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# Financial policy implementation, enterprise financing capability, and financing satisfaction: Basis for small and micro enterprises' financing accessibility framework in China

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## *Abstract*

For small and micro enterprises to achieve rapid and healthy development, it is crucial to have sufficient funds, while improving the financing environment is the top priority. The financing environment includes external financing policies and internal financial conditions. Given the important role of financing in small and micro enterprises, research on external financing policy implementation, internal financial status, and overall financing satisfaction has become a significant topic in the business community. This study addressed a key gap in academic literature by rigorously investigating the relationship between the implementation of financing policies for small and micro enterprises and the impact of their financial status on financing satisfaction. This study adopted a comprehensive mixed method research design, collecting a large amount of quantitative data from 500 financing small and micro enterprises with different samples. Adopting advanced statistical methods, including Structural Equation Modeling (SEM), to ensure the rigor of the analysis. The preliminary research results are enlightening: in financing small and micro enterprises, the implementation of financing policies has a statistically significant positive impact on financing satisfaction efficiency, thus affirming their key role in corporate financing decision-making. Although the overall impact of a company's financial situation is not significant, it is an important factor that affects its financing. In summary, these findings not only validate the individual and comprehensive significance of financing policy implementation, corporate financial status, and financing satisfaction in corporate financing, but also establish a comprehensive framework for small and micro enterprises to better obtain financing.

***Keywords:*** financial policy implementation, enterprise financing capability, financing satisfaction, financing accessibility framework, small and micro enterprises

# Financial policy implementation, enterprise financing capability, and financing satisfaction: Basis for small and micro enterprises' financing accessibility framework in China

## 1. Introduction

From the current development in China, small and micro enterprises contribute 80 percent of the country's employment, about 70 percent of patent invention rights, over 60 percent of GDP, and over 50 percent of taxes. In view of this, small and micro enterprises have played a crucial role in promoting stable economic development, stimulating market vitality, stabilizing employment, and ensuring people's livelihoods (Li, 2022).

The past glory of small and micro enterprises is certainly commendable, but in the process of their "barbaric growth", their advantages such as domestic population dividends, raw material costs, and tolerance for environmental damage gradually fade away. The problems accumulated in their development process have become increasingly prominent. Since the outbreak of COVID-19, in the face of the COVID-19 epidemic and the deteriorating international external environment, most enterprises' production and operation have been affected. Compared with large and medium-sized enterprises with qualified collateral and strong financial strength, small and micro enterprises have weaker risk resistance and are greatly impacted. They face adverse effects such as forced employee isolation, imported inflation, and supply chain shortages in production (Hong, 2020). Adequate and inclusive funding supply is crucial for ensuring the normal operation and development of small and micro enterprises. According to statistics from the People's Bank of China, the average time for small and micro enterprises to obtain loans for the first time is 4 years after their establishment, but many small and micro enterprises often go bankrupt before waiting for the first loan. On the contrary, if small and micro enterprises obtain their first loan, the probability of obtaining another loan will significantly increase.

In recent years, the country has included solving the financing problem of small and micro enterprises in the "main agenda" and issued the "Guiding Opinions on Promoting the Healthy Development of Small and Medium Enterprises" in 2019, which pointed out that there are still many areas for improvement in the financing policy of small and medium-sized enterprises, and there are still many financing obstacles that need to be overcome. Since the outbreak of the epidemic, in order to assist small and micro enterprises in resuming work and production, and alleviate their financing difficulties, government agencies at all levels have successively issued a package of corporate financing policies. The introduction of the above policies also indirectly reflects the common difficulties that small and medium-sized enterprises still face in financing and development.

In order to understand the latest financing progress of small and micro enterprises during the post epidemic period, evaluate the actual effectiveness (satisfaction) of financing for small and micro enterprises, small and micro enterprises are now taken as the research object of the survey. The research focuses on whether there is a significant improvement in financing policy implementation, financing ability, and financing satisfaction, as well as how to further improve the accessibility of financing for small and micro enterprises in the future. Examining the relationship between financial policy implementation, enterprise financing capability, and financing satisfaction is critical for navigating the complexities of today's economic landscape. Effective financial policies, as explored by recent studies like Xu (2019) on international support models and Tao et al. (2017) on public service systems for SMEs, can significantly impact access to credit, especially for vital small and medium-sized enterprises (SMEs) (Chakarabati, 2012). This, in turn, fuels economic growth by enabling increased investment and job creation Additionally, efficient allocation of resources (Uzzi et. al.,2002) and financial stability (Morshedul et al., 2021) can be achieved through well-designed policies that consider the evolving needs of businesses. From a business perspective, better access to financing translates to improved financial health (Wang et al., 2020), increased innovation (Tsou et. al.,2023), and better decision-making (Costa et al., 2023).

Furthermore, understanding financing satisfaction, as investigated by Li et. al.,(2022), allows policymakers to identify gaps and inefficiencies (Hou et al., 2022) within the financial system. This ultimately promotes transparency and accountability (Peng, 2021; Pan, 2021), leading to a more robust and responsive financial ecosystem. Thus, studying these factors provides valuable insights for policymakers, businesses, and researchers. This knowledge can be used to create a more effective financial system that fosters economic development, business success, and a more inclusive financial landscape.

***Objectives of the Study -*** This study aimed to explore the relationship between financial policy implementation, enterprise financing capability and financing satisfaction. Specifically, this study sought to evaluate the financial policies implementation in China in terms of policy promotion, policy benefits, and policy evaluation; assess the enterprise financing capability in terms of profitability, cash flow status, and debt level; determine the financing satisfaction in China in terms of cost efficiency, cost effectiveness and cost sustainability; test the significant relationship between financial policy implementation, enterprise financing capability and financing satisfaction; and develop a Small and Micro Enterprises' Financing Accessibility Framework in China.

## 2. Methods

***Research Design -*** This study used the descriptive type of research. It is a method used to accurately and systematically describe the characteristics of a population, situation, or phenomenon by providing a clear picture of the subject matter without necessarily establishing cause-and-effect relationships. By collecting and analyzing data, descriptive research can reveal trends and patterns within a population or phenomenon. This information can be valuable for further research or informing decision-making.

***Participants of the Study -*** The survey on the implementation of financing policies, financing capabilities, and financing satisfaction mainly targeted 415 small and micro enterprises in China. Many Chinese enterprises are small and micro enterprises, and their development has made great contributions to China. The biggest problem faced by small and micro enterprises in their development is financing difficulties. The Chinese government has issued many policies to support the financing of small and micro enterprises in order to assist their development. So this survey mainly focuses on the implementation of financing policies, financing capabilities, and financing satisfaction of small and micro enterprises. Considering the effectiveness and response rate of the survey questionnaire, the survey ultimately selected survey data from 415 small and micro enterprises.

***Instruments of the Study -*** The research tools used in this study mainly include survey questionnaires and data analysis. A Likert four-point scale was designed to investigate the implementation of financing policies and financing capabilities. The questionnaire covers various aspects of financing, including financing policy promotion, financing policy implementation, transportation costs, customer service quality, and customer satisfaction evaluation in these areas. In addition, IBM SPSS Statistics is used to analyze the collected data and identify key factors that affect customer satisfaction through data mining, providing a basis for improving logistics service quality and customer loyalty.

***Data Gathering Procedure -*** This study aimed to evaluate the current development status of China's logistics industry by distributing online questionnaires to customers of Chinese express logistics companies. This questionnaire aimed to obtain the evaluation of service quality from Chinese logistics company customers, as well as their satisfaction and loyalty. The survey questionnaire went through a pilot testing phase before actual distribution. A small group of experts and potential respondents reviewed it to ensure its clarity, relevance, and baselessness. Incorporated feedback from the pilot phase to improve the questionnaire and enhance its effectiveness and reliability. It is distributed through the online platform Questionnaire.com, which has been selected for its ease of use, accessibility, and ability to reach a wide audience in different regions of China. Invitations to participate and research introductions were sent to potential respondents to ensure they understand the research objectives. Invitations to participate and research introductions were sent to potential respondents to ensure they understand the purpose and significance of the study. Once the data collection phase is completed, download the response from the platform in a structured format suitable for analysis. Perform initial data cleaning to remove any incomplete or inconsistent responses, ensuring that subsequent analysis is based on accurate and high-quality data.

***Ethical Considerations* -** The researcher fully respect the rights and privacy of participants and conduct research in a legal, ethical, and transparent manner to ensure the reliability and credibility of research results. Before conducting data collection, the researcher ensure that participating enterprise personnel understand the purpose, process, and potential risks. In the process of data analysis and result presentation, the privacy and confidentiality of the interviewed enterprises and individuals can be protected. Strictly comply with relevant laws and regulations in data processing and storage, and properly handle and store participant data.

***Data Analysis* -** Weighted mean and rank were used to evaluate the financial policies implementation in China in terms of policy promotion, policy benefits, and policy evaluation; to assess the enterprise financing capability in terms of profitability, cash flow status, and debt level; and to determine the financing satisfaction in terms of cost efficiency, cost effectiveness and cost sustainability. The result of Shapiro-Wilk Test showed that p-values of all variables were less than 0.05 which means that the data set was not normally distributed. Therefore, Spearman rho was used as part of the non-parametric tests to determine the significant relationship. All analyses were performed using SPSS version 28.

## 3. Results and Discussions

**Table 1**

*Summary Table on Enterprise Financing Capability*

| Key Result Areas | Composite Mean | VI | Rank |
|---|---|---|---|
| Profitability | 2.73 | Agree | 3 |
| Cash Flow Status | 2.74 | Agree | 2 |
| Debt Level | 2.77 | Agree | 1 |
| Grand Composite Mean | 2.75 | Agree | |

*Legend:3.50-4.00=Strongly Agree;2.50-3.49=Agree;1.50-2.49=Disagree;1.00-1.49=Strongly Disagree*

Table 1 provides a comprehensive overview of enterprise financing capability, dissecting it into three key result areas: Profitability, Cash Flow Status, and Debt Level. The grand composite mean of 2.75, situated within the "Agree" range, signifies a general consensus on the positive assessment of enterprises' financial capabilities, albeit with nuanced distinctions across different dimensions of financial health. Debt Level, with the highest composite mean of 2.77, emerges as the foremost strength among the evaluated areas. This suggests that enterprises are particularly adept at managing their debt, maintaining levels that are sustainable and conducive to long-term financial health. The strategic management of debt is crucial, as it reflects not only on a company's ability to meet its financial obligations but also on its risk profile and attractiveness to both lenders and investors. The emphasis on Debt Level as a key strength aligns with financial management principles that advocate for a balanced approach to leveraging, where the benefits of debt in terms of tax shields and financial leverage are carefully weighed against the risks of over-leveraging and financial distress.

Following closely is Cash Flow Status, with a composite mean of 2.74. This area's significance underscores the critical role of liquidity and cash management in ensuring operational resilience and strategic flexibility. Effective cash flow management enables companies to navigate through economic uncertainties, invest in growth opportunities, and meet their short-term obligations without undue stress. The positive assessment in this area reflects a recognition of the robust practices enterprises employ to optimize their cash positions, a fundamental aspect of financial stability and efficiency. Profitability, ranked third with a composite mean of 2.73, remains a vital component of financial capability, indicating a solid performance in generating earnings relative to expenses. While slightly lower ranked, the importance of profitability cannot be understated, as it forms the foundation upon which sustainable growth and financial stability are built. Profitability is indicative of a company's operational efficiency, market positioning, and overall value creation capability. A strong performance in this area ensures that enterprises have the necessary resources to reinvest in their operations, reward shareholders, and explore new market opportunities.

In conclusion, Table 1's summary of enterprise financing capability paints a picture of companies that are well-positioned in terms of their financial management practices. The nuanced ranking of key result areas highlights the multifaceted nature of financial health, where debt management, cash flow optimization, and profitability each play critical roles in shaping an enterprise's financial landscape. This balanced approach to financial management is indicative of strategic planning and execution that prioritize sustainability, risk management, and growth, reflecting a comprehensive understanding of the dynamics of corporate finance.

**Table 2**

*Summary Table on Financing Satisfaction*

| Key Result Areas | Composite Mean | VI | Rank |
|---|---|---|---|
| Cost Efficiency | 2.72 | Agree | 3 |
| Cost Effectiveness | 2.75 | Agree | 1.5 |
| Cost Sustainability | 2.75 | Agree | 1.5 |
| Grand Composite Mean | 2.74 | Agree | |

*Legend:3.50-4.00=Strongly Agree;2.50-3.49=Agree;1.50-2.49=Disagree;1.00-1.49=Strongly Disagree*

Table 2 presents a summary of financing satisfaction across three key result areas: Cost Efficiency, Cost Effectiveness, and Cost Sustainability. The grand composite mean of 2.74, within the "Agree" range, indicates a general satisfaction among businesses with their financing arrangements in terms of these cost-related aspects. This overall satisfaction reflects a positive perception of the financial services sector's ability to meet the diverse needs of businesses in a cost-effective and sustainable manner.

Cost Effectiveness and Cost Sustainability, both with a composite mean of 2.75, are jointly ranked the highest. This suggests that businesses highly value financing options that not only provide immediate financial benefits but also support long-term financial health. Cost Effectiveness, in this context, likely refers to the ability of financing to generate greater returns than the costs incurred, a critical factor for businesses aiming to maximize their investments. Cost Sustainability, on the other hand, emphasizes the long-term viability of financing costs, ensuring that businesses can maintain their financial obligations without compromising their future growth potential.

Cost Efficiency, with a slightly lower composite mean of 2.72, is still within the "Agree" range but ranks third. This indicates that while businesses are generally satisfied with the efficiency of costs associated with financing, there may be room for improvement in this area. Cost Efficiency typically involves minimizing the costs of financing while maintaining quality and service standards, an aspect that is crucial for businesses looking to optimize their financial resources.

The overall satisfaction reflected in the grand composite mean suggests that financial service providers are effectively addressing the key concerns of businesses regarding financing. However, the nuanced differences in satisfaction across these areas highlight the complex nature of financial decision-making for businesses, where factors like long-term sustainability and effectiveness of financing are just as important as immediate cost efficiency. This balanced approach to evaluating financing options underscores the strategic considerations businesses undertake in their financial planning and management.

Table 3 shows the relationship between financial policies implementation and enterprise financing capability. As seen in the table, the computed rho-values ranging from 0.668 to 0.814 indicate a strong to very strong direct relationship among the sub variables of financial policies implementation and enterprise financing capability. There was a statistically significant relationship between financial policies implementation and enterprise financing capability because the obtained p-values were less than 0.01.

**Table 3**

*Relationship Between Financial Policies Implementation and Enterprise Financing Capability*

| Variables | rho | p-value | Interpretation |
|---|---|---|---|
| Policy Promotion | | | |
| Profitability | 0.772** | < .001 | Highly Significant |
| Cash Flow Status | 0.746** | < .001 | Highly Significant |
| Debt Level | 0.668** | < .001 | Highly Significant |
| Policy Benefits | | | |
| Profitability | 0.802** | < .001 | Highly Significant |
| Cash Flow Status | 0.786** | < .001 | Highly Significant |
| Debt Level | 0.709** | < .001 | Highly Significant |
| Policy Evaluation | | | |
| Profitability | 0.814** | < .001 | Highly Significant |
| Cash Flow Status | 0.781** | < .001 | Highly Significant |
| Debt Level | 0.720** | < .001 | Highly Significant |

***. Correlation is significant at the 0.01 level*

Table 3 provides a statistical analysis of the relationship between the implementation of financial policies and enterprise financing capability, using Spearman's rho correlation coefficients and p-values. The results across all variables indicate a highly significant correlation, suggesting a strong relationship between the implementation of financial policies and various aspects of enterprise financing capability. In the realm of Policy Promotion, the correlations with Profitability (rho = 0.772), Cash Flow Status (rho = 0.746), and Debt Level (rho = 0.668) are all highly significant ($p < .001$). This implies that effective policy promotion is strongly associated with better profitability, healthier cash flow status, and more manageable debt levels in enterprises. The high correlation with profitability, in particular, suggests that clear and effective promotion of financial policies can significantly impact an enterprise's ability to generate profits.

Similarly, for Policy Benefits, the correlations are even stronger. Profitability shows a rho of 0.802, Cash Flow Status a rho of 0.786, and Debt Level a rho of 0.709, all with p-values less than .001. These results indicate that the benefits derived from financial policies are closely linked to an enterprise's financial health. The strongest correlation with profitability underscores the direct impact of policy benefits on a company's bottom line. Lastly, Policy Evaluation shows the strongest correlations among the three policy aspects. With a rho of 0.814 for Profitability, 0.781 for Cash Flow Status, and 0.720 for Debt Level (all $p < .001$), it suggests that the way policies are evaluated plays a crucial role in enhancing an enterprise's financial capabilities. The particularly strong correlation with profitability highlights the importance of thorough and effective policy evaluation in driving financial success.

Overall, Table 3 demonstrates that the implementation of financial policies, encompassing promotion, benefits, and evaluation, is significantly correlated with key aspects of enterprise financing capability. This suggests that well-implemented financial policies can have a profound impact on an enterprise's profitability, cash flow management, and debt handling, thereby contributing to its overall financial health and stability.

Table 4 is the Relationship Between Financial Policies Implementation and Financing Satisfaction. As seen in the table, the computed rho-values ranging from 0.539 to 0.637 indicate a moderate to strong direct relationship among the sub variables of financial policies implementation and financing satisfaction. There was a statistically significant relationship between financial policies implementation and financing satisfaction because the obtained p-values were less than 0.01.

Table 4 presents a statistical analysis of the relationship between the implementation of financial policies and financing satisfaction, as measured across three key dimensions: Cost Efficiency, Cost Effectiveness, and Cost Sustainability. The analysis uses Spearman's rho correlation coefficients and p-values, with all results indicating highly significant correlations ($p < .001$).

**Table 4**

*Relationship Between Financial Policies Implementation and Financing Satisfaction*

| Variables | rho | p-value | Interpretation |
|---|---|---|---|
| Policy Promotion | | | |
| Cost Efficiency | 0.551** | < .001 | Highly Significant |
| Cost Effectiveness | 0.596** | < .001 | Highly Significant |
| Cost Sustainability | 0.539** | < .001 | Highly Significant |
| Policy Benefits | | | |
| Cost Efficiency | 0.559** | < .001 | Highly Significant |
| Cost Effectiveness | 0.636** | < .001 | Highly Significant |
| Cost Sustainability | 0.590** | < .001 | Highly Significant |
| Policy Evaluation | | | |
| Cost Efficiency | 0.601** | < .001 | Highly Significant |
| Cost Effectiveness | 0.637** | < .001 | Highly Significant |
| Cost Sustainability | 0.597** | < .001 | Highly Significant |

***. Correlation is significant at the 0.01 level*

In the context of Policy Promotion, the correlations with Cost Efficiency (rho = 0.551), Cost Effectiveness (rho = 0.596), and Cost Sustainability (rho = 0.539) are all highly significant. This suggests that the way financial policies are promoted has a substantial impact on how satisfied enterprises are with the cost aspects of their financing. The strongest correlation with Cost Effectiveness indicates that effective policy promotion is particularly influential in ensuring that financing is perceived as yielding greater returns than the costs incurred.

For Policy Benefits, the correlations are slightly stronger. Cost Efficiency shows a rho of 0.559, Cost Effectiveness a rho of 0.636, and Cost Sustainability a rho of 0.590, all highly significant. These results imply that the benefits derived from financial policies are closely linked to satisfaction with financing costs. The strongest correlation with Cost Effectiveness underscores the importance of policy benefits in enhancing the perceived value of financing relative to its cost.

Lastly, Policy Evaluation shows strong correlations as well, with Cost Efficiency at a rho of 0.601, Cost Effectiveness at 0.637, and Cost Sustainability at 0.597. These highly significant correlations suggest that the manner in which financial policies are evaluated plays a crucial role in influencing satisfaction with financing costs. The particularly strong correlation with Cost Effectiveness again highlights the critical impact of policy evaluation on the perceived effectiveness of financing in terms of cost versus benefits.

Overall, Table 4 demonstrates that the implementation of financial policies, encompassing promotion, benefits, and evaluation, is significantly correlated with financing satisfaction across all three cost-related dimensions. This indicates that well-implemented financial policies can significantly influence how enterprises perceive the efficiency, effectiveness, and sustainability of their financing costs, thereby contributing to overall satisfaction with their financial arrangements.

Table 5 is the Relationship Between Enterprise Financing Capability and Financing Satisfaction. As seen in the table, the computed rho-values ranging from 0.631 to 0.770 indicate a strong direct relationship among the sub variables of enterprise financing capability and financing satisfaction. There was a statistically significant relationship between enterprise financing capability and financing satisfaction because the obtained p-values were less than 0.01.

Table 5 provides a statistical analysis of the relationship between enterprise financing capability and financing satisfaction, focusing on three key aspects of each: Profitability, Cash Flow Status, and Debt Level for financing capability, and Cost Efficiency, Cost Effectiveness, and Cost Sustainability for financing satisfaction. The analysis uses Spearman's rho correlation coefficients and p-values, with all results indicating highly significant correlations ($p < .001$).

**Table 5**

*Relationship Between Enterprise Financing Capability and Financing Satisfaction*

| Variables | rho | p-value | Interpretation |
|---|---|---|---|
| Profitability | | | |
| Cost Efficiency | 0.644** | < .001 | Highly Significant |
| Cost Effectiveness | 0.653** | < .001 | Highly Significant |
| Cost Sustainability | 0.631** | < .001 | Highly Significant |
| Cash Flow Status | | | |
| Cost Efficiency | 0.646** | < .001 | Highly Significant |
| Cost Effectiveness | 0.706** | < .001 | Highly Significant |
| Cost Sustainability | 0.663** | < .001 | Highly Significant |
| Debt Level | | | |
| Cost Efficiency | 0.691** | < .001 | Highly Significant |
| Cost Effectiveness | 0.770** | < .001 | Highly Significant |
| Cost Sustainability | 0.726** | < .001 | Highly Significant |

***. Correlation is significant at the 0.01 level*

For Profitability, the correlations with Cost Efficiency (rho = 0.644), Cost Effectiveness (rho = 0.653), and Cost Sustainability (rho = 0.631) are all highly significant. This suggests that an enterprise's profitability is strongly linked to its satisfaction with the cost aspects of financing. The highest correlation with Cost Effectiveness indicates that more profitable enterprises are likely to perceive their financing as yielding greater returns compared to the costs.

In the case of Cash Flow Status, the correlations are even stronger. Cost Efficiency shows a rho of 0.646, Cost Effectiveness a rho of 0.706, and Cost Sustainability a rho of 0.663, all highly significant. These results imply a close link between the health of an enterprise's cash flow and its satisfaction with financing costs. The strongest correlation with Cost Effectiveness suggests that enterprises with robust cash flow status are particularly likely to view their financing as effective in terms of cost versus benefits.

For Debt Level, the correlations are the strongest among the three financing capability variables. Cost Efficiency has a rho of 0.691, Cost Effectiveness a rho of 0.770, and Cost Sustainability a rho of 0.726. These highly significant correlations indicate that the level of debt an enterprise carries is closely related to how satisfied it is with the costs of its financing. The particularly strong correlation with Cost Effectiveness underscores the impact of debt management on the perceived value of financing.

Overall, Table 5 demonstrates that there is a significant relationship between various aspects of enterprise financing capability and financing satisfaction. The strong correlations across all variables suggest that enterprises with higher profitability, better cash flow status, and well-managed debt levels are more likely to be satisfied with the efficiency, effectiveness, and sustainability of their financing costs. This indicates that an enterprise's financial health is a key determinant of its satisfaction with financial arrangements, influencing perceptions of cost-related aspects of financing.

**Research Output:**

The framework is about financing accessibility in China for small and micro enterprises (SMEs). This outlines the factors affecting financing accessibility and how they influence enterprise financing satisfaction.

Financing Accessibility: Represented by a box on the left, financing accessibility refers to the ease with which SMEs can obtain financing from financial institutions. Factors Affecting Financing Accessibility are Financial Policy Implementation: This refers to government policies and regulations that aim to improve access to financing for SMEs.Examples include loan guarantee programs or relaxing lending criteria for specific industries. Enterprise Financing Capability: This reflects the financial health of the SME itself, including its profitability, cash flow, and debt levels. Lenders typically assess these factors to determine the creditworthiness of a borrower. Lenders' Risk Assessment: This refers to the process by which financial institutions evaluate the risk of lending to an SME. They consider factors like the borrower's financial history, the purpose of the loan, and the overall economic climate.

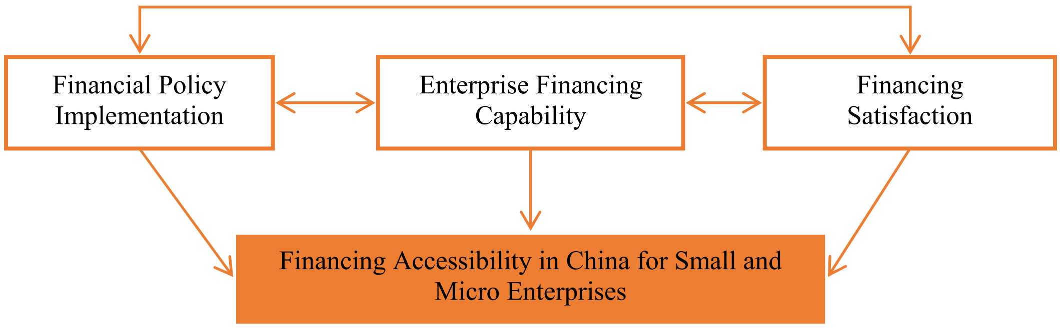


*Figure 1. Financing Accessibility Framework for SMEs*

As to Enterprise Financing Satisfaction: Shown on the right side of the diagram, enterprise financing satisfaction reflects how happy SMEs are with the financing options available to them. Factors influencing this satisfaction include: Loan Approval Rates: The percentage of loan applications that are successful. Loan Terms: This refers to the conditions of the loan, such as interest rates, repayment periods, and collateral requirements. Efficiency of Loan Application Process: The ease and speed with which SMEs can apply for and receive financing.

## 4. Conclusions and recommendations

The financial policies in China are effectively implemented, as evidenced by positive assessments in policy promotion, benefits, and evaluation. Enterprises in China demonstrate strong financing capabilities, as indicated by high scores in profitability, cash flow status, and debt level management. There are high levels of satisfaction among enterprises in terms of cost efficiency, effectiveness, and sustainability of financing. There are significant relationships between financial policy implementation, enterprise financing capability, and financing satisfaction showing that effective financial policies positively impact enterprise financing capabilities, which in turn influence satisfaction with financing. Financing accessibility framework for small and micro enterprises in China was developed.

The companies may conduct regular assessment of financial policy implementation to make better decisions about the company's finances. The financial service providers may tailor financial strategies and products that cater to these diverse needs. The SME's may focus on Digital and Technological Integration, this includes leveraging fintech innovations for more efficient financial processes, enhancing data analytics for better decision-making, and adopting digital platforms for easier access to financial services. The SME's may adopt the formulated financing accessibility framework for small and micro enterprises in China to further understand the drivers that can improve policies and strategies and enhance financing capabilities. For future researchers, they may conduct comparative studies to understand how China's financial policies and their outcomes compare to those of other countries with different economic systems and development levels to identify specific mechanisms that contribute to the effective implementation of financial policies.

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