FARMERS MOTIVATION IN BANKING AGRICULTURE CREDIT LOANS

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ABSTRACT
The agricultural commodity, especially rice, is one that greatly influences economic and political stability in Indonesia, so it is very possible for the need for food security especially in the morning as the main need for food in the community. One of them is Merauke Regency has an average household income in agriculture. Banking potential in the distribution of agricultural credit massage, especially rice commodities. This research was conducted in the Tanah Miring District of Merauke Regency with a descriptive and explanatory research approach with 97 farmers as respondents, by conducting structured interviews using multiple questionnaires (open and closed) and making direct observations or observations of the area and sample responses. To analyze the data obtained by using a variable measurement scale namely the Likert scale, and testing the research instrument carried out by testing the validity and reliability using SPSS 21. Quantitative data processing using the Binary Logistic Regression Test

Keywords: Intrinsic motivation, extrinsic motivation, bank loans

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1. INTRODUCTION
The agricultural commodity, especially rice, is one that greatly influences economic and political stability in Indonesia, so it is very possible for the need for food security especially in the morning as the main need for food in the community. One of the food barns, namely Merauke district with an average household income in agriculture 20,456 million, where sloping land is a district with a population density of 3,579 people and with rice paddy harvest area and paddy fields of 1,294 ha the highest in Merauke District (District Merauke in Figures 2017), this is also a potential for financial institutions to channel agricultural credit massage, especially rice commodities. In general, farmers in Merauke district, especially Merauke district, are still "small" farmers, most of whom produce agricultural products to fulfill their family needs or subsystems, so it is more suitable to be called a "peasant" who prioritizes the
slogan "safety first". In accordance with Notoatmojo in 2005 stated the existence of a person's relationship in a person to achieve goals reflected in interest in behavior, this spurred the motivation of the peasant community to develop their agricultural businesses by making agricultural loans. So that motivation is needed to make a decision, especially agricultural loans through financial institutions because the farmers prefer to choose to minimize the risk rather than maximize profits, unless the farmer is already on the foundation of a solid substance. The motivation of the farmer itself is driven by two kinds of motivation, namely intrinsic motivation and extrinsic motivation. Intrinsic motivation is an instinct of someone wanting to know and encourage success (Brunner, 1996) while extrinsic motivation focuses more on the form of stimulation from outside of someone with the aim of moving individuals to do something that benefits them in line with Fukuyama in Ruslan, 2007 where network collaboration will facilitating communication and interaction, enabling encouragement of mutual trust and strengthening cooperation. Based on the description above, it is necessary to see how big a person in this case is rice farmers in making bank credit loans to increase their production and business based on their motivational factors.

2. METHODS

The Tanah Miring District area as a research site has an area of 1,516.67 Km2 with a population of 18,699 in 2016. Rice production reached 6,114.5 tons in 2016, the area of the sloping district itself borders, Sota District, Jagebob District, Animha District, District Kurik, Semangga District and Merauke District.

This research approach uses two types of research, namely descriptive and explanatory research. The place of the study was carried out in Tanah Miring District of Merauke Regency with a population of 3,542 family heads who were rice farming households, primary data collection with a sample of a population of 97 respondents with techniques through structured interviews using multiple questionnaires (open and closed) and direct observation or observation of the region and the sample response. To analyze the data obtained by using a variable measurement scale namely the Likert scale, and testing the research instrument carried out by testing the validity and reliability using SPSS 21. Quantitative data processing using the Binary Logistic Regression Test to test the dependence / influence of a variable (independent variable) with variables not free, so that the variables in this study only have two choices namely whether the variable has an influence or not even though the estimation principle used in this model analysis is the same as the analysis of linear regression models (Hosmer & Lemeshow, 1989). For qualitative processing obtained during interviews with more useful methods (Ludang and Mangkoedihardjo, 2009; Mangkoedihardjo, 2007).

3. RESULTS AND DISCUSSION

3.1. Test Validity and Data Reliability

Validity and reliability tests were carried out to ensure the data did not experience significant bias, by testing the validity of the research variables using questionnaires declared valid or not. For the value of the validity test using Pearson Correlation by comparing the r value of the table, then the item is valid with an α value of 0.05 with 2-way testing and df = 97-2 = 95 for a value of r table 0.202. Cronbach's alpha value of greater than 0.60 is declared reliable. For tests carried out on the Intrinsic Motivation Questionnaire can be seen in table 1.
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Table 1. Results of Validity and Reliability Test for Intrinsic Motivation Questionnaire

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Validity of coefficient ($r_{xy}$)</th>
<th>$r_{table}$</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTR1</td>
<td>0.798</td>
<td>0.202</td>
<td>Valid</td>
</tr>
<tr>
<td>INTR2</td>
<td>0.835</td>
<td>0.202</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Cronbach’s Alpha = 0.844

Based on Table 1, for the First Intrinsic Motivation statement and two have valid values where the value of $r_{xy}>r_{table}$, and for the reliability test shows the value of Cronbach's Alpha is 0.844 so that it is declared reliable because it is greater than the standard value of 0.60, so the questionnaire Intrinsic motivation can be used. To test the validity and reliability of Extrinsic Motivation can be seen in table 2.

Table 2. Results of Validity and Reliability Tests on the Extrinsic Motivation Questionnaire

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Validity of coefficient ($r_{xy}$)</th>
<th>$r_{table}$</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>EKTR1</td>
<td>0.747</td>
<td>0.202</td>
<td>Valid</td>
</tr>
<tr>
<td>EKTR2</td>
<td>0.610</td>
<td>0.202</td>
<td>Valid</td>
</tr>
<tr>
<td>EKTR3</td>
<td>0.636</td>
<td>0.202</td>
<td>Valid</td>
</tr>
<tr>
<td>EKTR4</td>
<td>0.747</td>
<td>0.202</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Cronbach’s Alpha = 0.771

Based on Table 2, for the statement the Extrinsic Motivation statement has a valid value where the value of $r_{xy}>r_{table}$, and for the reliability test shows Cronbach's Alpha value of 0.771 so it is stated to be reliable because it is greater than the standard value of 0.60, so intrinsic motivation questionnaire can be used.

3.2. Logistics Binary Regression Analysis

The same application with linear regression for binary response variables is a moderation of logistic regression, for professional interpretation of the model can be seen from the odds ratio. Logit regression results can be seen in table 3 as follows:

Table 3. Results of Data Analysis with Logit Regression

<table>
<thead>
<tr>
<th>Variables in the Equation</th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1a</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MTV1</td>
<td>.650</td>
<td>.536</td>
<td>1.473</td>
<td>1</td>
<td>.225</td>
<td>1.916</td>
</tr>
<tr>
<td>MT2</td>
<td>1.092</td>
<td>.489</td>
<td>4.988</td>
<td>1</td>
<td>.026</td>
<td>2.982</td>
</tr>
<tr>
<td>Constant</td>
<td>-6.027</td>
<td>1.999</td>
<td>9.094</td>
<td>1</td>
<td>.003</td>
<td>.002</td>
</tr>
</tbody>
</table>

a. Variable(s) entered on step 1: MTV1, MT2.
From table 3 shows the logistics equation as follows:

$$\log(P/1-p) = -6.027 + 0.650 \text{Intrinsic Motivation} + 1.092 \text{Extrinsic Motivation}$$

From the equation, it can be seen that for the influence of Intrinsic Motivation with the value of sig $\alpha = 0.05$ of 0.225 that no Intrinsic motivation does not affect the loan decisions by Farmers. This shows that Farmers do not have the encouragement from themselves to make loans related to the development of their farms, because the understanding of banking regulations and processes in agricultural loans is not good. The tendency of farmers not to make loans through banks but to better known parties or easier processes. In line with these conditions, the odds-ratio (Exp (B)) is only 1.916, meaning that Farmers who do not have intrinsic motivation to make loans to banks are 1.916 times compared to farmers who have intrinsic motivation to make loans. This is caused by the mindset of farmers who have not or have difficulty changing traditional ways, especially in increasing production through capital due to the limited level of education and also understanding of financial management through banking financial institutions.

The effect of Extrinsic Motivation has a value of sig $\alpha = 0.05$ of 0.026, so Extrinsic motivation has an influence on farmers' decisions in borrowing agricultural credit, this shows farmers have a relationship between farmers who have higher loans in influencing decisions in taking agricultural credit as a role a successful farmer model, having closeness to banking makes it easy in the adoption process for the use of agricultural credit especially having those associations or farmer groups. This is in line with the odds-ratio interpretation of farmers 2.982, which means that farmers' tendencies have extrinsic motivation as much as 2.982 times compared to farmers who do not have extrinsic motivation or self-motivation in making decisions on borrowing agricultural credit.

4. CONCLUSION

Intrinsic Motivation for Farmers in Tanah Miring District, Merauke Regency has no influence on decision making in loan lending, in that entrusting financial management with loans has not been fully entrusted to the bank with the existence of social norms with a sig $\alpha = 0.05$ of 0.225 that is not Intrinsic motivation no effect on loan decisions by Farmers the odds-ratio (Exp (B)) is only 1.916, meaning that Farmers who do not have intrinsic motivation to make loans to banks are 1.916 times compared to farmers who have intrinsic motivation. The effect of Extrinsic Motivation has a value of sig $\alpha = 0.05$ of 0.026, so Extrinsic motivation has an influence on farmers' decisions on odds-ratio agricultural loans, namely farmers 2.982, which means that farmers tend to have extrinsic motivation as much as 2.982 times compared to farmers who do not have extrinsic motivation.

From the research carried out, it can be suggested for Farmers to increase the fabric of cooperation and foster an interest in curiosity about the use of credit for the improvement of rice farming, especially for increasing the economy. And to review the constraints that farmers have on banking as a financial institution that provides agricultural credit services.

REFERENCES


BPS Kabupaten Merauke. 2017. Kabupaten Merauke Dalam Angka Tahun 2017


