



Determinants of MSMEs Access to WIBAWA Credit

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Abstract

Capital need is a challenge experienced by MSME. Semarang city government provides an innovation of capital access assistance to MSMEs with Revolving Fund Loan Program, namely WIBAWA Credit. MSMEs status is feasible and not bankable, due to non-fulfillment of 5C principle. This study credit determinant analysis aims to develop a study of granting WIBAWA credit patterns. Secondary research data were obtained from Dinkop & UMKM Kota Semarang and PERUMDA BPR Bank Pasar Kota Semarang by taking a sample of 600 WIBAWA Credit application data for 2017-2019. Binary Logistic Regression analysis results through IBM SPSS Statistics 22 software show that there are differences in gender of business owners, business size, and business age in decision to grant WIBAWA credit, while credit history variable has no effect. Dinkop & MSMEs Kota Semarang need to improve creditworthiness of female business owners, micro-Enterprises, and start-up/new early businesses so that they have more opportunities to qualify for credit financing. MSMEs that re-apply for WIBAWA Credit can also be given a faster assessment process period and larger disbursement ceiling, but still, pay attention to credit repayment factor by debtor.

Keywords: MSME, Loan, WIBAWA Credit

Abstrak

Kebutuhan modal menjadi tantangan yang dialami pemilik UMKM. Pemerintah Kota Semarang memberikan bantuan akses modal kepada UMKM dengan Program Pinjaman Dana Bergulir yaitu Kredit WIBAWA. Penelitian ini bertujuan untuk mengembangkan kajian terhadap pola pemberian Kredit WIBAWA. Data penelitian sekunder diperoleh dari Dinkop & UMKM Kota Semarang dan PERUMDA BPR Bank Pasar Kota Semarang dengan mengambil sampel 600 data pengajuan Kredit WIBAWA periode tahun 2017-2019. Hasil analisis Binary Logistic Regression melalui software IBM SPSS Statistics 22 menunjukkan bahwa terdapat perbedaan jenis kelamin pemilik usaha, ukuran usaha dan umur usaha dalam keputusan pemberian Kredit WIBAWA, sementara variabel riwayat kredit tidak memberikan pengaruh.

Kata Kunci: UMKM, Pinjaman, Kredit WIBAWA

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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) have a significant role as a leading sector in the economy by promoting international trade and driving domestic demand (Yoshino et al., 2018). Pham (2017) states that SMEs are seen as a suitable solution to cope with social and development problems such as poverty and a high unemployment rate.

Until 2018, according to the Ministry of Cooperatives and SMEs statistics, MSMEs have experienced massive development by surpassing large business units in contributing to Gross Domestic Product (GDP). MSMEs' contribution to GDP reached 57 percent of a total 9,995,305.9 billion IDR with 99.99 percent portion of business units, even able to absorb up to 97 percent of total employment supply..

Capital requirements in running a business challenge experienced owners of SMEs. The

Economy shocks can not always be predicted to make business climate and other needs in the business unstable, as initial capital requirements in opening a new business unit or additional capital requirements for market share expansion. Entrepreneurs' success in developing their business, especially in the start-up phase, can not be separated from government roles, such as ease of licensing assistance, access to credit, and technical assistance (Hisrich & Peters, 1995).

As the national monetary controller, Bank Indonesia facilitates the credit application system by stipulating Bank Indonesia Regulation (PBI) No. 14/22/PBI/2012 dated December 21, 2012, concerning Provision of Credit by Commercial Banks and Technical Assistance for the Development of Micro, Small and Medium Enterprises.

Table 1. Basic Interest Rates for KUR Micro Loans at Central Government-Owned Banks

Name of Bank	Maximum Loan	Maximum Term	Effective Interest Rate	Additional Collateral Guarantee
PT Bank Rakyat Indonesia, Tbk	IDR 25 million/ debtor	3 years	7% per year	Not necessary
PT Bank Mandiri, Tbk	IDR 25 million/ debtor	3 years	7% per year	Not necessary
PT Bank Negara Indonesia, Tbk	IDR 500 million/ debtor	3 years	6% year	Guarantee documents >IDR 50 million
PT Bank Tabungan Negara, Tbk	IDR 25 million/ debtor	3 – 4 years	7% per year	Not required

Source: Data processed of publication in respective bank, 2020

Microfinance has been shown to be important for improving living standards for Poor people and their expectations of escape from poverty (Atmadja et al, 2016). Since 2015, banks have also been mandated to provide a

credit portion of at least 5 percent of total loans to MSMEs or financing disbursed.

Even in 2018, the ratio of loans or financing for MSMEs was set at least 20 percent of the total credit. Banks and

governments have shown a pattern of cooperative relationships in terms of quantity. This pattern can be seen from the issuance of several regulations and programs supporting lending, both in terms of technical simplification of filing, credit portion, and maintaining the Prime Lending Rate (SBDK).

However, the KUR scheme that channeled through banks was deemed less effective in dealing with Msme's bankable status for establishing the principle of prudential conscientiously watched by the Financial Services Authority (OJK). Innovation KUR program with interest subsidy patterns emerges as a creative solution to expand the scale of KUR within the framework of financial inclusion.

Moreover, this pattern is considered capable of ensuring better targeted KUR, especially reaching start-ups and MSMEs in the early growth stage. The government in this KUR pattern only provides interest subsidies allocated annually in the state budget. Financial Sector Policy Center (PKSK) Ministry of Finance (2016) provides a review of alternative schemes where KUR is not distributed by banking institutions but by Non-Bank Financial Institutions (LKBB).

This system works with the government and no longer acts as a KUR distributor but as a coordinating fund through appointed institutions (government agencies), ex PIP (Government Investment Center). PIP financing model uses an investment model instead of a spending model, so the government does not have a profit motive as usual investment practices.

The government only ensures that the investment is not detrimental to the state and

the funds invested must revolve from one business unit to another. The magnitude of MSME loans disbursed based on data from Bank Indonesia in 2013 was as many as 639.5 trillion and continued to rise until it reached 1037.6 trillion IDR in 2018 with an average of 17 percent of the total credit disbursed.

This achievement is still not maximized when adjusted for Bank Indonesia provisions that establish the proportion of MSME loans of at least 20 percent of the total credit or financing. The growing number dominance of micro-Enterprises is not matched by providing access to bank credit for micro, compared with medium and large businesses in Indonesia.

This condition can occur because financial institutions still consider MSMEs as a riskier businesses than large businesses. According to Bank Indonesia data for 2013-2018, MSMEs have an average NPL-gross loan of 4.14 percent. NPL is considered suitable for a bank, if the risk value of bad credit is not more than 5 percent, so it is unfortunate when the NPL-gross value of MSME loans shows a very decent condition, but has not been prioritized.

Micro synonymous with poor people here become vulnerable to exploitation by moneylenders who exploit the difficulty of small entrepreneurs to access credit from the banking sector (Safii and Suwarno, 2018). The distributed KUR was carried out through banks during this time. Theoretically, this policy is difficult to reach small and micro-businesses that are start-ups and businesses just entering the early stages of growth due to their not bankable status.

The banking magnet in attracting MSMEs to the KUR program is only about 20 percent. Commercial banking considerations make SMEs,

especially micro-Enterprises, challenging to meet technical requirements in obtaining credit, especially for collateral issues, business feasibility, and other administrative requirements (Syafii and Suwarno, 2018).

Several analyses and concepts of determining credit carried out as a banking prudential principle have been used in various situations, such as 5C, 7P, and 3R. Judging from the literature review conducted by the writer, no study could explicitly explain the determination of indicators in 5C creditworthiness analysis. MSMEs generally have three problems: financial inclusion, financial literacy, and financial market

deepening, so many MSMEs are looking for business loans elsewhere.

Lack of knowledge about bookkeeping and the absence of separation between personal finances with business finances make credit received unable to be used optimally (Ika et al., 2016). The local government role is also required to simplify the mechanism of credit application for business units. Semarang city government provides innovation in strengthening the capital of cooperatives and micro-businesses by establishing a Revolving Fund Loan Program, namely Wirausaha Bangkit Jadi Jawara (WIBAWA) or WIBAWA Credit.

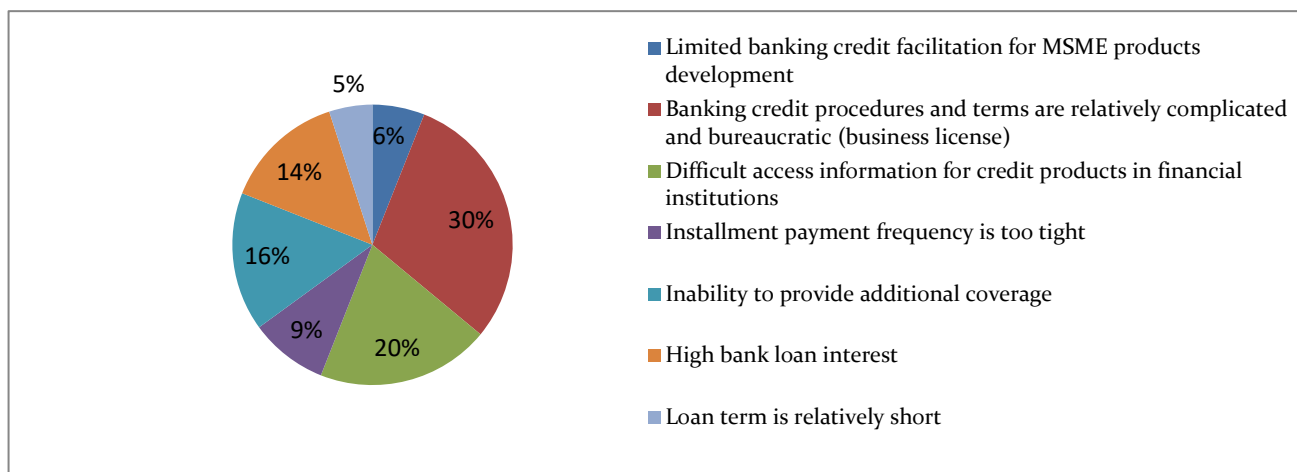


Figure 1. Percentage of Causes of Low MSME Accessibility to Financial Institutions in Semarang City
Source: Riptek Journal Vol 13 No 2 (147 – 157), 2019

WIBAWA credit is a collaboration between the Semarang city government and a technical bank appointed by the mayor. It provides loan funds to cooperatives and micro-businesses with soft interest and needs to be returned with an installment payment system. It can be rolled back to other cooperatives and micro-businesses. Since its enactment on January 17, 2017, WIBAWA credit does not stipulate collateral for micro-businesses that apply for a maximum of IDR 5,000,000.

Regardless of the amount of disbursement ceiling, WIBAWA credit loan interest will always be set at 3 percent per year with a maximum repayment period of 2 years. Compared to the KUR offered by central government-owned banks, WIBAWA credit certainly has an advantage for who wish to apply for credit.

WIBAWA credit provisions are expected to drive much growth of new business units in Semarang. WIBAWA credit has also emerged to overcome the low accessibility of SMEs to

financial institutions in Semarang. Margunani et al.'s (2019) research results showed that 66 percent of the 100 respondents SMEs in Semarang have difficulty finding a loan at a financial institution.

Factors causing low accessibility levels, for small and micro Enterprises to credit are high-interest rates, legal aspects that have no collateral additional, entrepreneurs do not know credit application procedures, and low skills in professionals administration. MSME preferences towards the choice of financial institutions in Semarang City, especially micro and small business, are also more suitable for applying for loans to commercial banks and rural banks with KUR, WIBAWA credit and unsecured credit.

According to Ministry of Finance's statistics in 2018, KUR in Semarang is relatively moderate compared to other regions in Central Java, with a contract value of IDR 621,959,783,457. MSMEs in Semarang majority borrow in the bank compared to non-bank financial institutions. Financial Services Authority of the Central Java Regional Office and the Special Region of Yogyakarta recorded amount of funds disbursed by financial institutions to MSMEs in Semarang was IDR 22,774,663,687,032, while non-bank financial institutions were IDR 104,836,360,801 in 2018.

In 2016, the number of MSMEs registered at Dinkop & UMKM Kota Semarang reached 15,783 units. However, after the WIBAWA credit program was inaugurated in 2017, as of July 2020, there were 17,602 units or only 1,819 units added since 2017. Much of the success of credit financing has focused on many new MSMEs that have emerged (short-term) while the financing program is expected to have a long-term impact.

There are no details yet regarding MSMEs that can maintain their business after receiving WIBAWA credit loan facilitation.

The number of MSMEs that have received WIBAWA credit facilitation in the table above shows an unusual pattern, where a percentage of credit passes exceeds 100 percent. In 2018 there were 512 disbursed proposals from a total of 505 proposals submitted and as of September 2020 there were 298 disbursed proposals from a total of 237 proposals submitted. This is incomprehensible when disbursement amount exceeds number of submissions and nominal amount in both year are less than nominal in previous year.

Table 2. WIBAWA Credit Facilitation for MSMEs per 30 September 2020

MSMEs	Proposal (unit)	Disbursed (unit)	Disbursed (IDR)	% to be funded
2017	857	563	3,480,5 million	66%
2018	505	512	3,023 million	101%
2019	500	423	3,303 million	85%
2020	237	298	2,757 million	126%
Total	2099	1796	12,563, 5 million	

Source: Sistem Integrasi Data Perencanaan Koperasi dan Usaha Mikro, 2020

Semarang Mayor Regulation No. 41 the Year 2016 regarding guidelines for managing revolving funds for loan cooperatives and micro businesses in Semarang stated that people publicly could participate and play an active role in supervising the implementation of revolving fund loans. Based on the writer's literature study, no publications or studies explained

WIBAWA credit disbursement pattern. There is no public information and in-depth study of determinants of credit extension to the public and program evaluation.

Research on determinants of credit by MSMEs from a credit provider perspective has not been done. Much previous research has focused on MSMEs by analyzing underlying factors of MSMEs to apply for loans and credit effect on improving MSMEs welfare.

Determinants of credit acquisition for MSMEs analysis is essential to do so could be developed as a basis for credit model strategy for accessible micro-businesses due to repayment terms by debtor still. This study is intended to support information provision for academics in viewing and analyzing the determinants of MSMEs access to WIBAWA credit in Semarang city.

RESEARCH METHODS

The research is designed by looking at linkages between the type of research and variables used in this research. Quantitative research is needed to uncover the determinants of MSME access to WIBAWA credit in Semarang city. This research is divided into two main aspects: the business conditions of micro-entrepreneurs and the business status in banks, which are then divided into four independent variables.

Feasibility of distributing business capital loans in this study uses suitability of 5C creditworthiness indicator variable from Afandi's research (2010) with WIBAWA credit distribution benchmark data on 2017 - 2019 from Dinkop & UMKM Kota Semarang. Logit regression models were used also adopted from Shafi'i and Suwarno (2018) research. Modifications made in this study are as follows:

$$Li = \ln \left(\frac{P_i}{1-P_i} \right) = f(JK, UK, UM, RI) \dots\dots\dots(1)$$

or it can also be written as :

$$\ln \frac{p}{1-p} = \beta_0 + \beta_1 JK + \beta_2 UK + \beta_3 UM + \beta_4 RI + e$$

Description :

- $\ln \frac{p}{1-p}$ = WIBAWA credit grant decision (1=lolos, 0=tidak lolos)
- JK = gender of business owner (1=female, 0= male)
- UK = size of business (1=micro, 0=non-micro)
- UM = age of business (year)
- RI = credit history (time)
- β = regression coefficient
- Ln = natural logarithm
- P = probability to be granted
- 1 - p = probability to be denied
- e = error term

Research data is limited to WIBAWA credit proposal data on 2017-2019, which has complete information and decision status to grant or not. Data restriction was carried out due to the lack of WIBAWA credit proposal disbursement data in 2020 and was considered a risk of bias and other errors in research analysis. Proposals application for 2017 - 2019 has 1,868 units.

However, this data must be reviewed again because of missing information on customer identities. The sampling technique use purposive sampling. The author wants to ensure that sample representation can describe the actual situation. Research set a limit for sample data in statistical calculations, namely as many as 200 pieces of data on customers who apply for credit each year because number of customer

data with complete information is annually different.

Table 3. Variable Categories in Research

Variables	Category	Code in SPSS	Measure
WIBAWA credit grant decision	Approved	1	Nominal
	Rejected	0	
Gender of business owner	Female	1	Nominal
	Male	0	
Size of business	Micro	1	Nominal
	Non-micro	0	
Age of business			Scale
Credit history			Scale

Source: Data processed, 2020

Customers who were sampled clients have completeness of the information needed in research. Total samples taken for this study was 600 customer data application from WIBAWA credit in 2017-2019. Type of data used in this study is secondary data. Secondary data were obtained through the Micro and Small Business Permit Issuance Documents (IUMK) from Dinkop & UMKM Kota

Semarang website and WIBAWA Credit Recapitulation Documents from Dinkop & UMKM Kota Semarang and PERUMDA BPR Bank Pasar Kota Semarang.

Data collection was carried out by reviewing some relevant literature and looking at WIBAWA Credit Recipient Data, which contains reports on collecting and distributing loan funds from PERUMDA BPR Bank Pasar Kota Semarang. Binary logistic regression analysis focuses on describing four dependent variables used in the WIBAWA credit grant decision: gender of business owner, business size, age of business, and credit history through IBM SPSS Statistics 22 software.

RESULTS AND DISCUSSION

Wald values determined partial significance tests compared with chi-square table. Chi-square table has a value of 5,841. Wald value result of each variable found that gender of business owner, size of business, and age of business was greater than chi-square table value. It means that independent variable influences dependent variable.

Table 4. Partial Significance Test (Variables in the Equation)

		B	S.E.	Wald	df	Sig.	Exp (B)	95% C.I. for EXP(B)	
								Lower	Upper
Step 1a	JK (1)	-1.127	.332	11.542	1	.001	.324	.169	.621
	UK (1)	-13.973	2.444	32.687	1	.000	.000	.000	.000
	UM	.833	.132	39.788	1	.000	2.300	1.775	2.979
	RI	-.976	.552	3.128	1	.077	.377	.128	1.111
	Const-ant	1.174	.607	3.736	1	.053	3.234		

Note : *Variable(s) entered on step 1: JK, UK, UM, RI

Source: Data processed, 2020

Based on "variable in the equation" table using a significance level (α) of 5%,

which means there are difference between gender (JK), business size (UK), business age

(UM) in decision to grant for WIBAWA credit financing because have value smaller or less than α (0.05).

Table 5. Overall Significance of the Models (Omnibus Tests of Model Coefficients)

		Chi-square	df	Sig.
Step 1	Step	182.617	4	.000
	Block	182.617	4	.000
	Model	182.617	4	.000

Source: Data processed, 2020

Level of confidence in this study is 95 percent so that when viewed from significance value of Omnibus tests of model coefficients table is 0.000, which means less than alpha (0.05). It can be said that there are at least two independent variables as a whole that affect the model. Test result dependent variable effect on independent variable as a whole shows that overall model fits the data and is suitable for further analysis.

Statistical significance value obtained from Hosmer and Lemeshow Test is 0.665, which means that there is no difference between observation and prediction. In other words, the model is suitable. Logistic regression equation

can be used to explain relationship between independent and dependent variables.

Table 6. Goodness of Fit Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	5.841	8	.665

Source: Data processed, 2020

Goodness of fit test can also be seen by comparing the number of observations listed in the classification table with total number of population or research sample. Based on data for WIBAWA credit applications for 2017-2019, out of 72 applications for MSMEs rejected/did not pass credit, 25 credit applications were predicted correctly by model and out of 528 applications for MSMEs that passed WIBAWA credit funding, 514 credit applications were predicted correctly by model.

A total of 539 credit application data can be predicted correctly by model from entire sample of 600 MSME application data listed in Dinkop & UMKM Kota Semarang for 2017-2019. Model able to predict accurately as 89.8 percent of WIBAWA applications credit that made by MSMEs in Semarang city.

Table 7. Goodness of Fit based Classification Table

	Observed	Predicted			Percentage Correct
		WIBAWA Credit Grant Decision			
		Rejected	Approved		
Step 1	WIBAWA Credit Grant Decision	Rejected	25	47	34.7
		Approved	14	514	97.3
	Overall Percentage				89.8

Note : *The cut value is .500

Source: Data processed, 2020

Nagelkerke's R square value was found of 0.505 or 51 percent if rounded. It is considered good because independent variables are able to explain the variation in dependent variable quite complex. While other 49 percent explained by other factors beyond independent variables in logistic regression results equation in this study. Based on Exp (β) value in each variable, it can be seen that if a female business owner makes applications for WIBAWA credit, then the chance of not passing WIBAWA credit financing is 0.324 times.

Applications for WIBAWA credit made by female business owners tend not to qualify for credit. The coefficient value with a negative slope is -1,127, indicating that if a female business owner makes an application for WIBAWA credit, it will decrease the decision to grant credit. Conversely, if the gender of business owners is male, there will be an increase in the granted status of WIBAWA credit provision by 1.127 percent.

If a micro business carries out an application for WIBAWA credit, the amount of opportunity not to pass WIBAWA credit financing will be constant with the beta coefficient. Micro-businesses have fewer opportunities to grant WIBAWA credit. The coefficient value with a negative slope is -13,973, indicating that if micro-sized businesses make an application, it will decrease the decision to grant WIBAWA credit. Conversely, if that is not a micro-size business, there will be an increase in WIBAWA credit granting decision by 13,973 percent.

If age of business increases by one year, then the chances of granting WIBAWA credit financing increase by 2.3 times. As SMEs grow their business age will get a probability higher

WIBAWA credit granted. The coefficient value with a positive slope is 0.833 indicate that if there is an increase in business age by one year, it will cause an increase in the granted status WIBAWA credit.

Table 8. Coefficient of Determination Test Model Summary

	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	257.693a	.262	.505

Source: Data processed, 2020

Conversely, if there is a decrease in business age of one year, there will be a decrease in the granted status of WIBAWA credit by 0.833 percent. Then, if MSMEs in Semarang city re-apply for WIBAWA credit, then the chance of not granting WIBAWA credit is 0.377 times. Bank Indonesia Regulation (PBI) No. 14/22/PBI/2012 dated 21 December 2012 concerning Credit Provision by Commercial Banks and Technical Assistance in the Context of Development of Micro, Small and Medium Enterprises does not explain the existence of specific regulations or concepts regarding gender exclusion.

Although WIBAWA credit is a Semarang city government program carried out by Dinkop & UMKM Kota Semarang, banking is still visible from the PERUMDA PD Pasar Kota Semarang as the executed bank. Thus, the banking sector also takes into WIBAWA credit creditworthiness consideration. Character reflected by gender, explains the relevance of nature or prospective customer character with the creditworthiness of the psychological side. Psychological affects a person's ability in business productivity, such a

mentality in business decision-making consideration.

Calcagnini (2015) states that female entrepreneurs report either difficulties or higher costs in accessing bank credit. These problems can be either the result of supply-side discrimination or differences in profitability between female- and male-owned firms. Nainggolan (2016) uses social capital theory, where women have a weak working bond in the social network structure approach.

This approach considers women weak in building a business, open networks, and weak in business strategy, so women tend to open micro-business due to limited networking capabilities and strategies (Klyver & Terjesen, 2007; Lin 2005). It is supported by many female business owners who apply for WIBAWA credit in 2017-2019 and have a micro business size of 1345 out of 1370 people.

Coleman (2000) states that women business owners will experience discrimination in rejection of credit proposals, or if an application is accepted, the amount of funds approved is relatively less than men. Women MSME owners should be more focused on getting financial assistance through WIBAWA credit.

5C creditworthiness aspect, namely capital on the size of business, examines prospective customer capital structure and the extent to which prospective debtor's capital can make a profit. Micro-enterprise finance is generally not separated from private family finance so financial transactions are mixed.

Kasali et al (2016) explains that a small portion of credit disbursement from banks is due to the assumption that micro-business credit has high transaction costs, the difficulty of measuring various ratios, and micro-business

group financial health measures. The capital capacity of micro-business is challenging to measure in a way, that results in not getting credit. Ngoa and Niyonsaba (2012) findings also confirm that small businesses typically lack the capacity to transact with commercial banks.

Research by Beck et al. (2005) and Beck et al. (2006) shows a significant relationship between business size and access to credit, namely small companies face more significant financing barriers than medium Enterprises. WIBAWA Credit was successfully granted mainly proposed by micro-businesses in the 2017-2019 period. The most nominal fund submitted is IDR 5,000,000 or 1,185 units of a total of 1,840 applications for WIBAWA credit.

It makes micro-businesses less tied to the collateral feasibility aspect because nominal credit submitted does not require collateral requirements specified by the Semarang government. Credit consideration is not apart from the business sector of MSME. The most business sectors that granted financing were others and processed food, while sub-districts were North Semarang and Gayamsari.

This other business sector has various products such as groceries, laundry, equipment rental, workshops, etc. Food processing business sector consists *ceriping* and crackers, fish processing, soybean processing, snack and catering, salted eggs, fried and food stalls, and food processing.

These business sectors are relevant to the position of the MSME product cluster, namely occupying the most significant number of MSMEs in Semarang city and relatively easy to manage with relatively less capital needs with promising profits. Business age reflects capacity in 5C creditworthiness principle, which measures a person's ability to run a business. A

business that can last a long time reflects a good ability to run business productivity efficiently. The length of time a business has been running increases the opportunity to create innovations in products and/or services. Companies have time to find solutions to market competition.

Businesses that succeed in achieving turnover stability will survive, and credit loans will be returned in time. Safii and Suwarno (2018) add that entrepreneurial experience and net income significantly affect access to micro-business credit. Microbusinesses with longer tenure have a probability of not accessing KUR (Farida et al., 2015). The longer the working life of a business, the greater ability to accumulate capital, assets, and profits.

The longer businesses have survived, the fewer business units that require credit assistance. It found that the 0-8-year-old business had the highest number of applications, namely 1,182 out of a total of 1,840 credit applications, and only 24 MSMEs applied for WIBAWA credit with business ages over 35 years. 633 UMKM units are applying for WIBAWA credit which is still micro-sized even though they are more than eight years old. MSMEs in Semarang city is still facing financial constraints to develop business scale.

Credit history reflects the condition of the economy in the 5C creditworthiness principle, which assesses the debtor's business prospects in the future. The more often an MSME applies for loans within a close period without being able to pay off previous bills, it can be seen that the business prospects that are being run are less good and unstable. Mulaga (2013) suggests a need for interventions that encourage SMEs to have proper financial information.

Dinkop & UMKM Kota Semarang has a special team that assesses the feasibility of prospective customers. Eligibility standards are based on administrative requirements completeness and directly check the established business location and not a fictitious business. MSME owners who have previously granted WIBAWA credit financing do not guarantee to pass through the following application. Each application will again undergo a process of checking submission requirements from the start.

If MSMEs also do not have clear status from BI Checking, then MSMEs owner does not qualify for credit financing. During the WIBAWA credit program, at least 30 percent of non-performing loan cases are out of total disbursed proposals. This situation also applies to the number of funds disbursed under ceiling terms. There is no certainty that the ceiling stipulation will be the same or greater than the previous disbursement.

Independent variables as a whole show a significant level of less than 0.05, namely (0.000), which can be concluded that in applying for WIBAWA credit in Semarang city considered gender, business size, age of business, and credit history. MSMEs in Semarang city have their characteristics to support their business feasibility in the probability of granting WIBAWA credit. Any business owner that passed in creditworthiness analysis in general, such as 5C, 7P, 3R and other aspects analysis, will have granted opportunity WIBAWA credit.

CONCLUSION

There are differences in gender of business owner, size of business and age of business in WIBAWA credit grant decision in Semarang

city. Female business owners have a greater chance of not granted WIBAWA credit financing than male. Micro-business has a greater chance of not being granted WIBAWA credit financing than non-micro businesses. Businesses that are longer in existence have a greater chance of being granted WIBAWA credit financing.

There is no difference in credit history in the WIBAWA credit grant decision in Semarang city. Every credit application will go back through the initial process of checking requirements. Gender of the business owner, size of business, age of business, and credit history of MSME as a whole affect WIBAWA credit grant decision in Semarang city.

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