



The effects of non-financial intermediation of Microfinance banks on micro, small and medium enterprises' performance in Kano state, Nigeria

Nasiru Ahmed Umar

Department of Economics, Bayero University, Kano, Nigeria

Abstract

The study examined the effects of microfinance banks' non-financial services on the performance of micro and small enterprises in Kano state, Nigeria. The sample was drawn through multistage stratified random sampling and comprised 544 beneficiaries of microfinance banks selected from 10 local governments across the state. Data was collected using questionnaires and analysed with the aid of OLS model. The findings showed a significant positive relationship between business advisory services, pre-loan trainings and MSEs' performance, while group membership and networking meetings have positive but insignificant relationship with MSEs' performance. Business experience, education, and gender were also found to be positively and significantly related with business performance. The study recommends that, microfinance banks should put more efforts in improving business advisory services and pre-loan trainings so as to promote better performance of beneficiaries' business.

Keywords: microfinance, MSEs, non-financial services

Introduction

The study aimed at examining the effects of microfinance banks' non-financial services in promoting the micro and small enterprises' performance in Kano state, Nigeria. According to Central bank of Nigeria (CBN, 2011) ^[8], microfinance services refer to loans, deposits, insurance, fund transfer and other ancillary non-financial products targeted at low-income clients.

One of the major challenges facing government in developing countries today is how to promote the growth and development of micro, small, and medium enterprises (MSMEs), which are considered as the bedrock of the economy due to the contribution they make to the Gross Domestic Product (GDP) and their potentials for providing employment to the teeming population.

MSMEs play significant role in improving economic growth and industrial development of nations, by contributing to jobs creation, income and wealth generation opportunities, as well as promotion of entrepreneurship and enhancement of innovation process. These enterprises are the propellers of the economy and major employers of labour which serve as means for poverty reduction and self-reliance among the youths of every nation (Umar, 2017) ^[31].

Small and medium enterprises (SMEs), which according to SMEDAN & NBS 2017 MSME survey account for 96% of businesses in Nigeria, are often forced to close because they lack access to funds (Watshe 2017) ^[34]. Despite their importance and contribution to economic growth, SMEs across the whole world, and particularly in Nigeria, are still faced with other numerous challenges that inhibit their entrepreneurial growth.

The high rate of failures of small and medium enterprises (SMEs) has become a matter of major concern in developing economies. Globally, more than 50% of small business owners are unable to sustain their business operations after the first 5 years of initial setup because of inadequate financial support and management skills (Laitinen, Lukason & Suvas, 2014) ^[20]. Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) reports that only 15% of start-up businesses survive the first five years in Nigeria (SMEDAN, 2007).

Apart from SME funding and access to finance, SMEs also suffer from poor management skills which is a result of lack of adequate training and education that normally results in high rate of business failure, which an effective microfinance banking system can provide a workable solution to these problems. According the Central Bank of Nigeria (CBN, 2011) ^[8], microfinance banks are established to provide microfinance services such to loans, deposits, insurance, fund transfer and other ancillary non-financial products targeted at low-income clients.

Financial services is but, one aspect of the support needed by entrepreneurs running SMEs and micro-enterprises. They also need training in business skills and access to marketing information so that they can expand to take advantage of both domestic and international markets and thereby create decent jobs (Chowdhury 2009) ^[10].

Literature Review Conceptual Literature

Concept of Micro and Small Enterprises (MSEs)

In Nigeria, the Central Bank of Nigeria (CBN, 2014)^[9], defines micro enterprises as those enterprises with less than 10 employees with a total asset of less than N5 million (excluding land and buildings) and operated by sole proprietor. Small and Medium Enterprise Development Agency of Nigeria (SMEDAN), also defines micro enterprises are those enterprises whose total assets (excluding land and buildings) are less than Five Million Naira with a workforce not exceeding ten employees (SMEDAN & NBS, 2013)^[30]. SMEDAN defines small enterprises as those enterprises whose total assets (excluding land and building) are above Five Million Naira but not exceeding Fifty Million Naira with a total workforce of above ten, but not exceeding forty nine employees (SMEDAN & NBS, 2013)^[30]. The European Union (EU) defines a small enterprise as one which has a headcount of less than fifty employees and a balance sheet and turnover each of not more than ten million Euros (Ibor, Offiong, and Mendie, 2017)^[19]. In Great Britain, Small Scale industries include those with an annual turnover of two million pounds or less and with less than 200 paid employees with no reference made to capital investment (as reported in Ibor, *et al.*, 2017)^[19]. In the USA, according to the Small Business Administration (SBA), a firm with less than 500 employees is considered a small business (as reported in Ibor, *et al.*, 2017)^[19].

Concept of MSMEs' Growth and its Measurement

Various indicators are used to measure SMEs growth and performance, among which includes; measuring sales growth and relative employment growth, which are taken during a specific time period. They are the most common indicators used as compared to other indicators (Lind 2005)^[21]. For instance, output and market share vary greatly within industries and is therefore hard to make comparison. Total assets also depends on the industry's capital intensity and changes over time and profit is not that relevant unless measured over a long period of time. Therefore sales and employment are the two most important indicators in measuring firm's size and growth. This is because studies have found that growth in sales and growth in the number of workers are highly correlated. Evans (1987)^[16] for example, reports that estimates using employment figures are similar to those using sales.

Penrose (1995)^[27], defined the term 'firm's growth' as an increase in size or other objects that can be quantified or a process of change or improvement. The firm size is the result of firm growth over a period of time and it should be noted that firm growth is a process while firm size is a state (Penrose, 1995)^[27].

Growth of SMEs depends on the capital injection into the business and nonfinancial services like training to develop the SMEs sector (Waliaula, 2013)^[33].

There is little agreement in the existing literature on how to measure growth, and scholars have used different measures. These measures include, for example, growth of sales, employees, assets, profit, equity, and others (Davidson & Wiklund, 2000)^[13].

Microfinance Non-financial Services

Microfinance non-financial services are business development services aimed at improving the returns to borrowers' investments. Microfinance non-financial services have been recently reformulated as high quality demand-led programs (Biosca, Lenton, and Mosley, 2011)^[6]. The non-financial services are aimed at improving the returns to borrowers' investments. Microfinance non-financial services are classified into:

- a. Advisory Services
- b. Group Membership
- c. Managerial and Technical Training
- d. Pre-loan Training
- e. Network Meetings and Supervision (Dikki, Dogarawa, Muhammad, & Chechet, 2014)^[14] & (Ayopo & Ibdunni 2015)^[3].

Empirical Literature

Sidek & Muhamad (2014)^[28] examined the relationship between managerial competencies and small business growth among microfinance participants in Malaysia. The study revealed that all the managerial competency dimensions such as technical, generic and conceptual skills, had positive and significant impact on small business growth, while consolidating the theories the managerial competencies explain business growth and performance.

Ntibashirwa (2013)^[24] examined the contributions of MFIs in promoting SMEs in Brundi. The results revealed that MFIs in Brundi have started to support SMEs by creating new financial products for SMEs, focusing on training and educating SMEs' owners in order to reinforce their capacity in managing their financial resources well. The products are mostly for agricultural sector.

Akpan and Nneji (2015)^[11] in their study "the contribution of microfinance banks to the growth of SMEs in Nigeria," examined the impact of non-financial services of microfinance banks on SMEs' performance. The impact of non-financial services; advisory services, pre-loan training, group membership, cross guaranteeship and networking meetings was analyzed using Multiple Regression. The results obtained revealed that the magnitude of the coefficient for advisory services is consistent with microfinance theory for both the small firms and medium firm, but is significant only for the small firms at 5%. Also, the result on pre-loan training was found to be positively and significantly correlated with business performance for the small and medium firms.

The result on group membership also shows a positive correlation between business performance and group membership. The magnitude of the coefficient for group membership is consistent with the theory and significant at 1% for the medium firms but not statistically significant for small firms. On cross guarateeship of members by other members of the group, the result obtained revealed that cross guarateeship enhances performance by 8.8% for the small firm sample. But the result obtained for the medium firm sample shows a negative correlation between cross guarateeship and business performance of medium firm.

The findings of Wairimu & Mwilaria (2017) ^[32] who examined the role of non-financial services offered by MFIs to MSMEs in Kenya, reaffirms that of Akpan & Nneji (2015) ^[1]. The findings revealed that regular microfinance participation help reduce loan application and payment bureaucracy, while keeping an entrepreneur updated on available opportunities. Training equips MSE owners with necessary skills on financial management, book keeping, and business operation. Group liability eliminates the need for collateral security when accessing loan while increasing the amount of loan accessed. Networking increases business links, widening goods and services market and allow for formation of business clubs. Finally, it was found that training was the most sought service followed by group liability, microfinance participation and networking.

However, a study conducted by Obokoh, Monday and Ojiako (2016) ^[25] to examine the extent to which microfinance lending impact on SMEs, and how the intermediation services of the MFIs contributed to the development of SMEs in Niger-Delta region of Nigeria, revealed contrary findings. The results showed that only the financial services rendered by the banks had significant influence on the profitability performance of the firms. The influence of MFIs' non-financial services to SMEs is weak which negatively affects the management capabilities of the manufacturing SMEs.

Theoretical Framework

Resource based theory served as the theoretical foundation upon which this study was built. Resource based theory (as stated in Wairimu & Mwilaria, 2017) ^[32] sees an enterprise as a bundle of tangible and intangible resources and capabilities acquired on semi-permanent basis developed and expanded over time. The theory recognizes the role of an enterprise to develop distinct capabilities that enhance its capacity to adapt to the changing competitive environment and improve its survival prospects. It further factor in both tangible (financial services) and intangible (training to enhance the social capital, networking and participation in microfinance) assets provided by microfinance institutions (MFIs) as resources that enhance the capabilities of small firms to grow (Muiruri, 2014; Cooper & Schindler, 2010; Esteve-Perez & Manez-Castillejo, 2008; and Barney, 1991) ^[23, 11, 15, 4].

Methodology

The study employed a cross-sectional survey design using structured questionnaire. A sample size of 544 MSE beneficiaries of microfinance banks' services out of population of 12,527 beneficiaries was used.

However, to determine the sample size needed for this study, a Dillman (2007) sample size determination formula (as mentioned in Iro, 2019) was employed as follows:

$$n = \frac{(Np)(P)(1-P)}{(Np-1)(B/C)^2 + (P)(1-P)}$$

Where

n = sample size needed

Np = population size

P = proportion expected to answer a certain way (50% or 0.5 is most conservative)

B = acceptable level of sampling error (0.05 = \pm 5%; 0.03 = \pm 3%)

C = Z statistic associated with confidence interval (1.64 = 90% confidence level; 1.960 = 95% confidence level; 2.576 = 99% confidence level)

Therefore, the sample size is calculated as:

$$n = \frac{(12,527)(0.5)(1-0.5)}{(12,527-1)(0.05/1.645)^2 + (0.5)(1-0.5)}$$

$$n = \frac{(12,527)(0.5)(0.5)}{(12,526)(0.0304)^2 + (0.5)(0.5)}$$

$$n = \frac{(12,527)(0.25)}{(12,526)(0.0000924) + (0.25)}$$

$$n = \frac{3131.75}{11.534} = 271.5, \text{ this is approximately } 272.$$

However, Jeff (2011) (as mentioned in Iro, 2019) opines that, since it not every selected respondent that will likely response, there is need to increase the sample size by the researcher to avoid non-response bias. For this purpose, the sample size is doubled ($272 \times 2=544$), and the sample size used in this is 544 respondents drawn from microfinance banks' beneficiaries.

A stratified random sampling was also employed by the study. At the first stage, ten local government areas (LGAs) out of the 44 local governments of Kano State are selected. In selecting the 10 LGAs, 2 local governments from each of the 3 senatorial zone of the state, and 4 LGAs from within Kano metropolitan area were selected. At second sage, ten microfinance banks from the selected ten local government areas (one MFB from each of the 10 LGAs) were chosen. At the third stage, the list of clients of the ten selected MFBs, who are beneficiaries of microfinance services and MSE operators, is collected from these MFBs, and they are categorized based on their economic activities into five strata: Manufacturing, Trading, Agric/Agro-allied, Services, and others. At the fourth stage, 54 respondents from each of the six selected rural MFBs are randomly chosen, whereas, 55 respondents from each of the four selected urban MFBs are chosen, making a total of 544 MSME respondents.

The study employed OLS multiple regression model as its technique of analysis. The OLS regression model is specified as:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + U_t$$

The empirical model is thus specified as:

$$\begin{aligned} \text{SMEs' Performance (proxied by GPT)} &= f(\text{BAS, PLT, GMS, NEM, MAT, EXP, EDU, GEN}) \\ \text{GPT} &= \beta_0 + \beta_1 \text{BAS} + \beta_2 \text{PLT} + \beta_3 \text{GMS} + \beta_4 \text{NEM} + \beta_5 \text{MAT} + \beta_6 \text{EXP} + \beta_7 \text{EDU} + \beta_8 \text{GEN} + U_t \end{aligned}$$

From the above equations, MSEs' Performance (proxied by gross profit) is influenced by MFBs' non-financial services, monthly average turnover, entrepreneurs' business experience, education level, and gender. By a priori expectation, all the coefficients of the explanatory variables should be positive.

The variables used in this study were used in previous similar studies such as Wairimu & Mwilaria (2017)^[32], Akpan & Nneji (2015)^[1], Ntibashirwa (2013)^[24] among others. The variables are described in the table below:

Table 1: List of Variables, Description, and Measurement

S/N	Variable Name	Variable Description	Measurement
1	MAT	Monthly Average Turnover (proxy for SME's Growth)	Measured as volume of average monthly sales in Naira
2	GPT	Gross Profit (proxy for SME's performance)	Measured as volume of monthly gross profit in Naira
3	BAS	Business Advisory Services	A dummy variable coded '1' if benefited from the services, and '0' if otherwise.
4	NEM	Networking Meetings	A dummy variable coded '1' if participated in Networking Meetings, and '0' if otherwise
5	GMS	Group Membership	A dummy variable coded '1' if Group Membership was perceived to have improved business performance, and '0' if otherwise
6	PLT	Pre-loan Trainings	A dummy variable coded '1' if training given was perceived to have improved business performance, and '0' if otherwise
7	EDU	Education Level	Education is categorized into 5; University coded as '1', Polytechnic/College coded '2', Secondary coded '3', Primary coded '4', and Others coded '5'.
8	GEN	Gender; Male or Female	A dummy variable coded '1' if respondent is a male, and '0' if female
9	EXP	Entrepreneur's Experience	Number of years spent in the business

Source: Wairimu and Mwilaria (2017), Akpan and Nneji (2015), Ntibashirwa (2013).

Results and Discussions

Table 2: OLS Estimation for Gross Profit (GPT) Model

Variables	Coefficients	T value	P> t
MAT	.421*** (.080)	5.21	0.000
BAS	.035* (.018)	1.92	0.055
PLT	.050** (.025)	1.98	0.048
GMS	.028 (.023)	1.20	0.229
NEM	.009 (.024)	0.36	0.717
EXP	.003** (.001)	2.37	0.018
EDU	.085* (.048)	1.76	0.080

GEN	-.036** (.018)	-1.96	0.050
Constant	-.180 (.357)	-0.50	0.614
R2 = 0.92			
Prob > F-value			0.000

Source: Author's Survey 2019 (Computed using STATA 13)

Note: Standard errors in parenthesis. “*”, “**”, and “***” denote the level of statistical significance at 10%, 5%, and 1% respectively.

Table 2 above depicts the estimated results of OLS model in respect of SME's performance (proxied by gross profit) as a function of microfinance banks' non-financial services (proxied by business advisory services, pre-loan trainings, group membership, and networking meeting) as well as monthly sales turnover, and some control variables (business experience, education level, and gender of the beneficiaries).

From the above findings, the value of R^2 (R-Square) is 0.92 signifying a very high predictive power of the model. The R^2 shows a proportion of variations in the dependent variable that can be predicted from the independent variables. This value indicates that 92% of variations or changes in SMEs' performance (proxied by gross profit) are explained by monthly average turnover, business advisory services, pre-loan trainings, networking meetings, business experience, education level and gender of the SME owner, and only 8% of variations in the SME's performance are explained by factors not captured in the model which are taken care by the error term. Moreover, the p value (0.000) associated with F value is statistically significant at 1 percent level, indicating the significance of the overall model. This implies that the independent variables joined together, can reliably predict the dependent variable.

From the table above, monthly average turnover (MAT) was found to be statistically significant at 1% level and positively related with business performance (in terms of gross profit). The coefficient of 0.42 implies that, a 1% increase in monthly sales turnover improves business performance by 42%. This is in line with a priori expectation that high sales turnover generates high profit. This implies that a business that makes high sales turnover is expected to have high profit and perform better. This finding is in conformity with that of Fauster (2014)^[17], Odetayo & Onaolapo (2016)^[26], and Awuah & Addaney (2016)^[2].

Similarly, business advisory service (BAS) provided by microfinance banks is positively related with their beneficiaries' business performance, and is statistically significant at 10% level. The coefficient of 0.04 signifies that, any additional effort put in providing business advisory services by microfinance banks to their beneficiaries will lead to 4% improvement in their business performance. The significant of this variable could be attributed to the efforts made by microfinance banks in providing professional business development services such as records keeping, marketing strategies, and financial management to their SME clients to enable run their business more profitably so that they can pay back their debt. The finding corroborates those of Sidek & Muhamad (2014)^[28], Muiruri (2014)^[23], Akpan & Nneji (2015), and Awuah & Addaney (2017) who reported a significant and positive relationship between business advisory services offered by microfinance banks to their SME clients and the level of clients' business performance. However, Gathogo (2014)^[18] report contrary findings. They argue that microfinance banks' business advisory services do not have significant impact on beneficiaries' business performance.

The findings also revealed positive and significant relationship between pre-loan training (PLT) and SMEs' performance. PLT was found to be statistically significant at 5% level with coefficient of 0.05. This implies that a 1% improvement in the level of trainings on funds application and utilization offered by microfinance banks to their clients prior to loan disbursement, will lead to 5% improvement in the clients' businesses. This is consistent with a priori expectation that more efficient utilization of funds in the business is expected to yield high performance. This finding affirmed the findings of Ntibashirwa (2013)^[24], Muiruri (2014)^[23], Obokoh *et al.* (2016)^[25], and Wairimu & Mwilaria (2017)^[32]. This could be related to the fact that, trainings on efficient utilization of loan provided by microfinance banks to their clients prior to loan disbursement, help the clients in successful application of the funds into their business and this can ultimately enhance their business performance. Group membership (GMS) and networking meeting (NEM) with coefficients of .028 and .009 are both statistically not significant even at 10% level, but they both revealed positive relationships with business performance. This implies that accessing loan in group and participating in networking meetings; do not have any meaningful impact on business performance of beneficiaries. The possible reason for this could be as a result of the inability of the group leaders to establish effective and beneficial business linkages, source and share vital business information that will create more opportunities for members to improve their business profitability, which is the essence of networking meetings. Another reason could be the members are not efficiently utilizing the business related information shared to them in the meetings or are not exploiting the right business opportunities exposed to them in the group.

Business experience (EXP) revealed a positive and significant relationship with business performance. The variable was found to be significant at 5% level with 0.003 coefficients. This signifies that, a one year additional experience gained in running a business will lead to 0.3% improvement in the business performance. This is also in conformity with a priori expectation that more experienced business owners tend to perform better than new entrants. This is because, SME owners who spend more years in the business are expected to be more proficient in managing their business more profitably than those that are new in the business due to the challenges they have passed through and the knowledge they have acquired through experience. This finding is supported by

Brana (2013)^[7], and Dahir (2015)^[12]. Contrarily, the findings of Momba (2013)^[22] revealed that experience is not significant in improving SMEs' business performance.

Similarly, the variable education level (EDU) was found to be statistically significant and positively related with level of business performance. EDU is significant at 10% level, and the positive coefficient of 0.09 implies that, for any additional higher qualification acquired by the SME's operator, about 9% improvement in the level of business performance is expected. This is consistent with a priori expectation that business owners that attain higher educational qualification tend to perform better in their businesses than those with little or no education. This finding is in conformity with those of Brana (2013)^[7], Fauster (2014) and Dahir (2015)^[12] who found positive and significant relationship between the level education and business performance. This is because SME owners with high level of education are more likely to learn and apply the professional business development services provided by microfinance banks, faster and more efficiently than less or uneducated ones, hence their ability to perform better in the business. Moreover, a well-educated SME borrower can apply the borrowed funds more judiciously into the business and keep good track of his financial transactions, which can result in improved performance of the business.

However, the findings revealed a negative and significant relationship between the variable gender (GEN) and SMEs' performance. GEN is significant at 5% level, and the negative coefficient of -0.04 signifies that, male microfinance beneficiaries tend to manage their businesses 4% less profitably than their female counterparts in the study area. Although earlier findings in this study showed that male SME owners tend to perform better in their business than their female counterparts, the performance was in term of sales turnover. But in term of managing the business more profitably, this finding implies that, female microfinance beneficiaries in Kano state manage their businesses more profitably than their male counterparts. This finding is supported by Beck & Cull (2014)^[5] who reported that, female-managed firms in Sub-Saharan Africa perform better in their business, this because few firms are managed by African women and those that survived are of high quality. The reason could be due to the fact that, female SME owners tend to take fewer responsibilities within their household, and therefore spend less out of their sales revenues unlike their male counterparts, who tend to take large family responsibilities, and spend more out of their sales revenue, thereby making female-managed business more profitable.

Conclusions

The study examined how non-financial services provided by microfinance banks affected the performance of their MSE beneficiaries in Kano state, Nigeria.

The study concludes that, microfinance banks' non-financial services contribute positively and significantly to performance of their beneficiaries' businesses. Business advisory services and pre-loan trainings were the only non-financial services that have positive and significant impact on business performance, while group membership and networking meetings have positive but insignificant impact. Business experience, education, gender, and business location were found to be positively and significantly related with business performance. The study recommends that, non-financial services, especially business support services and pre-loan training should be significantly improved by microfinance banks. This will go a long way in promoting business performance of beneficiaries.

References

1. Akpan ES, Nneji ID. Contribution of Microfinance Banks to the Development of Small and Medium Scale Enterprises in Nigeria. *Research Journal of Finance and Accounting*, 2015;6(8):19-28.
2. Awuah SB, Addaney M. The Interactions between Microfinance Institutions and Small and Medium Scale Enterprises in the Sunyani Municipality of Ghana. *Asian Development Policy Review*, 2016;4(2):51-64.
3. Ayopo BA, Ibidunni OS. Marketing of Non-Financial Services of Microfinance Institutions; Impact on Micro Small and Medium Enterprises' Business Performance. *Journal of Business Diversity*, 2015;15(1):60-72.
4. Barney J. Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 1991;17(5):34-56.
5. Beck T, Cull R. Small and Medium-sized Enterprise Finance in Africa. *Global Economy and Development Program, Africa Growth Initiative Working*, 2014, (16).
6. Biosca O, Lenton P, Mosley P. Microfinance Non-Financial Services: A Key for Poverty Alleviation? Lessons from Mexico. Department of Economics, University of Sheffield, Sheffield Economic Research Paper Series, 2011. SERP No.2011021.
7. Brana S. Microcredit: An Answer to the Gender Problem in Funding?. *Small Business Economics*, 2013;40(1):87-100.
8. Central Bank of Nigeria (CBN). Microfinance Policy Framework for Nigeria (Revised Microfinance Policy), 2011. Retrieved from <https://www.cbn.gov.ng/Out/2011/publications/dfd/Reviewed%20Microfinance%20Policy%20July%202012%202011.pdf>.
9. Central Bank of Nigeria (CBN). Micro, Small and Medium Enterprises Development Fund (MSMEDF) Guidelines (Revised – August, 2014). Development Finance Department, Central Bank of Nigeria, 2014.
10. Chowdhury A. Microfinance as a Poverty Reduction Tool: A Critical Assessment. United Nations Department of Economic and Social Affairs (UN-DESA), Working, 2009, (89).

11. Cooper D, Schindler P. *Business Research Methods*. 11th Edition. London, UK: McGraw Hill Education, 2010.
12. Dahir AM. The Challenges Facing Microfinance Institutions in Poverty Eradication: A Case Study in Mogadishu. *International Journal of Humanities Social Sciences and Education (IJHSSE)*,2015;2(2):56-62.
13. Davidson P, Wiklund J. Conceptual and empirical challenges in the study of firm growth, in D. Sexton & H. Landström (ed.), *The Blackwell handbook of entrepreneurship*, Oxford, MA: Blackwell, 2000, 26-44.
14. Dikki C, Muhammad BAS, Dogarawa AB, Chechet IL. Impact of Non-Financial Services of Microfinance Banks (MFBs) on the Performance of Women Entrepreneurs in Nigeria. *European Journal of Business and Management*,2014;6(34):158-163.
15. Esteve-Perez S, Manez-Castillejo J. The Resource-Based Theory of the Firm and Firm Survival. *Journal of Small Business Economics*,2008;3(30):231-249.
16. Evans DS. The Relationship between Firm Growth, Size and Age: Estimates of 100 Manufacturing Industries", *Journal of Industrial Economics*,1987;35(4):567-581.
17. Fauster A. The Impact of Micro-Finance on the Performance of Small-Scale Enterprises: A Comparison of Sinapi Aba Trust and Maata-N-Tudu Associations in Wa Municipality, Ghana. *GJDS*,2014;11(2):1-13.
18. Gathogo PK. The Effect of Microfinance Institutions on Growth of Small Scale Enterprises in Kiambu County, Kenya (Master's Dissertation). United States International University, U.S.A, 2014.
19. Ibor BI, Offiong AI, Mendie ES. Financial Inclusion and Performance of Micro, Small and Medium Scale Enterprises in Nigeria. *International Journal of Research - Granthaalayah*,2017;5(3):104-122.
20. Laitinen EK, Lukason O, Suvas A. Behaviour of financial ratios in firm failure process: An international comparison. *International Journal of Finance and Accounting*,2014;3(2):122-131.
21. Lind P. Competitiveness through increased added value: a challenge for developing countries, *Journal of Comparative International Management*,2005;8(1):42-57.
22. Momba MM. The Impact of Microfinance on Small & Medium Enterprises Growth in Morogoro, Tanzania (Master's Dissertation). Open University of Tanzania, Tanzania, 2013.
23. Muiruri PM. The Role of Micro-Finance Institutions to the Growth of Micro and Small Enterprises (MSE) in Thika, Kenya (Empirical Review of Non-Financial Factors). *International Journal of Academic Research in Accounting, Finance and Management Sciences*,2014;4(4):249-262.
24. Ntibashirwa C. A Study on the Contribution of Microfinance Institutions in Reducing Financing Constraints for the Promotion of Small and Medium Sized Enterprises (Master's Thesis). KDI School of Policy and Management, Burundi, 2013.
25. Obokoh LO, Monday JU, Ojiako U. "Microfinance banks and small and medium sized enterprises access to finance: the Nigerian experience" *Journal of Banks and Bank Systems*,2016;11(4):110-121.
26. Odetayo TA, Onaolapo AR. Influence of Microfinance Bank Products Accessibility on Small Scale Enterprises Performance. *American Journal of Business and Management*,2016;5(1):41-52.
27. Penrose ET. *The Theory of the Growth of the Firm*. 3rd Edn., Oxford, Oxford University Press, 1995.
28. Sidek S, Mohamad MR. Managerial Competencies and Small Business Growth: Empirical Evidence From Microfinance Participants. *IJMS*,2014;21(1):39-59.
29. Small and Medium Enterprises Development Agency (SMEDA). National Policy on Micro, Small and Medium Enterprises, 2007. Retrieved 20/11/2014 from [http://www.smedan.gov.ng/search.php?searWords=Nationalpolicy %20on %MSMEs](http://www.smedan.gov.ng/search.php?searWords=Nationalpolicy%20on%20MSMEs).
30. SMEDAN and NBS SMEDAN and National Bureau of Statistics Collaborative Survey: Selected Findings, 2013. Retrieved from <https://www.smedan.gov.ng/images/PDF/2013-MSME-Survey-Summary-Report.pdf>.
31. Umar NA. An Impact Assessment of the Technology Incubation Programme on Incubatees' Business Performance in Kano State (Unpublished M.Sc Dissertation). Department of Economics, Bayero University, Kano, Nigeria, 2017.
32. Wairimu Z, Mwilaria SM. Microfinance Institutions' Social Intermediation and Micro and Small Enterprises Survival in Thika Town, Kenya. *Asia Pacific Journal of Multidisciplinary Research*,2017;5(2):87-93.
33. Waliaula RN. Relationship between Microcredit and the Growth of SMEs in Kenya (Master's Dissertation). University of Nairobi, Nairobi, Kenya, 2013.
34. Watse DW. Sources of Financing for Small and Medium Enterprises in Nigeria (Unpublished Doctoral Thesis). Walden University, United States of America, 2017.