RELIABILITY IN THE CREATION, DESTRUCTION AND MOBILIZATION OF DEBTS AND SAVINGS

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ABSTRACT

Purpose: The governments that most influence the direction of the world economy have been inconsistent in their interventions related to financing, sending contradictory signals to developing economies.

Theoretical framework: Through the present study, we sought to explore the social phenomenon of reliability in the creation, destruction and mobilization of debts and savings in the MSEs of the Surco district, for this purpose, The world economy has gone through a series of events that have had a significant impact on the financial stability of many nations. Although companies were able to prevent productive activities from falling into a significant contraction, it is important to keep in mind that today's society is going through episodes of high volatility marked by a high degree of liquidity and insolvency problems among its participants (Altamirano et al., 2020).

Design/methodology/approach: Qualitative approach of phenomenological - hermeneutic design, managers, assistant managers and business advisors of financial services companies in the district were interviewed. Technique is the interview follows a predetermined pattern, the arrangement of their questions and answers allows effective data collection and presentation of results. The information will be processed with Atlas.Ti. a professional software for qualitative data analysis.

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Findings: The study evidences the reasoning and sensitivity of the interviewees, concluding that, reliability allows reducing the time and money invested in supervising and following up in order to meet and enforce debt and savings commitments.

Research, Practical & Social implications: There is a degree of sensitivity with respect to the financial information provided by MSEs in order to qualify for an operation, which is why it is necessary to cross-check such information and compare data with other entities.

Originality/value: It was justified by the need to "know" the phenomenon of managers' confidence in the debts and savings of Peruvian MSEs, which, despite multiple crises, continue to contribute to the country's Gross Domestic Product (GDP) and provide employment opportunities.

Keywords: adaptation to change, affected by Covid, formal employment, lessons from COVID.

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CONFIABILIDADE NA CRIAÇÃO, DESTRUIÇÃO E MOBILIZAÇÃO DE DÍVIDAS E POUPANÇAS

RESUMO

Objetivo: Os governos que mais influenciam a direção da economia mundial têm sido inconsistentes em suas intervenções relacionadas ao financiamento, enviando sinais contraditórios às economias em desenvolvimento.

Estrutura teórica: Por meio do presente estudo, procuramos explorar o fenômeno social da confiabilidade na criação, destruição e mobilização de dívidas e poupanças nas MPEs do distrito de Surco. Para isso, a economia mundial passou por uma série de eventos que tiveram um impacto significativo na estabilidade financeira de muitas nações. Embora as empresas tenham conseguido evitar que as atividades produtivas caíssem em uma contração significativa, é importante ter em mente que a sociedade atual está passando por episódios de alta volatilidade marcados por um alto grau de problemas de liquidez e insolvência entre seus participantes (Altamirano et al., 2020).

Projeto/metodologia/abordagem: Abordagem qualitativa de desenho fenomenológico - hermenêutico, foram entrevistados gerentes, gerentes assistentes e consultores de negócios de empresas de serviços financeiros no distrito. A técnica é que a entrevista segue um padrão predeterminado, o arranjo de suas perguntas e respostas permite a coleta eficaz de dados e a apresentação dos resultados. As informações serão processadas com o Atlas.Ti., um software profissional para análise de dados qualitativos.

Conclusões: O estudo evidencia o raciocínio e a sensibilidade dos entrevistados, concluindo que a confiabilidade permite reduzir o tempo e o dinheiro investidos na supervisão e no acompanhamento para cumprir e fazer cumprir os compromissos de dívida e poupança.

Implicações sociais, práticas e de pesquisa: Há um grau de sensibilidade com relação às informações financeiras fornecidas pelas MPEs para se qualificarem para uma operação, razão pela qual é necessário cruzar essas informações e comparar os dados com os de outras entidades.

Originalidade/valor: Justificou-se pela necessidade de “conhecer” o fenômeno da confiança dos gerentes nas dívidas e nas poupanças das MPEs peruanas, que, apesar das múltiplas crises,
continuam contribuindo para o Produto Interno Bruto (PIB) do país e oferecendo oportunidades de emprego.

**Palavras-chave:** Adaptação à mudança, afetados pela COVID, emprego formal, lições da COVID.

**1 INTRODUCTION**

The governments that most influence the direction of the world economy have been inconsistent in their interventions so far, sending mixed signals to developing economies. The situation has led to the growth of fragile economies, without resilience and with little administrative capacity to cope with the growing challenges (Ortiz et al., 2021). The world economy has gone through a series of events that have had a significant impact on the financial stability of many nations. Although companies were able to prevent productive activities from falling into a significant contraction, it is important to keep in mind that today's society is going through episodes of high volatility marked by a high degree of liquidity and insolvency problems among its participants (Altamirano et al., 2020). To maximize their profits, financial institutions try to acquire savings at the lowest possible interest rate and then on-lend them back to customers at a higher rate (Rivera y Rivera 2019).

For transactions involving the raising of resources or the custody of money belonging to households, non-financial companies and the government, (bank deposits fall within this scope), no trust fee is required, since money is the guarantor of itself (Delgado and Chavez, 2018). However, for borrowing, guarantees, collateral and, probably a trust fee are required, in this regard, research studies conclude that trust reduces interest rates charged to MSEs, or in some cases, reduce cost overruns, but very little is known about the role of trust in multi-transaction firms (Gonzales, 2016).

In this regard, in Indonesia, Wijaya & Moro (2022) noted that when it comes to conventional small business bank lending, trust reduces interest rates. However, the role of trust in supporting financial decisions - i.e., the margin charged to small business managers in Islamic banks - has not been analyzed in the literature. It turns out that margins charged to small firms are negatively correlated with trust. Our results are highly robust to endogeneity.

In the United Kingdom, Harrison et al. (2022) the macroeconomic environment is crucial, as demand effects are unlikely to lead to a decline in the stock of bank loans, while credit availability will lead to difficulties for small businesses to access bank loans.
In particular, during a crisis, an increase in lender risk leads to a contraction in credit availability and a tightening of the credit market, i.e., the bank lending channel. After the crisis, MSEs with higher risk and lower profits face significant difficulties in obtaining bank loans, i.e., the borrower balance channel.

Nguyen (2021) argues that unlike bank lending, which is negatively associated with both types of business investments, informal lending is positively associated with both types of investments. More importantly, we find that the quality of local institutions is able to control how firms conduct their external financing, resulting in an increase in the value of investments.

In Finland Ylhäinen (2017) concluded that life-cycle credit usage profiles also show that, during the early stages of their existence, firms rely more on financial intermediaries. Moreover, cohorts born during recessions pay higher financing costs and make less use of bank loans, even after controlling for their creditworthiness.

In North America, Kapinas et al. (2016) state that the analysis of specific measures to increase access to credit focuses on the ways in which changes in the housing market affect small business performance and suggests that small business owners should use less costly sources of credit rather than bank loans to absorb adverse effects on their property values.

Nationally, Espinoza (2018) proposed as an objective to determine the characteristics of financing and profitability of MSEs in the commercial sector. With a cross-sectional methodology, descriptive, without experimental design. The population and sample consisted of the eight district managers. The technique used was the interview and the instrument used was the questionnaire. One of the main conclusions was that MSEs overcome their lack of liquidity by using profit investment and asset sale strategies. As the company grows and expands, it also accesses both internal and external sources of financing, so it must also reduce its overhead and introduce new products.

Rivera and Villanueva (2020) with the main objective of finding out how financing affects the viability of small and medium-sized enterprises, used a cross-sectional correlational study without experimental design. With a sample of 372 MSEs, they concluded that 62% of the respondents indicated that the amount of financing used by their businesses has decreased, and 55% indicated that their level of liquidity is low.

Castro (2019) set out to determine to what extent sources of financing affect the growth of the MSE business sector, used a basic research approach, with a non-
experimental quantitative and cross-sectional approach at a descriptive level. It concluded that MSEs have limited access to external sources of financing that are responsible for their genesis.

Reliability, unlike other attributes, is defined by an evaluation period: a period during which the effectiveness or precision of an instrument, or the attitude and behavior of a person, who within a certain period of time must perform required functions, is evaluated. Periodic tests are used to generate a reliability factor, that is, a score that reflects the reliability of the device. (Bárcena et al., 2020). Reliability is an extremely important concept in the financial sector, where processes require behavior with low error rates. In fact, reliability is sought not only in the devices and circuits manufactured, but also in the entire enterprise and its associated brands (Belloso et al., 2019).

In this context, the present study sought to explore the situation of trust in the creation, destruction and mobilization of debts and savings of Peruvian MSEs; for this purpose, through a qualitative approach, with a phenomenological-hermeneutic design, the information provided by managers, assistant managers and business advisors of multiple operation companies was required, who will be interviewed in order to learn about the social phenomenon that is the subject of the present study.

It was also justified by the need to "know" the phenomenon of managers' trust in the debts and savings of Peruvian MSEs, which, despite multiple crises, continue to contribute to the country's Gross Domestic Product (GDP) and provide employment opportunities. In theory, this makes sense because, in addition to knowing the reasoning and sensitivity of the respondents, when people trust each other, the time and money spent on monitoring and enforcing contracts can be reduced. At the societal level it is found in the fact that, once the situation is known, MSEs will start paying attention to the issue. The practical justification is given by the importance, effectiveness and generality of the study, as well as the fact that its conclusions can be replicated in future research.

2 DATA AND METHODOLOGY

The research work was of qualitative approach, descriptive level, whose technique will be phenomenology. In this regard Pardinas (2004) refers to the idea that the quantitative approach seeks unquantifiable factors that can be described, understood and explained through the prism of psychology... For Rojas et al. (2021) the aim of
phenomenological studies is to fully understand social phenomena and their reality as scientifically legitimate hypotheses through in-depth interviews.

The informants were the managers, assistant managers, administrators and business advisors of the financial companies in the Surco district. According to Hernandez et al. (2010) in qualitative research, the sample size does not matter from a probabilistic point of view. Because the problem is not to generalize the results to a larger population. Martín-Crespo & Salamanca (2007) refers that a qualitative approach to research requires depth, so its importance are the contributions of people, participants, organizations, events, facts, etc. that help us to understand the research phenomena and answer the research questions posed.

The technique was the interview. In this regard, Peláez et al. (2013) points out that the interview follows a predetermined pattern, the arrangement of its questions and answers allows the efficient collection of data and the presentation of the results.

The information will be processed with Atlas.Ti, a professional software for qualitative data analysis. Thanks to the program's ability to include data sequentially, the circular sense of qualitative analysis can be expressed without the need to collect all the material at once. In this way, it allows for the theoretical experimentation necessary for constructionist theoretical analysis to be carried out (San Martín, 2014). In addition, the Excel spreadsheet, developed by Microsoft for iOS, Windows and Android operating systems, will be used. This software allows the creation of formulas and tables that include mathematical and statistical calculations using formulas.

Confidential information will be handled in accordance with the necessary permissions for this research project; in this sense, the axiomatic principles of the Peruvian Union University apply.
3 RESULTS

Figure 1. First interaction code network

Figure 1 shows the network of codes from the first interaction with the managers, administrators and business analysts of the financial services companies belonging to the unit of analysis, which responds to the creation of confidence in accessing financing and savings for MSEs; in this regard, the managers show that the confidence of MSEs
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Increases when they meet their financing commitments, whether in the short or medium term, based on their ability to pay. Although financing MSEs is riskier due to the lack of systematization of sales data and higher costs and informality than companies with high turnover. However, if the MSE successfully completes the contractual activities, confidence will be generated.

Managers have a similar view, arguing that MSEs build their trust in the fulfillment of their obligations, if they stick to agreements and fulfill them, then we can build strong and successful business relationships. However, it is not possible to be completely reliable, it is in human nature to use every situation to one's advantage, which is why rigorous testing processes are used to maintain standards on reliability. With savings, there is no problem. Therefore, to receive documentation, originals are required, or proof that the payer has a normal SBS rating and basic legal information to sign the contract.

For analysts and business advisors it is difficult to establish a level of confidence, because in the field of work is where you find that some MSEs misrepresent the information, their accounting is simply for tax purposes, this is of little use for analysis. In many cases, clients try to simulate large movements to access financing, however, when corroborating the information, we find many adverse situations and errors, so the most appropriate thermometer used is the compliance and payment capacity of the applicant. This is why procedures are followed to qualify clients, review their receipts, their declarations before SUNAT and the quality of their assets; once qualified, payment transactions and their timeliness are followed up, only then can a level of trust be established.
Figure 2. Code network of the second interaction

Source: Atlas.Ti - Code groups

Figure 2 shows the code network of the first interaction with managers, administrators and business analysts of the financial services companies belonging to the
unit of analysis, which responds to the importance of knowing or interacting with the managers and/or owners of the MSEs who request access to financing and savings in the financial companies. For the executives, the interactions serve to attest to their experience in the area in which the MSE is financing, the strength of the money they require and where that money is going, as well as the strength or mobility of the assets that investors may have if they need their money. For others, the interaction is important, because they understand that they are the only ones with complete or estimated data on the costs and benefits of the MSEs, necessary for the financial analysis, and thus authenticate and accredit the business or potential clients, providing support and security to the system to prevent money laundering and the financing of criminal activities such as terrorism, human trafficking or others that are against ethics and laws.

For managers it is important to know and interact with managers and owners, but that is not decisive, because there may be a certain level of trust and friendship, but the company needs tangible and specific information, of course the interaction has a certain degree of influence, but not decisive. For savings it is necessary to know where the money comes from, according to the limits established by the SBS. Through the interviews we inferred the importance of knowing the owners of the companies, since they are the ones who will take care of the debt obligations, many of whom are even friends of ours, but this friendship does not mix with the commitments acquired. and in case of non-compliance one must proceed according to the rules of the establishment. However, the subjective value is subtracted and it is assumed that a brief meeting may be necessary depending on the amount of financing, the duration of the activity and the destination of the funds.

Business analysts and advisors are friends with their clients; however, for rating and financing purposes, data from financial reports, business operations and, most importantly, the level of compliance with debt payments, carry more weight. They report that it is important to get to know the managers and/or owners, and even befriend them, because this trust allows them to remind them of their commitments and, in addition, to provide them with a variety of banking products. Sometimes meetings are scheduled with the managers and/or owners to find out where the loan is going and their ability to arrange the necessary financing.
Figure 3. Third interaction code network

Source: Atlas.Ti - Code groups

Figure 3 shows the code network of the first interaction with managers, administrators and business analysts of the financial services companies belonging to the unit of analysis, which responds to the reliability of the information, data, requirements
and others provided by the MYPES borrowers. In this regard, managers mention that all information is validated by internal processes such as verification of central risk management, SUNAT reports, and analysis of financial statements, in addition to the compliance measures implemented to stop money laundering. While this is generally reliable, in order to detect discrepancies in the information provided, which may even be accidental due to lack of knowledge of all fiscal or financial aspects, it is essential to confirm the information and compare data. For this reason, all business intelligence controls are verified as reliable through due diligence by external consultants to verify the accuracy of data obtained through official policies, government channels and indirect financial channels contribute to the verification of data obtained from suppliers.

For the administrators, the information on purchase and sale transactions comes directly from SUNAT; additionally, the credit bureau provides ratings; otherwise, information authentication procedures are followed. Others have delegated the responsibility to analysts, who must verify the information provided, so strict control and cross-checking procedures are followed, including asking the applicant's neighbors to corroborate certain traits and behaviors of the client. In summary, to create the most accurate representation of MSEs, the proper process is to rely on multiple sources of information. As for savings, it is not a big deal, unless it is money that cannot be justified as coming from.

Business analysts and advisors believe that it is important to triangulate information to identify situations of money laundering, human trafficking, or other crimes, which could be financed with borrowed resources. Therefore, the information is triangulated and corroborated qualitatively and quantitatively, as part of the filters that make it possible to discriminate the quality of the information presented by the client.

3.1 FREQUENT WORD ANALYSIS

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<thead>
<tr>
<th>WORD</th>
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<td>8%</td>
</tr>
<tr>
<td>financing</td>
<td>12</td>
<td>7%</td>
</tr>
<tr>
<td>verification</td>
<td>12</td>
<td>7%</td>
</tr>
<tr>
<td>information</td>
<td>11</td>
<td>6%</td>
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<tr>
<td>financial</td>
<td>10</td>
<td>6%</td>
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<tr>
<td>trust</td>
<td>9</td>
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<td>commercial</td>
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<tr>
<td>analysis</td>
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<tr>
<td>laundering</td>
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Table 1 shows the list of the words most used by the interviewees, through these we can infer the social phenomenon of trustworthiness for the creation and destruction of loans and savings revolves around financing for activities that generate value to MSEs, however, for the purpose of financing in necessary a quota of verification of financial information. However, in order to create levels of commercial trust, and go beyond the analysis to prevent the financing of crimes such as human trafficking, money laundering and others, it is necessary to review invoices, assets and the destination of the financed resources, in order to maintain reliable and solid relationships, validating access to savings and financing for MSEs.
Figure 4 shows the most recurrent word cloud in the interviews, which is "financing", because the social purpose of financial services companies is to provide this element to Peruvian MSEs, but a solvent quota of information is necessary. However, financial data are found that only obey tax needs, so that financing costs also rise, due to the uncertainty that the information generates. Moreover, the relationship between lender and borrower follows procedures regulated by the financial services companies and the SBS. This is why reliability is based on reliable, verifiable and trustworthy information, which is the only way to ensure reliability, both for the creation or mitigation of debts and for the provision of savings.

3.2 CO-OCCURRENCES AND SENTIMENT

Figure 5. Sentiment diagram of interactions

Source: Atlas.Ti - Co-occurrences

According to the proposed research and the theories that support it, when interacting with the interviewees, emotions stand out as shown in the diagram in Figure 5. These emotions are more prominent in the neutral rating field, which shows that in the current economy and despite the situation of national economic and political crisis, the conservative feeling is what most managers, directors, advisors and analysts of financial services companies evidence. These results allow us to conclude that reliability is strongly related to the actions of small and micro entrepreneurs, that is, to the fulfillment of their obligations in the given time. However, there is some skepticism about the information presented at the documentary level, which makes it necessary to use mechanisms to authenticate the documents presented and access financing. This problem occurs to a lesser extent in the area of savings, where only the origin of the deposit has to be accredited and left in the depository.
4 DISCUSSION

The results of this study are in agreement with those of Wijaya & Moro (2022) who noted that when it comes to conventional bank lending to small businesses, confidence reduces interest rates. They are also similar to Harrison et al. (2022) as there must be reliable information for small businesses to access bank loans. In particular, during a crisis, an increase in lender risk leads to a contraction in credit availability and a tightening of the credit market, i.e. the bank lending channel. After the crisis, MSEs with higher risk and lower profits face significant difficulties in obtaining bank loans, i.e., the borrower balance channel.

They are discordant with Ylhäinen (2017) who concluded that during the early stages of their existence, companies resort more to financial intermediaries. In the case of the present study, it is necessary that the owner and/or manager of the company must manage the borrowings and submit the required documentation, third parties are not allowed to be present for such operations. They are discordant with Kapinas et al. (2016) who state that small business owners should use less costly sources of credit instead of bank loans to absorb the adverse effects on the value of their properties. In the present study, it was evident that MSEs resort to formal banking to apply for financing.

Nationally, Espinoza (2018) proposed as an objective to determine the characteristics of financing and profitability of MSEs in the commercial sector, with a cross-sectional methodology, descriptive, without experimental design. The population and sample consisted of the eight district managers. The technique used was the interview and the instrument used was the questionnaire. One of the main conclusions was that MSEs overcome their lack of liquidity by using profit investment and asset sale strategies. As the company grows and expands, it also accesses both internal and external sources of financing, so it must also reduce its overhead and introduce new products.

They are consistent with Castro (2019) who stated that financing allows the growth of the MSE sector, however their access to external sources of financing is limited, so a liquidity rotation should be promoted within MSEs in order to ensure compliance with their obligations to financiers.
5 CONCLUSION

Reliability depends on the fulfillment of the payment obligations to which the MSE has subscribed, which sets a precedent for the creation, cancellation and collection of debt and savings.

Reliability is also expressed when presenting the requested document, since in many cases it lacks authenticity and cannot be verified with certainty, in this sense the financial services companies cross-check information to corroborate the document presented by the MSE.

It is necessary to interact with the owners and/or managers of the MSEs to attest to their knowledge of their business, as well as their capacity to invest the requested amount, and the resources they have in case it occurs.

The quality and authenticity of the information provided will be rigorously controlled in order to make the requested disbursements, since it has been found that the simulations have resulted in the development of overdue portfolios.
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