IQTISHODUNA
Vol. 18 No. 2 Tahun 2022
P-ISSN: 1829-524X, E-ISSN: 26143437

The Impact of Islamic Financial Inclusion on Micro-Enterprises Capital: The Case of Sumedang Regency

Mohammad Iqbal Irfany[1], Nur Wulan[2], Resfa Fitri[3]
[1,2,3]Institut Pertanian Bogor, Indonesia

🖂 Corresponding Author:
Nama Penulis: Mohammad Iqbal Irfany
Email: iqbal.irfany@apps.ipb.ac.id

Abstract: *Financial inclusion is essential, especially for small and micro-enterprises who often experience challenges in accessing financial services. This inclusion aims to eliminate all financial barriers, including price and non-price, to public access to financial services to reduce societal inequality. This study aims to analyze the effect of Islamic financial inclusion on the capital growth of micro-enterprises. Employing descriptive analysis and SEM-PLS on primary data with 100 respondents from micro-enterprises who used financial services in Sumedang Regency, the results show that respondents' average Islamic financial inclusion was 59 percent, above the national level. It also found that Islamic financial inclusion had a positive effect on the development of micro-enterprise capital, which indicates that entrepreneurs classified in the micro-business group have broad access to Islamic financial products and services and might increase their business capital. In addition, the influence of Islamic financial inclusion and mentoring variables on positive capital development means that any increase in the value of Islamic financial inclusion and mentoring will increase capital development.*

Keywords: *Islamic Financial Inclusion, Micro-Enterprises, SEM PLS, Sumedang Regency*

Abstrak: *Inklusi keuangan penting terutama bagi usaha kecil dan mikro yang sering mengalami kendala dalam mengakses lembaga keuangan. Hal ini bertujuan untuk menghilangkan segala bentuk hambatan inklusi keuangan termasuk harga dan non harga terhadap akses masyarakat dalam memanfaatkan jasa keuangan, untuk mengurangi ketimpangan di masyarakat. Penelitian ini bertujuan untuk menganalisis pengaruh inklusi keuangan syariah terhadap pertumbuhan modal usaha mikro. Dengan menggunakan analisis deskriptif dan SEM-PLS pada data primer dengan 100 responden dari pelaku usaha mikro yang menggunakan jasa keuangan di Kabupaten Sumedang, hasil studi menunjukkan bahwa rata-rata inklusi keuangan syariah responden adalah 59 persen. Ditemukan juga bahwa inklusi keuangan syariah berpengaruh positif terhadap perkembangan modal usaha mikro, yang menunjukkan bahwa usahawan yang tergolong dalam kelompok usaha mikro memiliki akses yang luas terhadap produk dan layanan keuangan syariah dapat meningkatkan modal usaha. Selain itu, pengaruh variabel inklusi dan pendampingan keuangan syariah terhadap pengembangan modal positif berarti setiap peningkatan nilai inklusi dan pendampingan keuangan syariah akan meningkatkan pengembangan modal.*

Kata kunci: *Inklusi Keuangan Syariah, Usaha Mikro, SEM-PLS, Kabupaten Sumedang*

|Submit 20 Juli 2022|Diterima 10 Oktober 2022|Terbit 31 Oktober 2022|

How to recitate:
Irfany, M. I., Wulan, N. Fitri, R. (2022). The Impact of Islamic Financial Inclusion on Micro-Enterprises Capital: The Case of Sumedang Regency. *Iqtishoduna*. Vol. 18 (2): pp 141-153

INTRODUCTION

Based on the 2019 National Financial Literacy Survey released by the Financial Services Authority (OJK), the inclusion of islamic finance was 9.10 percent and 8.93 percent understood or understood financial services. On the other hand, the assets of the Islamic finance industry are 8.71 percent of the total assets of the Indonesian national financial industry (OJK, 2019). The islamic banking market share only reached 5.85 percent of the entire financial industry. In 2019 Indonesia managed to get first place in the Islamic Finance Country published by the Global Islamic Finance Report compared to the previous year, which was ranked sixth. According to BPS data, 87.2 percent of the total population of Indonesia is muslim. This condition is in stark contrast to the inclusion and literacy of Islamic finance, which is still low.

According to Shankar (2013), islamic financial inclusion is important because it is seen from several factors, including the inability of the community to access financial services, resulting in the exclusion of financial entities when making capital, access to savings that are still less secure and formal is one of the barriers for people to save, the lack of credit products has resulted in small business actors not getting opportunities that allow their finances to grow, fewer remittance products resulting in difficulty in transferring money and high risk, and low insurance products so that opportunities for risk management and welfare are still uneven.

The World Bank (2015) argues that the community is still very minimal in utilizing financial institutions, especially in developing micro businesses. So inclusive finance is closely related to the Micro and Small Enterprises (MSEs) sector. MSMEs play an important role in financial inclusion because they contribute 97 percent to employment, and their contribution to Gross Domestic Product reaches 61.07 percent, meaning that Indonesian MSMEs support most of Indonesia's economic movements. Nurjanah (2017) research found a significant influence between financial inclusion and MSMEs. Financial inclusion is included in the financial literacy program, namely in increasing the ability of small business actors to use financial services and obtain direct benefits from financial institutions (Terzi, 2015). Research developed by Bongomin et al. (2016); Cihak et al. (2012) argue four indicators for measuring financial inclusion, namely access, usage, welfare, and quality.

Constraints that often arise in MSEs are in the aspect of capital, including business management and financial administration, which are still managed traditionally and manually. According to Sutrisno (2007), the problem of Indonesian MSEs is in the capital aspect at 35 percent, followed by the issue of market certainty at 25.9 percent, and raw materials at 15.4 percent. The community has been unable to separate its operational money from personal or household money, and many still do not have access to formal financial institutions. According to data from the Ministry of Finance, 73 percent of MSMEs are still unbankable or do not have access to banking.

The government has a People's Business Credit (KUR) program to increase MSE financing. In the KUR program, the government requires every bank to channel 20 percent of its credit to micro, small and medium enterprises (MSMEs). However, the distribution of KUR is mainly enjoyed by the medium-sized business group (47 percent) and small businesses (32 percent), while the micro-enterprise group only enjoys 22 percent of the KUR. So, KUR has not been effective because the distribution has not been evenly distributed.

The potential of MSMEs will not run well without the banking sector's support. Banking is an institution that plays an essential role as an intermediary institution in order to encourage economic growth and lift people from the poverty line, especially MSMEs (Azwar, 2017). The results of Sarma's research (2012) explain that business actors still need external capital sourced from banks and are still the primary source of external capital for business actors. Business actors very much need this external capital to increase business growth.

The problem faced by micro business actors in Sumedang Regency is capital constraints. This fact is in line with research conducted by Risnawati (2018), several obstacles faced by MSEs in Sumedang Regency, including limited marketing, weak capital, and access to financial institutions. Micro business actors often borrow money from mobile banks or moneylenders, but the capital from loan sharks does not increase capital because the interest is high and is increasing. The Department of Cooperatives and SMEs of Sumedang Regency launched a program called "Warung Pintar" (smart shop) to stimulate the community's economy and fight the practice of moneylenders complained by people. This smart shop program is expected to increase profits for Sharia Cooperatives while helping the community meet their daily needs.

Sumedang Regency SMEs in 2019 won the Champion MSMEs Award. The Governor of West Java establishes the program to achieve West Java's Inner Birth Champion, a unique program through collaboration and innovation. The program's purpose is that MSMEs can increase the scale of their business class. MSMEs participating in this program will benefit, namely in business management and self-strengthening, so they can advance to class through technology, especially information technology, in business.

Based on data from the Department of Industry and Trade Cooperatives, MSEs in Sumedang Regency are dominated by micro-enterprises. In Sumedang Regency, Islamic formal financial institutions are also available, both Islamic banks, Baitul Maal wa Tamwil (BMT), Sharia Cooperatives, and Sharia Rural Banks (BPRS). So that the biggest problem for micro-enterprises in Sumedang Regency is the aspect of capital because banks do not know the feasibility of micro-enterprises because of asymmetric information and the number of micro-enterprises that are widely spread and the credit value taken by micro-enterprises is small. Thus, Islamic financial inclusion can be a solution for micro-enterprises that cannot access financing from banking institutions to develop their businesses.

Based on the background and problems in the explanation above, the objectives of this research are as follows. First, identify Islamic financial inclusion in micro-enterprises in Sumedang Regency. Second, analyze the effect of Islamic financial inclusion on the development of micro-enterprise capital in Sumedang Regency.

LITERATURE REVIEW

Based on Presidential Regulation 82 of 2016 concerning the National Strategy for Financial Inclusion, financial inclusion is defined as a condition in which the community has no obstacles or constraints to accessing various formal financial institutions (LKF). LKF is a quality financial institution that runs smoothly, safely, efficiently, and at affordable costs to improve people's welfare. Kaligis *et al.* (2018) define financial inclusion as facilitating access, availability, and benefits for economic actors towards a formal financial system. Beck et al. (2005) define the user with access to financial services with a different meaning. The economic actors who have access to financial institutions may not necessarily be able to use them.

Bank Indonesia (2013) defines financial inclusion as an effort to eliminate price and non-price obstacles in using financial services in the community. Financial inclusion measurement indicators include availability or access to measure the ability to use formal financial services in terms of price and physical affordability, use to measure the ability to use financial products. The Alliance for Financial Inclusion (2010) generally defines the complexity of financial inclusion into 4 (four) components, as follows:

a) Access
   This component mainly emphasizes the ability to use financial institutions' services and products provided by formal financial institutions. Understanding the level of access to financial services requires analysis and knowledge of potential obstacles when opening and using a bank account for all matters.
b) Quality
   As a measure of the suitability of financial services or products to consumer needs, the quality component includes consumer experiences expressed in opinions and attitudes about financial service products. Quality is a measure of the relationship between financial service providers and consumers, as well as the choices of available financial products and the level of consumer understanding of the implications of their financial product choices.
c) Usage
   It emphasizes the usage of banking services and is more focused on the permanence and depth of financial sector services and products in a country. In other words, the usage component describes in detail about frequency and duration of service on a financial service product. Besides that, the usage component also measures the combination of financial products used by households or individuals.

d) Welfare

One of the most challenging components in measuring the impact of a financial product or service on consumers, such as changes in consumption patterns, business and investment activities, and welfare.

Meanwhile, based on the publication of the Financial Services Authority/OJK (2017), "financial inclusion" is the availability of access to various financial institutions, products, and services by the needs and capabilities of the community to improve public welfare". Based on this definition, it can be concluded that financial inclusion is how all financial products and service facilities are achieved and can be reached by all levels of society, facilitating someone to carry out financial activities. Then the indicators of inclusion variables are divided into 4 (four), including access, availability of financial products and services, usage, and quality.

Mentoring

Kamil (2010) defines mentoring as a consultative activity to solve problems interactively, motivate, and negotiate. Interactive is an activity in which the companion and the one being accompanied can understand together. In comparison, motivation is a method to foster a sense of enthusiasm and confidence in the community being accompanied. Negotiation is the purpose of mentoring to ensure those being accompanied ably to make adjustments.

Micro Enterprises

According to Tambunan (2009), micro, small and medium enterprises (MSMEs) have a strategic role in development and growth, both in developing and developed countries. Law Number 20 of 2008 Article 6 described micro-enterprises have the criteria for net assets of not more than Rp 50 million excluding land and buildings for business premises or having annual sales proceeds of not more than Rp 300 million. In developed and developing countries, not only because of the high absorption of labor but also because the proportion of GDP contributors is the largest compared to large businesses. In developing countries such as Africa, Asia, and Latin America, MSMEs have an essential role in the absorption of labor and sources of income for the poor, distribution of income and poverty reduction, and economic development in rural areas.

Capital

Mubyarto (1989) defines that business capital as goods or money which produces new goods at the same time as the factors of production of land and labor. Capital refers to assets owned by someone or wealth that are stored or used for investment or producing new goods. Business capital is in the form of goods (capital goods), which includes durable (fixed) capital such as machinery, buildings, transportation, distribution equipment, and others used to produce goods and services. At the same time, business capital is in the form of non-durable (circulating) capital, namely in the form of finished or semi-finished goods. According to Sitio (2011), business capital is not only in the form of money but other production supporting goods, such as land, buildings, machinery, and other equipment. Business capital is also divided into two, namely, investment capital and working capital. Investment capital is a sum of money that is not easy to cash out, usually used for operational procurement such as buildings, land, machinery, and other equipment. Working capital is funds used to finance short-term company operations in the form of current assets, such as labor, electricity costs, raw materials, and taxes.

METHOD

This study employed purposive sampling, in which respondents were selected with particular criteria for the sample (Prasetyo and Jannah 2010). The interview was conducted with respondents who had micro-enterprises in Sumedang Regency and used Islamic financial services. The number of samples was 100 respondents who had fulfilled the feasible study sample size, namely 30 to 500 samples (Roscoe in Sugiyono, 2011).

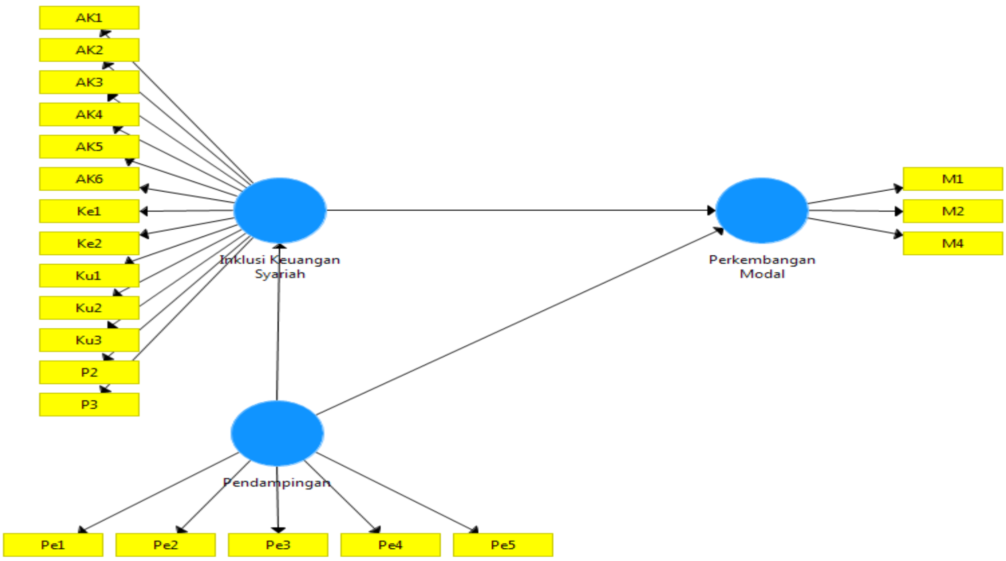

Figure 1. Initial Research Model

The method used to analyze the data was descriptive and structural analysis Equation Model–Partial Least Structural (SEM-PLS). First, descriptive analysis is a method that systematically describes data from factual and accurate data related to the incident and the relationship between the phenomena (Riduwan and Sunarto, 2011). Second, Structural Equation Modeling (SEM) is a multivariate technique in which aspects of factors and pathways are combined so that researchers can simultaneously examine the relationship between manifest variables (indicators) and latent variables and the relationship between manifest variables (indicators) and latent variables and also between latent variables (Hair et al., 2014). PLS was used in testing data that is not normally distributed and has small data.

RESULTS AND DISCUSSION

Respondents who became the object of this study were micro-enterprises in Sumedang Regency, amounting to 100 people. Characteristics of respondents include gender, age, type of business, and length of business. It is known that the characteristics of 100 respondents were obtained by filling out a questionnaire; the majority of the respondents were female, as many as 66 people or 66 percent, while the male respondents were 34 or 34 percent. Most respondents with the last education in junior high school were 48 or 48 percent. The percentage of respondents with the type of trading business is 42 percent, agriculture 13 percent, restaurants 16 percent, processing industry 22 percent, and others 7 percent. Then for the length of business, the respondents with a range of 1-5 years were 52 people or 52 percent, and the least in the 10-15 year range was 2 people or 2 percent.

Islamic Financial Inclusion for Micro Enterprises in Sumedang Regency

Based on the results of the OJK research (2019), Islamic financial inclusion in Indonesia is about 9.10 percent. In this study, the calculation of Islamic financial inclusion refers to the OECD questionnaire (2018). Islamic financial inclusion is measured by several questions regarding the inclusion of sharia savings and investment products, payment products, sharia insurance products, and sharia financing products.

Meanwhile, micro-enterprise sharia financial inclusion in Sumedang Regency is higher than Islamic financial inclusion from the OJK research (2019) because, in this study, the sampled respondents were micro-business actors who used Islamic financial services. Meanwhile, in the OJK research (2019), respondents who became the sample were considered based on gender and regional strata that used or did not use Islamic financial services and services.

Table 1. Value of Islamic Financial Inclusion of Micro Enterprises in Sumedang Regency

	Descriptive Statistics			
	Min	*Max*	*Mean*	*Std. Deviation*
Islamic Financial Inclusion	20.00	85.00	59.27	21.34

Table 2. Average Value of Islamic Financial Inclusion Instruments for Micro Enterprises Sumedang Regency

Product	Mean (%)
Saving and investment	64
Payment product	51
Insurance	55
Financing	60
Islamic financial inclusion	59

It can be seen that from Table 1 and Table 2, micro-enterprise sharia financial inclusion in Sumedang Regency is already above 50%. Inclusion for savings and investment products has the highest average of 64%. This estimation means that micro-enterprises in Sumedang Regency have good access to sharia-comply savings and investment products, such as savings, time deposits, demand deposits, sharia stocks, and sharia mutual funds. Meanwhile, payment products have a low average financial inclusion value of 51%. The acquisition of Islamic financial inclusion for these payment products is also influenced by the characteristics of the respondents in this study. Most of the respondents in this study were in the age group above 30 years. In addition, most respondents also have the latest education, namely junior high school. Due to the majority of the age and education level, respondents do not know how to use ATM and SMS/Mobile Banking/Internet Banking.

The Effect of Financial Inclusion Components on Capital Development

The influence of components making up financial inclusion variables on capital development was analyzed using SEM-PLS. Based on the results of the analysis of the SEM-PLS method in Figure 2, it can be concluded that the accessibility path has an F-square value of 0.37, so the influence of the indicator is strong. The “use” and “welfare” indicators have an F-square value of 0.185 and 0.310, so the effect of the two indicators is moderate. Meanwhile, the “quality” path to capital development has an F-square value of 0.149, so the effect of this indicator is small.

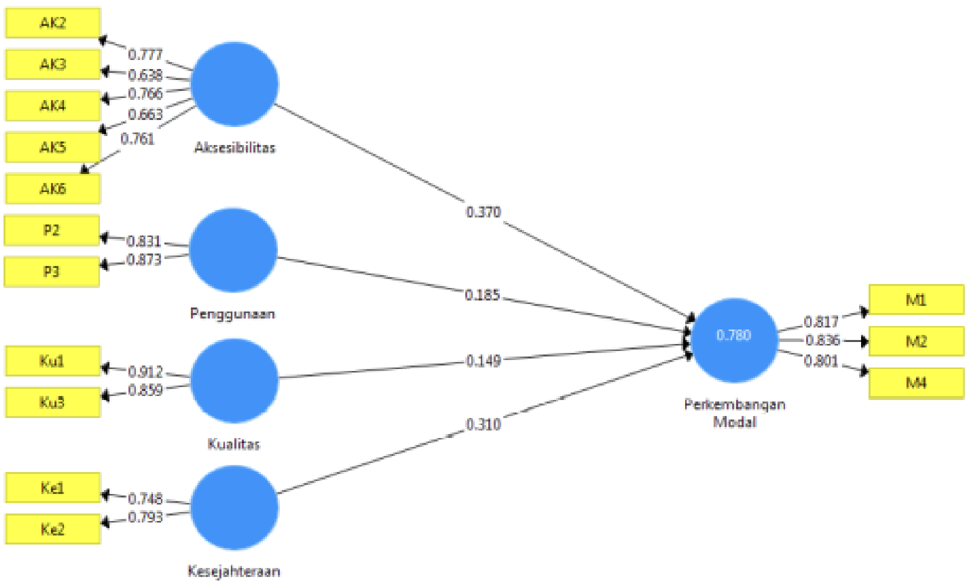

Figure 2. The Effect of Financial Inclusion Variable Compiler Indicators on Capital Development

After the model meets the evaluation of the measurement model and structural model, the next step is to interpret the research hypothesis. The output to be interpreted is the result of the bootstrapping model on SmartPLS, which is presented in Table 3.

Table 3- Bootstrapping Output

	Original Samp**le (O)**	**T *Statistics* (O|STDEV)**
Path Coefficients		
Islamic financial inclusion → Capital growth	0,691	7,597
Mentoring → Islamic financial inclusion	0,831	12,967
Mentoring → Capital growth	0,236	2,507

In general, the interpretation of the output of the SEM-PLS analysis can be presented in the following three path coefficients. First the influence of Islamic financial inclusion on capital growth. Second, the influence of mentoring variable on Islamic financial inclusion. The third is the influence of mentoring on capital growth. Lastly, indicators that compose the Islamic financial inclusion variable towards capital growth are influenced. The explanation is as follows.

The Influence of Islamic Financial Inclusion on Capital Growth

The influence of the Islamic financial inclusion variable on capital growth had an estimated coefficient value (original sample) of 0.691 and a t-statistic value of 7.597. The Islamic financial inclusion variable had a positive and significant effect on capital growth at a significance level of 5 percent because the original sample value was positive.

The influence of Islamic financial inclusion on positive capital growth means that any increase in the value of Islamic financial inclusion might increase capital growth. The more significant micro-enterprises access Islamic financial products and services, the greater the tendency for micro-enterprise capital growth. The influence of Islamic financial inclusion variables on positive capital development is in line with Sanistasya et al. (2018). They revealed that financial inclusion positively and significantly impacted small business performance. In addition, research conducted by Ningsih and Tasman (2020) also concludes that financial inclusion has a positive and significant influence on the performance of MSMEs.

The Influence of Mentoring Variable on Islamic Financial Inclusion

The influence of mentoring variable on Islamic financial inclusion had an estimated coefficient value (original sample) of 0.831 and a t-statistic value of 12.697. It means that mentoring variable had a positive and significant effect on Islamic financial inclusion at a significance level of 5 percent because the original sample value was positive.

The influence of mentoring variable on this positive Islamic financial inclusion means that every increment in the mentoring value might increase Islamic financial inclusion. The positive influence of mentoring variable on Islamic financial inclusion supports previous research conducted by

Simanjuntak and Yanriko (2019) and Sari dan Kautsar (2020), which stated that financial mentoring and literacy had a positive and significant influence on financial inclusion.

The Influence of Mentoring on Capital Growth

The influence of mentoring variables on capital growth had an estimated coefficient value (original sample) of 0.236 and a t-statistic value of 2.507. It means that mentoring variable had a positive and significant effect on capital growth at a significance level of 5 percent because the original sample value was positive.

The positive influence of mentoring variable on capital growth means that every increment in the mentoring value might increase capital growth. The more significant number of micro-business actors who provide mentoring regarding Islamic financial products and services, the greater the tendency to develop micro-business capital. The influence of mentoring variable on positive capital development is contrary to the research from Nurjannah (2017), which shows that mentoring has no significant effect on the development of MSME capital. However, these results from the study are supported by other research from Irawati et al. (2018), Alhempi and Harianto (2013), and Fathurrohman and Nur (2016), which mentioned that there is an influence between mentoring and small business development. One of the reasons for this evidence is that the increment of productivity in small businesses has a broad impact on businesses. Thus, mentoring is highly needed to improve business actors' creativity, skills, and knowledge to develop their businesses.

Finally, the influence of indicators that compose the Islamic financial inclusion variable on capital growth is mentioned in Table 4. First, the effect of the accessibility indicator on capital growth had an estimated coefficient value (original sample) of 0.262 and a t-statistic value of 2.223. It means that the accessibility indicator had a positive and significant effect on capital growth at a significance level of 5 percent.

Table 4. Bootstrapping of Indicators' Output

	***Original Samp*le (O)**	**T *Statistics* (O|STDEV)**
Path Coefficients		
Accessibility → Capital growth	0,262	2,223
Welfare → Capital growth	0,264	2,934
Quality → Capital growth	0,198	2,001
Usage → Capital growth	0,236	2,507

Second, the effect of the welfare indicator on capital growth had an estimated coefficient value (original sample) of 0.264 and the t-statistic value of 2.934. It means that the Welfare indicator had a positive and significant effect on capital growth at a significance level of 5 percent. Third, the effect of the quality indicator on capital growth had an estimated coefficient value (original sample) of 0.198 and the t-statistic value of 2.001. It means that the quality indicator had a positive and significant effect on capital growth at a significance level of 5 percent. Fourth, the effect of the usage indicator on capital growth had an estimated coefficient value (original sample) of 0.236 and the t-statistic value of 2.507. It means that the usage indicator had a positive and significant effect on capital growth at a significance level of 5 percent.

CONCLUSION

Several important conclusions were obtained from this study, as follows. First, based on the analysis of the sharia financial inclusion of micro-enterprises in Sumedang Regency, it was found that for each sharia financial product, the average sharia financial inclusion was above 50 percent, with the highest value for savings and investment products, with an average of 64 percent. While overall, the average sharia financial inclusion of micro-enterprises in Sumedang Regency is 59 percent, above the national level. Second, the effect of Islamic financial inclusion significantly influences the development of micro-enterprise capital. Islamic financial inclusion significantly affects capital development, indicating that if people belonging to the micro-business group have broad access to Islamic financial products and services, it will increase business capital. Moreover, the components of the financial inclusion variable positively affect capital development. The financial inclusion variable, namely accessibility, has a strong indicator effect. The indicators of use and welfare have a moderate influence on the indicators. Meanwhile, the quality indicators have a minor influence on the indicators. Based on the results of this study, several suggestions can be used as input for the government and the Islamic finance industry. The results of this study support government policies in improving the quality of Islamic financial services and services so that they can increase micro business capital in Sumedang Regency. Finally, it is possible to add Islamic financial literacy variables to the research questionnaire for further research. In addition, further researchers can also research other indicators of MSME financial performance as outcome variables, such as MSMEs turnover and profitability, to see the impact of Islamic financial inclusion on the broader assessment.

REFERENCES

[AFI] The Alliance for Financial Inclusion (2010)

Alhempi, Raden R, Wismar H. 2013. Pengaruh Pelatihan dan Pembinaan terhadap Pengembangan Usaha Kecil pada Program Kemitraan Bina Lingkungan. *Jurnal Media Riset Bisnis dan Manajemen* 13(1): 20-38

Azwar. 2017. Analisis Empiris Inklusifitas Keuangan Syariah di Indonesia. *Jurnal BPPK*, 10(1), 1-21

[BI] Bank Indonesia, Booklet Keuangan Inklusif Bank Indonesia (2013)

[BPS Kabupaten Sumedang] Badan Pusat Statistik Kabupaten Sumedang, *Kabupaten Sumedang dalam Angka.* (Sumedang: Badan Pusat Statistik Sumedang, 2019)

[BPS Provinsi Jawa Barat] Badan Pusat Statistik Provinsi Jawa Barat, *Potensi*

Usaha Mikro Kecil Provinsi Jawa Barat (2009)

Bankable Frontier Associates, Financial inclusion measurement for regulators: Survey design and implementation. (Bangkok, Alliance for Financial Inclusion (AFI) Policy Paper, 2010)

Beck T, Demirguc-Kunt A. 2006. Peria MSM, Reaching Out: Access to and Use of Banking Services Across Country. *Journal of Financial Economics* 85(1), 234-266.

Bongomin, G.O.C., Ntayi, J.M., Munene, J.C. and Nkote Nabeta, I. 2016. Social capital: mediator of financial literacy and financial inclusion in rural Uganda. *Review of International Business and Strategy,* 26(2), 291-312

Cihak, M., Kunt, AD., Feyen, E., Levine, R. 2012. Benchmarking Financial Systems Around the Word. *World Bank Policy Research Working Paper* No. 6175

Fathurrohman, Nur. 2016. Pengaruh Pelatihan, Modal Usaha dan Pendampingan terhadap Kesejahteraan Mustahik. (Yogyakarta: Universitas Islam Negeri Sunan Kalijaga Jogjakarta)

Hair, J.F, Sarstedt, M, Hopkins, L. G, Kuppelwieser, V. 2014. Partial Least Squares Structural Equation Modeling (PLS-SEM) An Emerging Tool In Business Research. *Journal of European Business Review,* 26(2), 106-121

Irawati, Rina. 2018. Pengaruh Pelatihan dan Pembinaan terhadap Pengembangan Usaha Kecil. *Jurnal Ilmiah Bisnis dan Ekonomi Asia,* 3(1), 74-84

Kaligis, N. V., Tewal, B., Maramis, J. B., & Mangantar, M. (2018). Financial Inclusion Profile: Determinant and Barriers. International Journal of Economics and Financial Issues, 8(5), 351–358

Kamil, Mustofa. 2010. Model Pendidikan Dan Pelatihan (Konsep Dan Aplikasi). (Bandung: Penerbit Alfabeta)

Mubyarto. 2001. Pengantar Ekonomi Pertanian. (Jakarta: LP3ES)

Ningsis, T. N., Tasman, A. 2020. Pengaruh Financial Literacy dan Financial Inclusion terhadap Kinerja UMKM*. Jurnal Kajian Manajemen dan Wirausaha*, 2(4), 2655-6499

Nurjannah, Laila. 2017. Peran Inklusi Keuangan terhadap Perkembangan UMKM di Yogyakarta. (Yogyakarta: Universitas Islam Negeri Sunan Kalijaga Yogyakarta)

[OECD] Organization for Economic Co-operation and Development, OECD/INFE Toolkit for Measuring Financial Literacy and Financial Inclusion. (France: Paris Cedex, 2018)

[OJK] Otoritas Jasa Keuangan, Laporan Perkembangan Keuangan Syariah Indonesia (2019)

[OJK] Otoritas Jasa Keuangan, Survei Nasional Literasi dan Inklusi Keuangan 2016 (2017)

Prasetyo, B, Jannah, M. L. 2010. Metode Penelitian Kuantitatif: Teori dan

Aplikasi. (Jakarta: PT Raja Grafindo Persada)

Riduwan, Sunarto. 2011. Pengantar Statistika: Untuk Penelitian Pendidikan, Sosial, Ekonomi, Komunikasi dan Bisnis. (Bandung: Alfabeta)

Risnawati. 2019. Profil UMK Permasalahan dan Upaya Pemberdayaannya di Kabupaten Sumedang'. *Jurnal Ilmiah Manajemen,* 9(1), 13-29*.*

Sanistasya, P. A., Raharjo, K., Iqbal, M. 2019. The Effect of Financial Literacy and Financial Inclusion on Small Enterprises Performance in East Kalimantan. *Jurnal Economia,* 15(1), 45-59

Sari, N. A, Kautsar, A. 2020. Analisis Pengaruh Literasi Keuangan, Financial Technology, dan Demografi terhadap Inklusi Keuangan pada Masyarakat Di Kota Surabaya. *Jurnal Ilmu Manajemen*, 8(4), 1233-1246

Sarma, Mandira. 2012. Index of Financial Inclusion – A measure of financial sector inclusiveness. *Berlin Working Papers on Money, Finance, Trade, and development. Working Paper,* no.07

Shankar, Savita. 2013. Financial Inclusion in India: Do Microfinance Institutions Address Access Barriers?. *ACRN Journal of Entrepreneurship Perspectives*, 2(1), 60-74

Simanjuntak, Yanriko. 2020. Pengaruh Literasi Keuangan dan Financial Technology Terhadap Inklusi Keuangan Mahasiswa di Sumatera Utara. (Medan: Institut Universitas Sumatera Utara)

Sitio, Arifin. 2011. Koperasi: Teori dan Praktik. (Jakarta: Erlangga)

Sugiyono. 2011. Metode Penelitian Kuantitatif Kualitatif dan R&D. (Bandung: Alfabeta)

Sutrisno. 2007. Manajemen Keuangan: Teori. Konsep dan Aplikasi. Yogyakarta:

Ekonisia.

Tambunan. 2009. UMKM di INDONESIA. (Bogor: Ghalia Indonesia)

Terzi, Nuray. 2015. Financial Inclusion and Turkey. *Academic Journal of Interdisciplinary Studies,* 4(1), 269-276