

ABSTRACT

Micro, Small and Medium Enterprises (MSMEs) have a large role in promoting economic growth in Indonesia. Efforts to improve the performance of MSMEs need to be further developed in meeting capital and financing needs to support MSME operational needs. The printing MSME is one of the industries whose capital requirements are relatively high. This study aims to analyze the factors (negotiation, collaboration, trade of digitization, the role of financial institutions) that influence supply chain finance which will ultimately also affect the performance of the printing industry MSMEs in Semarang city.

The population in this study is the printing MSMEs in Semarang city. Due to the absence of data on MSME in the printing industry, a non-probability sampling technique was chosen in determining the sample. The respondents in this study are the business owners or managers. Data analysis using partial least square-structural equation modeling (PLS-SEM) with data processing supported by smartPLS 3.0 software.

The analysis shows that negotiation and the role of financial institutions are factors that influence supply chain finance which will ultimately affect business performance. The role of financial institutions is very important in meeting the needs of enterprise capital. For this reason, it is necessary to facilitate the process of fulfilling capital and systems in accordance with the printing industry MSMEs. In addition, through negotiations with financial institutions, the management of the printing industry MSME can meet the needs of business capital and reduce the risk of default on loans.

Keywords: *Negotiations, collaboration, trade digitalization, the role of financial institutions, MSMEs, printing, supply chain finance, business performance.*