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THE EFFECT OF SELF-EFFICACY FINANCIAL MEDIATION ON FACTORS AFFECTING FINANCIAL INCLUSION IN SMALL BUSINESSES IN WEST JAKARTA

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Abstract

This study aims to examine and analyze the effect of financial self-efficacy mediation on the factors that influence financial inclusion in small businesses in West Jakarta. The dependent variables used in this study are commercial attitude and financial literacy, financial inclusion as an independent variable, and financial self-efficacy as a mediating variable. The sample of this study used 176 respondents who used a purposive sampling method. The data analysis model used is structural equation modeling (SEM). The results of this study indicate that financial attitude has a positive influence on financial inclusion. Financial literacy does not have a positive impact on financial inclusion. Financial position has a positive effect on financial inclusion that is mediated by financial self-efficacy. Financial self-efficacy does not mediate the impact of financial literacy on financial inclusion. This means that attitudes and self-confidence of commercial consumers increase access to formal financial services. This research implies that financial managers and the government need to create a sense of security and comfort for small business activists who want to use formal financial institutions, and the government also needs to make regulations and policies that support increased productivity in the use of financial services legal.

Keywords: financial self-efficacy, financial inclusion, financial knowledge, financial attitudes

Abstrak

Penelitian ini bertujuan untuk menguji dan menganalisis pengaruh mediasi self-efficacy keuangan pada faktor-faktor yang mempengaruhi inklusi keuangan dalam usaha kecil di Jakarta Barat. Variabel dependen yang digunakan dalam penelitian ini adalah sikap komersial dan literasi keuangan, inklusi keuangan sebagai variabel independen, dan self-efficacy keuangan sebagai variabel mediasi. Sampel penelitian ini menggunakan 176 responden yang menggunakan metode purposive sampling. Model analisis data yang digunakan adalah pemodelan persamaan struktural (SEM). Hasil penelitian ini menunjukkan bahwa sikap keuangan memiliki pengaruh positif terhadap inklusi keuangan. Literasi keuangan tidak memiliki dampak positif pada inklusi keuangan. Posisi keuangan memiliki efek positif pada inklusi keuangan yang dimediasi oleh self-efficacy keuangan. Kemandirian finansial tidak memediasi dampak literasi keuangan pada inklusi keuangan. Ini berarti bahwa sikap dan kepercayaan diri konsumen komersial meningkatkan akses ke layanan keuangan formal. Penelitian ini menyiratkan bahwa manajer keuangan dan pemerintah perlu menciptakan rasa aman dan nyaman bagi para aktivis bisnis kecil yang ingin menggunakan lembaga keuangan formal, dan pemerintah juga perlu membuat peraturan dan kebijakan yang mendukung peningkatan produktivitas dalam penggunaan jasa keuangan. hukum.

Kata kunci: self-efficacy keuangan, inklusi keuangan, pengetahuan keuangan, sikap keuangan

Introduction

According to the Law of the Republic of Indonesia No 20 of 2008 concerning Micro, Small, and Medium Enterprises, article 1 reads that small business are small-scale economic activities of the people with business sectors which are predominantly small business activities and need to be protected to prevent from the unfair business competition. According to Law no. 9 of 1995 the criteria for small businesses are: Having a net worth of at most Rp200,000,000,- (Two Hundred Million Rupiah) excluding land and buildings where the company is located, having annual sales results

of at most Rp1,000,000,000,- (One Billion Rupiah), owned by Indonesian citizens, self-reliant which is not a subsidiary or branch company that is not owned, controlled, or affiliated directly or indirectly with medium or large businesses, in the form of individual companies, business entities that is not a legal entity or a business entity that is a legal entity, including cooperatives.

Indonesia is included in a country with a high level of financial exclusion, as seen from the results of several surveys conducted by several national and international institutions. Bank Indonesia (2011), through the Household Balance Sheet Survey, shows that the percentage of families that have savings in formal and informal financial institutions is 48% so that people who have no savings at all in formal or informal financial institutions are still very high namely by 52%. While a survey conducted by the World Bank (2014) shows that only 36% of Indonesian people over the age of 15 have access to formal and informal financial institutions. The inability of individuals to participate voluntarily or involuntarily access precise financial services has been identified as a significant barrier to socio-economic development in developing countries (Demirguc and Klapper, 2012). Lakshmi and Visalakshmi (2013), defines financial inclusion as a process of ensuring access to timely and adequate financial and credit services if needed by vulnerable groups such as weaker groups and low-income groups at affordable costs.

Attitudes that are a desire to save borrow, or use insurance products, affect financial inclusion among poor households in low-income countries (Holzmann, 2010). The assumption underlying the concept of attitude is that attitudes guide, influence, direct, shape and predict actual behavior. Therefore, it is anticipated that through a deliberative process, financial consumers evaluate and assess whether the use of financial services is essential to improve their welfare or not (Fisben and Ajzen, 2011). This study aims to examine and analyze the effect of financial self-efficacy mediation on the factors that influence financial inclusion in small businesses in West Jakarta.

Literature Review

The variables that will be discussed in this study are financial attitude, financial literacy, financial self-efficacy, and financial inclusion.

Financial Attitude

Financial attitude is a state of mind, opinions, and judgments about finance (Klontzet at, 2011). Individuals with a high level of financial attitude are more likely to have a positive attitude towards a plan (Mindra and Moya, 2017). Agarwalla, Barua, Jacob, and Varma (2015), in their research in a country, mentioned that almost half of the working youths showed a high financial attitude towards their financial planning and had a low tendency towards consumption.

Financial Literacy

Financial literacy is the ability to make informed judgments and make effective decisions about the use and management of money (Bhushan and Meduri, 2013). Financial literacy brings benefits to individuals and families because there is increasing evidence that people with a high level of financial education can manage their money better, participate in the stock market and achieve better returns on the investments they make (Allgood and Walstad, 2016).

Financial Self-Efficacy

Self-efficacy is a widely accepted foundation in the theory of social cognition, although it has offered relevant and valuable research insights in various organizational contexts such as entrepreneurship, safety, and self-service (Drnovsek, Wincent, and Cardon, 2010). Self-efficacy plays a vital role in guiding individual trust through rehabilitation and optimizing performance (Zach, Dobersek, Filho, Inglish, and Tannenbaum, 2018). Financial self-efficacy will benefit society as they explore the reasons some people manage to manage their finances while possessing demographic characteristics and the same economy was unsuccessful (Lown, 2011).

Financial Inclusion

Lakshmi and Visalakshmi (2013), define financial inclusion as a process of ensuring timely and adequate access to financial and credit services if needed by vulnerable groups such as weaker groups and low-income groups

at affordable costs. Financial inclusion is the process of receiving or providing financial services and products at affordable prices (Lakshmi and Visalakshmi, 2013). Financial inclusion connects individuals, especially the poor and vulnerable groups, to the formal banking system with safe, easy and affordable access to credit and other financial services (Sarma and Pais, 2011).

Research framework

Lakshmi and Visalakshmi (2013), define financial inclusion as a process of ensuring timely and adequate access to financial and credit services if needed by vulnerable groups such as weaker groups and low-income groups at affordable costs. Financial inclusion connects individuals, especially the poor and vulnerable groups, to the formal banking system with safe, easy and affordable access to credit and other business services (Sarma and Pais, 2011).

Complications of financial planning and counseling scales suggest the need for financial self-efficacy scales (Grable, Archuleta, and Nazarinia, 2010). Lown (2011) explains the relationship between the principle of self-efficacy and higher levels of well-being. Kinard and Webster (2010), in their study, telling the relationship between self-efficacy and consumption behavior, found that self-efficacy was a weak predictor of risk behavior.

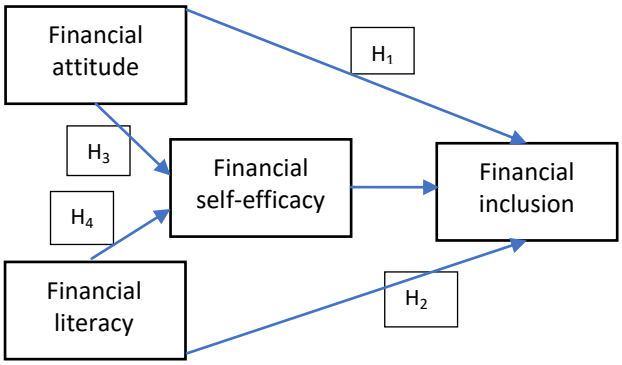

Figure 1
Conceptual Framework Scheme

Individuals with a high level of financial attitude are more likely to have a positive attitude towards a plan (Mindra and Moya, 2017). Agarwalla, Barua, Jacob, and Varma (2015), in their research in a country, mentioned that almost half of the working youths showed a high financial attitude towards their financial planning and had a low tendency towards consumption. Huston (2010) explains that factors such as habits, cognitive, economic, family, peers, community, and institutions can have an impact on financial behavior. Financial literacy brings benefits to individuals and families because there is increasing evidence that people with a high level of financial education can manage their money better, participate in the stock market and achieve better results from the investments they make (Allgood and Walstad, 2016).

Hypothesis Development

The assumption underlying the concept of attitude is that attitudes guide, influence, direct, shape, and predict actual behavior. Therefore it is anticipated that through a deliberative process, financial consumers evaluate and assess whether the use of financial services is essential to improve their welfare or not (Fisben and Ajzen, 2011). It is said that attitudes towards money and finance will influence individual behavior towards savings, loans, and risk-taking (Agarwalla, Barua, Jacob and Varna, 2015). Anxiety predicts conservative financial decisions and is associated with decisions not to invest in savings but instead to hold interest-bearing accounts and with low predictability of stock trends (Paluri and Mehra, 2016). Financial motives, financial literacy, and economic attitudes influence individual financial behavior and can be chosen as a variable for market segmentation for financial products. Financial motifs refer to the reasons for buying financial products. Based on the explanation above, the hypothesis can be formulated as follows:

H_1: There is a positive influence between financial attitude and financial inclusion.

Financial literacy, in addition to increasing the ability of individuals to make financial decisions, also increases self-confidence. Thus increasing one's ability to comfortably access and use formal financial services (Atkinson and Messy, 2012). Several potential financial consumers do not have relevant knowledge about the financial concepts and skills needed to facilitate their choices and decisions are most useful for improving their quality of life and well-being (Lusardi and Mitchell, 2013). The emphasis on

financial literacy in several countries has generated a lot of attention and has grown in recent years. Due to the complexity that arises in the dynamic financial industry which requires commercial consumers to be more active in making financial choices and decisions (Mindra and Moya, 2017). Based on the explanation above, the hypothesis can be formulated as follows:

H_2: There is a positive influence between financial literacy and financial inclusion.

One of the main factors influencing financial behavior is self-efficiency, which is described as the level of trust in a financial ability to handle financial situations without being overwhelmed (Amatucci and Crawley, 2011). Madra and Moya (2017) say that self-efficacy in different domains indirectly plays a facilitative role in the process of cognitive involvement to realize more successful performance driven by the willingness to achieve success in addition to the skills they have. In line with this, self-efficacy has been used in several studies as a mediating variable and has been identified as a distant predictor more consistent than behavior and behavior change (Mindra and Moya, 2017). In analyzing one's financial behavior, there is scope for economic models to fully incorporate psychometric instruments that capture the confidence of individuals in controlling their financial management capacity. Ka, so as to produce a complete picture of the factors that contribute to their financial results (Xiao, 2008). At present, a detailed discussion of financial self-efficacy is almost non-existent, given the fact that in other fields, self-efficacy has been found to have a positive mediation and moderation relationship on individual attitudes and behavior. Based on the explanation above, the hypothesis can be formulated as follows:

H_3: Financial self-efficacy mediates the effect between financial perspective and financial inclusion.

H_4: Financial self-efficacy mediates the effect of financial literacy and financial inclusion.

Research Methodology

The data used in this study are primary data obtained from questionnaires distributed to respondents who meet the requirements, namely respondents who have a savings account book no more than once and have a small business unit such as culinary, grocery, and street vendors. The questionnaire was distributed as many as 250 questionnaires, but before distributing the questionnaire a pre-test was carried out to 50 respondents to get responses and criticisms and suggestions related to our questionnaire, if the questionnaire was understood by respondents then distributed to respondents selected as samples. Direct survey. The analytical tool that will be used is SEM, then the recommended sample in this study is 100 - 400 samples (Hair et al., 2018). The number of samples taken from the population is determined at 10 times the number of items used to measure the variables used in the analysis design, and at least 120 samples (Hair et al., 2018).

The technique used in this data collection was purposive sampling. The sample for the observation unit in this study were individuals who had no more than one bankbook and small business. In this study, there are four variables, namely: financial attitude and financial literacy as independent variables, financial inclusion as dependent variables, financial self-efficacy as moderating variables. There are three variables, namely financial attitude, financial self-efficacy, and financial inclusion using the type of interval scale that is the Likert scale which is a measurement technique using a 5 point scale where 1 = Strongly Disagree, 2 = Disagree, 3 = Agree Agree, 4 = Agree, and 5 = Strongly Agree, while one variable which is financial literacy is measured from the questions raised by Atkinson and Messy (2012). This section uses measurement by scoring or assessment based on the number of questions answered correctly by the respondent. The number of correct answers will be calculated and divided by all questions and then multiplied by one hundred percent. Respondents' answers were then divided into 3 categories, namely (1) <60% which means that individuals have low financial knowledge, (2) 60% - 79%, which means individuals have knowledge of moderate finance, and (3) > 80% which shows that

individuals have high financial knowledge (Farah and Reza, 2015). The ratio scale used is reduced to the Likert size by calculating the number of correct answers divided by the number of questions multiplied by 100, then the score is as follows: (1) 0 - 20 = Do not really understand, (2) 21 - 40 = Do not understand, (3) 41 - 60 = Understand enough, (4) 61 - 80 = understand, and (5) 81 - 100 = Very understand.

The research instrument test used was in the form of a questionnaire that was completed by the respondent, which was then examined for its validity by conducting a research instrument test for each statement in the survey and respondent. The research instrument test was in the form of a validity test and a reliability test with the following explanation:

1. A validity test is a test conducted to find out whether a measurement instrument is considered good and can be used to measure the relevant variables (Sekaran and Bougie, 2016). The validity test uses factor analysis by looking at the loading factor of the sample used is 176, then the loading factor is required to be worth ≥ 0.40 to be declared a valid instrument (Hair et al., 2018). As for financial literacy variables using Pearson analysis, by looking at the R table of the sample used is 176, then the R table is required to have a value ≥ 0.148, to be needed as a valid instrument.
2. A reliability test is a test conducted to measure the consistency between indicators in measuring a variable (Sekaran and Bougie, 2016). Reliability testing is done by looking at the Cronbach's alpha value of each variable with the decision making criteria that the variable instrument is considered reliable if the Cronbach's alpha value is ≥ 0.6 (Hair et al., 2018). Whereas for financial literacy, variables cannot be tested for validity because financial literacy variables are considered only to have 1 indicator.

The data analysis method used is the Structural Equation Model (SEM) with the help of the Analysis of Moment Structure (AMOS) 22 program. SEM is a statistical technique that allows testing a series of relationships simultaneously to analyze the involvement of influence from various variables. Before testing a hypothesis, it is necessary first to test the model used by examining the model's suitability or goodness of fit test. The goodness of fit test is a test conducted to measure the adequacy of the model used in research with data obtained (Hair et al., 2018). Types of the goodness of fit measurement, according to Ghozali & Fuad (2017), namely:

1. The absolute fit measure used to measure the overall fit model (both structural models and measurement models simultaneously). The criteria are to look at the probability value, and the root means the square error of approximation (RMSEA).
2. The incremental fit measure is a measure used to compare proposed models with other models specified by researchers. The criteria are by looking at the normed fit index (NFI), the turtle-lewis Index (TLI), the comparative fit index (CFI), and the Incremental Fit Index (IFI).
3. Parsimonious fit measure, which is an adjustment to the measurement of fit to be compared between models with several different coefficients. The criteria are by looking at the value of Normed Chi-Square (CMIN).

Analysis and Discussion

Descriptive statistics

Descriptive statistical analysis is used to provide a description or description of data. In this study, descriptive statistics used are mean values and standard deviations. The mean value indicates the average assessment done by the respondent on the variable under investigation, while the standard deviation suggests variations in the answers given by the respondent. If the standard deviation is given is close to zero, the less homogeneous the answers provided by the respondent, but if the standard deviation is given away from zero, the respondent's answers will vary more.

Hypothesis test

After testing the suitability of the model, it was found that the model turned out to be feasible for hypothesis testing. Hypothesis decision making is done by comparing the p-value with a significance level of 0.05 (error rate α = 5%) and a 95% confidence level. The basis of hypothesis decision making is as

follows: (a) If the p-*value* ≤ 0.05, then H_0 is rejected, which means there is a significant influence of both variables. (b) If the p-value ≥ 0.05, then H_0 fails to reject (H_0 is accepted), which means there is no significant effect of the two variables.

Table 1
Descriptive Statistics of Financial Inclusion

Indicator	***Mean***	***Standard deviation***
There is an access road that can be used towards the nearest formal financial institution.	4.24	0.687
The nearest bank is less than 5km from my house.	4.36	0.780
I live less than 1km from the nearest ATM.	4.14	1.029
There is an access road that can be used to get to the nearest financial institution.	4.29	0.685
I understand formal financial products and services (savings, loans, insurance, and payment/remittances).	4.01	0.767
I use my savings account for my future expenses.	4.21	0.706
I know which documents are needed to open an account.	4.23	0.671
I received fast information about my transaction.	4.24	0.773
Financial Inclusion	4.2152	0.5065675

Source: data processed using SPSS (attached)

Table 2
Descriptive Financial Statistics Attitude

Indicator	***Mean***	***Standard Deviation***
I am considering using formal financial services (savings, loans, insurance, and payment/shipping) that are useful.	4.15	0.876
I feel comfortable using a money transfer service to send and receive money.	4.23	0.746
In my opinion, using formal financial services is safe for a business transaction.	4.20	0.679
It is wise to borrow money from formal financial services.	3.98	0.962
Financial attitude	4.140625	0.6254475

Source: data processed using SPSS (attached)

Table 3
Descriptive Statistics of Variable Financial Self-Efficacy

Indicator	***Mean***	***Standard Deviation***
I am sure that I can manage my finances.	4.18	0.739
I can easily spend money, less than my monthly income.	3.79	0.886
I believe I can deposit money in the bank to plan my future.	4.31	0.707
I can borrow money from banks.	3.60	1.064
I have what it takes to use financial services to manage my financial goals.	3.96	0.824
Financial self-efficacy	3.96704	0.589474

Source: data processed using SPSS (attached)

Table 4
Descriptive Statistics Variable financial literacy

Variable	*Mean*	*Standard deviation*
Financial literacy	3.7102	0.95684

Source: data processed using SPSS (attached)

The purpose of testing the hypothesis is to answer the problems raised in the study by rejecting the null hypothesis (H_0) so that the alternative hypothesis (H_a) can be accepted. This can be done by looking at the significance value of each effect of the variables proposed in the study. The results of hypothesis testing are presented in the table below:

Table 5
Hypothesis Testing Results

Hypothesis	*Estimate*	*p-value*	Decision
H_1: There is a positive influence between financial attitude and financial inclusion.	0.643	0.000	**Ho rejected**
H_2: There is a positive influence between financial literacy and financial inclusion.	0.014	0.314	**Ho accepted**

Source: data processed using SPSS (attached)

Table 6
Results of the Intervening Hypothesis Testing

Model	*Estimate*	*p-value*	Conclusion
Model 1			
There is an effect of financial attitude on financial inclusion.	0.643	0.000	There is a positive influence
Model 2			
There is an effect of financial attitude on financial self-efficacy.	0.594	0.000	Requirements (a) are fulfilled.
There is an effect of financial self-efficacy on financial inclusion.	0.347	0.002	Requirements (b) are fulfilled.
There is an effect of financial attitude on financial inclusion.	0.648	0.000	Requirements (c) fulfilled (being partial significant)
H_3: *Financial self-efficacy mediates the effect between financial attitude and financial inclusion.*			**Ho rejected**

Source: data processed using SPSS (attached)

Table 7
Results of the Intervening Hypothesis Testing

Model	*Estimate*	*p-value*	Conclusion
Model 1			
There is an influence of financial literacy on financial inclusion.	0.014	0.0045	There is a positive influence.
Model 2			
There is an influence of financial literacy on financial self-efficacy.	0.059	0.0695	Requirements (a) are not fulfilled.
There is an effect of financial self-efficacy on financial inclusion.	0.820	0.000	Requirements (b) are fulfilled.
There is an influence of financial literacy on financial inclusion.	0.56	0.54	Requirements (c) are not fulfilled.
H_4: *Financial self-efficacy mediates the effects of financial literacy and financial inclusion.*			**Ho accepted**

Source: data processed using SPSS (attached)

Discussion of Research Results

Hypothesis 1

The first hypothesis in this study examines the effect of financial attitudes on financial inclusion. The results of the research that have been done show that there is a positive effect of financial attitude on financial inclusion as indicated by a p-value of 0.000 ≤ 0.05, meaning the results of this study do not support the results of previous studies

conducted by Mindra and Moya (2017) but supported by previous research conducted by Fishbein and Ajzen (2011) which states that when individuals evaluate a behavior or attitude that benefits them to achieve specific results, it will direct individuals to the involvement of their action that affects access on the use of financial services and will increase financial inclusion.

Hypothesis 2

The second hypothesis in this study examines the effect of financial literacy on financial inclusion. The results of the research that have been done show that there is no positive effect of financial literacy on financial inclusion as indicated by a p-value of 0.314 ≥ 0.05, meaning the results of this study do not support the results of previous studies that conducted by Mindra and Moya (2017). So from that level of financial literacy, understanding that is on the trader does not affect the level of financial inclusion in the area, which means the results of this study do not support the results of previous studies conducted by Mindra and Moya (2017). Product and financial services inherently improve and become more complex without being followed by a corresponding growth in the level of financial literacy in several classes in the community order based on Mindra and Moya (2017).

Hypothesis 3

The third hypothesis in this study examines financial self-efficacy mediating the effect between financial attitude and financial inclusion. The results of the research that have been done show that financial self-efficacy partially mediates the impact between financial attitude and financial inclusion shown in table 12 can be seen that in model one there is an influence of financial attitude on financial inclusion (p-value = 0,000), and becomes partially significant in model two (p-value = 0,000; meeting c requirements), and the condition that there is an effect of financial attitude on financial towards financial self-efficacy (p-value = 0,000; terms of a) and the condition that there is an effect of financial self-efficacy on financial inclusion (p-value = 0.002; condition b) is also fulfilled in model two which means the results of this study do not support the results of previous studies conducted by Mindra and Moya (2017). Based on this third hypothesis, financial attitude will increase financial inclusion through financial self-efficacy. In line with research conducted by Amatucci and Crawley (2011) which states that one of the factors that influence financial behavior is self-efficacy, which is described as the level of trust in one financial ability without being overwhelmed.

Hypothesis 4

The fourth hypothesis in this study examines financial self-efficacy mediating the effect between financial literacy and financial inclusion. The results of research that have been done show that financial self-efficacy does not mediate the impact of financial literacy on financial inclusion shown in table 13 can be seen that in model one there is an effect of financial literacy on financial inclusion (p-value = 0.0045), and it becomes insignificant in model two (p-value = 0.54; does not meet the conditions c), the situation there is an effect of financial literacy on financial self-efficacy (p-value = 0.0695; conditions a) are not met and the terms for financial self-efficacy to financial inclusion (p-value = 0.002; conditions b) are met in model two. The results of this study do not support the results of previous studies conducted by Mindra and Moya (2017). So from that, the financial knowledge or financial literacy of the respondents, even though self-confidence or financial self-efficacy does not increase their financial inclusion. Based on the results of the fourth hypothesis, it turns out financial self-efficacy does not mediate the effect between financial literacy and financial inclusion due to differences in the demographic factors of the respondents conducted by previous researchers and this research. Lyons (2005) shows that financial products and services are inherently increased and become more complex without being followed by growth, which is commensurate in the level of financial literacy in several classes in the public order.

Conclusions, Managerial Implications, Limitations And Suggestions

Conclusions

The results of research conducted on the effect of financial attitude and financial literacy on financial inclusion mediated by financial self-

efficacy in small businesses in West Jakarta will be described as follows: (1). Financial attitude has a positive effect on financial inclusion. This means that the better financial attitude of a trader can increase financial inclusion in the area; (2). Financial literacy does not have a positive influence on financial inclusion. This means that the level of financial knowledge of small business activists does not affect the financial inclusion of small business activists; (3). Financial attitude has a positive influence on financial inclusion mediated by financial self-efficacy. This means that if the financial attitude of the traders is good it will increase financial inclusion in the area and financial self-efficacy will make traders feel the financial attitude of the formal financial institutions is good and will increase financial inclusion in the area; (3) Financial self-efficacy does not mediate the effect of financial literacy on financial inclusion. This means that the level of financial knowledge of small business activists does not affect the financial inclusion of small business activists even through financial self-efficacy.

Managerial Implications

Based on the results of research that has been done, several managerial implications can be done to the government as follows:

1. Managers of formal financial institutions need to create a sense of security and comfort for small business activists who want to use legal, financial institutions. What can be done is to improve service products that are useful for small business activists and also increase the transaction security of small business activists that have been carried out so that these small business activists have good attitudes and views towards formal financial institutions and are expected not to switch to using institutions non-formal finance.
2. The government also needs to make regulations and policies that support increased productivity in the use of formal financial services. Such as making policies to ensure the security of transactions and also strategies to improve customer services informal financial institutions. It is expected that these small business activists have an excellent financial attitude with the regulations and policies that make these small business activists plan to use formal financial services.

Research Limitations

This study has limitations such as this study only examined the effect of financial attitude and financial inclusion as variables that affect financial inclusion through financial self-efficacy.

Suggestion

Based on some of the limitations of the above research, the opinions and recommendations that can be submitted for further study, the researcher can then include other variables such as locus of control as variables that mediate the effect of financial literacy on financial inclusion (Ida and Cyintia, 2010).

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