

The Analysis of MSME Credit Decision Making at BRI Bank Warung Buncit Branch South Jakarta

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Abstract:- This study aims to analyze the influence of credit interest rates, service quality, credit procedures, loan term, collateral and bank location on the decision to take MSME loans. The sampling method used is probability sampling using a cluster sampling system, this method was chosen because it was considered suitable for heterogeneous respondents. This research was conducted by questionnaire method, conducted on 147 MSME loan customers at Bank BRI Warung Buncit Branch. Quantitative analysis includes validity and reliability tests, classic assumption tests, coefficient of determination R², F test, t-test and multiple regression analysis. R² value of 0.915 shows that 91.5% of the MSME credit decision-making achieved was indeed influenced by the independent variables (credit interest rates, service quality, credit procedures. Credit term, collateral and bank location) used in this study. Test the value of F 0,000; which shows credit interest rates, service quality, credit procedures, loan term, collateral and bank location as an independent variable simultaneously influence the decision making of the

MSME loans. A value of t less than 0.05 indicates that credit interest rates, service quality, credit procedures, loan term, collateral and bank location as independent variables partially significant on the decision to take MSME loans. An indicators access are easy to reach and costs, interest, banks provision have the most significant influence on credit decision making at BRI Bank Warung Buncit Branch.

Keywords:- Credit Interest Rates, Service Quality, Credit Procedures, Credit Term, Collateral, Bank Location, Credit Decision Making.

I. INTRODUCTION

In order to improve the development of small enterprises in Indonesia, it requires an investment in the form of credits either a conventional credit or sharia credit. This study discussed about the conventional credit decision making by MSME in the BRI Bank Warung Buncit Branch.

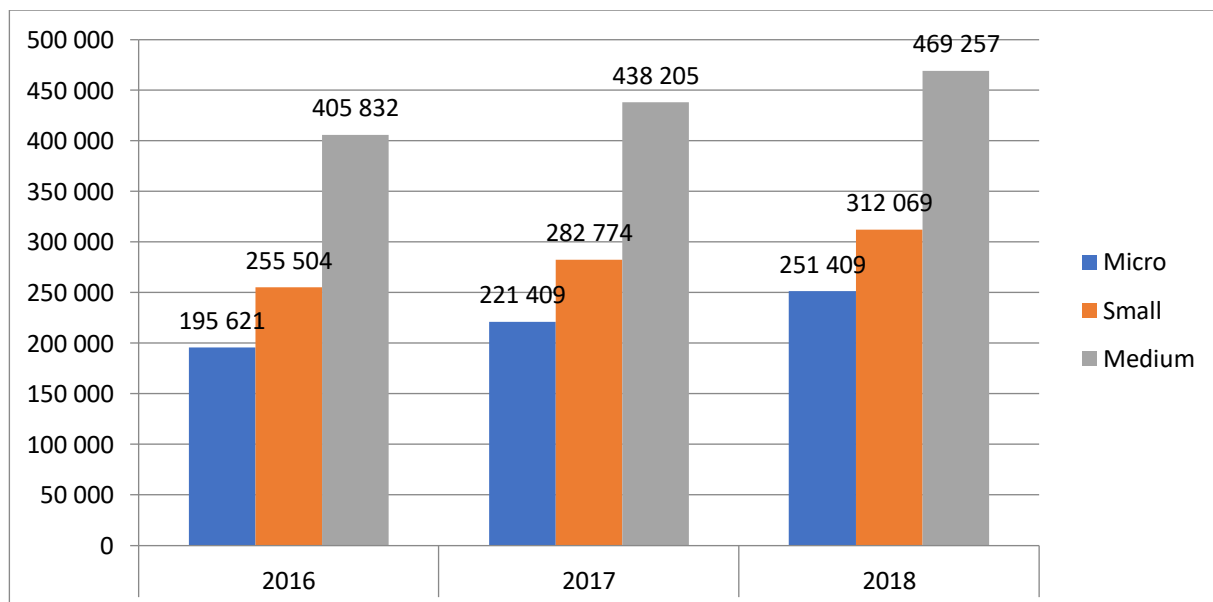


Fig-1: Number of MSMEs Taking Credit (in Billion Rupiah)
Source: Indonesia Bank (2019)

Based on the Figure-1 above, it can be concluded that the MSMEs that carry out the most credit loans are on the middle scale. Whereas the small scale MSMEs have very little loans. It means that the middle scale enterprises have credit loans between Rp. 500.000.000,- up to Rp. 10.000.000.000,-. This thing becomes an opportunity for several Banks to open credit products for MSME

perpetrators. There are many Banks both conventional and sharia that proposed credits to MSME, however, based on Investor Magazine one of the best credit distribution banks in Indonesia is BRI Bank, whereas the second player in the best MSME credit distribution is BPD Bank (beritasatu.com). This is in accordance with the data

analysis results from several sources that said BRI Bank has the biggest market share for MSME credits in Indonesia.

Based on the internal management data of BRI Bank (2018), BRI Bank has various enterprise credits such as Corporation Credit, State-Owned Enterprises Credit, MSME Credit and Consumer Credit. However, the biggest contribution of credit distribution in 2018 is the MSME credit with the details as followed Micro Credit as many as 34%, commercial Retail Credit as many as 21,3% and medium credit as many as 3.1%, therefore, this study focused on the research in the MSME credits at BRI Bank Warung Buncit Branch South Jakarta.

Based on the data from the management of the BRI Warung Buncit Branch, the achievement target of total MSME credits from year to year also increased, even exceeded the target. This means that the credit performance in BRI Bank Warung Buncit Branch is already better. Therefore, it needs to be improved, considering there are many sharia and conventional banks that distribute MSME credit products such as Bukopin, BCA and BNI.

There is a significant competition in the credit interest rates of MSME between State-Owned Enterprises Banks in Indonesia where the average of total MSME credit interest below 10%, however, if compared to the Private Bank which is BCA Bank, has a credit interest far below the interest rates in the State-Owned Enterprises Banks, it means that there is a high competition in winning the MSME debtors that influenced the market share.

According to the phenomena above it can be concluded that there is a problem in the credit decision making by debtors in BRI Bank Warung Buncit Branch, this means that a comprehensive analysis needed to be done to the factors that influenced the debtors in the credit decision making.

Based on the description of the background raised, some problems can be identified.

1. There is a difference in the credit interest rates between banks either State-Owned Enterprises Banks or Private Banks, where there is a significant difference between BRI and BCA.
2. Based on the observation and interview results from the debtor's side where the level of relationship between debtors and credit employees of BRI is not done well, this is showed in the lack of information about debtors and vice versa.
3. The average credit repayment period of BRI by debtors is under 3 years, therefore the total repayment is lighter from the debtor's side ability.
4. There is an easy procedure in the credit taking from debtor's side such as administration requirements that can follow.
5. There is an ease of determining collateral in the credit taking usually in the form of Mobile Assets and Invoice.
6. The location of the BRI Bank Warung Buncit Branch is around the business center of MSME and strategic.

7. Many MSME debtors that take credits in BRI Bank Warung Buncit Branch, this is showed by the improvement of total realization and exceeded target.

The purposes of this study is as follows:

1. To know, analyze and test the influence of Credit Interest Rates on the Credit Decision Making in BRI Bank.
2. To know, analyze and test the influence of Service Quality on the Credit Decision Making in BRI Bank.
3. To know, analyze and test the influence of Credit Term on the Credit Decision Making in BRI Bank.
4. To know, analyze and test the influence of Credit Procedure on the Credit Decision Making in BRI Bank.
5. To know, analyze and test the influence of collateral on the Credit Decision Making in BRI Bank.
6. To know, analyze and test the influence of Bank Location on the Credit Decision Making in BRI Bank.
7. To know, analyze and test the influence of Credit Interest Rates, Service Quality, Credit Term, Credit Procedures, Collateral, and Bank Location simultaneously on the Credit Decision Making in BRI Bank.

II. LITERATURE REVIEW AND HYPOTHESES

The definition of Customer Decision in credit taking is a decision process to take credit in a bank [1]. Customer's credit decision making is very important before the customer decided to take credit in a bank. The decision is intended so that there are no obstacles either large or small. The decisions made can have an effect and create problems in other fields, therefore, when making a decision, we have to be careful in this thing so that the organization works can continue to approach the goals previously planned. Several studies discussed the factors that influenced the customer credit decision making in a bank such as credit interest rates, service quality, credit procedure, credit term, collateral and bank location.

Interest rates give an advantage gained from some money lent to another party based on the time calculation and economic value. The implementation of interest in conventional banks can be divided into two types as follows [2]:

1. Deposit Interest. A certain price rate paid by bank to customer for their deposits.
2. Loan Interest. A certain price rate that needed to be paid by the customer to the bank for their loans.

Quality service is a form of customer's assessment of the perceived service level with the expected value [3]. If a financial institution can give a service expected by the customer, then the services can be called good. This will create a satisfying feeling in the customer and encourage them to take more credit.

Credit procedures are the steps that needed to be fulfilled by the customer in the credit distribution [4]. Before obtaining credit, first debtors must go through several assessment steps starts from the credit proposal and documents submission, document authenticity check, credit analysis until credit issued by the financial institution.

Credit term lies between the starting date of the credit agreement and the date of credit repayment. If the credit term runs out, the loans needed to be paid by the related debtors. Grace period is a part of the credit term. In the loan agreement, credit term has an important role, therefore, there is a time limit on the credit term, either for the bank lender or the debtors.

Collateral generally defined as the handover of wealth or the statement of a person's ability to bear the repayment of a debt [5]. The collateral referred here is a material collateral, provided by the debtors to bear the repayment of a credit, if the debtors cannot pay the credit as promised. The collateral serves as a security if the credit given has failed in its return, the amount of collateral is converted into money by the analysis entity of the bank, where 75% of the collateral value determines the highest amount of credit given by the bank.

Bank location is a place where the banking products are traded and the banking control center [6]. There are several types of bank office locations, such as head office location, main branch, sub-branch, cash office, and ATM locations. The determination of bank location cannot be done arbitrarily, but has to consider several factors such as near the industrial estate or factory, office location, market location, residential or community location, the number of competitors in a location [6].

➤ Framework

The results of several previous studies from various journals found the factors or variables that influenced the credit decision making in banks such as Credit Interest Rates, Service Quality, Credit Procedure, Credit Term, Collateral and Bank Location. Therefore, the conceptual framework from this study can be found in Figure-2.

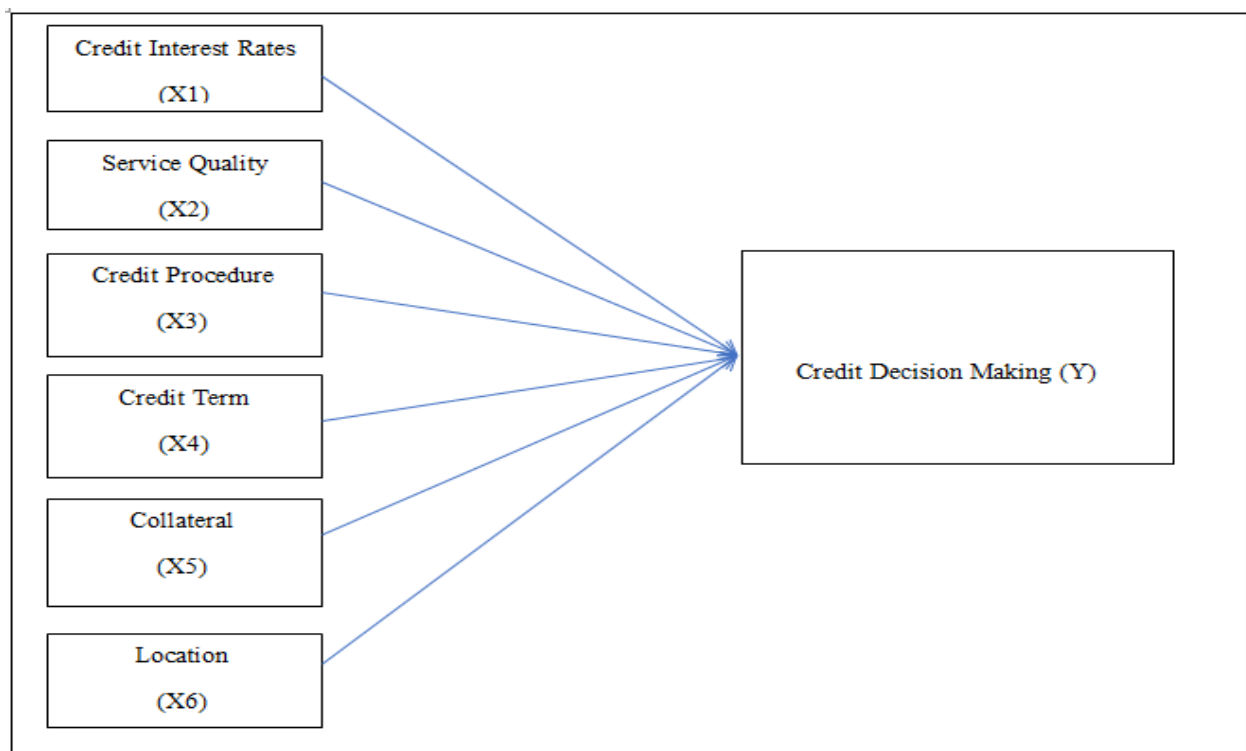


Fig-2: Conceptual Framework

The hypotheses in this study are as follows:

1. There is a positive and significant influence of credit interest rates to credit decision making (H1).
2. There is a positive and significant influence of service quality to credit decision making (H2).
3. There is a positive and significant influence of credit procedure to credit decision making (H3).
4. There is a positive and significant influence of credit term to credit decision making (H4).
5. There is a positive and significant influence of collateral to credit decision making (H5).
6. There is a positive and significant influence of location to credit decision making (H6).

III. METHOD

This research is a verification quantitative research with survey explanatory research method conducted to examine certain population or sample. Data obtained by using survey instrument with questionnaire, quantitative or statistical data analysis aimed to test the hypothesis of the influence of independent variable to the dependent variable. The measurement scale used in the questionnaire is Likert scale.

Data from this research is a primary data obtained from MSME which are debtors in BRI Bank Warung Buncit Branch through survey by questionnaire and supported by

the secondary data obtained from the institution or related source. The population in this research is the owners of MSME that have taken credit in BRI Bank Warung Buncit Branch in South Jakarta where based on the management data of main branch office of BRI in South Jakarta there are 308 debtors. Based on the research of Single Source Roy Morgan 2017 the population of debtors of BRI Bank Warung Buncit Branch as many as 308 debtors (data in 2018). According to the Sample Table of Isaac and Michael in 1981, it is explained that with the population size of 308 debtors and significance level of 5% the sample size is 147 debtors. The sampling technique conducted with probabilistic sampling method which is all debtors of BRI Bank Warung Buncit Branch that have the same rights to become MSME's debtors.

The analysis method used in this research is descriptive statistics analysis with multiple linear regression by using SPSS. The tests conducted in this research to analyze the data are validity test, reliability test, classic assumption test (normality test, linearity test, autocorrelation

test, multicollinearity test and heteroscedasticity test) and hypothesis test (partial test/t test and coefficient of determination (R^2)).

IV. RESULT

➤ Variable Descriptive Analysis

Descriptive data showed general description regarding to the respondent's answer to the questions or statements in the questionnaire and the respondent's response. Based on the response results of 147 respondents regarding to the research variables, researcher will describe the respondent's answers in detail that were grouped in statistics descriptive. The delivery of empirical description to the data used in the research in statistic descriptive is by using means value, standard deviation, minimum value, and maximum value. Through this description it will be known how far the respondent's perception of the variables that become indicators in the research. A more comprehensive description of the questionnaire answers description received can be seen in Table-1.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| X1.1 | 3 | 26 | 68 | 45 | 5 | 147 | 3.16 |
| X1.2 | 4 | 28 | 57 | 53 | 5 | 147 | 3.18 |
| X1.3 | 1 | 26 | 62 | 52 | 6 | 147 | 3.24 |
| X1.4 | 6 | 22 | 60 | 54 | 5 | 147 | 3.20 |
| X1.5 | 3 | 32 | 60 | 46 | 6 | 147 | 3.14 |
| Total | 17 | 134 | 307 | 250 | 27 | 735 | 3.19 |
| Percentage | 2.31% | 18.23% | 41.77% | 34.01% | 3.67% | 100.00% | |

Table-1: Description of Questionnaire Results of Credit Interest Rates (X_1) Variable
Source: Analysis Results (2019)

The mean result of this statement is **3.19** which means that in the interpretation of interval falls into the “**Agree**” category. Moreover, it can be seen that X1.3 has the highest mean 3.24 with assessment point that “The payment of loan

interest in BRI Bank is conducted at the end of every month and adjusted to my enterprise's ability to pay” has the most agree/good answers by respondents.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| X2.1 | 18 | 26 | 42 | 41 | 20 | 147 | 3.13 |
| X2.2 | 16 | 29 | 42 | 43 | 17 | 147 | 3.11 |
| X2.3 | 18 | 31 | 40 | 37 | 21 | 147 | 3.08 |
| X2.4 | 18 | 31 | 42 | 41 | 15 | 147 | 3.03 |
| X2.5 | 21 | 27 | 39 | 42 | 18 | 147 | 3.06 |
| Total | 91 | 144 | 205 | 204 | 91 | 735 | 3.08 |
| Percentage | 12.38% | 19.59% | 27.89% | 27.76% | 12.38% | 100.00% | |

Table-2: Description of Questionnaire Results of Service Quality (X_2) Variable
Source: Analysis Results (2019)

The mean result of this statement is **3.08** which means that in the interpretation of interval falls into the “**Agree**” category. Moreover, it can be seen that **X2.1** has the highest mean **3.13** with assessment point that “When I applied for a

loan, I was served directly by the loan department at BRI Warung Buncit Branch” has the most agree/good answers by respondents.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| X3.1 | 12 | 33 | 63 | 38 | 1 | 147 | 2.88 |
| X3.2 | 6 | 30 | 62 | 45 | 4 | 147 | 3.07 |
| X3.3 | 10 | 33 | 57 | 41 | 6 | 147 | 3.00 |
| X3.4 | 8 | 32 | 62 | 39 | 6 | 147 | 3.02 |
| Total | 36 | 128 | 244 | 163 | 17 | 588 | 2.99 |
| Percentage | 6.12% | 21.77% | 41.50% | 27.72% | 2.89% | 100.00% | |

Table-3:- Description of Questionnaire Results of Credit Procedure (X₃) Variable

Source: Analysis Result (2019)

The mean result of this statement is **2.99** which means that in the interpretation of interval falls into the “**Neutral/Doubtful**” category. Moreover, it can be seen that **X3.2** has the highest mean **3.07** with assessment point that

“In every credit application in BRI Bank always made a complete binding agreement” has the most agree/good answers by respondents.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| X4.1 | 9 | 37 | 49 | 45 | 7 | 147 | 3.03 |
| X4.2 | 15 | 28 | 65 | 30 | 9 | 147 | 2.93 |
| X4.3 | 10 | 37 | 51 | 42 | 7 | 147 | 2.99 |
| X4.4 | 10 | 34 | 54 | 42 | 7 | 147 | 3.01 |
| Total | 44 | 136 | 219 | 159 | 30 | 588 | 2.99 |
| Percentage | 7.48% | 23.13% | 37.24% | 27.04% | 5.10% | 100.00% | |

Table-4:- Description of Questionnaire Results of Credit Term (X₄) Variable

Source: Analysis Result (2019)

The mean result of this statement is **2.99** which means that in the interpretation of interval falls into the “**Neutral/Doubtful**” category. Moreover, it can be seen that **X4.1** has the highest mean **3.03** with assessment point that

“The amount of loans given from BRI Bank is proportional to the credit term to return the loans” has the most agree/good answers by respondents.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| X5.1 | 14 | 27 | 55 | 43 | 8 | 147 | 3.03 |
| X5.2 | 18 | 29 | 56 | 38 | 6 | 147 | 2.90 |
| X5.3 | 11 | 34 | 60 | 36 | 6 | 147 | 2.95 |
| X5.4 | 19 | 28 | 52 | 43 | 5 | 147 | 2.91 |
| Total | 62 | 118 | 223 | 160 | 25 | 588 | 2.95 |
| Percentage | 10.54% | 20.07% | 37.93% | 27.21% | 4.25% | 100.00% | |

Table-5: Description of Questionnaire Results of Collateral (X₅) Variable

Source: Analysis Result (2019)

The mean result of this statement is **2.95** which means that in the interpretation of interval falls into the “**Neutral/Doubtful**” category. Moreover, it can be seen that **X5.1** has the highest mean **3.03** with assessment point that

“The completion of the form/biodata of the credit application is done directly by BRI Bank loan officer” has the most agree/good answers by respondents.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|---------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| X6.1 | 24 | 30 | 49 | 35 | 9 | 147 | 2.83 |
| X6.2 | 21 | 31 | 43 | 44 | 8 | 147 | 2.91 |
| X6.3 | 23 | 30 | 46 | 42 | 6 | 147 | 2.85 |
| X6.4 | 29 | 32 | 47 | 33 | 6 | 147 | 2.69 |
| Total | 97 | 123 | 185 | 154 | 29 | 588 | 2.82 |
| Percentage | 16.50% | 20.92% | 31.46% | 26.19% | 4.93% | 100.00% | |

Table-6: Description of Questionnaire Results of Bank Location (X₆) Variable

Source: Analysis Result (2019)

The mean result of this statement is **2.82** which means that in the interpretation of interval falls into the “**Neutral/Doubtful**” category. Moreover, it can be seen that **X6.2** has the highest mean **2.91** with assessment point that

“Location of BRI Bank Warung Buncit Branch is right on the edge of the main road” has the most agree/good answers by respondents.

| Indicator | Respondent's Answer | | | | | Total | Mean |
|-------------------|---------------------|--------------|---------------|---------------|----------------|----------------|-------------|
| | Strongly Disagree | Disagree | Neutral | Agree | Strongly Agree | | |
| Y.1 | 1 | 16 | 61 | 62 | 7 | 147 | 3.39 |
| Y.2 | 1 | 17 | 56 | 68 | 5 | 147 | 3.40 |
| Y.3 | 1 | 8 | 58 | 77 | 3 | 147 | 3.50 |
| Y.4 | 0 | 7 | 68 | 70 | 2 | 147 | 3.46 |
| Y.5 | 0 | 14 | 57 | 66 | 10 | 147 | 3.49 |
| Total | 3 | 62 | 300 | 343 | 27 | 735 | 3.45 |
| Percentage | 0.41% | 8.44% | 40.82% | 46.67% | 3.67% | 100.00% | |

Table-7:- Description of Questionnaire Results of Credit Decision Making (Y) Variable

Source: Analysis Result (2019)

The mean result of this statement is **3.45** which means that in the interpretation of interval falls into the “**Agree**” category. Moreover, it can be seen that **Y.3** has the highest mean **3.50** with assessment point that “I decided to take credit in BRI Bank Warung Buncit Branch because of the good image in the community” has the most agree/good answers by respondents.

➤ Validity Test Results Analysis

Validity test is conducted by using Pearson Product Moment Correlation, if the r value $> r$ table then valid. If the r value $> r$ table with df $n-2$ (145), the value of 0.160 is obtained with $\alpha = 0,05$, therefore, the correlation coefficient is significant. The validity test results can be seen in Table-8.

| Indicator Code | r Value | Condition | Description |
|----------------|---------|-----------|-------------|
| X1.1 | .711** | > 0.16 | Valid |
| X1.2 | .768** | > 0.16 | Valid |
| X1.3 | .751** | > 0.16 | Valid |
| X1.4 | .755** | > 0.16 | Valid |
| X1.5 | .697** | > 0.16 | Valid |
| X2.1 | .554** | > 0.16 | Valid |
| X2.2 | .559** | > 0.16 | Valid |
| X2.3 | .584** | > 0.16 | Valid |
| X2.4 | .562** | > 0.16 | Valid |
| X2.5 | .633** | > 0.16 | Valid |
| X3.1 | .819** | > 0.16 | Valid |
| X3.2 | .879** | > 0.16 | Valid |
| X3.3 | .880** | > 0.16 | Valid |
| X3.4 | .817** | > 0.16 | Valid |
| X4.1 | .810** | > 0.16 | Valid |
| X4.2 | .840** | > 0.16 | Valid |
| X4.3 | .840** | > 0.16 | Valid |
| X4.4 | .777** | > 0.16 | Valid |
| X5.1 | .810** | > 0.16 | Valid |
| X5.2 | .836** | > 0.16 | Valid |
| X5.3 | .786** | > 0.16 | Valid |
| X5.4 | .803** | > 0.16 | Valid |
| X6.1 | .811** | > 0.16 | Valid |
| X6.2 | .831** | > 0.16 | Valid |
| X6.3 | .827** | > 0.16 | Valid |
| X6.4 | .797** | > 0.16 | Valid |
| Y.1 | .730** | > 0.16 | Valid |
| Y.2 | .776** | > 0.16 | Valid |
| Y.3 | .735** | > 0.16 | Valid |
| Y.4 | .849** | > 0.16 | Valid |
| Y.5 | .732** | > 0.16 | Valid |

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

Table-8: Validity Test Results

Source: Analysis Results using SPSS 25.0 (2019)

There are 5 indicators of credit interest rates variable (X1):

- X1.1 Low credit interest rates
 - X1.2 Determination of interest rates based on loan ceiling application
 - X1.3 Credit interest rates charging system
 - X1.4 Comparison of credit interest rates with another banks
 - X1.5 Discrimination in interest rates
- There are 5 indicators of service quality variable

- (X2):
 - X2.1 Direct service to customer
 - X2.2 Reliability/Ability to service
 - X2.3 Responsive service
 - X2.4 Guarantee of employee knowledge and behavior
 - X2.5 Empathy to customer
- There are 4 indicators of credit procedure variable

- (X3):
 - X3.1 Trust that credit application will be accepted
 - X3.2 Credit agreement
 - X3.3 Term and risk of not paying
 - X3.4 Cost, interest, and fee from bank
- There are 4 indicators of credit term variable (X4):
- X4.1 Comparison of the amount of loans with credit term
 - X4.2 Influence to the customer's interest to take credit
 - X4.3 Length of credit term that ease the customer
 - X4.4 Length of credit term that encourages customer to take credit in a big amount

There are 4 indicators of collateral variable (X5):

- X5.1 Complete the credit biodata form
- X5.2 Own credit collateral

X5.3 Credit can be disbursed after the collateral is assessed

X5.4 Collateral determined by bank

There are 4 indicators of bank location variable

(X6):

- X6.1 Easy access
- X6.2 Clear visibility on the roadside
- X6.3 Spacious parking area
- X6.4 Supportive environment area

There are 5 indicators of credit decision making variable (Y):

- Y.1 Needs introduction
- Y.2 Information search
- Y.3 Alternative assessment
- Y.4 Decision to take credit
- Y.5 Evaluation after taking credit

Based on the validity test results in Table-8, it is known that the r value of every variable is higher than the r table, therefore, every variable in this research considered **valid**.

➤ Reliability Test Results

Reliability is related to the consistency and predictability test of a measurement instrument. The test is conducted by comparing the value of Cronbach Alpha where the requirement of Cronbach Alpha value ≥ 0.6 . If the value obtained from calculation results with SPSS higher than 0.6, the questionnaire is reliable. The reliability test results can be seen in Table-9.

| Variable | Cronbach's Alpha Value | Condition | Description |
|------------------------|------------------------|-----------|-----------------|
| Credit Interest Rates | 0.789 | > 0.6 | Reliable |
| Service Quality | 0.721 | > 0.6 | Reliable |
| Credit Procedure | 0.829 | > 0.6 | Reliable |
| Credit Term | 0.820 | > 0.6 | Reliable |
| Collateral | 0.818 | > 0.6 | Reliable |
| Bank Location | 0.820 | > 0.6 | Reliable |
| Credit Decision Making | 0.796 | > 0.6 | Reliable |

Table-9: Reliability Test Results
Source: Analysis Results using SPSS 25.0 (2019)

Based on the reliability test results in Table-9, the Cronbach's Alpha value of every variable is higher than 0.6, therefore all variables are considered **reliable**.

➤ Normality Test Results

The normality assumption test is conducted to test the independent variable (X) and dependent variable (Y) in the obtained regression equation, whether the data distribution is normal or not normal. A good regression model has a normal data distribution. It can be said that if the data points spread around the diagonal line and follow the direction of the diagonal line, the data distribution is normal [8].

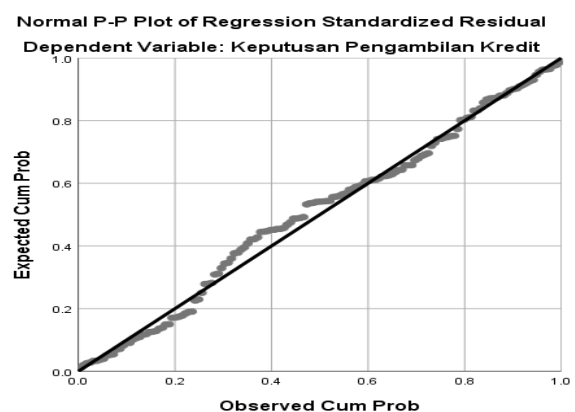


Fig-3: Data Normality Test Results
Source: Analysis Results using SPSS 25.0 (2019)

| One-Sample Kolmogorov-Smirnov Test | | |
|--|----------------|-------------------------|
| | | Unstandardized Residual |
| N | | 147 |
| Normal Parameters ^{a,b} | Mean | 0.0000000 |
| | Std. Deviation | 0.15855592 |
| Most Extreme Differences | Absolute | 0.069 |
| | Positive | 0.053 |
| | Negative | -0.069 |
| Test Statistic | | 0.069 |
| Asymp. Sig. (2-tailed) | | .080^c |
| a. Test distribution is Normal. | | |
| b. Calculated from data. | | |
| c. Lilliefors Significance Correction. | | |

Table-10: Data Normality Test Results

Source: Analysis Results using SPSS 25.0 (2019)

Normality assumption in Fig-3 is that the data in the histogram chart followed the normal line, and the data distribution on P-Plot normal chart is around the diagonal line. Whereas based on the Kolmogorov-Smirnov normality test result in Table-10, the Sig. value results obtained from the regression result is above 0,080 which is higher than $\alpha = 0.05$, and KS value < KS table ($1.35 / \sqrt{147} = 1.11$). Therefore, the Kolmogorov Smirnov test result from the regression result above has met the normality requirement

with Sig. value > $\alpha = 0.05$. It can be concluded that **the data distribution is normal**.

➤ Linearity Test Results

The linearity test aims to know whether two variables have a linear relationship significantly. Based on the ANOVA table, if the Sig value is higher than 0.05, the regression line is linear.

| Variable | Sig. Value | Condition | Description |
|-----------------------|------------|-----------|---------------------|
| Credit Interest Rates | 0.063 | > 0.05 | Linear Relationship |
| Service Quality | 0.711 | > 0.05 | Linear Relationship |
| Credit Procedure | 0.387 | > 0.05 | Linear Relationship |
| Credit Term | 0.115 | > 0.05 | Linear Relationship |
| Collateral | 0.078 | > 0.05 | Linear Relationship |
| Bank Location | 0.132 | > 0.05 | Linear Relationship |

Table-11: Data Linearity Test Results

Source: Analysis Result (2019)

Based on the linearity test results in Table-11, the sig. value of every independent variable is higher than 0.05. Therefore, it can be concluded that each independent variable (credit interest rates, service quality, credit procedure, credit term, collateral and bank location) has a **linear relationship** with the dependent variable (credit decision making).

➤ Multicollinearity Test Results

The multicollinearity assumption test used to measure the association level, closeness of relationship or linear relationship among independent variables. One of the generally used multicollinearity tests is Variance Inflation Factor (VIF) test, if the VIF value of X variable < 10, there is no multicollinearity.

| Coefficients ^a | | |
|---------------------------|-------------------------|-------|
| Model | Collinearity Statistics | |
| | Tolerance | VIF |
| (Constant) | | |
| Credit Interest Rates | 0.278 | 3.601 |
| Service Quality | 0.399 | 2.504 |
| Credit Procedure | 0.391 | 2.557 |
| Credit Term | 0.448 | 2.232 |
| Collateral | 0.413 | 2.422 |
| Bank Location | 0.367 | 2.726 |

a. Dependent Variable: Credit Decision Making

Table-12: Data Multicollinearity Test Results

Source: Analysis Results using SPSS 25.0 (2019)

Based on the multicollinearity test results on Table-12, the VIF value of each independent variable is less than 10. Therefore, it can be concluded that the **there is no multicollinearity** in the tested data.

➤ Heteroscedasticity Test Results

Multiple regression equation needed to be tested to know whether the variant of one observation residual is the

same with other observations. If the residual has the same variant, it is called homoscedasticity, whereas if the variant is different, it is called heteroscedasticity. A good regression equation is if there is no heteroscedasticity. By using Glejser test, it will be called there is no heteroscedasticity if the Sig value is higher than 0,05. Heteroscedasticity test results can be seen in Table-13.

| Coefficients ^a | | | |
|---------------------------|-----------------------|--------|--------------|
| Model | | t | Sig. |
| 1 | (Constant) | 3.516 | 0.001 |
| | Credit Interest Rates | 0.097 | 0.922 |
| | Service Quality | 1.669 | 0.097 |
| | Credit Procedure | -0.832 | 0.407 |
| | Credit Term | -1.465 | 0.145 |
| | Collateral | -0.078 | 0.938 |
| | Bank Location | -0.479 | 0.633 |

a. Dependent Variable: Credit Decision Making

Table-13: Heteroscedasticity Test Results

Source: Analysis Results using SPSS 25.0 (2019)

Based on the heteroscedasticity test results on Table-13, the significance value obtained from each independent variable (credit interest rates, service quality, credit procedure, credit term, collateral and bank location) is higher than $\alpha = 0.05$. Therefore, it can be concluded that **there is no heteroscedasticity** in the tested data.

➤ Autocorrelation Test Results

A good and feasible regression equation is if there is no autocorrelation problem. The measurement to determine the autocorrelation problem can use a Durbin-Watson (DW) test. By using SPSS, there is no autocorrelation if the DU (Durbin Upper) value < DW (Durbin Watson Value < (4-DU).

| Model Summary ^b | | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
| 1 | .957 ^a | 0.915 | 0.912 | 0.162 | 1.887 |

a. Predictors: (Constant), Bank Location, Credit Term, Credit Procedure, Service Quality, Collateral, Credit Interest Rates

b. Dependent Variable: Credit Decision Making

Table-14: Autocorrelation Test Results

Source: Analysis Results using SPSS 25.0 (2019)

Based on the autocorrelation test results on Table-14, the Durbin Watson value is **1.887**. Whereas the Durbin Watson table value (k, n) the dU value = 1.8012, and dL value = 1.6608. Therefore, **there is no multicollinearity** since the value $1.8012 < 1.887 < 2.1988$.

➤ R-Square Value Results

The coefficient of determination (R^2) essentially measures how far the model's ability to explain the variation

of dependent variable. The value of the coefficient of determination range between 0 and 1. A small value of R^2 means that the ability of independent variables in explaining the dependent variable variation is very limited. A closer value to 1 means that independent variables give almost every information needed to predict the dependent variable variation. R-Square value results can be seen in Table-15.

| Model Summary ^b | | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
| 1 | .957 ^a | 0.915 | 0.912 | 0.162 | 1.887 |

a. Predictors: (Constant), Bank Location, Credit Term, Credit Procedure, Service Quality, Collateral, Credit Interest Rates

b. Dependent Variable: Credit Decision Making

Table-15: R-Square Value Results

Source: Analysis Results using SPSS 25.0 (2019)

Based on the R-Square value results in Table-15, it is known that the R-Square value is 0.915. This means that 91.5% of the Credit Decision Making (Y) is influenced by the Credit Interest Rates (X_1), Service Quality (X_2), Credit Procedure (X_3), Credit Term (X_4), Collateral (X_5) and Bank Location (X_6) whereas the rest (100% - 91.5%) which is 8.5% of the Credit Decision Making (Y) is influenced by other factors outside this research.

➤ F Test Results (Simultaneous Test Results)

F test used to know whether independent variables significantly influence the dependent variable simultaneously [8]. The test used a significance level of 0.05. The simultaneous regression test (F test) can be formulated as follows:

1. If Sig. < 0,05 therefore H_0 is rejected, and H_a is accepted (significant)
2. If Sig. > 0,05 therefore H_0 is accepted, and H_a is rejected (not significant)

| ANOVA ^a | | | | | | |
|--------------------|------------|----------------|-----|-------------|---------|-------------------|
| | Model | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | 39.636 | 6 | 6.606 | 251.971 | .000 ^b |
| | Residual | 3.670 | 140 | 0.026 | | |
| | Total | 43.307 | 146 | | | |

a. Dependent Variable: Credit Decision Making

b. Predictors: (Constant), Bank Location, Credit Term, Credit Procedure, Service Quality, Collateral, Credit Interest Rates

Source: Analysis Results using SPSS 25.0 (2019)

Table-16: F Test Results

Based on the F test results in Table-16, it is known that the F value = 251.971, and the Sig. value = 0.000, whereas the F table value with df (6,140) = 2.16. Therefore, it can be concluded that **H_0 is rejected**, Credit Interest Rates (X_1), Service Quality (X_2), Credit Procedure (X_3), Credit Term (X_4), Collateral (X_5) and Bank Location (X_6) have a significant influence the Credit Decision Making (Y) simultaneously.

➤ t Test Results (Partial Test Results)

t test is conducted as a hypothesis test to know the influence of each independent variable partially to the

dependent variable. The provision $df = n - k = 147 - 7 = 140$ is used to count the t-table = 1,977 in the level of significant (α) 5% (error rate 5% or 0.05) or level of confidence 95% or 0.95, therefore, if the error rate of a variable is higher than 5% it means that the variable is not significant [8]. The method of decision making as follows:

1. If the probability/significant > 0.05 or t value < t table, H_0 is accepted.
2. If the probability/significant < 0.05 or t value > t table, H_0 is rejected.

| Coefficients ^a | | | | | | |
|---------------------------|-----------------------|-----------------------------|------------|--------|-------|----------------------------------|
| Model | | Unstandardized Coefficients | | t | Sig. | Description |
| | | B | Std. Error | | | |
| 1 | (Constant) | 1.014 | 0.074 | 13.795 | 0.000 | |
| | Credit Interest Rates | 0.205 | 0.040 | 5.079 | 0.000 | Significantly Positive Influence |
| | Service Quality | 0.174 | 0.030 | 5.760 | 0.000 | Significantly Positive Influence |
| | Credit Procedure | 0.072 | 0.027 | 2.631 | 0.009 | Significantly Positive Influence |
| | Credit Term | 0.144 | 0.024 | 5.924 | 0.000 | Significantly Positive Influence |
| | Collateral | 0.084 | 0.025 | 3.365 | 0.001 | Significantly Positive Influence |
| | Bank Location | 0.123 | 0.024 | 5.188 | 0.000 | Significantly Positive Influence |

a. Dependent Variable: Credit Decision Making

Table-17: Results of Multiple Linear Regression of Credit Decision Making (Y)

Source: Analysis Results using SPSS 25.0 (2019)

The interpretation and hypothesis test (H) in Table-17 as follows:

$$Y = 1,014 + 0,205 X_1 + 0,174 X_2 + 0,072 X_3 + 0,144 X_4 + 0,084 X_5 + 0,123 X_6 + e$$

1. There is a partial influence from Credit Interest Rates (X_1) to Credit Decision Making (Y).

The relationship between Credit Interest Rates (X_1) and Credit Decision Making (Y) is **significant** with t-value of 5.079 (t-value > t table (df=140) = 1,977) and Sig. value = 0.000. The coefficient value is **positive** as many as 0.205, showed that the direction of **relationship between Credit Interest Rates (X_1) and Credit Decision Making (Y) is positive as many as 20.5%**. Therefore, the H_1 hypothesis in this research that said "There is a positive and significant

influence of credit interest rates to credit decision making” is **accepted**.

2. There is a partial influence from Service Quality (X_2) to Credit Decision Making (Y).

The relationship between Service Quality (X_2) and Credit Decision Making (Y) is **significant** with t-value of 5.760 (t-value > t table (df=140) = 1,977) and Sig. value = 0.000. The coefficient value is **positive** as many as 0.174, showed that the direction of **relationship between Service Quality (X_2) and Credit Decision Making (Y) is positive as many as 17.4%**. Therefore, the H_2 hypothesis in this research that said “There is a positive and significant influence of service quality to credit decision making” is **accepted**.

3. There is a partial influence from Credit Procedure (X_3) to Credit Decision Making (Y).

The relationship between Credit Procedure (X_3) and Credit Decision Making (Y) is **significant** with t-value of 2.631 (t-value > t table (df=140) = 1,977) and Sig. value = 0.000. The coefficient value is **positive** as many as 0.072, showed that the direction of **relationship between Credit Procedure (X_3) and Credit Decision Making (Y) is positive as many as 7.2%**. Therefore, the H_3 hypothesis in this research that said “There is a positive and significant influence of credit procedure to credit decision making” is **accepted**.

4. There is a partial influence from Credit Term (X_4) to Credit Decision Making (Y).

The relationship between Credit Term (X_4) and Credit Decision Making (Y) is **significant** with t-value of 5.924 (t-value > t table (df=140) = 1,977) and Sig. value = 0.000. The coefficient value is **positive** as many as 0.144, showed that the direction of **relationship between Credit Term (X_4) and Credit Decision Making (Y) is positive as many as 14.4%**. Therefore, the H_4 hypothesis in this research that said “There is a positive and significant influence of credit term to credit decision making” is **accepted**.

5. There is a partial influence from Collateral (X_5) to Credit Decision Making (Y).

The relationship between Collateral (X_5) and Credit Decision Making (Y) is **significant** with t-value of 3.365 (t-value > t table (df=140) = 1,977) and Sig. value = 0.000. The coefficient value is **positive** as many as 0.084, showed that the direction of **relationship between Collateral (X_5) and Credit Decision Making (Y) is positive as many as 8.4%**. Therefore, the H_5 hypothesis in this research that said “There is a positive and significant influence of collateral to credit decision making” is **accepted**.

6. There is a partial influence from Bank Location (X_6) to Credit Decision Making (Y).

The relationship between Bank Location (X_6) and Credit Decision Making (Y) is **significant** with t-value of 5.188 (t-value > t table (df=140) = 1,977) and Sig. value = 0.000. The coefficient value is **positive** as many as 0.123, showed that the direction of **relationship between Bank Location (X_6) and Credit Decision Making (Y) is positive as many as 12.3%**. Therefore, the H_6 hypothesis in this research that said “There is a positive and significant influence of bank location to credit decision making” is **accepted**.

➤ Correlation between Each Indicator Results

The correlation of each indicator used to know and analyze the indicator in order to know which indicator that has a strong influence between independent variable and dependent variable. Two variables considered correlated if the change of one of the variables followed by the other variable, either in the same direction or opposite direction. Indicator correlation matrix design among variables that will be used to measure the level of relationship among indicators from independent variable (X) that consists of Credit Interest Rates (X_1), Service Quality (X_2), Credit Procedure (X_3), Credit Term (X_4), Collateral (X_5) and Bank Location (X_6) with the dimension owned by the dependent variable which is Credit Decision Making (Y). Therefore, a matrix that connected each indicator among independent variables and dependent variable is made to know which indicator has a strong influence and to explain that each variable has a correlation value to another variables.

| No | Variable | Indicator | | Y.1 | Y.2 | Y.3 | Y.4 | Y.5 |
|----|----------------------------|---|------|--------------------|--------------------|------------------------|-------------------------|--------------------------------|
| | | | | Needs Introduction | Information Search | Alternative Assessment | Decision to Take Credit | Evaluation after Taking Credit |
| 1 | Credit Interest Rates (X1) | Low credit interest rates | X1.1 | 0,451 | 0,519 | 0,456 | 0,564 | 0,509 |
| | | Determination of interest rates based on loan ceiling application | X1.2 | 0,408 | 0,493 | 0,524 | 0,559 | 0,490 |
| | | Credit interest rates charging system | X1.3 | 0,519 | 0,555 | 0,430 | 0,572 | 0,566 |
| | | Comparison of credit interest rates with another banks | X1.4 | 0,433 | 0,537 | 0,339 | 0,512 | 0,451 |
| | | Discrimination in interest rates | X1.5 | 0,458 | 0,390 | 0,507 | 0,551 | 0,455 |
| 2 | Service Quality (X2) | Direct service to customer | X2.1 | 0,288 | 0,363 | 0,410 | 0,344 | 0,286 |
| | | Reliability/Ability to serve | X2.2 | 0,322 | 0,423 | 0,402 | 0,407 | 0,299 |
| | | Responsive service | X2.3 | 0,318 | 0,342 | 0,358 | 0,350 | 0,401 |
| | | Guarantee of employee knowledge and behavior | X2.4 | 0,317 | 0,412 | 0,400 | 0,486 | 0,388 |
| | | Empathy to customer | X2.5 | 0,346 | 0,270 | 0,311 | 0,361 | 0,432 |
| 3 | Credit Procedure (X3) | Trust that credit application will be accepted | X3.1 | 0,377 | 0,471 | 0,446 | 0,440 | 0,556 |
| | | Credit agreement | X3.2 | 0,488 | 0,502 | 0,483 | 0,520 | 0,596 |
| | | Term and risk of not paying | X3.3 | 0,474 | 0,488 | 0,434 | 0,554 | 0,546 |
| | | Cost, interest, and fee from bank | X3.4 | 0,445 | 0,555 | 0,480 | 0,609 | 0,555 |
| 4 | Credit Term (X4) | Comparison of the amount of loans with credit term | X4.1 | 0,465 | 0,434 | 0,494 | 0,451 | 0,423 |
| | | Influence to the customer's interest to take credit | X4.2 | 0,597 | 0,533 | 0,461 | 0,553 | 0,508 |
| | | Length of credit term that ease the customer | X4.3 | 0,498 | 0,504 | 0,456 | 0,497 | 0,390 |
| | | Length of credit term that encourages customer to take credit in a big amount | X4.4 | 0,502 | 0,543 | 0,487 | 0,566 | 0,471 |
| 5 | Collateral (X5) | Complete the credit biodata form | X5.1 | 0,447 | 0,572 | 0,425 | 0,509 | 0,467 |
| | | Own credit collateral | X5.2 | 0,480 | 0,452 | 0,464 | 0,585 | 0,473 |
| | | Credit can be disbursed after the collateral is assessed | X5.3 | 0,495 | 0,454 | 0,487 | 0,562 | 0,435 |
| | | Collateral determined by bank | X5.4 | 0,492 | 0,456 | 0,371 | 0,483 | 0,366 |
| 6 | Bank Location (X6) | Easy access | X5.1 | 0,439 | 0,632 | 0,568 | 0,541 | 0,542 |
| | | Clear visibility on the roadside | X5.2 | 0,452 | 0,544 | 0,527 | 0,560 | 0,500 |
| | | Spacious parking area | X5.3 | 0,423 | 0,437 | 0,437 | 0,530 | 0,534 |
| | | Supportive environment area | X5.4 | 0,525 | 0,556 | 0,560 | 0,524 | 0,425 |

Table-18: Correlation between Each Indicator Results

Source: Research Data Processed (2019)

Based on the correlation between each indicator results in Table-18, the highest correlation (the strongest relationship) between X1 variable and Y variable is the credit interest rates charging system indicator which is 0.572. It means that this indicator has the strongest relationship to the credit decision making. Indicator from the X2 variable that has the strongest relationship with Y variable is the guarantee of employee knowledge and behavior indicator which is 0.486. It means that this indicator has the strongest relationship to the credit decision making. Indicator from the X3 variable that has the strongest relationship with Y variable is the cost, interest, and fee from bank indicator which is 0.609. It means that

this indicator has the strongest relationship to the credit decision making. Indicator from the X4 variable that has the strongest relationship with Y variable is the length of credit term that encourages customer to take credit in a big amount indicator which is 0.566. It means that this indicator has the strongest relationship to the credit decision making. Indicator from the X5 variable that has the strongest relationship with Y variable is the own credit collateral indicator which is 0.585. It means that this indicator has the strongest relationship to the credit decision making. Indicator from the X6 variable that has the strongest relationship with Y variable is the easy access indicator

which is 0.632. It means that this indicator has the strongest relationship to the credit decision making.

V. DISCUSSION

➤ *The Significant Influence of Credit Interest Rates to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_1 is accepted and it can be concluded that there is a positive and significant influence of Credit Interest Rates to Credit Decision Making, which means that the better the credit interest rates, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta. Credit interest rates is very important for customer to consider specifically, since the interest rates implemented by the financial service institution will directly affect the number of debts that needed to be paid by the customer. It can be said if this is the one that must be the main consideration when applying for credit to the financial service institution.

Credit interest rates is a factor that significantly influenced the credit decision making [9]. Credit interest rates has a positive and significant influence to the credit decision making in bank [10]. There is no negative significant influence from the interest rates variable to the credit decision making in banks [11]. The credit interest rates has a negative and significant influence to the credit decision making [12]. The credit interest rates does not influence the credit decision making [13].

➤ *The Significant Influence of Service Quality to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_2 is accepted and it can be concluded that there is a positive and significant influence of Service Quality to Credit Decision Making, which means that the better the service quality, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta. Service can be defined as an act of a person to others through the credit presentation according to the needs and wants of customer. If bank able to give a service that met the expectation of customer, the bank service can be called good. This thing will create a happy feeling in the customer and will encourage customer to take another credit. On the contrary, if bank is not able to give a service that met the expectation of customer, it means that the bank service is bad and customer will no longer interested in retaking another credit. Service is hope for bank to gain customers or customer's expectations. The expectation of service gives a reference framework to the assessment given by the bank. The assessment is measured by desired service (what customer wants that the service must exist) and adequate service (minimum level of service that must be received by the customer) [14].

Service quality has a positive and significant influence on the credit decision making in bank [15]. Service quality is one of the factors that has a positive and significant influence on the customer's satisfaction [16]. Service quality is a variable that has a significant influence on the

customer's satisfaction and loyalty [17]. Service quality is one of the factors that has no significant influenced on the customer decision in taking credit [9]. Quality service does not influence the credit decision making [13].

➤ *The Significant Influence of Credit Procedure to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_3 is accepted and it can be concluded that there is a positive and significant influence of Credit Procedure to Credit Decision Making, which means that the better the credit procedure, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta. Basically, in taking credit, agreements are needed between the bank and the customer when taking credit, in addition, it needs to be done by the bank in making it easier to take credit, the quick implementation when providing credit services and the need for easy requirements when customers take credit.

Credit procedure has a significant and positive influence on the customer's decision to take multifunction credit [18]. Credit procedure is one of the factors that has a positive and significant influence on the customer's decision to take credit [13]. Credit procedure is a factor that has a significant influence on the customer's decision to use credit service [9]. Credit procedure has a positive and significant influence on the MSME customer's decision to take credit in banks [15].

➤ *The Significant Influence of Credit Term to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_4 is accepted and it can be concluded that there is a positive and significant influence of Credit Term to Credit Decision Making, which means that the better the credit term, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta.

Credit term is one of the factors that has a positive and significant influence on the decision to use credit [11]. Credit term has a positive influence on the decision to take credit in banks [10].

➤ *The Significant Influence of Collateral to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_5 is accepted and it can be concluded that there is a positive and significant influence of Collateral to Credit Decision Making, which means that the better the collateral, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta. This credit collateral is needed so that the return of the credit given by the bank will be guaranteed either from the enterprises or the collateral that will be disbursed if the credit applicant is unable to return the credit. As for the requirements for collateral are has a market price, not in dispute, not in a guaranteed condition, has a legitimate proves of belonging and has enough value to guarantee the credit.

Collateral has a positive influence on the decision to take credit in banks [10]. Collateral has a positive and significant influence on the decision to take credit in banks [19]. Collateral variable has a positive and significant influence on the decision to take MSME credit [20]. Collateral variable is in the effective category in the credit given [21].

➤ *The Significant Influence of Bank Location to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_6 is accepted and it can be concluded that there is a positive and significant influence of Bank Location to Credit Decision Making, which means that the better the bank location, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta. Location is very important in business world, since location determines the place where the bank performs bank duties. A strategic or good location gives chance to the customer to spend low cost. Whereas an inadequate location will force the customer to spend higher cost. Bank needs to determine the location where the bank will be established.

Location variable has a significant influence on the decision to buy product [22]. Location variable has a positive and significant influence on the decision to take credit [13]. Location variable simultaneously influences the decision to buy product [18]. Bank location is a factor that has no significant influence on the customer's decision to use credit service [9].

➤ *The Significant Influence of Credit Interest Rates, Service Quality, Credit Procedure, Credit Term, Collateral and Bank Location Simultaneously to the Credit Decision Making of Debtors in BRI Bank Warung Buncit Branch South Jakarta*

The hypothesis results showed that H_7 is accepted and it can be concluded that there is a positive and significant influence of Credit Interest Rates, Service Quality, Credit Procedure, Credit Term, Collateral and Bank Location to Credit Decision Making, which means that the better the Credit Interest Rates, Service Quality, Credit Procedure, Credit Term, Collateral and Bank Location, the better the debtor's decision to take credit in BRI Bank Warung Buncit Branch South Jakarta.

VI. CONCLUSION AND SUGGESTION

➤ *Conclusion*

Based on the research's results, it can be concluded as follows:

1. The perception of MSME credit interest rates has a significant and positive influence on the credit decision making in BRI Bank Warung Buncit Branch South Jakarta. The amount of influence is 0.205 (20.5%). This means that if the credit interest rates is perceived well by the prospective debtor, it will impact the behavior of the credit decision making.
2. The perception of service quality has a significant and positive influence on the credit decision making in BRI

Bank Warung Buncit Branch South Jakarta. The amount of influence is 0.174 (17.4%). This means that if the service quality is very good, it will affect the credit decision making of the prospective debtor.

3. The perception of credit procedure has a significant and positive influence on the credit decision making in BRI Bank Warung Buncit Branch South Jakarta. The amount of influence is 0.072 (7.2%). This means that if the credit procedure is easy for the prospective debtor, it will affect the credit decision making.
4. The perception of credit term has a significant and positive influence on the credit decision making in BRI Bank Warung Buncit Branch South Jakarta. The amount of influence is 0.144 (14.4%). This means that the longer credit term, the better it impacts the credit decision making.
5. The perception of collateral has a significant and positive influence on the credit decision making in BRI Bank Warung Buncit Branch South Jakarta. The amount of influence is 0.084 (8.4%). This means that the number of collateral of immovable assets (property) will impact the credit decision making.
6. The perception of bank location has a significant and positive influence on the credit decision making in BRI Bank Warung Buncit Branch South Jakarta. The amount of influence is 0.123 (12.3%). This means that if the bank location is near the business activities it will impact the credit decision making.
7. The perception of credit interest rates, service quality, credit procedure, credit term, collateral and bank location simultaneously have a significant and positive influence on the credit decision making.

➤ *Suggestion*

1. *Academic Suggestion*

Based on the conclusion above where the R Square value is 0.915 (91.5%), it means that this research model is already perfect. Therefore, for the next researcher that related with the MSME credit decision making, should be tested again in different type of bank or to the bigger number of populations in order for this research to become the development of MSME credit taking behavior theory.

2. *Managerial Suggestion*

- a. Management should give an interest rate that suitable to the prospective debtor's ability to pay (MSME) since the interest rate has the biggest influence on the credit decision making as many as 20.5%, and considering the credit interest rate of BRI which is imposed at this time is very high compared to competitors. As for the ways to maintain the interest rate that perceived very well for the prospective debtors are by maintaining the credit interest rate charging system, and to improve the comparison of credit interest rate with other banks.
- b. Management of BRI Bank Warung Buncit Branch should pay attention and improve the service quality to the prospective MSME debtors considering the service quality has the second biggest influence as many as 17.4%. As for the ways to improve the service to be perceived well by the prospective debtors are by

maintaining the guarantee of employee's knowledge and behavior, and to improve the direct service to the prospective debtors.

- c. Management of BRI Bank should maintain the branch office location that is nearer to the business activity, since location has the third biggest influence as many as 12.3%. Considering the close location (distance between branch office and MSME business activities) will impact to the effectivity and efficiency of the payment's time of credit installments by prospective debtors. As for the way to maintain bank location closer to the prospective debtors is by easy access.
- d. The credit procedure, credit term, and collateral can be maintained according to the internal regulations of BRI. This is based on these three factors that have the smallest influence to the credit decision making.

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