Research Paper

Optimization of Mudharabah Financing in The Development of MSMEs Sharia People's Finance Bank (BPRS)

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ABSTRACT

The most common Micro, Small and Medium Enterprises (MSMEs) faced by companies are limited capital. Micro, Small and Medium Enterprises (MSMEs) may have many ideas to develop their business but must stop because there is no additional capital. This study aims to analyze the optimization of financing and mudharabah financing at Sharia People's Financing Banks for the development of MSMEs. This type of research is quantitative descriptive using secondary data. The data analysis method used is Multiple Linear Regression. The results of the partial research on Financing Optimization have a positive and significant effect on MSME Development and Mudharabah Financing has a partly positive and significant effect on the development of MSMEs. Simultaneously, Optimization of Financing and Mudharabah Financing have a positive and significant effect simultaneously on MSME Development.

Keywords: *Financing Optimization, Mudharabah Financing, and MSME Development*

INTRODUCTION

The most common Micro, Small, and Medium Enterprises (MSMEs) faced by companies are capital limitations. Micro, Small and Medium Enterprises (MSMEs) may have many ideas to develop their business but must stop because there is no additional capital. If surveyed, many MSMEs have difficulty obtaining additional capital from financial institutions because many requirements are not met. This is in line with the results of a survey conducted by Pricewaterhouse Coopers, where 74% of Micro, Small, and Medium Enterprises (MSMEs) cannot have access to finance.

Small, medium, and micro businesses cannot repay loans to the financial sector, such as banks and non-banks (cooperatives), so there is a risk of default by the debtor (non-payment). On the other hand, liquidity in the financial sector was disrupted by a large increase in member withdrawals, but this was not offset by income from member loan repayments. This had a significant impact on members' distrust of the financial sector, which in the end led to a financial rush and legal problems.

Table 1. Financing-Sharia People's Financing Bank (Rp. Million)

No	Class Financing	2016	2017	2018	2019	2020
1	Small BusinessAnd Intermediate	3,570,606	3,767,877	4,086,485	5,841,290	5,469,397
2	Apart from BusinessSmall And Intermediate	3,091,950	3,996,074	4,997,982	4,102,030	5.212.103
	Total	6,662,556	7,763,951	9,084,467	9,943,320	10,681,499

Source: Sharia Banking Statistics 2020

Table 1 above shows that the total financing of Micro, Small, and Medium Enterprises (MSMEs) has increased significantly from 2016 amounting to IDR 6,662,556 million

to 2020 amounting to IDR 10,681,499 million. This makes Micro, Small, and Medium Enterprises (MSMEs) the main hope for improving the regional and national economy in the future. However, many Micro, Small, and Medium Enterprises (MSMEs) in their development still have limitations in financial and nonfinancial management, so they need the supervision of Micro, Small, and Medium Enterprises (MSMEs), especially Sharia-based to support the Financial Performance of Sharia Micro, Small and Medium Enterprises (MSMEs).

Table 2. Equivalent Level For Yield-BankFinancing Sharia People

No	Type	2016	2017	2018	2019	2020
1	Fund Party Third	54.27%	49.25%	47.87%	46.63%	57.95%
2	Contract Mudharabah	17.86%	17.42%	16.45%	17.18%	18.58%

Source: Statistics Banking Sharia 2020

Table 2 above shows that the equivalent level of profit sharing has decreased and increased every year, this is due to reduced capital provided by third-party funds to mudharib (capital managers) it has an impact on the increase and decrease in income and profits of Micro, Small and Medium Enterprises entrepreneurs. Medium Enterprises (MSMEs). In 2018 there was a decrease in third-party funds of 47.87% so the operational needs of Micro, Small, and Medium Enterprises (MSMEs) entrepreneurs were constrained which had an impact on the total net profit of Micro, Small, and Medium Enterprises (MSMEs) decreased and profit sharing was carried out according to the mudharabah contract (profit sharing) of 16.45%. In 2020 there was an increase from third-party funds of 57.95% so that the operational needs of Micro, Small, and Medium Enterprises (MSMEs) entrepreneurs ran smoothly which had an impact on the total net profit of Micro, Small, and Medium Enterprises (MSMEs) which increased and profit sharing was carried out according to the contract mudharabah (profit sharing) of 18.58%.

LITERATURE REVIEW
MSME Development
MSME development is an action or process to advance MSME conditions in a better direction so that MSME can adapt to new technologies, markets, and challenges as well as the fast turnaround of the changes that occur. Business development is the responsibility of every entrepreneur or entrepreneur that requires foresight, motivation, and creativity. If this can be done by every entrepreneur, then the hope is to be able to turn a small business into a medium-scale and even a large business. Therefore we need development in expanding and maintaining the business so that it can run well. Carrying out business development requires support from various aspects such as production and processing, marketing, human resources, technology, and others. Each MSME has its advantages or abilities to be able to develop its business, both internal and external aspects. MSME development is influenced by several factors including capital, marketing, raw materials, labor, technology, transportation costs, high energy, communication, and administrative procedures.

In its implementation, MSME actors experience many obstacles in developing their businesses. Various factors make businesses develop or experience a decline in development, which are explained by various figures. Development is an effort made by the government, the business world, and the community through the provision of guidance and reinforcement assistance to grow and improve the ability of small businesses to become strong and independent businesses that can develop into medium-sized businesses. To be able to improve business development, it is necessary to have empowerment which is the business of the government, the business world, and the community in the form of strengthening the growth of the business climate, coaching, and development so that small businesses can grow and strengthen themselves into strong and independent

businesses and can develop into medium-sized businesses.

Optimization of Funding

Optimization is needed in various activities, especially in matters related to community services. Service standards can be carried out with various components so that they can support the efforts of business actors in the service sector or government to support the tasks and functions of state administration as well as a form of optimization. However, other sources state that the optimum cannot be interpreted as a maximum, this is based on considering the limiting factors. In general, the word optimum refers to the quality of a business and not to the amount or quantity, so it can be interpreted that optimum is the best thing and not the biggest thing. One form of optimization to complete financing includes expanding and developing financing opportunities to help MSMEs. From some of the explanations above, it can be concluded that optimization is a process or method used in making a system or decision to be more effective, either maximizing or minimizing or a process to achieve an ideal or optimal.

Financing is the provision of money or claims that can be compensated based on an agreement between the bank and another party that requires the party being financed to return the money or claims after a certain period in return or profit sharing. There are 2 (two) different terms but contain the same principles, namely: credit and financing. The difference between credit and financing lies in the form of billing consideration that will be given by the borrower (the debtor) to the bank for granting credit or financing. In conventional banks, the appropriate achievement is in the form of interest, while in Islamic banks, the appropriate achievement is in the form of rewards or profit sharing based on a mutual agreement.

Mudharabah Financing

According to Bank Indonesia regulations, mudharabah financing based on the principle of profit sharing at Islamic People's Financing Banks (BPRS) is a form of cooperation agreement in the agreement between BPRS as fund provider/ capital owner (shahibul maal) and customers as fund managers/ capital managers (mudharib) to carry out business activities, with profits shared between the two parties based on a pre-agreed ratio, while the provider the fund bears losses except for losses caused by willful mistakes, negligence or breach of agreement made by the fund manager.

The Finance to Deposit Ratio (FDR) is the ratio used to measure bank liquidity in paying withdrawals made by depositors by relying on provided financing as a source of liquidity, namely by dividing the amount of financing provided by banks against Third Party Funds (DPK). Total financing is the amount of financing owned by the BPRS, while the total third-party funds are the amount of savings and time deposits. The Finance to Deposit Ratio (FDR) must remain neither too high nor too low. The standard FDR is 80%-100%, so the FDR must be kept neither too high nor too low. The higher the Financing to Deposit Ratio, the higher the funds directed to Third Party Funds (TPF), but the lower the liquidity capacity. On the other hand, the lower the FDR, the higher the amount of passive funds, but the better the liquidity capacity.

MATERIALS & METHODS
Research Approach

The type of research carried out in writing is descriptive quantitative research, according to Sugiyono (2015), "Descriptive research is research conducted to determine the existence of independent variables, either only on one variable or more without making comparisons or connecting with other variables". According to Sugiyono (2018), "The quantitative method is a research method based on the philosophy of positivism that is used to research certain populations or samples, collect data using research instruments, analyze data that is

quantitative or statistical, with the aim of testing predetermined hypotheses".

Population and Sample

The population in this study is the 4 Financial Statements of PT. BPRS Gebu Prima Medan namely Capital, Net Income, Third Party Funds, Net Profit, and Profit Sharing. The sampling technique was carried out based on saturated sampling with a total of 4 financial reports x 8 years (2015 – 2022) so there are 32 financial reports. According to Sugiyono (2017), "Unsaturated Sampling is a sampling technique when all members of the population are sampled, this is done when the population is relatively small, less than 32 or research wants to make generalizations with very small errors."

Types and Sources of Data

The type of data in this research is quantitative data. Sources of data used in this study are secondary data in the form of data/documents obtained in the form of financial reports that are relevant to the research.

Data Collection Techniques

The data collection techniques the authors used in this study are as follows:
a. Documentation: a method used to provide documents using accurate evidence from recording specific sources of information from essays, testaments, books, laws, and so on.
b. Literature Study: is knowledge of various concepts that will be used as a basis or guide in the research process. The purpose of a literature study is to enrich the knowledge and scientific work achieved by previous researchers. With library research, researchers can overcome complex drafting problems, and express all data from various sources through journals, books, articles, papers, and others so that they contain different points of view in selected work.

c. Observation Techniques: this is a systematic observation and recording of the elements that appear in a symptom on the object of research. The observation technique will observe starting from the location of the research object, the activities of the people involved, objects related to the research object, certain actions, events that occur related to research, the time sequence of events, and the purpose of carrying out the observed actions.

STATISTICAL ANALYSIS

Descriptive Statistical Analysis

Descriptive statistics in research aim to describe or give an overview of the research object through sample or population data. Descriptive statistics provide an overview or description of data seen from the average (mean), standard deviation, variance, maximum, and minimum. Descriptive statistics are also a process of transforming research data into tabulations so that they are easy to understand and interpret.

Classical Assumptions Test

The classical assumptions test of this study consists of:

1) Normality Test

The normality test is used to determine whether the data that has been obtained is normally distributed or the population taken is a normal distribution. If the Kolmogorov-Smirnov sig value > 0.05 it can be stated that the residuals are normally distributed and if the sig value < 0.05 it can be stated that the residuals are not normally distributed.

2) Multicollinearity Test

The multicollinearity test is used to determine the existence of a linear relationship between independent variables. The criterion of this test is if the VIF value is < 10 and the tolerance value is > 0.10, it can be concluded that multicollinearity does not occur and vice versa if the VIF value is > 10 and the tolerance value is < 0.10, it can be concluded that there is multicollinearity.

3) Heteroscedasticity Test

The heteroscedasticity test aims to test whether there is an unequal variance of the residuals for all observations in the regression model. The heteroscedasticity test was measured using the Glejser test. If the sig value > alpha (0.05) then there is no heteroscedasticity and vice versa if the sig value < 0.05 then there is heteroscedasticity.

4) Autocorrelation

Test Autocorrelation test aims to test whether, in the linear regression model, there is a correlation between the confounding errors in period t and the confounding errors in the t-1 (previous) period. A good regression model is a regression that is free from autocorrelation. To test whether there is autocorrelation can be done using the Durbin-Watson Test (DW) number guide.

a) DW numbers below -2 mean there is a positive autocorrelation.
b) The DW number is between -2 to 2, meaning there is no autocorrelation.
c) DW numbers above 2 mean there is autocorrelation negative.

Analysis Linear Regression Double

Study This uses model regression linear double, model developed For testing the hypothesis is as follows:

$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + e$

Information:

Y = MSME Development
α = Constant
$\beta_{1,2}$ = Coefficient Regression
X1 = Optimization Financing
X2 = Financing Mudharabah
e = Coefficient error

Hypothesis Testing

1) T-test This test was conducted to measure the effect of the independent variables on the dependent variable partially. This test was conducted to test the effect individually. The criteria for this test by looking at the significant value are as follows:

a) If the sig value < 0.05 then Ha is accepted.
b) If the sig value > 0.05 then Ha is rejected.
2) F-test This test is conducted to measure the effect of the independent variables on the dependent variable simultaneously. In this case, examining the effect of the independent variables together on the dependent variable. The criteria for this test are as follows:

a) If the sig value < 0.05 then Ha is accepted.
b) If the sig value > 0.05 then Ha is rejected.

Determination Coefficient Test (Adjusted R^2)

This test was conducted to determine the model's ability to explain variations in the dependent variable. The closer to the value of one, the more independent variables are considered to have a good ability to explain the dependent variable. The lower the adjusted R^2 value, the more limited the ability of the independent variables to explain the dependent variable.

RESULT

Optimization Financing

Financing Optimization is a process used in the provision of Money This ideal can be compensated based on a n agreement between the bank and with party other in a manner effective for reaching a return Money Which is optimal in a period specified with system profit sharing.

Table 3. Optimization Financing

Year	ReceptionFinancing	PaymentFinancing	OptimizationFinancing
2015	4,635,000	1,756,222	6,391,222
2016	5,193,600	1,416,520	6,610,120
2017	5,391,000	1,188,608	6,579,608
2018	5,854,000	2,086,728	7,940,728
2019	10,327,000	2,249,965	12,576,965
2020	15,606,500	920,730	16,527,230
2021	39,066,750	2,916,754	41,983,504
2022	44,195,500	3,634,698	47,830,198

Source: Statistics Banking Sharia 2023

Table 3 Amount financing mudharabah Which channeled show that financing productive Which believed ideal Because exists justice. The more tall Optimization Financing, the quality of financing is getting smoother for working capital and investment in improving Business Micro Small Medium Enterprises (MSMEs).

Financing Mudharabah

Mudharabah financing is a form of work equally between two or more parties, whichever is the owner capital entrusts several capitals to the manager with agreement distribution profit. *The Finance to Deposit Ratio* (FDR) is a ratio that is used to measure bank liquidity in pay withdrawals done by the depositor with depend on financing provided as source liquidity, that is with share amount financing provided by t h e bank to Party Funds Third (DPK).

Table 4. Financing Mudharabah

Year	Total Financing	Total Party Funds Third	FDR %
2015	5,747,194	4,635,000	126
2016	4,613,474	5,193,600	91
2017	4,047,862	5,391,000	98
2018	5,578,485	5,854,000	91
2019	9,546,093	10,327,000	92
2020	11,274,541	15,606,500	71
2021	13,060,370	39,066,750	33
2022	9,518,789	44,195,500	16

Source: Statistics Banking Sharia 2023

Table 4. Indicator ability banking in paying back that withdrawal will do customers show that standard *Finance to Deposits Ratio* (FDR) according to Regulation Bank Indonesia is by 80% -100%. The more tall ratio FDR shows more low a liquidity bank. However, the tall FDR too shows that bank Sharia is the more optimal to develop its physical industry because the bank Sharia can channel public savings funds with Good.

Development MSMEs

MSME development is an action or process to advance the condition of UMKM towards better so that MSMEs can adjust to new technologies, markets, and challenges as well rotation Which fast from that change happen.

Table 5. Development MSMEs

Year	Capital Income	Net Income	Profit Clean	Financing	Development MSMEs (%)
2015	4,635,000	9,025,555	4,390,555	1,756,222	51
2016	5,193,600	8,734,900	3,541,300	1,416,520	59
2017	5,391,000	8,362,520	2,971,520	1,188,608	64
2018	5,854,000	11,070,820	5,216,820	2,086,728	53
2019	10,327,000	15,951,913	5,624,913	2,249,965	65
2020	15,606,500	17,908,325	2,301,825	920,730	87
2021	39,066,750	46,358,635	7,291,885	2,916,754	84
2022	44,195,500	53,282,245	9,086,745	3,634,698	83

Source: Statistics Banking Sharia 2023

Analysis Statistics Descriptive

Test statistics are descriptive done to facilitate the delivery of information so information can be received and understood. Results descriptive statistical tests are usually in the form of mean, median, mode, and so forth.

Table 6. Results of Descriptive Statistics Descriptive Statistics

	N	Minimum	Maximum	Means	std. Deviation
Optimization Financing (X1)	32	103	162	121.55	17,053
Financing Mudharabah (FDR) (X2)	32	10	256	79.52	57,405
Development MSMEs (Y)	32	39	92	69,23	16,502
Valid N (listwise)	32				

Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

Based on table 6 can describe that the number of samples (N) is 32. Of the 32 samples in this research then the variable Financing Optimization (X1) has a

minimum value of 103 and a maximum value of 162 mark mean of 121.55 with a standard deviation of 17,053. Variable Financing Mudharabah (FDR) (X2) has a minimum value of 10 and the maximum value of 256 values mean of 79.52 with a standard deviation of 57.405.

Test Assumption Classic
1. Test Normality

Test normality aims To test te independent variable and a dependent variable or both to have a distribution normal or No. Testing the normality of data is done by using graphs normal probability plots and amplified data were carried out by the Kolmogorov-Smirnov test. In the principle test Normality can be detected by looking at the distribution data on the diagonal axis from the chart.
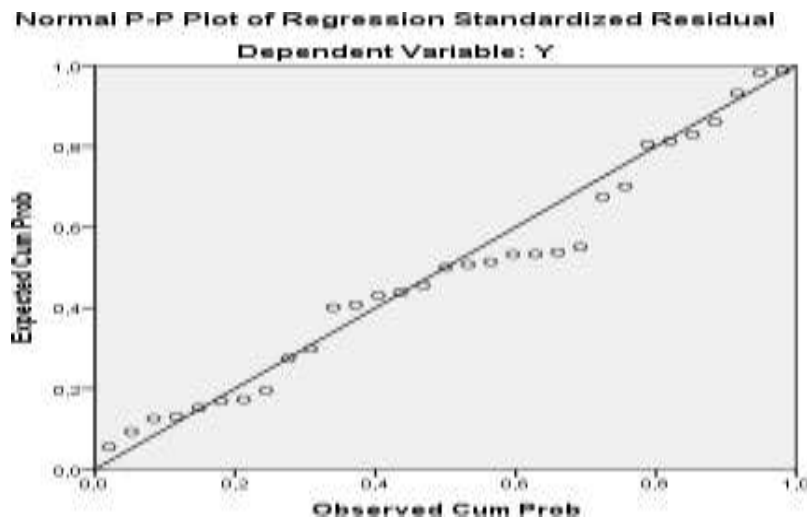
Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)
Figure 1. Test Normality Data P-Plot

Table 7. Test Normality Data Kolmogorov-Smirnov One-Sample Kolmogorov-Smirnov test

		Unstandardized residual
N		32
Normal Parameters [a b]	Means	,0000000
	std. Deviation	3.10338913
Most extreme Differences	absolute	, 157
	Positive	, 157
	Negative	-.073
test Statistics		,571
Symp. Sig. (2-tailed)		,367

a. test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

Based on Figure 7 shows a graph The P-Plot shows the dots following and approaching the line the diagonal so that concluded that model regression fulfills the assumption of normality. Matter This strengthened with the test Kolmogorov-Smirnov Which shows results that have the level significance of 0.367 which is above 0.05

2. Test Multicollinearity
The multicollinearity test aims to test if model regression determined exists correlation between independent variables. Good regression models No happen correlation between variable independent.

Table 8. Multicollinearity TestCoefficients ᵃ

Model		Collinearity Statistics	
		tolerance	VIF
1	(Constant)		
	Financing Optimization(X1)	,557	7,497
	Mudharabah Financing(X2)	,363	5,910

a.   **Dependent Variables: Development MSMEs (Y)**
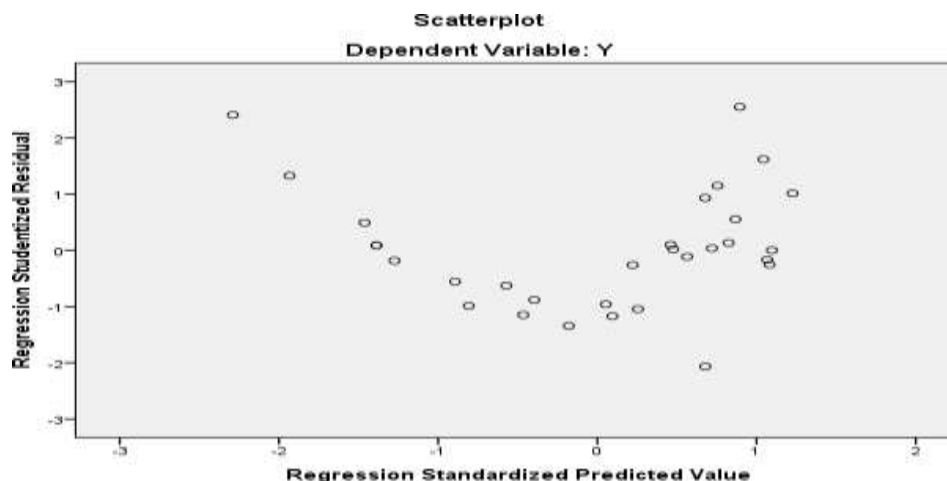**Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)**

Table 8 above shows the results of testing that variable independent that is Optimization Financing (X1) and Financing Mudharabah (X2) own each tolerance value is 0.557 and 0.363 Which It means more big from 0.10 so that No there is multicollinearity And variable independent they also have a VIF value of 7.497 respectively and 5.910 which means less than 10 to from facet mark VIF Also No there is multicollinearity. So that can concluded that variable independent in study This No there ismulticollinearity.

3. Test Heteroscedasticity
Test heteroscedasticity used For see is in A model regression happen variable dissimilarity from the residual of one observation to another observation. A good regression model is No happen heteroscedasticity. For detect exists heteroscedasticity can be done with use chart scatterplot.

Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)
Figure 2. Test Heteroscedasticity Data Scatter plots

Table 9. Test Heteroscedasticity Coefficients ᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	11.393	7,307		1,559	,131
	X1	-,127	,090	-1.073	-1,401	, 173
	X2	.039	.026	1.124	1,539	,136

a. Dependent Variables: abss_res
Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

Table 9 above shows the results of testing that variable independent that is Optimization Financing (X1) and Financing Mudharabah (X2) have mark significance each 0.173 and 0.136, which means it is greater than 0.05 so it is not heteroscedasticity occurs.

4. Test Autocorrelation
Test autocorrelation aim test is in model regression linear There is a correlation between error bully on period t with error bully on period t − 1 (previously).

Table 10. Autocorrelation TestSummary Model [b]

Model	R	R Square	Adjusted R Square	std. Error of the Estimates	Durbin- Watsons
1	, 982a	,965	,961	3,271	1,802

a. Predictors: (Constant), X3, X2, X1
b. dependent Variables: Y

Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

In Table 10 on is known that the results of autocorrelation testing using Durbin Watson is equal to 1.802. This value when compared with the mark table with use degrees 5% confidence, number of samples 32, variable (k) = 3, table value Durbun Watson DU = 1.6505 and value 4 - DU is 2.3495 so that based on decision DU < DW < (4 - DU) 1.6505 < 1,802 < 2.3495, so in study This No there is autocorrelation.

5. Analysis Linear Regression Double

Analysis regression linear double in this study is used to calculate the magnitude influence of variable independent (X) to variable dependent (Y). Equality analysis regression linear double can be formulated as follows:

$Y = a + \beta1X1 + \beta2X2 + e$

Where:

Y	= MSME Development
a	= Constant
β1, β2	= Coefficient
X1	= Optimization Financing
X2	= Financing Mudharabah
e	= Standard Error

Table 11. Multiple Linear Regression AnalysisCoefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	191,863	11,855		16,184	,000
	X1	-1.004	, 147	-1.037	-6,853	,000
	X2	,027	.041	,094	,649	,022

a. Dependent Variables: Y

Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

Based on Table 11 above the results of the equation linear regression double as follows:

Y= 191,863 - 1.004 X1 +0.027 X2 + e

Based on equality Which has got on can conclusion is drawn in research This is as follows:

1) If the variable independent that is Optimization Financing (X1) and Financing Mudharabah (X2) is considered constant, then mark Development MSMEs (Y) as big 191,863.

2) Mark coefficient regression Optimization Financing (X1) of -1.004, meaning that every 1% decrease will reduce the value of MSME Development (Y) as big 1.004%, with variable other that is Mudharabah Financing (X2) considered fixed.

3) Mark coefficient regression Financing Mudharabah (X2) of 0.027, meaning that every 1% increase will increase the value of UMKM Development (Y) as big 0.027%, with variable other that is Financing Optimization (X1) considered fixed.

6. Test hypothesis
a) Test Partial (Test t)

Test Partial (t) aims To know the effect of each independent variable (X1, X2) on to variable dependent (Y). Testing was carried out using a significant level of 0.05.

Table 12. Test t Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	191,863	11,855		16,184	,000
	X1	-1.004	, 147	-1.037	-6,853	,000
	X2	,027	.041	,094	,649	,022

a. Dependent Variables: Y

Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

Based on Table 12 above, it can be concluded thatthings are as follows:

1) Optimization Financing (X1), mark significant $0.000 < 0.05$, so It means can be concluded that the Optimization of Financing (X1) has an effect positive And significant in a manner Partial to Development MSMEs (Y) On PT. Bank Financing Gebu Sharia People Prime Medan.
2) Financing Mudharabah (X2), mark significant $0.022 < 0.05$, so It means can

conclude that Mudharabah Financing (X2) has an effect positive And significant in a manner Partial to Development MSMEs (Y) On PT. Bank Financing Gebu Sharia People Prime Medan.

b) Test Simultaneous (Test F)

Test statistics F show all variable independent Which have influence in a manner simultaneously on the dependent variable.

Table 13. Test F ANOVAᵃ

Model		sum of Squares	df	Means Square	F	Sig.
1	Regression	7880,489	3	2626,830	245,472	,000 ᵇ
	residual	288,931	27	10.701		
	Total	8169,419	30			

a. Dependent Variables: Y
b. Predictors: (Constant), X3, X2, X1
Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

Based on Table 13 results F-test shows a mark significant $0.000 < 0.05$ so It means that Optimization Financing (X1) and Mudharabah Financing (X2) are influential positive And significant in a manner simultaneous to MSME Development (Y) at PT. Bank Financing People Sharia Gebu Prima Medan.

7. Test Coefficient Determination (Adjusted R^2)

Determinant coefficient (R^2) as contribution influence Which given variable independent (X) to dependent (Y), with say other coefficient determination (R square) is useful for predicting and see how big the contribution of that influence given variable X to variable Y.

Table 14. Test Coefficient Determination (R^2) Model Summary ᵇ

Model	R	R Square	adjustedR Square	std. The error inthe Estimates
1	, ⁹⁸²ᵃ	,965	,961	3,271

Predictors: (Constant), X3, X2, X1
dependent Variables: Y
Source: Results Processing SPSS Version 16.0 (Data processed writer, 2023)

The results of data processing table 14 above are visible in that the value of the coefficient of determination (R Square) is equal to 0.965. This is meaningful 96.5% variance Development UMKM (Y) is determined by the independent variable, namely Optimization Financing (X1) and Financing Mudharabah (X2) meanwhile the remaining 3.5% is influenced by the variables that No researched in this research.

DISCUSSION

Based on the results test hypothesis with the use of analysis regression linear double can conclude that:

Influence Optimization Financing To Development MSMEs

Maximization did if objective optimization of financing related to profits and the like. Minimization is done for optimizing all matters related to time, distance, cost, And the like. Matter the customized with development MSMEs in height capital, level ability source Power man, And tight competition business. On the contrary slow

development of MSMEs is a lack of capital, a lack of resource capability Power man, And can't follow the competition business. Results study This No in line with study Trimulatoa, Amiruddin K., Ismawati, Nuraeni (2020) state that optimization financing productive Bank Sharia For SMEs is still Not yet optimal Because financing bank sharia For MSMEs has No priority and bank financing sharia in consumer sector still dominant.

Influence Financing Mudharabah To Development MSMEs

Financing mudharabah is a cooperation contract for a business between the owner of capital and the manager of funds by sharing profits using a profit-sharing system. Benchmarks for the level of success and development of MSME companies can be seen from the increase in sales turnover. The higher the profit, the more concrete the benchmark for MSME development and the easier it is for all parties to understand and justify the success of these MSMEs. The results of this study are in line with Nita Oktaviana's research (2018) which shows that mudharabah financing partially has a positive and significant effect on the development of MSMEs.

CONCLUSION

Study This own objective For know Optimization Financing *Profit Sharing* In Development MSMEs On Bank Financing People Sharia (BPRS) Medan. Based on data Which has collected in the tests that have been carried out on this study, so can conclude:

1. Financing Optimization (X1) has a positive effect And is significant in a manner partial against Development MSMEs (Y) On PT. Bank Financing Gebu Sharia People Prime.
2. Mudharabah financing (X2) has a positive effect And is significant in a manner Partial to Development MSMEs (Y) On PT. Bank Financing Gebu Sharia People Prime.
3. Optimization Financing (X1) And Financing Mudharabah (X2) have positive and significant effects simultaneously on Development MSMEs (Y) On PT. Bank Financing People Sharia great Prime.

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