

## CHAPTER V

### CONCLUSION

#### 5.1 Research Conclusion

This study aims to examine how the availability of financial resources in SMEs is influenced by five main factors, namely: retained profits, personal savings, family and friend support, credit from suppliers, and bank loans. In addition, this study also examines the role and statistical significance of each source of financing on business actors' perceptions of their financial stability. The number of respondents who met the criteria was 166 people. The data obtained were processed and analyzed using Microsoft Excel and SmartPLS. Based on the discussion and analysis outlined in the previous chapter, it can be concluded that:

1. Retained profit have a significant impact on the perceptions of financial resource availability for F&B SMEs in Padang City. This shows that the greater the retained profit allocated by SMEs for business development, the higher the perception of the availability of financial resources they have. Retained profit provide a positive contribution because they can be used as internal capital for production, business expansion and the formation of reserve funds. In addition, the use of retained profit reduces dependence on external financing and strengthens the financial resilience of SMEs against economic pressures.
2. Personal saving have a significant impact on the perceptions of financial resource availability for F&B SMEs in Padang City. This means that business owners who have and use personal savings as a source of financing

tend to have a more positive perception of the availability of funds. Personal savings are often used as the main solution in emergency situations or when access to external financing is limited. This shows that personal savings play an important role as a liquidity reserve that strengthens the financial flexibility of SMEs.

3. Support from family and friends does not have a significant impact on the perceptions of financial resource availability for F&B SMEs in Padang City. This shows that although support from family and friends can be an alternative source of financing, its contribution to the perception of the availability of SME funds is not too large. This support tends to be temporary if it is used as the main strategy in long-term financial planning by SMEs.
4. Credit from suppliers does not have a significant impact on the perceptions of financial resource for F&B MSMEs in Padang City. This indicates that although MSMEs understand the importance of maintaining good relationships with suppliers and the benefits of deferred payment facilities, they have not actively utilized supplier credit as a source of financing. Many business actors focus more on awareness of payment terms than on the actual use of credit offered by suppliers.
5. Bank loans do not have a significant impact on the availability of financial resources for F&B MSMEs in Padang City. These results indicate that although MSMEs have a positive view of the benefits of bank loans for business growth, the reality is that access to these loans is still low. This can be caused by complex administrative processes, complicated requirements

or limited financial literacy. Therefore, although considered potential, bank loans have not become the dominant source of financing for F&B SMEs in Padang City.

## **5.2 Research Implication**

The result of this research is expected to be useful and can be implicated by interested parties. The following is the implication of the research:

### **1. Implication for Business Owners**

This study offers valuable insights for SME owners regarding the most effective sources of financing to support business operations and growth. The significant impact of retained profit and personal savings highlights the importance of strengthening internal financial management. Business owners are encouraged to reinvest profits strategically and maintain personal savings as a buffer to enhance financial flexibility. Meanwhile, the limited impact of external financing such as bank loans and supplier credit suggests the need for a more cautious and informed approach when seeking external funding. Understanding the strengths and limitations of each financing source can help entrepreneurs make smarter, more sustainable financial decisions.

### **2. Implication for Academics**

For the academic community, this research contributes to the body of knowledge on SME financing behavior by examining multiple types of financing internal, informal, and formal in a developing country context. It

provides a basis for further empirical studies to explore the dynamics of financial decision-making in SMEs, particularly in relation to perceived financial resource availability. Future research can build on these findings by incorporating additional variables, expanding the sectoral scope, or exploring behavioral factors influencing financing preferences.

### 3. Implication for Financial Institutions

The findings indicate that formal financing options such as bank loans are not perceived as significantly contributing to financial availability, possibly due to complex procedures, strict requirements, or low financial literacy among SME owners. This highlights the need for financial institutions to simplify access, improve communication, and offer tailored financial products that align with SME capabilities and needs. Institutions might also consider expanding advisory and educational services to help SMEs become more confident and competent in managing formal credit.

### 4. Implication for Local Government

Local governments have an important role in helping SMEs get better access to funding. Many SME owners in Padang still depend heavily on their own money because it is hard to get outside funding. This shows that real and focused support is urgently needed. The Padang City Government should take action by providing financial education programs, working closely with banks and financial institutions, and creating easy, fast, and practical financing options for small businesses. Now is the right time for local governments to go beyond just making rules they need to become real

supporters and drivers of SME growth and financial strength.

### 5.3 Research Limitation

1. This research only focuses on SMEs in the F&B sector located in Padang City, so the results cannot be generalized to other types of SMEs or to SMEs in different regions with different business environments and financing access.
2. This research only examines the perception of SME owners regarding five financing sources retained profit, personal savings, family and friend support, supplier credit, and bank loans without including other important financial instruments such as government credit programs (e.g., KUR), fintech, or angel investors.
3. This research only analyzes the influence of financing sources on the perception of financial resource availability, while other factors such as financial literacy, business experience, or digital financial tools may also have significant influence but were not included.
4. This research uses a quantitative method with data collected through structured questionnaires. This approach may limit the depth of understanding related to the motivations or contextual factors behind the respondents' financial decisions.
5. Data collection in this study was conducted within a limited time frame, which means the findings reflect perceptions at a specific point in time and may not capture changes in financial behavior or access in the long term.

#### 5.4 Research Suggestion

1. This Future research can compare SMEs across different sectors, not only limited to the F&B industry, but also including creative industries, retail, agriculture, and services. This comparison can provide broader insight into financing patterns and needs across various types of businesses.
2. Future research can expand the scope of respondents by including SMEs from different cities or provinces, which may have different access to financial resources, government programs, or banking infrastructure. This will help produce more generalizable findings.
3. Future research can consider additional variables, such as financial literacy, digital financial tools (e.g., fintech platforms), government support programs (like KUR), or business experience. These factors may also significantly influence SME owners' perceptions of financial resource availability.
4. Future research can use qualitative methods, such as in-depth interviews or focus group discussions with SME owners. This approach will allow a deeper exploration of the motivations, challenges, and decision-making processes behind their financing preferences.
5. Future research may consider focusing specifically on female entrepreneurs. This focus could provide deeper insights into gender-specific financing behaviour, challenges, and decision-making processes that influence the perception of financial resource availability.