ABSTRACT


According to government regulation number 10, year 1998 about Banking, Bank is defined as of business entity in which saving money and distributing it in loans and other structure which is the main aims is to improve living standard of people. As financing becomes one of its functions, Bank provides a strategic role in supporting business development. Small and Medium Enterprise is one of the alternative lending sector, especially after economic crisis in 1997. At third quarter of 2010, SME - loans outstanding reached IDR 929.3 Trilion and dominated 56% of whole banks loan. Reviewed based on type of usage, 68% are consumer loan, 26% are working capital loan, and 6% are investment loan. Reviewed by type of usage, consumer loan are categorized by Indonesian central banks as a type of SME loan. But unfortunately, the implementation shows that consumer loan is not used as a capital for SME. The purposes of this study are: (1) Evaluate the real loan SME’s performance of the state-owned bank; (2) Describes the perspective of consumer loan which is not part of the SME financing structure; (3) Analyze the effect of average lending rates and non-performing loan of state banks to the performance of SME loan of state-owned banks. Data of this study fully utilize secondary data through literature conducted by the overall library collection that are relevant to the research. Whereas data and information used in this study is mostly from a regional financial and statistical data (SEKDA), Indonesian banking statistics (SEKI), Bank Indonesia and ministry of cooperations and small and medium enterprises Statistics. Methods of the analysis of this research are using quantitative analysis and multiple linear regression. The result of the research describes this condition: 1) The Performance of state-owned bank in delivering loan to SME sector has not been optimal and yet provide a significant contribution and positive impact to SME development through capital assistance, by the following reason: a. State-owned bank loan of SME sector reached only 11% of total banks loan; b. Compared with other banks (non-state owned banks), share of SME loan of state-owned banks (11%) less than share of national private banks which is reached 12% of total outstanding loan of national banks; c. Reviewed of total outstanding loan in each category, state-owned bank is only able to grab third position, government-owned banks only have a 24% share of total outstanding loan, this suggests that the total outstanding loan of state-owned bank are smaller compared to the 30% shares owned by BPR and 29% shares owned by National Private Bank; d. Based on research result, the outstanding of SME loan provided by stated-owned banks, 60% is dominated by consumer loan, which is based on its usage, this consumer loan can not be classified as SME loan according to the definition of the Government Regulation No. 20, year 2008 about SME; e. The analysis of the average lending rate and the number of non-performing loan (NPL) factor toward state-owned bank of SME lending performance showed that both factors are simultaneously affected but only partially affected (Average interest rates have a significant effect).

Keywords: financing, performance, role, small and medium enterprise, state-owned bank