EFFECT OF MICRO FINANCE BANK ON THE GROWTH OF SMALL AND MEDIUM ENTERPRISES IN NIGERIA

Yusufu, Ojochenemi Sunday[1*]
Suleiman, Olusegun[2]
Saliu, Hakeem Tomi[3]

[1,2,3] Kogi State University, Anyigba, Nigeria

*corresponding author: sunnylivia42@gmail.com

Citation: Yusufu, O.S., Suleiman, O. & Saliu, H.T. (2020). Effect of micro finance bank on the growth of Small and Medium Enterprises in Nigeria. *KIU Interdisciplinary Journal of Humanities and Social Sciences, 1*(2), 127-142

ABSTRACT

Microfinance banks are key to the growth and development of small and medium enterprises most especially in the wave of turbulence and unfavorable business environment, this is due to the fact that they provide short term facilities to SMEs. The study examined the relationship between micro finance bank and the growth of small medium enterprises in Nigeria. The descriptive survey design was adopted for the study. The population of the study consists of 100 selected SME's operators within Wuse business area Abuja, Simple random sampling technique was use to arrive at a sample size of 100. In other to address the objective of the study, structured questionnaire was employed as the research instrument used to obtain relevant information from 100 respondents and were all filled and returned. Descriptive statistics, cross tabulation and simple linear regression were used to analyze the data collected. Findings revealed that micro finance banks domestic fund transfer services contribute to the growth of small and medium enterprises, this is revealed by the regression result (Beta =0.500; P = 0.000 < 0.05). Also, the study also discovered that repayable loans provided to small medium enterprises enhances the development of their businesses as revealed by the regression result (Beta = 1.074; P 0.000 < 0.05). The study concludes that there exists a positive relationship between micro finance bank and small medium enterprises. The study recommends that customers and beneficiaries of micro finance loans should avoid default in the repayment of loans. Furthermore, Microfinance banks should avoid charging high interest and much collaterals when granting loans.

Keywords: Micro Finance bank, Repayable loans, Small Medium Enterprises, Domestic fund transfer, Entrepreneurship

INTRODUCTION

Micro finance banks in Nigeria and all over the world provide micro credit funds to small business operators that find it difficult to access loan and credit facilities from commercial banks due to the stringent collateral requirements demanded by commercial banks. The importance of micro finance bank in the aspect of providing financial support to small businesses cannot be over emphasis, this is because micro finance bank is aimed at alleviating poverty and encouraging persistent growth of small businesses. The micro finance banks like other commercial banks also acts as money deposit banks and also transfer money deposits from the informal sector to the formal sector. The failure of conventional banking in Nigeria to meet the socio-economic complexities of the rural communities that consistently experiences rapid growth and changes as well as government desire to reach rural areas in development, gave rise to the emergence of microfinance institutions as a way of providing financial answers to the low income people so as to finance and improve their income generating activities (Okpara, 2012:44).

The Nigerian government since independence in 1960 embarked on a variety of strategies aimed at fast tracking development. The government resorted to controlling the economy through the use of national economic plans. Little attention was given to small scale enterprises and entrepreneurship as essential element of economic development and growth.

The government policies continued to show a clear preference for big businesses until 1986 when the structural adjustment programme (SAP) was introduced. The programme recognized the increasing importance of entrepreneurship in weaving a solid foundation for the nation's development and wealth creation. Subsequent economic policies and programmes acknowledged in diverse ways the important role played by entrepreneurship and small-scale enterprises in the economy. Currently, policy formulations as reflected in the national and state economic empowerment and development strategy documents.

The growing concern of government at all levels for economic empowerment of Nigerians and the related desire to reduce poverty, have given entrepreneurship and the resultant small and medium scale enterprises a rising visibility and attention in the country. A lot of interest has also been kindled for the study and understanding of the roles of SME's in the country, especially in employment generation and poverty reduction. There is a rising growth particularly in the less developed countries (LDCs) on small and medium enterprises (SME) for achieving industrial development because of the numerous advantages SMEs have over large-scale industrial establishment.

Statement of the Problem

It is incontrovertible that the SMEs are the bedrock of every economy, the micro finance banks in Nigeria are established to assist the SMEs in relations to demand for funds to support their businesses. Factors such as institutional inadequacies and under capitalization affects the financial capability of these institutions. One of the greatest obstacles that Small Medium Enterprises (SMEs) have to deal with is access to funds. This is further compounded by the fact that even where credit facilities are available, little awareness as well as high interest rates and short repayment period.

SME's are in need of modern banking services such as domestic fund transfers services that will help the growth of small medium enterprises. This factors among others connote a big problem to the small medium enterprises in Nigeria.

Objectives of the Study

The main objective of this study is to investigate the effect of micro finance bank on the performance of small medium enterprises. The specific objectives of the study are:

(i) To examine the effect of domestic fund transfer on the growth of small medium enterprises.

(i) To determine the effect of repayable loans on the performance of small and medium enterprises.

Research Questions

The following research questions were formulated for the study:

(i) Is there any significant relationship between domestic fund transfer and the growth of small medium enterprises?

(ii) Is there any significant relationship between repayable loans and the performance of Small medium enterprises?

Hypotheses of the Study

Based on the objectives of the study, the following hypotheses were tested in this study:

H01 There is no significant relationship between domestic fund transfer and the growth of small medium enterprises.

H02 There is no significant relationship between repayable loans and the performance of small medium enterprises.

LITERATURE REVIEW

Concept of Micro Finance

The Central Bank (2005) defines "Microfinance bank as any company licensed to carry out the business of providing microfinance services such saving loans, domestic funds transfer and other financial services to the economically active poor,low income earners , small and medium enterprises to conduct or expand their businesses.

Ojo (2007) defines micro finance as a small-scale financial services that are provided to rural and informal small scale operators for farming, fishing, trading and building of houses and to engage in any other productive and distributive activities.

Meehan (2004) defines micro finance as banking the unbankables, bringing credit, savings and other essential financial services within the reach of millions of people who are too poor to be served by regular banks due to lack of sufficient collateral.

It is also important to note that micro finance banks renders financial assistance to some neglected groups who may find it difficult to get financial services from the conventional banks, consequent upon the establishment of microfinance banks, this neglected groups majorly in the informal sector of the economy are able to have access to more financial support which has enabled them to engage in income generating activities including credit facilities and savings.

Micro finance banks are obliged by the apex bank of Nigeria to render domestic fund transfer, these services involve settlement of financial issues between financial institutions. The online money transfer is the modern-day equivalent of sending money instantaneously.

Bank loan involves financial extension from a bank to a customer with an agreement that the money be repaid at stipulated time. Bank interest is normally attached to the loan which serves as a compensation that the borrower pays to the principal for borrowing.

Past Government Policies to Assist Small and Medium Enterprises

The Nigerian government in the past provided so many remedial measures to attend to citizens in rural areas by introducing so many punitive measures, for example, the government promulgated the cooperative society's ordinance which enable the cooperative society have regular and compulsory savings as part of its goal, the thrift and credit societies also put together members regular savings with lending.

The Nigerian government in 1962 established the commercial bill financing scheme, this was also followed by the establishment of regional commodity boards in 1977. The aim of their establishment was to improve the rate at which the poor and small-scale business have access to lending. The agricultural credit guarantee scheme fund (ACGSF) also came on board in 1978, the sole aim of its establishment was to address challenges such as agricultural risk reduction for farmers who are engaged in small businesses, the bank allows up to 75% of the principal in case of default in payment has no control over. The establishment of the rural banking system in 1977 which mandated some banks to operate in some specified rural areas.

Olaitan (2001) observed that some of these efforts put in place by the federal government were frustrated by lack of managerial where withal, lack of supervision, wrong channelling of credit facilities for purposes not meant for, bribery and corruption.

The people's bank of Nigeria (PBN) was formed in 1989 through a budget announcement, the bank attained legal status with the enactment of Act number 22 of 1990, the key function of the bank is to meet the credit needs of small businesses that wants to borrow little amount of money but cannot satisfy the stringent collateral requirements demanded by commercial banks.

According to Ubesie, onuaguluchi and Mbah (2017) cited in Lawal, Mangs, Abdulrasheed and Dauda (2019) identified the following policies which were introduced by various government in the past to create access to credit facilities, they are structural adjustment program(SAP) which was introduced in 1986 , bank of industry (BOI),small scale industries credit scheme (SSICS), world bank small medium enterprises loan, refinancing and rediscounting facility(RRF) of the CBN of Nigeria ,small and medium enterprises equity investment scheme (SMEEIS), small and medium enterprises development agency of Nigeria (SMEDAN) .

Nwosu and Ochu (2017) also put it that #200 billion small and medium scale enterprises guarantee scheme (SMECGS) was instituted by the CBN in 2010 and 2013 to assist SME's.

Emergence of Micro Finance Bank in Nigeria

The setting up of micro finance bank is a major effort by the federal government of Nigeria to develop the SMEs and the rural communities (Okpara,2012). The Federal government of Nigeria in the time past took so many actions to curtail the poor accessibility to financial services in their quest to give room for more financial inclusion to those in the unbanked areas.

According to Okoye and okpala (2001), the central bank of Nigeria granted license to community banks in 1990s, community banks are financially self-sustained and has no dependent on any financial player for mobilization of funds, the institution is owned and managed by the community, hence the sourcing of funding for small-scale business is even made less cumbersome and much cheaper. The former national board for community banks was responsible for receiving and processing applications for the establishment of community bank, they also provide non sophisticated loans to the community. Community banks that qualifies and meet the requirements and conditions of the apex bank were granted license to be automatically converted to micro finance bank (CBN, 2005). Olashoro (2008) observed that the informal setting is an obsolete procedure which has no regulation, supervision and unofficial financial process but it remains the major source of fund for small businesses and the poor. Aruwa (2004) observed that one of the major features of the informal arrangement are the rotating savings and credit associations

(ROSCA), thrift associations, money lenders etc. The formal setting of the micro finance bank is well regulated and supervised, also, the financial assistance rendered to customers can meet the expectations of borrowers.

The traditional microfinance institutions provide access to credit for the rural and urban income earners. They are mainly of the informal self-help groups (SHG'S) or rotating saving and credit association (ROSCSA). Other provision of microfinance services includes saving collector and cooperative societies.

Some microfinance banks are opposed to lending to new businesses making it difficult for young entrepreneurs with business ideas and innovation to get started.

The Concept of Small and Medium Enterprises (SME's)

It is undoubtedly accepted that small scale business forms the bedrock of any nation's industrial take-off especially in a typical developing country like Nigeria. There is no generally accepted definition of SMEs. The World Bank describes SMEs as enterprises with a maximum of 300 employees, $15 million in annual income, and $15 million in assets (Govori, 2013). Small scale enterprises can be viewed in relations to the value of assets available at its disposal. Small scale businesses can be defined in terms of turnover and number of staff employed. Several criteria are used throughout the world to describe small scale business, they are: Initial capital outlay, financial strength, Relative size etc.

Ofoegbu, Akanbi and Joseph (2013) opines that SMEs are the panacea for the economic growth and development of many developing countries including Nigeria. Aruwa (2004) observed that small and medium enterprises (SMEs) have various financing options but access to the funds have been difficult in spite of several government initiatives, the unregulated informal finance institutions support the SMEs much more than the formal sources and they make up more than half of the SMEs' mix funds, the informal sources needs to be invigorated to cater for the needs of micro financing. Savings in them should be encouraged through regulation and government intervention by way of active participation of community and development banks in local business associations. Small and medium enterprises needs credit for the growth of the economy and for accumulation which in turn promotes performance and economic growth (Ubesie etal, 2017).

Oleka, Maduagwu & Igwenagu (2014) views shortage of finance as a critical limiting factor facing the small and medium enterprises and the realization of an entrepreneurial dream globally, especially in developing economies. Musa and Aisha (2013) argued that SMEs account for well over half of the total share of employment, sales and value added. Ewiwile, Azu and Owa (2011) enumerated the following sources of finance available to SMEs: The owner-savings and his or her associates including family and friends who may or may not be partners or shareholders in the venture, Partners and shareholders in the venture, Banks and lending institutions, the small business administration and financial assistance program , small Business Administration licensed small business investment companies, members of the trade, including suppliers of materials such as manufacturers and wholesalers, and in some instances, customers who prepay their contracts.

Theoretical Framework

Pecking Order Theory

This study is anchored on pecking order theory, the theory was popularized by Myers and Majluf (1984). The theory states that the financial needs of small and medium businesses are met in order of hierarchy. Small businesses access the first set of funds internally and as the financial needs increases, they obtain more funds through the use of debt capital. Subsequent increases in financial needs leads to sourcing for funds through external equity. The theory is familiar with the fact that small enterprises have some stages to pass in their life cycle Therefore, the theory states that businesses mostly obtain funds internally, but if there is none availability of such funds, the business would then result to sourcing of fund through debt financing as its first step before going for equity financing as an external financing source. It is widely agreed that small businesses follow the Pecking order theory because of the plight they encounter in sourcing loans externally. Financial organizations have elected to become financial holding companies, though only a few firms are active in the full financial services especially on rural dwellers. Banks also are shifting from interest-based revenues towards fee-based activities, including lines of credit and many types of credit guarantees.

Empirical Review

Ofeimun, Nwakoby and Izekor (2019) Examined the effect of micro finance bank on small businesses in Nigeria. Data was obtained from the Micro-finance banks and CBN annual reports for the period 1990 to 2015. The study adopted the ordinary least square regression as the basic techniques of analysis. The study also employed both normality and the multi-collinearity tests to examine the features of the data for analysis. The study used the results of the micro financing of SMEs statistics and exploratory variables in a regression model, it showed that micro loan disbursed and micro loan spread have a significant positive relationship with small business growth in Nigeria during the period under review. The study therefore concludes that micro financing of small businesses by micro finance banks has a great effect in stimulating the economy. The study recommends amongst others that emphasis should be placed on lending to preferred sectors like agriculture and mining so as to stimulate growth of the economy.

Okpara (2012) conducted a study on “the relationship between establishments of microfinance banks and development of rural areas in Nigeria”. Data were generated by means of two sets of questionnaires administered to some selected microfinance banks in the South-east, Nigeria. The study generated responses from five microfinance banks. The responses from the survey were statistically analyzed using Chi-Square method. The result of the study indicates that there is strong relationship between establishments of microfinance banks and development of rural areas in Nigeria. Therefore, the study recommends that microfinance banks should be established in rural areas to facilitate rural development in Nigeria.

Idowu (2009) examine the Impact of Microfinance on Small and Medium-Sized Enterprises in Nigeria. Simple random sampling technique was employed in selecting the 100 SMEs that constituted the sample size of the research. Structured questionnaire was designed to facilitate the acquisition of relevant data which was used for analysis. Descriptive statistics which involves simple percentage graphical charts and illustrations was tactically applied in data presentations and analysis. The findings of the study reveal that significant number of the SMEs benefitted from the MFIs loans even though only few of them were capable enough to secure the required amount needed. Interestingly, majority of the SMEs acknowledge positive contributions of MFIs loans towards promoting their market share, product innovation achieving market excellence and the overall economic company competitive advantage. Other than tax incentives and financial supports, it is recommended that Government should try to provide sufficient infrastructural facilities such as electricity, good road network and training institutions to support SMEs in Nigeria.

Taiwo, Onasanya , Agwu and Benson (2016) studied the role of microfinance institutions in Financing Small Businesses . Primary data was obtained via interviews conducted in 15 small businesses across Lagos state with their responses summarized in tables. The study advocates the recapitalization of microfinance banks to enhance their capacity to support small business growth and expansion and also to bring to the knowledge of the management of microfinance banks and institutions the impact of the use of collaterals as a condition for granting credit to small businesses. Findings include both financial and non-financial services provided by microfinance banks and institutions have greatly assisted small businesses in Nigeria and have enhanced the distribution of business skills and the sharing of innovative ideas. It was concluded that Small businesses in Nigeria need access to funding for their businesses to flourish on a sustainable basis. The study recommended that Microfinance banks should try to find long-term capital from Pension and insurance companies within the country.

METHODOLOGY

The research design adopted for this study is the survey method which involves the administration of structured questionnaire to collect primary data from respondents. In order to effectively conduct a valid analysis on the Nexus between micro finance bank and the growth of small medium enterprises. The population of the study consist of the entire small business firms in Abuja. However, the study was restricted to Wuse business area in Abuja. Simple random sampling technique was used to select a total of 100 small business owners which were served with questionnaire. The rational for using simple random sampling procedure is to allow for an unbiased sampling and enables the research work more scientific features, thereby making the research findings more valid.

The questions were based on 5- point Likert scale which consist of Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree. Also, frequency table and percentages were used to tabulate the data. The study employs multiple linear regression analysis to analyse the data that was collected and also test for the Null hypotheses formulated. Furthermore, models have been developed and they are explained based on the objectives of the study.

Model Specification

The dependent variable is small and medium enterprises (SME), while the independent variable is Micro Finance Bank (MFB). For the research work to achieve the hypothesis, simple linear regression would be used to estimate the model. The model is presented thus:

$SME = f\,(MFB)$

$SME = \beta_0 + \beta_1 DFT + \mu$ ---------------------------------1

$SME = \beta_0 + \beta_2 LPB + \mu$ ---------------------------------2

Where :

MFB =an indicator representing micro finance bank (independent variable)

$\beta_0 =$ a constant or autonomous parameter estimate

β_1 = coefficient of independent variable (DFT = Domestic fund transfer)

β_2 = coefficient of independent variable (LBP = Loans performance on business)

SME= Small and medium enterprises (dependent variable parameter)

μ= Stochastic error term;

f = Functional relationship.

DATA ANALYSIS

H01: There is no significant relationship between domestic fund transfer and the growth of small medium enterprises.

Table 1

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.789[a]	.622	.618	.416

a. **Predictors: (Constant), DFT**

Table 1 above reveals that R = 0.789, R2 = 0.622, Adjusted R2 = 0.618. The

result indicates that about 79% relationship exists among the variables of micro finance bank(MFB). The coefficient of determination is 0.618, the implications of this is that about 62% of the variations in the Nexus between micro finance bank and the growth of SME is explained by variables in the model, while the 38% is explained by other factors which do not form part of this model. The model formulated is fit and very useful for making predictions.

Table 2
ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	28.000	1	28.000	161.412	.000[b]
	Residual	17.000	98	.173		
	Total	45.000	99			
a. Dependent Variable: SME						

a. **Predictors: (Constant), DFT**

Source : SPSS Ver 20

The calculated ANOVA in table 2 above is analyzed to see if any of the variables are significant. From the above table, F = 161.412, P-value = 0.000 < 0.05 (sig.). It means that the P-value is < 0.05 (critical value), the independent variable domestic fund transfer (DFT) is positively related with the dependent variable SME. For hypothesis 1, the null hypothesis (H0) is therefore rejected and the alternative hypothesis (H1) is therefore accepted. This implies that there is significant relationship between the independent variable which is domestic fund transfer (DFT) and the dependent variable SME at 5% level of significance.

Table 3

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.000	.170		5.867	.000
	DFT	.500	.039	.789	12.705	.000

a. Dependent Variable: SME

Source : SPSS Ver 20

Table 3 above indicates the coefficient value, it provides information on the effect of individual variables (the beta values) on the dependent variable. The significant effect of the predictor of domestic fund transfer is accepted and the null hypothesis (H0) rejected (beta = 0.500; P = 0.000 < 0.05). Hence, there is significant relationship between domestic fund transfer (DFT) and the growth of Small medium enterprises.

H02: There is no significant relationship between repayable loans and the performance of Small Medium Enterprises.

Model Summary

Table 4

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.757[a]	.573	.569	.533

a. Predictors: (Constant), LPB

Table 4 above reveals that R = 0.757, R2 = 0.573, Adjusted R2 = 0.569. The result indicates that about 75% relationship exists among the variables of micro finance bank (MFB). The coefficient of determination is 0.569, the implications of this is that about 59% of the variations in Nexus between micro finance bank and SME development is explained by variables in the model, while the 41% is explained by other factors which do not form part of this model. The model formulated is fit and very useful for making predictions.

Table 5

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	37.338	1	37.338	131.519	.000[b]
	Residual	27.822	98	.284		
	Total	65.160	99			
a. Dependent Variable: SME						

b Predictors: (Constant), LPB

Source : SPSS Ver 20

The calculated ANOVA in table 5 above is analyzed to see if any of the variables are significant. From the above table, F = 131.519, P-value = 0.000 < 0.05 (sig.). It means that the P-value is < 0.05 (critical value), the independent variable micro credit facility is positively related with the dependent variable SME. For hypothesis 2, the null hypothesis (H0) is therefore rejected and the alternative hypothesis (H1) is therefore accepted. This implies that there is significant relationship between the independent variable (LPB) and the dependent variable SME at 5% level of significance.

Table 6

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.009	.247		4.076	.000
	LPB	1.074	.094	.757	11.468	.000

a. **Dependent Variable: SME**

Source : SPSS Ver 20

Table 6 above indicates the coefficient value, it provides information on the effect of individual variables (the beta values) on the dependent variable. The significant effect of the predictor of micro credit utilization is accepted and the null hypothesis (H0) rejected (beta = 1.074; P = 0.000 < 0.05). Hence, there is significant relationship between loans on the performance of Small medium enterprises.

DISCUSSION OF FINDINGS

The findings of this study clearly revealed that domestic fund transfer is significant to the growth of Small Medium Enterprises, this is revealed by the regression result (Beta =0.500; P = 0.000 < 0.05). This is in accordance with the definition of microfinance by the Central Bank (2005). Also, the study discovered that repayable loans provided to small medium enterprises enhances the development of their businesses as revealed by the regression result (Beta = 1.074; P 0.000 < 0.05). This is in consonance with the findings of other researchers like Idowu (2009) who found that significant number of the SMEs benefitted from the MFBs loans, majority of the SMEs acknowledged the positive contributions of MFB loans towards promoting their market share, product innovation and achieving market excellence. Taiwo, Onasanya, Agwu and Benson (2016) equally found that both financial and non-financial services provided by microfinance banks and institutions have greatly assisted small businesses in Nigeria and have enhanced the distribution of business skills and the sharing of innovative ideas.

CONCLUSIONS AND RECOMMENDATIONS

Micro finance bank contributes positively to the growth of small business by providing banking services in rural areas and meeting financial needs of beneficiaries in those areas. The study concludes that there exist a positive relationship between micro finance bank and small and medium enterprises in Nigeria , based on the findings, micro finance bank provide domestic fund transfer to small medium enterprises which enables the growth and expansion of their business. The study also concludes that beneficiaries of micro finance loans utilizes the fund prudently and it has led to the productivity of their business.

The study recommended the following:

(i) Beneficiaries of micro finance loans should avoid default in loan repayment. This poor banking habit is one of the reasons why some micro finance banks are unable to meet their financial obligations. Prompt repayment of loan by customers increases the efficiency of micro finance bank in supporting Small and Medium Enterprises.

(ii) Furthermore, Microfinance banks should avoid charging high interest and collaterals when granting loans, high interest rate with short gestation period of repayment affects customers business negatively. A convenient interest rate would enable the customers to use the loan for the purpose intended.

REFERENCES

Aruwa, S.A.S. (2004) Small Medium Enterprises. *Nigerian Journal Of Accounting Research*,*32* (1), 26-34.

Central Bank of Nigeria (2005). Micro Finance Regulatory & Supervisory Framework For Nigeria. Retrieved 21/07/2018. Htt:Www.Cenbank.Org/Org/Out/Publications/Guidelines/Dfd/ 2006/Microfinance %20policy.Pdf.

Ewiwile, S., Azu, B., & Owa, F. (2011). Effective Financing And Management Of Small Scale Businesses In Delta State, Nigeria: A Tool For Sustainable Economic Growth International *Journal Of Economic Development Research And Investment* Vol. 2 No. 3.

Govori, A. (2013).Factors Affecting The Growth And Development Of Smes: Experiences From Kosovo. *Mediterranean Journal Of Social Sciences, 4*, 701-708. Doi:10.5901/Mjss.2013.V4n9p701.

Idowu, F. C. (2009). Impact of Microfinance on Small and Medium-Sized Enterprises in Nigeria. School of Management, Wuhan University of Technology, Wuhan, P.R.China, 430070. Proceedings of the 7th International Conference on Innovation & Management. *Journal of sustainable development in Africa , volume 12, no.6.*

Ifatimehin, O.O., Isyak, I.O. & Omale, D. (2020). Effect of n-power scheme on youth empowerment in Anyigba, Dekina Local Government Area of Kogi State. *KIU Interdisciplinary Journal of Humanities and Social Sciences, 1*(1), 102-116

Lawal, R. Y., Mangs, N.J., Abdulrasheed, Y.B., & Dauda, A. (2019) Effect Of Banks Credit On The Performance Of Small And Medium Scale Enterprises In Nigeria. *Ilorin Journal of Human Resources Management (IJHRM) Volume 3, Number 2, 109-118.*

Meehan,J. (2004). Tapping the Financial Marketsfor Microfinance. Grameen Foundation USA's Promotion of this Emerging Trend, Grameen Foundation USA Working Paper Series.

Musa, G.G. & Aisha, U. (2013). Financing Small And Medium Enterprises: A Challenge For Entrepreneurial Development In Gombe State. *Asian Journal Of Business And Management Science*, 2(9), 17-23.

Myers, S.C., & Majluf, N.S. (1984.) " Corporate Financing And Investment Decisions

When Firms Have Information That Investors Do Not Have". *Journal of financial economics*.13(2): *187-221. Doi: 10.1016/0304-405x(84) 90023-0*

Nelson, G., Paul, O.C & Olumorin, M.O (2020). Microfinance bank and growth of small and medium scale enterprises (SMEs) in Bida Metropolis of Niger State, Nigeria. *KIU Interdisciplinary Journal of Humanities and Social Sciences, 1*(1), 1-15

Nwosu,P. I., & Ochu, E.(2017).Small and *Medium* Enterprises Financing in Nigeria. *Journal of Economics and Sustainable Development, 8(20):178-189.*

Ofeimun, G. O., Nwakoby, C., & Izekor, O.A. (2018). Effects of Microfinance Banks on Small Businesses' Growth in Nigeria. IIARD *International Journal of Economics and Business Management ISSN 2489-0065 Vol. 4 No. 4 2018*

Ofoegbu, E.O., Akanbi, R.A., & Joseph, A.T. (2013). Effect of contextual factors on the performance of SME's in Nigeria: A case study of Ilorin Metropolis. Advance in Management and Applied Economics 3(1), 95-114

Ojo, J.A.T.(2007). Reforms in the Micro Finance Sub-Sector . Lead paper presented at the 1st Annual National Conference on Economic Reforms and The Nigerian Financial System.Organized by the Department of Banking and Finance, University of Lagos.

Okoye,C., & Okpala, A.(2001) The History Of Community Banking And Its Role In Nigeria Rural Economic Development. The review of black political economy , vol,28 , No 3.

Okpara, C.G. (2012). Informal Financial system in & Economic Development: The case of Nigeria. Enugu: Abic Books.

Olaitan ,M.A.(2001). Emerging Issues On Micro And Rural *Financing* In Nigeria . Central Bank Of Nigeria Bullion 25(1) 64 - 71 .

Olashoro,O.(2008).Perspectives on Finance,Banking and Economic policy in Nigeria,Ibadan: Oxford university press.

Oleka, C.D., Maduagwu, E. N., & Igwenagu, C. M. (2014). Analysis Of The Impact Of Microfinance Banks On The Performance Of Small And Medium Scale Enterprises In Nigeria. *Journal Of Management And Social Sciences*, 1(2), 45-63.

Taiwo, J .N., Onasanya A .Y., Agwu. M .E,. & Benson, K .N . (2016). The Role of Microfinance Institutions in Financing Small Businesses .Journal of Internet Banking and Commerce *An open access Internet journal (http://www.icommercecentral.com)*
Journal of Internet Banking and Commerce, April 2016, vol. 21, no. 1

Ubesie, M. C., Onuaguluchi, I. F., & Mbah, A. M. (2017). Effect of Deposit Money Banks Credit on Small Scale Enterprises Growth in Nigeria . *International Journal of Finance and Accounting, 6(5),117-132.*

Www. International Policy Brief. Org/Images/2017 / Sept . Journals/ Articles 5. Impact Of Micro Finance Services On Performance Of Small And Medium Enterprises.