Impact of Deposit Money Banks on Small and Medium Scale Industries' Sales Growth

Ilori David Babafemi
Department of Entrepreneurship Management Technology
Federal University of Technology, Akure

Abstract

The research investigated the impact of the financing capacity of deposit money banks (DMBs) on the sales growth of small and medium scale (SMIs) industries in Southwest Nigeria. The study covers SMIs that are registered and active having access to DMBs for a period of five years (2011–2015) in the geopolitical zone. Data were collected from both primary and secondary sources. Primary data were collected through the use of questionnaires while secondary data were obtained from annual reports/publications with relevant information on the activities of DMBs and SMIs. Using the descriptive survey method, the multi-staged sampling technique was employed to select respondents from the study. The analytical technique employed was basically multivariate regression analysis with dummy variables using the Ordinary Least Square (OLS) approach. Hypothesis was formulated. From the result, the model showed that DMBs loan facility has positive significant impact on SMIs performance adopting sales growth as a measure(pvalue = 0.0118 < 0.05); the pvalue of 0.0118 < 0.05 level of significance therefore, the model is statistically significant. The study therefore concludes that deposit money banks (DMBs), like in other developing countries of the world have the potential to impact on the performances of small and medium scale industries in Nigeria, given the enabling environment. The study recommended that SMIs, particularly in the manufacturing sector should be given priority financing by banks because of their relative importance in economic stimulation while government policies on private sector, and in particular, SMIs and the banking system should further strengthen the bank and real sector nexus.

Keywords: *Deposit money banks, Small and medium scale industries, Performance, Sales growth*

Corresponding Author: Ilori David Babafemi

Background to the Study

The economic relevance of small and medium industries (SMIs) is gaining momentum in countries of the world because of its perceived importance in the industrialization of emerging economies. Its role in economic transformation is quite revealing as development model with proven potential for private sector and market driven economy. Consequent upon the economic role played by the SMIs sub-sector, the importance of private sector development as a means of achieving rapid economic growth and prosperity has all-along been recognized as strategic to economic turnaround for Nigeria (Udechukwu, 2003, Aremu, & Adeyemi, 2011) and (Muritala, Awolaja & Bako, 2012).

The economic relevance of SMIs in the development process notwithstanding, the SMIs sub-sector is bedeviled by a number of development challenges. The literature is replete with findings showing that a large number of small industrialists fail because of factors which include finance, unfavourable tax policies, defective interest rate structure, inflation and fiscal deficits and infrastructural deficiencies, such as inadequate power supply, resulting in the collapse of many SMIs at their teething stage, particularly in the Nigerian case (Kayode, 2005; Ayodele, 1999).

However, among the constraints to small and medium scale industries development in Nigeria, limited access of SMIs to finance and in particular long term credit has been recognized to be a dilemma (Akinyosoye 2006 and Adamu, 2009). Small entrepreneurs everywhere cite limited availability of finance as a major obstacle to their activities (Stein, Goland & Schiff 2010), but this constraint is especially binding in Africa and in particular, Nigeria (World Bank, 1989).

In 2005, the finance policy which brought about the metamorphosis of community bank into microfinance bank in Nigeria was launched (Iweala 2005). Unfortunately, this development has not been able to meet the ever increasing finance challenge of the SMIs in the manufacturing sector because of the bank's inadequate capital base and the formers' need for investment in fixed assets. It therefore becomes imperative to investigate the financing capacities of deposit money banks (DMBs) on SMIs which have been adjudged to be better positioned for small industrialists and real sector financing (Nwoye, 2008, Beck, Demirguc-Kunt, and Maskimovic 2008).

According to Sandberg, Vinbeg and Pan (2002), performance of small and medium scale industries is their ability to contribute to job and wealth creation through enterprises start-up, survival and growth. The paper therefore looked into the extent which the financing capacity of deposit money banks has impacted on the activities of small and medium scale industries in the manufacturing sector, using sales growth as proxy.

Statement of the Problem

The relevance of the banking industry to the development of the small and medium scale industries (SMIs) sub-sector cannot be overemphasized. What appears to be the main current sources of capital for SMIs in Nigeria which include credit cards, retained earnings, loan associations and investments from family and friends are grossly inadequate. While microfinance institutions (MFIs) activities have expanded in Nigeria like in other countries yet, the size of their credit remains limited largely due to their poor capital base (Ojo 1984, Sebastian, Ogechi & Okwuchukwu 2014) and are grossly inadequate for investment in SMIs in the manufacturing industry. On the other hand, the traditional deposit money banks (DMBs)

which are major players in the financial systems of nearly every economy, have the potential to mop financial resources together to meet the credit needs of SMIs for economic relevance, especially in Nigeria (Olutunla and Obamuyi, 2008).The above notwithstanding, the extent which these banks have adequately filled this gap remains a question which this study attempts to answer.

Similarly, though large banks like deposit money banks (DMBs) have been adjudged to be better positioned for financing SMIs in the manufacturing sector, it has been observed that there are divergent opinions on the adequacy of bank credit facilities to SMIs financing needs particularly those operating in the manufacturing sector (Safiyyah & Garba 2013 and Lawal 2014). The study therefore attempts to add to existing literature on the raging debate concerning the adequacy of the financing capacity of deposit money banks to SMIs performance.

Research Questions
The paper attempts to answer the following research questions:
(i)   What is the impact of DMBs loans on the sales growth of SMIs in Nigeria?
(ii)   What is the impact of DMBs loans on SMIs volume of production?
(iii)   To what extent do loans from DMBs enhance cash flow position of SMIs?

Research Objectives
The research objectives are to:
(i)   Investigate the impact of DMBs loans on the sales growth of SMIs in Nigeria.
(ii)   Assess the impact of DMBs loans on the volume of production of SMIs in Nigeria.
(iii)   Determine the extent which DMBs loans enhance cash flow (liquidity) position of SMIs.

Statement of Hypothesis
Based on the above research questions and objectives, the following null hypothesis was formulated.
(i)   Deposit Money Banks financing capacity does not significantly impact on the sales growth of SMIs in Nigeria.

Review of Conceptual Literature
The concept of SMIs varies from sector to sector and country to country. It is based on certain parameters which are not definitive notwithstanding, they are predicated on common indices such as   sales volume (turnover), number of employees, fixed assets, total assets, capital employed, size, among others. While a clear definition may be useful in a particular context, a universal definition may not be applicable. According to Organization for Economic Cooperation and Development (OECD), (2004), the characteristics of SMIs not only reflect the economic patterns of a country but also the social and cultural dimensions.

According to Jamil and Mohammed (2011) in their research study which focused on performance of measurement system in small and medium enterprises (SMEs): A practical modified framework indicates that developed countries like USA and the UK have been using both quantitative and qualitative criteria to define SME. Ministry of International Trade and Industry (2005) cited in Jamil and Mohammed (2011) redefined SMEs in the manufacturing sector to include companies with large operating capacity, firms with less than 50 full-time

employees and annual turnover of not more than RM10Million. On the other hand, the United Nations Industrial Development Organization - UNIDO (2012) classifies SMIs differently into developing and developed economies and defines it in terms of number of employees.

Growth is the process function which happens over multiple time periods. The growth of a firm can be represented by the change of some variable over time. The most frequently used measures of growth are probably profit, sales in monetary units or market share (Wilklund 1998). According to Kesuma (2009), sales growth is an increase in sales from year to year or from time to time.

Review of Empirical Studies
Empirical Studies in Developed Countries
In a recent impact study of SMI bank financing in the advanced economy, the emphasis on traditional bank lending as the predominant source of finance in the UK is quite revealing. For instance, in UK survey using descriptive analysis, helping small industrialists access bank finance which they need to prosper and grow makes a vital contribution to the UK economy. Study shows that almost 50% of turnover in the private sector and 60% of all employment are attributable to small industrial activities. In addition, study also reveals that 46% of these companies have the propensity to grow turnover, suggesting there is optimism about future prospects (Keith 2014).

David, Rod and Geoff (2008) examined the ability of SMIs to access debt finance from the commercial banks in Scotland. Using a survey data, the study covered a survey of 51 SMIs. The study revealed a number of categories of SMIs that face difficulties, which include SMIs in rural environments, new and young SMIs, young entrepreneurs seeking start-up finance and manufacturing SMIs seeking to diversify and finance new product development. Sound propositions were turned down because of informational effect. Bank officers were found to follow standard financial models, although considerable discretion was exercised by senior bank managers often leading to a heavy reliance on personal relationships. The study concluded that the above forms the basis for the continued existence of a debt gap for certain categories of SMIs.

Empirical Studies in Developing Countries
De la Torre, Martinez and Schmukler, (2010) investigated banks' approaches to SMIs in terms of business models and risk management systems. Based on surveys for 48 banks and one leasing company in 12 countries, the authors find that all banks in the sample are interested in serving the SMI segment. To do so, almost all have separate organizational units and offer a wide range of products, applying different transactional technologies such as credit scoring or risk-rating systems. The authors concluded that the conventional wisdom according to which large banks are not attracted by SMIs and that this business is dominated by small banks and based on relationship lending does not hold in practice.

Similarly, Ahiawodzi and Adade (2012) examined the effect of access to credit on the growth of Small and Medium Scale Industries (SMIs) in the Ho Municipality of Volta Region of Ghana. The study which involved a sample of 78 SMIs in the manufacturing sector from Ho Municipality used both survey and econometric methods. Both survey and econometric results show that access to credit exerts a significant positive effect on growth of SMIs in the Ho-Municipality of Ghana.

Empirical Studies in Nigeria
Lawal (2014), investigated the banking sector and the development of small and medium scale enterprises in Osun State. Purposive sampling technique was used to select the sample, correlation analysis was employed. The finding of the study reveals that there is a positive correlation between loans granted by banks and the growth and development of SMIs in Osun State. The study recommended that the financial institution needs to put more effort in financing SMIs, in order for their role to be felt by the SMIs in terms of growth and development.

Sebastian et al (2014) examined the impact of banking system credit to small and medium scale enterprises (SMEs) and economic growth in Nigeria. The study employed ordinary least square (OLS) and co-integration econometric method with the use of sequential modified LR test statistic as lag length selection criteria to conduct its tests and analysis. The results revealed that the banking system credit to SMIs though increased gradually over the years however, the credit to SMEs as a percentage of total credit to the private sector declined yearly. The need for the government to intervene in a more meaningful way through articulated policies and programmes that will promote funding of SMIs and reduce the level of lending interest rate have been recommended.

Ayeni-Agbaje and Osho (2015) in "the role of commercial bank in financing small scale enterprises in Ado Ekiti, Ekiti State" examined how SMIs can be developed through the intervention of the banking sector. The survey method of research design was employed, using correlation analysis and chi-square. Findings revealed that there was a positive correlation between loans granted by banks and the growth and development of SMIs in Ekiti State. The study recommended that guidelines/schemes by commercial banks to finance SMIs needs to be flexible to accommodate the small and medium scale entrepreneurs.

Methodology
In order to have a comprehensive overview of the variables under examination, this study adopted a survey research design. The study used the structure questionnaire to obtain relevant information from the respondents in the entire geopolitical zone of Southwest Nigeria, comprising of six (6) states. In this study, Small and Medium Industries (SMIs) performance such as volume of production, cash flow (liquidity) position and sales growth represent the dependent variables (Y); while the determinant factors such as: access to loan, savings with bank, nature of loan received, business size, length of bank-customer relationship, nature of business and form of business indicate the independent variables (X). Primary and secondary sources of data collection were used. Five (5) point Likert scales (ranging from 1: strongly disagree, 2: disagree, 3: undecided, 4: agree and 5: strongly agree), were used to measure responses from respondents. The choice of five Likert scale was borne out of the fact that owner enterprises were contacted, since they are better positioned to provide first-hand information about firm's performance. A total of 365 questionnaires were distributed. To ascertain the validity and reliability of the study instrument, the questionnaire was pilot-tested in Akure metropolis in Ondo Sate. Using Stata version 13.0, the Cronbach Alpha reliability test provided satisfactory score of 0.899. Regression was used to analyse the impact of bank loans on SMIs sales growth as performance variable.

Sampling Size and Sampling Technique

Given a population of 6953 SMIs operating in the manufacturing sector in Southwest Nigeria SMEDAN (2010), a sample size of 365 SMIs across the six states of the geo-political zone was used. The justification for using SMIs operating in the manufacturing sector was as a result of the fact that they represent about 90% of the manufacturing/industrial sector in terms of number of enterprises and they are distributed by clusters within the Southwest (Oyelaran-Oyeyinka2010). The Bartlett, Kotrlik and Haggins (2001) model for determining the minimum returned sample size for any given population was adopted. A total of 208 sets of questionnaire were returned. The multi-stage sampling technique was employed. In the first stage, the purposive sampling technique was used to select the choice of Southwest because the researcher is familiar with the terrain. The second stage employed stratified sampling technique. Since both banks and SMIs are mostly concentrated in cities, 50% of the questionnaire was distributed in the capital cities of the six states in the region namely: Lagos, Oyo, Ogun, Ondo, Osun and Ekiti State while the remaining 50% was distributed to Banks and SMIs outside the state capitals. In the third stage, random sampling technique was used to distribute the remaining 50% among SMIs and banks outside the state capital. This technique was used to select two local governments outside the state capital of each state to draw out samples for both banks and SMIs. Specifically, the questionnaire was distributed among organized business activities which operate in the industrial and manufacturing sectors. Therefore, using Manufacturing Association of Nigeria Classification (MAN), it covers industrial and manufacturing activities in Agro-allied; Food, Drinks, Beverages & Tobacco; Chemical and Pharmaceuticals; Metal, Iron and Steel Fabrication; Electrical and Electronics; Pulp and Paper Products; Textile, Leather, Foot Wears and Carpets; Building and Construction; Wood Products and Furniture.

Model Specification

A linear probability model (LPM) was adopted. This is in accordance with the works of Ogunrinola and Alege (2007), as well as Mincer's (1973) model of determinants of earnings among MFIs customer. According to Hugo (2009), LPM has certain advantages over the probit/logit approach, despite its well known limitations. He argues that linear probability model may be an especially good choice when the right hand side variables (like the case of this study) are mostly or all dummy variables since it will not suffer from unboundedness problem.

Thus, the modified Mincer Model is of the form:
$$Ln\, Y = f(X, B,) \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (1)$$

That is, income/revenue is influenced by the vector of variables **X and B.**

Where
X = Vector of micro finance/ Bank variables
    = Access to Loan (AL), Nature of Loan received (NL) and Savings with bank (SB)
B = Vector of business/firm variables
    = Length of Bank-customer relationship(BR), Form of Business(FB) and Nature of Business (NB)
f = Functional notation.
$$Y_{it} = \alpha_0 + \alpha_1 X_{it} + \alpha_2 B_{it} + U_{it} \ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots\ldots (2)$$

Where Y, X and B are as earlier defined.
U = Stochastic error term.

Therefore,

Y = AL NL SB BR FB NB   …………… …………… …………… (3)

Explicitly,

$$\ln Y_{it} = \alpha_0 + \alpha_1 AL_{it} + \alpha_2 NL_{it} + \alpha_3 SB_{it} + \alpha_4 BR_{it} + \alpha_5 FB_{it} + \alpha_6 NB_{it} + \mu_2 \ldots\ldots\ldots\ldots\ldots (4)$$

Where Y = Sales Growth.

AL = Access to Loan

NL = Nature of loan received

SB = Savings with banks

BR = Length of bank-customer relationship

FB = Form of business (Sole proprietorship, Partnership, Limited Liability Company)

NB = Nature of business (e.g Agro-allied, Food, drinks, Beverages and Tobacco, Chemical and Pharmaceutical e.tc).

Estimation Technique

The data generated for the study were analyzed using both descriptive and inferential analytical techniques. However, the analytical technique used in estimating the model is multiple regression analysis.

Results and Analysis
Impact of DMBs Lending on SMIs Performance

The likert scale construct was used to analysis the impact of deposit money banks' lending activities on sales growth, volume of production and cash flow position of SMIs in Table 1.

Table 1: Likert Scale Distribution of Impact of DMBs Lending on SMIs Performance

Items	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Mean
Deposit money banks are willing to grant credit to your firm	25(12.7%)	106(53.8%)	55(27.9%)	6(3.1%)	5(2.5%)	3.7(0.8)
Bank lending to your firm has contributed to growth in the firm's sales turnover	25(12.8%)	99(50.5%)	58(29.6%)	7(3.6%)	7(3.6%)	3.7(0.9)
Facility from the bank enhances cash flow (liquidity) position of your firm	29(14.8%)	84(42.9%)	68(34.7%)	7(3.6%)	8(4.1%)	3.6(0.9)
Loan received from your bank enhances sales/production volume	30(15.3%)	83(42.4%)	72(36.7%)	4(2.0%)	7(3.6%)	3.6(0.9)
Loan received from your bank enhances rawmaterial procurement	24(12.2%)	79(40.3%)	79(40.3%)	9(4.6%)	5(%)	3.6(0.9)

Source: Field survey, 2016

As revealed by Table 1, 131 (66.5%) respondents agree that deposit money banks are willing to grant credit to their firm. Similarly, 124 (63.3%) respondents agree that bank lending to SMIs has contributed to growth in firm's turnover in the years under consideration. 58 percent of the sampled SMIs agree that facility from the bank enhances cash flow position of their firms. The

fact that just the same proportion acknowledges that loan received from their banks enhances sales/production volume is not unexpected as a favourable cash flow position of the firm will enhance raw material procurement, uninterrupted production cycle and invariably, volume of production.

Annual Turnover of Sample Firms in the Last Five Years

This section presents the result of annual turnover of sampled firms in the last five years. The report is as presented in Table 2below showing the growth patterns in annual turnover between 2011 and 2015.

Table 2: Annual Turnover of Sample Firms in the Last Five years

Annual turnover	Frequency	Percentage
2011		
<1M	39	21.4
1M-5M	79	43.4
5.1M-10M	32	17.6
10.1M-20M	9	5.0
>20M	23	12.6
2012		
<2.5M	66	36.7
2.5M-7.5M	62	34.4
7.55-15M	19	10.6
15.1-25M	7	3.9
>25M	26	14.4
2013		
<5M	81	43.6
5.1M-10M	51	27.4
10.1M-20M	23	12.4
20.1M-50M	9	4.8
>50M	22	11.8
2014		
<10M	91	48.7
10M-20M	50	26.7
20.1M-50M	19	10.2
50.1M-75M	6	3.2
>75M	21	11.2
2015		
<15M	102	55.1
15M-35M	45	24.3
35.1M-50M	10	5.4
50.1M-100M	9	4.9
>100M	19	10.3

Source: Field survey, 2016

In assessing the annual turnover of firms in the past 5 years, Table 2 shows in 2011 that most firms (43%) had a turnover of between N1-5 million, but in 2012, most firms (37%) had less than N2.5 million as turnover, closely followed by those who had between N2.5-7.5 million (34%). While in 2013 most SMIs (44%) had a turnover of below N5 million next to which are those who had between N5.1-10 million. In 2014 almost half of SMIs (49%) had a turnover of

less than N10 million followed by those who had between N10-20 million (27%). In 2015, higher proportion (55%) had turnover of less than N15 million followed by about a quarter of the sample that had turnover of between N15-35 million. Relatively, annual turnover of firms grows from one year to another.

Table 3: Regression Result (Linear Probability Function) on the Impact of Deposit Money Bank on SMIs'Sales Growth

$F_{(41, 39)} = 2.08$ Prob> F = 0.0118R-squared = 0.6860   Adj R-squared = 0.3559

Annual Sales Growth	Coeff	Std Err	t	P>|t|	[95% CI]	
Access to loan						
Yes	RC	-	-	-	-	-
No	-2.838	2.256	-1.260	0.216	-7.401	1.725
Nature of loan						
Long term	RC	-	-	-	-	-
Short term	-0.505	1.364	0.370	0.713	-2.254	3.264
Medium term	-0.430	1.799	0.240	0.812	-3.208	4.068
Savings with bank						
Yes	RC	-	-	-	-	-
No	-4.202	2.673	-1.570	0.124	-9.608	1.204
Length of bank customer relationship						
Below 1 year	RC	-	-	-	-	-
1-5yrs	-2.744	2.326	-1.180	0.245	-7.449	1.960
6-10yrs	-1.274	2.210	-0.580	0.568	-5.745	3.196
Above 10yrs	0.275	2.271	-0.120	0.904	-4.868	4.318
Business form						
Other businesses	RC	-	-	-	-	-
Sole proprietorship	-2.947	4.089	-0.720	0.475	-11.218	5.324
Partnership	-2.609	4.311	-0.610	0.548	-11.328	6.110
Limited liability company	-2.351	4.024	-0.580	0.562	-10.491	5.788
Nature of business						
Others	RC	-	-	-	-	-
Agro allied	0.241	2.865	0.080	0.933	-5.554	6.036
Food, drinks, Beverages & Tobacco	-0.858	1.941	-0.440	0.661	-4.785	3.069
Chemical & Pharmaceuticals	0.009	2.300	0.000	0.997	-4.642	4.660
Metal, Iron & Steel fabrication	-1.254	2.827	-0.440	0.660	-6.971	4.464
Electrical & Electronics	-1.631	2.742	-0.590	0.555	-7.178	3.916
Pulp & Paper products	-3.929	3.279	-1.200	0.238	-10.561	2.704
Textile, leather, footwear & carpets	1.799	3.014	0.600	0.554	-4.298	7.895
Building & Construction	-2.111	2.321	-0.910	0.369	-6.806	2.585

Source: Field survey, 2016
Note: RC = Reference Category

The model, according to Table 3 shows that SMIs without access to loan scores -2.838 points lower than those with access to finance on sales growth. This however lends credence to previous empirical research relating financing of Small and Medium Scale Industries to firm's performance (Akinyosoye, 2006;Keith 2014&Lawal, 2014). In particular, this supports previous finding relating bank finance to sales growth (Brown, Earle &Lup 2004).

The result also shows that respondents with loans other than long term have lower sales growth. This supports the argument that long term loans, in particular, to SMEs in the manufacturing concerns will serve better because investment in the sector is relatively bulky and capital intensive (Udechukwu, 2003 & Nizer, 2005). The study also reveals that respondents with no savings with banks have -4.202 points on scores of sales growth relative to those with savings with banks. This further strengthens the nexus between capital formation and firms' growth.

The coefficient of determination/explanatory power (R^2) is 0.67 and when it was adjusted for the degree of freedom, the adjusted coefficient of determination (R^2) was 0.36. This means that about 67% of total variation in the dependent variable Sales Growth (SG) is accounted for by the explanatory variables. The pvalue = 0.0118 < 0.05); the pvalue of 0.0118 < 0.05 level of significance therefore, the model is statistically significant.. This implies that DMBs' finance have significant effect on SMIs performances adopting sales growth as a measure. Hence, the null hypothesis which states that DMBs do not significantly impact on the performance (sales growth) of SMIs in Nigeria should be rejected.

Conclusion

The study reveals that DMBs contributed to growth in sales turnover of SMIs in the manufacturing sector. It also enhances the liquidity position as well as volume of production of SMIs. However, not much has been done by the banks to meet the ever increasing capital needs of SMIs in manufacturing sector for investment in fixed assets. The study therefore concludes that deposit money banks (DMBs), like other developing countries of the world have the potential to impact on the performances of small and medium scale industries in Nigeria. The manufacturing sub-sector of the economy however, requires access to finance for their businesses to thrive on a sustainable basis. This in particular is of important implication to manufacturing firms which require investment in fixed assets and adequate liquidity position in order to ensure uninterrupted production cycle, increase in production volume as well as growth in sales turnover. The policy implication of this study therefore, is that government policies on private sector and in particular SMIs and the banking system should be such that will further strengthen banks and real sector nexus.

Recommendations

(i)   The small and medium scale industrialists and in particular, the manufacturing sectors should be given priority finance by banks because of their relative importance in economic stimulation. In other words, deposit money banks in Nigeria should increase the proportion of their credit portfolio to SMIs.

(ii)   In order to enhance asset acquisition and productive base of SMIs and because of the huge investment in machinery and equipment, banks should further extend their financial oversight to long terms loans for the sector.

(iii)   It is also recommended that banks should put up a more aggressive campaign to mobilise savings among small and medium scale industrialists with saving products of less stringent conditionalities in order to further strengthened capital formation in the economy.

References

Adamu, A. (2009). Small and medium-scale enterprises (SMEs) in Nigeria: Challenges and the way forward. *Ankpa Journal of Arts and Social Sciences (AJASS), 4*(1) 38-44.

Ahiawodze, A. K. & Adade, T. C. (2012). Access to credit and growth of small and medium scale enterprises in the Ho Municipality of Ghana, *British Journal of Economics, Finance and Management Sciences,* 6 (2),34 – 51.

Akinyosoye, V. O. (2006). Plant size and factor productivity in agro-allied industries: Implications for Nigeria's new industrial policy. *Journal of Rural Economics and Development, 15(2), 2006.* Dept. of Agric. Economics, University of Ibadan, Nigeria.

Aremu, M. A & Adeyemi, S. L. (2011). Small and medium scale enterprises as a survival strategy for employment generation in Nigeria. *Journal of Sustainable Development4 (1),* 200-206.

Ayeni-Agbaje, A. R. & Osho, A. E. (2015).Commercial banks role in financing small scale industries in Nigeria(a study of First Bank, Ado-Ekiti, Ekiti State). *European Journal of Accounting, Auditing and Finance Research3(8)* 52-69.

Ayodele, A.S. (1999). Improving and sustaining power supply for socio-economic development in Nigeria. *10th Abuja Annual Conference.*

Bartlett, J .E., Kotrliik, J. K., & Higgins, C. C. (2001). Organizational research: determining appropriate sample size in survey research, *Information Technology, Learning, and Performance Journal, 19*(1)*,* 5-12.

Beck, T., Demirgüç-Kunt, A., & Maksimovic, V., (2008). Financing patterns around the World: Are Small Firms Different? *Journal of Financial Economics 89,* 467-87.

Brown, J. D, Earle, J. S. & Lup, D. (2004). What makes small firms grow? Finance, human capital, technical assistance, and the business environment in Romania. *IZA Discussion Paper No. 1343; Upjohn Institute Staff Working Paper No. 03-94.Bullion, 30*(1), 52 – 62.

David, D., David, N., Rod, B. & Geoff, W. (2008). *SMEs' Access to Finance: Is there still a debt finance gap?* Institute for Small Business & Entrepreneurship. Belfast, N. Ireland

De la, T., A., Martinez , M. S. & Schmukler, S. (2010). Bank involvement with SMEs: Beyond relationship lending, *Journal of Banking and Finance, 34,* 2280–2293.

Iweala, N. O. (2005). The role of government in microfinance development in Nigeria. *CBN Proceedings of Seminar in Microfinance Policy, Regulatory and Supervisory Framework for Nigeria.*

Jamil, C.M. & Mohammed, R. (2011). Performance measurement system (PMS) in small medium enterprise (SMEs): A practical modified framework, *World Journal of Social Sciences, 1*(3) 200-212.

Kayode, F. (2005).An overview of the base lane in economic survey of small and medium industries (SMIs) in Nigeria: *Presentation at the seminar on the base line economic survey of small and medium scale industries in Nigeria held at the Munson center,* Lagos.

Keith, M. (2014). *Small business finance marke*t. British Business Bank.

Lawal, B. A. (2014).Banking sector and the development of SMEs in Osun State. *Research Journal of Finance and Accounting 5* (4)*,* www.iiste.org.

KesumaA. (2009). Analisisfaktor yangmempengaruhistruktur modal sertapengaruhnya terhadaphargasahamperusahaan real estate yang go public di bei. *Jurnal Manajemendan Kewirausahaan, 68,* 38-45.

Muritala, T. A., Awolaja, A. M., Bako Y. A., (2012). Impact of small and medium enterprises on economic growth and development. *American Journal of Business and Management*, *1(1),* 18–22.

Nigerian Institute of Social and Economic Research (NISER), (2005). Strategic options for reforms in small and medium industries in Nigeria: *NISER Occasional Paper* No. 4.

Nwoye, M. (2008).*Economic survey of Nigeria.* Ibadan: Aromolaran Publishers.

OECD, (2004).SME Statistics: Towards a more systematic statistical measurement of SME behaviour. *Background report for the 2*[nd] *OECD Conference of Ministers*.

Ojo, A.T. (1984). *Banking in Nigeria*, London, Graham Burns.

Olutunla, G.T., & Obamuyi: T.M. (2008).An empirical analysis of factors associated with the profitability of small and medium enterprises in Nigeria. *African Journal of Business Management,* 2(x), 195-200.

Sandberg, K., Vinberg, S. & Pan, Y. (2002).An exploratory study of women in micro enterprise; Owner perceptions of economic policy in a rural municipality: Gender-related differences. In: *CD proceedings of 12th Nordic Conference on Small Business Research.* Creating welfare and prosperity through entrepreneurship. Kuopio Finland, 1-14.

Safiyyah, M. & Garba, B. (2013). An assessment of the contribution of commercial banks to the
growth of small and medium scale enterprises in Nigeria. *International Journal of Research in social Sciences*. www.ijsk.org/ijrss

Sebastian, O., Uremadu, Ogechi, I., & Okwuchukwu, O. (2014).Banking system credit to small and medium scale enterprises (SMEs) and economic growth in Nigeria: A co-integration approach. *IOSR Journal of Economics and Finance (IOSR-JEF) (5)6,*PP 41-51.

SMEDAN, (2010). *Survey report or micro, small and medium scale enterprises (MSMES) in Nigeria*. Preliminary Report National MSME Collaborative Survey.

Stein, P., T. Goland& R. Schiff (2010).*Two trillion and still counting: Assessing the credit gap for micro, small and medium-size enterprises in the developing world*, McKinsey & Company and IFC: Washington, DC.

Stein, P. T., Goland, U. & Schiff, R. (2010). *Two trillion and still counting: Assessing the credit gap for micro, small and medium-size enterprises in the developing world*, McKinsey & Company and IFC: Washington, DC.

Udechukwu, F.N. (2003). Survey of small and medium scale industries and their potentials in Nigeria. Seminar on Small and Medium Industries Equity Investment Scheme (SMIEIS), *Central Bank of Nigeria (CBN) training Centre,* Lagos, Nigeria, pp. 6-18.

Wilklund, J. (1998). Small firm growth and performance: Entrepreneurship and beyond. Doctoral Dissertation, Jönköping: *Jönköping International Business School*.

World Bank, (1989).*The World Bank Report*. The World Bank, USA: Washington DC.