

THE ROLE OF BUSINESS SIZE, BUSINESS DURATION, CREDIT FACILITIES AND BUSINESS LEGALITIES ON SME'S GROWTH

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ABSTRACT

The intended objectives in this study is to explain the effect of business size, business duration, credit facilities and business legality on the growth of SMEs in Malang, East Java, Indonesia. The type of research used in this study is explanatory research with a sample of 56 SMEs. By using multiple regression analysis, it was concluded that the size of the business, the duration of business, and business legality have a positive and significant effect on the growth of SME businesses in Malang City. Credit facilities have a negative influence on the growth of SMEs in Malang City. Therefore, the suggestions taken from this research is the government should provide more convenience for SMEs that will legalize their business with legal entities. Provide business financing to maintain the sustainability of SME businesses with easy loans from financial institutions.

Keywords: Business Size, Business Duration, Credit Facilities, Business Legality and SME's Business Growth.