

DETERMINANTS OF PRODUCTIVITY OF RESTAURANT AND DINING MSMEs IN SOUTH KUTA DISTRICT, BADUNG REGENCY

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Abstract: South Kuta District is a strategic area with significant potential for the development of MSMEs, particularly in the culinary sector such as restaurants and eateries that support local tourism. However, the productivity of MSMEs in this area still faces several challenges, including limited access to capital, low utilization of information technology, lack of financial literacy, and suboptimal financial inclusion. This study aims to analyze the influence of business capital, information technology, financial literacy, and financial inclusion on the productivity of restaurant and eatery MSMEs in South Kuta District, Badung Regency, both simultaneously and partially. This research adopts a quantitative approach using the stratified random sampling method based on village and sub-district areas, with a total sample of 100 respondents. The data analysis technique employed is multiple linear regression. The results show that simultaneously, the four independent variables have a significant influence on MSME productivity. Partially, each variable also demonstrates a positive and significant effect on productivity. These findings indicate that improving access to capital, mastery of technology, financial management literacy, and the expansion of financial services are crucial to enhance the productivity and competitiveness of MSMEs in the tourism sector. Collaboration among government agencies, financial institutions, and business actors is essential to achieve sustainable and inclusive MSME growth.

Keywords: MSMEs, Business Capital, Information Technology, Financial Literacy, Financial Inclusion, Productivity

INTRODUCTION

Indonesia is a country with the largest economy in Southeast Asia, supported by a diverse range of economic sectors that significantly contribute to national progress and economic growth. In order to achieve a more competitive and sustainable economy, the government continues to encourage economic development through infrastructure investment, digitalization, downstream industrialization, and the strengthening of micro, small, and medium enterprises (MSMEs).

Micro, Small, and Medium Enterprises (MSMEs) play a vital role in Indonesia's economy and are an integral component that greatly influences the improvement of societal economic welfare. In fact, MSMEs are one of the

main pillars sustaining the national economy. According to the latest data from the Ministry of Cooperatives and MSMEs of the Republic of Indonesia (2024), there are approximately 64.2 million active MSMEs, contributing 61.07% to Indonesia's Gross Domestic Product (GDP), equivalent to IDR 8,573.89 trillion. MSMEs are crucial to national economic growth due to their ability to distribute income across society. In addition to driving economic development, MSMEs in Indonesia also help address unemployment by providing substantial job opportunities (Abidin et al., 2022). Thus, the more numerous and better the MSMEs, the greater the economic growth and the lower the unemployment rate. This, in turn, supports the acceleration of national economic recovery (Aliyah, 2022).

Of the 38 provinces contributing to Indonesia's GDP through MSMEs, Bali stands out as a province with considerable potential to drive economic growth, particularly through its significant role in the tourism sector. This contribution is largely supported by small businesses such as MSMEs (Ningsi et al., 2022). Sustainable tourism development that involves active community participation is key to stimulating economic growth. This is achieved by maximizing local resources in each region to promote prosperity and welfare for communities surrounding tourism destinations. MSMEs play an essential role in advancing the tourism sector, often providing distinctive regional products such as handicrafts and culinary items that attract tourists.

MSMEs have the capacity to open new markets, foster trade, manage natural resources, reduce poverty, create employment, and empower local communities. In fact, the MSME sector has been the backbone of the Indonesian economy since the 1997 financial crisis (Anggarini, 2021). In Bali Province, tourism has created opportunities for the growth of MSMEs by generating demand for essential services such as food, beverages, souvenirs, and other supporting facilities (Asmawati et al., 2024). Many MSMEs in Bali offer unique regional goods, such as handcrafted items, batik, and traditional culinary products that reflect Balinese culture. These MSMEs seize such opportunities to increase their productivity by enhancing efficiency and effectiveness in utilizing resources capital, technology, financial management, and funding sources in order to expand market reach and increase revenue.

According to the Indonesian Ministry of Tourism and Creative Economy Regulation No. 11 of 2014 Article 1, a restaurant business is defined as an activity providing food and beverage services at a fixed location, supported by sufficient equipment and facilities for preparation, storage, and serving, with the primary aim of generating profit. A "rumah makan" is a general term for a foodservice business offering meals to the public, with a designated dining area and pricing, which falls under the category of restaurants (Lubis et al., 2022). Although MSMEs in the food and beverage sector contribute significantly and hold great potential, a decline in the number of such MSMEs, particularly in the service sector (as shown in Table 1.2), indicates that MSME operators in Badung Regency face various challenges that may hinder their business productivity. These challenges include limited access to capital,

difficulties in adopting technology, and inadequate managerial capacity. Furthermore, a lack of understanding in financial management, limited access to financial services, and restricted market reach further hamper productivity, especially for restaurant and dining MSMEs in Badung Regency (Mahardhika et al., 2024).

According to Presidential Regulation No. 1 of 2023 regarding the National Productivity Agency, Article 1 defines productivity as a mindset and work ethic aimed at continuously improving the quality of life through increased efficiency, effectiveness, and quality to create sustainable added value. This underscores the importance of improving productivity in business operations, as productivity is a key element of performance. High productivity indicates operational efficiency, which is a crucial component of strong performance. Thus, better MSME performance indirectly enhances MSME productivity and determines the success of business activities (Suhartanti & Dewi, 2021).

Based on data from Statistics Indonesia (BPS) of Bali Province (2023), Badung Regency currently has 869 restaurant and dining MSMEs distributed across six districts. Among them, South Kuta District is the second-largest in area, covering 101.13 km², and has considerable potential as a leading tourism destination. The high volume of tourist visits to South Kuta greatly influences the growth of MSMEs, particularly in the culinary sector, with restaurant and dining businesses relying heavily on tourism as the main economic driver. Moreover, South Kuta is equipped with infrastructure that supports MSME sustainability and productivity, such as main roads near tourist accommodations, and traditional and modern markets that supply raw materials, equipment, and tools for restaurant and dining MSMEs.

According to Table 1.3 from BPS Badung Regency, the number of restaurant and dining MSMEs in South Kuta has fluctuated. In 2020, there were 347 units, but this number dropped significantly to 74 in 2021 and 2022 due to the pandemic and restrictions that required business operators to limit their hours, making it difficult to sustain their businesses. However, by 2023, the number rose to 226 units, indicating a gradual economic recovery, although it had yet to return to pre-pandemic levels.

In the era of globalization, the use of information technology should no longer be a foreign concept to society (Nabela et al., 2024). To enhance operational efficiency and effectiveness, technological competence is essential for business actors. Nevertheless, many MSMEs lack an understanding of the potential of digital technology and continue to operate traditionally, making them less competitive compared to more modern businesses (Ilarrahmah & Susanti, 2021). Aryo (2024) reported that about 35% of MSMEs in Indonesia have not fully optimized the use of digital technology in their business operations. Although those that have adopted digital tools have experienced sales increases of up to 30% through e-commerce platforms and social media, many MSMEs, particularly in remote areas, still face limited access to digital knowledge and essential skills. Ariani & D. (2013) found that technology

significantly influences MSME productivity when analyzed simultaneously, as modern technology allows MSMEs to grow more efficiently. Conversely, studies by Budiarto et al. (2021) and Putri et al. (2024) found that information technology has a negative partial effect on productivity and overall MSME performance.

Another issue affecting MSME productivity is financial literacy. Sound financial knowledge influences an entrepreneur's mindset, enabling more strategic decision-making and better financial management. The ability to manage finances is essential to business performance and sustainability (Kasendah & Wijayangka, 2019). According to KumparanBISNIS (2024), digital financial literacy is crucial for MSME growth and resilience in the digital era. With improved financial knowledge, MSMEs can optimize access to financial services, enhance business efficiency, and adapt to technological changes. However, many MSMEs lack adequate financial management skills, such as recording transactions and preparing regular financial statements (Hamdana et al., 2022). Financial literacy has a positive and significant effect on MSME performance. In other words, the higher the financial understanding and skills of the business owner or manager, the more optimal the business performance. This correlation suggests that investing in financial literacy has the potential to support the progress and sustainability of MSMEs (Idawati & Pratama, 2020). However, Cahya et al. (2022) found that financial literacy had no significant effect on MSME business performance.

Beyond financial literacy, financial inclusion is an essential requirement for MSMEs. Financial inclusion expands access and removes barriers to financial services while increasing the effectiveness of financial institutions. It also broadens the reach of financial services to MSMEs and enables faster access (Martono & Febriyanti, 2023). Research by Kusuma et al. (2021) concluded that financial inclusion positively affects MSME performance by allowing more effective financial management, particularly compared to the pre-pandemic period. However, Ruli et al. (2021) found that financial inclusion had no effect on MSME performance and sustainability.

Despite extensive research on related topics, few studies have specifically examined the effect of business capital, information technology, financial literacy, and financial inclusion on the productivity of restaurant and dining MSMEs in South Kuta District, Badung Regency. This study distinguishes itself through its specific geographical focus South Kuta District, Badung Regency, Bali along with its choice of variables, sample size, and updated research period. This study comprehensively analyzes the factors affecting the productivity of restaurant and dining MSMEs in the area, including business capital, information technology, financial literacy, and financial inclusion. By examining the simultaneous and partial relationships among these variables and MSME productivity, this research aims to provide significant theoretical and empirical insights. These insights are particularly relevant for MSME operators and the general public in understanding the importance of effective capital management, optimal use of technology, prudent financial practices,

and broader access to financial services from both public and private institutions. Therefore, understanding and paying serious attention to the determinants of MSME productivity is essential for business actors to achieve their targets, ensure business sustainability, and promote long-term success.

Based on the theoretical and empirical foundations presented in the background section, and inspired by relevant findings from previous research, this study is specifically designed to investigate in depth

METHOD

This study employs an associative quantitative approach to examine the causal relationship between independent variables—business capital, information technology, financial literacy, and financial inclusion—and the dependent variable, namely the productivity of MSMEs in the restaurant and food service sector in South Kuta District, Badung Regency. The area was selected due to its status as a rapidly growing tourism hub with strong infrastructure supporting the development of culinary MSMEs. The research objects are business actors with decision-making authority in daily operations.

The population consists of 226 MSME owners across six villages in South Kuta District. A stratified random sampling technique was used to ensure proportional representation from each village, resulting in a total sample of 100 respondents. Data collection was conducted through direct observation, structured interviews, and questionnaires, with instruments tested for validity and reliability using SPSS. Each variable was measured using clear operational indicators, including Likert scales for financial literacy, financial inclusion, and MSME productivity.

Data were analyzed using both descriptive and inferential statistics, including multiple linear regression analysis. Model testing involved classical assumption tests (normality, multicollinearity, heteroscedasticity), as well as F-tests and t-tests to assess the simultaneous and partial effects of the independent variables on productivity. This study is expected to contribute empirically to understanding the key drivers of productivity among culinary MSMEs in strategic tourism areas and to serve as a reference for policy-making in MSME-based economic development.

RESULTS AND DISCUSSION

Descriptive Data Analysis

Table 1. Results of Descriptive Statistical Tests of Research Variables

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Venture capital	100	87200000	210000000	145233790.00	28788110.671
Information Technology	100	3	7	6.07	1,047
Valid N (listwise)	100				

Source: SPSS data processing results, 2025

Based on Table 1, the business capital variable shows that restaurant and food stall MSME actors in South Kuta District, Badung Regency have quite varied amounts of capital. The lowest amount of business capital is 87.2 million rupiah, while the highest amount of business capital in this study reached 210 million rupiah. The average value (mean) of business capital is 145.23 million rupiah which describes the general tendency of the amount of capital owned by restaurant and food stall MSME actors in South Kuta District, Badung Regency. The recorded standard deviation value is 28788110.671 which shows that the variation in capital between respondents is not too large. This indicates that the capital conditions of restaurant and food stall MSME actors in this study are relatively stable, and there is no extreme gap between actors in terms of capital ownership.

In the information technology variable, the results obtained that the minimum value is 3 and the maximum value is 7, with an average of 6.07 and a standard deviation of 1.04693. This shows that most of the restaurant and food stall MSME actors in South Kuta District, Badung Regency are quite active in utilizing information technology in their business activities, such as in the use of e-commerce to carry out digital marketing, business communication, or online product sales activities. These results can also be an indication that technology has become an important part of the business process of restaurant and food stall MSMEs and has been adopted fairly evenly among business actors.

Validity Test and Reliability Test

1. Validity Test

Table 2. Validity Test of Research Variables

No.	Variables	Item	rhitung	rtable	Information
1.	Financial Literacy	X3.1	0.836	0.196 6	Valid
		X3.2	0.845	0.196 6	Valid
		X3.3	0.713	0.196 6	Valid
2.	Financial Inclusion	X4.1	0.735	0.196 6	Valid
		X4.2	0.821	0.196 6	Valid
		X4.3	0.764	0.196 6	Valid
		X4.4	0.763	0.196 6	Valid
		X4.5	0.745	0.196 6	Valid
3.	Productivity of MSMEs	Y1	0.745	0.196 6	Valid
		Y2	0.736	0.196 6	Valid
		Y3	0.768	0.196 6	Valid
		Y4	0.681	0.196 6	Valid
		Y5	0.834	0.196 6	Valid
		Y6	0.657	0.196 6	Valid

Source: data attached to the author's thesis

Based on the results of the validity test of the correlation coefficient of the question items in the table above, information was obtained that all question items in each variable had a calculated r value $>$ r table. Based on this, it can be decided that each question item is valid and can proceed to the reliability test.

2. Reliability Test

Table 3. Reliability Test of Research Variables

No	Variables	Cronbach's Alpha	Information
1	Financial Literacy (X ₃)	0.718	Reliable
2	Financial Inclusion (X ₄)	0.823	Reliable
3	Productivity (Y)	0.828	Reliable

Source: data attached to the author's thesis

Based on the results of the reliability test in the table above, it was obtained that all variables have a Cronbach's Alpha value of > 0.70. Based on this, it can be concluded that all variables are reliable.

Multiple Linear Regression Analysis

Table 4. Results of Multiple Linear Analysis

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2,740	.892		3.073	.003
Business Capital (X ₁)	0.00000009435	.000	.690	13,860	.000
Information Technology (X ₂)	.508	.168	.135	3.019	.003
Financial Literacy (X ₃)	.194	.085	.107	2.285	.025
Financial Inclusion (X ₄)	.145	.068	.126	2.141	.035

a. Dependent Variable: MSME Productivity (Y)

Source: SPSS data processing results, 2025

Based on the results of the multiple linear regression analysis in the table above, the following regression model was obtained:

$$Y = 2.740 + 0.00000009435X_1 + 0.508X_2 + 0.194X_3 + 0.145X_4$$

$$= (0.892) \quad (0.000) \quad (0.168) \quad (0.085) \quad (0.068)$$

$$= (3.073) \quad (13.860) \quad (3.019) \quad (2.285) \quad (2.141)$$

$$F_{\text{count}} = 216,920$$

$$R^2 = 0.901$$

Where:

Y = Productivity of MSMEs

- X1 = Business Capital
X2 = Information Technology
X3 = Financial Literacy
X4 = Financial Inclusion
 ϵ = Error Term

Coefficient of Determination (R²)

Table 5. Results of the Determination Coefficient (R ²)				
Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.949 ^a	.901	.897	1.26300
a. Predictors: (Constant), Financial Inclusion, Information Technology, Financial Literacy, Business Capital				
b. Dependent Variable: MSME Productivity				
Source: SPSS data processing results, 2025				

Based on the results of the coefficient of determination test above, the value of R² (Adjusted R Square) in the regression model is used to determine the extent to which the independent variables explain the variation in the dependent variable. As shown in the table above, the R² value is 0.901, which indicates that 90.1% of the variation in the dependent variable, namely MSME productivity, can be explained by the variation in the three independent variables: business capital, information technology, and financial literacy. The remaining 9.9% (100% - 90.1%) is influenced by other variables not included in this study.

Factor Score Analysis Results

The results of the factor score analysis show a general picture of the level of contribution of each respondent to the latent variables formed.

1. The factor score on the financial literacy variable has an average value of 0.00, indicating that the data has been standardized in the extraction process, meaning that overall, individual scores are symmetrically distributed around the value of zero. In this study, business actors with positive and negative factor scores have a balanced proportion. The positive factor score results that show a stronger tendency towards financial literacy, such as understanding financial planning to proper financial management, reached 50% of the 100 respondents. Conversely, business actors with negative factor scores that reflect a relatively low level of financial literacy compared to other respondents also reached 50% of the 100 respondents. The highest score in this study reached 1.26461, while the lowest score was -3.69419, indicating that there is quite a large variation in the level of financial literacy among the business actors studied. To find out the indicators that have a dominant influence on the

financial literacy variable, it can be seen in the component matrix results. In this study, the financial literacy variable uses 3 indicators, namely financial management (X3.1), debt management (X3.1), and financial planning (X3.3). Of the three indicators, financial management (X3.1) has the highest component value of 0.842 and is the indicator that has the most dominant influence in forming the financial literacy variable.

2. The factor score on the financial inclusion variable has an average value of 0.00 which indicates that the data has been standardized in the extraction process which means that overall, individual scores are symmetrically distributed around the value of zero. In this study, the results of the factor scores that have positive scores indicate a better level of financial inclusion reaching 56% of 100 respondents, while the results of the factor scores that have negative scores are 44% of 100 respondents. The highest score on the financial inclusion variable reached 1.26281 and the lowest score was -2.25459. The highest and lowest scores illustrate a significant difference between business actors in terms of their involvement in financial inclusion. To find out the indicators that have a dominant influence on the financial literacy variable, it can be seen in the results of the component matrix. In this study, the financial inclusion variable uses 5 indicators, namely accessibility of financial services (X4.1), quality of financial services (X4.2), financial capability (X4.3), target groups (X4.4), and diversity of financial markets (X4.5). Of the five indicators, the quality of financial services (X4.2) has the highest component value reaching 0.819 and is the indicator that has the most dominant influence in forming the financial inclusion variable.
3. The results of the factor score analysis for the MSME productivity variable show the extent to which each respondent is able to optimize their business potential. The average factor score is at 0.00 because the data has been standardized in the extraction process, which means that overall, individual scores are symmetrically distributed around the value of zero. In this study, business actors with positive and negative factor scores have a balanced proportion. The positive score results indicate a higher level of productivity compared to other respondents, which reaches 50% of 100 respondents. While the negative score reflects a lower level of productivity, which is 50% of 100 respondents. The highest score from respondents on the MSME productivity variable reached 1.22277 and the lowest score was -3.83194. To find out the most dominant indicator in shaping MSME productivity, it can be seen from the results of the component matrix. In this study, the MSME productivity variable uses 6 indicators, namely ability (Y.1), increasing the results achieved (Y.2), self-development (Y.3), quality (Y.4), efficiency (Y.5) and effectiveness (Y.6). Of all the indicators used in measuring the MSME productivity variable, efficiency (Y.5) has the highest component value, namely 0.843 and is the indicator that has the most dominant influence in forming the MSME productivity variable, which means that the higher the component value

of an indicator, the greater its contribution in explaining the overall productivity of MSMEs.

Classical Assumption Test Results

Normality Test Results

Table 6. Normality Test Results

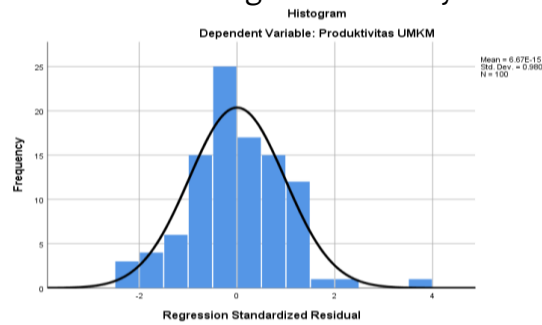
One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	1.23722212
Most Extreme Differences	Absolute	.063
	Positive	.063
	Negative	-.045
Test Statistics		.063
Asymp. Sig. (2-tailed)		.200 ^{c,d}
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

Source: SPSS data processing results, 2025

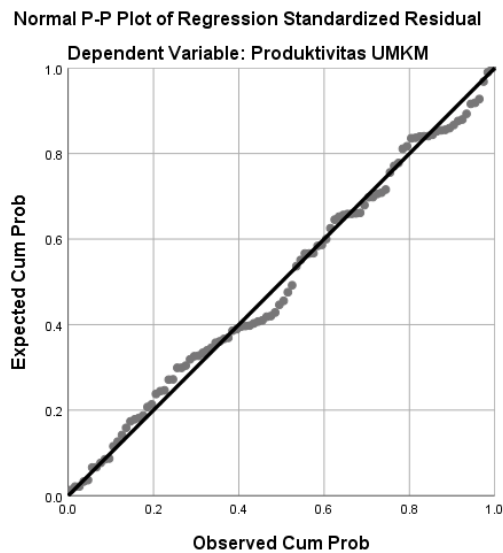
Based on table 6, the results of the normality test with Kolmogorov-Smirnov in the table above, the probability value of p or Asymp. Sig. (2-tailed) is 0.200. Because the probability value of p, which is 0.200, is greater than the significance level, which is 0.05. This means that the normality assumption is met. In addition to using statistical analysis, the normality test can also be seen using graphic analysis in the form of histograms and normal P-Plots. The following are the results of the graphic analysis.

Based on the histogram graph in Figure 1, it can be seen that the data distribution is bell-shaped. While in the normal p-plot graph, it can be seen in Figure 2 that the sample points follow the diagonal line from the bottom left to the top right. Based on this, it can be concluded that the data is normally distributed and the assumption of normality is met.

Picture 1. Histogram Normality Test



Picture 2. P-Plot Normality Test



Multicollinearity Test Results

Table 7. Multicollinearity Test Results

Coefficients ^a		
Model	Collinearity Statistics	
	Tolerance	VIF
1 Venture capital	.420	2.384
Information Technology	.518	1.929
Financial Literacy	.470	2.129
Financial Inclusion	.301	3.323

a. Dependent Variable: MSME Productivity

Source: SPSS data processing results, 2025

In this study, the data used in this multicollinearity test is data from independent variables. Based on the table above, the following results are obtained.

1. The VIF value for the Business Capital variable is $2.384 < 10$ with a Tolerance value of $0.420 > 0.10$, so the Independent Business Capital variable can be stated as not experiencing multicollinearity symptoms.

2. In the Information Technology variable, the VIF value obtained was $1.929 < 10$ with a Tolerance value of $0.518 > 0.10$, so the Independent Information Technology variable can be stated as not experiencing multicollinearity symptoms.
3. In the Financial Literacy variable, the VIF value obtained was $2.129 < 10$ with a Tolerance value of $0.470 > 0.10$, so the Independent Financial Literacy variable can be stated as not experiencing multicollinearity symptoms.
4. In the Financial Inclusion variable, the VIF value obtained was $3.323 < 10$ with a Tolerance value of $0.301 > 0.10$, so the Independent Financial Inclusion variable can be stated as not experiencing multicollinearity symptoms.

Heteroscedasticity Test Results

Table 8. Heteroscedasticity Test Results

Coefficients^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1,585	.525		3.018	.003
Venture capital	-0.000000001092	.000	-.042	-.272	.786
Information Technology	.190	.099	.264	1,919	.058
Financial Literacy	-.055	.050	-.159	-1,099	.275
Financial Inclusion	-.042	.040	-.190	-1.054	.295

a. Dependent Variable: absres

Source: SPSS data processing results, 2025

Based on table 8 shows the results of the Heteroscedasticity Test, the probability value (Sig) of the Business Capital variable is 0.786, on the Information Technology variable is 0.058, from the Financial Literacy variable is 0.275 and Financial Inclusion is 0.295. Because the probability value (Sig) of all variables is more than the significance of 0.05 or 5%, it can be concluded that the assumption of homoscedasticity is met, which means that there are no symptoms of heteroscedasticity.

Results of Simultaneous Regression Coefficient Significance Test (F Test)

Table 9. F Test Results

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1384.095	4	346,024	216,920	.000b
	Residual	151,541	95	1,595		
	Total	1535.636	99			
a. Dependent Variable: MSME Productivity						
b. Predictors: (Constant), Financial Inclusion, Information Technology, Financial Literacy, Business Capital						

Source: SPSS data processing results, 2025

Based on table 9 shows the information of significance value of 0.000 <0.05 and Fcount value of 216.920> Ftable 2.47 which means that independent variables in the form of Business Capital, Information Technology, Financial Literacy and Financial Inclusion have an effect on the dependent variable of MSME Productivity. Thus it can be concluded that there is a significant simultaneous effect of independent variables in the form of Business Capital, Information Technology, Financial Literacy and Financial Inclusion on the dependent variable in the form of MSME Productivity.

Results of Partial Coefficient Significance Test (t-Test)

The t-test is used to see how much influence the independent variables, namely business capital, information technology, financial literacy, and financial inclusion have partially on the dependent variable, namely MSME productivity.

1. Business Capital (X₁) has a positive and significant effect on the Productivity of MSMEs (Y) Restaurants and Eateries in South Kuta District, Badung Regency

Based on the results that have been done and can be seen in table 4, it shows that the business capital variable has a significance value of 0.000, which means it is smaller than the significance limit of 0.05 ($p < 0.05$). This shows that statistically, the influence of business capital on MSME productivity is partially significant. The t-count value of 13.860 is much greater than the t-table value of 1.985, which further strengthens the evidence that Business Capital has a real influence on increasing productivity. This means that increasing the amount of business capital owned by MSME actors will significantly impact their productivity. In addition, the business capital coefficient value of 0.00000009435 indicates a positive direction of influence and every increase in business capital of 1 million, assuming other variables remain constant, will increase MSME productivity by 0.00000009435 units. Business capital includes funds used to purchase raw materials, equipment, labor, and other operational costs. With sufficient capital, MSMEs can increase production capacity, operational efficiency, and product competitiveness. Thus, the first

hypothesis (H_1) which states that "Business Capital has a positive and significant effect on MSME Productivity" is accepted.

2. Information Technology (X_2) has a positive and significant influence on the Productivity of MSMEs (Y) Restaurants and Eateries in South Kuta District, Badung Regency.

Based on the results that have been done and can be seen in table 4, the Information Technology Variable has a significance value of 0.003 which is smaller than 0.05 ($p < 0.05$) which shows that statistically its influence on MSME productivity is significant. The t-count value of 3.019 is also greater than the t-table of 1.985, strengthening that this variable has a real influence partially. In addition, the Information Technology coefficient value of 0.508 indicates a positive direction of influence and means that every increase in the score on the information technology variable used by 1 type, assuming other variables are constant, will increase MSME productivity by 0.508 units.

The application of information technology in business activities such as the use of social media and e-commerce platforms contributes to accelerating business processes, expanding market reach, and increasing the efficiency and effectiveness of MSME operations. In other words, MSME actors who utilize information technology optimally have a greater opportunity to increase business productivity. Therefore, the second hypothesis (H_2) which states "Information Technology has a positive and significant effect on MSME Productivity" is accepted.

3. Financial Literacy (X_3) has a positive and significant effect on the Productivity of MSMEs (Y) Restaurants and Eateries in South Kuta District, Badung Regency.

Based on the results that have been done and can be seen in table 4, the significance value for the Financial Literacy variable is 0.025 which is also smaller than 0.05 ($p < 0.05$) so that statistically it has a significant effect on MSME productivity. The t-count value of 2.285 is greater than the t-table of 1.985 which means that this variable makes a significant contribution partially. In addition, the coefficient value of the financial literacy variable of 0.194 indicates a positive direction of influence and every increase in respondent perception of financial literacy by 1 point will increase MSME productivity by 0.194 units assuming that other independent variables remain constant.

Financial literacy in the context of MSMEs includes an understanding of how to manage finances, debts, and future financial planning for businesses. MSMEs with a good level of financial literacy tend to be able to manage cash flow effectively, make the right investment decisions, and avoid excessive financial risks. This ultimately contributes to increasing business productivity. Based on these results, the third hypothesis (H_3) which states that "Financial Literacy has a significant and positive effect on MSME Productivity" is accepted.

4. Financial Inclusion (X4) has a positive and significant effect on the Productivity of MSMEs (Y) Restaurants and Eateries in South Kuta District, Badung Regency.

Based on the results that have been done and can be seen in table 4, the significance value of the Financial Inclusion variable is 0.035 which is also smaller than 0.05 ($p < 0.05$) indicating that its influence on MSME productivity is partially significant. The t-count value of 2.141 is also greater than t-table 1.985 confirming that there is a real influence. In addition, the coefficient value for the financial inclusion variable is 0.145 which means that every increase in the respondent's perception score of access to and use of formal financial services by 1 point will increase MSME productivity by 0.145 units, provided that other variables are considered constant.

Financial inclusion reflects the extent to which MSMEs have access to formal financial services and products, such as savings, credit, and insurance. Better access to financial institutions allows MSMEs to obtain additional capital, manage risks, and expand their business networks. This indirectly supports productivity and business growth. Thus, the fourth hypothesis (H_4) which states "Financial Inclusion has a positive and significant effect on MSME Productivity" is accepted.

Discussion of Research Findings

The Influence of Business Capital (X1), Information Technology (X2), Financial Literacy (X3), and Financial Inclusion (X4) on the Productivity of MSMEs (Y) in Restaurants and Eateries in South Kuta District, Badung Regency

Based on the results of the multiple linear regression analysis conducted in this study, a significance value of 0.000 was obtained, which is lower than the critical value of 0.05. Additionally, the F-calculated value was 216.920, which is greater than the F-table value of 2.47. This indicates that simultaneously, the variables Business Capital (X1), Information Technology (X2), Financial Literacy (X3), and Financial Inclusion (X4) have a statistically significant influence on the productivity of MSMEs (Y), particularly in the restaurant and eatery sector in South Kuta District, Badung Regency. Collectively, these four variables form an essential foundation in enhancing MSME productivity.

The Influence of Business Capital (X1) on MSME Productivity (Y) in Restaurants and Eateries in South Kuta District, Badung Regency

Based on the partial analysis shown in Table above, the Business Capital variable has a significance value of 0.000, which is below the 0.05 threshold ($p < 0.05$), and a t-calculated value of 13.860, which significantly exceeds the t-table value of 1.985. This statistically confirms that Business Capital has a significant partial effect on the productivity of MSMEs.

The Influence of Information Technology (X₂) on MSME Productivity (Y) in Restaurants and Eateries in South Kuta District, Badung Regency

According to the analysis results presented in Table above, the Information Technology variable has a significance value of 0.003 ($p < 0.05$) and a t-calculated value of 3.019, which is higher than the t-table value of 1.985. These findings indicate that Information Technology has a statistically significant partial effect on MSME productivity.

The Influence of Financial Literacy (X₃) on MSME Productivity (Y) in Restaurants and Eateries in South Kuta District, Badung Regency

Based on the analysis presented in Table above, the Financial Literacy variable has a significance value of 0.025 ($p < 0.05$) and a t-calculated value of 2.285, which is greater than the t-table value of 1.985. These results demonstrate that Financial Literacy has a statistically significant partial effect on MSME productivity. Financial literacy refers to an entrepreneur's ability to understand and manage financial aspects, such as budgeting, cash flow recording, debt and receivable management, and making prudent investment decisions.

The Influence of Financial Inclusion (X₄) on MSME Productivity (Y) in Restaurants and Eateries in South Kuta District, Badung Regency

As shown in Table above, the Financial Inclusion variable has a significance value of 0.035 ($p < 0.05$) and a t-calculated value of 2.141, which exceeds the t-table value of 1.985. This indicates that Financial Inclusion has a statistically significant partial influence on MSME productivity. Financial inclusion reflects the ease with which MSME actors can access formal financial services, including banking, microfinance, digital payment systems, and business insurance.

CONCLUSIONS

Based on the results of the analysis and discussions presented in the previous chapters, the following conclusions can be drawn:

1. Simultaneously, Business Capital, Information Technology, Financial Literacy, and Financial Inclusion significantly influence the productivity of MSMEs in the restaurant and eatery sector in South Kuta District, Badung Regency.
2. Partially, each variable Business Capital, Information Technology, Financial Literacy, and Financial Inclusion has a significant and positive effect on the productivity of MSMEs in the restaurant and eatery sector in South Kuta District, Badung Regency.

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