DO MICROFINANCE INSTITUTIONS PLAY SUFFICIENT ROLES IN ENTREPRENEURSHIP DEVELOPMENT IN OGUN STATE? EMPIRICAL EVIDENCE FROM SANGO OTA INDUSTRIAL AREA

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Abstract

In providing empirical answers to whether microfinance institutions have played enough roles in entrepreneurship development in Ogun State, Nigeria, a sample of 180 SMEs was purposively selected in Sango-Ota Industrial Area of Ogun State. A well-structured set of questionnaires was administered to the selected SMEs owners to elicit primary data for a rigorous empirical analysis. Consequently, the following are the summary of the important findings that emerged in this study; most of the selected entrepreneurs engaged in foods and consumables enterprises, in which the business had existed between 11 and 15 years. Further analysis confirmed that many of the participants were one man business owners, with range 6 to10 million naira as their monthly sales turn over, and at the same time had a range of 6 to10 years banking relationship with microfinance banks during their businesses. Moreover, it was discovered from the study that microfinance institutions played important roles in entrepreneurship development - SMEs by making credit available for the entrepreneurs, empowering poor entrepreneurs and increasing savings opportunity for the business owners because the majority of the business owners had an impressive access to loans of the banks. However, the persistent collapse of SMEs in the area was majorly driven by excessive interest rate in obtaining capital from the microfinance institutions. In view of the above, the policymakers in Nigeria should embark on policy that would ensure a sustainable availability of credit to entrepreneurs, empowering poor entrepreneurs and increasing savings opportunity for the business owners and more importantly, cost of capital should be reduced drastically to curb persistent collapse of SMEs in the country.

Keywords: Microfinance, Institutions, Entrepreneurship, SMEs, Sango-Ota, Ogun State

JEL Classification: G28, G21, M13

1. INTRODUCTION

Entrepreneurship development has been one of the critical issues in developing countries due to inaccessibility of adequate funds (World Bank, 2015; Bakare & Babatunde, 2014). In Nigeria, lack of access to finance has been submitted to be one of the strategic bottlenecks to entrepreneurship development especially, small and medium enterprises (World Bank, 2015; Evbuomwan *et al.*, 2013; Nichter & Goldmark, 2009; Babajide, 2012). Adequate finance is one of the major backbones of enterprise, this is even becoming more critical when it comes to the case of small and medium scale enterprises. This is because these enterprises have limited sources of financing unlike the large-scale enterprises which could source investment funds from various reliable means such as equity and debt.

However, Small and Medium Enterprises (SMEs) characterized many business enterprises in developing countries. For instance, in an economy like that of Nigeria, the National Bureau of Statistics (NBS) estimated numbers of SMEs in Nigeria to be 41.4 million. The teeming number of SMEs in Nigeria has been of great impetus for achievement of equitable and industrial diversification, availability of value added products, employment generation in particular and economic growth and development as a whole in the country (Ofoegbu, Akanbi & Joseph, 2013; Ogujiuba, Fadila & Steigher, 2013; Musa & Aisha, 2012).

Meanwhile, over the time, in Nigeria, a sharp decline in the number of medium-sized enterprises has been observed between 2013 and 2017. NBS (2018) reported that these enterprises decreased by 61% in Nigeria within a space of four years. This is not far fetching from the ripple effect of unconducive business environment in the country, in which insufficient access to credit cannot be overemphasized. Therefore, it is instructive to admit that sustainable development of Small-Scale Enterprises requires substantial financial resources. Due to the indispensable roles credit plays in both start-up and expansion of businesses, microfinance institution has been regarded as strategic agent of economic development (Owenvbiugie & Igbinedion, 2015; Abu and Ezike, 2012; Onyeneke & Iruo, 2012). In Nigeria, SMEs find it difficult to have access to formal financial institutions like deposit money banks, Bank of Industry (BOI), and Nigerian Agricultural Cooperative and Rural Development Bank Limited (NACRDB) while sourcing for funds. The above assertion is reiterated by Adeyemi (2014) who posited that getting finances from external sources are always stringent in Nigeria, and as such, most of the SMEs stakeholders usually resort to internal sources of finance which could be from friends, associates or members of family.

Consequently, an attempt to facilitate the flow of credit to the micro, small and medium enterprises (MSME) subsector, the Nigerian government has initiated a series of programmes and policies in the past with a view to targeting the improvement of SMEs in Nigeria. This metamorphosed to the advent of the Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) in 2003. This agency is saddled with the responsibility of coordinating the development of the small and medium enterprises in Nigeria. In addition, in the same year, both the National Credit Guarantee Scheme and entrepreneurship development for SMEs were simultaneously revolutionized to facilitate SMEs access to credit without stringent collateral requirements. There is no doubt that SMEs in Nigeria lack the capacity to fulfil the requirement of loan from the formal financial institutions. This necessitates the creation of informal institutions, which attempt to fill the gap on the platform of informal social arrangements. The aftermath effect of this idea brings about the birth of microfinance banks in Nigeria. As such, the federal government of Nigeria in 2005 adopted microfinance as the major avenue of financing SMEs in Nigeria with advancement of appropriate guidelines and policy framework designed to facilitate effective microfinance operations in the country (CBN, 2011).

However, in spite of intervention of the CBN and proliferation of microfinance banks in Nigeria, the majority of business owners in Nigeria have not been able to access essential financial services, especially funding from the these financial institutions (Agbaeze & Onwuka, 2014; Van Rooyen, Stewart, & De Wet, 2012; Suberu, Aremu, & Popoola, 2011). This has invariably led to underdevelopment of entrepreneurship because most of SMEs in the country could not experience a substantial growth owing to lack of access to credit and financial services (Oluseye, 2014; Kolawole, 2013). Some studies have also reinforced that poverty, unemployment and stunted economic growth are persisting in Nigeria due to the lack of access to credit by small business operators who do not have access to regular bank credits (Owenvbiugie & Igbinedion, 2015; Obadeyi, 2015).

In view of the above problem, study regarding the impact of microfinance institutions on entrepreneurship development in Nigeria becomes highly imperative in the recent time. Even though various empirical investigations have been carried out in examining the impact of microfinance institutions on the development of small and medium enterprises in Nigeria, most of these works focused on regional part of Nigeria. For instance, Olowe *et al.* (2013), Odebiyi and Olaoye (2012) examined how operations of SMEs were affected by micro financing in the South-Western Nigeria. Similarly, Oleka, Maduagwu & Igwenagu (2014), Onyeneke and Iruo (2012) focused their studies on the South-Eastern Nigeria. Meanwhile, the focus of Oshiobugie & Okoh (2015), Owenvbiugie & Igbinedion, (2015) and Edafiaje, (2011) were South-South Nigeria. In the same vein, the research works Musa & Aisha (2012), Magaji & Saleh (2010) focus on micro financing and SMEs with case study of Northern Nigeria. It is worth of note that the empirical findings of these studies are conflicting which make the literature to lack a consensus about the impact of micro financing on SMEs development in Nigeria. Also, the impact of microfinance institutions on entrepreneurial development has not received adequate research attention in Ogun state, because past empirical evidence also shows that most of the studies on impact of microfinance institutions on entrepreneurial development that have been reported in Nigeria were carried out in outside Ogun state. The implication of this, is that, there is a major gap in the relevant literature in the state, which has not been adequately researched. In the same vein, it is instructive to state that the regional studies in Nigeria lack the capacity to project the true impact of microfinance institutions on SMEs in each state of Nigeria due to heterogeneous nature of each of the states. Therefore, there is a knowledge gap that requires urgent empirical works about the impact of micro financing institutions on SMEs on state level as a clear departure from most of the previous studies that have regional arrangements. Also, a study that is state focused could provide clear cut results quite unresolved in the existing studies. Hence, the relevance of this study.

In addition, an in-depth research that provides answers to the following research questions in Ogun State are extremely scarce in the recent time: do microfinance institutions contribute to sustainable SMEs development in Ogun State? Do entrepreneurs have access to credit from microfinance institutions for SMEs development in Ogun State? Has microfinance impacted entrepreneurship in Ogun State? What reasons account for the persistent collapse/failure of SMEs in the state?

The main objective of the study is to examine the extent to which microfinance institutions can impact entrepreneurial development of small and medium enterprises (SMEs) with reference to Ogun State and Nigeria by extension.

2. LITERATURE REVIEW

Due to the high premium placed on the development of entrepreneurship in the developing countries in the recent times, studies have become profound regarding the role of micro financing in driving the growth SMEs across the globe. Meanwhile, in the work of Abdussalam and Tukur (2014), how microfinance bank facilitated small enterprises growth with case study 120 firms in Sokoto State of Nigeria was examined with the application of multiple regression. It was discovered from the study that microcredit accessibility caused a positive impact on the value of physical assets of the surveyed firms. Similarly, microcredit accessibility caused a positive impact on the generation of employment in the state. In another study carried out by Ofeimun, Nwakoby and Izekor (2018), the impact of micro financing on small businesses between 1990 and 2015 was examined in Nigeria with the application of the ordinary least square regression. The author submitted that micro financing had a positive impact on the business growth in the country. In another related focusing on Kenya, Okibo and Makanga (2014) examined how microfinance institutions improved poverty reduction in the country employing descriptive survey design. The author argued that microfinance institution microfinance services was rendered to different groups of women by the institutions. And at same time, different strategies were adopted by the institutions in disbursing small loans to women with a view to helping them in starting and expanding their ventures.

However, Aderemi *et al.* (2019) researched the nexus between the financing of entrepreneurship and the Nigerian nation building over the time utilizing ARDL model. The study discovered entrepreneurship financing had not translated to nation building in the country. Akingunola, Olowofela and Yunusa (2018) analysed the contributions of micro financing to the growth of micro and small enterprise (MSE) with reference to Ogun State, Nigeria. The study made use of simple regression to analyse 408 selected samples and discovered that an inverse relationship existed between intermediary financial services and the selected MSEs. It was also discovered that a direct linkage existed between microcredit and expansion of the selected business. While sampling 15 small businesses across Lagos State, Taiwo *et al.* (2016) examined the way microfinance institutions contributed to the financing of small businesses in the state. The authors argued that the impact of micro-financing was significant in promoting businesses because there was a reduction in the resource gap for all the sampled businesses. Aderemi *et al*. (2020: a) examined the aftermath effect of COVID-19 lockdown on one hundred selected small and medium enterprises in Nigeria. It was discovered in the study that COVID-19 lockdown orchestrated a moderate fall in production and turnovers, but an upsurge in contracts reduction and deliveries during the studied period. Meanwhile, in another related study in Mogadishu (Somalia), Ahmed (2015) investigated how microfinance institutions were faced with challenges in eradicating poverty in the country, using survey method. The evidence from the study indicated that microfinance institutions caused poverty eradication in the country. Ogunleye *et al.* (2020) adopted Autoregressive Distributed Lagged, Bounds test and Error Correction Model techniques in assessing how entrepreneurship financing caused eradication of poverty in Nigeria between 1990 and 2018. It was discovered from the study that SMEs financing such as manufacturing and food processing business led to poverty reduction both the short run and long run simultaneously. This corroborates with the assertion put forward by Aderemi *et al.* (2020: b).

3. METHODOLOGY

The aim of this study is to investigate the contributions of microfinance institutions to entrepreneurship development in Nigeria with the application of mixed-method research: quantitative and qualitative methods. This implies that in answering the following research question: Do microfinance institutions contribute to sustainable SMEs development in Ogun State? Do entrepreneurs have access to credit from microfinance institutions for SMEs development in Ogun State? Has microfinance impacted entrepreneurship in Ogun State? Are entrepreneurs in Ogun State aware of the importance of microfinance? What reasons account for the persistent collapse of SMEs in the state? both quantitative and qualitative research approaches were utilized. Consequently, a qualitative approach, using well-structured questionnaire and follow-up interviews, was applied in this study. In addition, this research aims to develop a model that would reveal how microfinance adds value to the performances of SMEs in Ogun State, Nigeria.

3.1. PECKING ORDER THEORY

The theoretical framework for this study is anchored on Pecking order theory which was first championed by Donaldson in 1961 and later popularised by Stewart C. Myers and Nicolas Majluf in 1984. The subject matter of the theory states that enterprises prioritize their sources of financing ranging from internal financing to equity which is premised on the cost of financing. The enterprises prefer using equity as a financing means of last resort. Therefore, internal funds would be utilized first, and when exhausted, debt is issued, and when it is not sensible to issue any more debt, equity is issued. Meanwhile, in corporate finance, pecking order theory argues that asymmetric information increases the cost of financing. There are three sources of financing, which are internal funds, debt and new equity.

However, it is worthy of note that enterprises put their sources of financing as a priority, by firstly preferring internal financing, and when that is exhausted, then debt is issued; and when it is no longer sensible to issue any more debt, equity is issued. It has been argued in this theory that businesses adhere to a hierarchy of financing sources and prefer internal financing when available, and debt is preferred over equity if external financing is required (equity would mean issuing shares which meant 'bringing external ownership' into the company). Thus, the form of debt a firm chooses can act as a signal of its need for external finance.

3.2. STUDY DESIGN

The study made use of primary data collected from small and medium business owners operating in Sango-Ota industrial estate of Ogun State. One of the major reasons why this survey was conducted in Sango Ota and its environs is that Sango-Ota is the commercial centre of Ogun State which has the largest number of SMEs and consequently possesses the highest internally revenue generation capacity in the state.

3.3. THE STUDY AREA

The description of the study area could be enunciated as adopted in the work of Aderemi *et al.,* (2020: b). “Sango-Ota is veritable industrial city in Ogun State, Nigeria, with an estimated population of 163,783 in the last 2006 census. Sango-Ota is the capital of the Ado-Odo Ota Local Government Area. The Local Government has the largest number of industries in the state. The local government contributes the highest internally generated revenues in Ogun state. Sango-Ota has one of the largest concentration of industries in Nigeria.“ (Aderemi *et al.,* 2020: b, p.254).

3.4. ANALYTICAL METHOD

This study aims at providing empirical answers to the following research questions do microfinance institutions contribute to sustainable SMEs development in Ogun State? Do entrepreneurs have access to credit from microfinance institutions for SMEs development in Ogun State? Has microfinance impacted entrepreneurship in Ogun State? Are entrepreneurs in Ogun State aware of the importance of microfinance institutions? What reasons account for the persistent collapse of SMEs in the state? Addressing these questions requires the measurement of the impact of microfinance bank as the volume of credit disbursed to SMEs. Meanwhile, entrepreneurship development was measured by volume of trade engaged by the selected SMEs and their profitability. However, 180 SMEs who actively made used of microfinance banks at least in the last five years were purposively selected in the study location.

4. ANALYSIS AND PRESENTATION OF DATA

4.1. SECTION A: BACKGROUND FEATURES OF THE SELECTED ENTREPRENEURS AND ENTERPRISES

Table 1: *Demographic Characteristics of Respondents (Entrepreneurs)*

Variable	Item	Frequency	Percentage
Profession	Entrepreneur	116	64.4
	Private Servant	31	17.2
	Public Servant	13	7.20
	Educationist	20	11.2
	Total	**180**	**100.0**
Business Type	Food and Consumables	140	77.8
	Education	22	12.2
	pharmaceuticals	1	0.60
	Telecommunication	12	6.70
	Oil and Gas	5	2.7
	Total	**180**	**100.0**
Business Age	5-10 years	76	42.2
	11-15 years	88	48.9
	16-20 years	10	5.60
	21 years and above	6	3.30
	Total	**180**	**100.0**
Gender	Male	89	49.8
	Female	91	50.2
	Total	**180**	**100.0**

Age	18-30 years 31-40 years 41-50 years 50 years and above **Total**	64 89 19 8 **180**	35.6 49.4 10.6 4.40 **100.0**
Working experience	5-10 years 11-15 years 16-20 years 21 years and above **Total**	64 87 17 12 **180**	35.6 48.3 9.40 6.7 **100.0**

Source: Field Survey (2021)

Table 1 shows that 64.4% of the respondents were engaged in entrepreneurship only, 17.2% were still engaged in another profession as private servant, 7.20% were engaged as public servant and 11.2% were engaged by educational sector. Meanwhile, looking at the business type of the respondents, it could be established that 77.8% of the businesses were foods and consumables, 12.2% were schools and educational consultancy, 0.60% were pharmaceuticals, 6.70% were telecommunication and 2.7% were into oil and gas.

However, 42.2% of the businesses had existed between 5 and 10 years, 48.9% existed between 11 and 15 years, 5.60% existed between 16 and 20 years and 3.3% existed above 20 years. Similarly, the gender diversity of the respondents shows that 49.8% of the respondents were male and 50.2% were female. The age bracket of the respondents shows that 35.6% were between 18 and 30 years, 49.4% were between 31 and 40 years and 15% were above 40 years. Furthermore, the working experience of the respondents indicated that 35.6% of the respondents had 5 to 10 years working experience in their businesses, 48.3% had 11 to 15 years working experience, 9.40% had had between 16 and 20 years working experience and 6.7% had 21 years and above.

In summary, the majority of the respondents were entrepreneurs who engaged in foods and consumables enterprises, in which the business had existed between 11 and 15 years. Also, many of the respondents were within age range of 31 and 40 years, with the minimum of 10 years working experience and maximum of 15 years working experience.

Table 2: *Classification of Enterprise Ownership Structure*

Enterprises	Frequency	Percentage (%)	Valid %	Cumulative %
Sole Proprietorship	123	68.3	68.3	68.3
Partnership	27	15.0	15.0	83.3
Private Limited Company	18	10.0	10.0	93.3
Public Limited Company	12	6.70	6.70	100
Total	**180**	**100.0**	**100.0**	

Source: Field Survey (2021)

The ownership structure of the selected enterprises was shown in table 2 with the following statistics; 68.3% of the respondents were one-man business otherwise known as sole proprietorship, 15.0% were partnership, 10.0% were private limited company and 6.70% were public limited company. Therefore, many of the participants were one-man business owners.

Table 3: *Enterprises Monthly Sales Turnover*

Monthly Sales Turnover (Naira)	Frequency	Percentage (%)	Valid %	Cumulative %
1 million	11	6.10	6.10	6.10
2 million	24	13.3	13.3	19.4
3-5 million	59	32.8	32.8	52.2
6-10 million	73	40.6	40.6	92.8
11 million and above	13	7.20	7.20	100
Total	**180**	**100**	**100**	

Source: Field Work (2021)

Table 3 shows the financial strength of the selected enterprises in terms of monthly sales turnover. It could be established that 6.10% of the respondents had a monthly sales turnover of 1 million naira, 13.3% had 2 million naira, 32.8% had a minimum of 3 million naira and maximum of 5 million, 40.6% had a minimum of 6 million naira and maximum of 10 million naira and 7.20 had above 10 million naira. This implies that the surveyed enterprises had a minimum of 6 minimum and a maximum of 10 million naira as their monthly sales turn over.

Table 4: *Years of Entrepreneurs` Banking Relationship with Microfinance Institutions*

Years of Experience with MFBs	Frequency	Percentage (%)	Valid %	Cumulative %
5 years	46	25.6	25.6	25.6
6– 10 years	89	49.4	49.4	75
11years and above	45	25.0	25.0	100
Total	**180**	**100**	**100**	

Source: Field Survey (2021)

Table 4 shows the entrepreneurs` relationship as clients of microfinance banks. 25.6% of the respondents had a minimum of 5 years as clients of microfinance banks, 49.4% had a minimum of 6 years and a maximum of 10 years and 25.0% had more than 10 years. The implication of the above is that the majority of the respondents had a minimum of 6 years and a maximum of 10 years banking relationship with microfinance banks during their businesses.

4.2 SECTION B: IMPACT OF MICROFINANCE INSTITUTIONS AND SMES DEVELOPMENT

***Table 5**: Importance of Microfinance in Entrepreneurship Development*

Importance	Frequency	Percentage (%)	Valid (%)	Cum. (%)
To provide credit	41	22.8	22.8	22.8
To empower the poor entrepreneurs	23	12.8	12.8	35.6
To increase savings opportunity	29	16.1	16.1	51.7
All the above	87	48.3	48.3	100
Total	**180**	**100**	**100**	

Source: Field Survey, (2021)

Table 5 shows the important roles microfinance institutions played in the development of entrepreneurship over the time. The following statistics shows that 22.8% of the respondents submitted that microfinance institutions provided only credit for their businesses, 12.8% argued that microfinance institutions empowered only poor entrepreneurs, 16.1% opined that the institutions only increased savings opportunity of the respondents and 48.3% asserted that microfinance institutions provided credit, empower the poor entrepreneur and increased savings opportunity respectively. This implies that microfinance institutions played important roles in entrepreneurship development by making credit available for the entrepreneurs, empowering poor entrepreneurs and increasing savings opportunity for the business owners.

***Table 6:** MFBs Programmes for Entrepreneurship Development*

Accessibility of MFBs Programmes	Frequency	Percentage	Valid (%)	Cumulative (%)
Loans	73	40.5	40.5	40.5
Overdraft	13	7.20	7.20	47.7
Daily Savings	16	8.70	8.70	56.4
Women Empowerment	2	1.10	1.10	57.5
Development of Network	1	0.55	0.50	58
Organizing Seminars/Workshops	2	1.10	1.10	58.1
Capacity Building and Training	13	7.2	7.2	65.3
All the above	61	33.7	34.7	100
Total	180	100	100	

Source: Field Survey (2021)

Table 6 shows the accessibility of the various programmes designed by the microfinance institutions in driving entrepreneurship by the respondents. 40.5% of the correspondents had access to loans for their businesses, 7.2% had access to overdraft, 8.70% had daily savings with the institutions, 1.10% had access to women empowerment, 0.50% had access to network development, 1.10% had access to seminars/workshops of the institutions, 7.2% had access to capacity building and training, and consequently, 33.1% had access to all the programmes designed by the institutions to facilitate entrepreneurship development. Therefore, it could be inferred from the above that many respondents only had impressive access to loans while reverse was the case of other programmes of the banks.

Table 7: *Reasons for Small and Medium Enterprises (SMEs) Failure/Collapse*

Reasons	Frequency	Percentage (%)	Valid (%)	Cumulative (%)
Poor Management of Enterprises	12	6.70	6.70	6.70
Inaccessibility of Credits	23	12.8	12.7	19.4
Excessive Interest Rate	94	52.2	52.2	71.6
Inadequate funding	3	1.67	1.67	73.3
Political Instability	2	1.11	1.11	74.4
Change in Government Policy	7	3.89	3.89	78.3
Misuse of loans	4	2.20	2.20	80.5
Loan Defaults	7	3.44	3.44	84.0
All the above	28	16.0	16.0	100
Total	**180**	**100**	**100**	

Source: Field Survey (2021)

Table 7 shows the reasons for the persistent collapse of SMEs in the location of the study. The opinions of the respondents were given as follows; 6.70% of the respondents attributed the reason to the poor management of enterprises, 12.8% inaccessibility to credits, 52.2% to excessive interest rate, 1.67% inadequate funding, 1.11% to political instability, 3.89% to change in government policy, 2.20% to misuse of loans, 3.44% to loan defaults, and 16.0% to all the above reasons. Many of the respondents posited that the persistent collapse of SMEs was majorly driven by excessive interest rate in obtaining capital.

5. SUMMARY, CONCLUSION AND RECOMMENDATION

This study has provided empirical answers to whether microfinance institutions has played enough roles in entrepreneurship development in Ogun State, Nigeria. A sample of 180 SMEs was purposively selected in Sango-Ota industrial area of Ogun state, Nigeria. A well-structured set of questionnaires administered to the selected SMEs owners to elicit primary data for a rigorous empirical analysis. Consequently, the following are the summary of the important findings that emerged in this study; most of the selected entrepreneurs engaged in foods and consumables enterprises, in which the business had existed between 11 and 15 years. Also, many of the respondents were within age range of 31 and 40 years, with the minimum of 10 years working experience and maximum of 15 years working experience. Further analysis confirmed that the majority of the participants were one man business owners, who had a minimum of 6 million and a maximum of 10 million naira as their monthly sales turn over, and at the same time had a minimum of 6 years and a maximum of 10 years banking relationship with microfinance banks in the course of their businesses. Moreover, it was discovered from the study that microfinance institutions played important roles in entrepreneurship development - SMEs by making credit available for the entrepreneurs, empowering poor entrepreneurs and increasing savings opportunity for the business owners because the majority of the business owners had an impressive access to loans of the banks. However, the persistent collapse of SMEs in the area was majorly driven by excessive interest rate in obtaining capital from the microfinance institutions.

In view of the above, since microfinance institutions have the capacity to drive entrepreneurship development - SMEs in Ogun State specifically, and Nigeria by extension, the policymakers in Nigeria should embark on policy that would ensure a sustainable availability of credit to entrepreneurs, empowering poor entrepreneurs and increasing savings opportunity for the business owners and more importantly, cost of capital should be reduced drastically to curb persistent collapse of SMEs in the country.

LIMITATION OF THE STUDY

This study is limited in its generalization in Nigeria because it focused on only Sango-Ota Industrial Area of Ogun state, Nigeria. The restriction to only this area was due to COVID-19 pandemic and majorly lack of FUNDING. However, further empirical studies in all Local Government Councils of Ogun State, and all States in Nigeria cannot be undermined in improving the generalization of this study, if FUND is readily available.

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