. The coefficient of determination (R²) assesses how much the independent variable contributes to changes in the dependent variable. Lastly, the t-test is employed to assess the partial impact of the independent variable on the dependent variable, determining whether the research hypothesis is accepted or rejected based on statistical values.

3. RESULT AND DISCUSSION

3.1. Research results

a. Validity Test of Variable Financial Inclusion

A valid instrument means that the measuring instrument used to obtain the data is valid. Valid means that the instrument can be used to measure what should be measured. In the table below are the results of the validity test of variable X (Financial inclusion) with the help of the SPSS version 22 program.

Table 1. Validity Test of Variable Financial Inclusion

Financial inclusion (X)	r-calculated	r-estimated	P(Sig)	Description
X1	0,319	0,248	0,011	Valid
X2	0,477		.000	
X3	0,249		0,049	
X4	0,399		0,001	
X5	0,312		0,013	
X6	0,283		0,025	
X7	0,334		0,007	
X8	0,291		0,02	
X9	0,441		.000	
X10	0,353		0,005	
X11	0,315		0,012	
X12	0,339		0,007	
X13	0,646		.000	
X14	0,254		0,044	
X15	"0,280"		0,026	

Financial inclusion (X)	r-calculated	r-estimated	P(Sig)	Description
X16	0,256		0,043	
X17	0,368		0,003	
X18	0,371		0,003	
X19	0,352		0,005	
X20	0,284		.000	

b. Validity Test of Variable Y

The following below are the results of consistent validity testing based on the SPSS V22 program, as follows:

Table 2. Validity Test Results of Variable SME Sector Sustainability

Sustainability of the SME sector (Y)	r-calculated	r-estimated	P(Sig)	Description
Y1	0,282	0,248	0,025	Valid
Y2	0,291		0,021	
Y3	0,448		.000	
Y4	0,428		.000	
Y5	0,391		0,002	
Y6	0,277		0,028	
Y7	0,291		0,021	
Y8	0,266		0,035	
Y9	0,306		0,015	
Y10	0,307		0,014	
Y11	0,353		0,005	
Y12	0,375		0,002	
Y13	0,358		0,004	
Y14	0,469		.000	
Y15	0,246		0,052	
Y16	0,428		.000	
Y17	0,537		.000	
Y18	0,342		0,006	
Y19	0,407		0,001	
Y20	0,514		.000	

c. Reliability Test of Variable Financial Inclusion

Table 3. Reliability Test of Variable Financial Inclusion

Cronbach's Alpha	N of Items
.704	20

Table 4. Reliability Test of Variable Sustainability of the SME sector

Reliability Statistics	
Cronbach's Alpha	N of Items
.683	20

d. Data Normality Test

Table 5. Kolmogorov-Smirnov Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		63
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	4.82332366
Most Extreme Differences	Absolute	.087

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
	Positive	.087
	Negative	-.034
Test Statistic		.087
Asymp. Sig. (2-tailed)		.200c,d

e. Linear Regression Test

Table 6. Linear Regression Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	36.126	6.404		5.641	.000
	Financial Inclusion	.429	.104	.466	4.111	.000

a. Dependent Variable: sustainability of the SME sector

f. Coefficient Correlation Analysis

Table 7. Coefficient Correlation Test Result

Correlations			
		Financial Inclusion	Sustainability Of The SME Sector
Financial Inclusion	Pearson Correlation	1	.466**
	Sig. (2-tailed)		.000
	N	63	63
Sustainability Of The SME Sector	Pearson Correlation	.466**	1
	Sig. (2-tailed)	.000	
	N	63	63

** . Correlation is significant at the 0.01 level (2-tailed).

g. Determination Coefficient Test

Table 8. R² Test Result

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.466a	.217	.204	4.863

a. Predictors: (Constant), financial inclusion

b. Hypothesis Test (t-test)

Table 9. T-Test Result

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	36.126	6.404		5.641	.000
	Financial Inclusion	.429	.104	.466	4.111	.000

a. Dependent Variable: sustainability of the SME sector

3.2. Research Discussion

a. The Effect of Financial Inclusion on the Sustainability of the SME Sector

Based on the results of research conducted by researchers with the help of the SPSS version 22 program show that financial inclusion has an influence on the sustainability of the SME sector in Lotu Kecamatan, North Nias Regency. this can be seen from the data analysis obtained through the

t test that researchers have carried out by comparing t-calculated and t-estimated where the sig value is $0.000 < 0.05$ and $t\text{-calculated } 4.111 > t\text{-estimated } 1.998$, this statement is reinforced by Sarma's theory in the book *Financial Inclusion* (2012) which states that Financial Inclusion is a process that ensures easy access, availability, and use of formal financial products for all economic actors.

b. The Effect of Financial Inclusion on Sustainability of the SME Sector

The test results in this study indicate that financial inclusion has a positive effect on the sustainability of the SME sector in Lotu District, North Nias Regency. This can be seen from the analysis of the data obtained through the help of the SPSS version 22 program which shows that the test results of the coefficient of financial inclusion determine an effect of 0.204 or 20.4% on the sustainability of the SME sector in Lotu District, North Nias Regency. So it can be concluded that the effect of the independent variable (financial inclusion) affects the dependent variable (sustainability of the SME sector) by 20.4% while the other 79.6% is influenced by other variables not included in this study. these other factors can be financial literacy, distance of banks from sub-districts, age, interest rates and quality of service at banks and the low interest of SME actors in digging up information related to financial inclusion so that awareness of SME actors in using access and products from banks is low.

4. CONCLUSION

This study shows that financial inclusion has a significant impact on the sustainability of the SME sector in Lotu District, North Nias Regency. The t-test results showed a value of 4.111, which is greater than 0.05, indicating that financial inclusion statistically influences the dependent variable. The determination test results revealed that financial inclusion contributes 20.4% to the sustainability of SMEs, meaning that the remaining 79.6% is influenced by other factors outside the scope of this study. Additionally, the research demonstrates a positive and moderate relationship between financial inclusion and SME sustainability, with a correlation coefficient of 0.466. This suggests that greater access to and use of financial inclusion tools correlate with higher chances of SME sustainability in the region. This research is valuable both in academic and practical terms. From a scientific perspective, it contributes to the growing body of literature on the relationship between financial inclusion and business sustainability, particularly in the context of SMEs in remote areas like Lotu District, North Nias Regency. Studies examining the direct impact of financial inclusion on SMEs in rural or remote areas are relatively scarce, so this research provides fresh insights that enrich academic discussions on SME development strategies in Indonesia. Practically, the findings serve as a reference for policymakers and financial institutions to design more proactive policies aimed at increasing financial inclusion in underserved communities. These findings also highlight the importance of financial education and providing more accessible financial products tailored to the needs of local populations, enabling them to take full advantage of banking facilities to sustain their businesses.

However, like any research, this study has its limitations. First, it focuses on just two variables, financial inclusion and SME sustainability, while many other factors may influence SME sustainability, such as technological innovation, managerial capacity, and infrastructure support. These variables were not included in this study, so the findings only offer a partial explanation of what drives SME sustainability. Secondly, the sample size used in this research is relatively small, consisting of 63 respondents, which, while representative for Lotu District, limits the generalizability of the results to broader regions. Another limitation is the use of a quantitative research method, which primarily measures relationships between variables without exploring qualitative aspects that might explain SME actors' behaviors when accessing financial services.

As a future research agenda, it would be beneficial for researchers to expand the scope by including additional relevant variables, such as financial literacy, local government policies, and the role of technology in enhancing financial inclusion. Qualitative research could also be conducted to gain deeper insights into the motivations and barriers faced by SME actors when accessing financial

services. Furthermore, future studies should encompass a larger geographical area and a bigger sample size to allow for broader generalization of findings. In terms of policy, there is a need to evaluate the effectiveness of existing financial inclusion programs and explore new strategies that better address the unique needs and challenges faced by SMEs in remote areas like Lotu District. Additionally, future researchers could explore how financial inclusion interacts with factors such as education, local culture, and infrastructure support in influencing the sustainability of the SME sector.

REFERENCES

- Akyuwen, R., & Waskito, J. (2018). *Memahami inklusi keuangan*. Yogyakarta: Sekolah Pascasarjana Universitas Gadjah Mada.
- Akhiar, H. (2021). Peran literasi keuangan beserta inklusi keuangan pada kinerja SME Kecamatan Kuantan Tengah Kabupaten Singingi (Skripsi, Universitas Islam Sultan Syarif Kasim Riau).
- Alimi, L. (2018). Penggunaan rekening kredit dan penggunaan rekening DPK bank umum terhadap kredit SME di Indonesia (Studi kasus tahun 2012-2016).
- Aribawa, D. (2016). Pengaruh literasi keuangan terhadap kinerja dan keberlangsungan SME di Jawa Tengah. *Jurnal Siasat Bisnis*, 20(1), 1-13.
- Adriani, D., & Wiksuana, I. G. B. (2018). Inklusi keuangan dalam hubungannya dengan pertumbuhan SME dan tingkat kesejahteraan masyarakat di Provinsi Bali. *E-Jurnal Manajemen Universitas Udayana*, 7(12), 6420.
- Andi. (2017). *Metode penelitian bisnis*. Yogyakarta: BPFE.
- Agustina, L. (2016). Indikator keberlanjutan usaha kecil dan menengah. *Jurnal Manajemen Bisnis*, 8(2), 45-62.
- Badan Pusat Statistik. (2019). *Statistik usaha mikro, kecil, dan menengah 2019*. Jakarta: Badan Pusat Statistik.
- Dermawan, A., Annisa, S., Fatimah, B., & Dwi Vina, R. (2021). Pengaruh faktor demografi, locus of control, literasi keuangan, dan inklusi keuangan terhadap kinerja keuangan SME. 10(2).
- Desiyanti, R. (2016). Literasi dan inklusi keuangan serta indeks utilitas SME di Padang. *BISMA Jurnal Bisnis & Manajemen*, 2(2), 122-134.
- Djuwita, D., & Yusuf, A. A. (2018). Tingkat literasi keuangan syariah di kalangan SME dan dampaknya terhadap perkembangan usaha. *Al-Amwal*, 10(1), 105-127.
- Ghozali, I. (2018). Analisis pengaruh current ratio, debt to equity ratio, total asset turnover, dan return on equity terhadap harga saham. *Jurnal Ekonomi dan Manajemen*, 9(2), 179-198.
- Hilmawati, M. R. N., & Kusumaningtias, R. (2021). Inklusi keuangan dan literasi keuangan terhadap kinerja dan keberlangsungan sektor usaha mikro kecil menengah. *Nominal Barometer Ris. Akunt. dan Manaj.*, 10(1), 135-152. <https://doi.org/10.21831/nominal.v10i1.33881>
- Haryana, A. (2020). *Metodologi penelitian bisnis*. Jakarta: Mitra Wacana Media.
- Intermezzo. (2018). Analisis hambatan usaha mikro, kecil, dan menengah (SME) di Indonesia. *Jurnal Ekonomi dan Bisnis*, 12(3), 45-60. <https://www.beritasatu.com/ekonomi/403326/5-manfaat-menjadi-perusahaan-yang-berkelanjutan>
- Kosim, E., Safitri, N., & Sindi, S. (2021). Pengaruh inklusi keuangan dan peran lembaga keuangan mikro terhadap kinerja SME di Kecamatan Seberang Ulu I Kota Palembang. *Motivasi*, 6(2), 144. <https://doi.org/10.32502/mti.v6i2.3797>
- Lestari, K. C. (2022). *Sistem informasi akuntansi (beserta contoh penerapan aplikasi SIA sederhana dalam SME)*. Yogyakarta: CV Budi Utama.
- Mardani. (2021). *Teori pembangunan ekonomi Indonesia: Tantangan dan strategi menuju kemajuan*. Jakarta: Penerbit Gramedia.
- Otoritas Jasa Keuangan. (2016). *Peraturan Otoritas Jasa Keuangan Nomor 76/POJK.07/2016 tentang peningkatan akses keuangan masyarakat melalui lembaga alternatif penyelesaian sengketa di sektor jasa keuangan*.
- Peraturan Presiden Republik Indonesia Nomor 20 Tahun 2016 tentang rencana aksi nasional keuangan inklusif.
- Pandey, P. (2015). *Research methodology: Tools and techniques*. Bridge Center.
- Pridana, A., & Sunarsi, D. (2021). Pengaruh motivasi dan disiplin kerja terhadap kinerja karyawan pada PT Angkasa Bandara Internasional Soekarno-Hatta. *Jurnal Ekonomi Efektif*, 3(3), 377-386.
- Sukardi. (2018). *Metodologi penelitian pendidikan: Kompetensi dan praktiknya*. Jakarta: Bumi Aksara.
- Sugiyono. (2019). *Metode penelitian kuantitatif, kualitatif, dan R&D*. Bandung: Alfabeta.
- Soetino, & Stiawan. (2018). *Literasi keuangan dan inklusi Indonesia*. Rajawali.
- Sanistasya, S. (2019). Indikator inklusi keuangan di Indonesia. *Jurnal Keuangan dan Perbankan*, 15(2), 123-140.
- Strijker, D., Bosworth, G., & Bouter, G. (2020). *Research methods in rural studies*. Abingdon, Oxon: Routledge.

- Trigmagnus, T. (2019). Faktor-faktor yang mempengaruhi keberlanjutan usaha mikro, kecil, dan menengah. *Jurnal Manajemen Bisnis*, 14(2), 123-140.
- Undang-Undang Republik Indonesia Nomor 20 Tahun 2008 tentang usaha mikro, kecil, dan menengah. (2008). Jakarta: Presiden Republik Indonesia.
- Ulfa, M. (2019). *Metodologi penelitian bisnis*. Yogyakarta: Penerbit Andi.
- Waruwu. (2023). Pendekatan penelitian pendidikan: Metode penelitian kualitatif, metode penelitian kuantitatif dan metode penelitian kombinasi (mixed method). *Jurnal Pendidik*. Tambusai, 7(1), 2896-2910.
- Williams, C. (2017). *Research methods*. London: Palgrave.
- Yanti, W. I. P. (2019). Keuangan dan literasi keuangan terhadap kinerja SME di Kecamatan Moyo Utara. 2(1).