

The Effect of Debt Management Literacy on Loan Repayment of SMEs Jabodetabek

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Abstract

This investigation efforts to bring out the association between the performance of loan repayment, within which small and medium-sized businesses (SMEs) lie in Jabodetabek, Indonesia, and financial literacy, economic conditions, and access to financial resources. The quantitative information composed from 620 individuals were used for this investigate, with the use of a regression model and correlation analysis. The consequences show that there is a statistically optimistic relation between access to financial resources (AFR), the economic environment (EE), debt management literacy (DML), and loan repayment performance (LRP). The results were further supported by regression models, which presented that each of the mechanisms accounted for an abstemiously high quantity of the change in LRP. These answers propose that the higher performance of loan repayment in SMEs has more positive connotation with a positive economic environment, access to financial resources, and enhancement in financial literacy. This adds to knowledge about the variables affecting loan repayment by SMEs. This importance shows that financial development programs, financial literacy education, and easily accessible financial resources are significant factors for bringing about the growth and comprehensive financial standing of SMEs within Jabodetabek City.

Keywords: Debt Management Literacy (DML), Economic Environment (EE), Access to Financial Resources (AFR), Small and Medium Enterprises (SMEs), Loan Repayment Performance (LRP).

1. Introduction

The SME sector is a vital sector for the national economy, conducive substantially to service and GDP, and hence contribution the best chance for solemnizing an economy. In most countries, SMEs are the employers, which offer the biggest share of jobs. For example, in the OECD's 30 high-income countries, SMEs with fewer than 250 workers deliver more than two-thirds of formal service. Further, in high-income and positive middle-income nations, the sector represents more than semi of overall production (OECD, 2005). According to worldwide reviews, counting the World Bank's Initiative Educations and Investment Climate Valuations, small and medium-sized enterprises (SMEs) see the cost of credit as their most significant barrier to growth, after access to finance (Beck, 2007). SMEs usually have worse financial standing than other large firms, and they have less access to funding. Banks have always looked at SMEs as

risky, costly, and difficult to serve. Banks are now working out ways to solve problems like credit risk recognition and cost control, which are able to better serve SMEs. Unmet demand for financial services among SMEs has converted into one of the most profitable opportunities for these banks and at the same time their growth in market share (Torre, 2009). These days, banks are starting to view SMEs as a potential market for growing their companies (Higgins et al., 2012). In Indonesia, SMEs show a significant character in the economy, especially in urban centres such as Jabodetabek, which denotes the gigantic Jakarta metropolitan region (Baker, 2012). These businesses provide jobs, bring in income, and alleviate poverty. But despite their widespread influence, SMEs frequently face challenges in securing financial resources and repaying large loans on time. Debt management, hence, becomes important for SMEs to ensure their financial stability and long-term sustainability (Schwab et al., 2019). This is the idea of debt management literacy; hence this information will improve an understanding and mastery of financial concepts related to borrowing and debt management. This then determines the aptitude of the owners and administrators of SMEs to make well-informed decisions about borrowing and repayment systems, overall financial management (Boom, 2019). The current scenario shows marvellous discrepancy, indicating a lack of literature on the debt management literacy of SME owners in the Jabodetabek region (Iramani et al., 2018). Several factors will influence payback behavior: the current economic situation, the working presentation of firms, and the financial acumen of businesspersons themselves. Therefore, within the situation of Jabodetabek—where market competition is severe, as well as multifaceted controlling outlines that have to be fulfilled by SMEs—a complete review of the crucial impact of debt management literacy on loan repayments is one of the most critical determinants for long-term development and expansion of these businesses. At this point, one of the most significant objectives of this investigate endeavor is to bridge the observed knowledge gap by exactly examining the impact of debt management literacy upon loan payment habits of SMEs working within Jabodetabek. By leading such intricate investigations, stakeholders—including policymakers, financial institutions, and SME owners—will help each of them project personalized plans to reinforce the existing debt management processes and improve the financial resilience of SMEs in this part. This would provide new visions into the current level of information on finance and financial literacy in Indonesia. The answers could be a valuable influence for both industry practitioners and policymakers vigorously dedicated towards promoting sustainable development of SMEs not just within Jabodetabek but also across numerous regions of Indonesia.

1.1 Theoretical Framework

The theoretic evidence of this investigate relies on many fundamental ideas and theories on financial literacy, debt management, and loan repayment behavior among SMEs. Financial literacy is one of the key thoughts which enables individual and structural decision making based on good financial information. Financial literacy is defined by Lusardi and Tufano (2009) as the knowledge and understanding of a number of financial concepts, such as borrowing, debt management, and loan repayment. Financial management literacy entails the specialized knowledge and services required for proper organization of financial commitments (Kariuki, 2018). This contains knowledge of loan terms and circumstances, preparation to repay, and seeking advice or support in times of financial hardship (Braunstein & Welch, 2002). Higher levels of debt management literacy are projected to lead to better debt management practices and

result in improved loan repayment behavior among SMEs. Loan repayment behavior, then, refers to how debtors pay their existing debts. Effective loan repayment behavior entails making timely and even payments according to the preparations of the loan. Financial literacy, business success, and external economic conditions can all affect SMEs' loan payment behavior (Mutegi et al., 2015). From Ajzen (1991), who used the theory of planned demeanor, an individual's conduct is defined as his intention to execute an activity, which is then affected by his insolences towards this behavior, personal values, and seeming behavioral control. In this study, SME owners' intentions and actions concerning loan repayment may be influenced by heights of debt management literacy. Different goals and information asymmetries can lead to conflicts of interest between principals and agents, as highlighted by agency theory, in regard to loan repayment for SMEs. According to agency theory, there is a strong emphasis on sound information distribution and governance processes safeguarding that SME owners are actually informed and can feel motivated to repay their loans while experiencing financial inclusion. Economic empowerment and growth are greatly increased by the availability and usage of financial services among individuals and initiatives, especially those from underprivileged or marginalized groups (Birkenmaier, 2019). The ability to improve literacy about borrowing practices and debt management among SMEs in the Jabodetabek region is an upgrading with potentials to support financial inclusion initiatives. By providing these initiatives with the needed tools, not only would they access financial services but also make efficient use of them.

The theoretical framework therefore developed the following hypothesis, while the conceptual framework is shown in Figure 1.

1.2 Hypothesis

1.2.1 Hypothesis 1:

- Null Hypothesis (H0): There is no significant relationship between debt management literacy and loan repayment performance of SMEs in Jabodetabek.
- Alternative Hypothesis (H1): There is a significant relationship between debt management literacy and loan repayment performance of SMEs in Jabodetabek.

1.2.2 Hypothesis 2:

- Null Hypothesis (H0): There is no significant relationship between economic environment and financial health of SMEs in Jabodetabek.
- Alternative Hypothesis (H1): There is a significant relationship between economic environment and financial health of SMEs in Jabodetabek.

1.2.3 Hypothesis 3:

- Null Hypothesis (H0): There is no significant relationship between access to financial resources and Loan Repayment Performance of SMEs in Jabodetabek.
- Alternative Hypothesis (H1): There is a significant relationship between access to financial resources and Loan Repayment Performance of SMEs in Jabodetabek.

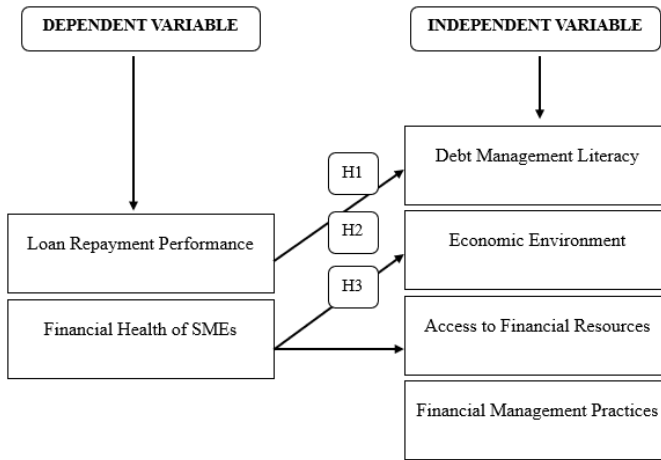


Figure 1: Conceptual framework for the proposed Hypothesis

2 Literature review

From Kruger (2004), SMEs may be growing through ups in sales, value created, or increase in volumes of business. There are, however, such business growth metrics like revenue or turnover growth, and labor increases during a defined period. Other indicators to consider include asset value, market share, and net income (Davidsson, Delmar, & Wiklund, 2006). Yeboah (2015) found that SMEs expand as labor, manufacturing volume, used raw materials, and energy levels increase. The data show that a higher education level of the owner and a bigger size of the firm will depict SMEs as more outstanding. Gender and age play critical roles in the development of SMEs. According to (Storey, 1994), three factors influence SME growth: the owner, the size of the firm, and business strategy. In the sense that their owners run the firm effectively and diversify revenue to increase output volume, the SMEs expand. Budgeting and loan repayment can be used to assess the growth of SMEs. Budgeting allows SMEs to reduce the risk and make a better decision depending on the output volume from their financial reports. Raw materials are sourced locally, and since they are not immediately affected by global crises, their SMEs are not part of the affected companies (Gamage et al., 2020). This is because products under SMEs are more consumer-oriented, hence simple marketing issues that can be implemented quickly during the crisis. This is because the expansion of SMEs is important for our country in keeping up with the economic cycle in any condition. Money is one of the types of equity required to grow a firm (Abdulsaleh & Worthington, 2013). Loans from external and internal finance are two ways of acquiring more funds to escalate the business volume and buying merchandise. SMEs must be knowledgeable about how to allocate their cash flow for proper repayment of debt and interest (Uwonda et al., 2013). Debt-268 management literacy makes it difficult for SMEs to make sound business expansion decisions. Over indebtedness, overspending, reckless credit usage, poor money management, and a lack of resources all have negative impacts on business efficiency.

But, in a business without finances, the SME would face some hindrance in building its business. There should be such skills regarding the management of debt in the SMEs.

3 Research Methodology

The goal of the quantitative research is to ascertain how loan repayment practices in Jabodetabek are affected by the SMEs' knowledge of debt management. Therefore, the study's methodology is constructed to gather reliable and authentic data so that it can aid in analysing the connection between small- and medium-sized businesses' loan repayment practices and debt management literacy. A survey was conducted on a random sample of 620 SMEs across different industries, with a significant representation of Jabodetabek, with a probability sampling technique to provide a representative sample. A survey questionnaire will be applied to collect information on the respondents' level of literacy in debt management, loan repayment behavior, as well as other significant characteristics like company performance and financial issues. The questionnaire will be tested on a small sample of entrepreneurs before it is applied to the entire sample. Data was collected and then entered into SPSS for analysis. Likert scales, with five points denoting strongly agree and one representing strongly disagree, formed the basis for the whole scale. Because of this awareness of the current insurance business, the selected respondents were thought to be the most suitable key informants and could, therefore, provide credible replies to the survey (Zahra & Covin, 1995). This is on top of descriptive statistics, provided by SPSS, for a general overview of the data. Inferential statistics were employed to investigate the relationship between various variables: regression and correlation analysis. This research will involve the utilization of control variables like business size, industry type, and economic condition to explain other factors that affect loan repayment behavior by SMEs. The study will later be carried out with a view of adhering to human-subject research, which will meet the ethical standards. In every participant of the study, prior written consent was given and confidentiality maintained in the course of the research. This will guarantee that all the information collected is kept confidential and used only for research purposes.

4 Outcomes

4.1 Demographic variables:

Table 1 indicates how customers are distributed across various categories. Within these trends, 31.8 percent fell under 18-25 years, 31.3 percent under 26-35 years, and 30.8 percent under 36-45 years. The percentage of customers aged more than 45 years stands at only 6.1 percent. The male-female split is slightly tilted, 51.3 percent female and 48.7 percent male. Most of the clients, 29.8 percent, have simply completed their high school education, while 30.2 have a diploma, another 30.2 have a bachelor's degree, and 9.8 have a master's degree. Only 32.4 percent of the clients have been in business for one to five years, and 31.8 percent have been in business for six to ten years. The majority of the clients—32.3%—have been in operation for less than a year. The longevity of the businesses shows a precise 3.5% of the companies having operated for 10

or more years. Lastly, the geographic split shows a precise 50/50 distribution between urban and rural areas.

Table 1: Demographic variables

	Category	Frequency	Percent
AGE	18-25 years	197	31.8
	26-35 years	194	31.3
	36-45 years	191	30.8
	45 years and above	38	6.1
GENDER	Male	302	48.7
	Female	318	51.3
EDUCATION LEVEL	High school or below	185	29.8
	Diploma	187	30.2
	Bachelor's degree	187	30.2
	Master's degree	61	9.8
MARITAL STATUS	Single	304	49.0
	Married	316	51.0
LOCATION	Urban	310	50.0
	Rural	310	50.0
YEAR IN BUSINESS	Less than 1 year	200	32.3
	1-5 years	201	32.4
	6-10 years	197	31.8
	10 years and above	22	3.5

4.2 Descriptive Statistics

The table 2 represents descriptive data of a variety of financial criteria among loan applicants. The mean Loan Repayment Performance (LRP) is 4.06 with a standard deviation of 0.71. The Financial Health of SMEs (FHSME) has an almost similar mean (4.03) with a standard deviation of 0.70. The average ratings for Debt Management Literacy (DML), Economic Environment (EE), and Access to Financial Resources (AFR) are all around 4.00 with standard deviations close to 0.70. The Financial Management Practices (FMP) has the lowest mean (3.89) and the largest standard deviation (0.73).

Table 2: Descriptive Data

	Mean	Std. Deviation	N
LRP (Loan Repayment Performance)	4.0648	0.71122	620
FHSME (Financial Health of SMEs)	4.0284	0.70317	620
DML (Debt Management Literacy)	3.9977	0.69705	620
EE (Economic Environment)	3.9903	0.69257	620
AFR (Access to Financial Resources)	4.0016	0.71976	620
FMP (Financial Management Practices)	3.8913	.72570	620

4.3 T- Test

Table 3 shows the results of the t-tests used to compare means for the defined financial parameters of the loan applicants against a hypothesized value of 0. All of the examined metrics (Loan Repayment Performance, Financial Health of SMEs, Debt Management Literacy, Economic Environment, Access to Financial Resources, and Financial Management Practices)

show statistically significant differences ($p\text{-value} < 0.000$) from the mean value of 0. Also, we see the confidence intervals at 95% for the mean difference for each statistic. The mean Loan Repayment Performance (LRP) is 4.06, whereas the hypothesized value is zero and differs significantly from this ($p\text{-value} < 0.000$), as inferred by the t-test. The 95% confidence interval around the mean difference (4.0087 - 4.1209) reflects our belief that the true difference between the average LRP and 0 lies within this range.

Table 3: T – Test

	Test Value = 0					
	t	df	Sig. (2-tailed)	MD	95% CID	
					Lower	Upper
LRP	142.309	619	0.000	4.06484	4.0087	4.1209
FHSME	142.649	619	0.000	4.02839	3.9729	4.0838
DML	142.807	619	0.000	3.99774	3.9428	4.0527
EE	143.464	619	0.000	3.99032	3.9357	4.0449
AFR	138.434	619	0.000	4.00161	3.9448	4.0584
FMP	133.515	619	0.000	3.89129	3.8341	3.9485

MD- Mean Difference, CID- Confidence Interval of the Difference

4.4 Reliability Statistics

Table 4 most likely reflects Cronbach's Alpha (CA), which is a measure of internal consistency for a survey or questionnaire. In this case, Cronbach's Alpha is 0.955, which is pretty high. A high Cronbach's Alpha means that there are survey items that relate to the same underlying construct, hence reflecting the questionnaire's reliability. The CABSI score of 0.956 may be a variant on Cronbach's Alpha, but the interpretation stays the same; it means high consistency. The data collection most likely contains 30 items.

Table 4: Reliability Statistics

CA	CABSI	N of Items
0.955	0.956	30

CABSI- Cronbach's Alpha Based on Standardized Items, CA- Cronbach's Alpha

4.5 Hypothesis testing:

4.5.1 Hypothesis 1

Correlation Analysis:

Relationship between debt management literacy (DML) and loan repayment performance (LRP) of SMEs in Jabodetabek.

Table 5 demonstrates a positive correlation coefficient of 0.757 between Debt Management Literacy (DML) and Loan Repayment Performance (LRP). This association is statistically significant ($p\text{-value} = 0.000$) since the two-tailed significance threshold is lower than the generally used alpha level of 0.05. In other words, there is a sturdy and statistically noteworthy correlation among these two variables. A positive connection indicates that greater DML scores are linked to higher LRP scores. This shows that borrowers with higher levels of debt management literacy do better on loan repayments.

Table 5: Correlation Analysis

Pearson Correlation		DML	LRP
	DML	0.000	0.757
	LRP	0.757	0.000

Regression Analysis:

Table 6 would look into the relationship between Debt Management Literacy (DML) and Loan Repayment Performance. There is a strong positive relationship ($r = 0.757$) between the two, meaning that borrowers with better DML are more likely to repay their loans. A regression model was constructed in order to delve further into this relationship. The model explains 57.3 percent of the variation in LRP by using DML as a predictor. This says a low level of explanatory ability. A statistically significant positive correlation ($p\text{-value} < 0.000$) indicates a strong relationship between DML and LRP.

Table 6: Typical Summary

Model	R	R Square	ARS	SEE
	0.757	0.573	0.572	0.46513

ARS- Adjusted R Square, SEE- Std. Error of the Estimate

The results of this table 7 pointed towards a strong correlation between Debt Management Literacy (DML) and Loan Repayment Performance (LRP). The very low significance level of the F-statistic value (0.000) points to a statistically significant relationship; the model using DML as a predictor explained significantly the differences in LRP. Simply put, DML is a statistically significant factor influencing loan repayment presentation.

Table 7: ANOVA

Model		SS	df	MS	F	Sig.
1	Regression	179.411	1	179.411	829.271	0.000
	Residual	133.703	618	0.216		
	Total	313.113	619			
a. Dependent Variable: LRP						
b. Predictors: (Constant), DML						

SS- Sum of Squares, MS- Mean Square

This table 7 presents information on the Debt Management Literacy (DML) variable of the model. The correlation coefficient of 1.000 for DML most likely represents a reference number; each variable correlates exactly with itself. The covariance, however, is another intriguing discovery. The number 0.001 indicates an extremely weak linear relationship between DML and itself, which makes sense mathematically, but it's not going to offer a lot for the research.

Table 8: Coefficient

Model		DML
1	Correlations	1.000
	Covariances	.001

4.5.2 Hypothesis 2

Relationship between economic environment (EE) and financial health of SMEs (FHSME) in Jabodetabek.

Correlation Analysis:

Table 9 indicates a strong positive association (0.722) between the Economic Environment (EE) and the Financial Health of SMEs (FHSME). This is a statistically significant connection (p-value=0.000), since its two-tailed significance threshold is 0.000. In other words, financial health for small and medium-sized enterprises that bred in a sound economy is top-notch.

Table 9: Correlation Analysis

Pearson Correlation		EE	FHSME
	EE	0.000	0.722
	FHSME	0.722	0.000

Regression Analysis:

The regression model in Table 10 comes up with a optimistic and statistically important association between EE and FHSME, (R = 0.722, p-value < 0.000). The model explains more than half (52.1%) of the variation in FHSME, underlining the fact that EE has a high explanation for the financial health of the small and medium-sized firms.

Table 10: Typical Summary

Model	R	R Square	ARS	SEE
1	0.722	0.521	0.521	0.48689

SEE- Std. Error of the Estimate, ARS- Adjusted R Square

Showing strong evidence for the relationship between the economic environment (EE) and financial health of SMEs (FHSME), this table 11 emphasizes its key findings. F-statistic values reflect a very significant number with a p-value < 0.000. Therefore, since the coefficients for the EE model prove a strong association between this predictor and variance in FHSME, one could posit the positive relationship: in a strong economy, SMEs thrive from good financial performance.

Table 11: ANOVA

Model		SS	df	MS	F	Sig.
1	Regression	159.553	1	159.553	673.031	0.000
	Residual	146.507	618	0.237		
	Total	306.060	619			
a. Dependent Variable: FHSME						
b. Predictors: (Constant), EE						

SS- Sum of Squares, MS- Mean Square

This table 12 most probably is representing the variable attributes of the model's Economic Environment (EE) variable. A correlation of 1.000 and a covariance of 0.001 are most likely due to EE as a single predictor variable. Correlation measures the linear relationship between two variables, and in this case, what is compared is EE with itself, which leads to a perfect correlation (1.000). Covariance is a related statistic relatively small (0.001) since it considers deviations from the mean of the variable, which, mathematically, are not significant for the analysis.

Table 12: Coefficient

Model		EE	
1	Correlations	EE	1.000
	Covariances	EE	.001

4.5.3 Hypothesis 3

Relationship between access to financial resources (AFR) and Loan Repayment Performance (LRP) of SMEs in Jabodetabek.

Correlation Analysis:

Table 13 indicate a substantial positive correlation coefficient of 0.757 between Access to Financial Resources (AFR) and Loan Repayment Performance (LRP). This connection is statistically significant at $p = 0.000$, since the two-tailed significance threshold is $p = 0.000$. In other words, borrowers with more access to financial resources have better performance in loan repayment. More financially accessed borrowers would repay more frequently.

Table 13: Correlation Analysis

		AFR	LRP
Pearson Correlation	AFR	0.000	0.757
	LRP	0.757	0.000

Regression Analysis:

A significant positive correlation is evidenced by the regression model between access to financial resources (AFR) and loan repayment performance (LRP) ($R = 0.757$, $p < 0.000$). The model explains more than half (57.3%) of the variation in LRP, suggesting that access to financial resources plays a very vital part in the ability of a borrower to repay loans.

Table 14: Typical Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.757	0.573	0.573	0.46494

SEE- Std. Error of the Estimate, ARS- Adjusted R Square

In this Table 15 access to financial resources (AFR) and loan repayment performance (LRP) research has shown very strong evidence of their relationship. There was no F-statistic (very significant at p-value less than 0.000) showing that the model explained the changes of LRP by AFR. This proves a positive relationship: borrowers with easier access to financial resources are more likely to repay their loans successfully.

Table 15: ANOVA

Model		SS	df	MS	F	Sig.
1	Regression	179.522	1	179.522	830.478	0.000
	Residual	133.591	618	0.216		
	Total	313.113	619			
a. Dependent Variable: LRP						
b. Predictors: (Constant), AFR						

SS- Sum of Squares, MS- Mean Square

This probably in Table 16 pertains to some of the aspects of the model's Access to Financial Resources (AFR) variable. The correlation of 1.000 and covariance of 0.001 are most likely due to the function of AFR as a single predictor variable. Correlation looks at the linear relationship between two variables; however, here it is compared with itself, hence it yields perfect correlation (1.000). The covariance, a related statistic, is small (0.001) since it takes into consideration the deviations of AFR from the mean and correlates all those deviations with one another.

Table 16: Coefficient

Model			AFR
1	Correlations	AFR	1.000
	Covariances	AFR	.001

5 Discussion

This study checked the relationships between debt management literacy (DML), the economic environment (EE), access to financial resources (AFR), and loan repayment performance (LRP) among SMEs in Jabodetabek, Indonesia. The results give strong evidence against the null hypotheses (H0) for all three correlations while supporting the alternative hypotheses (H1).

Debt Management Literacy and Loan Repayment Performance (H1):

The investigations found evidence of a statistically significant positive association between DML and LRP. Support for this relationship was given through a regression model, which helped in explaining a moderate share of the variation in LRP. These data show that SMEs with great performance in DML can reap better loan payback. This lends support to the concept that financially wise borrowers will be better able to control their borrowing and pay up their loans on time.

Economic Environment and Financial Health of SMEs (H2):

A significant positive relationship was seen between EE and FHSME. The reversion perfect also indicated a statistically important relationship, with the economic environment explaining an important proportion of the variance in financial wellness. This shows that a good economic climate supports the financial well-being of Jabodetabek's SMEs. This is in accordance with the predictions, since the more robust the economy, more business opportunities and income for the SMEs.

Access to Financial Resources and Loan Repayment Performance (H3):

The obtained regression results exposed a statistically important positive connotation between AFR and LRP. Furthermore, the model was supported, as it explained a moderate proportion of LRP variance. These data show that the better LRP performance of SMEs is related to having access to more financial resources. This is in line with the hypothesis that the availability of extra funds makes firms better at handling capital changes and fulfilling their repayment obligations.

Those correlations found between the economic climate and loan repayment performance, under conditions of robust positive correlations, were rather strong. Additionally, this fact brought forth

very helpful information for those who are involved in designing policies to encourage the betterment of monetary health and growth of SMEs in Jabodetabek, including policymakers, lenders, and financial institutions.

6 Limitations and Future Research:

The answers of the current study are regarded as potentially relevant insights that might make major additions to the current body of information. It is critical to note that the generalizability of these findings is restricted, since they may not apply to all SMEs operating in the Jabodetabek area or other geographical locations. As a consequence, more investigate is needed to look at additional variables such as the industrial sector, kind of loan, and amount of firm expertise, all of which have been shown to have an impact on loan repayment performance. To enhance the knowledge of the interactions among these variables, it would be advisable to design a longitudinal study type since this type of approach shall provide a more encompassing view on the causal linkages which exist among these elements.

7 Conclusion

The goal of this teaching is to inspect how financial literacy influences loan repayment glitches of small businesses in Indonesia's Jabodetabek region and how the obtainability of capital and economic conditions affects loan reimbursement. The conclusions of this academic study indicate the being of positive strong correlations between these three indicators and the total loan performance, contrary to the initial assumption of them having no relationship. Businesses with higher financial literacy, businesses in favorable economic conditions, and businesses with greater financial resources all established higher loan repayment competence. Such results underline the importance in enhancing financial literacy campaigns, promoting economic progress programs, and providing financial support for SMEs. The resolution of glitches through the application of such trials is hoped to deliver impetus towards enhancing repayment taxes of loans, hence development a more resilient and more affluent business environment for SMEs in the Jabodetabek area.

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