
DETERMINING FACTORS THAT EFFECTING MSMEs BANK CREDIT ACCESS

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Abstract

The study aims to determine the effect of factors that effecting bank credit access for MSMEs in Purbalingga Regency with financial literacy as a moderating variable. The population in this study are SMEs in the fashion sector in the Segamas Market, Purbalingga Regency. The samples in this study were 96 businesses used the total sampling method. Data analysis used multiple linear regression and moderated regression analysis. The results of this study indicate that: (1) credit knowledge has a positive effect on access to bank credit; (2) banking service quality has no positive effect on bank credit access; (3) business continuity has no positive effect on access to bank credit; (4) financial literacy does not moderate the effect of credit knowledge on bank credit access; (5) financial literacy does not moderate the effect of banking service quality on bank credit access; (6) financial literacy does not moderate the effect of business continuity on bank credit access. The implication of this research for MSMEs it can provide an overview of the importance of credit knowledge and financial literacy in accessing bank credit. Meanwhile, the Purbalingga Regency Cooperative and UKM Service can provide an overview of financial training for MSMEs.

Keywords: *Credit Knowledge, Banking Service Quality, Business Continuity, Bank Credit Access, Financial Literacy*

INTRODUCTION

In Indonesia, MSMEs continue to experience development so that it has an impact on economic growth. Economic growth that occurs will improve people's welfare by increasing the availability of jobs. Based on data from 2018 to 2019 it shows that the number of MSMEs has increased significantly, at the end of 2018 to the end of 2019 the total MSMEs have increased from 64,199,606 units to 65,471,134 units (KemenkopUKM, 2019). This 1.98% increase can increase the total workforce from 120,598,138 workers to 123,368,672 workers. Based on data in 2022 it shows that MSMEs contribute to the Gross Domestic Product (GDP) reaching 60.5% and to employment of 96.9% of the total national employment (KemenkoPerekonomian, 2022).

Purbalingga Regency is one of the regencies in Indonesia in Central Java Province with growing MSMEs. Based on data from 2019 to 2020, MSMEs have increased from 96,592 units to 96,780 units (BPS Kabupaten Purbalingga, 2020). The high number of MSMEs is inseparable from the challenges during the Covid-19 pandemic which caused financing problems for MSMEs. The sustainability of MSMEs cannot be separated from the aspect of capital because a business cannot run and survive without capital. Herwiyanti and Sugiarto (2019: 35) say that access to capital is the most important factor in operating business activities, because without easy access

to capital it will have an impact on the vulnerability of business continuity where MSME capital can be obtained through bank credit.

Capital for MSMEs can be done through formally obtained financing. However, there are still many obstacles in financing MSMEs to access credit at banks. Limited access to credit occurs due to a lack of credit disbursement by banks to MSMEs. In Indonesia, 18 million MSMEs do not have access to banking, while five million MSMEs still rely on online loans and moneylenders.

Financial literacy is the biggest obstacle causing some MSME financial management to be unsystematic. Lack of financial literacy will become an obstacle for MSMEs in debt management, savings, credit, and planning for the future, this can affect the opportunities for MSMEs to obtain capital in bank lending. One of the factors that influence MSME credit access to capital provider institutions is the financial literacy of MSME owners (Nkundabanyanga, Kasozi, & Nalukenge, 2014).

In addition to financial literacy problems, there are several MSMEs that have limitations related to credit knowledge. Credit knowledge is an important factor because before making credit, MSME actors must have credit knowledge about credit requirements and the right type of credit to use. Atieno (2001) states that the credit terms include the credit repayment period, guarantees, and interest rates. Credit terms are used by banks to assess the feasibility of lending by banks to MSMEs as well as collateral for credit risks that may not be paid off. Meanwhile, to choose the type of credit, MSMEs can seek credit with low interest rates and take credit with an amount that is in accordance with the lack of capital needed.

When accessing bank credit, the quality of banking services is a consideration in making credit decisions. According to Suprpto and Puryandani (2020) stated that service quality is an external factor in access to bank credit for MSMEs. Good quality banking services will make MSMEs interested in applying for loans to banks. Good service quality will make it easier for MSMEs, this is because if banking institutions provide clear information related to credit, it can increase credit knowledge for MSMEs in accessing bank credit.

MSMEs are required to continue to survive, even with various existing problems. One of the problems related to MSME finance will have an impact on business continuity. However, there are still many MSMEs that have not carried out financial planning, budgeting and financial control even though these aspects support business continuity. Ariwibawa (2016) states that the financial aspect is very important in supporting business continuity. One way that can be done to improve business continuity is to increase financial literacy so that management and accountability can be accounted for by banks in making credit. Business continuity is taken into consideration in granting credit because it is used as a reference that MSMEs have the ability to carry out credit repayments. The system that is currently developing a lot is a system of trust in customers when applying for financing (Ningsih, Aryanti, & Widayanti, 2019).

This study focuses on the factors of credit knowledge, service quality, business continuity and financial literacy as moderating variables because these research variables have inconclusive conclusions. When MSMEs have a good level of financial literacy, MSMEs can increase their credit knowledge and consider various decisions to increase their business. Credit knowledge possessed by MSMEs can facilitate access to credit at banks, because it is easier if you already know the necessary requirements. Meanwhile, the quality of services owned by banks can be used by MSMEs as material for consideration in taking credit for additional capital. Therefore, business continuity in MSMEs will be taken into consideration by banks in providing credit.

Based on previous research, it has been proven that financial literacy, service quality, and business continuity have consistent results. However, in this study there is credit knowledge which is a new variable. The differences in the samples in this study might result in differences in the results showing access to bank credit for MSMEs.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Behavioral Decision Theory

Behavioral decision theory is a theory that studies how to choose the right alternative to make a decision and relates to a person's behavior in the decision-making process. This theory states that a person's behavior in making decisions will be based on knowledge and level of financial literacy. This theory describes the decision-making of MSME actors in accessing credit at banks in choosing to use loan capital or use personal capital for financial activities in their operations. Personal capital funding is obtained from reserve funds, retained earnings and share capital, while loan capital is obtained from debt, bonds and share capital.

Financial Literacy

According to OJK (2017) financial literacy can be interpreted as knowledge, skills and beliefs that influence individual attitudes and behavior to improve the quality of decision making and better financial management. The dimensions of financial literacy are divided into two parts, namely basic financial literacy and advanced financial literacy (USAID and DEFINIT, 2013).

1) Basic financial literacy consists of:

- a. Knowledge of formal financial products such as the requirements for opening a savings account (identity for opening a bank account, the minimum amount of funds when opening a bank account, and the minimum balance in a bank account).
- b. Numeracy regarding finance (financial calculations) such as simple interest, compound interest, and loan interest calculations.
- c. Basic concepts regarding inflation, discounts, time value of money, and money illusion.

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- 2) Advanced financial literacy consists of the stock market, stock and bond returns, average interest and bond prices, stock and bond risks, investments that generate the highest return fluctuations, asset diversification, and insurance.

Bank Credit Access

Lusimbo and Muturi (2016) define access to bank credit as the absence of obstacles related to administrative or procedural costs at the bank that are felt by MSMEs when applying for credit. There are several things that MSMEs need to pay attention to before accessing bank credit from borrowing institutions (Herwiyanti and Sugiarto, 2019:37):

- 1) Fixed or floating interest rates
- 2) Ballon installments/payments
- 3) Credit process

Credit Knowledge

Credit knowledge can be interpreted as basic knowledge that must be possessed when going to make a loan to a bank. Credit knowledge is one's knowledge of credit in the form of procedures or requirements before making a loan. There are several types of credit according to Febrianto (2021:49 - 56), including:

- 1) Types of credit in terms of credit purposes.
- 2) Types of credit seen from their use.
- 3) Type of credit in terms of time period.
- 4) Types of credit in terms of collateral.
- 5) Types of credit in terms of quality.

Bank Service Quality

Service quality according to Wyckof in Tjiptono (2007: 268) is the expected level of excellence and control over that level of excellence to fulfill customer desires. Bank services must meet five service quality criteria called RATER (*Reliability, Assurance, Tangible, Empathy, Responsiveness*).

Business Continuity

Business continuity is a form of consistency from business conditions, where this sustainability is a process of ongoing good business including growth, development, strategies to maintain business continuity and business development where all of this leads to business continuity and existence (resilience). There are three reasons why business continuity is used as performance in entrepreneurship (Kieso, 2010: 140), namely:

- 1) Survival is a minimum measure of the success of a company or business and the performance indicator requirements of a business are growth, profitability and market share.
- 2) Application of the principle of going concern in business, which means that business goals are established with the intention to live forever.

3) Empirical facts show that going into business looks relatively easy but not easy to survive.

The continuity of a business is supported by several factors (Ligthelm, 2010), these factors cause a business to survive, namely the compilation of a business plan, regular updating of business plans, analyzing competitors (regular analysis of competitors), ease of entering a new business (easy of venturing into a new business), ability to calculate or calculate risks (not a problem to take calculated risks).

The Effect of Credit Knowledge on Bank Credit Access to MSMEs

The willingness of MSMEs to access bank credit is based on credit knowledge in the form of procedures or requirements before making loans. Credit requirements are standards set by credit provider institutions that must be met by debtors where these requirements are used to determine or determine the debtor's ability to pay for the credit (Susan, 2012: 7). Without credit knowledge, MSMEs will find it difficult to access credit. Decision-making theory states that a person's behavior in making decisions will be based on knowledge, so it relates to credit knowledge. When MSMEs have credit knowledge, they will choose alternatives to access bank credit in order to fulfill capital. When MSMEs have good credit knowledge, MSMEs can analyze interest rates, guarantees, and loan repayment periods according to their abilities. Therefore, if they have credit knowledge, they are sure to access credit at the bank and will feel more at ease when accessing credit. In Nkundabanyanga's research, et al. (2014), Oktavianti, et al. (2017), Maisyaroh and Paramita (2018), Ningsih, et al. (2019), and Herwiyanti and Rafinda (2021) state that credit requirements have a significant influence on access to formal credit.

H₁: Knowledge of credit has a positive effect on bank credit access for MSMEs in Purbalingga Regency.

The Effect of Banking Service Quality on Bank Credit Access to MSMEs

The quality of banking services will be taken into consideration by MSMEs before accessing credit. The banking sector will try to meet the needs and desires of consumers and their accuracy to balance consumer expectations (Atmaja, 2018). Service quality can be seen from the service or services provided in accordance with the expectations and desires of consumers. Decision-making theory states that a person's behavior in decision-making is done by choosing the right alternative. Therefore, the decision-making theory is related to service quality, MSMEs will choose alternatives to access bank credit if the quality of services provided by banks is good and the information provided by banks is in accordance with the needs of MSMEs so as to create satisfaction for them. When the quality of banking services is in accordance with the expectations and desires of MSMEs, they will feel confident about making loans. The higher the quality of services provided, the greater the interest of MSMEs in accessing bank credit. Research by Bramantyo and Sagoro (2017), Chrisanti and

Saryadi (2017), Suprpto and Puryandani (2020), and Prabowo, et al. (2020) stated that service quality has a significant influence on credit taking.

H₂: The quality of banking services has a positive effect on bank credit access for MSMEs in Purbalingga Regency.

The Effect of Business Continuity on Access to Bank Credit for MSMEs

MSMEs in accessing bank credit will be related to business continuity. Business continuity is a condition in which a business is able to maintain its operations. Without business continuity, it will be difficult for MSMEs to get credit (Ningsih, Aryanti, & Widayanti, 2019). Decision-making theory states that a person's behavior in decision-making is done by choosing the right alternative. The decision-making theory is related to business continuity, MSMEs will choose alternatives to access bank credit in developing their business. When MSMEs are oriented towards the continuity of their business, they will be motivated to access credit from banks to increase capital so that they can increase the amount of goods or production. When MSMEs have good business continuity, they will get easy access to credit by the banks. The results of research on business continuity that affect the ease of access to bank credit are Ningsih, et al. (2019).

H₃: Business continuity has a positive effect on bank credit access for MSMEs in Purbalingga Regency.

Financial Literacy Moderates the Effect of Credit Knowledge on Bank Credit Access to MSMEs

MSMEs will be more successful if they have good knowledge of financial literacy (Lusimbo and Muturi, 2016). If an MSME has a high literacy level, credit knowledge will also increase. The higher the level of financial literacy owned by MSMEs, the easier it will be to get credit (Maisyaroh and Paramita, 2018). Decision-making theory states that a person's behavior in making decisions will be based on financial knowledge and literacy, so MSMEs that have good financial literacy and credit knowledge will choose alternatives using loan capital to increase capital in their operations. MSMEs that have high financial literacy can make decisions effectively. In addition, when MSMEs have good credit knowledge, MSMEs can know the risks that will be faced when accessing bank credit. Based on research by Nkundabanyanga, et al. (2014), Oktavianti, et al. (2017), Maisyaroh and Paramita (2018), Sohilauw (2018), Pratama and Wijayaangka (2019), Ningsih, et al. (2019), Susilawati and Puryandani (2020), Herwiyanti and Rafinda (2021), Sari, et al. (2022), and Yolanda (2022) state that financial literacy has a significant influence on access to credit at banks.

H₄: Financial literacy moderates the effect of credit knowledge on bank credit access for MSMEs in the district Purbalingga.

Financial Literacy Moderates the Effect of Banking Service Quality on Access to Bank Credit for MSMEs

The quality of banking services is a reference for an MSME in accessing bank credit. MSMEs with good financial literacy will have a good perception of the quality of banking services. Service quality is an external factor in accessing bank credit to MSMEs (Suprpto and Puryandani, 2020). Decision-making theory states that a person's behavior in decision-making is done by choosing the right alternative and based on the level of financial literacy, so the theory of decision-making is related to service quality and financial literacy. MSMEs with a high level of financial literacy will choose alternatives to access bank credit by making the quality of banking services a factor in decision making. When MSMEs have high financial literacy, MSMEs can make good use of banking services and will easily access credit. When the quality of services provided is in accordance with the wishes of MSMEs, they become more trusted and feel safe when accessing credit at banks. Based on research by Bramantyo and Sagoro (2017), Chrisanti and Saryadi (2017), Suprpto and Puryandani (2020), and Prabowo, et al. (2020) stated that service quality has a significant influence on credit taking.

H₅: Financial literacy moderates the effect of service quality banking on bank credit access for MSMEs in Purbalingga Regency.

Financial Literacy Moderates the Effect of Business Continuity on Access to Bank Credit in MSMEs

Business continuity can be used by banks as a reference in granting credit. When MSMEs have good financial literacy, their financial planning, budgeting and financial control will also be good. When MSMEs have good business continuity, it will be easy to get access to bank credit. Decision-making theory states that a person's behavior in making decisions is done by choosing the right alternative and based on the level of financial literacy, so it is related to business continuity. MSMEs that are oriented to good business continuity and have high financial literacy will choose alternatives to access bank credit when making decisions. When MSMEs have high financial literacy, management and accountability are good so that they can improve business continuity and make access to bank credit easier. When making decisions, it is hoped that by adding capital, MSMEs can increase their business so that their income will increase. Based on the research of Ningsih, et al. (2019) business continuity can affect ease of access to formal financing and Widayanti, et al. (2017) and Sari, et al. (2022) stated that financial literacy affects business continuity.

H₆: Financial literacy moderates the effect of business continuity on bank credit access for MSMEs in the district Purbalingga.

EMPIRICAL METHODOLOGY

This research is a type of survey research with a quantitative approach. The location of this research is in Purbalingga Regency. The research objects studied were access to bank credit for the MSME sector in the fashion sector at the Segamas market in Purbalingga Regency, credit knowledge, quality of banking services, business continuity, and financial literacy.

Measurement for each variable is as follows:

- Credit Knowledge (X1) using indicators: Have basic knowledge of basic considerations in choosing credit and understand of collateral value, interest rate, and repayment period.
- Quality of Banking Services (X2) using indicators: Reliability, Assurance, Tangible, Empathy, and Responsiveness.
- Business Continuity (X3) using indicators: operating revenues, business growth, and competitiveness.
- Credit access to banks (Y) using indicators: Ease of MSME obtaining bank credit, MSME intensity in accessing bank credit, and the credit obtained is beneficial for MSMEs.
- Financial literacy (Z) using indicators: The ability of someone who has financial literacy, attitude in financial management, and long-term financial planning.

Data analysis used is validity test, reliability test, descriptive statistics, classic assumption test (normality test, multicollinearity test, heteroscedasticity test), multiple linear regression analysis, moderation test, goodness of fit test, coefficient of determination test, and t-test.

RESULTS AND DISCUSSION

Overview of Respondents

The location of this research is in Purbalingga Regency. The population in this study were all SMEs in the fashion sector in the Segamas Market, Purbalingga Regency, with a total of 96 businesses. The sample selection in this study used a total sampling method with all population sizes being the research sample.

Validity and Reliability

Each question item on all variables is stated to be valid because the results of the validity test of all variables have and t-count value greater than t-table of 0.168. The reliability test results for each variable obtained a Cronbach Alpha coefficient value that was greater than the minimum Cronbach Alpha coefficient value of 0.60 so that it was declared reliable and could be continued for the next data analysis.

Classical Assumption Results

The normality test using the Kolmogorov – Smirnov Test statistic obtained the Asymp value. Sig. (2-tailed) ie 0.200 is greater than 0.05 so it has a normal distribution. The results of the multicollinearity test for each variable have a tolerance value greater than 0.10, while judging from the VIF value, each variable has a VIF value of less than 10. This shows that each variable does not have multicollinearity or there is no relationship

between variables. The results of the heteroscedasticity test for each variable have a significance value that is greater than α (0.05). This shows that each variable does not have heteroscedasticity in the regression model.

Hypothesis Test

Table 1. Results of Moderated Regression Analysis

Variable	Regression Coefficient	T_{count}	Sig.
Credit Knowledge (X ₁)	1.253	1.561	0.122
Quality of Banking Services (X ₂)	-0.948	-1.088	0.279
Business Continuity (X ₃)	1.607	1.486	0.141
Financial Literacy (Z)	0.993	1.059	0.293
X ₁ Z	-0,028	-0.743	0.459
X ₂ Z	0,047	1.202	0.232
X ₃ Z	-0.068	-1.411	0.162
Constanta	-15.810		
<i>Adjusted R Square</i>	0.482		
F _{count}	13.620		
F sig	0.001		

Table 1 shows that all of the hypotheses were rejected. There is no effect between the independent variable on the dependent variable, also the use of moderating variable can not support the relationship between all of the independent variables on the dependent variable.

Analysis of Research Results

The Effect of Credit Knowledge on Bank Credit Access to MSMEs

The test results on the first hypothesis state that credit knowledge has a positive effect on access to bank credit for MSMEs in Purbalingga Regency. This means that the higher the credit knowledge possessed by MSME owners, the higher access to bank credit for MSME in the fashion sector at Segamas Market, Purbalingga Regency.

Credit knowledge is one's knowledge of credit in the form of procedures or requirements before making a loan. Credit knowledge is an important factor because before making credit, MSME actors must have credit knowledge about credit requirements and the right type of credit to use. Therefore, it can be concluded that MSME credit knowledge can affect bank credit access to MSME.

This research is in accordance with the decision-making theory where a person's behavior in decision-making will be based on knowledge, so it is related to credit knowledge. When MSMEs have credit knowledge, they will choose alternatives to access bank credit in order to fulfill capital. Therefore, if they have credit knowledge,

they are sure to access credit at the bank and will feel more at ease when accessing credit.

The Effect of Banking Service Quality on Bank Credit Access to MSMEs

The test results on the second hypothesis state that the quality of banking services has no positive effect on access to bank credit for MSMEs in Purbalingga Regency. This means that the higher or lower the quality of banking services provided by the bank does not affect access to bank credit for MSMEs in the fashion sector in Purbalingga Regency. Service quality according to Wyckof in Tjiptono (2007: 268) is the expected level of excellence and control over that level of excellence to fulfill customer desires. According to Suprpto and Puryandani (2020) service quality is an external factor in access to bank credit for MSMEs. Based on the theory of decision-making related to the quality of banking services, MSMEs will choose alternatives to access bank credit if the quality of services provided by banks is good and the information provided by banks is in accordance with the needs of MSMEs so as to create satisfaction for them.

When accessing bank credit, the quality of banking services is a consideration in making credit decisions. In reality, good or bad, the quality of banking services provided to MSME owners in the fashion sector at Segamas Market continues to access bank credit. This happens because MSMEs in the Segamas Market have limited capital.

Based on the results of statistical tests that have been carried out, it shows that the quality of banking services does not affect access to bank credit for MSMEs in Purbalingga Regency. This states that SMEs in the fashion sector at Segamas Market, Purbalingga Regency ignore the quality of banking services in accessing bank credit. This study has different results from Bramantyo and Sagoro (2017), Chrisanti and Saryadi (2017), Suprpto and Puryandani (2020), and Prabowo, et al. (2020) which states that service quality has a significant influence on taking credit. This is because respondents are MSMEs in markets that have limited capital so that access to bank credit is high and ignores the quality of banking services.

The Effect of Business Continuity on Access to Bank Credit in MSMEs

The test results on the third hypothesis state that business continuity has no positive effect on access to bank credit for MSMEs in Purbalingga Regency. This means that the higher or lower the sustainability of the business owned by MSMEs has no effect on access to bank credit for MSMEs in the fashion sector in Purbalingga Regency. Business continuity is a form of consistency from business conditions, where this sustainability is a process of ongoing good business including growth, development, strategies to maintain business continuity and business development where all of this leads to business continuity and existence (resilience). Based on the decision-making theory related to business continuity, MSMEs will choose alternatives to access bank credit in developing their business. When MSMEs are oriented towards the continuity

of their business, they will be motivated to access credit from banks to increase capital so that they can increase the amount of goods or production.

The reality is that, good or bad, the business continuity of SMEs in the fashion sector at Segamas Market continues to access bank credit. This happens because MSMEs in the Segamas Market have limited capital. Based on the results of statistical tests that have been carried out, it shows that business continuity does not affect access to bank credit for MSMEs in Purbalingga Regency. This states that SMEs in the fashion sector at Segamas Market, Purbalingga Regency ignore business continuity in accessing bank credit. This study has different results from Ningsih, et al. (2019) which states that business continuity affects the ease of access to bank credit. This is because respondents are MSMEs in the market who have limited capital so that access to bank credit is high and ignores the sustainability of their business.

Financial Literacy Moderates the Effect of Credit Knowledge on Access to Bank Credit in MSMEs

The test results on the fourth hypothesis state that financial literacy does not moderate the effect of credit knowledge on access to bank credit in MSMEs. This means that the higher or lower the financial literacy owned by MSMEs has no effect on credit knowledge and access to bank credit for MSMEs in the fashion sector in Purbalingga Regency. According to OJK (2017) financial literacy can be interpreted as knowledge, skills and beliefs that influence individual attitudes and behavior to improve the quality of decision making and better financial management. Based on decision-making theory, one's behavior in decision-making will be based on financial knowledge and literacy, so MSMEs that have good financial literacy and credit knowledge will choose the alternative of using loan capital to increase capital in their operations. The higher the level of financial literacy owned by MSMEs, the easier it will be to get credit (Maisyaroh and Paramita, 2018).

The reality is that MSMEs in the fashion sector have high or low financial literacy in the Segamas Market, MSMEs continue to access bank credit. This happens because MSMEs in the Segamas Market have limited capital. Based on the results of statistical tests that have been carried out, it shows that financial literacy does not moderate the effect of credit knowledge on access to bank credit for MSMEs in Purbalingga Regency. This states that SMEs in the fashion sector at Segamas Market, Purbalingga Regency ignore the risks that exist in accessing bank credit. This study has different results from the research of Nkundabanyanga, et al. (2014), Oktavianti, et al. (2017), Maisyaroh and Paramita (2018), Sohilauw (2018), Pratama and Wijayaangka (2019), Ningsih, et al. (2019), Susilawati and Puryandani (2020), Herwiyanti and Rafinda (2021), Sari, et al. (2022), and Yolanda (2022) which state that financial literacy has a significant influence on access to credit at banks. This is because respondents are MSMEs in the market who have limited capital so that access to bank credit is high and ignores the sustainability of their business.

Financial Literacy Moderates the Effect of Banking Service Quality on Access to Bank Credit for MSMEs

The test results on the fifth hypothesis state that financial literacy does not moderate the effect of banking service quality on access to bank credit for MSMEs. This means that the higher or lower the financial literacy of MSMEs has no effect on the quality of banking services and access to bank credit for MSMEs in the fashion sector in Purbalingga Regency. According to OJK (2017) financial literacy can be interpreted as knowledge, skills and beliefs that influence individual attitudes and behavior to improve the quality of decision making and better financial management. Based on decision-making theory, one's behavior in decision-making is done by choosing the right alternative and based on the level of financial literacy, so the theory of decision-making is related to service quality and financial literacy. MSMEs with good financial literacy will have a good perception of the quality of banking services. Service quality is an external factor in accessing bank credit to MSMEs (Suprpto and Puryandani, 2020).

The reality is that MSMEs in the fashion sector have high or low financial literacy in the Segamas Market, MSMEs continue to access bank credit. This happens because MSMEs in the Segamas Market have limited capital. Based on the results of statistical tests that have been carried out, it shows that financial literacy does not moderate the effect of banking service quality on access to bank credit for MSMEs in Purbalingga Regency. This states that SMEs in the fashion sector at Segamas Market, Purbalingga Regency ignore the risks that exist in accessing bank credit. This study has different results from those of Bramantyo and Sagoro (2017), Chrisanti and Saryadi (2017), Suprpto and Puryandani (2020), and Prabowo, et al. (2020) stated that service quality has a significant influence on credit taking. This is because respondents are MSMEs in the market who have limited capital so that access to bank credit is high and ignores the sustainability of their business.

Financial Literacy Moderates the Effect of Business Continuity on Access to Bank Credit in MSMEs

The test results on the sixth hypothesis state that financial literacy does not moderate the effect of business continuity on access to bank credit for MSMEs. This means that the higher or lower the financial literacy owned by MSMEs has no effect on business continuity and access to bank credit for MSMEs in the fashion sector in Purbalingga Regency. According to OJK (2017) financial literacy can be interpreted as knowledge, skills and beliefs that influence individual attitudes and behavior to improve the quality of decision making and better financial management. Based on decision-making theory, one's behavior in decision-making is done by choosing the right alternative and based on the level of financial literacy, it is related to business continuity. When MSMEs have good business continuity, it will be easy to get access to bank credit.

The reality is that MSMEs in the fashion sector have high or low financial literacy in the Segamas Market, MSMEs continue to access bank credit. This happens because

MSMEs in the Segamas Market have limited capital. Based on the results of statistical tests that have been carried out, it shows that financial literacy does not moderate the effect of business continuity on access to bank credit for MSMEs in Purbalingga Regency. This states that SMEs in the fashion sector at Segamas Market, Purbalingga Regency ignore the risks that exist in accessing bank credit. This study has different results from Ningsih et al. (2019) business continuity can affect ease of access to formal financing and Widayanti, et al. (2017) and Sari, et al. (2022) stated that financial literacy affects business continuity. This is because respondents are MSMEs in the market who have limited capital so that access to bank credit is high and ignores the sustainability of their business.

CONCLUSION

Conclusion of this research are:

1. Knowledge of credit knowledge, bank service quality also business continuity does not effect on bank credit access for MSMEs in Purbalingga Regency.
2. Financial literacy does not moderate the effect of credit knowledge, bank service quality, also business continuity on access to bank credit for MSMEs.

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