

RECOMMENDATIONS FOR FURTHERING ACCESS TO MICROFINANCE FOR MSMES IN MAKURDI METROPOLIS

¹Maduagwu E.N and ²Igwenagu C.M

Article Info

Keywords: Micro, Small, and Medium Enterprises; Microfinance; MSMEs financial performance; entrepreneurship development; Makurdi metropolis.

Abstract

The Micro, Small, and Medium Enterprises (MSMEs) sector is crucial for the economic growth of developing countries, and microfinance facilities play a vital role in their financial performance. In this study, we investigate the impact of microfinance on the performance of MSMEs in Makurdi, Nigeria. We analyze the number of MSMEs receiving microfinance intervention, the sources of microfinance, the effects of microfinance credit on MSME performance, the participation rate of women in MSME ownership, and the types of businesses that medium enterprises engage in within Makurdi metropolis. Our research design is descriptive and employs the survey method, with a sample size of 323 MSMEs. The study found that microfinance has a positive effect on sales revenue, profitability, and non-current assets of MSMEs. However, we also found that there is a need to create more awareness on the importance of microfinance in entrepreneurship development and for governments to facilitate access to microfinance credit by MSMEs, especially from microfinance banks. Additionally, women's participation in entrepreneurship activities needs encouragement, and more loans should be granted to them to enhance their engagement in MSME ownership.

Introduction

MSMEs contribute significantly to the economies of the countries they are located in. They stimulate entrepreneurship activities and play an important role in offering a platform for upgrading, improving local technology and adaptation of foreign ones. MSMEs also play a vital role in creating employment and fostering managerial skill acquisition. The importance of MSMEs to the Nigerian economy cannot be overemphasised.

¹ Department of Accounting, Benue State University

² Department of Business Management, Benue State University

According to National Bureau of Statistics (NBS) & The Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) (2013), there are 37,067,416 MSMEs in Nigeria and they contribute to the economy by payment of tax, and employ over 84.02% of labour force both in the formal and informal sectors. However, NBS & SMEDAN (2013) suggest that one of the main challenges facing the existence and operations of MSMEs in Nigeria is access to finance. This can be traced to their inability to raise finance from conventional banks as a result of their riskiness and the lack of asset-based collateral. Owing to this, most MSMEs in Nigeria fail in the first five years of existence while only 5% to 10% of them survive, thrive and grow to maturity (Aremu & Adeyemi, 2011). SMEDAN was created by the SMEDAN Act of 2003, to facilitate the promotion and development of

MSMEs in Nigeria through the granting of access to MSMEs to all resources required for their development. The overall aim of SMEDAN is to promote economic development in Nigeria. The Agency is the apex institution for all matters concerning the growth of MSMEs in Nigeria.

The Central Bank of Nigeria defines micro-enterprises as those whose total employees does not exceed 10 and whose assets are less than ₦5,000,000. The Bank also defines small enterprises as those whose total number of employees are from 10 above but not exceeding 49 and whose assets are above ₦5,000,000 but not exceeding ₦50,000,000. Lastly, the policy defines medium enterprises as those whose total number of employees is 50 above but not exceeding 199 and whose assets are above ₦50,000,000 but not exceeding ₦500,000,000

Microfinance Banks offers access to high-quality financial services, such as the provision of credit, offering saving facilities, micro leasing, insurance services, offering advisory services and making fund transfers to MSMEs to improve economic activities, enhance their growth and sustainability. The distinguishing factors between micro-finance bank and other credit facilities are the small size of loans granted, the non-requirement of asset-based collateral and the non-complexity of operations. Access to microfinance Banks is considered to be an important factor in determining the performance of Medium Enterprise institutions.

Microfinance credit is considered essential in improving MSMEs financial performance. Despite the increase in the number of microfinance institutions in Nigeria, majority of MSMEs do not perform well. It is on this basis that this study intends to firstly, determine the number of MSMEs that have received any form of microfinance intervention and the source. Secondly, determine the effect of microfinance credit on the performance of MSMEs within Makurdi metropolis of Benue State. Also, the study seeks to determine the participation rate of women in MSME ownership. Lastly, the study seeks to determine the type of business most Medium Enterprise institutions engaged in within Makurdi metropolis.

Makurdi is the capital of Benue State which is located on latitude: 7° 44' 1.50" N and Longitude 8° 31' 17.00" E in the north-central geopolitical zone of Nigeria. The town has an estimated population as of 2016 of 405,500 according to the national population commission. Makurdi was founded in 1927 when the colonial authorities in Nigeria extended the railway from Port Harcourt to Jos and Kaduna. In 1976 following the creation of Benue state, Makurdi became a transportation and market centre owing to the selection of Makurdi as the capital of Benue state. This resulted in the boosting of economic activities. Benue state provides a conducive atmosphere for entrepreneurship activities in the area of agro-allied activities. Hence the tag "the food basket of the nation". The state boasts of a huge array of agricultural products such as soya beans of which the state produces 70% of the total amount consumed and exported in Nigeria. River Benue runs through Makurdi metropolis creating

avenues for fishing, irrigation for dry season farming, electricity generation and the utilization of the waterways for improved transportation within the metropolis. In terms of solid minerals, kaolin, lead, zinc, gemstones, magnetite, limestone, and anhydride can be found within and the surrounding areas of Makurdi metropolis creating opportunities for mining.

Conceptual Framework

Microfinance

CBN (2005) defines microfinance as the provision of financial services to the MSMEs who are not served by conventional banks. It serves as a veritable avenue for job creation and poverty alleviation. In Nigeria, one of the key challenges that MSMEs face is access to funds. Even when credit facilities are available, MSMEs in most cases, do not possess the collateral to access them. This has led to a good number of them shutting down resulting in the loss of a lot of skilled and unskilled jobs in Nigeria (Izugbara & Ikwayi, 2002).

Microfinance covers a wide range of financial services such as granting of loans, deposits, payment services and insurance to low-income households and MEs. Microfinance institutions have significantly contributed towards the poor by increasing their income level thereby improving their living standards (Saunders & Tsumori, 2002). Several features separate microfinance credit from other forms of credit such as the small size of loans, the non-requirement of collateral to access loans and the ease of access to the loans.

Owing to the initial failures community banks to adequately provide credit facilities, the Micro-Finance Policy Regulatory and Supervisory Framework (MPRSF) was launched in 2005. This led to the licensing of Microfinance banks (MFBs) in 2007 which then raised the number of MFBs in Nigeria. The new MFBs faced the same challenges which contributed to the failure of earlier community banks. Poor performances lead to the failure of these institutions and the subsequent withdrawal of the licenses of 224 MFBs in 2010. According to Adeyemi (2008), some of the challenges MFBs faced included; undercapitalization, inefficient management, and regulatory and supervisory loopholes.

Microfinance Institutions

MFIs significantly contribute to a country's development economically and socially. MFIs provide an alternative source of finance for people who do not have access to conventional banking services especially in developing countries such as China, India, and Nigeria.

MFIs normally provide short term loans to borrowers with short repayment periods. The financial services offered by MFIs help in the eradication poverty in the countries they are located in. According to the World Bank (2002), there are more than 7,000 MFIs worldwide. These institutions are accessible to over 16 million clients and provide loans to the tune of US\$2.25 billion. According to Zuru, Hashim and Arshad (2016) there are five types of MFIs in Nigeria. They include; the local community-owned MFIs, the private initiated MFIs, MFIs created and funded by Government, MFIs owned by the nongovernment organizations (NGOs) and the foreign-owned MFIs.

Microfinance has always existed in Nigeria through informal microfinance activities without government regulation and supervision. Microfinance institutions existed since the 16th century though the Esusu credit association (ECA) which was practiced by the Yoruba ethnic group. These type of institutions are now popular across Nigeria with a large number of ethnic groups having their versions such as Adashi for the Hausa and Isusu for the Igbo ethnic group. The colonial masters in the eastern part of Nigeria attempted in the 1940s to transform the Isusu associations into modern financial cooperatives. When self-government was introduced in the 1950s,

attitudes to local cultural institutions changed. This was reflected in the registration of the Esusu in the Ondo province in 1952 which culminated in it becoming a cooperative society. By 1962, the number of cooperative societies grew to 94. When the Nigerian economy was booming as a result of the discovery of oil in the 1960s, the debate on whether traditional and formal cooperatives had a role in economic development arose. As a result, the emphasis was placed on formal microfinance institutions in the 1980s and 1990s. However, according to CBN (2004), the inability of the formal cooperatives to provide microfinance to the poor in urban and rural areas saw the introduction of MFIs. Informal financial institutions continue to play a vital role in Nigeria. There are a growing number of Nigerians who are joining them. A great number of different adaptations have sprung from the earlier ECAs. An example is their transformation into non-rotating savings associations with a permanent loan fund.

Micro, Small and Medium Scale Enterprises

MSMEs are considered to be the key driver of economic development (Chittithaworn, Islam & Keawchana, 2011). They contribute to economic growth in the area of poverty alleviation, provision of employment opportunities, Improved living standards, income distribution, contributing to innovation, value addition, the provision of linkages in various geographical sectors of countries and capital formation within local communities.

The criteria for defining the size of a business enterprise differ from country to country. In terms of Nigeria, the National Policy on MSMEs defines MSMEs based on the total number of employees and total assets with the exclusion of land and buildings. The national policy defines micro-enterprises as those whose total employees does not exceed 10 and whose assets are less than ₦5,000,000. The policy also defines small enterprises as those whose total number of employees are from 10 above but not exceeding 49 and whose assets are above ₦5,000,000 but not exceeding ₦50,000,000. Lastly, the policy defines medium enterprises as those whose total number of employees is 50 above but not exceeding 199 and whose assets are above ₦50,000,000 but not exceeding ₦500,000,000 as indicated in table 2.

Table 2 SME

S/NO	SIZE	EMPLOYMENT	ASSETS (₦ millions)
1	Micro Enterprises	Less than 10	Less than 5
2	Small Enterprises	10 to 49	5 to less than 50
3	Medium Enterprises	50 to 199	50 to less than 500

Source: SMEDAN/NBS MSME Survey 2013

Theoretical Framework

The Resources Based View

The Resources-Based View (RBV) is a theory that explains the importance of a strategic resource on business performance (Crook, Ketchen JR. & Combs, 2008). Earlier works such as Connor (1991) suggest that entrepreneurship activity is an integral part of RBV. According to Shane & Venkataraman (2002) the existence of entrepreneurial opportunities is primarily as a result of different beliefs about the relative value of resources when they are transformed from inputs into outputs. These resources are in different forms such as ?rm-speci?c

resources that indicate difference in expertise between managers in across firms. The theory emphasises the ability of a firm to organize these resources and then create heterogeneous outputs that are superior to competitors.

This study considered microcredit as a financial resource which may have an influence on SMEs financial performance and therefore RBV is relevant to this study. Research such as Oginni & Adesanyam (2013) are of the opinion that successful management of internal resources can significantly improve the performance of a business.

Empirical Review

Danjuma (2017) examined the Impact of Microfinance services on Performance of SMEs in Zaria metropolis. The sample comprised of 300 SMEs operating with Cred Microfinance bank within Zaria Metropolis. Data were analyzed using regression analysis with SPSS 20.0. The study found out that the microfinance services have a significant impact on the level of entrepreneurship activities of SMEs in Zaria metropolis. Danjuma defined performance as profitability, sales growth, innovation, effectiveness, efficiency, and customer satisfaction.

Ojo (2009) investigated the impact of microfinance on entrepreneurial development of small scale enterprises that are craving for growth and development in a stiffened economy called Nigeria. The sample comprised 60 entrepreneurs in Lagos State. Chi-square, analysis and simple regression analysis were adopted as tools of analysis. The study found that microfinance has a significant effect on entrepreneurial development.

Olowe, Moradeyo, and Babalola (2013) examined the impact of microfinance on SME growth in Nigeria. The sample comprised of 82 SMEs. Pearson correlation coefficient and multiple regression Results revealed that microfinance has an impact on SME growth in Nigeria. The geographical location of our study itself suggests the uniqueness of our study. Olowe et al. study location was the Ibadan metropolis of Oyo state.

Oleka, Maduagwu and Igwenagu (2014) evaluated the extent to which Microfinance banks have helped in financing small and medium enterprises (SMEs) in Nigeria, the data used were both primary and secondary data generated from questionnaires and annual report of 300 randomly selected small and medium scale enterprises that have accessed funds from microfinance banks in Nigeria. The timeseries data covered a period of thirteen years from 2000 to 2013. Regression analysis was used as a statistical tool. Results revealed that microfinance banks loans and advances have a significant effect on the performance of SMEs enterprises in Nigeria. Oleka et al. focused on microfinance banks only, whereas our attention is on all microfinance institutions inclusive of formal and informal microfinance groups.

Babajide (2012) examined the impact of microfinance on growth of micro and small enterprise in Nigeria. The sample comprised of 500 micro and small enterprises that were randomly selected. The study employed panel data and multiple regression analysis. The study found that access to microfinance affects the growth of micro and small enterprises in Nigeria. However, Babajide only considered only annual sales growth as a measure of performance to the exclusion of important indices such as profitability and an increase in non-current assets.

Ike (2013) investigated the impact of access to microfinance services on the performance of small scale women business entrepreneurs in Enugu State. The sample size consisted of 121 (71 beneficiaries and 50 non-beneficiaries) SMEs randomly selected from 9 local government areas of Delta state. Structured questionnaires were used in the collection of data and Double-Difference Estimator analysis was used in the analysis of data. Results Indicated that the income of beneficiaries grew by about 46.67% while the income for non-beneficiaries

grew by s grew by only 11.6%. the researcher measured performance as a change in income and did not consider other indices such as profitability, sales revenue and change in non-current assets.

Amsi, Ngare, Imo, and Gachie (2017) investigated the effect of microfinance credit on the financial performance of SMEs in Kenya using a sample size of 210 SMEs. Data used was randomly generated with the use of self-administered questionnaires. The multiple regression model and Pearson Coefficients correlation were used as a statistical tool. The findings indicate that interest rate, collateral requirement, and repayment period had a negative effect on SMEs financial performance, whereas entrepreneur orientation and credit amount had a positive effect on the financial performance of SMEs in Kenya.

Akingunola, Adekunle, Adegbesan, & Aninkan (2013) examined the effect of micro?nance on entrepreneurship development in Ogun State. The sample of the study comprised of 300 entrepreneurs in the state. Data were analyzed using Regression analysis ordinary least squares. The findings indicate a positive relationship between micro?nance and entrepreneurship development in Nigeria.

Akinbola, Ogunnaike, and Tijani (2013) examined the relationship between the level of access to credit facilities and business expansion. This study adopted the survey method with the use of a wellstructured self-administered questionnaire. Purposive sampling technique was used sixty responses were found useful for the analysis. Correlation and regression analysis were used to analyse data. The results indicate that micro-financing plays major roles in entrepreneurial development in Ojo local government of Lagos state.

Methodology

The research is descriptive and employs the survey method in assessing the impact of MFIs on MSME performance in Makurdi metropolis. The descriptive survey design allows the capturing of the quantitative attributes of the study which leads to a better understanding of a research problem. The population of the study consists of 1674 registered MSMEs in Makurdi metropolis based on the records of Benue state ministry of commerce and industry. A sample size of 323 was derived using the Taro Yamane formula 1964. Simple random sampling method was used in the selection of MSMEs. The study used primary data collection methods, with data obtained from a survey questionnaire. For this research, 323 copies of the questionnaires were used for the survey. The questionnaire contains two sections. The first section collects information on the characteristics of the MSME, while the second section investigates the objectives of the study. For this study, various techniques such as Percentages, Frequency Distribution, and chi-square were employed for analysis using the SPSS statistical package.

Analysis and Results

The results of the Descriptive analyses are presented in table 3 7, while the results of the Inferential analysis are presented in table 8.1 and 8.2.

Table 3: Gender

Gender	Frequency	Percentage
Male	245	76%
Female	78	24%
Total	323	100%

Source: Field Study 2019

In terms of Gender, Table 3 indicates that the number of male MSME owners which is 245(76%) exceeds the number of female owners which stands at 78(24%). This indicates that there is a huge gender divide among MSME owners in Makurdi metropolis Benue state.

Table 4: Type of Business engaged in.

Small business type	Frequency	Percentage
Agro-allied	41	12.69%
Trading	158	48.92%
Service	111	34.37%
Others	13	4.02%
Total	323	100%

Source: Field Study 2019

When it came to the type of business MSMEs engaged in, the trading sector has the largest with 48.92% followed by service at 34.37%, then Agro-Allied at 12.69% and lastly, others at 4.02%.

Table 5: Weather you have ever had access to credit facilities from MF Banks.

Response	Frequency	Percentage
No	98	30.3%
Yes	225	69.7%
Total	323	100

Source: Field Study 2019

Table 5 shows the firms within the sample that have had access to credit for MFIs. It is seen 225 out of 323 respondents representing 69.7% respondents have taken a microfinance loan, while 98 representing 30.3% have not taken any microfinance loan.

Table 6: What was the source of finance?

Type	Frequency	Percentage
Community-owned	169	74%
Privately-owned	50	22%
Government-Backed	9	4%
Total	228	100

Source: Field Study 2019

Table 6 indicates that for the respondents that have microfinance, 74% was from community-owned groups, 22% was privately owned MFIs and only 4% from government-backed MFIs.

Table 7: Reasons for not taking any loan.

Reasons	Frequency	Percentage
No information on MFI	59	62.10%
Fear of rejection	9	9.47%

Loans from other sources	8	8.42%
Sufficient internal funds	13	13.68%
Others	6	6.33%
Total	95	100

Source: Field Study 2019

Out of the 95 respondents that did not take the MFI credit, 59(62%) respondents did not do so because they had no information on MFI institutions within their locations. The second biggest reason for not taking loans was the sufficiency of internal funds with 13(13.68%) respondents followed by fear of rejection with 9(9.4%), loans from other sources came fourth with 8(8.42%) respondents and finally, others with 6(6.33%) respondents.

A Test of Research Hypotheses

Ho1: Microfinance credit has no significant effect on the sales revenue of MSMEs in Makurdi, Benue state.

Ho2: Micro-finance credit has no significant effect on the profitability of MSMEs in Makurdi, Benue state.

Ho3: Micro-finance credit has no significant effect on the no-current assets of MSMEs in Makurdi, Benue state.

TABLE 8.1 Hypothesis test

Hypothesis	SA (4)	A (3)	D (2)	SD (1)
Effect of Micro-finance on sales revenue	102(0.447)	49(0.215)	52(0.228)	25(0.110)
Effect of Micro-finance on profitability	77(0.338)	29(0.127)	55(0.241)	67(0.294)
Effect of Micro-finance on Non-current assets	52(0.228)	38(0.167)	59(0.205)	79(0.346)

Source: Field Study 2019

Table 8.1 shows the effect of microfinance on the performance of small business in Benue state. In terms of the effect of microfinance on sales revenue, 102(44.7%) respondents strongly agreed and 49(21.5%) agreed that microfinance has an effect on sales revenue while 52(22.8%) disagreed and 25 (11%) strongly disagreed. In terms of the effect of microfinance on profitability, 77(33.8%) respondents strongly agreed and 29(12.7%) agreed that microfinance has an effect on profitability while 55(24.1%) disagreed and 67 (29.4%) strongly disagreed. In terms of the effect of microfinance on non-current assets, 52(22.8%) respondents strongly agreed and 38(16.7%) agreed that microfinance has an effect on non-current assets while 59(20.5%) disagreed and 79(34.6%) strongly disagreed.

Table 8.2 Results of the Chi-Square Test

Effect of Micro-finance on the performance of MSMEs	X ²	Asymp. Sig. (P-value)	Cramer's V	Remarks
Effect of Micro-finance on sales revenue	452.118	.000	.813	Reject Null Hypothesis

Effect of Micro-finance on profitability	335.029	.000	.700	Reject Null Hypothesis
Effect of Micro-finance on Non-current assets	283.262	.000	.644	Reject Null Hypothesis

Source: SPSS computation 2019

Table 8 shows the effect of microfinance on the performance of small businesses in Benue state. In terms of the effect of microfinance on sales revenue, since the X^2 value of 452.118 is greater than the critical value of 16.92 and the p-value of 0.00 is less than the significance level of 0.05, the null hypothesis is therefore rejected and we conclude that microfinance affects sales revenue. Cramer's V has a value of 0.813. This indicates a very strong relationship between microfinance credit and sales revenue.

When we consider the effect of microfinance on profitability, the X^2 value of 335.029 is greater than the critical value of 16.92 and the p-value of 0.00 is less than the significance level of 0.05, the null hypothesis is therefore rejected and we conclude that microfinance affects profitability. Cramer's V value of 0.700 indicates a very strong relationship between microfinance credit and profitability.

In terms of the effect of microfinance credit on non-current assets, The X^2 value of 283.262 is greater than the critical value of 16.92 and the p-value of 0.00 is less than the significance level of 0.05, the null hypothesis is therefore rejected and we conclude that microfinance affects non-current assets. Cramer's V value of 0.644 indicates a strong relationship between microfinance and non-current assets.

Findings And Discussion

The study found that microfinance credit had an effect on sales revenue, profitability, and non-current assets. This finding is consistent with the work of Danjuma (2017).

The study also found that a large number (76%) of MSMEs in Makurdi metropolis were owned by males. This indicates that the female population is not as engaged in entrepreneurship activities as their male counterparts. World Bank (2002) recognizes that women having access to microfinance credit is an important strategy for reducing poverty. This finding is consistent with the work of Amsi et al. (2017).

The results of the study also indicate that majority (83%) of MSMEs in Makurdi metropolis are engaged in trading and services which include hairdressing, barbing salons tailoring, retail shops, bars, mechanic workshops and food vending. Whereas only a small number (13%) of businesses were engaged in agro-allied activities. The finding indicates that the percentage of respondents involved in the agro-allied business is small. This could be as a result of the urban nature of Makurdi metropolis. However, the agricultural sector has a lot of value chains which can be exploited by residents of the metropolis.

The study also found that most of the MSMEs investigated 69.7% had received microfinance while 30.3% had not. This indicates that most of the SMEs are catered to by Microfinance Institutions however more needs to be done to create access for more entrepreneurs. For those that received microfinance, 74% was from community-based groups. For those that did not receive microfinance, 62% of them was as a result of little or no information. This suggests that Community-based MFIs are providing the bulk of microfinance credit within Makurdi metropolis.

Lastly, the study found that 62.1% of respondents do not have access to microfinance credit as a result of lack of information on MFIs. This indicates the lack of awareness on the sources of finance for small businesses among the residents of Makurdi metropolis.

Policy Implications And Recommendations

Despite the importance of the MSME sector to economic development, there is evidence that provision of credit to the sector by conventional financial institutions and MFIs has been insufficient. This study investigated the effect of microfinance on MSME performance in Makurdi metropolis. The study reveals that microfinance affects MSMEs sales revenue, profitability and non-current assets.

The findings of this work suggest that community-based groups provide the largest amount of credit facilities to MSMEs in Makurdi metropolis. Owing to this, Benue state government should partner with all local governments and the state legislature to enact legislation to formalize and register the community-based groups to provide the necessary funding to them to expand the reach of microfinance credit to poor and low-income households. Also, a central database of all registered community-based groups should be maintained at the state government level under the ministry of commerce and industry to maintain adequate information on those groups.

There is a need for both the Benue state government and NGOs to support the efforts of MFIs towards supporting the growth of MSMEs within Makurdi metropolis and Benue state at large. The social mission objective of microfinance of uplifting the poor should be re-visited by Benue state government and all local governments by providing funding to expand the reach of microfinance. When this is done, MFIs will be able to achieve their mission of financing the establishing of new and vibrant MSMEs thereby generating employment opportunities for and enhancing economic growth.

Women should be encouraged through incentives to encourage the participation of women in entrepreneurship activities. MFIs in Benue state should partner with Benue state government in conjunction with NGOs to create awareness and facilitate easy access to microfinance for women. The study recommends the granting of more loans to women to increase the number of women engaged in entrepreneurship within Makurdi metropolis.

There is no doubt that MFIs make it possible for MSMEs to secure credit. However, more needs to be done in the area of creating awareness on the importance of Microfinance in entrepreneurship development. Government at all levels should partner with non-governmental organizations in creating awareness on the importance of entrepreneurship and how to access finance. This awareness campaign should start in secondary schools and tertiary institutions across the state where special subjects on entrepreneurship are taught. Special incentives such as agricultural shows, business fora, and farmers' markets should be created by the state government in conjunction with NGOs to encourage the participation of entrepreneurs in agro-allied business to tap into the huge agricultural potentials of the Makurdi metropolis and Benue state as a whole.

MSMEs require a conducive environment to develop. Governments at all levels should confront the challenge of infrastructural deficit in the state. These include electricity, provision of water and good road network to connect villages and markets in the state. The lack of adequate infrastructure affects the ability of MSMEs to be successful. It is by doing all this that Benue state can strengthen her economy which will result in addressing challenges such as unemployment, high level of inflation, youth restiveness, insecurity, and political instability.

REFERENCES

- Adeyemi, K. S. (2008). Institutional reforms for efficient microfinance operations in Nigeria. *Central Bank of Nigeria Bullion*, 32(1), 26-34.
- Akinbola, O. A., Ogunnaike, O. O. & Tijani, A.D. (2013). Microfinancing and entrepreneurial development in Nigeria: The Mediating Role of Marketing. *Arabian Journal of Business Review*, 1(6), 8-19.
- Akingunola, R. O., Adekunle, O. A, Adegbesan, K. J., & Aninkan, O. O. (2013). Microfinance banks and entrepreneurship development in Nigeria: A case of Ogun state. *European Journal of Business and Management*, 4(28), 100-111.
- Amsi, F., Ngare, P., Imo, P., & Gachie, M. (2017). Effect of microfinance credit on SMEs financial performance in Kenya. *Journal of Emerging Trends in Economics and Management Sciences*, 8(1), 48-61.
- Aremu, M. A. & Adeyemi, S.A. (2011). Small and medium scale enterprises as a survival Strategy for employment generation in Nigeria. *Journal of Sustainable Development*, 4(1), 200- 206.
- Babajide, A. (2012). Effects of microfinance on micro and small Enterprises (MSEs) growth in Nigeria. *Asian Economic and Financial Review*, 2(3), 463-477.
- Bobo, L. (1991). Social Responsibility, Individualism and Redistributive Policies. *Sociological Forum*, 6(1), 71-92.
- CBN (2005). *Microfinance policy, regulatory and supervisory framework for Nigeria*, Nigeria: Central Bank of Nigeria. Retrieved from <https://www.cbn.gov.ng/Out/2011/publications/dfd/Reviewed%20Microfinance%20Policy%20July%2012%202011.pdf>
- Charitonenko, S., Campion, A., & Fernando, N. A. (2004). *Commercialization of microfinance: Perspectives from South and Southeast Asia*. Manila Asian Development Bank. Retrieved from <https://www.adb.org/sites/default/files/publication/27540/micro-se.pdf>
- Chittthawon, B. G., Islam, M. S. & Keawchana, D. M. (2011). *Total quality management: An overview in Dale*, B.G. (Ed) Managing Quality (2nd ed.). London, England: Prentice-Hall.
- Christen, R. P. (2000). *Commercialization and Mission Drift: The Transformation of Microfinance in Latin America*. Consultative Group to Assist the Poorest (CGAP) Occasional Paper No. 5.
- Washington, DC. Retrieved from https://www.researchgate.net/publication/271519680_COMMERCIALIZATION_AND_MISSION_DRIFT_IN_MICRO_FINANCE_INDUSTRY

- Conner, K. R. (1991). A historical comparison of resource-based theory and ?ve schools of thought within industrial organization economics: Do we have a new theory of the ?rm? *Journal of Management*, 17, 1211-154.
- Crook, R. T., Ketchen Jr., D. J. & Combs, J. G. (2008) Strategic resources and performance: a metaanalysis. *Strategic Management Journal*, 29(11), 1141-1154.
- Danjuma, Z.D. (2017). Impact of micro?nance services on performance of small and medium scale enterprises (SMEs) In Zaria metropolis. *International Journal of Scientific Research in Social Sciences & Management Studies*, 2(1), 49-65.
- Ike, P.C. (2013). Analysis of impact of microfinance services on business performance of small Scale women entrepreneurs in Enugu state, Nigeria. *Asian Journal of Agriculture and Rural Development*, 3(6), 424-429.
- Izugbara, C.O. & Ikwayi, J.K. (2002). Conceptual issues in Nigeria's gender-specific rural poverty alleviation strategy. *Development in Practice*, 12(1), 81-85.
- Oginni, B. O. & Adesanya, A. S. (2013). Business environmental Factors: Implications on the survival and growth of business organisations in the manufacturing sector of Lagos metropolis. *Business and Management Research*, 2(3), 231-340.
- Ojo, O. (2009). *Impact of microfinance on entrepreneurship development: The case of Nigeria*. Conference proceedings of the International Conference on Administration and Business, Nov. 1415, Faculty of Administration and Business, University of Bucharest, Romania. Retrieved from <https://www.academia.edu/people/search?utf8=?&q=Impact+of+microfinance+on+entrepreneurship+development%3A+The+case+of+Nigeria>
- Oleka, C.O., 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 Science*, 1(2), 45-63
- Olowe, F.T., Moradeyo, O.A. & Babalola, O.A (2013). Empirical study of the impact of microfinance bank on small and medium growth in Nigeria. *International Journal of Academic Research in Economics and Management Sciences*, 2(6), 116-124.
- Poyo, J. & Robin Y. (1999). *Commercialization of Microfinance: A Framework for Latin America*. United States Agency for International Development Microenterprise Best Practices Project. Washington, DC: Development Alternatives, Inc.
- Saunders, P. & Tsumori, A. (2002). Poor concepts: 'social exclusion', poverty and the politics of guilt. *Policy*, 18(2), 32-37.

- Shane, S., & Venkataraman, S. (2000). The promise of entrepreneurship as a ?eld of research. *Academy of Management Review*, 25(1), 217226.
- SMEDAN Act of 2003. (2019, August 17). Retrieved from [https://smedan.gov.ng/images/ PDF/SMEDAN-ACT.pdf](https://smedan.gov.ng/images/PDF/SMEDAN-ACT.pdf)
- SMEDAN & NBS (2013). *SMEDAN and national bureau of statistics collaborative survey*. Retrieved from <https://www.smedan.gov.ng/images/PDF/2013-MSME-Survey-Summary-Report.pdf>
- World Bank (2002). *Nigeria Private Sector Assessment*. Technical Papers, Regional Program on Enterprise Development, Africa Region. World bank. Retrieved from <http://documents.worldbank.org/curated/en/871511468288614102/pdf/336970UNI0ICA.pdf>
- Zuru, N. L., Hashim, M. K. & Arshad, D. (2016). A study on the types of microfinance institutions in Nigeria. *Journal of Business and Management*, 2, 7-16.